

The Necessity and Importance of Money in Time

Vasciuc (Săndulescu) Cristina Gabriela
"Valahia" University of Targoviste, Faculty of Economics
crisabebe2005@yahoo.com

Abstract

„In order to be a winner you need three things: money, money and money.” Napoleon Bonaparte

Starting from this idea, we get to a point where we realize the importance of money in each field or domain of activity, a resource that is necessary, limited and not-renewable if not used accordingly. Thus, an important part is played by self-discipline in economy, a sinequanon condition in order to have money and to make smart investment, both actions led by people who are determined, persuasive, confident and courageous and who can take risks while seeing the big picture.

In relation to money, knowledge plays an important part: the way we perceive our own money determines the way we handle it: we often spend unjustified or we make a smart investment to gain an additional winning. The financial resources are very important for the entrepreneur alongside with ideas and a good management, thus creating a positive role and a fast expansion in companies' and countries' development, in which these tactics are applied on a short, medium and long term.

Keywords: predicted vision, saving up, investment, liquidity, management, profitability

J.E.L classification: A 21, D 21, D 24

1. Introduction

Money has appeared since ancient times, sharing was the basis for their appearance and existence, which originally took the form of a troc. With the amplification of the exchange acts, from the need of their intermediation, a number of goods in the form of commodities have been noted as intermediary and measuring for the others. Thus, they constituted the first forms of money that were fixed on objects such as pieces of metal, furs, animals, skins, etc. But, as the exchanges and the evolution of society grew, the role of money was the precious metal pieces (gold, silver) for its characteristics.

After a period of precious metals, the coin was made of pieces of metal inscribed with certain symbols that gave them a value. The "coin" of the first coins was made after Herodotus, in the 19th century. VII-VI BC and until the second century AD. The money was in the form of gold and silver coins. The coinage was strictly regulated as a sovereign or state privilege. Beginning with sec. XVI. coins in circulation have been added to banknotes (bank note or paper currency), the first being issued in the Netherlands, based on a tradition of traders keeping their gold and silver pieces in banks. To confirm this, the banks issued a document, a ticket to the bearer on which the nominal value of the deposited pieces was entered. The document confirms the deposit and the bank's commitment to return the corresponding counter value of the orchestra metal parts upon request. Over time, the issue of the coin as a metal piece and banknote became a privilege granted to the central bank, also called a bank, and until the First World War they circulated in parallel. Concretely, after 1920, the issue of coins of precious metals became exceptions, being occasioned by special events and carried out in very small quantities. Thus, the convertibility of banknotes and coins of different alloys in precious metals or parts of these metals has been increasingly rare.

Since 1971 convertibility of banknotes into precious metals has been eliminated. In this way, any relationship between money and gold has been lost.

The evolution of money continued with the emergence of scriptural currency or account money, that is, documents in bank accounts whose size increases or decreases by accounting records according to the sense in which amounts pass from one owner to another.

At present, the generic notion of money (currency) designates the metal currency, the banknotes, the scriptural currency, and other instruments with specific forms and dimensions, different from country to country, which are generally accepted as means for exchanges and payments in a given economic space (Gavrilă, I., Tănase G., Nițescu P., Popescu D., C., 2000, pp. 108-109).

Napoleon Bonaparte, an outstanding state leader, has made history a powerful controversy, many historians and personalities judging him according to their sympathies and interests. He was recognized as exceptional qualities such as intelligence, extraordinary work power, perfect strategist, good negotiator, with great popularity among the military and the people.

The Napoleonic code, a code of laws of the times of the past, required the carrying out of economic activities in the field of industry and trade, so the commodities could circulate safely, increased employment through strategies that led to the bankruptcy of factories ; at the same time, education has been recognized as merit being supported in the direction of generating well-trained militaries and officials. For all of this, it was needed financial resources, ideas and good concepts like the current management that led to money management, creating a constructive role and a rapid expansion in the development of companies and countries that have adopted this long-term development strategy short, medium and long, realizing the importance of money in every field of activity, hence the idea "to be winner you need three things: money, money and money (Chirovici E. O., 2012, p. 86).

2. Theoretical background

Starting from this conception, transposed into business, we realize the importance of money, a resource without which entrepreneurs could not carry out their proposed activities, a resource as indispensable, so exhaustible and non-renewable, if not properly used.

