

WAYS TO IMPROVE THE PERFORMANCE OF AN ECONOMIC ENTITY WITH THE HELP OF MANAGERIAL ACCOUNTING. EMPIRICAL STUDY BY EXAMPLE: DEVELOPMENT OF AN ECONOMIC ENTITY IN THE PRODUCTION OF ELECTRICAL LIGHTING EQUIPMENT

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Abstract:

The transformations that have taken place in all sectors of economic and social life in order to define its evolution in order to integrate the branch branches according to the requirements of the technical and scientific progress in which the current economic environment operates due to profound transformations with the globalization and the accession to the European Union Directives, certain determinants such as: the implementation of new technologies; the legislative environment; the emergence of new competitors on the market, had a decisive impact on the radical transformation of economic entities. Their purpose is to maximize resources in order to increase efficiency and improve the quality of life. We are witnessing major changes in economic growth and sustainable development due to the globalization system. The performance of an economic entity means past, present, and future. That is why an entity needs to adopt innovative strategies, being as faithful as market evolution. Logistics, as the main economic language, must respond to the economic evolutions due to these transformations, answering the management of all its questions regarding the economic-fiscal indicators, the economic situations, a degree of responsibility for non-economic spending, jobs and internal reserves. Thus, the quality of information is very important in current, but especially future decisions.

Key words: accounting; management; management control; sustainable development

JEL classification: M41, M40

1. INTRODUCTION

Sustainable development means thinking in perspective, that is, establishing "policies" to achieve long-term and medium-term goals, the concern for development, in order to obtain benefits or profits. It is obvious that for the extent of profits, the environment, ie the resources, is depleted. For this purpose, at international level, action strategies have been developed with common targets that take into account not only development but also sustainability. The UN in 2015 at the NEW YORK Session in the Agenda 2030 for Sustainable Development, through its 19 established objectives, is alerting itself to the urgent need for sustainable development in all countries of the world. And in the European Union, he drafted the document "A Sustainable Future of Europe" from 2017, in which it proposes to be "a kind of Sustainable Development Locomotive". The most relevant indicator of economic performance, under the current conditions, we consider to be the realization of investments for economic growth, performance management and quality services in order to increase productivity and the share of high added value activities. Fiscal policies also play an important role in sustainable development and sustainability, which also contributes to the retention of human capital, which is needed to strengthen the value-added economic sectors.

2. ACHIEVEMENT OF PERFORMANCE IN THE CONTEXT OF SUSTAINABLE DEVELOPMENT

At present, the performance of economic entities is given a fundamental role in the current competitive market with the phenomenon of globalization. Thus, the economic entities to survive in

this competition must implement efficient management tools in order to obtain efficient management in order to increase their competitiveness, taking into account the impediments that arise due to the legislative changes, the very strong influence of the political environment on the Romanian economy. Along with the phenomenon of globalization with a view to moving from the industrial economy to an information-based economy, they have made major changes, with sustainable development being a necessity in the face of social and environmental challenges. Therefore, we ask the question of the viability of the economic entities in the context of a competitive and unstable environment. Taking this into account, in order to ensure the sustainability of an economic entity, we consider it necessary to develop economic entities by integrating them according to social and environmental standards and harmonizing economic, social and environmental activities. In the present study we try to analyze the performance of economic entities, given that any field of research defines and establishes its own path of progress, the importance of this economic research is to re-evaluate the notion of performance. The concept of performance has seen a significant evolution over the years. In the 1950s, all definitions referred to financial performance measures, as a cost / benefit couple, then up to the 1990s speaks of the quality offered to customers, and we can now talk about a global approach to social responsibility. Difference from past performance, we are currently talking about global performance due to sustainable development, (PGE) involves aggregating economic, social and environmental performance. We motivate the subject of this study by the fact that performance research needs to be placed in the current economic context, and the current economic environment is very dynamic and has as its primary objective the addition of value.

