

**POSSIBILITIES OF MANAGEMENT IMPROVEMENT AND
DEVELOPMENT IN THE ACTIVITY OF CRAFTS COOPERATIVE
COMPANIES IN ROMANIA**

Ioan RUS, PhD student
University of Petrosani, Romania
E-mail: ioanrus59@yahoo.com

Florian BUSE, Prof. PhD
University of Petrosani, Romania
E-mail: prof_buse@yahoo.com

JEL classification: J21, J54, P13

Abstract

Cooperatives are a dual model, based on an economic and a social component, becoming key players in the competition-based economy and proving that they can withstand crisis periods and overcome their impact. Co-operative organizations are constantly looking for competitive forms of co-operative organizations. In many European countries, the cooperative form of the enterprise is used in an innovative aspect, encouraged by the decision makers. European authorities prefer to promote the widespread use of cooperative form in the European area, by improving the visibility, characteristics and understanding of the sector, further improvement of the Community Laws in the field of cooperatives, strengthening the position of cooperatives and increasing the contribution to the achievement of the Community objectives.

The paper highlights the significance of the Romanian crafts cooperatives, the dimensions and development trends of this system, the challenges they face and the regulatory framework of their activities, as well as the benefits it offers. The analysis of the evolution of the crafts cooperatives in Romania allowed to point out the orientations and strategic actions for the development of crafts cooperatives for the following medium term periods and their implementation would stimulate their evolution. Romanian crafts cooperatives are well structured territorially, being properly organized, by unitary UCECOM management, with an adequate management that can make more efficient use of financial and material resources.

Keywords: *decision system, crafts cooperative, participative management, cooperative company policy, operational management*

1. Introduction

Cooperatives have become an important pillar in the international and European policies of economic development, cohesion and social inclusion, due to the diversity of promoted actions, the population's degree of involvement, contribution to increasing the quality of life, and community development. The Resolution of the United Nations Organization (2001) "Cooperatives in human development", the Recommendation of the International Labour Organization (193/2002) regarding promotion of cooperatives as well as the European Commission Communiqué "Promotion of Cooperatives in Europe" (2004), the Resolution of the European Parliament (2013) "Contribution of Cooperatives in Overcoming the Crisis" and other international documents are aimed at supporting this form of activity and encourage

governments, the academic and research environment to contribute to the development of cooperatives by improving legislation, identifying and implementing innovative forms of cooperatives and co-operative activity, promoting education in the field based on international principles and best practices.

In Romania, cooperatives play a special role in the implementation of national economic and social policies, in the effective use of the priorities and objectives of national Strategies related to social inclusion and poverty reduction (2014–2020), which represents a project of economic growth for the coming years, which the Government has publicly acknowledged, together with other national and sectorial policy documents.

Crafts cooperatives play an important role within the cooperative sector of Romania. Over the course of its evolution for one and a half century, this system has asserted itself as one of the largest systems organized in Romania, continuously expanding in its fields of activity, becoming multi-sectorial, and constantly developing its own infrastructure, covering the entire geographical area of the country. In the same way, this went along various periods of ups and downs, resisting to the impact of international and internal economic crises.

In a permanently changing world, the country's crafts cooperatives face multiple external and internal problems that become a barrier to the development of this sector. Current challenges put as a priority the necessity of rethinking the forms of organization of cooperatives and their management, the fields of economic activity, the system of ownership relationships, the relationship with their members, and the motivation system. In this sense, international experience and research in this field is significant. The introduction of innovative and strategic development solutions can stimulate the development of country's crafts cooperatives, along with all the benefits arising from this.

2. Degree of investigation of the problem at present, aim of the research

A series of analyses and studies in the field of cooperation have been carried out in the last two decades, on various subject areas, at national and international levels, of which we mention: the role of cooperation in the economic and social development, at the global level, and the evolution of this system in Romania; the national structure of cooperation in Romania, both by organizational forms and at the territorial level; the goal of co-operative education; the model of the cooperative company as a form of sustainable enterprise that supports the livelihoods of the communities in which they operate; the motivation of the members to be part of cooperative companies; the organizational structure of cooperatives; rethinking of the incentive measures used in cooperative organizations; the economic and social impact of cooperatives in the local economies; the beginning and development of co-operative systems; basic characteristics of cooperatives; the effects of trust manifested among cooperative members, and between the cooperative members and the managerial team; the role of cooperative activity in the social economy; models of loyalty of the cooperating members; the relationship between cooperation and effort, as well as between reciprocity and mutual surveillance in cooperatives; the advantages of cooperatives in the market in terms of co-operative values and principles according to which they operate; the way in which cooperatives respond to the crisis and its consequences; the place of cooperatives between

state control and collaborative development; the impact of cooperatives on Community development [2, pp. 262-279].

