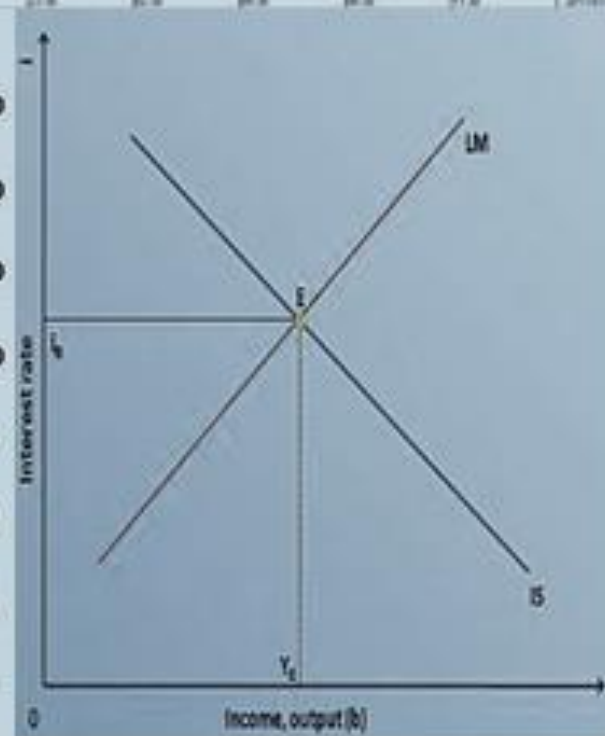


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PUBLIC EMPLOYEES PERCEPTION OF TELEWORKING AND INTERNAL COMMUNICATION IN THE PUBLIC INSTITUTIONS DURING THE PANDEMIC GENERATED BY SARS-COV2 VIRUS

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ABSTRACT: *The context of the COVID 19 pandemic has forced almost everybody to reconsider the way they conduct businesses and go to work to fulfill their job as an employee. A major change was known by the public institutions in Romania and worldwide, the normal course of conducting the activity dramatically changed in the course of weeks, as the home of the employees became their new office. This article aims to show the impact of teleworking on a category of public servants, respectively those who work within the National Agency for Fiscal Administration in Romania. Also, it will reflect the changes in the internal communication of the institution and the way it affected the respondents motivation and more aspects related to the one's own perception of the changes produced in the way of working for a better understanding of the phenomenon. The results will point out that the changes have had a significant impact both at an emotional level, but also at a behavioral level and will emphasize the need for a fast digitalization of the institution for a better conduct of the activity.*

Keywords: *teleworking, pandemic, human resources, public institution, internal communication.*

JEL codes: *C83, C93, H12, H19, H83, M54*

INTRODUCTION

In Romania, telework was legislated by Law number 81 of March 30, 2018 on the regulation of telework activity. It is defined as: the form of work organization through which the employee, on a regular and voluntary basis, fulfills his duties specific to the position, occupation or trade he holds, in a place other than the work organized by the employer, at least one day per month, using information and communication technology, and the teleworker is any employee who carries out his activity under the conditions mentioned above. The mentioned document also establishes the conditions in which the telework activity is carried out, there being provisions regarding the attributions of the teleworker, as well as of the employer.

In accordance with the rules relating to teleworking contained in Title II, art. 108 - 110 of the Labour Code, this type of work has the following characteristics:

- the employee carries out the duties specific to the position he holds at his place of domicile and not at the employer's premise;
- the work schedule shall be determined unilaterally by the employee;
- the employer has the legal right to verify the activity carried out by the employee under the conditions laid down in the individual contract of employment by specifying the programme in which he can carry out the verification and the concrete way of carrying it out;
- the employer is obliged to ensure the transport to and from the employee's place of domicile of raw materials/materials and finished products.

The regulations of Law No. 81/2018 on the regulation of telework state:

- the employee shall regularly and voluntarily perform his duties specific to the position, occupation or occupation of the office which he holds, in a place other than the place of work organised by the employer, at least one day a month, using information and communication technology;

- the work schedule shall be determined, in agreement with the employer, in accordance with the provisions of the individual employment contract, the internal regulation and/or the applicable collective agreement;

- the employer has the right to verify the activity of the teleworker under the conditions laid down in the individual contract of employment, the internal regulation and/or the applicable collective contract of employment by indicating the programme in which he is able to verify the activity and the specific way in which the control is carried out;

- the parties shall determine the period and/or days on which the teleworker carries out his activity at a workplace organised by the employer;

- the employer and the teleworking person identify in concrete terms the place/places of telework activity;

- is the way of highlighting the hours of work provided by the teleworker with the express indication that only full time employees can provide overtime;

- the responsibilities of the parties in the field of occupational health and safety;

- the employer's obligation to ensure transport to and from the place of the telework of the materials used by the teleworking person in his activity, as appropriate;

- the employer's obligation to inform the teleworker of the rules applicable to the protection of personal data;

- the measures that the employer takes to ensure that the teleworker is not isolated from the rest of the employees ensuring that he or she meets with coworkers on a regular basis);

- the conditions under which the employer bears the costs of working on a telework basis (in the absence of an agreement to the contrary between the parties);

- the obligation of the teleworker to carry out his activity in accordance with his training and training, without endangering him or his or her injury or other persons who may be affected by his actions or omissions during the work process.

Although the telework activity was regulated, the share of employees who worked from home in the last two years placed Romania on the penultimate place in 2018 and respectively on the last one in 2019, in the European Union, according to Eurostat (2020). If two years ago, only 0.4% of employees in Romania worked from home, in 2019 the figures did not increase much, reaching a share of 0.8% of total employees working in telework. Romania was at the bottom of the ranking on work from home and this is because the average of the European Union was 5.2% in 2018 and 5.4% in 2019.

The onset of the pandemic caused by the spread of the SARS-COV2 virus also forced public authorities to introduce work from home, as a measure to protect employees. In the context in which in other conditions telework represented a benefit and a motivating factor in choosing a job, it became an obligation and a measure taken in a situation of force majeure. In situations where there were no provisions in the employment contracts for the possibility of working in telework, the Ministry of Labor recommended the issuance of a unilateral decision, based on Article 48 of Law no. 53/2003 on the Labor Code which stipulates the following: the employer may temporarily change the place and type of work, without the consent of the employee, and in case of force majeure, as a disciplinary sanction or as a measure to protect the employee. According to the above recommendations, the unilateral decision should cover the following issues:

- the fact that the employee works from home,
- the period of time during which this measure will apply,

- the program in which the company has the right to control the employee's activity, as well as the concrete way of performing the control,
- the obligation of the employer to ensure the transport to and from the employee's home, as the case may be, of the raw materials and materials he uses in the activity, as well as of the finished products he makes.

Although, since the outbreak of the COVID-19 pandemic, major steps have been taken in the process of digitizing work, Romania remains the country with the lowest percentage of employees who have made the transition to telework, according to a Eurofund report (2020). Thus, our country is the only one in the European Union that has a percentage of less than 20% of employees who worked from home.

The purpose of this article was to show the impact that telework had on employees working in the National Agency for Fiscal Administration, hereinafter referred to as ANAF. The public institution concerned ensures the administration of taxes, duties, social contributions and other budgetary revenues given by law in its competence, the application of customs policy and regulations and the exercise of customs authority, as well as operational and unannounced control over the prevention, detection and combating of any acts and deeds of tax evasion and customs fraud, but also of other deeds given by law in its competence, according to the Government Decision no. 520 of 2013.

1. LITERATURE REVIEW

Fernando Filardi et al. (2020) through the article “Advantages and disadvantages of teleworking in Brazilian public administration: analysis of SERPRO and Federal Revenue experiences”, conducted research on the advantages and disadvantages of teleworking in public administration from the perception of 98 teleworkers and 28 managers at the Brazilian Federal Data Processing Service (SERPRO) and the Federal Revenue Service. The qualitative-quantitative research, consisting of questionnaires applied to teleworkers and interviews with managers, dealt with structural, physical, personal, professional, and psychological aspects, showed that advantages such as better quality of life, work-family balance, greater productivity and flexibility, the possibility of creating standard metrics, better assessment of the workload, and reduction of costs, stress, commuting time, as well as less exposure to violence. As for disadvantages, the study identified elements such as non-adaptation, lack of communication and connection with the company, psychological problems, lack of infrastructure and control of the teleworker. The research concluded that teleworking requires a management model that makes it more adherent to the public sphere.

Hanna de Vries et al. (2018) studied the effects of teleworking on a day-to-day basis using a daily diary methodology and followed public servants across five consecutive working days. The results highlighted that public servants experience quite negative effects from teleworking, including greater professional isolation and less organizational commitment on the days that they worked entirely from home. Contrary to predictions, working from home did not affect work engagement. The research also showed that higher leader-member exchange reduced the impact of teleworking on professional isolation.

Fernando Tavares et al. (2020) through the article “Teleworking in Portuguese communities during the COVID-19 Pandemic” based on a survey questionnaire applied to 359 individuals aged 18 years or over, who were teleworking in their homes and in a family environment, showed that adapting to teleworking was easy or very easy and that it happened very quickly. They discovered that the main difficulties encountered by the individuals were the lack of professional interaction/communication with coworkers, the lack of resources related to support infrastructures, such as the internet or a printer, and the reconciliation of

teleworking with family life/household chores/dedication to children and time/schedule management.

Maria Svidronova et al. (2020) used qualitative and quantitative approach based on original survey data from own research, including data collected within the LIPSE project. Main findings pointed out the factors that influence the use of telework in the conditions of Slovakia in a selected public sector organization, e.g. the social, technological and inter-institutional dynamics factors play a vital role in telework adoption.

2. DATA AND METHODOLOGY

The present study is characterized by being a nonexperimental, simple descriptive type, as it allows describing and perceiving the characteristics inherent to the phenomenon of teleworking without establishing relationships among variables (Quivy and Campenhoudt, 2013).

The target population of the present study were individuals aged 18 years or over, who were working in the National Agency of Fiscal Administration and teleworking, in their family and home environment, during the state of emergency and alert caused by the situation of the COVID-19 pandemic induced by the SARS-CoV-2 virus.

In the present study, a quantitative methodological approach was used, and the instrument used was a questionnaire survey.

The completion period of the online survey was 02-31 October 2020, to which 1,153 respondents responded. The multi-layered questionnaire consisted of 28 questions (closed, open or with multiple answers), and the degree of completion varied according to the interest and perception of each respondent on the proposed themes. The data was completed and collected using the Monkey Survey online platform, which allowed A.N.A.F. employees access to the survey regardless of whether they were on telework or physically present at the institution's headquarters.

The implementation of this questionnaire was determined by the current context created by the COVID pandemic, in which case it was considered necessary to assess the perception of the impact of the pandemic on the organisation. Current and interesting research is the management of resistance to change and the adaptability of the human factor to situations of emotional and behavioural stress through the tools of probing specific opinions, perceptions and attitudes during the transition periods generated by the change.

In this respect, the questionnaire for A.N.A.F. employees was structured on three main topical topics:

- a) assessing the perception of the impact of COVID 19 on the organisation and employees,
- b) telework and
- (c) internal communication within the institution.

The COVID pandemic that we have all crossed this year has affected, as expected, our institution, the relationship with taxpayers, but especially employees in all the central and territorial structures of the A.N.A.F. The answers to the questions given in the questionnaire indicate the extent to which the institution was prepared to deal with all measures to prevent and combat the COVID pandemic, manage and ensure the smooth continuation of activities and improve ongoing projects.

The novelty element captured by this questionnaire is the work of telework, as an alternative activity of work in the public system, which has created different expectations, perceptions and behaviors among employees who have experienced this option.

The analysis of the process of change and adaptation to the new measures tracks the impact on the organisation and employees of cases of telework change, development of new

skills, online training, communication assurance, including through online applications and platforms (such as Zoom, MS Teams, etc.).

The questionnaire starts with a set of six general questions, which concern the function occupied by employees within structures at central and territorial level, seniority in work by age group, expresses the degree of experience and stability in the public system, demographic data on the gender, age and level of education of employees. All 1,153 respondents answered this set of questions.

The first theme of the survey, namely the impact of the COVID pandemic on the organisation and employees, is contained in a set of four questions, which concern the change produced at the institution level, how it was perceived by employees, emotional and behavioural impact among the 1,035 respondents.

Telework is a new theme in opinion polls in public institutions. It was processed in the context of that questionnaire by a set of five questions in which it was tracked how employees were perception, behaviour and evaluation of this alternative to the activity involving physical presence at the institution's premises. 994 employees responded to this topic, or 86.21% of the total 1,153 survey participants.

Internal communication is represented in the questionnaire by a set of 13 questions. Please note that 909 employees (78.84%) answered the 13 questions of the total 1,153 respondents, and 937 employees (81.27%) answered the first 9 questions of the total of 1,153 respondents.

Thus, after collecting the data, I performed the data analysis, which I centralized and verified using SPSS and Office Excel programs.

3. RESULTS

The most relevant questions and answers are as following (question, answer, percentage and number of respondents):

Q7. How do you rate the change produced by the COVID-19 pandemic at the institution level?

Major change - will affect and redesign processes, activities and long-term labour relations 51.30% 531

Conjuncture change - strong impact, but in the short term, with the end of the crisis, things will go back to normal, as before 35.27% 365

Minor change - it has only had effect in the plan of hygienic-sanitary and social protection measures 8.70% 90

I do not know/I do not answer 4.06% 42

Others (specify) 0.68% 7

TOTAL 1.035 respondents

Q8. How has the COVID-19 pandemic affected you?

Impact at the level of perception and behavior - I had to change my behavior to the new conditions and restrictions 71.30% 738

Impact predominantly emotional - I was worried for myself and those close to me 41.06% 425

I was reserved and distrustful 6.57% 68

I don't know/I don't answer 2.71% 28

Other (specified) 2.22% 23

TOTAL 1.035 respondents

Q9. In your opinion, what are the institutional benefits generated by the COVID-19 pandemic?

Flexibility of work schedule (different hours of start and end of the program) 20.77% 215
 Rotating presence at the office (alternating telework / office activity) 31.40% 325
 Teleworking 24.06% 249
 Communication and solving work tasks through online tools (internet, platforms, whatsapp, mobile, etc.) 36.52% 378
 Creativity and adaptation to a new way of working 34.20% 354
 Accelerate the computerization of online appointments and filings for taxpayers 40.58% 420
 I don't know / I don't answer 10.05% 104
 Other (specify) 5.99% 62
 TOTAL 1,035 respondents

Q10. But the disadvantages of the crisis generated by COVID-19?

Reduced interaction with colleagues / superiors 60.48% 626
 Management during working hours and personal matters 8.89% 92
 Decreased salary income 49.86% 516
 Predominantly individual work 23.00% 238
 Longer time to solve tasks 29.28% 303
 Lack of debates and constructive discussions 51.88% 537
 I don't know / don't answer 3.77% 39
 Other (specify) 4.35% 45
 TOTAL 1,035 respondents

Q11. What is your perception of telework?

I really like 9.56% 95
 I like 22.54% 224
 Neutral 36.02% 358
 I dislike 24.25% 241
 Other (specify) 7.65% 76
 TOTAL 994 respondents

Q12. What do you think will be the impact of telework on the activity of the institution?

Positive 30.58% 304
 Negative 43.46% 432
 There will be no impact 25.96% 258
 TOTAL 994 respondents

Q13. What challenges did you face during the telework period?

Lack of equipment needed to carry out the activity (laptop, tablet, printer, scanner) 53.82% 535
 Time management 13.08% 130
 Collaboration with colleagues 35.71% 355
 Use of new communication methods (online, phone calls, e-mail) 18.51% 184
 Inefficient / diminished communication from hierarchical superiors 14.19% 141
 IT problems (connecting, accessing office applications) 39.13% 389
 Lack of guidance from hierarchical superiors 11.07% 110
 Low productivity 17.91% 178

Increased anxiety 14.39% 143
 Dissatisfaction from the family 7.65% 76
 No challenge 18.31% 182
 TOTAL 994 respondents

Q14. What benefits has teleworking brought you?
 More relaxed working environment 41.25% 410
 Reduced anxiety 9.46% 94
 Savings in the budget 13.18% 131
 Increased productivity 13.78% 137
 More time spent with family 23.94% 238
 More rest 6.94% 69
 No benefit 43.26% 430
 TOTAL 994 respondents

Q15. If you had a choice, apart from the restrictions imposed by the pandemic, how often would you prefer to work from home?
 All the time 9.15% 91
 1-2 days a week 28.47% 283
 One week per month 21.53% 214
 Never 30.58% 304
 I don't know / I don't answer 10.26% 102
 TOTAL 994 respondents

Q16. In the position you hold within the A.N.A.F., what internal communication tools have you used in the last 12 months?
 Face-to-face communication 66.28% 621
 Direct communication during meetings, meetings, briefings 31.27% 293
 Electronic communication via e-mail, whatsapp, messenger, etc. 84.74% 794
 Written communication through notes, addresses, papers, written provisions, etc. 52.29% 490
 Direct electronic communication through applications such as Zoom, MS Teams, Cisco Webex, etc. 20.38% 191
 TOTAL 937 respondents

Q18. What are the internal communication channels through which you have received information, tasks, dispositions in the last 12 months?
 Top-down written communication through notes, addresses, information, etc. 62.43% 585
 Verbal communication of the disposition of the superior hierarchical chief 62.01% 581
 Top-down electronic communication via e-mail, whatsapp, sms, etc. 84.63% 793
 Face-to-face communication, horizontally, between colleagues during meetings, debates, internally organized information 30.52% 286
 Informal communication (discussions, unofficial comments in the hallways, over coffee, during breaks) 7.79% 73
 Other (specify) 1.49% 14
 TOTAL 937 respondents

Q19. How do you appreciate the importance of internal communication in accomplishing tasks?

Unimportant - its role is only to transmit information and internal resolution 2.88% 27
 Medium importance - as it gives you the opportunity to request additional information, communicate with colleagues / structures involved and collect feedback 15.80% 148
 Very important - offers the opportunity to disseminate useful information throughout the institution and increase the performance of the organization 78.34% 734
 Don't know / Don't answer 2.99% 28
 TOTAL 937 respondents

Q22. What are the tools that would contribute to the improvement / development of internal communication within the A.N.A.F.?
 Electronic correspondence between structures 75.56% 708
 Direct electronic communication through online platforms (Zoom type, MS Teams, Cisco Webex, etc.) 39.91% 374
 Two-way face-to-face communication (meetings, meetings, debates) 38.10% 357
 Development of forms for collecting and responding to employee feedback (type "Your voice is heard" or other sections on the intranet dedicated to employees) 26.15% 245
 Organizing opinion polls on the evaluation of internal communication 19.64% 184
 Don't know / Don't answer 5.12% 48
 Other (specify) 1.17% 11
 TOTAL 937 respondents

Q23. In your opinion, what are the directions for the development of internal communication within the A.N.A.F.?
 Formalization of the internal communication process through a procedure 27.85% 261
 Implementation of an Internal Communication Plan, covering situations of crisis or change 38.85% 364
 Creating an Internal Communication Guide for various situations and forms (communication within teams, electronic communication, communication in difficult situations, communication in the campaign, etc.) 49.73% 466
 Organizing training and education sessions in the field of internal communication skills 35.97% 337
 Don't know / Don't answer 11.63% 109
 Other (specify) 1.28% 12
 TOTAL 937 respondents

Q25. How do you appreciate that the internal communication took place during this period generated by the COVID-19 pandemic?
 I was always informed and supported during the crisis 22.33% 203
 In general, 60.29% 548 communicated well and on time
 Insufficient communication was late and 13.86% 126
 I don't know / I don't answer 3.52% 32
 TOTAL 909 respondents

Q26. What communication channels do you consider to be effective during this period caused by the COVID-19 pandemic?
 Telephone communication 60.18% 547
 Electronic communication by e-mail 90.65% 824
 Electronic communication via whatsapp, sms, messenger 61.83% 562
 Communication on online platforms 31.02% 282
 Written communication 16.06% 146

Face-to-face communication 14.74% 134
 Don't know / Don't answer 0.88% 8
 TOTAL 909 respondents

Q27. In the context of the COVID-19 pandemic, what do you think are the long-term changes with an impact on internal communication?

Entering correspondence exclusively in electronic format of documents 60.62% 551
 Organization of the activity in a mixed system - in the office and in telework 60.07%
 546

Vocational training and managerial communication in online system 42.13% 383
 Conducting working meetings in videoconferencing system 43.34% 394
 I don't know / I don't answer 6.60% 60
 Other (specify) 1.87% 17
 TOTAL 909 respondents

CONCLUSIONS

Following the replies of the 1,153 respondents who participated in the completion of the questionnaire, we can draw the following conclusions on the impact of the COVID 19 pandemic on employees and on the organisation:

- At the organizational level, more than 51% of respondents considered that we are facing a major change, which can lead to the redesign of the institution's business processes, but also to the impairment of long-term working relationships. On the other hand, 35% of respondents appreciate that we have a conjuncture change, but with strong impact, and things will return to their previous state with the end of the pandemic. On a personal level, the majority of respondents (71%) considers that the new conditions and restrictions imposed by the COVID pandemic had a strong behavioural and emotional impact, compared to 7% of the survey participants, who remained reserved and distrustful of the evolution and consequences of the pandemic.

