

**COMMERCIAL COMPANIES' ADAPTING TO THE NEW
ORGANIZATIONAL CONTEXT REQUESTS.
CASE STUDY: S.C. „BAF CONSULTANCY” S.R.L.**

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Abstract

Starting from the research carried out at the national level, research that has particularly pointed to the present status of the Small and Average Size Organizations (IMMs for short) as concerns the project management under the circumstances of the new organizational context, there has also been carried out a research at the level of one organization with the purpose to state the following issues: the need of this one to adapt to the new world-wide trends; the measures that have been adopted by this company in view of adapting to this context; and, also, the applicability of the project management “mutations” in relationship with an information – based economy, society, organization.

Key words: „mutations”, new organizational context, strategy, project, research

JEL Classification: C10, D80, L25, L80, M10, O22, O30

Introduction

Starting from the research at the national level¹, research that has underlined, on the one hand, the status of the IMMs as concerns the project management under the conditions of the new organizational context, and, on the other hand, the applicability of the project management “mutations” that have been established by the undersigned based on an analysis of the theoretical aspects that are related to this issue, there has been realized a research at the level of one IMM that was identified to belong to that category of organizations that have not adapted, at least not yet, to the information – based economy, society, organization and management, but that, however, needed that change if it intended to continue to be present on the market.

The need and capacity of the commercial company that is made reference to along this material as „BAF Consultancy” S.R.L., namely to adapt to the new organizational context requests

Presentation of the commercial company called „BAF Consultancy” S.R.L.:

S.C. „BAF Consultancy” S.R.L. was set up in 2000, and it is a sole proprietor limited liability company.

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¹ Anca Cruceru, 2011

The name of the commercial company comes from 5 Romanian key words: (Business, Accounting, Financial domain, Fiscal and Consultancy domain).

The company's domain of activity, according to the 2009 CAEN Code, is "7022 – Consultancy Activities for Business and Management". At the same time, the company can also develop accounting, auditing and consultancy activities related to the financial and fiscal domain.

To achieve its activity object, S.C. „BAF Consultancy” S.R.L. has set an organizational structure of the hierarchical – functional type that contains 4 organizational sub-divisions: Consultancy Department, Marketing Department, Human Resources Department and Financial – Accounting Department.

Research purpose:

This research activity has been carried out with the purpose to establish the need of the commercial company referred to as “BAF Consultancy” S.R.L. to adapt to the new organizational context requests should it intend to maintain its position on the market.

Research objectives:

- To carry out a valuation process, by the employees, of the company's economic and financial situation;
- To carry out an appraisal process, by the employees, of the activities that are being developed within the four departments: consultancy, marketing, human resources and financial - accounting;
- To make a presentation of the company's marketing system;
- To establish the company's need to change while taking into account the improvement of the economic, financial and managerial performances;
- To be aware of concepts such as: information – based economy, society, organization and management;
- To establish the company's capacity to adapt to the new type of organization;
- To be aware of the company's capability to apply and information – based management;
- To be aware of the usefulness of the principle to create competitive advantages by way of measuring and valuating the company's intellectual capital.

Research relevance:

The purpose of this research was to assist in certifying the possibility to put into practice the project management “mutations”² as per the new organizational context. Under such a context, the research relevance consists in adapting the commercial company called “BAF Consultancy” S.R.L. to the information – based organization, and, thus, this one shall turn into a pure organization by way of “projects”.

Research development:

² Anca Cruceru, 2011

This research was carried out at the beginning of 2010, and it was of a descriptive – exploratory type. Within this research, the quantity and quality measurement of the information was achieved by means of nominal, ordinal and interval scales. The research was based on the dissemination and analysis of a questionnaire that contained 40 close and open questions; dichotomy, trichotomy and multiple answer questions; introductive, passing, knowledge, classification questions; and filter questions.

The research sample was made up of 23 persons – all of them employees of the commercial company named “BAF Consultancy” S.R.L.

The questionnaires were disseminated to the employees by means of the company’s intranet network.

All the employees got back with answers to the disseminated questionnaires.

