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EDITORIAL

Client is the King

About two decades ago, when East-European students from already collapsed ex-communist countries (and Romanians among them) started to knock at the doors of prestigious MBA schools – ultimately successfully, some of them had the chance to attend lectures of world-famous professors; and yet some were surprised to hear the thunder-voice of a marketing professor proclaiming: *Client is the King!*

Managers and entrepreneurs from emerging economies were equally confused and have learnt by doing, trial-and-error mostly, that their firms can increase sales and profitability by focusing on clients' needs, oscillating between consumers' leagues, professional and businesspeople associations, sometimes wondering if they should polish the client's shoes in the name of consumer rights...

The time flew by busy businesspeople, letting only the scholars and some practitioners to reflect and acknowledge that fierce competition of the market economy has evolved from wild to regulate – and, sometimes, sophisticated competition – featuring more or less neat characteristics of what they would eventually call: price-based competition, technology-based competition, quality-based competition, time-to-delivery-based competition.

We live today in the world of cloud technology; face the challenges of security in the cyberspace; e-commerce and m-payment are more and more visible in the globalized market [is it really?]; and still the companies compete for clients, amid the evolution of the concept and understanding of what competition really means.

Regardless of academia frontrunners' and management gurus' opinions, the businesspeople have realized that paying attention to clients' needs and providing quick answer [i.e. *product*] to those needs are the key in order to increase their clientele.

The next lesson the businesspeople have learnt (although some of them still have to learn) is that the first method to increase their client base is ... to keep (retain) the clients they have already had! This is basically *client retention*.

Around and from this point on, a whole bunch of concept-centered related theories have emerged: customer satisfaction, customer delight, customer loyalty, customer lifespan, customer service, customer attrition (customer defection also known as customer turnover). Even newer strategic approaches (as *client retention strategies*) or indicators (as *client retention rate*) have become familiar to management practitioners.



Early this decade, standardization of customer service enjoyed significant popularity. Aiming at increasing the customer lifespan, The International Customer Service Institute (TICSI) has released TISSE 2012 (The International Standard for Service Excellence, 2012) which enables organizations to focus their attention on delivering excellence in the management of customer service; the customer satisfaction increases by using Service Quality Model – based on 5 Ps (Policy, Processes, People, Premises, Product) and performance measurement. The implementation of a customer service standard ultimately leads to higher levels of customer satisfaction and, implicitly, higher *customer loyalty* and *customer retention*.

And client retention efforts do not stop here. In conjunction with information technology and software development, growing number of firms can increase their client retention rate by focusing on managing customer relationships (co called *Customer Relationship Management, CRM*). Actually, besides CRM, customer retention is considered an outcome of several factors (customer satisfaction, customer delight, customer switching cost).

Beyond any doubt, the client is not a king at all; the client should be a reliable, long-term business partner, sharing advantages with all trading partners in this more and more complex, problematic but exciting world.

Cezar Scarlat

Senior Editor



ABSTRACTS

Non-Governmental Organizations and Communities' Protection

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ABSTRACT: The purpose of this article is to advance in the analysis of new forms of public management through the participation of the Non-Governmental Organizations (NGO) in regard to what we call crisis or emergency. New managerial approach of emergency situations has been incorporating new policies based on cooperation between Governmental organizations and NGO. In this context we will discover how this new situation affects the management of emergencies, either in its preventive and reactive dimension. We will use the analysis of those emergencies that are caused by risks provoked by human activity (accidents, fires, etc) and / or natural (floods, heavy snowfall, etc), and the connections between actors who have to manage emergencies in both its institutional dimension and its operational dimension. We also delve into the analysis of communication and information provided to the public. In conclusion we will make proposals on how to achieve improved emergency management by NGO participation.

Keywords: public management, Non-Governmental Organizations, emergency, risks, improved emergency management



The Culture of Sustainability

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ABSTRACT: The European Common Project states sustainability as one of the main goals on the actual agenda. It is considered of utmost importance and the finances directed towards research on clean technologies, renewable resources, ecological cities, sustainable production etc. represent a considerable amount of the European budget.

For this reason, it is important to create a culture of sustainability as an important aspect of the European identity manifested through adequate behaviors. Given the generosity of the concept by itself, "sustainability" is valued and interpreted differently, according to the field of scientific research. The article focuses on the culture of sustainability reflected in scholar and scientific results with a particular interest in the social sciences, management and economics area of research. It tries to encompass the knowledge on this topic using the bibliometric methodology in order to measure, classify and clarify various and valuable contributions that might represent a starting point for further studying the culture of sustainability.

Keywords: culture, sustainability, economics, bibliometry



Cloud ERP Implementation

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ABSTRACT: The cloud technology, under various forms is becoming more popular in companies life. Targeting low price for ERP, major software provider mixed the virtualization with other services. One important component, for business software applications, the ERP is offered now as cloud service, the license for ERP having the form of annual fee per user. Lowering the price for ERP utilization made them accessible by SME. Nowadays, telecom companies offer, together with other communication and cloud storage services, access to on premise ERP, with standard modules with few customization features, where time-to-deployment is considerably reduced, ERP being delivered as Software as Service. For larger companies, the cloud security issues and ownership of database, conduct to private cloud structures, the infrastructure being owned by the company benefiting of whole cloud technology advantages. Furthermore, the externalization of some services (communication platform – Sharepoint, Office 365) leads to hybrid cloud architecture. This paper debates the business process for ERP implementation, both for traditional and cloud ERP version, highlighting the differences but also common steps.

Keywords: ERP, integrated systems, business process, resource planning



Customer Satisfaction in the Automotive Industry

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ABSTRACT: ISO TS 16949 is a quality management assurance system that is primarily focused on the automotive industry. By applying this quality system standard, automotive manufacturers can offer superior products and good services to customers. In this study, the attention has been focused on the application of the core tools of technical specification. The case study examined demonstrates how the effective adoption of the core tools of the standard can help in increasing customer satisfaction in the automotive industry for powder painting processes.

Keywords: quality management system, APQP – Advanced Product Quality Planning, PPAP – Production Part Approval Process, FMEA – Failure Modes and Effect Analysis, 8D Methodology



New Technologies and Private Life

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ABSTRACT: The control of the employees' use of the Internet is legitimate. Its implementation requires the greatest prudence; it can generate penal infringements constituting attacks to the private life of the employees. The authors are not always the employers, which could be described as accomplices, but the data-processing directors or other tallies of the company in charge of the implementation of control. The possibilities of being exonerated from penal responsibility are limited. Some precautions need to be taken: not to commit an offense; to consult the work's council.

Keywords: Internet, information, communication, employer



Effect of Employees' Loyalty

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ABSTRACT: A few years ago the global economic slowdown and, most recently, issues around corporate governance in spate of corporate scandals that have rocked the business world globally. We learn from recent history that things are constantly changing (at an ever more rapid pace) and, as such, the key challenge is to create business strategies that are capable of ensuring long-term success. Another important factor is that all of these phenomena are essentially short-term responses to crises and are not conducive to long-term value creation. The focus of this paper is on the following key questions: How do people policies enhance value for shareholders and stakeholders alike? What compromise, if any, should businesses make between developing and implementing people policies that respond to all stakeholders' interests and achieve and demonstrate business success? How could loyalty be developed as company value? The results of the present research are aspects of people policies and potential impacts on shareholders and stakeholders and the key challenges the businesses need to address in order to obtain success through people.

Keywords: value, people, loyalty, key challenge, success.