For them, the financial impulse is the second support used after the primordial "business idea" idea, launched not by a brilliant mind as much as a dose of high managerial intelligence and self-discipline in saving, self-confidence, co-operation, passion, continuous education, intuition, negotiation power, persuasion, determination, trust, courage, responsibility, necessarily with risk-taking, and with a broad vision.

Thus, Napoleon Hill in his book "From Idea to Money" emphasizes the importance of the idea that leads to prosperity, but without desire and trust there is no power to defeat, as they create victory from a temporary failure because " the mind knows no limits other than those we set ourselves. " Autosuggestion and specialist knowledge create value and the basis for wishes, so along with imagination and careful planning, success is achieved, accepted and observed. Most gains were obtained from decisions, own decisions, the group of people with brilliant minds contributing with many lessons and ideas for satisfying their own desires.

Perseverance and the sixth sense are imaginative processes that help determine your own interests. We all know that thoughts influence our actions, so positive thoughts turn man to success: "Any mind can conceive, you can do it," as well as "Wealth is shy and easy to scare. She must be attracted." (Hill N., 2011, pp. 237-246)

For the main purpose of gaining profitability and maximizing it, the entrepreneur uses the available financial resources (personal money, borrowed) to meet the major objective, ie money, capital, which is then destined for the proposed mission. We note here the importance of saving, the sinequanon condition of obtaining money from other money, thus putting money into production for and for the purpose of the entrepreneur, is their active management because they generate prosperity; achieving long-term goals is achieved through investments that help create and maintain well-being. Prudent investment, through the creation of diverse savings, offers the opportunity to earn large, long-term good returns, which, for the acquisition of fixed and circulating capital, in motivating, improving and qualifying workers, create value.

The main objectives of the investment: profit, safety and liquidity generate large incomes, therefore a balance must be created between spending, saving and investment.

In relation to capital, knowledge plays an essential role; the entrepreneur's vision of their own money determines how they are managed: they often spend it unjustifiably, or invest them in gaining additional earnings. Regarding the unjustified expenditure to be adjusted, a viable alternative is the tracking of total (variable and fixed) expenses. Keeping them under control can be a powerful asset in managing your business, targeting certain spending to investing savings. The effectiveness of knowledge will become the determining factor in the competitive advantage of the firm, the industry, the whole country. Increasingly, management's performance in making knowledge produces efficiency, knowledge transformed into strategies to maximize enterprise results: minimizing manufacturing costs or strategies that track the quality of products and services, adapting to new outlets, advertising, and advertising.

Also, as an entrepreneur, it is very important to invest in quality in those elements of the business that create excess value of the product or service required, so this investment is bringing money into the company by attracting and satisfying customers. A quality product will have a longer lifetime, it will not require extra expense or waste of time as time is money, as Benjamin Franklin said.

Investing in maximizing customer satisfaction is one of the objectives of the company's marketing department, which is designed to attract and retain potential customers. Thus, the entrepreneur's ability to speak again in the creation of a product as an expression of the company's response to the created request, therefore, the company must take into account the requirements of consumers, its production capacity, its skill and its financial potential . Once again, money is an essential and necessary condition for entrepreneurs.

Managerial performance is relevant to the quality of managers in their ability to change their knowledge, skills, decision-making skills and performance-enhancing performance efficiently. Thus, profit is considered to be the expression of the company's ability to accommodate, maintain and evolve, to make effective use of available resources. I conclude that all the direction of a business, all its mechanisms, all the stages it passes through to profit, profitability, gain, wealth, everything is based on consciousness and patience, so "money is not the only answer but makes the difference" (Barack Obama) (<http://www.citapedia.ro/index.php?id=206102>).

Good money management comes from a managerial intelligence and self-discipline in saving, self-confidence, and even negotiating power.

The money consumption pattern of spending can be constructed as follows: 50% go to essential expenses, 30% to desired expenditures, 20% to financial priorities (money-generating economies for which to work, to invest, to create the idea that the money the entrepreneur does not need, resulting in a financial independence that gives freedom on the one hand and peace on the other hand, with the most often focus being on investing only in areas that are known to not enter in collaboration with people who do not like, and last but not least, if there is no vision of what is being done, it is not recommended to do anything by leaving the money at the bank (<https://laurentiumihai.ro/regula-50-30-20/>).

Financial planning is the one that keeps the business going: a minimum of financial expectations is to be considered, which is to be the result of the work done, but necessarily a long-term anticipatory thinking that will help the business in difficult times. Financial planning is designed to highlight the order in which money is to be allocated, so overestimate spending and underestimate earnings, so a financial discipline.

