

DASHBOARD - TOOL FOR IMPROVING FINANCIAL PERFORMANCE FOR ENTITIES IN THE ROMANIAN CLOTHING INDUSTRY

Teodora Maria Suciu (Avram)¹

Abstract

This article aims to emphasize the importance of the dashboard on the financial performance for the entities in the clothing industry in Romania. The analysis presented by the Dashboard is based on those results that can be used by the decision makers in the clothing industry for the elaboration and implementation of the necessary measures for improving the financial position and the economic performance by using modern tools for managing the organization's activity with perspectives. clear and solid for the future. The results of the research carried out show an upward evolution of the majority of the volume indicators of the presented dashboard, which can be used by the decision makers in the clothing industry.

Keywords: financial performance, dashboard, clothing industry, accounting results, managerial decisions

JEL classification: M41, L67

1. Introduction

The economic-financial environment is influenced by uncertainty and information asymmetry. Starting from this idea, we consider the economic and social transfigurations to be imposed by the change of the way of thinking and of the business undertaken. The present state plays a fundamental role in the economic entities, namely the one of the increase of the performance, although the competition for each division of the market, it has been found that it has become more and more tight, and the mechanisms of globalization remove from the horizon the few competitors. According to this principle, the chances of surviving in this competition are greatly diminished by the companies concerned.

By this, it is deduced the importance of the utilization of the accounting information that is imperatively needed, through the continuous study of the economic-financial performance, to establish the performance problem in a global manner and to highlight the performance evaluation within an industry. For this we propose highlighting them through the dashboard as an instrument for piloting responsibility centers within companies, which proves its usefulness due to the conditions under which its users use it to understand the economic reality of the company, in order to make appropriate decisions.

The difficulty of achieving the performance and the necessary continuous transformations, of economic and social level, at global level, which are the basis of the needs of renewal and improvement, according to the requirements of those involved in the flow of activities and for the correct management of future actions, are only two of those more important reasons underlying the choice of investigating the topic addressed.

We believe that the current socio-economic development imposes a continuous improvement of the accounting information, through modern methods of studying the financial performance, so that it can respond both to the requirements of the company, through the fundamental decisions implemented, but also to the informal needs of the clients and business partners. Therefore, we consider that the quality of the information that the company provides through the financial statements that add value to the financial reporting framework is important first and foremost.

In the national economy, the clothing industry presents through an extensive analysis (Adriana Gîrneală, Marius Potcovaru, 2015) an important segment due to the considerable share in the gross domestic product, the number of exports and the number of employees in

¹ PH. D., "1 Decembrie 1918" University, Alba Iulia, Faculty of Economic Sciences, România E-mail: teodora.avram@uab.ro

these companies. However, from the specialized statistics (Adriana Gîrneacă, Adriana Giurgiu, Cosmin Octavian Dobrin, Ion Popa, Doina Popescu, Sunhilde Cuc, Laura Voicu, 2015, pp. 108 - 113) we can see that the socio-economic and political changes that have held in Romania during the last two decades, they have affected this industry, which has been forced to constantly adapt to the changes that have taken place, and which has made the market a continuous change.

2. Literature review

Over time, the dashboard has been developed continuously to meet the needs of users, especially - managers. The various researchers in the economic field (Sorinel Căpușneanu, Ileana Sorina Boca (Rakos), Cristian Marian Barbu, 2012, p. 3) consider that regardless of the form of presentation of the dashboard, as a graph, table or modular - it is part of those more useful tools for making the best decisions, the basics and the vials by a manager.

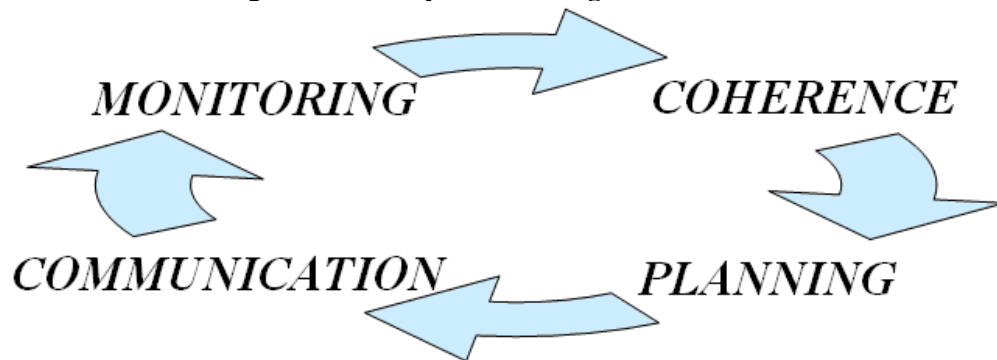
The evolution of the dashboard with the aim of improving the financial performance of companies is still on the rise, which, as Ogan Yigitbasioglu also states, Oana Velcu (2012, p. 49) believes that in the future it will be integrated into the systemic workflow management.

The dashboard according to Ion Verboncu (2001, p. 23) is "a set of relevant information regarding the results obtained in the field conducted, presented in a synthetic form, predetermined and transmitted operatively to the beneficiaries" and also meant to synthesize the information necessary for the management (Niculai Tabără, Gabriela Chetrariu, 2002, p. 2).

David Arnott, Graham Pervan (2005, pp. 67-87) points out that the dashboard is considered to be a particular type of decision support system and a visual and interactive performance management tool that displays the most on one screen. important information about one or more companies, in an objective way that allows the user to identify, explore and communicate the problem areas that need corrective and immediate action.

Multiple international researchers (Koen Pauwels, Tim Ambler, Bruce Clark, et al., 2009, p. 180; Oana Velcu, Ogan Yigitbasioglu, 2012, p. 42) according to figure no. 1, considers that there are 4 purposes for which the dashboard would be used.

