

## The Strategic Behavior of Companies in Romanian Competitive Environment

Nicodim Liliana

"Ovidius" University of Constanta, Faculty of Economics,  
[nicodimlili@yahoo.com](mailto:nicodimlili@yahoo.com)

Croitoru Gabriel

"Valahia" University of Targoviste, Faculty of Economic Sciences  
[croitoru.gabriel2005@gmail.com](mailto:croitoru.gabriel2005@gmail.com)

Duică Mircea

"Valahia" University of Targoviste, Faculty of Economic Sciences,  
[mircea\\_duica@yahoo.com](mailto:mircea_duica@yahoo.com)

### Abstract

*In the context of compliance to the requirements of local and regional sustainable development with due regard to the interests of harmonization territorial actors, it seems appropriate to address the institutional systems and the reconfiguration of local and regional unit of analysis of the interaction between companies and location of work. We believe that solutions to improve the strategic behavior is a constant theme relevance and the need for a scientific approach adds knowledge, especially by acknowledging errors strategic positioning and the strategic goal to develop recommendations to recover this gap. Our approach focuses on identifying organizational models that provide company management tool suitable methodological requirements of the current competitive environment, and we thought it was appropriate to analyze the evolution of concepts dominant areas interrelated research theoretical and methodological applicative: strategy, strategic management, and strategic behavior.*

**Key words:** company, competition strategy

**J.E.L. Classification:** L21, L25, O32

### 1. Introduction

The literature contains a large number of interpretations of the term strategy so far there are no universal definition is acceptable. Schools of thought in the field were formed on the work of Alfred Chandler, Philip Selznick, Igor Ansoff and Peter Drucker.

A. D. Chandler (A. D. Chandler, 1997) defines strategy as "determining the long-term goals and objectives of an enterprise adoption rate action and allocate the necessary resources to achieve the objectives." He stressed the importance of coordinating the first function of management on a set of activities, processes and relationships within the company, to be integrated in a system that operate scheduled and planned, based on rules. P. Selznick (P. Selznick, 1948) introduced the idea of adapting the internal factors, specific to the company, external environmental factors, by entering the "cooptation". In reference works, which treat particular doctrine management organizations and economic enterprises, H. Fayol (H. Fayol, pp. 906-918 ) considers strategic planning as the most important function of management. Strategic SWOT Analysis concept comes from a survey conducted between 1960 and 1970 at Stanford Research Institute in the US. E. Chaffee (E. Chaffee, 1985) summarized the main elements of management stating that "strategic management means adapting the organization to its business environment", highlighting the multidimensional aspects and situational. Strategic management is essential in defining major difference between strategy and strategic planning. O. Nicolescu believes that the strategy can be defined as "all the major objectives of the organization in the long term, the main ways to achieve with the resources

allocated to achieve competitive advantage according to the organization's mission" (O. Nicolescu, și I. Verboncu, 1999).

Author of the novel, synthetic relevant contributions we find Ion Popa (I. Popa, 2004), where the change is interpreted as a threat, such "qualitative leap that is done from strategic planning to strategic management is a result and at the same time, a response increasing uncertainty and complexity in organizations currently operating. In the synthesis of strategic thinking schools and trends presented by I. Ciobanu (I. Ciobanu și R. Ciulu, p.25) we find the contribution of D. Schendel and C.W. Hofer (D. Schendel și C.W. Hofer, 1979) considered important by actionability "competitive strategy space," suggested fixing the market are focused four components: the field of action (in terms of appropriateness "Product-market" and geographies) distinctive competence and allocating resources, competitive advantage and synergy. The most important conclusion of evidence-based studies can be considered based on the theory explaining the behavior of resources companies. Firm integration of location sensitivity matrix, developed by C. A. Bartlett and S. Ghoshal (C. A. Bartlett. și S. Ghoshal, 1992), was adapted to study A. M. and A. Verbeke Rugman. These authors postulate that the benefits of integration, quantified using economies of scale, scope and benefits of the operation differences between market-places subject to possession by the firm competitive advantage regardless of location.