An analysis of the content of the presented subject areas leads to the fact that the problem of improving the management of cooperative activities has never been approached so far.

3. Methods and materials applied

In order to carry out the research, international and European policy documents have been examined, especially in the field of crafts cooperatives support and promotion, as well as national ones, documents related to the development of this field. Assessment of the national legal framework related to the operation of crafts cooperative sector has been done based on the analysis of the national legislation in the field. In order to analyze the development tendency of the country's crafts cooperatives, the authors have used the information offered by the *National Union of Handicraft & Production Co-operatives of Romania (UCECOM)*, and those provided by the National Institute of Statistics (INS).

The methodological instruments are those widely used in research, including; statistical methods, methods of economic analysis, management methods and prognosis methods.

4. Results and discussions

4.1. Impact of cooperatives on the social-economic development

Cooperation, as a system, integrates various co-operative entities and represents a specific sector of the national economy, operated by cooperatives and other forms of their association at territorial and national level. Cooperatives are recognized as main actors of social economy, of occupational and inclusion policies. The Centre of Research and Information on the Public, Social and Cooperative Economy (CIRIEC) approaches cooperatives as “the most important economic agent of the social economy” in the developed studies. Cooperatives activity is characterized by a balance between the economic, social and cultural activities. Therefore, it is important to equally underline the social and cultural role played by cooperatives in the development of localities and communities. These activities are the essential difference between cooperatives and other types of organizations. Cooperatives are different compared to other economic agents by a series of specific particularities according to the following criteria: primary goal, right to vote, investment recovery rate, profit [5, p. 70; 7, p. 416]. Cooperatives being part of the social economy, next to other forms of this type of economy, (frequently called “third sector”), are largely supported in the European Union.

Co-operative models make a significant contribution to the application of priorities of the Europe Strategy 2020 for an intelligent growth, sustainable and favourable to inclusion.

Research in the field confirms that the success and longevity of cooperatives are mainly due to the fact that they are oriented, first and foremost, towards satisfying community necessities where they operate, and not toward maximizing profit for investors. Frequently, cooperatives are fully involved in, and contribute to solving the problems of the community, locality, and society problems in general.

Cooperatives contribute to the overall functioning of economic systems, in at least five ways: they play an important role in reducing market failures, thus improving the functioning of the economic system and the well-being of large groups of people; they play a key role in stabilizing the economy, especially in the sectors characterized by a significant level of maintaining production of goods and services in accordance with the needs of the people they provide for; they tend to take a long term perspective, thus being preoccupied with the well-being not only of the present generation, but also of the future ones; they contribute to a more equitable distribution of incomes.

Cooperatives contribute to the occupation of the work force, support to cooperative members, increase of incomes, development of communities and localities, satisfying the various needs of members and population in the area of their activity, etc.

Considering the development differences of the phenomenon of cooperatives in various countries, four 'cooperative models' have been pointed out: the mutual model, especially found in Germany and USA; the sociologic model found in most of the European countries, such as Spain, France, Portugal, and Belgium; the intermediary model; and the quasi-public model [4, pp. 18-22].

Generally, in the field of co-operative movement, cooperatives fall into four types, depending on the positioning and role of the members: users' cooperatives, producer's cooperatives, employees' (labourers') cooperatives, and social or community cooperatives [11, pp. 24-33].

At international level, a large variety of cooperatives operates: in agriculture, construction (including residences), commerce, credit, insurance, banking, production/processing, employers', fishing, artisanal, crafts, work (craftsmen, tradesmen, agricultural labourers etc.), small and medium enterprises, occupation, pharmaceutical, social, women's, health, education, tourism etc.

In Romania, for example, according to the legislation in force, cooperatives can take various forms, depending on the type of activity: agricultural cooperative companies, dwelling, forestry, fishing, consumption, crafts, and turning to good value, transport, credit, other [1, p. 21].