3. Methodology

Among the research methods of the studied phenomenon it is indicated the study of the specialized bibliographic sources, through the observation method, by carefully and systematically following facts, events, phenomena, actions, referring to essential aspects or differentiating them, all referring to their behavior. In order to carry out this study, we also used the descriptive research, as it allowed descriptions of characteristics, phenomena, characterization as well as their anchoring in real time, noting the most relevant observations on the subject chosen.

4. Findings

Strong points:

- qualities, knowledge, skills, skills of a winner
- Strategic thinking to deliver the best performance
- the correct implementation of a successful management strategy
- Assessing the issues that have been good with the feedback received
- identification of employees, "model" by observing in their behavior, the will to work well
- Initiatives and innovation lead to implicit success in prosperity
- permanent development in the economic environment so as to meet the requirements but at the same time to adapt to change
- Enhancing the qualities by focusing on them
- perseverance, openness to the ideas and opinions of others lead to triumph
- a rich man is thrilled, for him, any buy has to bring him added value in life
- a winner plans his financial future for greater security and uses an income for each action, estimating in advance the expenses he will make

Weaknesses:

- Pressure causes you to think there is a problem
- the correct and timely management of situations requiring conceptual approaches
- it is sometimes difficult to have the power and control over life, often becoming subordinate to employers, dependents, credits, etc. being unable to come out victorious
- Managing own savings for purposes that do not justify their use for objectives that do not lead to financial security
- lack of intuition and poor assumption of risks from the activities of entrepreneurs
- lack of financial discipline
- the appearance of arrogance, when you reach the peak you consider invisible, hard to reach
- the appearance of fear, the fear of failure that makes you more fearful, more cautious, so do not hesitate to list all the negative things

Opportunities:

- encouraging success by those with whom they interact
- permanent support from the outside by passionate people who must be constantly motivated
- the right business environment that encourages young people to entrepreneurship, the current society's driving force towards financial security
- Learning from the mistakes of others, but also from the professionalism of others
- success is addressed to everyone
- wealth motivates people, leads to freedom
- rich people take advantage of the opportunities to become richer, respectively learn and improve

threats:

- Changing the direction of walking by those who accompany you on the road to victory
- negative influences from outside can lead to unproductive investments, generating short, medium and long-term losses
- Insufficient ideas

5. Conclusions

Taking into account all the above, an exhaustive definition of the concept of money can be found in the following statement: "Money is a social instrument, a particular form, immediately mobilizing the social wealth, a transmissible and omnivorous embodiment of purchasing power, which entitles the holder to the part of the social product of the issuing country" (Kirițescu C.,1982, p. 63).

Money is the cornerstone of the economy. Helps states raise taxes on public goods and allows manufacturers to improve their merchandise by reinvesting the proceeds of trade; and yet their origin remains a mystery. Everything we do is sum up to money and every day we carry out a lot of financial operations, sometimes even without realizing. In addition to obvious activities (shopping,

payment of some invoices or fees), there are also those that we do not notice. Such as surfing the internet, watching TV (for each of these free time we pay a monthly subscription) or washing the dishes (this is added to the maintenance or gas bill and current if you have a central station). And that's what we all do, every day, it's impossible to imagine a world without money, a world in which people take and offer for free.

6. References

- Chirovici E. O., 2012. *Noua Economie. ABC pentru viitorii milionari*, Bucharest: Rao Publishing House
- Gavrilă, I., Tănase G., Nițescu P., Popescu D., C., 2000. *Manual de Economie clasa a XI-a, toate filierele, profilele și specializările*, Bucharest: Preuniversitaria Publishing House
- Hill N., 2011. *De la idee la bani*, Bucharest: Curtea Veche Publishing House
- Kirițescu C., 1982. *Moneda. Mica enciclopedie*, Bucharest: Scientific and Encyclopaedic Publishing House
- <http://www.citatepedia.ro/index.php?id=206102> [Accessed 22 May 2018]
- <https://laurentiumihai.ro/regula-50-30-20/> [Accessed 22 May 2018]
- <http://www.manager.ro/articole/afla-67/5-modalitati-prin-care-sa-ti-gestionezi-mai-eficient-banii-92389.html> [Accessed 22 May 2018]
- <http://www.evolutiv-business.com/2017/05/26/6-actiuni-testate-de-antreprenori-cu-afaceri-de-succes/> [Accessed 22 May 2018]