Research conclusions:

The analysis of the information that has been collected based on the answers received from the company – disseminated questionnaires, has made it possible to draw the below conclusions of this research:

- The company’s economic – financial situation is satisfactory;
- Women detain a majority weight within the company;
- Within the company, the employees’ average age exceeds the age of 30 years;
- Within the company, the majority weight is detained by employees whose profession lists at “economists”;
- Within the company, each position implies that the employee take over many jobs and assume many liabilities;
- The activity that the Consultancy Department develops ranges at: “acceptable / satisfactory”;
- The Marketing department is characterized by a good quality activity;
- The number of persons who consider that the activity developed within the Human Resources Department is acceptable / satisfactory is equal to the number of persons who consider that the developed activity is very good;
- Within the Financial – Accounting Department the activity that is being performed is listed at “acceptable / satisfactory”;
- The company benefits by an average level of the management;
- Within the company, the decision-making process is well substantiated;
- The company’s information system is insufficiently dimensioned;
- As concerns the management methods, the company’s management uses as follows: the management by way of targets, the analysis – diagnostic method, the meeting method, the board picture and the participative management;
- The company’s organizational structure is rigid;
- The content of the long, average and short term targets to be established at the level of the company is available to and known by almost all the company’s employees;

- The global strategy is not substantiated and issued at the level of the company;
- The content of the company's chart and of the Organization and Operation Regulations is not thoroughly known to the company's employees;
- The content of the job obligation files is known by almost all the company's employees;
- There are minor discrepancies between the job obligation files and the real requests of these ones;
- Some of the employees consider that the job obligation files are not complete (absence of individual targets);
- The employees state that the requests listed inside their job obligation files do not exceed the normal responsibilities of the occupied positions;
- The employees consider that certain departments should be closed down (the Marketing Department, the Human Resources Department), or that the activities carried out by certain departments should be concentrated in only one department (the Consultancy Department should be united with the Marketing department, the Consultancy Department should be united with the Financial – Accounting Department);
- Some employees suggest that there should be set up new departments (the Financial – Accounting – Personnel Department; the Marketing – Consultancy Department; all the Departments should be re-named and re-organized since the organizational structure type has not been efficiently selected so as to be able to carry out the set object of activity);
- The great majority of the employees reckon that the company has an optimum number of employees;
- A significant part of the employees appreciate that there is no organizational culture at the company's level;
- The great majority of the employees are of the opinion that the company should perform several modifications in order to be able to improve its economic – financial and managerial performances, and more particularly, by means of re-designing and re-considering, either partially or totally, the activities it develops;
- The employees are not completely aware of the content of concepts such as: economy, society, organization and information - based management;
- The majority of employees consider that, to be able to improve their performances, the company should adapt to the new world – wide trends by means of implementing, by way of “projects”, the new organizational structure that is pure, and by means of implementing a management by way of projects;
- Almost all the employees consider that the company has the information that is necessary for the implementation of an information – based management;

- Almost all the employees appreciate that the company could build up its own competitive advantages if it measured and valued its intellectual capital, while capitalizing its employees' knowledge, the information the company benefits by, as well as the knowledge and information of its stakeholders.

The conclusions of this research have pointed to the fact that the company is ready to adapt to the information – based organization, but, however, that, at the same time, the company needs to carry out this process if it really intends to maintain its existence on the market, and more than that, if it wishes to continue developing its activity.

Adaptation of the commercial company called “BAF Consultancy” S.R.L. to the new organizational context requests

Further to having analyzed both the internal and external environment of the commercial company “BAF Consultancy” S.R.L., the below listed SWOT matrix has been issued:

Table 1. SWOT matrix for S.C. “BAF Consultancy” S.R.L.

In favour / Strong points	Against / Weak points
- The personnel is preponderantly of a young age; - The personnel has high education and is well trained from the professional point of view; - The personnel has experience in the consultancy and accounting domains; - The personnel recruiting and selection procedures are efficient; - The wage earners are well motivated; - The company develops mentorship activities for its employees; - The company assures social protection for the developed activities; - The provided services are satisfactorily promoted; - The prices that are charged for the provided services are average level; - The provided services are high quality; - Client loyalty principle; - The internal consultancy agents	- Decrease of the number of employees; - Existence of lack of stability with reference to the personnel and to the labour jobs; - The failure to organize specialty / training courses for the employees; - Minimum number of possibilities to advance hierarchically; - The existence of work under stress conditions during certain periods of time; - The existence of rare situations of the failure to observe the contract terms and conditions; - Outsourcing for some services that are no longer provided by the company; - The Consultancy Department develops a partially effective activity; - The company has a narrow-minded point of view regarding the way to provide services (management by way of targets); - The company chart has been incorrectly conceived;