Figure no. 1 Purposes of using the dashboard



Source: Own processing by Oana Velcu, Ogan Yigitbasioglu, 2012, p. 42

1. *Monitoring* refers to the daily evaluation of the values that should lead to corrective actions. This could be considered the most fundamental function of the dashboard.

2. *Coherence* refers to aligning and measuring procedures used in departments or for the whole company.

3. Dashboards can also be used for *planning*, given that scenario analysis is present among its features.

4. *Communicates* information to both financial performance managers and stakeholders for choosing company values.

Claudia Guni (2011, p. 555) shows that the dashboard represents a suitable way for framing, selecting, arranging and presenting the indicators that form an overview of the general trends of evolution. From here we can deduce that the dashboard has the following functions: (1) the function of informing the manager about the factual status of the managed work; (2) the warning function on the unfavorable situations or on any deviations from the norm that might occur; (3) the function of evaluating the results that must be in accordance with the decisions and actions taken; (4) the decision function on the basis of its foundation and its proper accomplishment.

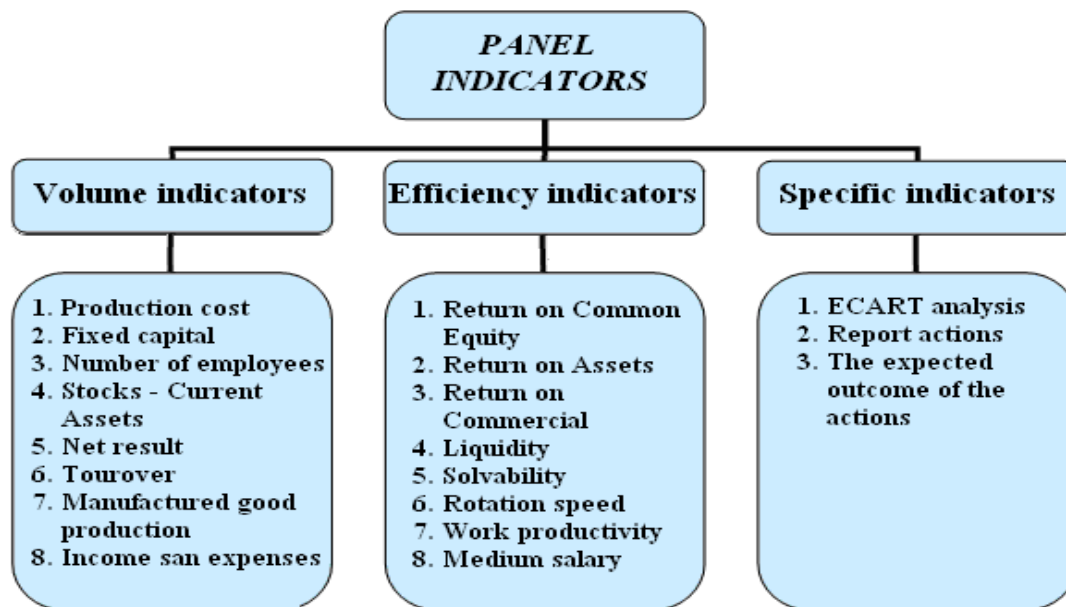
We agree with those stated by Simona Elena Dragomirescu and Daniela Cristina Solomon (2013, p. 175) who believe that an effective dashboard should allow the evaluation and management of performance using the progress modalities established in the strategy and it should also be a useful tool for performance management that can constantly adapt to changes and challenges in the context of today's economy. Therefore, we can say that its outline and development offers the possibility of satisfying a wide range of requirements that may arise at the level of companies from a microeconomic perspective, or at the industry level from a macroeconomic perspective.

3. Research methodology

The implementation of the financial dashboard in companies in the clothing industry as a technological solution (Ivo Damyanov, Nikolay Tsankov, 2019, pp. 428-429) makes it possible to quickly create, maintain, retrieve and provide updated accounting information at the right time, in order to making the most optimal managerial decisions, as well as their use in various procedures related to quality evaluation or publicity of accounting information.

After researching the specialized literature, we found that there are no universal indicators for the composition of the dashboard applicable in all fields of activity. We believe that in order to ensure the coherence and visibility of the scoreboard in the clothing industry, the indicators that can be used are divided into the following types (figure no. 2).

Figure no. 2 **The system of specific indicators of the dashboard in the clothing industry**



Source: Own processing by Niculai Tabără, 2004, pp. 199-208

In order to design and use the dashboard to improve the financial performance of the confectionery industry entities in Romania, we believe that the following steps are necessary (Ion Lead, Andreea Zamfir, Ion Popa, Cosmin Dobrin, Sofia Colesca, Oana Sabie, Răzvan Corboș, Irina Popescu, Vasile Deac, 2011, pp. 252-255):

Stage I - Outline of the dashboard

This stage is preparatory, but fundamental in ensuring the success of using the dashboard as a decisive tool for improving the financial performance of the clothing industry. The main aspects that this stage deals with refer to:

- setting the objectives of the company, as well as those regarding the design, completion and use of the dashboard;
- specifying the ways of visualizing the information and designing the information methods that can be used by the dashboard;
- fixing the circuits related to the information situations and determining the procedures for processing the information;
- prioritizing completing and submitting the layouts used for the dashboard.

Stage II - Diagnosis of the information system specific to the clothing industry

In this stage, the primary components of the information system are analyzed - the data, information, procedures, flows and information circuits, in order to:

- framing from a typological perspective the information, flows and information circuits;
- establishing the quality of the information in the system and adapting it to the beneficiary information requirements;
- analyzing through the deficiencies of the information system and identifying the causes that cause these deficiencies;
- analyzing from the perspective of some principles of functioning of the information system (the principle of correlation, the principle of methodological unity, the principle of flexibility of the information system, the principle of focusing on deviations).