Functioning and development of cooperatives in a permanently changing environment is influenced by a series of factors, among which, according to the International Cooperative Alliance (ICA), we mention: economic, (economic system, international economy); technological (modern technology, know how); social-demographic (demographic structure, life conditions, cultural values); competition (effective competition mechanisms, equitable market conditions); involvement and loyalty of members, adhesion of the population (involvement in the activity of cooperatives, participation in decisional processes, benefits offered to members, benefits offered to communities etc).

The activity of cooperatives answers the interests of many stakeholders, benefiting from its results. In order to achieve higher performances, cooperatives should be organized around homogeneous areas of interest: farmers/members, consumers, suppliers, and government (state/local) society [3, p. 6].

Acknowledging the importance of cooperatives, the European Commission, in the communiqué "Regarding promotion of cooperative companies in Europe", has drawn up

actions to ensure the understanding of the role of cooperatives in economy, promoting cooperative entrepreneurship, mentioning, among high priority objectives, education and training, support services for businesses, access to financing.

The starting point of the strategy for a global future of cooperatives is the powerful statement cooperatives make to the world: their modality of making business is better, contributing to a more efficient balancing of the world economy. One of its important objectives views the cooperative business form, which will become acknowledged leader in the field of economic, social and environmental sustainability until 2020; a model preferred by people; rapid development form of enterprises.

4.2. Analysis of the crafts cooperative system in Romania

In the analysis of the crafts cooperative system in Romania, we have used the data base of the *National Union of Handicraft & Production Co-operatives of Romania (UCECOM)* and the National Institute of Statistics (INS).

INS keeps evidence of the following types: crafts cooperatives, consumer cooperatives and credit cooperatives, which forward balances like any other commercial company. The data supplied by UCECOM refers to the number of members, volume of economic activities, etc.

In Romania, a descending trend of evolution has been recorded regarding the number of members, the number of employees, the production value, etc. As far as the number of crafts and consumer cooperatives is concerned, from the INS data we can conclude that for 8 years this number has remained relatively constant. For the analysed period, 1% of employees from the total economy worked in the co-operative system.

The functioning framework of the cooperative system is ensured by Law 1/2005 on its organization. The Romanian co-operative system consists of the 1st and 2nd degree cooperative companies and their associations at the county and country levels. A cooperative company of the 1st degree can be organized in one of the following forms: crafts cooperative companies; consumer cooperative companies; capitalization cooperative companies; agricultural cooperative companies; housing cooperative companies; fishing cooperative companies; transportation cooperative companies; foresting cooperative companies; and others that will be formed according to the provisions of Law 1/2005 [1, p. 16].

In Romania, crafts cooperatives currently produce approximately 2% of GNP.

The Central Union of Craft Cooperatives (UCECOM) is the organization representing crafts cooperatives.

In the analysed period, INS data show a slight decrease in the number of craft cooperatives, from 800 to 788. Overall, in the analysed period, financial indicators relative to the income received by craft cooperatives recorded significant increases, in the range of 97.8 % (revenues from exploitation) and 753% (other financial revenues). As far as expenses are concerned, there is a significant increase, especially regarding the staff – 88.65 and goods – 102.3%.

In 2018, a large part of the crafts cooperatives' fields of activity belongs to the processing industries – 54.7%, followed by services – 16.5%, and commerce – 10.4%.

Directly or indirectly, 482 co-operative entities associated with UCECOM are operating in urban areas (444 craft cooperative companies, 22 county unions and 16 cooperative associations), uniting almost 12400 persons, approximately 86% of them are of double quality (associates with the capital as co-operative members and employees of their own cooperative).

At the level of the associated Crafts Cooperative Societies (SCM) there are currently 2.070 units, of which 252 production, 1574 services and 244 commercial units.

Crafts cooperative entities are acknowledged by the business environment as a significant part of the operators in production, services and commerce spheres. They are a social-economic alternative, carried out by people and for their benefit, in view of amplifying social solidarity and mutual assistance of the co-operative members. Member cooperative companies continue to actively participate in the development of local communities of which they are part.

We mention that 482 co-operative entities grouped around *UCECOM – National Union of Handicraft & Production Co-operatives of Romania*, continued to have activities of representation, economic activities, respectively in the intercommunity/export market, having an entirely private support capital. More than 99% of the cooperative companies presently associated with UCECOM are in the framework of small and medium size enterprises (IMM).