- In terms of the benefits and opportunities generated by the pandemic, 41% of respondents identified the acceleration of the institution's computerisation and digitisation, communication through online tools and the introduction of the telework system.

- Correlatively, the main disadvantages generated by the pandemic are identified in the area of interpersonal relations (60% of respondents), the decrease in salary income (50% of respondents), the allocation of more time for solving tasks (29% of respondents), correlated with the predominantly individual work and the non-differentiation between the time allotted for work and personal life (9% responsible).

Following the assessment of the perception of the 994 A.N.A.F. employees who participated in the completion of this questionnaire, we can draw the following conclusions:

- The activity is a new one, which has not been experienced in the institution, and the perception of employees regarding this activity is not yet a consolidated one. Moreover, the interpretation is largely conditional on the restrictions and measures to combat the COVID pandemic.

- In this respect, about a third of respondents who have experienced work at home have appreciated that they like it a lot (23%) and a lot (10%) this new way of working, 36% of respondents were reserved in expressing a qualitative opinion, and 24% of respondents rated this activity as unpleasant (there is a possibility that it was associated with restrictive measures and decreased wage income).

- Those who positively rated work at home mentioned as benefits the relaxing environment, the greater time spent with the family, the savings to the personal budget and

even increased productivity of work. People who do not support or want the alternative work system, consider that it does not bring them any benefit.

- Under these conditions about 60% of employees expressed one option or another for telework (either by means of a rotation plan or permanently), while a third (31%) respondents do not want this alternative work system.

- In terms of the challenges that employees had to respond to during their work at home, they were linked to access to the necessary equipment (laptop, tablet, printer, scanner), IT problems (connection, access to applications used in the office), but also lack of collegial interactions.

- The association with the restrictive measures imposed by the COVID pandemic 19 led to the assessment of a negative impact of the telework system on the activity of the institution by 43% of respondents. On the other hand, there are 31% of respondents who have positively assessed the impact of this alternative for the institution's work. However, as a new activity for the public system, a consistent number of respondents (26%) have not identified or consider that telework has an impact on the organisation.

Internal communication was rated as very important by 78% of the 937 respondents to the survey as it provides the opportunity to disseminate useful information throughout the institution and can contribute to the development of performance. Average importance was given 15% of respondents to internal communication, with a focus on requesting additional information and collecting feedback. By contrast, only 3% of respondents rated internal communication as unimportant as it comes down to the transmission of information and resolutions.

Regarding the tools used in the last 12 months, which also included the period generated by the COVID pandemic 19, we note the great importance given to electronic communication via e-mail, whatsapp, messenger (85% respondents), but also to direct, face-to-face communication (66% respondents). These forms of internal communication were also considered the most effective both in terms of two-way communication in current situations, but also in difficult situations. At the same time, we note the orientation of a relevant percentage of respondents (20%) direct electronic communication through Zoom, MS Team, Cisco Webex, etc. applications under the new restrictive conditions generated by the COVID pandemic.

Moreover, following the survey, 60% of respondents considered that they communicated well and in time during the crisis imposed by the COVID pandemic, 22% of respondents considered that they had been informed and supported and only 14% of the survey participants concluded that there was insufficient and late communication.

Thus, in the perception of respondents, the main innovative internal communication tools that could contribute to its improvement, but also to its development within ANAF, are: electronic correspondence between structures (76% respondents) and direct electronic communication through online platforms (40% respondents). However, it should be linked to the implementation of an Internal Communication Guide for various situations and forms (team communication, electronic communication, communication in difficult situations, campaign communication, etc.), a shared opinion of 50% of respondents and an Internal Communication Plan, which also covers crisis or change situations (39% of respondents).

In addition, in order to support all these changes generated by the COVID pandemic in the internal communication plan, the questionnaire participants consider that it is necessary to enter correspondence exclusively in electronic form of documents (60.62% respondents), the conduct of working meetings in a videoconferencing system (43%), vocational training and managerial communication in the online system (42.13%) by organising training and training sessions in the field of internal communication skills (36%), including through coaching sessions (16.39%). The need for training/training is one of the main conclusions of this survey.

In the options of survey respondents, the internal communication tool preferred by the vast majority of employees is electronic communication via e-mail, whatsapp, messenger etc., which is considered the most effective means of internal communication. At the same time, electronic communication via e-mail, whatsapp, messenger etc. was also considered the most effective in resolving/overcoming crisis situations, in which case most employees would choose e-mail to receive provisions from senior management.

From this perspective, in the perception of survey respondents (60%), the main change with a long-term impact on internal communication due to the context of the COVID pandemic 19, is the introduction of correspondence exclusively in electronic form of documents.

Electronic communication mediated by e-mail, whatsapp, messenger, etc. is still considered the most effective means for transmitting information, provisions, tasks and organizing the work of employees (80% of respondents), both in current situations and in difficult situations. Already a tool used by ANAF, it has been considered essential for this period of crisis from a professional point of view.

At the same time, it is gaining ground, the option for electronic communication via MS Teams, Zoom, Cisco Webex, etc. (20% of respondents), which ensures the possibility of effective direct communication between departmental or within teams. Until the onset of the health crisis, video communication was used by a small percentage of ANAF employees, so this internal communication tool had the biggest leap of use in the six months of activity analysed.

We note that, in a situation of crisis and unexpected changes that have imposed a rapid pace for the implementation in a short time of measures scheduled to be implemented over several years, civil servants adapt to the changes and the work of the public institution does not suffer. Modern methods of communication are a real help in terms of internal and intercollegiate communication. At the same time, in the case of equipping the necessary equipment to carry out the activity, I consider it appropriate, if the telework activity becomes a habit, for the employing institution to provide the employees with the right IT equipment and to provide secure connections for the safe storage and transmission of non-public information.

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A NEW APPROACH TO THE CONFLICT-CHANGE-CREATIVITY RELATIONSHIP IN A PANDEMIC CONTEXT

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ABSTRACT: *With the emergence of the Coronavirus pandemic, the world has entered a new economic, cultural, educational and social period. Changes in all areas of activity have led to the creation of a new way of applying knowledge, innovation, but also conflicts. Thus, the great challenge for organizations has become to create core competencies that maintain a high level of performance by consolidating knowledge, increasing the staff capacity to create and innovate, increasing the resilience and the ability to manage conflicts. Conflict is the most common social phenomenon in organizations, enhanced by the permanent changes to which they are subjected.*

Conflicts can lead to a compromised job satisfaction, low motivation and lack of commitment; and thus to a lower employee performance. At the same time, properly managed, implementing adequate strategies of the change management and enabling people to use their creativity, the conflict could stimulate constructive debate, which could enhance employees' knowledge and competence. This not only improves employee loyalty and job satisfaction but also creates improved individual and corporate performance. More and more modern organizations are advocating for the development of people-oriented strategies, the relationship between the conflict management, the change management and creativity being very important for long-term goals.

Keywords: *change management, conflict management, creativity, pandemic context*

JEL Classification: *H12, O10, O40*

INTRODUCTION

The recent period, marked by the global crisis caused by the SarsCov2 virus, has shown us that the success of organizations depends on the creative ideas of their employees, as researchers in the field have argued since previous years. (Anderson, Potočnik and Zhou, 2014; Zhou and Shalley, 2011).

As the importance of creativity increases, organizations rely more on teams to bring diverse ideas and solutions to complex problems (Bell, Kozlowski, & Blawath, 2012). Teams are formed because they have various abilities to perform a task that the self-employed individual may not be able to perform effectively (Widmer, Schippers, & West, 2009). In doing

so, teams are commonly used because they are suitable for creating and producing new and innovative collective knowledge (Wuchty et al., 2007). But, team members should cooperate and share information with each other. However, when team members interact, they have different thinking that can lead to conflict (Huang, 2012).

At the level of teams facing organizational change, two predominant types of conflict are identified (Parayitam, Olson and Bao, 2010):

- **Relationship conflict** refers to incompatibilities between members regarding personal issues that are not related to tasks (Jehn, 1994). It is an example of a relational factor that contributes to increasing the creative potential of teams.

- **Task conflict** (or cognitive) is the difference in opinion or perception of the task that the team member performs (Yong, Sauer, & Mannix, 2014). It represents “the conflict over the distribution of resources, procedures and policies and the interpretation of facts” (De Dreu and Weingart, 2003, p. 741), and has been frequently examined due to the significant impact on the creativity of organizational change implementation teams. (Yong et al., 2014). This form of conflict facilitates the emergence of different ideas and / or points of view and improves dialogue and debate between team members, thus leading to increased team creativity (De Dreu, 2006).

Conflict and its impact are either positive or negative (Jehn, 1997). There has been a lot of research on the beneficial or harmful aspects of conflict in teams, and the results are inconsistent. On the one hand it can lead to the creation of routines, reduce productivity and satisfaction (Gladstein, 1984; Jehn, 1995; Wall and Nolan, 1986). On the other hand, it can increase creativity, decision-making quality and performance within organizations (Jehn, 1997; Leung & Tjosvold, 1998; Tjosvold, 1998). Various researchers have studied the effects of team conflict on performance in general (e.g., De Dreu & Weingart, 2003; Jehn & Mannix, 2001) and creative performance, in particular (e.g., De Dreu, 2006; Farh, Lee and Farh, 2010; Miron-spektor, Erez and Naveh, 2011).

But in the conditions of the Coronavirus pandemic, the relationship between change, conflict and creativity within teams has undergone multiple transformations, mainly due to moving activities in the digital environment, working from home and making employees' work schedules more flexible.

Work and its role in society have become the subject of considerable public comment and debate in recent years. Some people believe that the world of work is changing so fast and fast that we should consider ourselves pioneers of a new historical era. The gradual and evolutionary changes in the nature of work show us that society is facing changes in many respects: demographic and technological changes, market variations, organizational structures, employment practices and, last but not least, health crises.

During the Coronavirus pandemic, the concept of flexible working evolved rapidly, and its permutations proliferated. According to Forbes magazine, flexibility is the umbrella term used to describe any program that violates the traditional norm of eight hours a day, five days a week (Burnford, 2019) and Hassanain (2006) considers flexible work as: “the concept of physical appearance and functional workplace opportunities (and) the concept of organizational flexibility as to where and when staff would work regardless of the employment contract.”

Under these conditions, an increasing number of organizations have tried to offer employees various variants of work schemes, flexible, considering that in this way they can have motivated and efficient employees, but also that they can further reduce operating costs. However, there were also aspects that were not initially taken into account: relationship and task conflicts, which occurred due to the change of the physical work environment with the digital one, due to physical distance, unfair distribution of tasks or lack of collaboration and work in team.

Thus, organizations had to find short, medium and long term solutions to optimize the relationship between the new conflict, the drastic change they were subjected to in a very short time and the creativity of work teams, so necessary in these difficult times.

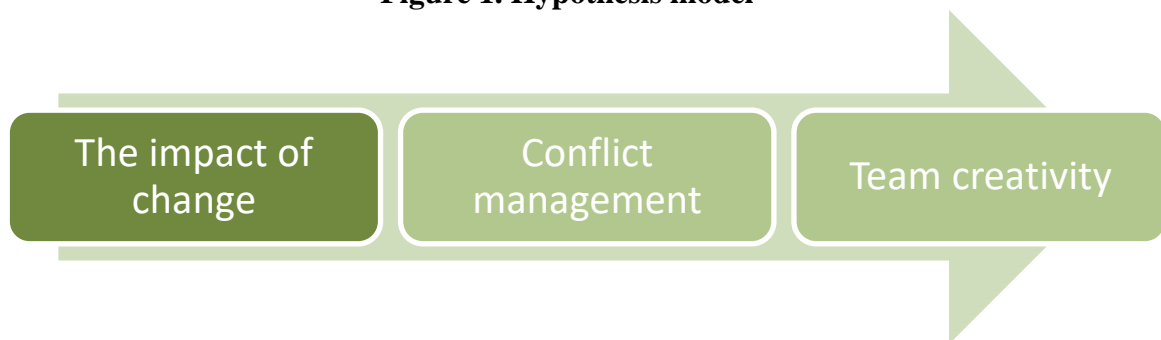
2. RESEARCH METHODOLOGY

In the conditions of the Coronavirus pandemic, many organizations have moved their activity to the digital environment, which has led to a new approach to the conflict-change-creativity relationship. Team members specializing in different fields have the potential for creativity (Keller, 2001; Lovelace, Shapiro and Weingart, 2001). They bring different ideas to find new and useful solutions (Amabile, Conti, Coon, Lazenby, & Herron, 1996; Oldham and Cummings, 1996). But the change caused by the transition to online activities, the flexibility of the program or even work at home, led to conflicts, which generated new conditions for the emergence of creative, innovative ideas in work teams.

This study addresses the conflict-change-creativity reality through the prism of a creative team from an organization that had to move its activity in the online environment and work from home throughout the state of emergency.

Hypothesis: The more efficient the management of conflicts generated by organizational change (caused by the Coronavirus pandemic), the higher the level of creativity of the team.

Figure 1. Hypothesis model



Research tool: To measure the impact generated by the conflicts generated by the organizational changes imposed by the Coronavirus pandemic on the creativity of the teams we applied a questionnaire with 17 items, adapted to current working conditions according to items proposed by researchers in the field, using a scale Likert in 5 points:

5 = Total agreement

4 = Agreement

3 = Indifference

2 = Disagree

1 = Total disagreement

The questionnaire was structured on four dimensions:

- Team creativity
- Relationship conflict
- Conflict of tasks
- The impact of change

Team creativity. We adapted five of the items formulated by Zhou and George (2001) to the pandemic context. We chose those items that measure creativity manifested in ideas and solutions to improve performance and adapt them to the flexible working context.

Relationship conflict. We adapted four items from Jehn and Mannix (2001) to assess the perceived level of relational conflict within a team, generated by

Conflict of tasks. We adapted five items formulated by Jehn and Mannix (2001) and assessed the perceived level of disagreement on task issues within a team.

The impact of change. We have created three items that measure the level of adaptation to change of human resources in the context of the digitalization of work and the flexibility of the work schedule.

Demography

This section includes the gender characteristics, career level, professional experience and education of the participants as shown in Table 1. The sample studied consists of the creative team of an organization, with six members.

Due to the small number of respondents, the case study implies a qualitative approach to the answers received.

Table 1. Statistics of demographic variables

Characteristics	Level	Number	Percentage
Gender	Male	2	33,33%
	Female	4	66,67%
Position in the organization	Art Director	1	16,67%
	Copywriter	2	33,33%
	Junior copywriter	1	16,67%
	Junior Art Director	2	33,33%
Age	Less than 1 year	1	16,67%
	1 year - 5 years	4	66,67%
	5 years - 10 years	1	16,67%
	10 ani – 20 ani	0	0%
	More than 20 years	0	0%
Education	Secondary education	0	0%
	University studies	2	33,33%
	Postgraduate studies (master's degree)	4	66,67%
	Phd	0	0%
Total number of participants	6		

3. THE RESULTS OF THE CASE STUDY

The responses to the questionnaires applied provided the following data:

3.1. Team creativity. We averaged the answers given to the five items to create a measure of the team's creativity. Cronbach alpha for measuring the team's creativity is 0.76, the coefficient having a good consistency.

As can be seen from the table below (Table 2) the highest scores are when identifying new technologies, processes and techniques (28) and new problem approaches using digital technology (27), proving the team's openness to new, to the digital environment, facilitated by the flexibility of the work schedule (26).

Lower scores (22) were recorded when identifying creative solutions to problems, through digital applications and suggesting new ways to perform work tasks, shared through Social Media, mainly due to problems related to inefficient communication, misinterpretation of data or poor management of situations.

Table 2. Team creativity level

Team creativity	The initials of the members of the creative team						Total score
	.A.	.R.	.T.	.M.	.R.	.T.	
Creative solutions to problems are often identified through digital applications							22
A new approach to problems is often found through the use of digital technology							27
The team suggests new ways to perform work tasks, shared through social media							22
We are looking for new technologies, processes, techniques and / or product ideas							28
New ideas and practices to improve performance often appear when the work schedule is flexible							26

3.2. Relationship conflict. Cronbach's alpha for measuring relationship conflict is 0.83 the coefficient having a good consistency.

The data in the table below (Table 3) show an increased level of frustration of employees surveyed due to emotional conflict in the team, facilitated by the distance brought by digitalization and telework (14), but also frequent conflicts of ideas due to online collaboration defective (13). With an average score (13) we find the item the existence of relational tension in your work group, due to the limitation of face-to-face meetings, score due to lack of employee commitment by limiting meetings between employees, employees-customers, employees-managers.

At the other end of the spectrum is the item People on your team get annoyed frequently, motivating technical, connectivity or security issues of personal data with a low score (8), which is justified by the involvement of the management team in ensuring the technical

conditions, the necessary digital means and the implementation of an effective policy for the management of personal data.

Table 3. Level of relationship conflict within the team

Relationship conflict	The initials of the members of the creative team						Total score
	.A.	.R.	.T.	.M.	.R.	.T.	
There is often relational tension in your workgroup due to limited face-to-face meetings							2
People on your team often get annoyed, citing technical, connectivity, or personal data security issues.							
Emotional conflict is often present within the team, facilitated by the distance brought by digitalization and telework							4
Frequent conflicts of ideas arise due to faulty online collaboration							3

3.3. Conflict of tasks. In order to measure the level of conflict of tasks within the creative team surveyed, we took into account the fact that, in the context of the Coronavirus pandemic, a sense of urgency prevails and a crisis atmosphere can easily arise, due to many unpredictable aspects: speed of spread. virus, the affected geographical area, political and economic reactions, human resource reactions, program flexibility, unfair distribution of tasks, etc. Thus, according to Table 4, the items with the highest scores were: There are often disagreements about the distribution of tasks within the team, enhanced by the flexibility of the work schedule (22) and Conflict over responsibilities is frequently present (21) .

Team members gave lower scores to items: Presence of disagreements about the task of the project (16), People often have conflicting opinions about the project in progress (14), Allocation of resources within the team creates frequent disputes (13), highlighting the relationships of quality between employees and between employees and the team manager, as well as effective communication.

Cronbach's alpha for measuring the conflict of tasks is 0.75 the coefficient having a good consistency.

Table 4. Level of task conflict within the team

Conflict of tasks	The initials of the members of the creative team						Total score
	A.	R.	T.	M.	R.	T.	
Presence of disagreements regarding the task of the project							16
People often have conflicting opinions about the project in progress							14
Disagreements often arise over the distribution of tasks within the team, enhanced by the flexibility of the work schedule.							22
Conflict over responsibilities over tasks is common							21
Allocating resources within the team creates frequent disputes							13

3.4. The impact of change. Organizational change involves all staff in the organization. It requires the alignment of individual objectives with organizational objectives. Employees must participate in the change initiative for it to work. However, notes Timothy J. Galpin (1994), companies often focus on the more predictable components of the equation, such as financial statements, operations, and technology, without sufficient consideration of the human factor.

The items in the questionnaire applied to the creative team tried to highlight this aspect by obtaining high scores according to Table 5: Relationship conflict occurs less often when the work schedule is flexible (29), Often people react negatively to change (26), most of the time the change generates conflicts in the distribution of tasks in the team (26).

Cronbach's alpha for measuring the impact of change is 0.73 the coefficient having a good consistency.

Table 5. Level of change impact within the team

The impact of change	The initials of the members of the creative team						Total score
	A.	R.	.T.	.M.	R.	T.	
Often people react negatively to change							26
Most of the time, the change generates conflicts in the distribution of tasks in the team							26
Relationship conflict occurs less frequently when the work schedule is flexible							29

CONCLUSIONS

Following the analysis of the answers on the four dimensions of the questionnaire, we can deduce several directions for optimizing the conflict-change-creativity relationship in the conditions of work digitization, imposed by the Coronavirus pandemic:

- Promoting flexibility in the workplace. Giving employees free time to think about strategies and ideas is a good way to increase their creativity. Today's young people around the world consider flexibility in the way and place they work to be a necessity for their happiness, because it reduces the imbalance between time spent at work and time spent in the family;
- The use of digital collaboration applications. Collaboration applications are tools needed by current organizations to reduce costs and accelerate the time to market of products. Team collaboration applications not only support the success of teams that can combine both workers face to face as well as remote workers, but also allow real-time communication. As organizations embrace digital transformation and new ways of working, collaboration applications can improve the type of open communication that supports creativity, overcoming conflicts, and implementing change.

Even in the absence of a pandemic, flexible working arrangements can improve employee recruitment and retention efforts, increase organizational diversity efforts, encourage ethical behavior, and help the organization be socially responsible. Employers can experience: reduced cost, improved attendance and productivity, and increased employee engagement.