provide a diversified range of services; - To apply team – work in order to provide quality services; - Possibility to provide, simultaneously, several services; - The attendance of a legal adviser on the date of signing all the contracts whose subject matter is to provide services; - The target category system is correlated, to a great extent, with the company's process component parts; - The decision-making system is relatively efficient; - The company benefits by a good technical endowment; - The existence of an intranet network within the company; - The total of the borne expenses has decreased in 2009 compared to 2008 and 2007; - To register, within normal limits, the global indebtedness rate and the global indebtedness degree for the year of 2009 if compared to the year of 2008; - The company has a solid organizational culture;	- The job files have a deficit content; - The company has not developed the Organization and Operation Regulations; - Some departments have not been adequately made an entry of; - Some organizational sub-divisions have been incorrectly selected to develop the activity; - The absence of realistic strategies and policies; - The principles to conceive and operate the organizational structure and the informational sub-system have not been fully observed; - The company uses a reduced number of information applications; - Not all the information has been capitalized as concerns the decision-making processes; - There have been registered some deficiencies at the information system level; - The quality parameters of the information sets and decisions have not been fully abided by; - The failure to coherently collect, record and send the information sets; - The appearance of methodological deficiencies; - The use, to a small extent, of the modern methodological instrument; - The presence of a high degree of rigidity at the managerial level; - The decrease of the company's profitability in the year of 2009 if compared to the year of 2008; - The decrease of the company's turn-over for 2009 if compared to 2008 and 2007; - The decrease of the labour productivity for 2009 if compared to 2008; - The decrease of the company's global
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	economic performance for 2009 if compared to 2008; - The company failed to pay its debts in due time as far as the year of 2009 is concerned if compared to the years of 2008 and 2007; - The company has a weak self – sufficiency for 2009 if compared to 2008; - The depreciation of the company's possibility to carry out settlement of accounts with its clients for the year of 2009 if compared to the year of 2008; - The decrease of the own-detained capital efficiency; - The company has a reduced possibility to turn its circulating assets into liquid funds that are indispensable for the satisfaction of all the short-term liabilities; - The decrease of the company's profitability as concerns the year of 2009 if compared to the year of 2008; - The lack of communication and of certain explanations with reference to the elements – component parts of the organizational culture.
Opportunities	Threats
- Proliferation of the information – based management; - Modification of the consumers' behaviour; - Branching out of the services; - Qualified labour force; - Building up partnerships with other companies from the consultancy domain; - Access to projects to be financed from European funds.	- inflation; - intensified competition; - political instability; - upwards evolution of the unemployed rate; - economic crisis; - increase of the prices charged by the suppliers; - duties and taxes; - quality / optimum price rate that the competition offers; - the appearance of competition as concerns certain services to be provided; - limiting down the client segment.

Based on the SWOT analysis, there have been established certain strategic – tactical recommendations, which, have made it possible, on the one hand, to

eliminate the weak points or to reduce the amplitude of their consequences, while taking into account the identified opportunities and threats, and, on the other hand, to facilitate the company's adapting process to the information – based organization, particularly in order to be able to survive on a saturated market to be characterized by a fierce competition, as well as by a decreasing request rate (due to the economic crisis).

Henceforth, the strategic – tactical recommendations have listed as below:

1. „Realistic policy and strategy issuing;
2. Organizational sub – system re-designing;
3. Making adequate recordings for the company's personnel;
4. Re-designing the information sub-system;
5. Adapting the decision – making sub-system to the new re-designed sub-systems (from the organization and information point of view);
6. Improvement of the methodological sub-system;
7. Adapting the organizational culture to the managerial changes;
8. Outsourcing for several of the company's services;
9. Consolidation of the relationships with other companies that represent the competition as far as the domain of consultancy at the financial – accounting, fiscal and management level is concerned”³.

The foregoing recommendations have been included in the global consolidation strategy (maintaining / stability strategy), and we refer here to the average – term strategy (2010 – 2012) of the company.

The recommendations have been applied to the organization by means of the project that is known under the name of “Drawing, implementation and control – valuation of the global strategy at S.C. “BAF Consultancy” S.R.L.”, particularly in order to render evident the usefulness of the projects under the new organizational context.

The conclusions that come as a result of having partially run this project have been as follows (according to the intermediary report dated the 28-th of February 2011):

- The partial fulfillment of the set targets – due to the incorrect anticipation of the economic crisis amplitude;
- Setting a contingency plan that would allow the commercial company “BAF Consultancy” S.R.L. to benefit by the advantages of adapting to the information – based organization under the present economic crisis context;
- S.C. “BAF Consultancy” S.R.L. has successfully adapted to the information – based organization;
- The implementation, within S.C. “BAF Consultancy” S.R.L., of an information – based management;

³ Anca Cruceru, 2011

- The application of the project management “mutations” under the context of the new world – wide trends, trends that relate to economic, society, organization and information - based management issues.

Conclusion

This way, this research, that is completed by a SWOT analysis and by the formulation of a strategy to be implemented within the organization by means of running a project, has made it possible to become aware of the fact that should a company wish to survive in the context of the new earth-wide trends, such a company shall adapt to the changes that the new environment imposes by adopting the characteristics that have in view the new requests, and also, by applying the “mutations” of the project management. At the same time, before realizing this, the organization should analyze its capacity to be able to adapt to the new organizational context.

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