The offer provided by these companies to the market, both local, and intra and extra Community, demonstrates quality promotion by maintaining a wide range of products and services offered, due to many years of experience in manufacturing traditional products, by a high degree of flexibility of production, services and commercial units, and by a working environment adequate for cooperation at national and international level.

The main branches of the crafts cooperative entities associated with the *National Union of Handicraft & Production Co-operatives of Romania – UCECOM*, are: textiles – knitwear; ready-made clothes; leather-wear – shoes; exploitation and processing of wood, furniture and other wooden products; metalwork; metal products; foundry, machines and equipment; construction work; automobile maintenance and repair, retail and wholesale; personal and household goods repair; hairstyling, barbershop; jewellery; chemicals, plastic materials, non-metal minerals; paper and cardboard industry; food industry; other work and services.

4.3. Research on the craft cooperatives management

4.3.1. Analysis of human resource management

For the research, partial observation has been used by sampling and inquiries. In order to analyse the human resource management at the level of Romanian cooperatives, the authors have selected significant factors in this field, which are centralized and coded in Table 1.

Table 2 shows the distribution of correctly completed and received inquiries, depending on the type of the cooperative society, and the number of staff, respectively.

A computer program for data processing has been developed that carries out the linear correlation coefficient calculus between two variables.

Table 1. Coding and centralization of analyzed variables [9] [10]

Nr. crt.	Variable significance	Code attributed to the variable
1.	Employees are aware of the firm's mission	L1
2.	Each employee knows his/her role in carrying out the firm's mission	L2
3.	The management is engaged in continuous improvement of quality, productivity and competitiveness	L3
4.	The work force represents a valuable resource for the management	L4
5.	There is a continuous open communication, at all firm level	L5
6.	Between the management and the employees there are internal partnerships based on mutual support	L6
7.	Among the employees there are internal partnerships based on mutual support as well	L7
8.	Quality is defined by internal and external clients	L8
9.	Clients are integral part of the production development cycle	L9
10.	Employees are involved in the decision making process	L10
11.	Employees are free to contribute with their ideas to promoting continuous improvement	L11
12.	Process performance is scientifically measured	L12
13.	Verified data are used in the decision making process	L13
14.	Employees are continuously trained and educated to improve performances	L14
15.	All employees, at all levels, maintain high ethical standards	L15

Table 2. Distribution of inquiries by type of inquired organizations [9] [10]

Nr. crt.	Organization type/ number of staff	Number of completed questionnaires	Share (%)
1.	Cooperative companies with 5-25 cooperative members	30	30,1
2.	Cooperative companies with 26 - 100 cooperative members	35	36,0
3.	Cooperative companies with 101 - 500 cooperative members	32	33,9
	Total of questioned cooperatives	97	100%

Taking into consideration the research results based on completed questionnaires in the service provider type cooperatives in the light industry, in order to assess the degree of use of human resource management, it can be understood that there are differences between the categories of organization surveyed (cooperatives with 5-25 employees, cooperatives with 26-100 employees, cooperatives with 101-500 employees).

Thus, the worst results regarding the degree of use of human resource management were seen in cooperative companies with 5-25 employees. Organizations providing services in the light industry, with 26-100 employees and cooperative companies with 101-500 employees, consider that they "largely" or "fully" meet the above criteria.

In the case of criteria related to the assessment and monitoring of the results (regarding the satisfaction of customer requirements, labour market requirements, and financial results of the organizations, respectively) of cooperative companies with 5-25 employees, they are less likely to satisfy the theses criteria.

Therefore, it is confirmed that there is a correlation between the degree of satisfaction of the criteria referring to the results obtained and the degree of meeting the criteria referring to planning.

The carried out research identified a number of opportunities to increase the degree of compliance with the accepted criteria, among which we mention: involvement of the entire staff in solving problems; implementation of a quality management system to develop the capacity of providing traceability in assessing the results associated with the established objectives; monitoring and systemic assessment of customer needs and expectations, familiarization with the business environment, continuous improvement of the competencies of one's own staff, extending the field of activity for other products required by the market as well, development of the capacity to access European funds for financing technological development programs.

To achieve these improvements it is necessary to develop a quality oriented organizational culture, in order to obtain long term advantages, for the customers and employees of these cooperative companies and for the society as a whole.