Each organization's response to COVID-19 must be dictated by its unique circumstances, in order to build solutions that quickly address issues that did not even exist a week ago. Some figure out how to reduce key activities in light of operating restrictions or the general market slowdown. Others try to intensify every conceived part of their business while seeking to meet the exponential demand for their products and services. Organizations in all fields have found themselves unwittingly in an environment where no one - be it an individual, an organization or a government entity - is immune to change.

In this new situation, people in the organization are the key factor in adapting to change through the simple but complicated reason that they must also change: they must accumulate new knowledge, absorb more information, approach new tasks creatively, manage and to resolve conflicts, improve their skills and, very often, change their work habits, values and attitudes towards the way they work in organizations.

The economic environment during this health crisis has become harsh and unforgiving. Organizations have had to adapt to change in order to survive or, in the worst case, have failed. Costly mistakes can create an unrecoverable situation. The margin of error varies from extremely small to non-existent.

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ACCOUNTING APPROACH THROUGH THE INTEGRATED INFORMATION SYSTEM OF ROMANIAN EDUCATION (SIIR)

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ABSTRACT: *Pre-university education has undergone rapid and profound changes through the continuous improvement of management, accounting and educational performance in pre-university education institutions. Educational institutions have been forced to adapt and acquire appropriate solutions to meet the challenges. In this situations, the choice and implementation of solutions certainly provides access to clearer and more concrete services, increasing the value of data and standardizing technological resources with institutional missions. The availability of a set of information, a database and primary tools of non-integrated analysis and control led to the need for a system such as SIIR – Integrated System of Romanian Education. By using this system it offers complete activities of management services but also of accounting within the pre-university education system from an operational, technical, administrative and essential point of view. From an accounting point of view, this system satisfies both the needs of users at the central level and the needs identified locally (the level of educational institutions). In this article we aim to test the advantages and disadvantages of the new information system as well as the impact of information technology on accounting systems identified in the sample of 15 educational institutions in Dâmbovița County, using a questionnaire with 15 questions addressed to both educational managers and other users of the SIIR. The conclusions showed the strengths and strenghts of this system but also an extremely high level of resistance to change.*

Keywords: *information technology, integrated information systems, technological endowment of schools, integrated information system of education in Romania.*

JEL Classification: M41, H61, M35

INTRODUCTION

In the age of digitalization, data has become one of the most important means for educational institutions. Previously, the manual system was used to collect, process and store information. At present, institutions have stored a huge amount of information, especially multinational companies. As a result of the Internet but also the technological transformation, information systems have become very necessary in all fields, including accounting and management. As a result, different types of information systems evolve for different purposes and according to needs, each playing a different role in institutions. The management information system is the most important tool in Romania, which offers reliability, is a complete tool, accessible and easy to understand information in a timely manner for system users. It aims to provide reliable, accurate, relevant and complete information to managers to improve organizational performance in institutions.

Accounting is the art of valuing, recording, classifying and communicating accounting and financial information about all transactions that have taken place within an institution. Information technology is a tool for processing, storing, organizing and transmitting data, generally through the use of electronic computers. Information technology has the ability to manage the data, information and knowledge used by institutions to achieve their objectives, in accordance with their mission and strategies. As a result of rapid access to information and the cancellation of unnecessary transactions, information technology and internet connection have led to significant changes in the work of accountants and improved the financial reporting system. These changes offer new possibilities and bring many challenges in the field of accounting, but also the support of institutions in decision making. Due to their positive impact, it defeats the negative effects, such as fraud or data security problems caused by the use of information technology. A significant impact of information technology on accounting systems is their ability to better record and supervise accounting transactions.

1. THE ADVANTAGES OF THE SIIIR SYSTEM IN ACCOUNTING

The paper combines qualitative and quantitative research, using specific methods, such as document analysis and content analysis. In order to fulfill the proposed objectives, we resorted to a series of bibliographic sources consisting of specialized books, accounting, fiscal and legal regulations, studies as well as articles published by various bodies in the field, to develop a quantitative survey-based research tool. We initiated a study that aimed at research in order to find an opinion of people directly involved in the management of financial-accounting activity in educational institutions.

The present paper aims to analyze the SIIIR technology in accounting, from the perspective of the impact of the flow of accounting processing. The management of activities within an educational institution differs depending on the complexity and needs and this involves different computer systems, including the nature of the activities. In these circumstances, data transparency and access to information in the shortest possible time can become a challenge for any educational institution. As a result, any correct and efficient conduct of business requires an integrated platform containing all the essential information for the institutions.

Romania is in the process of digitizing the most impactful areas, such as health, environment, transport and last but not least in education. In this context of the Covid 19 epidemic, the Ministry of Education has to implement one of the most difficult and extensive reforms. With the help of professionals from the ministry, they will implement reforms by researching objective data but also with the help of Romanians active with the competent authorities. There are numerous strategies for solving problems both locally and nationally, and for these precise information is needed which can be found on the Integrated Romanian Education System (SIIIR) platform. In figure 1 we have the presentation of accessing the SIIIR platform where we are asked to connect with a username and password.

Figure 1. Accessing the SIIIR platform

edu.ro

UNIUNEA EUROPEANĂ
Fondul Social European

GUVERNUL ROMÂNIEI
Ministerul Administrației
și Internelor

PODCA
INOVAȚIE ÎN ADMINISTRATIE

Ministerul
Educației
2007-2013

SIIIR - Sistemul Informatic Integrat al Învățământului din România

Autentificare

Introduceți numele de utilizator și parola

Utilizator: scoala

Parolă: *****

Autentificare

The Integrated Romanian Education System (SIIR) was funded from the Operational Program of the European Social Fund Development of administrative capacity in 2007-2013 and was part of a project called "Integrated Education Information System in Romania". The project context is a set of information, databases as well as primary tools for non-integrated analysis and control, and the beneficiary of this project being the Ministry of Education - Project Management Unit External financing.

By implementing this system (SIIR), the Ministry of Education is offered support for a good increase in capacity planning and monitoring of the Romanian education system. With the help of this SIIR system, the Ministry of Education wanted to develop an inseparable and flexible system for the complete management of activities in the education sector, which would include other existing databases and applications at the level of the Ministry of Education.

2. CHALLENGES IN TECHNOLOGY IMPLEMENTATION

The general objective is to increase the performances in the Romanian educational system by developing and implementing the Integrated Informatics System of the Romanian Education. With the help of this SIIR platform we have numerous useful activities for the institutions within the education system, including the accounting department, as follows:

- + managing SIIR users, roles, and permission templates;
- + nomenclature administration;
- + managing information regarding the school network;
- + managing the information necessary to substantiate the schooling plan;
- + managing the information needed to enroll in primary education;
- + managing the information needed to enroll in preschool education;
- + managing information on students enrolled in schools;
- + operation and generation of statistical situations;
- + **managing the data necessary to determine the standard cost per student;**
- + managing information on material resources of educational institutions;
- + human resources information management;
- + **financial data management;**
- + data management on extracurricular activities.

After accessing the platform, numerous modules are displayed, shown in figure 2, depending on the data to be entered or depending on the information / data required as follows:

- + school network;
 - + schooling plan;
 - + material resources;
 - + educational unit management;
 - + enrollment in kindergarten;
 - + enrollment in primary education;
 - + **financial data;**
 - + student management;
 - + social programs;
 - + HR;
 - + statistical data;
 - + communication;
 - + catalog;
 - + diploma.

Figure 2. Presentation of SIIIR application modules



In order to prepare the report on the state of financing of pre-university education, it is necessary to evaluate the allocation / management / execution of budgets for capital funding for the year ended, but also for updating / recalculating standard costs used to obtain capital funding formulas at the system level. pre-university education. New differentiation and correction coefficients can also be drafted, including for the basic financing of educational institutions.

In the Financial Data module, from the SIIIR application, there are the sub-modules Budget and Payments, where you enter the data related to the financial year ended, respectively the initial budget, the final budget and the payments made of that year, you enter the specific information for both basic financing as well as for complementary funding, as shown in Figures 3, 4 and 5.

Figure 3. Budget recording by years and quarters

Titlul	0,00	0,00	0,00	0,00	0,00	0,00	-	-
Titlul 71	0,00	0,00	0,00	0,00	0,00	0,00	-	-
Titlul 72	0,00	0,00	0,00	0,00	0,00	0,00	-	-
Titlul 85	0,00	0,00	0,00	0,00	0,00	0,00	-	-
Total	446.400,00	538.810,00	419.043,00	483.459,00	1.887.712,00		-	-

	Trimestrul 1	Trimestrul 2	Trimestrul 3	Trimestrul 4	Anual
T10					
10.01.01 - Salarii de bază	304.997,00	341.000,00	364.000,00	377.749,00	1.387.746,00
10.01.02 - Salarii de merit	0,00	0,00	0,00	0,00	0,00
10.01.05 - Spor pentru condiții de muncă	0,00	0,00	0,00	0,00	0,00
10.01.06 - Alte sporuri	6.136,00	7.000,00	8.000,00	35.115,00	56.251,00
10.01.07 - Ore suplimentare	0,00	0,00	0,00	0,00	0,00
10.01.08 - Fond de premii	0,00	0,00	0,00	0,00	0,00
10.01.09 - Prima de vacanță	0,00	0,00	0,00	0,00	0,00

The basic funding includes:

- ✚ expenses with salaries, bonuses, allowances and other salary rights in cash, established by law, as well as their related contributions;
- ✚ expenses with professional training;
- ✚ expenses with regular evaluation of students;
- ✚ expenditure on goods and services.

Complementary funding includes:

- ✚ investments, capital repairs, consolidations;
- ✚ grants for boarding schools and canteens;

- ✚ expenses for the regular national assessment of students;
- ✚ student scholarship expenses;
- ✚ student transportation expenses;
- ✚ expenses for teachers' commuting;
- ✚ expenses for the periodic compulsory medical examination of employees in pre-university education;
- ✚ expenses for school competitions and extracurricular educational activities organized within the education system;
- ✚ expenses for ensuring safety and health at work, for staff, preschoolers and students;
- ✚ emergency management;
- ✚ expenditure on participation in European cooperation projects in the field of vocational education and training;
- ✚ other expenditure of the nature of goods and services, which is not part of the basic financing.

Figure 4. Recording of payments

Total plăți	Plăți cumulate	Plăți aferente lunii selectate
Plăți cumulate		
Titlul 10	116.899,00	116.899,00
Titlul 20	13.877,38	13.877,38
Titlul 51	0,00	0,00
Titlul 56	0,00	0,00
Titlul 57	0,00	0,00
Titlul 58	0,00	0,00
Titlul 59	0,00	0,00
Titlul 65	0,00	0,00
Titlul 71	0,00	0,00
Titlul 72	0,00	0,00
Titlul 85	0,00	0,00
Total	130.776,38	130.776,38

Figure 5. Introduction of payments

Total plăți	Plăți cumulate	Plăți aferente lunii selectate
Titlul 71	0,00	0,00
Titlul 72	0,00	0,00
Titlul 85	0,00	0,00
Total	130.776,38	130.776,38

110	Plăți cumulate	Plăți aferente lunii selectate
10.01.01 - Salarii de bază	82.289,00	82.289,00
10.01.02 - Salarii de merit	0,00	0,00
10.01.05 - Spor pentru condiții de muncă	0,00	0,00
10.01.06 - Alte sporuri	2.812,00	2.812,00
10.01.07 - Ore suplimentare	0,00	0,00
10.01.08 - Fond de premii	0,00	0,00
10.01.09 - Prima de vacanță	0,00	0,00

For state education, all amounts related to budgets and payments will be recorded, both for basic funding and for complementary and additional funding.

The **Financial Data Module** provided in SIIIR for the activities in pre-university education within the activities carried out through SIIIR, both for the **Management of the data necessary to determine the standard cost per student** and for the **Management of the financial data**.

Figure 6. Budget execution

	Buget	Plăți	Buget - Plăți
Anual			
Total	1.887.712,00	1.882.425,00	5.287,00
Titlul 10	1.693.360,00	1.691.710,00	1.650,00
Titlul 20	167.000,00	167.000,00	0,00
Titlul 51	0,00	0,00	0,00
Titlul 56	0,00	0,00	0,00
Titlul 57	24.000,00	20.363,00	3.637,00
Titlul 58	0,00	0,00	0,00
Titlul 59	3.352,00	3.352,00	0,00
Titlul 65	0,00	0,00	0,00
Titlul 71	0,00	0,00	0,00
Titlul 72	0,00	0,00	0,00
Titlul 85	0,00	0,00	0,00
Trimestrul 1			
Total	446.400,00	408.889,46	37.510,54
Titlul 10	360.400,00	357.198,00	3.202,00
Titlul 20	76.000,00	49.052,46	26.947,54

Figure 7. Confirmations following the recorded data

During the research we were able to identify some advantages and disadvantages of the integrated information system of Romanian education, as follows:

Among the identified advantages we can mention:

- ✚ improving pre-university management for primary and secondary education by computerizing all processes and bringing them up to European standards;
- ✚ the generation of reports as well as financial analyzes determined to provide informational and decision-making support of another quality at a higher level;
- ✚ rapid information processing;
- ✚ a very good security of the system;
- ✚ time economy.

Regarding the disadvantages of SIIIR we can mention:

- ✚ the reluctance of human resources to form a complete and accurate database;
- ✚ in rural areas, in particular, we lack qualified staff, able to create and manage the database;
- ✚ shows resistance to change to school managers who do not have specialized knowledge of information technology, thus preventing the implementation of these systems no matter how strong and good they may be;

- ✚ the transition from previously used systems (eg BDNE) to the new system had to take place by importing the database originally created, after which the changes were introduced according to the new requirements;
- ✚ some anomalies but also numerous inconsistencies.

CONCLUSIONS

In the environment marked by rapid transformations, information technology is becoming an important strategic partner for activities. Information technology improves the performance of institutions and increases their competitiveness, as a result it has a positive impact on organizational processes, including accounting and finance but also other areas such as human resources and marketing. The accounting work was done manually, with the help of paper and pencil, but over time they were replaced with the most advanced techniques using information technology. The new technologies used in this field have a great impact in the accounting field, which includes computers, printers, faxes, smartphones, associated with the accounting software.

All institutions can afford to use information technology, from large institutions to small institutions. The spreadsheets support the accountants to perform in a positive way the calculations required by the reporting process but also by the accounting operations. Accounting software, currently used by most and at affordable prices, supports accountants in their accounting duties. Also the internet with its new paradigm, the internet of all things, nowadays connects everything from everywhere. Thanks to the connections offered by them, the data as well as the accounting documents can be registered, shared, and the online fiscal system of records and payment has improved the efficiency of the accounting departments. The Integrated Romanian Education System (SIIR) is a project that provides complete services for managing the activities of the pre-university education system. In this application (SIIR) there are a series of reports configured for each module, shown in Figure 8, and based on the data recorded in the application can be extracted other reports depending on existing requests. Due to this SIIR application, data are taken over on the data.gov.ro platform regarding the school network, the number of pre-university education units by foreign languages, by level of study, schooling plan, number of students in the pre-university system studying foreign languages.

Figure 8. Obtaining reports based on recorded data

Cod raport	Denumire raport	Descriere raport	Tip fisier export
1500	Raport buget - ordonare dupa tip buget	Raport buget - ordonare dupa tip buget	[X]
1501	Raport buget - ordonare dupa clasificatie/articol	Raport buget - ordonare dupa clasificatie/articol	[X]
1502	Raport plati lunare	Raport plati lunare	[X]
1503	Raport plati cumulate	Raport plati cumulate	[X]
1504	Raport buget final - plati cumulate	Raport buget final - plati cumulate	[X]
1505	Raport tip buget - plati cumulate	Raport tip buget - plati cumulate	[X]
1506	Raport tip buget - plati per titlu	Raport tip buget - plati per titlu	[X]
1507	Raport tip buget - plati per clasificatie	Raport tip buget - plati per clasificatie	[X]
1508	Raport tip buget - plati per clasificatie1	Raport tip buget - plati per clasificatie1	[X]
1509	Raport tip buget - plati per clasificatie2	Raport tip buget - plati per clasificatie2	[X]
1511	Raport verificare confirmare bugete si plati	Raport verificare confirmare bugete si plati	[X]
1512	Raport verificare completare bugete si plati	Raport verificare completare bugete si plati	[X]

Our research argues the predominant positive impact of information technology on accounting systems, which specifies improved performance in institutions. Thanks to information technology, many of the transactions can be carried out in a timely manner, in a simplified way and good decisions are made to achieve the objectives of the institutions.

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CLLOUD ACCOUNTING THE SOLUTION FOR MULTI-ENTITY FINANCIAL MANAGEMENT

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***ABSTRACT:** Constituting a growing presence in the contemporary world economy, groups of companies have over time aroused the interest of specialists in the field of economics who have focused on studying the particularities of organization and operation of these entities and finding techniques and methods that allow a global approach of these structures. Cloud technology has revolutionized our daily lives in recent years. Cloud accounting software now offers all the functionality and reliability of local accounting software but with many additional benefits that only online technology can offer. Cloud computing providers have significantly lower operating costs than companies that manage their own IT infrastructure due to their global level and the ability to aggregate the demand of more cloud computing users. From an economic perspective, cloud computing offers the possibility to access IT resources without having major expenses, thus significantly reducing the impact on the costs of newly established companies. The aim of this paper is to explore the factors that have led to the rapid growth of users of cloud accounting software.*

***Keywords:** Cloud computing; Accounting software, Cloud migration, Globalisation, Consolidation*

JEL Classification: M41, H30, H20

INTRODUCTION

The current national and international business environment is extremely dynamic and competitive. The main objective of an economic organization is to generate financial benefits for its shareholders (Geambaşu, 2012). Thus, for a company that operates and performs in this environment, elements such as access to information, speed of transmission, speed of decision making, staff mobility and flexibility in managing accounting activities are becoming increasingly important. In recent years, the interest of organizations to improve their business processes has become more and more accentuated (Geambaşu, 2012). For most CFOs, it is well known that a strong accounting system is a critical component of the information system, which conditions the smooth running of business.

Given that information technology has evolved extremely rapidly in the last decade, there is a need for a new approach to computerization of accounting, which can have a positive impact on the business. Cloud Computing technology has already penetrated the business environment, where companies are motivated by the cost and efficiency advantages of the new technology.

For many companies, accounting is a cumbersome and time consuming process. Collecting and recording data, organizing information, reconciling accounts and generating reports can prove to be difficult, costly and error-prone activities. This is often due to the use of an outdated accounting system in terms of information technology, which prevents information from being provided in real time, affecting the organization's ability to react to the competitive business environment, and causing for the business to operate at an optimal level. Traditional accounting systems are proving to be inefficient in relation to technological alternatives in the market (Arslana, et al., 2009).

1. ADVANTAGES OF CLOUD COMPUTING IN ACCOUNTING

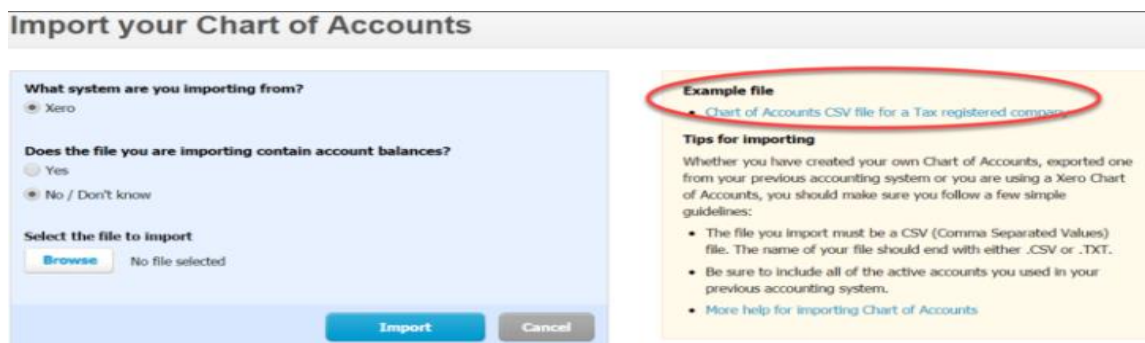
Through Cloud Accounting, accounting firms can compete with those that offer accounting services at a much lower cost. By encouraging clients to scan related invoices on a daily basis, the accountant can have real-time information that can be used to generate adjacent services to add value. Cloud Computing can provide new classes of applications and provide services that were not possible before. Thus, compared to traditional accounting, the Cloud accounting system can make the transition from basic accounting records to real-time business analysis, using large amounts of resources to understand customer needs, buyer behavior, supply chains and more far away. Process automation allows the financial department to collaborate with the other internal functions of a company by facilitating access to data and provides business units with analysis tools. This improves the decision-making process and enables managers and executives to perform their tasks more efficiently, with the help of real-time information, without compromising data integrity.