Stage III - Redesigning the information system needed to make managerial decisions

We consider that when the information system fails to provide qualitative information in the first phase, it is necessary to redesign it, taking into account the following methodological aspects:

- reconceiving some components specific to the information system (information, information flows and circuits);
- increasing the degree of information on the execution and management processes;
- re-creation of some informational documents, by modifying their content;
- diminishing the causes that cause malfunctions of the information system;
- promoting the image of the information system in the clothing industry.

Stage IV - Drawing up the dashboard

This stage involves the realization of the dashboard from a structural-organizational point of view, by completing the informational models and transmitting them to managers in order to make the most optimal decisions in order to increase the financial performance of the companies.

Step V - Use the dashboard and continually improve it

- This stage can be discussed in three ways:
- the decisional use of information, which we consider to be the most important task within the dashboard;

- operational intensification in the garment industry according to the information transmitted and the application of the decisions already adopted;
- informing the decision-making forum about the achievements in the company, or at the industry level (degree of achievement of objectives, manner of allocating resources).

The dashboard found that it uses accounting information from the financial, management and budgetary accounting systems. We believe that this dashboard can be shaped on the accounting structure in companies by applying the principle of deviation analysis. Therefore, the dashboard presents a set of universally accepted indicators that can be used according to needs and which the management of companies must regularly analyze in order to evaluate the activity carried out.

4. Results and Discussion

The research continues with the systematization of the volume indicators of the financial performance and the drawing up of the dashboard for a representative company in the Romanian clothing industry, entitled CONF Ltd. for privacy reasons. Although at national level the activity of garment manufacturing is attributed to a large number of similar companies as object of activity with CONF Ltd. in the following we will focus our attention only on it in order to identify punctually the implementation of managerial decisions in correlation with economic-financial results obtained.

In order to analyze the current assets, we highlight in table no. 1 indicators the component indicators of the stocks for the final analysis and preparation of the General Dashboard.

Table no. 1 **The size of stocks of current assets during the period January-December 2017**

-lei-

Month	Raw materials		Consumable materials		Packaging		Accessorys	
	Planned	Accomplished	Planned	Accomplished	Planned	Accomplished	Planned	Accomplished
January	780,850	787,977	315,000	322,799	110,500	124,781	35,000	34,139
February	705,000	709,438	270,950	295,410	100,350	118,476	33,550	32,349
March	730,500	688,915	140,000	141,789	90,000	75,490	29,500	28,442
April	700,340	691,753	205,500	219,391	101,000	108,567	30,100	29,567
May	690,000	679,878	280,300	292,741	99,000	104,451	32,500	31,471
June	697,300	664,213	260,000	158,263	70,550	76,438	25,050	23,521
July	560,000	554,725	134,500	148,335	48,000	52,501	22,450	21,432
August	580,800	523,572	135,550	138,674	45,000	45,889	19,450	18,454
September	550,000	525,094	125,500	139,728	41,500	45,939	20,090	19,096
October	715,500	682,370	130,000	156,967	65,000	71,622	24,050	22,673
November	750,380	745,417	135,500	152,140	55,500	67,890	24,500	23,838
December	780,500	775,699	215,500	218,371	100,450	111,436	31,000	29,065

Source: Own processing

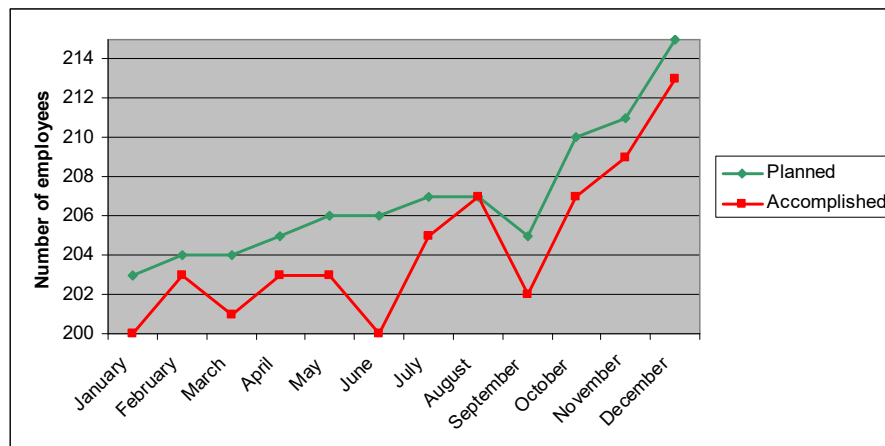
According to those observed in table no. 1, we can say that CONF Ltd. it failed to realize its activity plan proposed for the months of 2017, due to the small size of the goods held and intended for sale following their processing in the production process. We hope that the focus of the company has been on long-term assets in the company - fixed assets, and this is why the company has a low and even unrealized stock volume compared to its own forecast. In the general context, we observe a reduction of stocks in the summer months, and this is due to the leave granted to the employees, so that the workload and consequently the necessary stocks are reduced.

We find that the raw materials occupy a significant place in the total of these stocks, failing to fulfill the plan due to the difficulties arising in the production of certain articles of manufactured clothing and which was not taken into account in the planning made at the beginning of the year. By analyzing the technical documentation held by the company, we found that most of the raw material held by it is found in the finished products as it was consumed.

Consumable materials we find that they participate in the manufacturing process of garments made and that exceeds in most months the action plan. Also an oversupply of the plan is observed also among the packages intended for the sale of products that come as a result of a higher level of raw materials than the one foreseen. Because the raw materials made by CONF Ltd. they were bigger than planned, they increased - consumables and auxiliary materials (sewing threads, linings, protections, reinforcements), but also the packaging used for storage and transport (cardboard boxes, separators, biodegradable foils). An inverse situation is observed in the case of the accessories that as values expressed in lei according to the takeover from the annual financial statements are smaller than the forecast ones and this is due to the renunciation of some accessories (buttons, zippers, staples, embroidery) from the realized series production.