## **2. Objective of the study**

In our research we aimed to achieve solutions to validate the relationship between knowledge management and strategic resources in order to achieve sustainable competitiveness. Thus, empirical research in the agrifood sector, the conceptual model of innovation for anchoring Romanian SMEs in cyberspace European to mitigate competitive imbalances are resolved by the network coverage deficit of knowledge and design strategic solutions and reconfiguring repositioning competitive performance space. Research aimed at highlighting the role of cultural learning environment responsiveness in adapting organizational strategic companies by assessing their current absorption competitive intelligence tools, to define a competitive profile of companies based on strategic knowledge resources. Both research knowledge is contributed by validating the current competitive environment Romanian concepts proposed by literature and adapted by us in order to fulfill the basic objectives and derivatives of this article.

## **3. Data base**

Research hypotheses allow replying to issue scientifically formulated to target general-adaptation solutions to strategic behavior of companies by reconfiguring appropriate organizational development competitive environment Romanian, by building progressive research focused on identifying behavior patterns of organizations in competitive environment Romanian in accordance with the requirements of its alignment with the foreseeable developments. The general and specific formulation of hypotheses of our research is based on assessment of the following trends:

- Significant spread the unfavorable competitive position of firms in the food sector in Romania and their potential, which requires the formulation of viable solutions for strategic behavior, minimizing these differences, especially SMEs.
- Inability of firms to develop managerial skills of design and implementation of tools for strategic agility.
- Perpetuating a high degree of inadequacy of management companies to the requirements of integration in the knowledge society, Romanian companies being maximum in the use of information society tools, but still far from the potential of knowledge management as an organizational competitive advantage.
- Vulnerabilities Romanian institutional environment, due to lack of administrative expertise undermining the chances of success of strategic agility portfolio of Romanian and foreign companies.

Areas of specific contrasting empirical hypotheses are: agro-food, information and communications technology industry and the public sector, the role of regional communication.

Food sector by conceptual model of innovation management in the food industry, we followed the validity of general assumptions by testing specific hypotheses to adapt to changes in consumer behavior of fresh produce to validate strategic solutions reconfiguration of the distribution network and implementation of biotechnology innovative industry fish.

In order to elucidate the issues sufficiently revealed in the current stage of research and the belief that lack an integrated vision of the hierarchy and direction of action of factors influencing the strategic behavior of companies we have seen fit to design a conceptual model to increase the predictability environmental change and provide solutions for strategic agility from food on a few priority sub analyzed. The research was conducted on a sample of 108 companies with a relatively balanced structure in terms of socio-demographic characteristics different. The questionnaire asks companies to assess on a Likert scale of six stages (completely disagree completely agree), insofar as they are or disagree with the assertion 23 corresponding to the six dimensions descriptive innovation capacity of companies.

Information and communication technology sector, we have designed and tested an organizational audit tool designed to evaluate the companies to capture competitive knowledge based generation capacity assessment cultural environment for organizational learning. Study on environmental monitoring competitive behavior by firms Romanian ICT industry in order competitive positioning based on methods and techniques of competitive intelligence, it was sent to a sample of 108 companies (response rate was 33.33%). Data processing was done using SPSS processing system (Statistical Package for Social Sciences).

#### 4. Methodology

The process of identification, selection, evaluation and implementation of appropriate methodological tools to achieve the objectives of this article meets the requirements of current and anticipated management competence area which is circumscribed. Thus, this article is based on the synthesis of conceptual development dynamics investigative tools of strategic behavior in the competitive space by critical analysis of the relevance of the results of their application predictability validated by the current economic context.

Regarding typology innovation objectives, the answers may specify, after the first election, the most important perceived, as follows: Improving business relations (20 companies); Quality and product strategy and marketing (24 companies); Traceability (24 companies); The safety of food (21 companies); Processing (19 companies). Testing conceptual model of innovation capacity in the agricultural sector was made by preliminary audit pilot applied online sample consists of companies in the food industry, then creating complete data base with complete information off line. In table 1. Assessment of expertise in innovation, analyzing audit results positioning processing record companies to the sector average.