Similar to how the browser-based version and the mobile version of cloud accounting software can connect to each other, these applications can also connect to other third-party Internet-based applications. Connecting to different applications can simply mean transactions automatically related to basic accounting software or even adding and improving features in basic accounting software. As mentioned above, mobile applications with accounting software allow the storage of images with receipts with user-borne expenses. Some applications, such as *AutoEntry*, have taken a step further by incorporating OCR technology that interfaces with cloud-based accounting services. Optical Character Recognition (OCR) is software that converts document images into editable computer text files (Wyle, 2007). This allows users to scan forms, such as physical invoices and other images, such as PDFs, to make them searchable and fillable. This allows the program to identify key information on a form (e.g. seller name, date and amount) and send it to the system automatically. Another technology that could increase the transmission of data retrieved from OCR is artificial intelligence (AI). Artificial Intelligence is a computer-based system that mimics human behavior (Laudon, 2018). Through machine learning, which is the process of improving computer programs without explicit programming (Laudon, 2018), software can learn to perform tasks and even improve them.

2. CHALLENGES IN IMPLEMENTING CLOUD ACCOUNTING TECHNOLOGY

Although the benefits of Cloud Accounting technology are recognized at the corporate level, the implementation of Cloud applications is quite slow, due to the uncertainty of management in terms of control and ownership of information. According to a KPMG study, data security and confidentiality are among the main concerns of users regarding the use of Cloud Computing-based services. Security concerns are based on the fact that confidential company information is stored on a server that can be accessed via the Internet and not on your own computer. In an interview with Intacct, Bob Scott, executive editor of The Progressive

Accountant, said that Cloud Accounting applications are changing the way people work, but at the same time this shift is quite slow as accountants are generally more focused on business perspective than a technological one. Thus, they must look at this system of work as an opportunity, understand the changes and how they can benefit from these applications. The main concern of accountants for the transfer to a new system is justifiable. A successful business to be efficient and knowledgeable about what it offers. The transfer to a new system requires not only time to implement the system, but also for employees to become familiar with the software. The impact and complexity of moving to the cloud is related to the software, size, business style and technological experience of the company trying to implement it. As with any software change, the first thing you need to focus on is getting old information about the new software. For some cloud computing solutions, this task may not be as difficult as others. Many cloud software use CSV files to read accounting data from other software. These files are easy to manage through Microsoft Excel and are plain text, tabular versions of the user's accounting data. Although these systems have a means of importing previous data, they do not allow all types of files and may not be able to recognize every form or file uploaded. Recent transactions will need to be entered manually and other transactional information, such as direct entries in the general ledger, will need to be entered as summary information, such as a test balance sheet. If you do not have software or file types that comply with import restrictions, your historical data will need to be saved to your desktop. This will mean that the information on the cloud accounting software will start as summary information, with no historical data in it.



Source: <https://fitsmallbusiness.com/import-chart-of-accounts-xero-course/>

Code	Name	Type	Tax Code	Description	Dashboard	Expense Claims	Enable Payments	Balance
120	Accounts Receivable	Accounts Receivable	Tax Exempt (0%)	Outstanding invoices the company has	No	No	No	
130	Prepayments	Current Asset	Tax Exempt (0%)	An expenditure that has been paid for i	No	No	No	
140	Inventory	Inventory	Tax Exempt (0%)	Value of tracked items for resale.	No	No	No	
150	Office Equipment	Fixed Asset	Tax on Purchases (Office equipment that is owned and cor	No	Yes	No	
151	Less Accumulated Depreciation	Fixed Asset	Tax Exempt (0%)	The total amount of office equipment c	No	No	No	
160	Computer Equipment	Fixed Asset	Tax on Purchases (Computer equipment that is owned and	No	Yes	No	
161	Less Accumulated Depreciation	Fixed Asset	Tax Exempt (0%)	The total amount of computer equipme	No	No	No	
200	Accounts Payable	Accounts Payable	Tax Exempt (0%)	Outstanding invoices the company has	No	No	No	
210	Unpaid Expense Claims	Unpaid Expense Claims	Tax Exempt (0%)	Expense claims typically made by empl	No	No	No	

Source: <https://fitsmallbusiness.com/import-chart-of-accounts-xero-course/>

3. SECURITY

Not having the physical possession of the company's data and the thought of data security breaches are concerns that make managers uneasy. However, what organizations do not see is that cloud service providers often offer security measures that are superior to the security that many companies have on their internal servers. I propose that cloud service providers comply with best practices for protecting customer data with some of the most sophisticated techniques. Despite the security issues discussed above, many people have no problem using a cloud service known as mobile banking. An internet connection is all that is needed to access your bank account and personal financial information. Despite the amount of

personal data that can be accessed via the Internet, consumers use mobile banking because they trust the cloud security that the bank has implemented. The banking and financial industries are some of the most regulated when it comes to security, due to the amount of sensitive and private data they manage (Probasco, 2017). Similar to banks, cloud accounting providers use a high level of encryption. The servers in the data centers of cloud-based accounting providers offer a minimum of 128-bit encryption, and some offer up to 256-bit encryption. By making additional use of firewalls and intrusion detection software, providers ensure that data is secure because it is transported to data centers and stored indoors. Although encryption provides safeguards against direct access through hacking, such measures are unnecessary if a hacker guesses or gains access to the user's login information (i.e., user ID and password). Fortunately, security measures have also been implemented. Cloud accounting providers have different authentication techniques to ensure that the person who logs into the account is the authorized party. In addition to username and password, companies can implement two-factor authentication. This is a technique that requires the user to enter several forms of identification before they can connect. Some companies may also have the user enter a security pin that is emailed or sent as text when trying to connect. Another means of two-factor authentication is to ask the person logging in to answer a security question before they can access the data. In order for an unauthorized party or hacker to access your account and financial information, they must not only know your username and login, but they must also have access to registered devices or email accounts to validation codes. If, however, someone can successfully log in to your account, there are security measures in place to warn you and prevent further action. Many software vendors have a feature that, when enabled, notifies the authorized user that someone is connecting to the application. When such a login is made, the application warns the user, either by text or by e-mail, that a connection attempt has been made. If the login attempt was not authorized, the software will automatically disconnect the user and block additional access from that location or computer. Cloud software also includes permissions for users, which limit what data certain people can see and edit. If someone successfully enters the undetected system, they would need the appropriate user permissions to retrieve the data they are following. The audit log that is embedded in most software programs will also report when the data is changed and who changed it. This allows constant monitoring within the system.

4. FINANCIAL CONSOLIDATION

Corporations are nevertheless subjected to a plethora of sophisticated financial reporting obligations, as well as increased scrutiny from auditors and stakeholders. While transaction systems like enterprise resource planning (ERP) systems often feature general ledger modules that summarize outcomes at period's end, ERPs are unable to support the lengthy financial close process on their own. Financial consolidation and reporting tools bring substantial value by allowing for flexible, accurate, and quick reporting, and they interact with any ERP system with ease. It's difficult for most publicly traded corporations to compile historical data into monthly or quarterly reports. Meeting the business needs for both statutory/legal and management reporting is one of the most difficult tasks. Financial reporting that helps regulate public firms listed on the world's stock exchanges, as well as the related obligations outlined by governmental authorities such as the United States Securities and Exchange Commission, is referred to as statutory reporting. This is usually a prerequisite for quarterly reporting.

- The Financial Accounting Standards Board is a body that sets standards for financial accounting (FASB). The Financial Accounting Standards Board (FASB) provides financial accounting and reporting regulations for the United States.
- The International Accounting Standards Board (IASB) is a body that sets international accounting standards (IASB). In Europe and other nations, the IASB

publishes International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS).

- The government is in charge. Local governments or stock exchanges can issue accounting standards directly.
- Industry that is regulated. Companies in regulated industries, such as banking, insurance, and utilities, face unique accounting and reporting responsibilities.
- Authorities in charge of taxes. Local tax rules must be followed by all businesses.

5. MANAGEMENT REPORTING

Internal and management reporting are not the same as external or statutory reporting. Management reporting standards are determined by a company's managers, and the information is often not shared with governments or external parties. Management reporting obligations are typically vary for different organizational levels, and the reports are more analytic in nature than statutory reports. For example, statutory reporting does not need thorough budget variance analysis, which is an important part of management reporting. In addition, management reporting is frequently used to determine incentive-based pay. Financial consolidation and reporting apps are frequently adopted in an effort to shorten the financial closing and reporting cycle for a company. What is the significance of a quick close? Externally, timely and high-quality financial reporting is perceived favorably by investors and is an indicator of good governance. Internally, management will always want to know as soon as feasible how corporate plans are doing in comparison to expectations. Managers will have more time to assess and maybe change tactics if the closing is accelerated. The average time it takes for subsidiaries to complete their financial closure and report to the corporate center is twelve working days, although the fastest subsidiaries can deliver their financial data in as little as two days. Consolidation of the results takes on average ten working days, therefore the first consolidated results are delivered to the group management after twenty second working days. When we look at the fastest company in our analysis, we notice a significant difference. On the third working day, this company was ready to report and had a complete understanding of the group's financial performance.

CONCLUSIONS

Cloud accounting software has come a long way since its inception. A software solution that was seen a few years ago as inferior to its desktop counterpart has taken great strides to be a desktop application replacement solution. Although there are still issues with cloud computing, most of them have been addressed in recent years. Cloud accounting can be seen as a secure option, both digitally and physically, that offers cost savings, convenience and a user-friendly interface. While the final implementation decision rests with the user, the three vendors discussed in this thesis sell their software to SMEs. I think these are the companies that can benefit the most from cloud accounting software right now. I believe that most cloud solutions on the market right now do not have the depth of inventory systems and industry-specific features that are needed for these solutions to excel in a larger, inventory-based organization, or companies that require industry-specific solutions. The users who receive the most benefits are service-based or limited inventory-based organizations looking for convenient and affordable accounting software. With the new technology an accountant can provide real-time reporting and business profitability consulting services, cost analysis or decision support. Accounting processes are to be highly automated, supporting transparent information, which makes professional accountants reconsider their position and perceive analysis and consulting as the basis of the role they play. The need for consolidated financial statements is obvious,

they provide a more comprehensive picture of the real situation of a group, an image that can not be provided by the balance sheets of component companies, they allow the overall financial situation and results of the group to be expressed in a way global. The main factor in generating this need is the existence of multinational companies and multinational groups in foreign capital markets. In order to act as players in international capital markets, groups of companies must first have comparable, but sufficient or relevant information on existing investment opportunities. The existence of consolidated information at the level of a group of companies, especially when operating beyond the borders of the national economy, is a precondition for the economic success and performance of the group. The objective of the consolidated financial statements is to present the financial position, performance and evolution of the financial position of the entities included in the group of companies as if they were a single company. In any company, but especially in a group of companies, the substantiation of managerial decisions and, in particular, of investments has become a necessity due to the risks that could arise and cause a failure of the actions taken, but also due to significant costs. involved in the adoption and implementation of an inappropriate decision. Obtaining the information provided by the consolidated financial statements is a real and solid basis for substantiating investment decisions, strategic decisions and, last but not least, executive management decisions. An investment decision based on reliable, comparable, consolidated and realistic accounting information is subject to a high degree of success.

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THE ROLE OF THE CHARTERED ACCOUNTANT IN DIMINISHING THE EFFECTS OF CYBER FRAUD

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ABSTRACT: *In 2017, CERT-RO processed over 138 million cyber security alerts and an exponential increase in cyber fraud is expected. By its nature, the financial sector is in danger, registering an alarming growth in recent years, and about 70% of fraud remains undetected. When we talk about operations and security, financial organizations should use a multi-level, layered approach, focused on both the technical side and the human resource. Many financial institutions have been victims of cyber-attacks and social engineering. It is absolutely obvious that incidents are the result of human error, so prevention requires training, courses, awareness workshops. In the context of the pandemic caused by the new coronavirus, most activities have moved to the online environment, both services, customer-company interactions (browser or application) and employee-company interactions (confidential databases). In order to highlight the above, a comparative analysis is required between entities that have invested in cybersecurity and training of their own employees versus entities that have not been prepared for these exposures. In this sense, what would help the chartered accountant to play a significant role in diminishing the effects of cyber fraud?*

Keywords: *cyber security, human resources, professionalization, Social Engineering, digitalization, financial institutions, pandemic.*

JEL Classification : *M41, M53, M15*

INTRODUCTION

"Cybersecurity threats are escalating, thereby unnerving Boards of Directors, managers, investors, and customers of businesses of all sizes---whether public or private," observed Sue Coffey, The American Institute of Certified Public Accountants (AICPA) Executive Vice President of Public Practice. She also said: "While there are many methods, controls, and frameworks for developing cybersecurity risk management programs, until

now there hasn't been a common language for companies to communicate about, and report on these efforts" (Tysiac 2017).

In 2017, CERT-RO processed over 138 million cyber security alerts and an exponential increase in cyber fraud is expected. By its very nature, the financial sector is in jeopardy, growing alarmingly in recent years, and about 70% of fraud remains undetected. When we talk about operations and security, financial organizations should use a multi-level, layered approach, focused on both the technical side and the human resource. Combining them is the new challenge for economic institutions as many financial institutions have been the victims of cyber-attacks and social engineering. It is absolutely obvious that incidents are the result of human error, so prevention requires training, courses, awareness workshops.

In the context of the pandemic caused by the new coronavirus, most activities have moved to the online environment, both services, customer-company interactions (browser or application), and employee-company interactions (confidential databases).

This material aims to bring into focus the imminence of cyber fraud attempts in the financial accounting sector and proposes solutions for professionals in the field of risk reduction, the vector being the human resource. The purpose of the article is to raise awareness of the importance of employees training and to transform them from victims of cybercrime into combatants by disseminating information.

In their roles as protectors and administrators of value, accountants need to be involved in cyber security solutions, whether acting as consultants to their clients, in a financial-accounting team or in a more general strategic or operational role.

Using new digital metrics should just be a reasonable learning extension for these competent and experienced people, as part of their learning process to stay relevant for the company executives whom they are overseeing and the investors whom they are representing (Grove, Georg and Clouse 2017).

1. REVIEW OF THE SCIENTIFIC LITERATURE

There are numerous, recent 2017 and 2016 examples to emphasize attack and hack cybersecurity risks. Equifax, a U.S. credit-monitoring company, disclosed a data breach from hacking on September 7, 2017 where hackers may have stolen the personal information of 143 million Americans, one of the largest hacks ever. The company said that it had learned of the hacking on July 29 but did not disclose this hack publicly until September 7. A required Securities and Exchange Commission (SEC) report for executive trading showed that on August 1 and August 2, Equifax's Chief Financial Officer (CFO) sold shares worth \$946,374, the President of Equifax's U.S. information solutions division sold shares worth \$584,099, and another divisional President sold shares worth \$250,458 for a total of almost \$1.8 million (Riley et al 2017).

Table no. 1 Estimated global loss on cybersecurity (%)

Putting Malicious Cyber Activity in Context			
CRIMINAL ACTION	ESTIMATED COST	PERCENT OF GDP	SOURCE
GLOBAL			
Piracy	\$1 billion to \$16 billion	0.008% to 0.02%	IMB
Drug Trafficking	\$600 billion	5%	UNODC
Global cyber activity	\$300 billion to \$1 trillion	0.4% to 1.4%	Various
US ONLY			
Car Crashes	\$99 billion to \$168 billion	0.7% to 1.2%	CDC, AAA
Pilferage	\$70 billion to \$280 billion	0.5% to 2%	NRF
US- cyber activity	\$24 billion to \$120 billion	0.2% to 0.8%	Various

Source: Center for Strategic and International Studies, The Economic Impact of Cybercrime and Cyber Espionage

Global cyber-attacks in 2020, among which the costliest were reported in Computer Weekly:

- Currency exchange company Travelex has faced payment requests to decrypt the company's critical files after being hit by one of the most sophisticated ransomware attacks, known as Sodinokibi, which shut down IT systems on New Year's Eve.

The company, which operates in 70 countries, faced days of downtime after hackers made a devastating synchronized attack to hit the company when many of its employees were on vacation. According to security experts, the criminals requested a six-digit sum to provide Travelex decryption tools to recover the contents of files that have been encrypted by the virus.

- The criminal group responsible for the cyber-attack that disrupted banks and the foreign exchange chain Travelex for more than three weeks launched what has been described as a "massive cyber-attack" on parts manufacturer Gedia Automotive Group, with over 4,300 employees in seven countries, who said the attack would have far-reaching consequences for the company, which was forced to shut down IT systems and send staff home.

- The UK National Trust has joined a growing list of education and charities that have jeopardized the data of their graduates or donors in a two-month ransomware incident at US cloud software provider Blackbaud.

- IT services company Cognizant warns customers that a cyber-attack initiated by the ransomware group Maze has hit services to some customers. The IT services company, which has a turnover of more than \$ 16 billion and operations in 37 countries, provides IT services to companies in the manufacturing, financial services, technology and healthcare industries.

- Lloyds Bank customers were targeted by a phishing scam that hit mailboxes and text messages. The e-mail, which looks like an official correspondence from Lloyds Bank, warned its customers that their bank account had been compromised.

- Carnival cruise lines were hit by ransomware and customer data stolen.

- Hackers who launched the ReVIL or Sodinokibi redemption attack on law firms Grubman, Shire, Meiselas and Sacks (GSMS) have filed a \$ 42 million buybacks and threatened to release compromising information about US President Donald Trump.

In October 2016, a massive DDoS (distributed denial of service) attack slowed Amazon, Twitter, Netflix, Paypal, online newspapers, and many other websites to a crawl. The weapon was a Mirai botnet that was mostly made up of Internet of Things devices, like security cams. In April 2016, the Russian hacker, Guccifer 2.0, hacked the servers of the Democratic National Committee. He then created a WordPress page and posted emails, memos, and other information from the DNC files which Wikileaks also published. Subsequent investigations by the FBI and various U.S. Congressional committees continue to this day (Castelluccio 2017).

Another recent hack was also reported in September 2017 by the SEC. The 2016 hacking was on its online database of corporate filings, called the test Edgar system, which lets startup companies unfamiliar with filling out SEC forms get comfortable with the process before they do public announcements. These cybercriminals may have stolen corporate secrets and profited from having inside information ahead of public disclosures. This SEC hack disclosure was just two weeks after the Equifax hack disclosure and is triggering a renewed call for U.S. federal agencies and companies to do more to secure data. The SEC chairman said that the agency is working to increase public awareness of the "substantial systemic risks " associated with cybersecurity. A U.S. Senator, Mark Warner of Virginia , commented: "Information has become one of our country' s most valuable resources and control of that information comes with significant responsibility." (Bain and Robinson 2017).

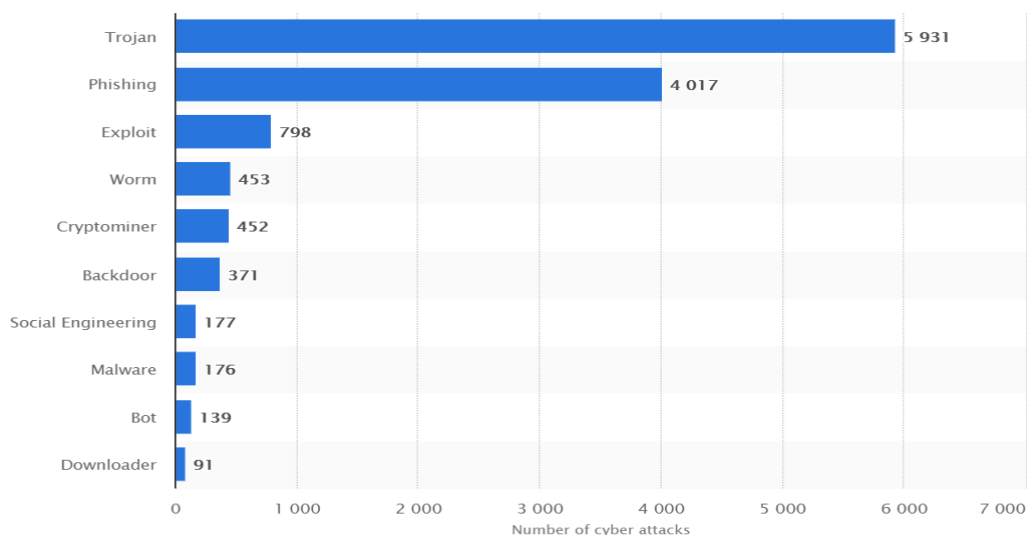
The Coronavirus outbreak is now the biggest cyber security threat of all time. The total volume of phishing emails and other security threats related to the Covid-19 coronavirus has been found to be the largest around a single topic that has been seen for a long time and possibly ever, as Sherrod DeGrippe, senior director of threat research and detection at Proofpoint announced.

Recently, the CERT-RO team received notifications regarding a series of phishing messages coming from e-mail addresses from abroad, targeting BCR customers.