The evolution of the number of employees according to months for 2017 is presented in figure no. 3:

Figure no. 3 Evolution of the number of employees during the period January-December 2017

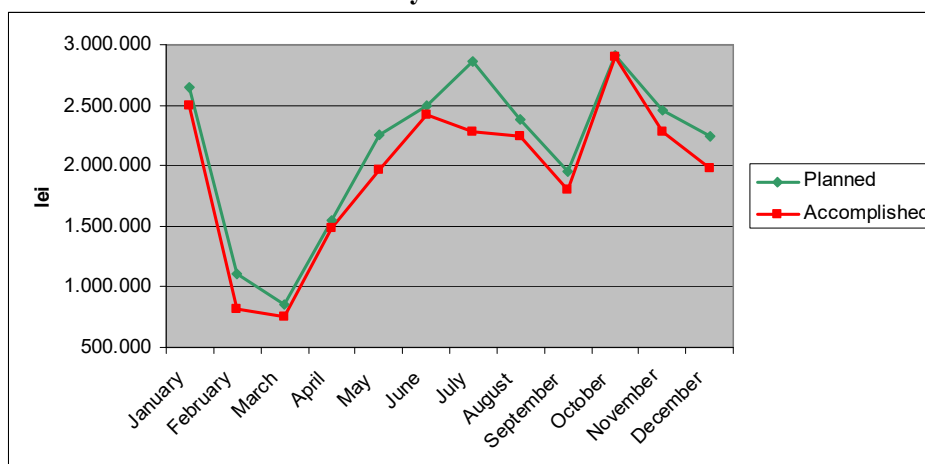


Source: Own processing

We observe from the figure no. 3 an increase in the number of employees as a result of the recruitment and employment plan elaborated by the company management. The average number of employees in the 12 months analyzed is equal to 204 employees, and after a wave of departures by resignation in September, the situation is worsening in the last months of the year, when CONF Ltd. almost manages (213 employees) to reach the forecast level (215 employees).

Manufactured merchandise for the volume of garments from CONF Ltd. from 2017 it represents the production (the value of the finished products) obtained and destined for sale. According to months, this is divided as follows (figure no. 4):

Figure no. 4 Evolution of the production of goods manufactured during January-December 2017



Source: Own processing

The data presented in figure no. 4 shows that the goods produced at CONF Ltd. is in 2017 below the planned level. However, we consider that in some months the forecast values are close to those achieved, which is encouraging because the competition on this type of market is increased, the clients referring in most cases to the value for money.

In addition to the indicators present at CONF Ltd. presented above, in the following we build the general scorecard of the company analyzed for December 2017 (table no. 2), which if desired can help in the elaboration of the business plan for the following year.

Table no. 2 Dashboard at CONF Ltd. for December 2017

-lei-

Indicators	U.M.	MONTHLY VALUES			ACCUMULATED VALUES			CUMULATION n-1	TREND n;n-1
		ACCOMPLISHED	PLANNED	%	ACCOMPLISHED	PLANNED	%	ACCOMPLISHED	
<i>Raw materials</i>	lei	775,699	780,500	99.38	8,029,051	8,241,170	97.43	7,723,147	▲
<i>Consumable materials</i>	lei	218,371	215,500	101.33	2,394,608	2,348,300	101.97	2,031,950	▲
<i>Packaging</i>	lei	111,436	100,450	110.94	1,003,480	926,850	108.27	943,238	▲
<i>Accessories</i>	lei	29,065	31,000	93.75	314,047	327,240	95.97	279,526	▲
<i>Number of employees</i>	employees	213	215	99.07	213	215	99.07	123	▲
<i>Manufactured goods production</i>	lei	1,980,000	2,240,500	88.37	23,405,890	25,800,000	90.72	19,354,871	▲
<i>Turnover</i>	lei	2,350,805	2,500,000	94.03	35,041,010	37,855,000	92.57	32,670,478	▲
<i>Total income</i>	lei	3,482,244	4,645,000	74.97	38,774,696	50,480,000	76.81	39,100,328	▼
<i>Total expenses</i>	lei	4,553,924	2,800,500	162.61	38,392,970	24,700,000	155.43	38,237,055	▲
<i>The net result</i>	lei	20,752	58,000	35.78	381,726	500,000	42.64	863,273	▼

Source: Own processing

Following the analysis of the data in the General Dashboard of the CONF Ltd. we can say that the activity carried out from the perspective of financial analysis presents an upward trend, except making 2 of the most important indicators Total income and Net result of the financial year, profit that we observed that decreased from December 2016 to the same month of 2017 with 481,547 lei . We note an increase in the number of employees as a result of taking measures to increase the wage benefits as a result of a high number of dismissals of employees. We believe that the financial decision makers have a delicate mission to follow, namely - increasing the production and reducing the costs involved, which as we see in table no. 2 seems to have an upward path. A possible plan elaborated to increase the profit of the financial year will help the company management to determine which are the ways in which the revenues can be increased and the expenses reduced.

5. Conclusions

Through the above, we believe that through our research we have provided a modern perspective for measuring and tracking the ways in which financial performance can be improved through the dashboard as an instrument of the centers of responsibility within the analyzed companies.

The obtained results offered the possibility to identify the indicators used to construct the dashboard of the analyzed company in the Romanian clothing industry - CONF Ltd. For each described indicator, data were presented according to months for 2017, both from the perspective realized and planned by the management of the company.