Table no. 1. Assessment of expertise in innovation

<b>Innovation capacity</b>	<b>Evaluation</b>	<b>Sector Average</b>
International activity	4.20	3
Intellectual property rights	3.00	4
C&D	2.17	3
Innovation Strategy	3.25	3
Knowledge management	3.20	4
Customer orientation	3.25	2
intangible assets	3.00	4
Project management	3.75	4
Cooperation management	2.67	3
product innovation	3.38	3
process innovation	3.17	4
Non-technological innovations	2.50	4
<b>Obstacles</b>	<b>Evaluation</b>	<b>Sector Average</b>
Financial	3.00	2.8

Internal factors	2.75	2.5
Legislation	2.83	3
Market	3.00	2.8
<b>Objectives</b>	<b>Evaluation</b>	<b>Sector Average</b>
Improving business relations	3.00	3.5
Product and market strategy	3.17	4
processing	2.83	3.3
Quality	3.00	2.9
Other	3.00	3.1

Like demographic data relevant sector, illustrated by Figure 1. Sequence online Audit layout, note 10 of the companies main activity is the production of ready meals Food processing and the manufacture and processing of food for human consumption; 4 companies processing products for animal consumption; 3 companies consider the processing of raw materials as their core, and the other one includes the secondary activities; 9 companies are also its suppliers of equipment for the food industry and all companies are suppliers of packaging.

Figure no. 1. Sequence online Audit model

All firms realize the importance of improving business relations, to find new partners, but currently, it represents a priority for them: 10 companies not especially concerned no products are released on the market or the development of strategies judicious marketing the main obstacle is, as is apparent from the answers to the next question, lack or insufficiency of financial funds; the other 16 companies were awarded four points from six, although they consider the lack of resources a major obstacle. Perhaps they realize the importance of marketing strategy and its impact on sales or the future financial funds generated. In terms of manufacturing, all companies working to increase the flexibility of production and productivity growth (11 companies awarded 4 points out of 6 and 6 companies were given full marks), introducing innovation in the processes of the enterprise, as well as results from a previous question. All companies consider important food safety and improve food security both undertakings given a role in strategy development, probably due to standards imposed by the European Union, which are particularly acute, especially in regards to this issue.

The results of this survey confirm study findings presented above: indeed at small management style is confused and companies develops inconsistent, because do not realize and do not pursue a development strategy and long-term innovation, not programs marketing and product launch; difficulties in terms of providing logistics and IT services and while I am aware that a possible solution would be an ally, not especially concerned with creating and maintaining partnerships. All companies focus on processes, trying to liberalize and modernize.

But the larger firms tend to self-development is more pronounced. These companies focus on innovation: realize and implement innovative plans, are aware of the role of organizational culture and put first the values of quality and total customer satisfaction, guided by development strategies fine-tuned. And small firms are focusing their efforts on quality, but it more under the pressure of joining the European Union, wishing to resist market than from to make quality and total customer satisfaction lifestyles. In order to identify the main components, namely the grouping (clustering) on the basis of these companies, we used the cluster analysis. Applying the principal component analysis (PCA) of all variables that describe the innovativeness of valid audit questionnaire (23 questions), applied to the 108 respondent companies, resulted in the following ranking of companies, according to the first component (factor in PC1).

Remaining variables studied were grouped into three main components:

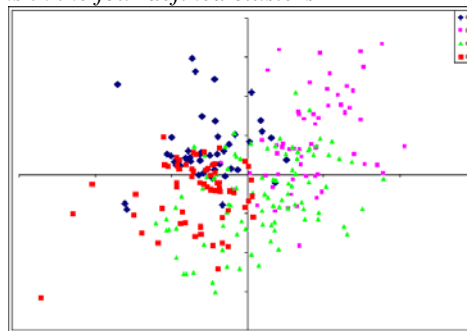
- PC1: Purpose global ideas and vocation RD versus Improve safety and productivity;
- PC2: Vulnerability versus Acționabilitatea obstacles;
- PC3: experience versus current conceptual approach based on strategic analysis.