Because performance is defined differently by each category of information users differently from the proposed objectives, we are currently unable to give a universal definition of performance, since it differs from the management objectives of each economic entity. In this study we try to address performance in terms of economic, financial, social and environmental indicators.

3.ANALYSIS OF SPECIALTY LITERATURE

Analyzing the literature, I concluded that we can not give a unitary definition to the concept of performance because during the scientific approach I have met both general definitions and particular definitions of this concept:

"Managing an entity means, on the one hand, knowing the current activity and intervening with operational decisions in its direction, and, on the other hand, prefigure the future evolution and elaborate prognoses that outline the prospective development directions of that entity" Briciu S., 2006); "The level of achievement of objectives" (Debiens, 1988; Burguignon, et al. 1995); performance requires efficiency and effectiveness at the same time (Mărgulescu, Burlaund et al., 2003); , the unstable equilibrium resulting from the efficacy-productivity couple evolution "(Niculescu and Lavalette, 1999); "All that contributes to the improvement of the value-cost couple" (Lorino, and Lungu, 2006); "Creation of wealth, value in the organization" (Jianu, et al., 2007). Reynaud (2003) and Baret (2006) consider global performance as a mechanism for linking economic, social and environmental performance.

4. THE LONG AND MEDIUM TERM VISION, MISSION, STRATEGY AND OBJECTIVES OF THE ECONOMIC ENTITY ELECTROMAX SRL

In order to exemplify the development and progress in an innovative and competitive way, we chose to analyze an economic entity that has achieved outstanding performance in the field of lighting equipment production, especially in the field of LED lighting systems in areas that are as applicable as possible high. The mission of this economic entity is to meet the needs of its customers through quality products, using state-of-the-art innovative technologies. This mission has emerged from the desire to meet customer needs and preferences, which are, in fact, the most important criteria. Its vision is to develop in an innovative and competitive way so that it can record

outstanding performance in the field of producing LED lighting in as varied and as applicable applications. The proposed activity of the economic entity ElectroMax SRL is: expanding the production capacity of the company through the construction of production facilities; the purchase of performance equipment for carrying on business; respect for the principles of sustainable development, equal opportunities, gender and non-discrimination; adapting measures to improve the quality of the environment and increase energy efficiency. The current business strategy is the supply of consumables in terms of efficiency, effectiveness and economy, and the launch of market studies on customer engagement and expansion at national and international level. The proposed strategy for the future is to develop market studies, marketing and price strategies; the market analysis of the LED lighting equipment sector at national level and the existing competitiveness. The future objectives are to identify the needs and trends of market developments of the sector at national and international level; identify the economic, technological, political and social factors that influence the dynamics of this market; creating new jobs; identifying and combating potential risks by designing measures to mitigate their impact on future work.

5. ECONOMIC, POLITICAL, LEGISLATIVE, TECHNOLOGICAL AND SOCIAL FACTORS INFLUENCE ON THE ACTIVITY FIELD

The external environment has an impact on the impact it has on the economic entity and translates into threats and opportunities. An analysis of the external environment involves identifying the factors that have and still have an influence on the company in the past and present, as well as their assessment in the future and / or the influence of new factors that may emerge in the future. Knowledge of characteristics and mutations in the structure of the external environment is a fundamental condition of quantitative and qualitative satisfaction of a certain category of needs by the economic entity, growing needs and diversification, which must underpin the elaboration of realistic, well- scientifically grounded. As a dynamic, socio-economic system, the economic entity takes over from the external environment the resources it needs and introduces it into specific processes, resulting in products, services or works that will be transferred to the same environment. In this respect, the economic entity is a basic component of the external environment, as a system of inputs (from external environment), processes and outputs (to the external environment). We can conclude that by inputs the economic entity adapts to the environment, and by exits it will influence the environment.

In this respect, the economic entity Electromax SRL can be considered as a component of the external environment as a system of inputs and outputs, depending on the inputs it can be deduced how the entity adapts to the environment, and from the point of view of the outflows one can observe how it influences the environment.