Using the volume indicators the general dashboard for CONF Ltd. was built in December 2017 compared to the same month of 2016, which led to the establishment of the trend, with the purpose of observing which are the financial indicators of the scoreboard that need to be improved in order to increase the financial performance. The construction of the dashboard in the clothing industry is of the opinion that it is useful to the managers who make the financial decisions, the heads of corporations, as well as the business partners - customers, suppliers. This tool is a modern variant of financial performance evaluation that increases its influence due to the double perspective in which it was analyzed: planned results and achieved results.

Finally, we can say in other words that the dashboard offers the possibility to view the accounting information in a simplified way in order to evaluate the performance of the activity undertaken by the analyzed company with the help of representative indicators that help in making the best managerial decisions, as well as detecting the actions. and taking the necessary measures to correct the incompatibilities. We appreciate that the dashboard plays an essential role in improving the management of companies in the Romanian clothing industry, offering a complex and up-to-date model for evaluating financial performance.

Acknowledgement

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ENTREPRENEURSHIP BETWEEN NECESSITY, OPPORTUNITY AND RISK

Irina, Simionescu (Barbu)¹

Abstract

Entrepreneurship involves the creation of a new thing, a process which includes a series of behaviors and activities designed to create organizations, the creation of a new economic activity, involving includes many sizes, unique features, like taking risks, recognition of opportunities, motivation and innovation. Entrepreneurship involves a dynamic interaction of entrepreneurial attitude, entrepreneurial activity and entrepreneurial aspiration which varies in the different stages of economic development. In this work are included both variables of the individual entrepreneurs, as well as institutional and environmental variables, reflected in the quality of entrepreneurial activity, in the aspirations and abilities of the entrepreneurs. Focusing on the various national, social, cultural, political and economic conditions that form an entrepreneurial profile for a type of economy, we also present how entrepreneurs influence their societies. In addition, an economy can have its own priorities, whether it stimulates innovation, reduces unemployment, increases trade or diversify their industries, the paper reveals both the shortcomings and the areas that need to be improved.

Keywords: risks, context of entrepreneurial phenomena, entrepreneurial activity

JEL Classification: F6, L26

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1. Entrepreneurship and its economic function

Entrepreneurship is seen as a positive economic activity because it brings innovations in business and on the market, it is a way for the development of the companies and to create a new world.

Many researchers have focused on the economic function served by entrepreneurs, focusing on the risks and challenges associated with the combination of various factors of production, to obtain the best results that will be sold on the markets in continuous change. In this context, entrepreneurship is discovery, adoption, evaluation and exploit the opportunities ... to create goods and services in the future" (Shane, Venkataraman, 2000).

At the same time, the opportunities associated with entrepreneurship may require the development of new markets, new products, new methods of production and management, the discovery of new materials, the creation and design of new enterprises and organizational forms. The mechanisms of change and innovation are an integral part of the economic function of entrepreneurship.

The quantification of the economic function of entrepreneurship is made difficult by its polymorphic character, but there are various theoretical models for the analysis of entrepreneurship. In the understanding of entrepreneurial action the individualistic approach suggests that the entrepreneur transforms the economic environment due to his decisions.

The entrepreneur is inherently placed in a competitive, even conflicting environment. Entrepreneurial ability is measured by the entrepreneur's ability to take risks related to this uncertainty. He takes risks when he innovates, because he does not know in advance whether the consumer will accept his innovations. He is in a constant state of alertness to detect the often unexpressed needs of the consumer.

¹ PHD, Valahia University of Târgoviște, România, iribar28@yahoo.com

Thus entrepreneurship embodies three interdependent elements of the capitalist economy: uncertainty, risk and innovation. Entrepreneurs are agents of change through their ability to take risks, having a real function: they support the movement of the economy in its growth dynamics or on the contrary, of crisis.

2. Contextualizing the entrepreneurial action

Being entrepreneur is not just about taking risks and the conditions of competition in a particular market. The entrepreneur is a social agent formed in a society that has inspired (or not) a taste for risk. Entrepreneurial action can have many implications at macro and micro-economic level, that's why entrepreneurial behavior can be understood only in its economic and social environment. In this case, social variables are involved, at the macro level but also in relation to the individual himself, economic variables related to the nature of the market, technical variables and political variables, for the purposes of economic policy.

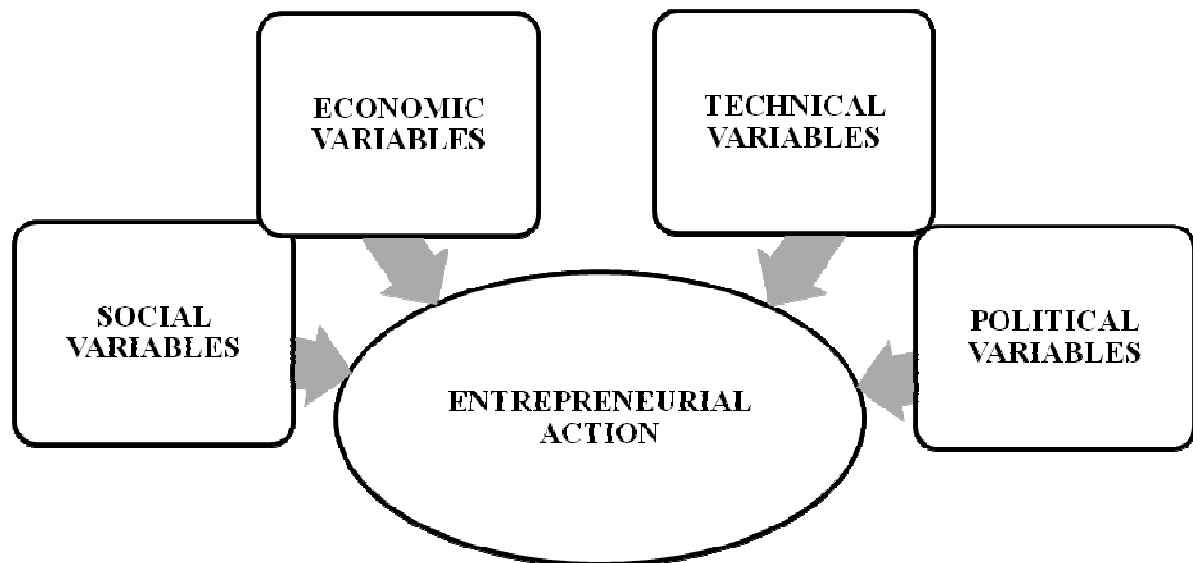


Figure no. 1 The variables of the entrepreneurial environment

Source: Author's processing, after Dimitri Uzunidis, Sophie Boutillier, *The Entrepreneur*, Wiley, 2016