These dimensions / axes group combinations cause at least 8 (or 4) of H-high and L score -low of companies; using two sizes, one cluster recorded high scores at both PC1 and PC2 as cluster 2 records the highest score to PC1, PC2, but the low score, etc., a table summarizing, clusters are defined as follows:

Cluster	score@PC1	score@PC2
Cluster 1	H	H
Cluster 2	H	L
Cluster 3	L	H
Cluster 4	L	L

Similarly, one can identify clusters using the three-dimensional 8. For the case of two dimensions, uneven distribution chart illustrating the PC1 & PC2 dials because the correlation shown in the figure no 2.

Figure no. 2. Distribution of firms in the four defined clusters



Policy recommendations based on cluster analysis:

- 47 companies were identified as globally oriented and focused research to development, cluster 1 being based European cooperation in research exploitation vocation. Indication appropriate policy is the qualification of these companies in their activity in Europe and employment in research and development cooperation.
- 95 companies, cluster 3 is characterized by national dimension and improve their products, with a high degree of autonomy actionability by national markets. The indication is focused on enhancing strategic anchoring of national programs of sectoral policies.

## 5. Conclusions

In this article I considered these issues and stressed the role of capability management not only within the company but also by creating a network in the state - as a stakeholder - to actively engage in the transformation of the business into a proper event firms' competitiveness. Furthermore, analysis of vulnerabilities state all empirical research by confusing and contradictory economic policies, which proves an obstacle in increasing the quality of the business environment has enabled us to formulate appropriate solutions. So we watched inefficient macroeconomic policies outlined in the analysis of research results and propose relevant institutional mechanisms of state intervention in stimulating and facilitating role for business.

From the analysis that Romania can be characterized still being driven economy factors, the low cost of these is mainly to create competitive advantage, both local companies to national and international ones which induces vulnerability competitive and has proven to be unsustainable with the economic crisis. In this stage of competitive development, companies have only a limited role in creating added value and try to preserve the advantages of cost, especially in conditions of market contraction. It appears that I went through imports of technology uptake phase, which does not make use innovation capacity significant business in Romania.

The solution proposed by our research is to design mechanisms and management tools based on the transfer of knowledge and learning network aimed at mobilizing companies for the move to an economy based on innovation, acceleration of state investment and private major infrastructure capabilities already owned and established, but insufficiently. The causes lie in the inability and unwillingness of the state prioritization of economic policies in general and ignoring Resources added value in the food industry in particular. Clustering the innovation needs of the study on the virtual platform to small and medium enterprises in the food industry and research in biotechnology innovative production and processing of fish to food with maximum safety to human health is evidence of the feasibility of solutions.

## 6. References

- D. Chandler, Strategy and Structure, în N.J. Foss, Resources, Firms, and Strategies: A Reader in the Resource-based Perspective, Oxford University Press, 1997, p 47.
- P. Selznick, "Foundations of the Theory of Organization", American Sociological Review, vol. 13, 1948, pp. 25-33.
- H. Fayol, citat în "The foundation of Henri Fayol's administrative theory", de D. A. Wren, A. G. Bedeian și J. D. Breeze, <http://bus.lsu.edu/management/faculty/abedeian/articles/Fayol.pdf>, pp. 906-918.
- I. Ansoff, Corporate strategy, US: McGraw-Hill, 1965.
- H. Mintzberg, "The Strategy Concept", California Management Review, vol. 30, 1, 1987, p. 25.
- E. Chaffee, "Three models of strategy", Academy of Management Review, 1985, pp. 89-98.
- O. Nicolescu. și I. Verboncu, Management, Editura Economică, București 1999, pp. 136-145.
- I. Popa, Management strategic, București: Editura Economică, 2004, 973 -590-946-4, p. 28.
- I. Ciobanu și R. Ciulu, Strategiile competitive ale firmei, Iași: Polirom, p. 25.
- D. Schendel și C.W. Hofer, Strategic management: A new view of business policy and planning, Little, Brown & Company, 1979, în I. Ciobanu și R. Ciulu, Strategiile competitive ale firmei, Iași: Polirom, p. 26.
- C. A Bartlett. și S. Ghoshal, Managing Across Borders. The Transnational Solution, Boston, Mass.: Harvard Business School Press, 1989 în A. M. Rugman și A. Verbeke, Corporate response to global change, Greenwich, Conn.: JAI-Press, 1992.