5.1. MACRO-ENVIRONMENTAL ANALYSIS. FACTORS OF INFLUENCE THEREOF

Within the economic entities in this field of production, "manufacture of electrical lighting equipment", we can identify the macro-environment in terms of the following factors:

- Economic environment;
- Political-legal environment;
- Socio-cultural environment;
- Technological environment.

Analyzing from a macroeconomic perspective, we can assume that 2015 was a favorable year for Romania, consolidating the internal and external equilibria of the economy, thus, compared to the European average, there was a sustained increase of (3.8%), have been able to recover from the recession in the first quarter of 2015. The European Commission and the European Central Bank have decided that in 2016 Romania will be excluded from calculating the Maastricht benchmark on price stabilization.

The fiscal measures taken have stimulated the improvement of the financial position of both the population and the companies, the financing costs have been reduced, since 2015 can be considered as the driver of domestic economic growth, GDP recorded the highest value in the post-, 8 percent). Evolution has been mitigated by the negative contribution to exports, which leads to global activity diminishing, adding to the added value of the economy through the integration of the economy at international level and the limited competitiveness of local producers.

The investment plan also had a positive growth (+6.3 percentage points to 8.8 percent), thus improving the technology of the economic entities and the construction sector, but the most eloquent example in this respect is given by the industry car and its related branches.

And from the point of view of its employees, Romania grew by 2.8 percent in 2015, mainly due to market services, but also the construction and transponder field had a rapid ascent. Due to this fact jobs were created, the number of employees almost deposited 350 thousand people near which they had been placed for three consecutive years.

The tax system is favorable to economic entities for economic growth, but we can not fail to notice the fact that there are some risks of aggressive fiscal planning, due to the many characteristics of taxation of entities in Romania.

As far as renewable energy is concerned, the Romanians have reached their 2020 target by 2014 with a share of 24.9 percent of renewable energy. Romania can achieve the 2020 energy efficiency target. This is partly due to the fact that the objective has allowed for a substantial increase in energy consumption that has exceeded both the previous and current levels. (European Commission 2016).

5.2. ANALYSIS OF THE COMPETITIVE ENVIRONMENT. INVESTIGATION OF STATISTICAL SOURCES AND COLLECTION OF INFORMATION BY DIRECT RESEARCH.

For presenting the main competitors of S.C. Electro Max S.R.L. a market survey was carried out, the main elements being considered being the market share and the turnover of the companies in the same field of activity, with the production capacity developed in the field of activities and processes of manufacturing of LED lighting systems.

The notion of market share is also used in competition law as a tool for determining the weight of a particular economic operator in the circulation of certain goods or services and for identifying a possible dominant position on the market. Market share is the share held by a firm in the market (actual / potential) of a product at a given time (number of customers / percentages of the total or actual number of current or potential consumers of a product that the firm owns). Often the term "market share" is used in the sense of sales quota.

Table no.1. Analysis of the main competitors of SC ElectroMax SRL

Company	Location	Domain
ADB Airfield Solutions	North America South America Europe	Airfield lighting
ELBA SA	Romania	Obstruction lighting
Energobit	Romania	Street lighting
Flash Lighting Services SA	Romania	Architectural lighting

Source: Own projection

The analysis of the market share is accompanied by the widest possible information, such as: the dynamics of the company's main indicators (turnover, labor productivity, profit), profitability dynamics, the evolution of the number of employees, the turnover situation per each

market-product couple, the economic conjuncture in which the company operates, the evolution of competitors.