Thus, entrepreneurial action is influenced by major factors related to the economic environment (eg income, tax level, capital resources, economic growth, etc.), the political environment (liberalism, the right to property, decentralization of power, etc.) and the socio-cultural environment. (recognition of the role of the entrepreneur, the presence of entrepreneurial models in society, cultural values, etc.).

At the same time, in order to establish a market, the entrepreneur should have a large amount of technological, commercial and competitive knowledge, but the entrepreneur's knowledge is limited. Therefore, the entrepreneur learns through the market, from his mistakes and successes, makes decisions and builds an alternative strategy (if necessary) that allows him to take advantage of opportunities.

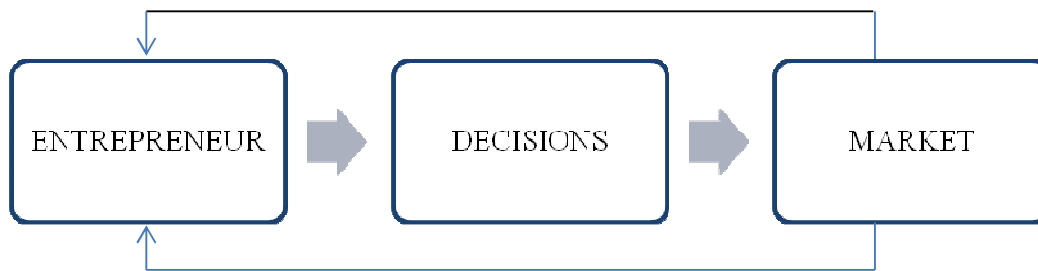


Figure no. 2 The approach of entrepreneurship in individualistic theory

Source: Author's processing, after Dimitri Uzunidis, Sophie Boutillier, *The Entrepreneur*, Wiley, 2016.

In other words, the entrepreneur is an economic agent whose ultimate objective is to create a business through a well-defined project. In order to carry out his project, he takes decisions, mobilizes a series of resources, from which he produces other resources (jobs, innovation), interacting with his environment. Thus, the entrepreneur must be rational in order to maximize his resources and achieve his goals. At the same time, he is an opportunist, because he tries to take advantage of all the opportunities that are offered to him, the context (economic, social, political, cultural) in which the entrepreneur is integrated, being decisive as an opportunity base.

How the entrepreneur makes the decisions determines several perspectives. The **rational approach** involves taking into account factors such as the tendency to take risks, the information and the options available. The **intuitive approach** is a distinguishing feature of many successful entrepreneurs. Improvisation comes because of the unstructured nature of opportunities, entrepreneurs have to deal with problems as they arise and create solutions. In such situations, they cannot use detailed and elaborate plans. Given that uncertainty plays an important role in innovation, individuals and organizations are often required to rely on creativity to cope with the existence of uncertainty.

The social, cultural, political and economic context is regarded as directly influencing entrepreneurship, as well as indirectly through the values of the society and the individual attributes. These influences can be positive or negative. In turn, entrepreneurship creates jobs and a new value that then contributes to socio-economic development.

The social, cultural, political and economic context is represented by the national framework conditions, such as finance, government policies, governmental entrepreneurship programs, entrepreneurship education, research and development capacity, commercial infrastructure, physical infrastructure, internal market dynamics, entry regulations and cultural and social norms (GEM, 2018).

Social beliefs about entrepreneurship and the social status of the entrepreneur, the positive or negative way of presenting the entrepreneurial domain in the media, are included in the social values.

Demographic characteristics and self-perceptions (perceived capabilities, perceived opportunities, fear of failure) and reasons for starting a business (ie, necessity versus opportunity) are the individual attributes of the entrepreneur (GEM, 2018).

In figure no. 3. is presented the entrepreneurial activity in this contextual environment