It is a phishing attack by which attackers try to extract card data from users, serving them a certain scenario. How this attack works: the message comes from an address with no connection to BCR, from various domains (.com, .fr) The text has spelling inaccuracies, a sign that the attackers could have used an automatic online translation tool in Romanian. Under the pretext that BCR has 'updated its online security system', the attackers seek to persuade potential victims to enter the card data. Of course, the user should realize that it is a fraud attempted, especially if he used the card without problems during the specified period and even more since BCR published on the website a series of anti-phishing information, where specific: BCR 'will never ask you to disclose, confirm or modify your personal and / or bank or card authentication data by accessing a link sent by e-mail, or to access the internet banking application via a URL sent by e-mail'.

Several others phishing attacks took place in online, using the image of important companies, such as DEDEMAN and OLX. The directions of the scam were either a one in a million sale, or their account being in danger and requiring a confirmation.

There is good news for Romania, though, coming from European Union. On 9 December 2020, Bucharest, Romania was selected by representatives of the governments of the EU member states as the prospective seat of the new European Cybersecurity Industrial, Technology and Research Competence Centre.

Figure no. 1 Number of cyber-attacks in Romania in 2019, by type

Source: www.statista.com

The Cybersecurity Competence Centre will improve the coordination of research and innovation in cybersecurity in the EU. It will also be the EU's main instrument for pooling investment in cybersecurity research, technology and industrial development.

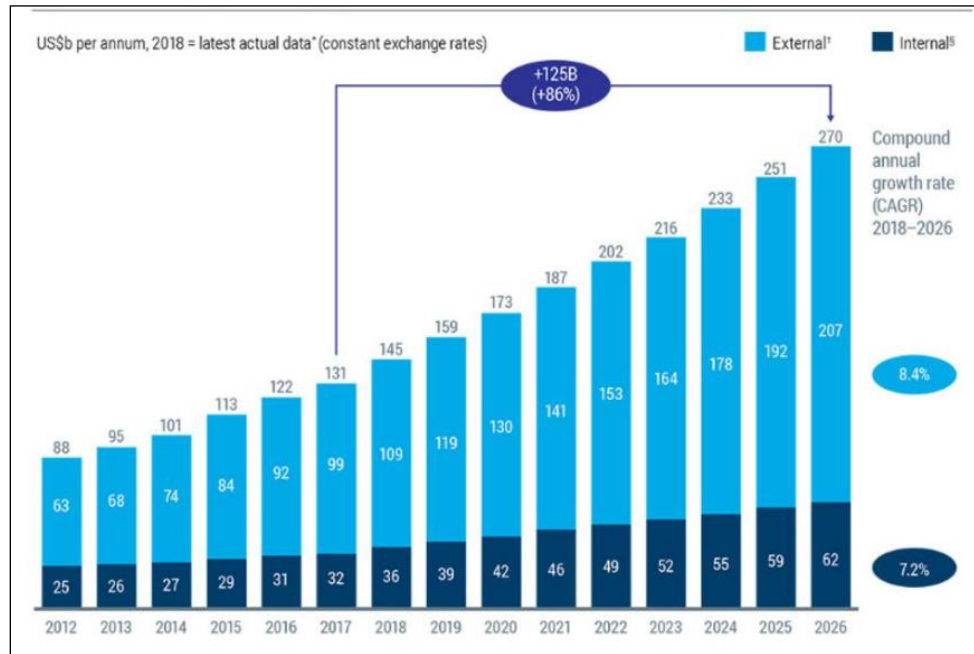
The representatives of the governments of the 27 EU member states voted in the margins of a meeting of the EU ambassadors in the Council's Permanent Representatives Committee (Coreper).

Negotiations with the European Parliament on the proposed regulation establishing the Centre are ongoing.

Consequently, the investment in technology and collaboration with IT companies must happen organically in the next period on the software side, but the investment that requires the constant involvement and perpetual support of the company.

The reality is that technology seems to be advancing rapidly, and new consortiums have emerged to accelerate the definition of industrial standards and to foster collaboration (Kokina et al., 2017). New approaches to security and privacy controls are also emerging.

A recent report by the Alan Turing Institute in the UK emphasized that the terms "national security" or "cyber security" would become familiar. At the same time, it is clear that more attention needs to be paid to "epistemic security" - because without it, our societies will lose the ability to respond to the worst risks they may face in the future.

Figure no. 2 Estimated global spending on cybersecurity (%)

Source: Australian Cyber Security Growth Network, SCP - Chapter 1 - The global outlook for cybersecurity, 2020.

Focusing on the human factors involved with information security, Kevin Mitnick explains why all the firewalls and encryption protocols in the world will never be enough to stop a savvy grifter intent on rifling a corporate database or an irate employee determined to crash a system. He illustrates just how susceptible even the most locked-down information systems are to a slick con artist impersonating an IRS agent. Mitnick offers advice for preventing these types of social engineering hacks through security protocols, training programs, and manuals that address the human element of security.

2. RESEARCH METHODOLOGY

We are using a meta-analysis, quantitative, in order to statistically analyse the results of a large collection of studies concerning cyber-security and the impact of the economic actors depending on the investments in professionalization.

Cyber security is a highly profitable investment for business leaders because it avoids the costs of a cyber-attack while exploiting the benefits of good security.

More and more companies classify cyber risk as a risk of legal non-compliance for the organization, taking, for example, non-compliance with the GDPR.

The NTT Security 2019 Risk Value report highlights the lack of investment in cybersecurity, especially in France. It also highlights the lack of awareness of companies on compliance, the persistent inability to provide critical data and increased recovery time after a security incident (+10 days compared to 2018). The performance of companies in France has deteriorated compared to India, which is today the best performing country in terms of cybersecurity, ahead of the United States and the United Kingdom.

France Vs. India - Comparative analysis of investments vs. loss

French companies and, more widely, those around the world are stagnating in their progress towards strengthening cyber security and seem paralyzed by the increasingly sophisticated techniques of cybercriminals. This is the conclusion drawn from the results of the Risk: Value 2019 report conducted with 2,256 business decision makers in 20 countries - including 200 French - commissioned by NTT Security, the security branch and the security excellence centre of the NTT group.

This year's results show that companies are aware of the dangers of cyber threats, placing cybersecurity and data theft among the top five risks to their business, certainly behind economic factors, but well ahead of other global issues such as the environment, barriers to international trade and political instability. The vast majority of survey participants - 78% for the French - believe that strong cyber security is good for their business. 90% even believe that cyber security has a major role to play in society in a broader sense.

Key fact: Indian companies, whose country is a newcomer to the study, are prosperous in the world in cybersecurity, ahead of their American and British counterparts. As the international media stagnates, the performance of companies in France, Germany and Singapore deteriorated last year, the same as financial services, telecommunications, chemicals, the pharmaceutical industry, oil and gas or healthcare facilities, questioning the soundness of critical national infrastructure.

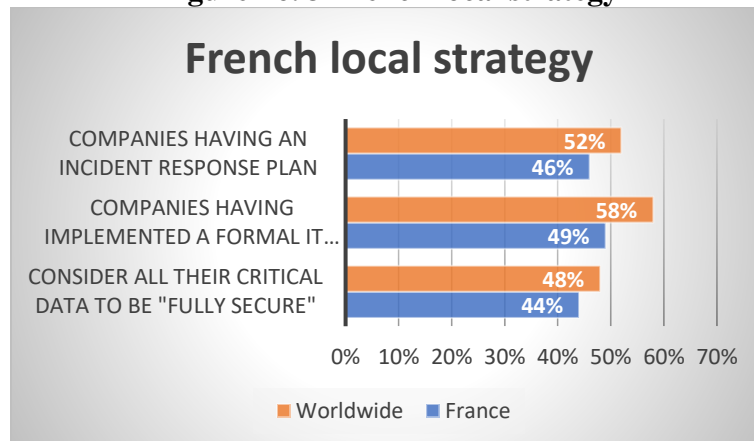
The stagnation of French companies - and the situation worldwide

As last year, 44% of participants in the French survey consider all their critical data to be "fully secure" vs. 48% globally. Although 83% of French respondents consider it important to comply with the regulations, 1 in 5 do not know which one applies to their business.

Only 37% believe they are subject to the GDPR, while the regulation came into force a year ago and affects all companies with activities or customers in an EU Member State.

Security budgets do not keep pace with the increase in cyber risk: the increase in the percentage of IT budgets allocated to security is only 15% this year. Companies still lack proactivity in terms of internal policies and processes. 49% of French companies - compared to 58% globally - have implemented a formal IT security policy, while 46% have an incident response plan - compared to 52%. Almost half of the French managers surveyed (46%) consider that cyber security "is the problem of the IT department and not of the company as a whole".

Figure no. 3 French local strategy



Source: Own diagram based on NTT Security records.

38% of French companies say they have no skills or resources. This finding remains unchanged from year to year, which seems to indicate that they need more assistance from an external security provider.

Security incidents: costs and time to restore growing activity

The Risk: Value 2019 report also shows that the recovery period of the business following a security incident continues to increase from year to year, which is estimated at 49 days on average in France, i.e., 10 additional days per year compared with 2018. Globally, this time is even longer with an average of 66 days, or 9 additional days compared to 2018. The estimated percentage of loss of turnover also increases each year by 10.4 % in 2019 in France and 12.7% worldwide.

The cost of resuming business following a security incident remains high, according to the report, reaching 690,000 euros in France, compared to 1 million euros (M €) on average worldwide. In the Nordic countries in particular, cost forecasts are much higher, reaching EUR 1.6 million in Norway and reaching a maximum in Sweden of EUR 2.7 million, more than double the world average. The oil and gas industry leads the sector in this area, with a resumption cost of EUR 2 million.

India and France on the 22nd of August 2019 concluded a path breaking road-map to make digital technology a transformative factor in their societies, to fight terror, to foster economic growth, sustainable development and secure enhanced internet access which is essential to bridge digital divide. The two countries signed an agreement on cooperation in the area of fight against cybercrime.

France and India recognize that cybercrime is a transnational crime that requires enhanced international cooperation to effectively bring cyber criminals to justice. As such, they plan to strengthen their cooperation in this area, with a particular view to facilitating sharing of information, evidence collection, the identification of offenders, particularly malware developers, hosters / hosting platform providers or broadcasters. They also express their concerns regarding the security of electronic means of payment and confirm their commitment to the protection of consumers against online financial frauds including ATM cash outs. Finally, they plan to discuss the prevention of cybercrime with Service Providers, Social Media Companies to seek information sharing arrangements.

The two countries are willing to exchange technology and ideas, as they are complementary on these domains.

3. RESULTS AND DISCUSSION

The role of the chartered accountant in diminishing the effects of cyber fraud

Hacking and phishing attacks are often triggered by an employee innocently clicking on a link in an email.

Opening dubious email attachments is another common way for malware to enter an organisation. 'Word, Excel and PDF documents all present an easy way to embed a malicious code that can be exploited later,' says Greg Sim, chief executive of security technology company Glasswall Solutions.

In fact, while cyber-attacks are growing increasingly sophisticated, the main reason for security breaches is lax security awareness among employees. Bad password behaviour is one example. Research from password management firm Meldium shows that 90% of

employee passwords are so predictable they can be cracked in six hours. Moreover, 18% of employees share their passwords with others.

Many employees also have their work emails automatically forwarded to personal email hosts. But hackers often look for corporate data through personal email, which is easily accessible to them because personal email services do not have the same security measures as corporate email services.

Cybercrime threatens trust and transparency in business and in government every day. As consumers, taxpayers, suppliers or other stakeholders, we wonder if we can trust organizations to ensure the effective protection of our data. The public is increasingly expecting greater openness to ethical issues related to cybersecurity breaches and how personal data is protected.

In their roles as protectors and administrators of value, accountants need to be involved in cyber security solutions, whether acting as consultants to their clients, in a financial-accounting team or in a more general strategic or operational role.

A recent article in the IFAC Global Information Network (www.ifac.org/Gateway) on Cyber Security presents relevant perspectives on the issues that accountants need to consider in relation to their role in cybernetic security. These include using their skills and knowledge to protect data and information, as well as reporting on the program and controls associated with managing a company's cyber security.

The cybersecurity landscape is changing rapidly as organizations store more data and hackers have more opportunities to break into systems. The consequences of security breaches, in the form of fines and legal action and, ultimately, the loss of customers, are also becoming increasingly significant.

A new study on the costs of cybercrime conducted by *Accenture* - a multinational management consulting company, technological solutions and outsourcing and the *Ponemon Institute* shows that information theft is the costliest consequence of cybercrime, while also the fastest growing (although the data do not represent the only target). Companies do not think about ensuring their buildings, but in many situations, they are exposed to the loss and damage of the data they have. At best, stolen data, broken systems, and malware cause significant disruption to operations. In the worst case, reputation is damaged. Businesses must start from the premise that their security will be compromised. For boards and other stakeholders, cyber security must be treated as a significant business risk. People in supervisory or management positions therefore need more information on how organizations can manage cybersecurity as part of their risk management programs.

Given that cybersecurity is a complex, multidimensional business risk, it is important to involve executives and management in ensuring a comprehensive, business-oriented approach that integrates cybersecurity aspects into the entire decision-making process and all data operations and company information networks. Holistic risk management, rather than a fragmented approach, is the only effective way to deal with an ever-changing business environment as well as ever-evolving threats and risks targeting people, processes and technology across the enterprise. The involvement of all levels of an organization helps to ensure that there is a general framework that everyone understands and that the various lines of defence can manage and mitigate cyber security risks together at all times.

A proactive and pragmatic risk-based approach involves identifying gaps, concentrating resources to address key threats, and expanding cybersecurity activities beyond simple prevention, to include intelligence gathering, detection and response. Key

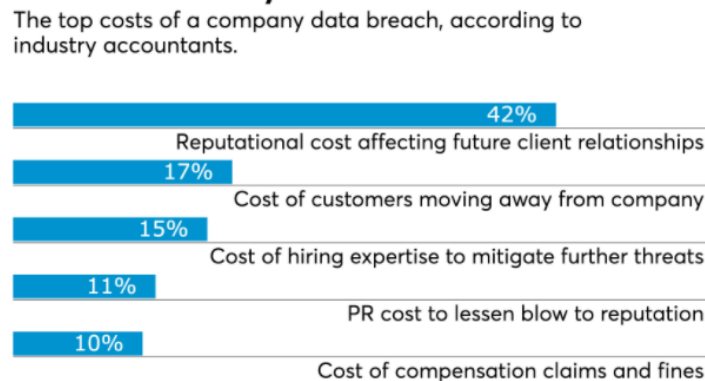
steps include understanding cybersecurity roles and capabilities and identifying, mitigating, and monitoring specific risks, such as data privacy or cloud security risks. The identification and mitigation of cyber risks requires the mapping of key processes, systems and information flows and the assessment of the appropriate risk remediation plan and controls, as well as ongoing monitoring.

With regard to addressing the substantial gaps in cybersecurity levels, it is important to identify critical information assets and provide the appropriate foundations. For many organizations, this means addressing key security practices, including firewalls and Internet Gateways, secure configurations, access control, antimalware protection, and patch management. The core discipline involves reacting to new standards and regulations, understanding the weaknesses of traditional systems and identifying cases where investments in technology could be useful.

Supporting smaller businesses is an important opportunity for companies to provide useful business advice. The professional accounting consultant can be especially important in order to:

- help clients assess their governance and risk management - smaller businesses tend not to have a solid knowledge of risk management and control. Accountants can provide adequate planning for business continuity and disaster recovery, especially against ransomware threats;
- help clients quantify the risks and return on investment based on the cost of breaches and stolen data and the factors that affect the cost and help mitigate risks through effective controls.

Figure no. 4 Cost distribution after a cyber-attack (%)



Source: accountingtoday.com, Cyber-attacks threaten tax pros and accountants during coronavirus crisis

An enhanced role in cyber security does require relevant knowledge, skills and experience. For accountants to effectively undertake cybersecurity risk management or attestation services, key areas of knowledge and skills include: relevant IT systems and technology, as well as the ability to keep current on changes in the technology and systems environment, understanding IT processes and controls and their evaluation, awareness and relevant experience with cybersecurity frameworks, understanding an entity's industry and business and whether it is subject to specific types of cybersecurity risks and establishing and engaging multidisciplinary teams, for example including information security professionals and auditors.

ICAEW (*The Institute of Chartered Accountants in England and Wales*) offers simple cybersecurity steps for smaller businesses. In the United States, *The American Institute of Certified Public Accountants* introduces *system and organization controls* (SOC) for cybersecurity, in order to assist accountants in managing and certifying risks and also provides the basis for transparent and consistent communication about the efforts of managing the cyber security risk in an organization. It also works to increase stakeholder confidence in the information provided by management on the organisation's cybersecurity efforts.

The general reporting framework for cybersecurity risk management, a key element of the SOC, includes the criteria that management should use to describe an entity's cybersecurity risk management program and the key components of the cybersecurity attestation report, which covers management's description of the entity's risk management program and its statement of the operational effectiveness of controls to ensure the achievement of cybersecurity objectives, as well as key components of the certification report and the professional accountant's report thereon.

In recent times, in Singapore, the Commercial Affairs Department (CAD) has seen cases where complainants, people who have approached CAD to report cases, these complainants observed financial irregularities, but they were not fully able to make sense of these irregularities. This changed only when audit or accounting firms came in to perform forensic accounting and digital forensics, which then led to firms being able to take action to strengthen their cyber defence.

Accountants can step beyond their traditional roles and help businesses fight cybercrime, as the Second Minister for Home Affairs Josephine Teo of Singapore says.

Accountants needed to hone their skills in three areas, said Mrs Teo. The first was forensic accounting, which she said was critical to help “uncover fraudulent activities from among voluminous transactional data”. The second capability would be digital forensics, as more transactions are becoming digital and mobile. Finally, accountants should also focus on financial crime compliance, which must evolve to keep up with new business models such as peer-to-peer lending.

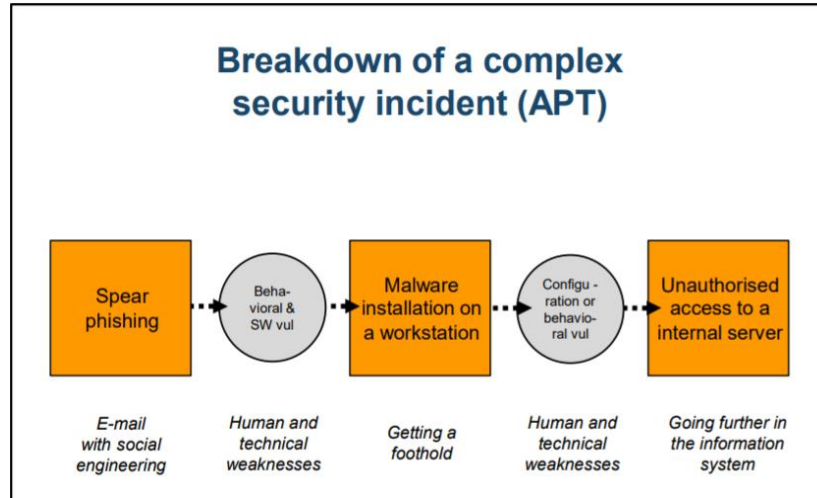
Figure no. 5 Frequency of cybercrime by industry



Source: PwC's 2020 Global Economic Crime and Fraud Survey

Source: PwC, Fighting fraud: A never-ending battle PwC’s Global Economic Crime and Fraud Survey

Figure no. 6 Description of a complex security incident



CONCLUSIONS

In conclusion, once aware, the effects of cyber-attacks can be minimized by investing on the one hand in technology and on the other hand in improving human resources. In the age of digitalisation, the accountant is the link between the financial sector, software and the legal basis, which is a key player in avoiding cyber fraud. Accountants and finance professionals can, and should, play a leading role in defining key areas of a strategic approach to mitigating cybercrime risks. These include creating reasonable estimates of financial impact that different types of cybersecurity breaches will cause, so that a business can be realistic about its ability to respond to an attack and/or recover from it. Accountants and finance pros can also help organizations define a risk management strategy and set priorities for the digital resources they consider most valuable. Accountants are well placed to advise on the steps a business should take to protect itself – cyber security isn't just about technology and computers: it involves people, information, systems, processes and culture too. To be ready for the broad range of threats, accountants need to understand IT security policies at their firms, including policies and processes that they need to follow to ensure safe online practices, as well as procedures on reporting and dealing with breaches. Accountants may also need additional training on cyber awareness. Prevention, as with most things, is far preferable than cure.

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GLOBALIZATION LIMITS AND THE ELEMENTS THAT SHOW GLOBALIZATION AS AN OUTDATED PHENOMENON

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ABSTRACT: *The processes underlying globalization and technological progress in today's global economy are not only an opportunity but also a challenge. Globalization is a process by which markets, production, consumption and lifestyle and thinking become connected on a global scale, thanks to a continuous flow of exchanges that make them interdependent and tend to unify them. This phenomenon is the result of a process that has lasted a long time and over the last thirty years, has had a strong acceleration.*

Keywords: globalization, world economy, information technology, economic integration.