In Petroșani city, where Electro Max SRL has its activity, there is no other company carrying out such activity specific to the CAEN code 2724 Manufacture of electrical lighting equipment. In Hunedoara County, there are the following competitors of Electro Max SRL:

Table no.2. Analysis of local competitors of ElectroMax SRL

Company name	Address	Fiscal value		Profit		No. of employees	
		2016	2015	2016	2015	2016	2015
TOTAL GEOLED SRL	Lupeni, str. Parângului 24, bl. A5, Et. P, cod 335600, Jud. HD	73.160	208.220	58.560	163.102	1	1
MANUFACTURA CORVINĂ SRL	Peștișu Mic, str. Fn, 45A, cod 337335, Jud. HD		62.794		-121.763		0
DOMENIILE BABA SRL	Peștișu Mic, str. Fn, 45A, cod 337335, Jud. HD	0	0	-1.078	-349	0	0

Source: Own projection

The market share in Hunedoara County of Electro Max SRL is presented in the following table:

- Electro Max SRL has a local market share of 98.89% in 2016 and a local market share of 96.67% in 2015
- Electro Max SRL has a 100% local market share at the local level in 2016 and 2015

Table no.3. Market share of Electromax SRL at local level (Hunedoara County)

Company name	Fiscal value		Simple market share%		Relative market share	
	2016	2015	2016	2015	2016	2015
ELECRTO MAX SRL	6.530.409	7.878.130	98,89%	96,67%	100,00%	100,00%
TOTAL GEOLED SRL	73.160	208.220	1,11%	2,56%	1,12%	2,64%
MANUFACTURA CORVINĂ SRL		62.794	0,00%	0,77%	0,00%	0,80%
DOMENIILE BABA SRL	0	0	0,00%	0,00%	0,00%	0,00%
Total fiscal value	6.603.569	8.149.144				

Source: Own projection

At the national level, there are 84 economic entities carrying out activities according to the CAEN code 2740. Further on (table 4), we present the simple market share and the relative market share of the economic entity Electro Max SRL on the domain of activity related to the CAEN code 2740:

The simple market share and relative market share are two indicators indicating the market position of the economic entity, highlighting the entity's market capacity relative to the capabilities of the markets of the other competitors on the market. The simple market share is calculated by the percentage ratio between the sales of the economic entities and the total sales on a given market. The relative market share is calculated by the ratio between the company's market share and the market share of the strongest competitor on that market.

Table 4 shows that ElectroMax held: A relative market share in the year 2015 of 9.27% and in 2016 it held a relative market share of 12.14%

- A simple market share in 2015 was 6.02% and in 2016 it held a simple market share of 7.36%
- A relative market share of 12.14%