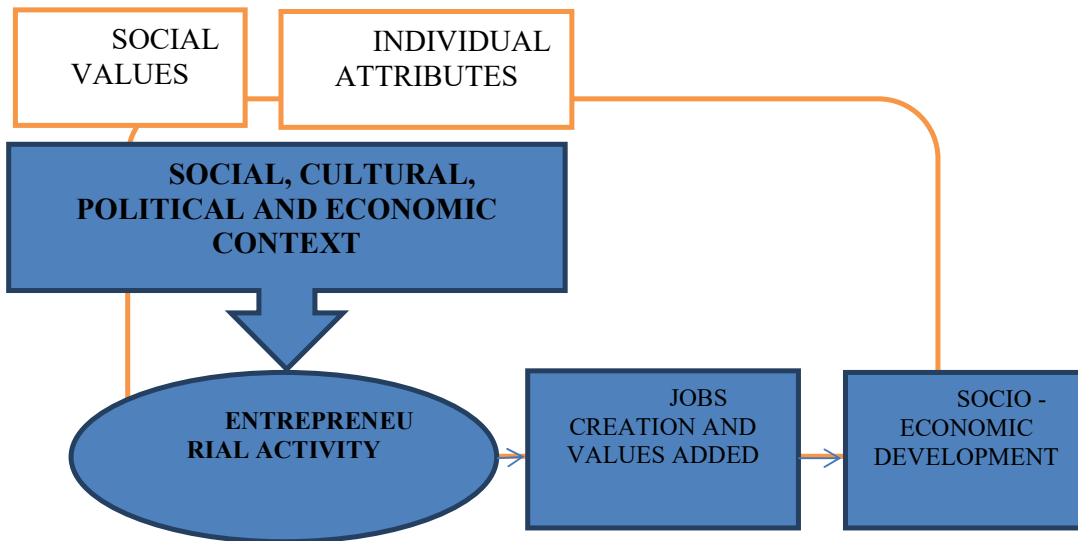


Figure no. 3 The entrepreneurial activity in the social, cultural, political and economic context

Source: Author's processing, after Niels Bosma, Donna Kelley, 2018/2019 Global Report, Global Entrepreneurship Monitor, 2018.

3. Factors of influence in the entrepreneurial activity

More global events and the evolution of the world economy over the last two decades have also affected entrepreneurial behavior. Since the beginning of the new millennium, very serious terrorist attacks, deep financial crises, global economic downturn and a refugee crisis have taken place. As a result, tensions and uncertainty over international trade agreements have increased over the last few years. At the same time, polarization has increased due to increasingly advanced digital technologies that have allowed for new forms of entrepreneurship and networks, due to public debates about potential threats, confidentiality issues and fake news.

The discovery of the factors that encourage or impede the entrepreneurial activity, especially in relation to the values of the company, the individual attributes and the conditions of the entrepreneurial framework, facilitates the understanding and analysis of the local, regional, national economic environment.

The factors of influence of the entrepreneurial action must be analyzed in a multidisciplinary approach, bringing together academic fields such as: economics, psychology, sociology, anthropology (Shane, et.all. 2003) as they cannot be reduced to mere economic criteria.

By combining the contributions of sociological, economic, psychological and anthropological analysis, we can sketch the perimeters of the entrepreneur's personality - in other words, the specificity of his character - to better understand his disposition, his reasons, his behavior and his contribution to the economic dynamics.

Table no. 1. The factors of influence in the entrepreneurial activity

The field of analysis	Factors of influence	Results
Economy	Economic factors	They increase or reduce the entrepreneurial behavior.
Psychology	The personal characteristics of people trying to engage in entrepreneurial activities, personality traits, the need to achieve and the locus of control, the ability to take risks, innovation and tolerance for ambiguity.	Tendency to take advantage of opportunities, high level of creativity and innovation, managerial skills and business knowledge, optimism, emotional endurance and mental energy, intense work spirit, commitment and perseverance, desire to excel and to win, the tendency to to be dissatisfied with the status quo and the desire for improvement, the power to use failure as a catalyst
Sociology	The social context of entrepreneurship	Building social relationships and relationships that foster trust, analysis of life situations and characteristics of people who have decided to become entrepreneurs.
Anthropology	The social and cultural context as a determinant of successful entrepreneurship.	Cultural attitudes towards entrepreneurship and the integration of cultural values and norms in the processes used to launch new initiatives.

Sursa: Autor processing

Skills and knowledge play a crucial role in discovering opportunities. But even more important is that when the opportunity has been identified, it must be exploited. Individual attributes play the most important role in the entrepreneur's decision to exploit an opportunity. Non-psychological and psychological factors contribute here (Shane, 2003):

- non-psychological factors: education, experience, age, social position, opportunity cost;
- psychological factors: motivation, evaluation and knowledge.

The basic characteristics of the entrepreneur's personality directly contribute to how they can anticipate and judge what opportunities they have to choose.

Situational factors that occur in motivating individuals to engage in entrepreneurial activities include the frustration of the entrepreneur with his current lifestyle, influences of childhood, family environment, age, education, work history, role models and support networks. In many cases, entrepreneurs can be pushed into entrepreneurship, often against their will, by unexpected and unwanted life cycle developments, such as job loss, extreme dissatisfaction with a current job, and other obstacles in the workplace career. Unfortunately, these entrepreneurs are often viewed in a somewhat negative way as misfits. On the other hand, entrepreneurs can be attracted to starting a new business, looking for opportunities to exploit.

There is also an entrepreneurship, called by improvement, whereby people pursue an opportunity and do so to improve their income or independence in their work, as opposed to need entrepreneurship.

Instead, need-based entrepreneurs choose entrepreneurship only because other options are not available or are considered unsatisfactory. The term reluctant entrepreneur is sometimes used to describe these people pushed to set up their own business because they have lost their jobs and have no other means of survival (Smallbone, Welter, 2006).

Between countries there are differences regarding the incidence of entrepreneurial activity, attributed to the differences of "risk tolerance", because there are significant

differences regarding the level of risk and the possibility of failure, which people are willing to assume before starting a new business. Within countries, the incidence of entrepreneurial activity can be influenced by age, education, economy and location. On the other hand, necessity-based entrepreneurship tends to decrease as the level of economic development of a country increases and stabilizes the general business environment. It should also be noted that necessity-based entrepreneurs, creating jobs for themselves, do not contribute to economic growth, and the so-called entrepreneurial need is not considered an active factor in national growth and development.

Entrepreneurship is a process that extends over several stages, thus allowing opportunities for assessing the entrepreneurial status in a particular company, in different phases. The entrepreneur exists only when he creates his business being socially integrated as any economic agent. Here comes the problem of the social function of the entrepreneur that applies to a series of heterogeneous realities, sociologists proving that not all entrepreneurs share the objective of creating a business starting from innovative ideas.