JEL Classification: M410, H610, H430

INTRODUCTION

Globalization is the most important process of the last century. It has changed the world or helped it evolve in the way we see it today. However, the process of globalization remains specific to the twentieth century, not the twenty-first. All the elements, which this is referred to, send us to certain ideas that were in the forefront, especially after the World Wars and totalitarian regimes established in Europe. The idea of freedom of movement, of communication with people from other countries, of trading abroad, was a desideratum that did not happen very easily until the twentieth century. However, in the 21st century, when all these were already happening, people's desires have changed: the need for connectivity, creativity, the need to be informed about what is happening around them, etc. Here, globalization has either taken a new face or lagged trying to make way for another, more current term, to be a reference for the 21st century.

Globalization is the phenomenon of increasing interaction and interdependence between countries, institutions, companies and people around the world. It refers to all areas of life and society, not just the economic one, as evidenced by the intensity and speed of innovation, ideas, fashion and even disease. As it is a phenomenon of international integration, globalization results from the exchange of opinions, products, ideas and other aspects of culture worldwide. Advances in transport and telecommunication infrastructure, including the development of the telegraph and its successor - the Internet, are major factors in globalization, generating further interdependence of economic and cultural activities. The phenomenon of globalization is so widespread that it obviously has its pros and cons. Opinions are focused on the fact that globalization is a development that has taken place mainly in recent decades and opinions that

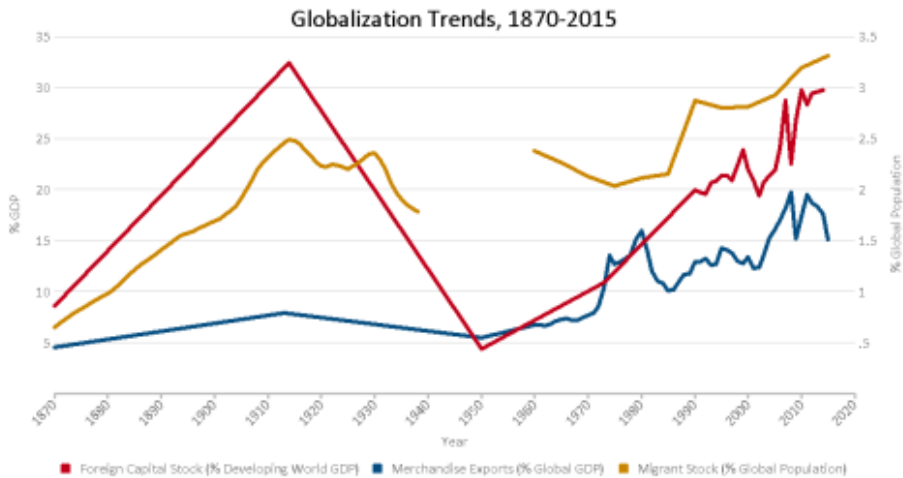
globalization was something that began many hundreds of years ago - in the fifteenth century, with the great discoveries.

Globalization can be achieved through the world's traditional political and legal institutions, which can be seen as a nation-state in the world. International institutions such as the UN may not have enough influence to shape globalization. International economic actors and large international companies are gaining a lot of power and politicians and elected officials, or other institutions representing the people, are being given less power. This phenomenon brings with it more freight transport and higher consumption, which can become a burden on the environment. Globalization is also a factor in the spread of technology, ideas, knowledge and culture, as well as in the development of the economy in general.

1. GLOBALIZATION IN AN ECONOMIC CONTEXT.

The world economy is rapidly gaining complexity because of globalization, becoming an increasingly large, interconnected, heterogeneous and dynamic system. Consequently, the risks in this globalized world differ from the risks of the past in terms of their potential damage, the size of their notion of time, their geographical scope and the irreversibility of their potential damage. In turn, these new qualities also produce fundamental changes in the requirements for sustainable action strategies. Many economic policy decisions that set precedents, however, remain based on principles that do not meet these requirements; the growth paradigm is increasingly in conflict with the reality of limited global resources and no longer serves to increase the general well-being of post-industrial societies. The explanations and predictions offered by standard business models are increasingly different from reality. In many critical areas, pursuing local short-term goals does not lead to long-term results either. The decision-making processes are increasingly not ready to cope with the rising levels of complexity and uncertainty (Arpe, f.d.)

Figure 1. Globalization trends for period between 1870 and 2015 (concerning foreign capital stock, goods export and immigration, all compared to global population (Chandy, Seidel, 2016)



We can find that, while the process of economic integration has slowed down, there is only limited evidence so far of an absolute decline. The current level of integration fits or exceeds the heights of the first wave of globalization. This could also imply that globalization has reached unsustainable levels or that there are no such levels. Generating any global data series over a century and a half is a complicated task and few data series have full coverage of space, incorporating all countries of the world, which raise challenges in terms of representativeness and scaling. Even fewer series have full coverage over time, so incomplete ones must be combined, which raises comparability issues (ibidem, 2016). The word “globalization” has lost its relevance and brilliance with the emergence of the new global economy of the 21st century, becoming an anachronism. Globalization describes the international access of countries for economic, social, political and cultural ties. Historically, however, the process of globalization has taken various forms, and its meaning has changed and shifted since it was first used in the English language in the 1930s. However, the term has lost value since the 1930s. 1980, i.e., with the advent of technological advances. That is when the internet was born, where time and geography are irrelevant. The birth of the internet is the contemporary face of globalization. It includes modern tools of electronic globalization and embraces digital connectivity and the ability of the internet. The Internet is driving our new global economy in the 21st century. By using the term, we will recognize the information technology revolution that has profoundly changed the structural parameters and mode of operation of most economies in the world (Passaris, 2017). The phenomenon of economic globalization cannot be understood without considering the evolution of major international economic institutions, including the International Monetary Fund (IMF), the World Bank (WB), the World Trade Organization (WTO) and, of course, the United Nations. The genesis of these institutions, the transformation of their statutory objectives and their governance structure, as well as how their operational instruments have changed, have influenced the evolution of economic relations between countries. The reforms implemented over time have tried adapting these institutions to a rapidly changing economic and political reality.

Globalization affects society and politics, just as the latter influences the methods of integration and its own forms of governance of international economic relations. We concluded, considering the performance of representative economic indicators (migration flows, international trade, direct investment and capital trade), but also the observation of the evolution of international agreements and institutions, whose reforms show changes in economic and political relations, as well as internal and external cultural changes.

We find that, on the one hand, globalization has created new jobs and economic growth through cross-border flow of goods, capital and labor. Alternatively, this growth and job creation are unevenly distributed among industries or countries. Specific industries in certain countries, such as, for example, textile manufacturing in the U.S. or maize growth in Mexico, have suffered serious disruptions or direct collapses because of increased international competition. The reasons behind globalization are idealistic and opportunistic, but the development of a global free market has benefited large corporations in the Western world. Its impact remains mixed for workers, cultures and small businesses around the world, both in developed and developing countries.

2. THE INFORMATION AND COMMUNICATION REVOLUTION

It is impossible to separate the concept of globalization from the information revolution of these decades, to the point where we are talking about the third industrial revolution. In fact, not only can all the great innovations of our time - from robots to smartphones - be related to the development of a technology and a sector that has brought the personal computer to every office and almost every home, but the internet that in fact increased a way of accessing information, communication and exchange, of planetary dimensions.

The power and speed of these innovations were such that in the second half of the 1990s, it seemed that the new economy of information technology, telecommunications, telematics networks and e-commerce - the so-called new economy - was about to defeat the old economy of material production. Companies related to the new economy have multiplied, their stock market prices have risen because of stock purchases induced by the positive expectations of large and small investors, without often having a real correspondence with the productive companies. Since the 2000s, there has even been talk of new professions related to these technologies, which have revolutionized the labor and education market forever.

The role of information and communication technology in the new economy has been essential, especially for the changing structure of international production. Information and communication technologies have changed the function of production, increased productivity, facilitated innovation, driven the transmission of ideas and expanded the coverage of interactions of any kind. The information and communication revolution has provided an extraordinary capacity for connectivity. Communications accelerated and reduced the time required for connectivity to less than one second. Geographical borders have disappeared and become increasingly insignificant from a social, economic and political perspective. The new economy is built on a culture of innovation, with an emphasis on creativity (Passaris, f.d.).

Along with the Internet in recent years social platforms have arrived, that are intermediaries for what we know and understand about friends, communities and the world around us. This fact is useful in many ways but also harmful as there are few ideas about how they work or how our beliefs and behaviors are shaped by those invisible choices on the internet that we find on the screen because of certain algorithms. Only *Facebook* knows something as simple as the articles or other information that are most seen on its website. *YouTube* can reprogram its computers and pay more attention to different people or channels, without a person being aware of it (Ovide, 2020).

The Internet has changed the world in a way that was impossible hundreds of years ago. It has become the new face of globalization; the Internet is the Globalization of the 21st century. All the changes that will take place will have the Internet as an auxiliary, without which the changes and transformations will not take place with the same intensity, with the same impact. However, globalization will always be the basis of the Internet, this term is a defining one that helped the world reach this point, of the internalization of information, of unlimited connectivity.

CONCLUSIONS

The changes facing humanity today stem from the fact that, starting from technological and economic development (which would not have been possible without the support of the development of European intellectuals in particular), a significant number of human activities are on a scale and horizon. So large that they crossed national borders. In fact, we are aware that no state is currently able to guarantee global results such as:

- maintaining a global development-oriented political and economic framework;
- stability of monetary and financial transactions;
- regulation of foreign direct investment;
- migration management;

- protection of the environment and natural resources, etc. This is the reason that pushes states to conclude agreements, alliances with international institutions (International Monetary Fund, World Bank, World Trade Organization, United Nations) to achieve these multiple goals.

In essence, globalization means that the world is becoming increasingly interconnected. Today's countries are more connected than ever before, due to factors such as air travel, container shipping, international trade agreements and legal treaties and the Internet. In the business world, globalization is associated with trends such as outsourcing, free trade and international supply chains. The phenomenon of "globalization" allows developing countries to catch up with industrialized nations through increased production, diversification, economic expansion and improvements in living standards. The outsourcing of business by large companies brings jobs and technology to developing countries, which help them develop their economies. Trade initiatives increase cross-border trading by removing trade constraints. Globalization has advanced social and international justice by focusing on global human rights, which otherwise could have been largely ignored. There is also a positive effect to this phenomenon, there is a dramatic decrease in poverty that has taken place around the world in recent decades, due to increased trade and investment between nations. (Congressional Research Service). Globalization has also allowed the much wider spread of products and services such as mobile phones, aircraft and information technology around the world. On the other hand, critics of globalization also note the negative impact it has had on certain domestic industries, which could face increased competition from international firms. Globalization can also have negative effects on the environment, caused by economic development, industrialization and international travel.

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OTTOMAN STATE AND ROMANIA'S DIPLOMATIC AND COMMERCIAL RELATIONS BETWEEN 1901-1906

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ABSTRACT: *There are strong administrative, political, economic and socio-cultural ties between the Ottoman State and Romania. Romania, which remained under the Ottoman administration for several centuries, gained its independence at the end of the Ottoman-Russian War of 1877-1878. Even though gaining Romania's independence did not cause misunderstandings between the two states, during the First World War, as a result of Romania's membership in the Allied Powers bloc, relations between the Ottoman State and Romania were suspended. Relations between the two states, which were frozen on August 20, 1916, could not be restored until June 20, 1922. This study is based on Ottoman Archives of the Prime Minister's Office (Başbakanlık Osmanlı Arşivi), as well as on literature in domain published by Turkish and Romanian researchers and deals with commercial and diplomatic relations between Romania and the Ottoman State after Romania's independence within the framework of the historical commitment between the two states, between 1901-1906, covering the period when Alexandru Em. Lahovary was named as Romanian's ambassador in Constantinople. For a better understanding of the Ottoman-Romanian relations in the post-Ottoman Romania, it is necessary to look at great achievements, as commercial agreements between the two states between 1901-1906, which included some critical years. This study highlights one of the first commercial agreements between Romania and the Ottoman State, thus proving the importance given by the Ottomans to the newly created Romania. This study is useful for researchers in the field of economic history, history but also for master and doctoral students in the field of international relations. Last but not least, this study can be useful for the general public interested in history.*

Keywords: *post-Ottoman era, Romania's independence, Alexandru Em. Lahovary, Ahmet Tefik Pasha, Abdulhamid II., Carol I.*

JEL Classification: *N13 Europe: Pre-1913, N44 Europe: Pre 1913, N74 Europe: Pre 1913*

1. INTRODUCTION

1.1. Why another study about Post-ottoman Romania

There are studies about trade relations between the Ottoman State and Romania during the reign of Sultan Abdülhamid II, as well as on diplomatic activity carried out in Constantinople by the Romanian ambassador Alexandru Em. Lahovary, between 1902-1906, but this issue was never addressed in the light of the documents in the custody of the *Başbakanlık Osmanlı Arşivi* (The Ottoman Archives of the Prime Minister's Office) BOA¹, Istanbul. This lack of references was the main argument on choosing this topic, along with the possibility of investigating new sources from the Ottoman archives. The choice of the theme was due to the interest for the analysis of the Ottoman documents regarding the history of commercial and diplomatic relations between the Ottoman State and the newly created Romania.

Being aware on these bibliographic issues, the authors decided for a detailed presentation of the issues related to the conclusion of the trade cooperation agreement, but also to reveal the Prime Minister Tevfik Pasha's (*Sadrızam Ahmet Tevfik Paşa*) correspondence on this topic.

1.2. Sources and methodology

This study deals with Ottoman-Romanian diplomatic and commercial relations in the early 20th century (1902-1906). For this paper the authors relied on the *Başbakanlık Osmanlı Arşivi* (The Ottoman Archives of the Prime Minister's Office) BOA, Istanbul, Turkey. This paper is a unique approach in the Romanian and Turkish domain literature, the theme not being approached previously, as the authors overwhelmingly used Ottoman archival sources, alongside with the domain literature in Turkish and Romanian languages. BOA houses the most important collection of Ottoman documents. Following the thorough research of the original documentary collection, respectively the documents in the custody of the Yıldız Palace Archive, the *Yıldız Hariciye Nezareti Maruzatı/Yıldız Foreign Affairs Acknowledgment*, Y..PRK.HR collection arose study's structure and its arguments. *Yıldız Sarayı*, in the last quarter of the 19th century and the beginning of the 20th century, was the official residence of Sultan Abdülhamid II. (1293-1327 /1876-1909). The archive of the Yıldız Palace consists of documents and books accumulated during the reign of Abdülhamid II. To this documentary fund were added documents of the Ministry of Foreign Affairs (Hariciye Nezaret) HR., which contain documents that include decisions of the Ministry of Foreign Affairs (*Hariciye Nezaret*) HR.TH .., documents related to the special decisions of the Ministry of Foreign Affairs (İrade Hariciye) - İ..HR .., which include documents regarding the trade agreement between the Ottoman state and Romania, as well as the documentary fund *Taltifat* (Reward) İ..TAL. which hosts documents regarding the rewarding of Alexandru Em. Lahovary and of his two daughters. Documentary fund Bab-ı Ali Evrak Odası (Ottoman State's Script Office) BEO is home for documents about revocation of the Romanian ambassador, Alexandru Em. Lahovari (1902-1906).

For this study were used the classical methods of economic history, data interpretation, quantitative and quantitative analysis, which established data on trade and diplomatic relations between the two governments. All these problems were presented through concrete data collected

¹ Başbakanlık Osmanlı Arşivi hereinafter named BO

from Ottoman documents. All documents are hosted by the *Başbakanlık Osmanlı Arşivi* (Ottoman Archive of the Presidency of the Council of Ministers). All these issues were conferred through detailed data collected from Ottoman documents.

2. HISTORICAL OVERVIEW

2.1. Moldavia (*Boğdan*) and Wallachia (*Eflak*) “*sair memalik-i mahruse/protected countries*”

In the mid-sixteenth century after coming in the Ottoman State's borders, the Romanian voivodeships, known as *Memleketeyn* (Two Memleket/two homelands) relations between the two voivodeships and the Ottoman State entered in a new phase, and thus began a new era. The Romanian voivodeships came under Ottoman administration in the 1530s, and over time, their obligations to the Ottoman state consisted of tribute and donations. From a legal point of view, Moldova (*Boğdan*) and Wallachia (*Eflak*) were treated as “*sair memalik-i mahruse/protected countries*” (Maxim, 2008:169). Wallachia (*Eflak*) and Moldova (*Boğdan*), although paid their taxes to the Ottoman State until the beginning of the 18th century had administrative autonomy and were administered by their own voivodes. After the Crimean War the autonomous administration of the two voivodeships came under the protection of European Great Powers. According to the document with BOA, documentary fund of Grand Vizier Special Correspondence, A. DVN. NMH/*Sadaret Name-i Hümayun Evrakı*, 8-11, H-09-08-1272/M.15 Nisan/April 1856², Article 22, Paris Treaty, signed after the Crimean War (1853-1856) states: “The principalities of Wallachia and Moldavia will continue to be the beneficiaries of the privileges and exemptions they have acquired, being subject to the Ottoman State and at the same time the guarantee of the *düel-i muahede*. None of the *düel-i mutekeffilen* states has the right to violate their independence and no political party will have the right to interfere in their internal affairs”. In 1859, Wallachia and Moldavia were united and Alexandru Ioan Cuza (Cuza Bey) was elected ruler of the United Romanian Principalities. In 1866, Cuza was forced to withdraw from the government administration and it was decided to invite an outside prince so as not to create dissension between the local boyars. Prince Carol, member of the Hohenzollern dynasty, was elected and a constitutional method of administering the Romanian Principalities was adopted (Şemseddin, 1891/H.1308: 2376).

2.2. Prince Charles of Hohenzollern

His family, Hohenzollern-Sigmaringen, was related to the family of Napoleon III, being on excellent terms with him. At that time, Romania was under the strong influence of French culture. The recommendation made by Napoleon III on the appointment of Prince Carol was very important for Romanian politicians. To all this was added the blood kinship with the ruling Prussian family.

In the Romanian Parliament, members of the Chambers at the initiative of the regency, with the consent and will of the people to crown Prince Carol, in the meeting of May 1, adopted the following acknowledgment: “... the assembly, without disregarding the respect due to the

² BOA, A. DVN. NMH/*Sadaret Name-i Hümayun Evrakı*, 8-11, H-09-08-1272/M.15 Nisan/April 1856

Ottoman State and the guarantor powers, declares for the last time before God and the people that the unwavering will of the United Principalities is to remain what they are: a united Romania, indivisible under the hereditary rule of a prince foreigner from one of the sovereign families of the West, this prince of this united, indivisible Romania, being Prince Carol Ludovic de Hohenzollern, whom in this way the assembly proclaims under the name of Carol I” (Lindenberg, 2016: 50). On May 10, Prince Carol I arrives in Bucharest, goes to the Parliament and takes the oath of allegiance “I swear to be faithful to the laws of the country, to guard the religion of Romania, as well as the integrity of its territory and to reign as Constitutional Lord” (Giurescu, 1939: 6)

2.3. The Independence War and King Carol I of Romania

The Balkans’ political situation reflected the balance of the Great European Powers. Throughout the nineteenth century, the Ottoman state’s situation in the Balkans continued to deteriorate, the Ottomans losing control of some provinces, and the administration of principalities and autonomous states was exercised only by name (Lindenberg, 2016: 180). At the Constantinopol conference, in December 1876, the Great European Powers tried to impose a series of reforms on the Ottoman state, which were considered necessary to bring peace to the revolted provinces of the Balkans. The efforts of the European powers have failed to prove once again that the solution of the Eastern question is possible only by army force (Pascu, Giurescu, 1977: 135). During this critical period, the political parties should have gathered around Prince Carol, but, unfortunately, the enmity in political life ignited in the most detestable way. Romania’s parliament was divided into two political camps: on the one hand, the conservatives, who wanted to maintain neutrality, withdraw the army to the mountains and the liberals, who believed that gaining independence required concluding an agreement with tsarist Russia and effective participation in the war against the Ottoman state (Lindenberg, 2016: 184). On April 4, M. Kogălniceanu, the new Minister of Foreign Affairs, together with D. Stuart on the Russian side, signed the Russian-Romanian Convention on the passage of Russian troops through Romania to go to the battlefield in the Balkans. Russia undertook to maintain and enforce the political rights of the Romanian state. The desideratum of the Romanian government and its people was for Romania to wage its own war against the Ottoman State in order to obtain its independence (Pascu, Giurescu, 1977: 135). Russia declares war on Ottoman state. At the end of April, the Romanian Parliament approved by a large majority the Convention on the passage of Russian troops through Romania, and on May 8, the Romanian diplomat in Constantinople’s passports were returned, and five days later Romania declared war on Turkey (Lindenberg, 2016: 198). Following the Ottoman-Russian War, after a successful diplomatic and press campaign, Romania proclaimed its independence.