Table no.4. Analysis of national competitors of ElectroMax SRL

No.	Company	Turnover - thousands of lei		Simple market share %		Relative market share %		Dynamic	
		2015	2016	2015	2016	2015	2016	Simple market share +/-	Relative market share +/-
1	ELECTOR MAX SRL	6.530.409	7.878.130	6,02%	7,36%	9,27%	12,14%	1,34%	0,0287
2	INDUCȚIE LIGHTING SRL	215.934	149.230	0,20%	0,14%	0,31%	0,23%	-0,06%	-0,0008
3	AXA STAR SRL	124.530	91.387	0,11%	0,09%	0,18%	0,14%	-0,03%	-0,0004
4	IMMAXIA LED SRL	1.523.971	302.500	1,41%	0,28%	2,16%	0,47%	-1,12%	-0,0170
5	DELTA PLUS SRL	108.417	153.246	0,10%	0,14%	0,15%	0,24%	0,04%	0,0008
6	CHINTOS	108.060	63.750	0,10%	0,06%	0,15%	0,10%	-0,04%	-0,0006
7	LED LIGHTING TECHNOLOGY SRL	164.786	213.174	0,15%	0,20%	0,23%	0,33%	0,05%	0,0009
8	ELECTRO S SRL	23.165	11.520	0,02%	0,01%	0,03%	0,02%	-0,01%	-0,0002
9	TAD PRODSERV SRL	47.398	135.860	0,04%	0,13%	0,07%	0,21%	0,08%	0,0014
10	GREEN LED SRL	98.093	49.289	0,09%	0,05%	0,14%	0,08%	-0,04%	-0,0006
11	KLASS PRODEXPORT SRL	2.494.298	3.483.908	2,30%	3,26%	3,54%	5,37%	0,96%	0,0183
12	NEON PRODUCT SRL	2.857.284	3.361.060	2,64%	3,14%	4,05%	5,18%	0,51%	0,0112
13	AMIRAS C&L IMPEX SRL	12.395.588	14.593.767	11,43%	13,64%	17,59%	22,49%	2,21%	0,0490
14	DESIGN SERVICES SRL	1.486.033	1.714.309	1,37%	1,60%	2,11%	2,64%	0,23%	0,0053
15	LUMINEX SRL	155.980	106.693	0,14%	0,10%	0,22%	0,16%	-0,04%	-0,0006
16	TESVA SRL	540.507	419.371	0,50%	0,39%	0,77%	0,65%	-0,11%	-0,0012
17	DAGBEST SRL	777.693	863.050	0,72%	0,81%	1,10%	1,13%	0,09%	0,0023
18	VILLEX SRL	1.559.685	1.794.426	1,44%	1,68%	2,21%	2,76%	0,24%	0,0055
19	F.D. STIL INTERNAȚIONAL ADT CDI	2.123.777	2.305.017	1,96%	2,15%	3,01%	3,55%	0,20%	0,0054
20	PROSIM IMPEX SRL	108.601	36.067	0,10%	0,03%	0,15%	0,06%	-0,07%	-0,0010
21	CARALUX IMEPX SRL	3.178.817	3.857.990	2,93%	3,61%	4,51%	5,94%	0,67%	0,0143
22	OPTIMUS PLUS SRL	328.844	367.889	0,30%	0,34%	0,47%	0,57%	0,04%	0,0010
23	DIETAL ROUMANIE SRL	70.484.545	64.902.237	65,01%	60,67%	100,00%	100,00%	-4,34%	0,0000

Source: Own projection

And internationally, in the niche market for electrical lighting equipment for airports ElectroMax SRL has accumulated a market share of 2.5%, for example from the 6000 airports the entity sold lighting equipment for 150 of them.

6. ACTION PLAN AND IDENTIFICATION OF RISKS TO ACHIEVE THE OBJECTIVES

Sales promotion implies short-term incentives to encourage customers to purchase a particular product from the economic entity's offer. By promoting sales, it is intended to increase them in the short term by stimulating the purchase impulse. Further according to (table 5) we will identify the following activities within the action plan of ElectroMax SRL:

Table no.5. Actions and risks to achieve the objectives

Risk	Impact	Probability	Disposal or mitigation measures
Unconscious Implementation of the Marketing Plan	Failure to meet the goal of raising customer portfolio	Low	-Adapt marketing strategy to the changes that can occur on the market
Marketing does not generate anticipated results	Decrease in sales, and implicitly, the expected turnover will not materialize	Medium	-Share sales through internal policies; - Supplementing the marketing budget from own funds, which does not take a very long effort.
Poor training / experience of marketing staff	Deficiencies in the implementation of marketing strategy	Medium	-The participation in courses in the field; - Calling for marketing consulting services.
Poor increase in the visibility of the economic entity	Promotions are not effective	Medium	-Impact implementation of product strategy; -Professional policies; -Add budget; -creating partnerships in the same market for mutual promotion; -Annual attendance at fairs and events.

Source: Own projection

CONCLUSIONS

In this approach, we addressed a complex and topical issue: the performance of economic entities in the electric lighting equipment in terms of sustainable development. After the analysis, we managed to develop a model for assessing the overall performance of the Romanian business environment and building a diagnostic model, because the economic entities in the field are required to integrate the environmental and social aspects, which we call new global performance. Performance management must communicate with achievements, that is to meet all categories of users. Sustainable development imposes sustainable performance standards: economic development, economic development, social equity and efficient use and environmental preservation. Starting from this, we have tried to recognize our own model of global performance diagnosis within an economic entity within lighting equipment. We believe that by analyzing the literature and empirical study within the economic entity ElectroMax SRL we have contributed to