Moreover, the entrepreneur acts in a competitive environment, his choices being influenced by those of other people. Not all have the same information, they do not have the same vision about risk, hence the degree of uncertainty they perceive, the social environment offering both limitations and opportunities.

4. Necessity or opportunity in the entrepreneurial activity

Many international organizations are trying to understand the phenomenon of entrepreneurship in its complexity, first of all to establish public policy measures that respond to the needs of aspiring entrepreneurs, regardless of their reasons.

Quantifying entrepreneurship also means a better understanding of its impact on the economic environment, first of all in terms of creating productive activities and jobs (Uzunidis, Boutillier, 2016).

The Global Entrepreneurship Monitor (GEM) studies entrepreneurship at a global level, both quantitatively and qualitatively. GEM has established a series of indicators to quantify the dynamics of entrepreneurial activity in an economy and its impact on job creation and wealth. Monitoring indicators of globally entrepreneurship analyze:

- **entrepreneurial attitudes and perceptions** - reveals the company's views on entrepreneurship: perceived opportunities, perceived aptitudes, fear of failure, entrepreneurial intentions, entrepreneurship as a good career choice, high status of successful entrepreneurs, media attention on entrepreneurship;

- **entrepreneurial activity** - their forms are very different depending on the economies and the persons concerned: number of emerging entrepreneurs, number of young entrepreneurs, rate of entrepreneurial activity, number of established entrepreneurs, cessation of activity, entrepreneurial activity by necessity, relative prevalence, activity entrepreneurship by opportunity, relative prevalence, national activity in the field of social entrepreneurship, entrepreneurial ambitions, rate of entrepreneurial activities in force with considerable growth potential;

- **entrepreneurial ambitions** - which represents the qualitative aspect of the entrepreneurial activity.

According to GEM, there is a misconception that entrepreneurs in emerging or developing countries are largely need-oriented and start up businesses with low potential. Opportunity drives most entrepreneurs in the global economy and many entrepreneurs strive to improve their lives through better income or more independence in their work. It is also highlighted the impact that entrepreneurs have worldwide by introducing innovations in their companies, creating jobs, competing globally and contributing to the emergence and growth of industries (Bosma, Kelley, 2018).

Entrepreneurs in low-income economies are indeed more motivated by necessity than in wealthier economies. Of the low-income economies, 35% of entrepreneurs say they started their business because they had no better choice for work (Bosma, Kelley, 2018). The level of the reasons for necessity decreases as the level of economic development increases. Among low-income economies, on average 35% of entrepreneurs identify reasons for need, and this is reduced to 28% for middle-income economies, then 18% among high-income economies. Despite these smaller environments, there are still economies of great need in both groups (Bosma, Kelley, 2018).

Entrepreneurs can close their businesses for a number of reasons. They may not be able to achieve or maintain profitability or they may run out of capital. Conditions in their environment, such as excessive bureaucracy, can hinder long-term sustainability. On the other hand, business outflows are not always due to negative reasons, a business can be sold, the owner can retire, or he can start something else.

Over the years, academic research has emphasized that the various national characteristics have an impact on the rates of entrepreneurial activity. He also pointed out that not all entrepreneurial efforts have the same impact on economic development. This may depend on many issues, such as whether entrepreneurship seems widely accessible, or only available to a few. The environmental conditions, the requirements associated with starting a business, the level of competition, the size and the receptivity of the market, can influence a person's beliefs about the prospects of this career alternative. Beliefs may also depend on the availability of other career options, if good jobs are available in a company, entrepreneurship may seem less attractive, especially if the potential for rewards is low or unpredictable.

Hence the importance of reducing the barriers around entrepreneurship and even facilitating these efforts, in order to increase the tendency to consider it a career. The low rates of entrepreneurship can be the result of few opportunities or the few people who recognize them. It should be mentioned that people may have a different picture of what a business involves and from one economy to another. In some economies with low opportunity perceptions, there is a large share of people who believe they have entrepreneurial capabilities. This imbalance could explain the low rates of early-stage entrepreneurial activity, it shows the fear of failure among those who see good opportunities to start a business. Among those who say there are good opportunities for entrepreneurship, more than half are prevented from starting a business due to fear of failure.

As the GEM reports show, each economy has its own specific entrepreneurial profile in terms of activity rates, at different stages of the entrepreneurship process, the characteristics of entrepreneurs and their businesses, as well as the attitudes and perceptions that people hold towards this activity. . Also, the environment in which it operates has its own profile, containing the strengths that entrepreneurs can use and the constraints they have to overcome to start their business. The connection between the starting rates and these conditions is not obvious. In some cases, entrepreneurship thrives in economies with seemingly weak support. Entrepreneurs can find ways, rely on their social networks, operate in the informal sector or give up on corrupt practices. And some large organizations may have a disproportionate influence and access to key resources, which allows them to thrive in these unfavorable environments, often to the exclusion of other small businesses.

Constraints from an inefficient business environment can actually lead to entrepreneurial opportunities.

Therefore, it is important to understand how the environment influences the quality of entrepreneurship. Ideally, in a society, entrepreneurs should include growth-oriented, innovative, globally competitive people operating in advanced sectors.

Conclusions

Entrepreneurship is built in us as people. We are made to take risks even if it affects our world, we use our creativity to make things work. There are many ordinary people who have never thought of themselves as entrepreneurs but have entrepreneurial characteristics.

Once found the motivation to become an entrepreneur, the challenge is to discover the method. For entrepreneurs who want to change the world there are levers for change. Anyone can become a change agent worldwide, given how many things to do. We must be strong and self-determining, able to respond to the call to a healthier society. Each of us can change something for families, communities, nations and Earth. Even the smallest business has the opportunity to contribute to this important work.

This is why entrepreneurship matters, because human will is a powerful and necessary social force if we are to successfully make major changes on a global scale.

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