2.4. Romanian diplomacy’s role in achieving its independence

On May 14, 1877, Mihail Kogălniceanu, the Minister of Foreign Affairs, asked for help from the Great European powers, and in the next 20 days he sent to the Romanian diplomatic agents, in addition to the guaranteeing powers, a note proving the circumstances that determined Romania to declare independence. None of the Great European powers hastened to approve Romania’s decision. Although it proclaimed its independence and took part in the Ottoman-Russian War, Romania faced serious difficulties in the international recognition of its full

independence (Maciu, 1977: 301). The Congress of Berlin (1878), which ended the Russian-Ottoman War, aimed to reorganize the Balkan regions. Chancellor Bismarck tried to balance the relations among the British Empire, the Austro-Hungarian Empire and the Tsarist Russia, which had great interest in the area. In order for Romania to participate in the Congress, Ion C. Brătianu, from the Council of Ministers, and Mihail Kogălniceanu, the Minister of Foreign Affairs, were empowered to the Congress of Berlin, but the representatives of the great powers did not hurry to convene them or to satisfy Romania's demands. The Berlin Congress enshrines the international diplomatic recognition of Romania's independence, which it had proclaimed a year earlier. After the Congress, Romania loses Bessarabia, but receives Dobrogea in return (Maciu, 1977: 312).

3. POST-OTTOMAN ROMANIA'S TRADE AND DIPLOMACY (1878-1906)

3.1. Abdülhamid II. and the Balkans (1876-1909)

Sultan Abdülhamid II. is the son of Abdülmecid, reigned as the 34th Sultan of the Ottoman State - the last Sultan to exert effective control over the declining state. He got a special education and unlike the other sultans he visited the capitals and cities of Europe before he took the throne. Agreeing with Midhat Pasha and his friends, who wanted to establish a constitutional government based on the constitution, and therefore they dethroned Abdulaziz and Murad V. Abdulhamid II ascended to the throne on August 31, 1876. During the reign of Murad V, the wars of Serbia and Montenegro added to the Bosnia-Herzegovina and Bulgarian uprisings that had begun during the reign of Abdülaziz. Russia, which provoked and supported these revolts, was looking for an opportunity to solve the "Eastern Question". In the last years of Abdülaziz, Mahmud Nedim Pasha's decision regarding the payment of foreign debts caused great reactions in Europe and therefore it became impossible to receive new aid. European public opinion turned against the Ottoman State, and under these conditions, Abdülhamid II started his reign. In a short time he quickly won the hearts of the army and the people with some movements that were not seen before in the Ottoman history. Abdülhamid II, who was the Ottoman sultan and the caliph of the Muslims from 1876 to 1909, remained on the throne for 33 years. Abdulhamid reigned over this vast empire as an omnipotent ruler. Undoubtedly, there is no other sultan in the history of the Ottoman State who gathered as much power as Sultan Abdülhamid II (Küçük, C., 1988: p. 218).

3.2. Ahmet Tevfik Pasha and Romania's trade agreement (1901)

Ahmet Tevfik Pasha is the Grand Vizier, who played a key role during the reign of Abdulhamid II. He witnessed and took an active part in all the events presented in this study. The Grand Vizier Ahmet Tevfik Pasha was appreciated as an honorable person, extremely honest in his work as a civil servant, patient in his relations and extremely sincere. He was respected and trusted by all. His family originated in the Crimea, being one of the noble and rich families belonging to the Crimean khanate.

He attended military school, but while serving as a cavalry officer, he left the military, and was employed with the Translation Bureau of the Ottoman State. Due to his merit, perseverance and hard work, he soon rose to positions. From 1872 to 1895, he was appointed a civil servant in the Ministry of Foreign Affairs, where he served as the Extraordinary Envoy and Plenipotentiary Minister with the embassies of Rome, Vienna, Berlin, Athens and St. Petersburg.

Tevfik Pasha served as Foreign Affairs Minister for a long time, fourteen years, during the reign of Sultan Abdulhamid II, whose trust and appreciation he fully gained. In fact, in 1908, he was offered membership in the Ayan Assembly along with the ministry. However, in February 1909, after the resignation of Kıbrıslı Kamil Pasha and the dissolution of the government, he left his post. Although he was appointed to the London embassy, shortly after his appointment, as a true and impartial person who gained the trust of everyone who did not belong to any party, upon the government crisis caused by the 31 March events (14 April 1909) he was tasked with establishing the new government. After Abdülhamid II was dethroned and Mehmed V became sultan, he left the Grand Vizier's office on May 6, and was again appointed to the English embassy in London (Beydilli, 1989: 140).

During his viziership, on August 12, 1901, a trade and navigation agreement was concluded between the Ottoman government and the Romanian government „Osmanlı Hükümeti ile Romanya Hükümeti arasında ticaret ve seyr-i sefain hakkında yapılan muahede/Agreement on trade and navigation between the Ottoman Government and the Romanian Government”. The partnership between the two governments is confirmed by documents in the custody of BOA, HR., Y..PRK.HR.. 31-15, H-26-04-1319/12 Ağustos /August 1901³. As concluded in the 7 articles agreement “The Ottoman sultan and the Romanian king wanted to establish trade and shipping relations between their governments, based on a special agreement established on new principles, the understanding is being negotiated between Ottoman Foreign Affairs Minister Ahmet Tevfik Pasha and the Romania's Extraordinary Envoy and Plenipotentiary Minister in *Dersaadet/Istanbul*, [Sir t.n.] Alexandru Ghica Brigadier [t.n. in the document is Aleksandri Kiga], named ambassador. The two diplomats signed a 7-article treaty regulating trade and shipping between the two states”.

“Romanya Ticaret Muahedesi Sureti Divana Zat-ı şevketmeab hazret-i padişahi ile haşmetli Romanya kralı hazretleri kendi hükümetleri beyninde münasebat-ı ticariyeyi veseyr-i sefain muamelatını yeni esaslara müstenid bir mukavele-i mahsusa ile tesis etmek arzusunda bulduklarındanbu iş için taraf-ı eşref hazret-i padişahiden murassa imtiyaz ve iftihar ve murassa Osmani ve mecidi nişan Zişanlarıyla “Etoval Doromani” nişanının birinci rütbesini vesair nişanları haiz ve hamil bulunan hariciye nazırı devletlü Tevfik Paşa hazretleri ve haşmetli Romanya Kralı hazretleri canibinden “Etoval Doromani” nişanının ikinci ve “kurun Doromani” nişanının üçüncü rütbeleriyle birinci rütbeden Osmani ve mecidi nişan Zişanlarını ve altun ve gümüş imtiyaz madalyasını hamil bulunan Dersaadet fevkalade ve murahhası orta elçisi Siyor [hasarlı belge]“Aleksandri Kiga” murahhas tayin kılınmışlardır. Murahhasan-ı müşarunileyha yolunda ve muntazam görünen ruhsatnamelerini baadetteati mevad-ı atiyeyi kararlaştırmışlardır.”

The first two articles refer to the customs tariffs applied by the two states “The Ottoman State will apply the most convenient import tax, which is mentioned or will be found in trade contracts signed with other states or in trade tariffs, on products imported from Romania. The second article states: The Romanian Government will apply the import tax entered in the table on Ottoman crops or products specified in the treaty and will also make these crops and products benefit from a more moderate tax to be applied to similar crops and products of another state. Ottoman crops or products not included in the attached table will be subject to the most moderate tax valid in Romania today or in the future.

³ BOA, HR., Y..PRK.HR.. 31-15, H-26-04-1319/12 Ağustos /August 1901

“Birinci madde Hükiümet-i seniye düvel-i saire ile münakıd mukavelenamelerde veya mukaveleli tarifelerde muharrer bulunan veya muharrer bulunacak olan en mutedil idhalat rüsumunu Romanyanın mahsulat veya mamulatı hakkında tatbik edeceğini beyan eder. İkinci madde Romanya hükümeti merbut cedvelde zikr ve mikdar olunan mahsulat veya mamulat-ı Osmaniye hakkında cedvel-i mezburda muharrer idhalat rüsumunu tatbik eyleyeceğini ve bir de mahsulat ve mamulat-ı mezkureyi diğer bir devletin mahsulat ve mamulat mümasilesi hakkında tatbik olunacak daha mutedil rüsumdan istifade ettireceğini beyan eder. Merbut cedvelde muharrer olmayan mahsulat veya mamulat-ı Osmaniye Romanyada elyevm cari olan veya istikbalen cari olacak olan en mutedil rüsuma tabi olacaktır”.

Articles three, four and five describe imported products by the parties, as well as details about the certificate of origin for the imported products “Treaty’s third article states: Ottoman crops and products to be imported into Romania, as well as Romanian crops or products to be imported by the Ottoman State will be subject to change in the products and goods of the nation with the most authorizations in the States Parties, in respect of export and transit tax and refund, as well as through warehousing and customs procedures, and there shall be no customs duty, no local official, no other day tax or other charges for any other than the tax levied on the products and goods of nations that exist today or in the future, in accordance with the national crops and products that have the highest endorsement. Excluded from these provisions are products that come from the cultures of the Ottoman State, and when they are exported to Romania, an export tax of four kuruş per kilogram will be imposed, ie 312.5 kuruş per hundred kilograms. The fourth article states: the parties will be required to present a certificate of consent issued by the consul or on duty officer located in the area or port of origin. An official declaration made in the presence of an officer at the customs of the importing state or a certificate of declaration given by the customs administrator on departure or dispatch of the products of the importing country to confirm the will and determination that the goods and merchandise are crops of Ottoman or Romanian origin. However, in the fifth article, it is promised not to allow the sending of goods to the Ottoman State or Romania, which are prohibited or monopolized in these states, to be loaded on ships in their own ports, unless there is a state authorization to be imported. These elements are determined as follows: in the Ottoman State gunpowder and all kinds of flammable materials, firearms and other military equipment, tobacco and salt, in the Romanian state gunpowder and all kinds of flammable materials, firearms and other military equipment, tobacco, salt, matches, playing cards and cigarette paper”.

“Üçüncü Madde Romanyaya idhal olunacak Osmanlı mahsulat ve mamulatı ve memalik-i şahaneye idhal kılınacak Romanya mahsulat veya mamulatı tarafeyn memalikinde ihracat ve transit rüsumunca ve iadeten ihraç hususunca ve antrepoca ve gümrük muameleatınca en ziyade mazhar-ı müsaade olan milletin mahsulat ve mamulatına edilen muameleye tabi olacak ve bunlardan elyevm mevcut bulunan veya ileride mahsulat ve mamulat-ı milliye ile en ziyade mazhar-ı müsaade olan milletler mahsulat ve mamulatına tarh edilecek olan rüsumdan gayri bir güne gümrük resm [hasarlı belge] veya mahali oktrova resmi veya diğer her güne resm veya rüsum-u müteferria-i cedide istifa kılınmayacaktır. Memalik-i şahanenin mahsulatından olan [hasarlı belge] bu ahkamdan müstesna olub Romanyaya ihraç olundukta kıyye başına dört guruş yani beher yüz kilogramda 312.5 guruş ihracat resmini tabi kılacaktır. Dördüncü Madde Emtia ve eşyanın memalik-i şahane veya romanya mahsulat veya mamulatının olduğunu irade ve tayin için emtia ve eşyayı idhal eden tacir idhalatın icra olunduğu memleket gümrüğüne ya mahal-i sevkinde mukim bir hakem huzurunda yapılmış resmi bir beyanname veya mahreç gümrüğü müdürü canibinden verilmiş bir şehadetname yahud idhalatın icra olunacağı memleketin mahal-i sevkte veya mahreç iskelelerinde mukim şebender veya şebender memurları tarafından verilmiş bir şehadetname ibraz etmek mecburiyetine tabi tutulabilecektir. Beşinci madde Tarafeyn-i akideyn-i memalik-i şahaneye veya romanyaya sevk olunacak olan ve

bu memleketlerde memnu veya inhisara tabi bulunan bir eşyanın –idhalatının icra olunacağı memleketin müsaade-i mahsusası munzam olmadıkça- kendi limanlarında sefaine tahmil olunmasına müsaade etmemeği taahhüd ederler işbu eşya şunlardır. Memalik-i şahanede Barut ile her nevi mevad-ı müşteile esliha-i harbiye ile teferruat-ı mühimmat-ı askeriye kafe-i eşkalinde tütün tenbaki [hasarlı belge] ve tuz. Romanyada Barut ile her nevi mevad-ı müşteile esliha-yı harbiye ile teferruat-ı mühimmat-ı askeriye kafe-i eşkalinde tütün tenbaki tuz kibrit oyun kağıdları ve sigara kağıdı balada muharrir cedveller taraf-ı diğere evvelce tahriren tebligat icrasıyla icabat-ı ahvale göre tadil olunabilecektir”.

Article six refers to shipment and freight terms “The sixth article of the treaty states: the nation with the most permission in all matters will be treated as Ottoman ships and their freight in Romania, and Romanian ships and their consignment in the Ottoman State. However, they mutually protect their free movement and approve this free movement in all matters related to the provisions to be included in the consular agreement to be signed between the states parties”.

“Altıncı madde Sefin-i Osmaniye ile hamuleleri romanyada ve romanya sefineleriyle hamuleleri memalik-i şahane de her hususda en ziyade mazhar-ı müsaade olan millet muamelesinden müstefid olacaklardır. Mamefih tarafeyn-i akideyn-i beyneddevleteyn akid olunacak konsolos mukavelenamesine mevad-ı bahriye vesaireye dair derç olunacak ahkama müteallik bilcümle hususatta serbestçe hareketlerini müteakabilen muhafaza ve yekdiğerine bu serbestçe hareketini tasdik ederler”.

The last article, the seventh states: It has been decided that this agreement will remain in effect for five years from the date of adjustmnet of contract and that the change of agreement will be made in Istanbul as soon as possible. İstanbul 30 Temmuz/July-12 Ağustos/August 1901.

“Yedinci madde İşbu mukavelename tasdiknamelerin mübadelesi gününden itibaren düsturulamel tutulacak ve beş sene müddetle meri-ülicra kalacaktır. Mamefih tasdiknamelerin mübadelesi tarihinden sonra on ekiz madde müdurunda tarafeyn-i akideynden her biri daima bunun masnuhiyetini ilan etmek hakkını haiz olacaktır. Bu takdirde mukavelename ilan masnuhiyet diğere tarafa tebliği olunduğu gündün itibaren bir ene müdurunda hükümden sakit olacaktır. Tasdiknameler sütrat-ı mümkünine ile dersaadette mübadele kılınacaktır. Dersaadet 30 Temmuz/12 Ağustos 1901 Aleksandri Kiga, Tefvik Paşa”

The commercial agreement between the two sides was signed by the Foreign Minister, Ahmet Tefvik Pasha, on behalf of the Ottoman State and by the Romanian Extraordinary Envoy and Plenipotentiary Minister in Constantinople, Sir Aleksandri Kiga⁴.

3.3. Alexandru Emil Lahovary a Romanian envoy at Constantinopol (1902-1906)

In the following, the authors of this study referred to the work published in 2009 by the Romanian Ministry of Foreign Affairs, and also rendering the original documents found at BOA regarding Alexandru Em. Lahovary, during his activity in Constantinople. (1902-1906). By this article, the authors differentiate themselves through the contribution made accessing BOA documents. The study does not insist on the already known historical data, nor on the biographical profile of the diplomat, it only provides data found at BOA, about the activity of the Romanian Extraordinary Envoy and Plenipotentiary Minister Alexandru Em. Lahovary, at Constantinople.

This part of the study presents the documents found in the BOA about the correspondence of the Prime Minister, Tefvik Pasha on the signing of trade contract between the Ottoman State

⁴ In rendering the Romanian Ambassador’s name, the authors preserved the spelling found in documents with, BOA.

and Romania, as well as the appointment of the new Romanian Extraordinary Envoy and Plenipotentiary Minister, Alexandru Em. Lahovary to Constantinople. The document hosted by the documentary fund of the Ministry of Foreign Affairs, HR.TH. /*Hariciye Tahrirat*/Prime Minister's Correspondence, 266 – 26, M-25-03-1902⁵ comments about the presence in Istanbul of the Monsieur Lahovary, the Romanian Extraordinary Envoy and Plenipotentiary Minister, who was named by the King of Romania “The appointment of Monsieur Lahvary⁶ to the Romanian embassy was submitted to the embassy in Istanbul by submitting a memorandum stating that the trade agreement signed between the Ottoman State and Romania was received by the Romanian charge d'affaires. Monsieur Lahvary was personally selected by the King of Romania due to the fact that Monsieur Lahvary had the necessary qualifications to be appointed to the Romanian Embassy in Istanbul”. In the same document reference is also made to the acceptance of the commercial agreement, which was mentioned above “As it was deemed appropriate and the order to be sent in accordance with the commercial contract was also considered, acceptance from the Başkatib Office was given in response to the application, dated 15 Zilkaade 319/12 Mart 318/M. 25 Mart/March 1902”.

“HR.TH. (Hariciye Tahrirat) 266 – 26, M-25-03-1902 Osmanlı Devleti ile Romanya arasında imzalanan ticaret mukavelesinin ile Romanya sefiri olarak atanan Mösyö Lahvari'nin memuriyetinin padişah tarafından onaylanacağı. Daire-i sadaret-i uzma. Mektubi kalemi. Aded 82. Hariciye Nezareti Celilesine. Devletlü efendim hazretleri. Devleti aliye ile Romanya beyinde imza edilen ticaret mukavelesinin biran evvel tasdik-i aliye iktiranı esbabının istihsali dersaadet Romanya sefaretine Mösyö Lahovary'nin evsaf-ı lazımeyle haiz olması hasebiyle Romanya kralı hazretleri tarafından bizzat intihab edilmiş olduğu Romanya maslahatgüzarlığından ifade edildiğine dair tezkire-i devletleri ledülarz mumaileyh mösyö lahovarynin sefaret-i mezkureye tayini taraf-ı eşref hazret-i padişahiden tensib buyrulmuş olduğu ve mezkur ticaret mukavelesinin icab-ı alisi emir buyrulduktan sonra irsal kılınacağı emr ü ferman-I hümayun-u şahane Mübin-i hümayun başkitabet-i celilesinden tezkire-i hususa cevab ile tebliğ edilmiş olmağla ifa-yı muktezasına himmet buyrulması siyakında tezkire-i senaveri terkim kılını efendim. 15Zilkaade 319/12 Mart 318/25 Mart 1902. Sadrazam”

The document Y..PRK.HR. (*Yıldız Hariciye Nezareti Maruzatı*) 31 – 95, H-28-12-1319/M- 7-4-1902⁷, which is in the custody of the Yıldız Palace Archive, informs us about the arrival of the Romanian ambassador, Alexandru Em. Lahovary in Constantinople. The document is a translation of the ambassador's letter sent to Tefik Pasha, Minister of Foreign Affairs of the Ottoman State, requesting an audience with Sultan Abdülhamid II. ”It is the translation of Memorandum 298 sent to the Ministry of Foreign Affairs by Mr. Lahvary, the new Romanian ambassador to Istanbul and the speech of the newly appointed Romanian Ambassador to Istanbul, Lahvari, to be delivered in the presence of the Sultan, and a translated report, April 7, 1902 “Since “His Majesty the King, my Sovereign Augustus [unclear text], who has decided to entrust me with the task of representing Him as Extraordinary Envoy and Minister Plenipotentiary of His Imperial Majesty the Sultan, I have the honor to bring to your attention, [unclear text] that I have just arrived in Istanbul”, and [he] declares that “I will consider myself happy because [he] will be in contact with the state, as well as a guarantee between the Ottoman

⁵ BOA, HR.TH. /*Hariciye Tahrirat*/Prime Minister's Correspondence, 266 – 26, M-25-03-1902

⁶ In rendering the Romanian Ambassador's name, the authors preserved the spelling found in documents with, BOA.

⁷ BOA, Y..PRK.HR. (*Yıldız Hariciye Nezareti Maruzatı*) 31 – 95, H-28-12-1319/M- 7-4-1902

state and the Romanian government. I assure you that I will make every effort to preserve the existing sincere relations and, if possible, to strengthen and raise them even more". As is customary, the reasons for my honor [deteriorated text] in the presence of the sultan by presenting my credentials, a copy of which was sent as an attachment".

“Y..PRK.HR. 31 – 95, H-28-12-1319/M- 7-4-1902. *Yeni tayin edilen Romanya'nın İstanbul Sefiri Lahovari'nin padişahın huzurunda söyleyeceği nutkun çevirisi ve takrir tercümesi. Babialı. Nezaret-i Umur-u Hariciye – dış işlerin faliyetleri. Tercüme Odası. Aded. Hariciye Nezaretine 7 Nisan 902 tarihli Dersaadet Romanya sefiri cedidi Mösyö Lahvary tarafından irsal olunan 298 numaralı takririn tercümesidir. Metbu-u müfehhim haşmetli kral hazretleri senaverlerini nezd-i [belirsiz belge] hazret-i padişahiye fevkalade ve murahhas orta elçi sıfatıyla tayin ettiğinden bu kere dersaadete muvasalat ettiği zat-ı ali-yi asafanelerine işar eder ve zat-ı devletleriyle münasebatta bulunacağından dolayı kendimi bahtiyar ad eylediğimi beyan ile beraber devlet-i aliye ile Romanya hükümeti beyninde teminen mevcut olan münasebat-ı samimiyenin muhafazasına ve mümkün ise bir kat daha tahkim ve teşyidine mesai-yi mümkün sarf edeceğimi temin eylerim. Alelusul bir sureti leffen irsal kılınan itimadnamemi lacilütakdim huzur-u şevketmekvur [hasarlı belge] Hazret-i padişahide nail-i şeref mesul olmaklığım esbabının istihsal ve [belirsiz belge] delalet-i aliye-i asafaneleridir. Beyan-ı hal ibraz müessir-i ihtiramkariye [hasarlı belge] ittihaz kılındı”.*

We do not insist on the solemn audience during which Alexandru Em. Lahovary presented his credentials to Sultan Abdülhamid II. as it was already done by the excellent work prepared by the Romanian Ministry of Foreign Affairs. In this text we affirm some of the events of the diplomat and other landmarks of his mission in Constantinople, among which the ambassador's appointment, together with other representatives of different Legations, for receiving *Osman Nişan-ı Alisi* medal from the Sulatan Abdulhamid II. *Osman Nişan-ı Alisi* is a high prestigious medal given during Abdulhamid II. reign in general to the members of the dynasty, but sometime it was also awarded to foreign dignitaries, as Romanian Extraordinary Envoy and Plenipotentiary Minister Alexandru Em. Lahovary. From document found at BOA, documentary fund *Taltifat/Rewards*, İ.TAL. 293 – 39, H-24 Şevval 320/ 11 Kanunusani 318/ 24 Ocak 1903 (1320L-059)⁸, the Romanian Extraordinary Envoy and Plenipotentiary Minister, Monsieur Lahvari, and others were rewarded with *Osman Nişan-ı Alisi* “Romanya Sefiri Mösyö Lahvari Cenabları'yla diğerlerinin ödüllendirilmeleri”.

From the same documentary fund *Taltifat/Reward* İ.TAL. 327-5, H-11-01-1322/M-28-Mart/March-1904⁹ we found out that ambasasador's daughters were awarded with the Order of Mercy, the 2nd rank “About the awarding the daughters of the Romanian Ambassador Lahvari. (1322M-005) Yıldız Palace Office of the Epistle 211This modest servant presents that Since Mademoiselle Tatyana lahovary has been awarded the 2nd rank of the Order of Mercy, Mademoiselle Karlet [unclear document], the daughters of the noble monsieur lahovary, the ambassador of Romania to Istanbul should be awarded; the execution of the necessary action is required by the Sultan's order, and the edict in this matter is the Sultan's. 11 Muharram 322, 15 March 320, Mehmed, Chief Clerk of the Sultanate”

“İ.TAL. 327-5, H-11-01-1322/M-28-3-1904, “Yıldız Sarayı Hümayun Başkitabet Dairesi 211 Maruz Çakerkemineleleridir ki Dersaadet Romanya sefiri asaletli mösyö lahvary cenablarının kerimeleri madmazel Karlet [belirsiz belge] Lahovary madmazel tatyana lahovary 2. Rütbeden

⁸ BOA, İ.TAL. 293 – 39, H-24 Şevval 320/ 11 Kanunusani 318/ 24 Ocak 1903 (1320L-059)

⁹ BOA, İ.TAL. 327-5, H-11-01-1322/M-28-Mart/March-1904 (1322M-005)

şefkat nişan-ı hümayunu ihsan buyrulduğundan muamele-yi lazımanın şerefsadr olan irade-i seniye-yi cenab-ı padişahi icab-ı alisinden olmağla olbabda emr ü ferman hazreti menleülemirindir. 11 Muharrem 322 ve 15 Mart 320 Serkatip hazreti şehriyari Mehmed”.

The envoy’s mission, which began in spring 1902, when he was appointed head of the Romanian Legation in Constantinople, ended in 1906 when he moved to the office in Vienna. Here is the document attesting Alexandru Em. Lahovary’s dismissal, HR.TH.. (Hariciye Tahrirat) 334 – 97, M-05-Haziran/June-1906¹⁰ “His Excellency This letter was written in response to the letter sent by the King of Romania, stating that Monsieur Lahvury was dismissed from his position as a civil servant, as ambassador, who was honored to His Majesty the Sultan, H. 12 Rabiulahir 324/R. 23 May 1322 /M-5-Haziran/June-1906 The Grand Vizier”

“HR.TH.. (Hariciye Tahrirat/Prime Minister’s Correspondence) 334 – 97, M-05-06-1906, Daire-i Sadaret-i Uzma Mektubi Kalemî Aded 488 Hariciye Nezareti Devletlü Efendim Hazretleri Taraf-ı eşref hazret-i hilafetpenahiye Mösyö Lahvury’nin memuriyetine hitam verildiğine dair haşmetlü Romanya Kralı hazretleri tarafından yazılıb nail-i şeref mesul olan sefir mumaileyh canibinden arz ve takdim kılınan nameye cevaben tastir olunan ve ledülaz icab-ı alisi icra buyrulan name-yi hümayun suretiyle beraber leffen savb-ı alilerine irsal kılınmış olmağla icra-yı icabına himmet buyrulması sıyakında tezkire-yi senaveri terkim kılındı efendim. 12 Rebiülahir 324/23 Mayıs 322 Sadrazam”.

CONCLUSIONS

After gaining its full independence at the end the Ottoman-Russian War, 1877-1878, Romania did not had hostility towards the Ottoman State, on the contrary, it endeavored to develop friendly relations. Likewise, the Ottoman State did not hold grudges against Romania, its former dependent state, and took care to develop its relations in every field. In this rapprochement, both the Ottoman Sultan Abdülhamid II, and King Carol I of Romania brought great contributions. The efforts of the envoys of the two states in keeping the warm diplomatic relations established between the Ottoman State and Romania are noteworthy.

Alexandru Em. Lahovary, who served as Romania’s envoy to Istanbul, in between 1902 and 1906, was one of the architects of the intensification of these relations. During his four-years duty, Lahovary, even his family, was awarded medal for his services in the Ottoman State. During Lahovary’s period, the mutual and sincere friendship feelings of the two states were also reflected in the economic-commercial field. Before Lahovary took office, Trade and Navigation Agreement was signed between the Ottoman State and Romania, sealed and put into effect during Sultan Abdülhamid II reign.

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THE ROLE OF CONTROLLING AS THE BASIS OF PERFORMANCE-ORIENTED MANAGEMENT DECISIONS

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ABSTRACT: *Through the article we aim to deepen the correlation between the controlling system as a piloting tool of the entity and management whose main purpose is to maximize the benefits obtained over a long period of time, as a result of actions taken in the economic and social environment. In principle, the objective of this scientific approach is to highlight the premise that a modern, performance-oriented management is based on a controlling system that meets the ever-changing needs, in response to stimuli from the business environment. The importance of this aspect derives from the influence of complex events at the macroeconomic level. In the elaboration of the paper we combined both theoretical and technical levels of research (quantitative and qualitative), using specific types, such as descriptive and explanatory research.*

Keywords: *controlling, management, performance, decision making process.*

JEL Codes: *M21, M49*

INTRODUCTION

The fact that we live in the so-called century of speed makes us witness the transformation and continuous evolution of the business environment and implicitly, the internal need to generate information in real time, in order to take the pulse of activity at any time. The complexity of economic life reflected in the light of the phenomenon of globalization and the competitive environment emphasizes the role of information in the decision-making process. Its quality influences both the quality of current decisions and the perspective of decision-making and, implicitly, the results obtained from the decision taken (Topor et al., 2011).

The modern management of any entity has as main purpose the maximization of the benefits obtained using limited resources, as a result of the actions undertaken in the economic and social environment.

To this end, management methods and techniques are outlined in the specialized literature and practice (method of management by objectives, method of management by projects, method of management by budgets, method of management by exceptions and management by product) (Borza et al., 2005) which aim to transpose reality into efficient decisions.

We can say with certainty that the major events that take place at the macroeconomic level decisively influence the organizations, as they have to respond and constantly adapt to the new changing environmental conditions. We appreciate that the most current such events are the global crises generated by uncontrollable events (pandemics, climate change, financial and government crises), the speed with which information technologies are introduced and developed, globalization and the competitive environment. All these stimuli cause changes in the information and decision-making system of the entities.

From the perspective of the International Association of Controllers (ICV) and the International Controlling Group (IGC) (2012), controlling, as a management function, looks at the purpose of activities in terms of strategy, risk, sustainability, is future-oriented by making forecasts, and the role the controller is proactive, equally responsible to the manager. Therefore, the information system of controlling plays an important role in assisting managerial decisions, as it provides the manager with the tools necessary for efficient piloting.

1. RESEARCH METHODOLOGY

Generic, research involves a search using a methodical process in order to improve both their own knowledge and that of others, by discovering nontrivial facts and visions. The success in the research activity is given by the widening of the knowledge horizon in the researched field (Groșanu, 2009).

Scientific research can be seen as a process of improving knowledge, carried out through objective and careful observation, investigation and experimentation, in order to discover or interpret new information (Groșanu, 2009).

In order to meet the general objective of this scientific paper, we approached a research strategy that combines methods, rules, principles, tools and know-how specific to the issue. This strategy aims at research on three different levels, namely the theoretical, technical and epistemological level.

The theoretical level ensures thorough documentation by mastering the literature and formulating hypotheses. We analyzed scientific articles, specialized works and publications of the competent organizations, but also of acknowledged authors.

Technically, we used a series of methods (quantitative and qualitative), such as documentation, critical analysis of documents, observation and comparison in order to ensure the operational approach of the events subject to research.

At the epistemological level, we approach the transposition of practical knowledge into the act of research, as well as the correlation of theoretical research with economic reality.

In order to achieve the scientific paper, the research is approached with a strong descriptive character, as well as explanatory, being formulated opinions and conclusions based on the synthesis of the specialized literature. The documentary research aimed to gather information to be analyzed, described and formulated opinions on the notion of controlling.

2. LITERATURE REVIEW

In recent decades, the concept of controlling has grown and developed continuously, raising controversy in the literature and in the practice of entities. Controlling is a key factor for successful companies, but there are often uncertainties about the meaning of the concept.

These uncertainties lie mainly in the various approaches and translations of the notion of controlling. The term is used both in management, being one of its main functions, and in managerial accounting, as a management system that supports managers in making qualified decisions (Juraj Misun, 2020).

According to the literature, the notion of controlling first appeared in England and dates back to the fifteenth century. The Great Financial Crisis of 1929 marked the need to develop a controlling system within organizations to fulfill the function of planning and forecasting their development, as well as the implementation of techniques to adapt to the uncertain environment (Caprian et al., 2017). Subsequently, the foundations of managerial accounting were laid, and after 1980 the concept of cost management was outlined (Nedelcu, 2017).

The controlling has been defined over time through the prism of various approaches of specialists in the field.

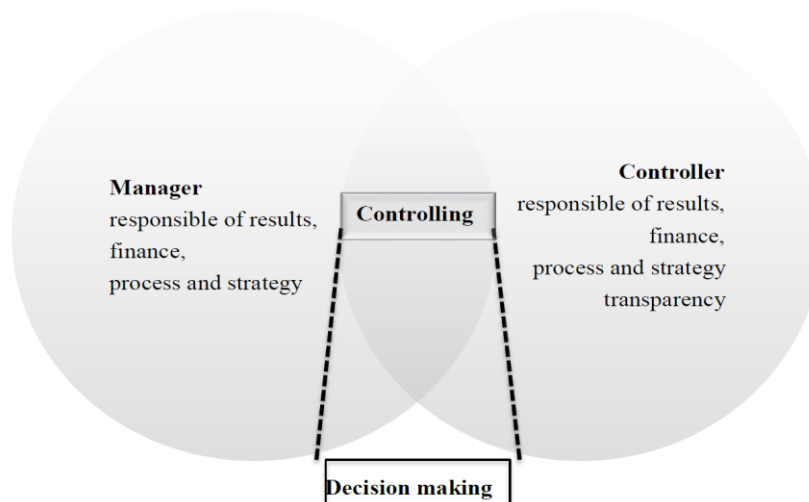
R. N. Anthony (1965) defines controlling as "the process by which leaders ensure that resources are obtained and used effectively in order to achieve the goals of the organization".

According to specialists R. Mann, E. Mayer (1996), "controlling is a system of regulation and management of profit, which allows the entity to obtain maximum profit under existing conditions."

A broad definition of the notion is formulated by W. Becker and P. Ulrich (2016), so controlling "has the task of designing and monitoring the management process in defining objectives, in the planning and control process, with a responsibility to achieve the set objectives".

ICV and IGC (2012) illustrate the premise that not only controllers carry out activities in the field of controlling, but there is a close connection between controllers and managers, "therefore, the interaction between managers and controllers constitutes controlling".

Figure 1. Interaction between managers and controllers

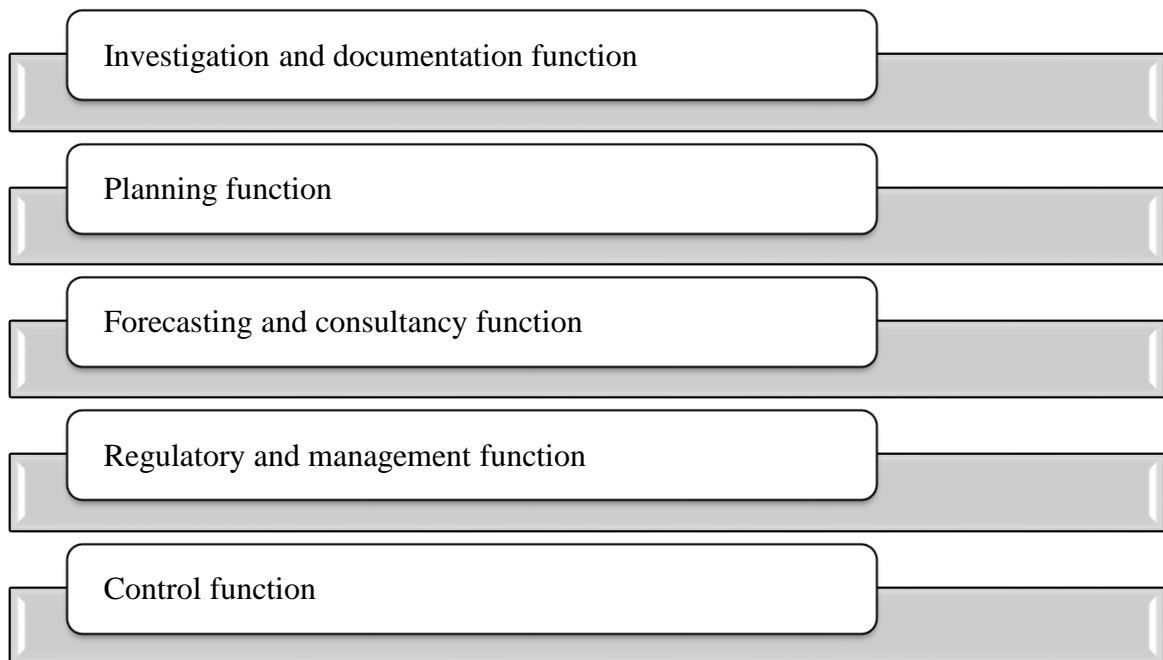


Source: own processing after ICV (2012)

Therefore, we can say that the approaches of specialists regarding the concept of controlling are not unanimous. From our perspective, controlling arose from the need to monitor actions in the short term, so that they are compatible with the strategic orientation. Thus, the planning, monitoring and control processes generate valuable information flows to streamline the management of companies by adopting operational decisions, in order to achieve specific strategic objectives.

Deriving from the numerous approaches of the notion, in the specialized literature are outlined the main functions of controlling, which will be illustrated in the continuation of the paper.

Figure 2. The main functions of controlling

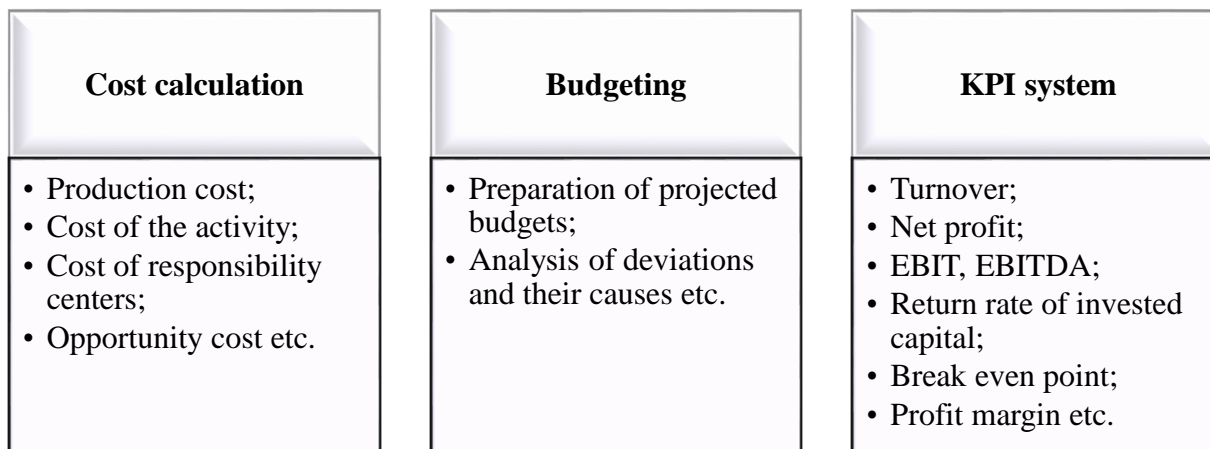


Source: own processing after Jung, 2007

Controlling combines a wide range of tools used, integrates and coordinates all control functions to assist decision-making. In this context, the tasks of controlling are outlined:

- creating an efficient information framework for making managerial decisions, based on data provided by financial accounting and managerial accounting;
- collecting, processing and transmitting information at different levels of management, in accordance with its requests;
- drawing up the budgeting system within the entity, as well as monitoring the fulfillment of the budgetary plans;
- monitoring and coordinating the activity at subdivision level and of the company as a whole;
- drawing up a strategic and operational planning system;
- evaluating the performance of the activity in terms of business perspectives;
- coordinating the management process in order to improve the entity's performance.

In order to fulfill its interdependent tasks and functions, controlling operates with a system of specific tools and procedures, in order to streamline operational processes.

Figure 3. Controlling operating tools

Source: own processing after Nedelcu, 2007

3. RESEARCH RESULTS AND CONCLUSIONS

In order to ensure the fulfillment of daily tasks and to establish new perspectives and future development strategies in a constantly changing environment, it is vital for managers to have relevant, and timely information. Both over-information and lack of information are the basis for inefficient decision-making. Controlling is an efficient information system that contributes to the achievement of a performance-oriented management, in a context characterized by uncertainty.

From the perspective a department of the organization, controlling has the role of collecting data both in connection with individual activity and in connection with the economic and social environment in which it operates. Moreover, it uses specific tools to analyze, process, interpret and report information aimed at providing decision support to management.

In order to provide relevant information about the organization, we distinguish the strategic and operational valences of controlling. While strategic controlling is focused on how to perform the appropriate activities, operational controlling is focused on how to perform the activities correctly. The objectives set can only be achieved by combining the two approaches. Tactical controlling connects strategic controlling with operational controlling and aims to perform the right activity correctly, as well as to find solutions when undertaking an activity inappropriate to the proposed objectives, or when an appropriate activity is performed incorrectly. The answers to these paradigms ensure a direct relationship between strategic and operational controlling.

The term controlling is a controversial one, not only in terms of various approaches over time, but also because of the many translations and misinterpretations, being assimilated with control. Therefore, we consider that it is important to make the distinction between controlling as an independent function and control as a function of management (Nedelcu, 2017). Controlling can be done through accounting, as follows: investments and projects controlling, budget controlling, cost controlling, controlling through KPIs. From a managerial perspective, control can be achieved by analyzing strategies, objectives, activities and operations. In this case, we can

conclude that controlling provides the necessary support to management in order to establish strategic direction and coordination at the operational level.

The importance of a controlling system for strategic orientation and decision-making lies in the help provided to management to find answers to two fundamental questions, namely "how to use efficiently the resources invested to achieve the objectives?" and "how were the allocated resources used?". Given the existence of a strong competitive environment, it is imperative that management have access to relevant and timely information in relation to the performance indicators of the business, as well as in relation to the external environment in which the entity operates. This ensures the relevance of the decisions taken.

All organizations benefit from an information system, but for it to be efficient, oriented towards growth and economic development, it must take into account the specifics of the activities and the tools used must ensure relevance, timeliness, complexity, consistency, representativeness, credibility and comparability of information.

In conclusion, the decision-making process is necessary at the level of all structures of the organization, covering both the short-term and the long-term horizon. Decisions are the engine of the plans, and their adoption involves financial and non-financial analysis, in order to substantiate and document the best approaches.

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