It follows from the performed research that human resource management activities in cooperative companies are absolutely necessary at the level of all cooperatives, and, especially, in small cooperative companies, since they cannot clearly identify the problems encountered and do not have the possibility to solve them. As to how human resource management can act as a generator of changes in the mentality and behaviour of the employees, it should be noted that this is difficult to achieve, since the employees are generally old, and they lack knowledge of the economic environment in which they work, to which the phobia against 'advice' is added, determined largely by the unfavourable policy for small cooperative companies.

In Romania it is necessary that the entire system of cooperative companies follows steps of reformation, which could lead to making the Romanian system compatible with the European and international one, having as a first objective the creation of an effective management system of human resources in cooperative companies.

4.3.2. Participative management of light industry cooperative enterprises

Romania uses a new type of participative management that improves as a result of focusing on the market economy and profitability. Currently, at the macroeconomic level, there is a restrained form of participative management mainly represented by institutionalized Administration Councils, according to the legislation of cooperative companies, to which, under certain conditions, the Council of the State representatives, the Steering Committee, the stockholders' meeting, etc., are added.

The decision-making process is the essence of management, and participative management is the active involvement of the employees in this process, through close cooperation between managers and executors. First of all, strategic decisions are viewed and concretized when adopting the plans of the unit and the development programs for certain fields, for the long term, and also the decisions of maximum interest to the employees, such as the statute of the

staff, its motivation and ensuring the best possible labour and life conditions [6, p. 55]. Similarly, participative management implies the existence of decision-making processes of a large democratic nature that would ensure the employees' potential to be affirmed in the management process, by serious foundation of a decision that would be made by a simple majority vote.

Promotion of participative management identifies and emphasizes new trends in legal regulation at the micro-economic level. The main economic and financial levers and instruments should be legally regulated through the prism of exigencies imposed by the market economy, so that they would ensure incentives for initiatives, encourage individual and group responsibility of the employees, and understand the need for strict compliance with legal requirements.

Changes in the mentality of the staff, implied by the existence of a participative management, represent a complex process and aim to amplify the staff efforts in terms of participating in the development and increase the efficiency of co-operative companies of which they are a part, identifying themselves as much as possible with those, increasing their creativity and initiative in the establishing and achieving their objectives.

Participative management has profound implications for the behaviour of the management system. The impact on the structural organization is manifested by the institutionalization of the participative management bodies, which, in their turn, determine functional modifications, strengthening the goals and responsibilities of the executive personnel, in their quality of components of the participative management bodies, redistribution of tasks and competencies among the holders of the top level management positions etc. All this implies changes in the organizational relationships, in the multiplication of the network of relations among top, middle and lower managers and executors, contributing to the increase of the functionality of the organizational structure.

The impact on the decision-making process is concretized in the concentration at the level of the participative management bodies of some of the main decisions that address major problems of co-operative companies, increasing the number of employees participating in conceiving, adopting and applying decisions, which determine their more stringent implementation in excellent conditions, especially strategic and tactical.

Application of participative management implies: the use of modern management methods based on the cooperation of top managers and executive managers in rigorously organized teams that will determine the stimulation of the personnel creativity (games, simulations, brainstorming, decision-making tree, collective notebook); frequent use, in decision founding, of economic methods based on cost analysis, profitability; extension and improvement of the use of meetings, delegating, etc., methods.

The impact on the work and management style is highlighted by: promoting a cooperative, consultative type approach, creating a relaxed working atmosphere, favourable exchange of views and common analysis of the problems; use of delegation in view of the higher level of soundness of the decisions and the extension of participation of a larger number of employees in the management process; individualization of tasks and duties, simultaneously with the delimitation and reasonable combination of collective and individual responsibilities.

The selection and training of the personnel are influenced by the existence of participative management, by the fact that certain superior qualities, knowledge and skills are required, that are specified as: fairness in human relation; listening skills; easy human contact; team work; concise and accurate expression. Similarly, given the competent participation of executive managers in the decision-making process, the promotion based on the obtained results and the creative potential is imposed on the complex motivation function of the difficulties, complexity and efficiency of the work done, etc.

In order to ensure cooperative companies to have profitable activities, under the conditions of the market economy system, it is necessary to exercise participative management at their level.

Application of the methodology for improving participative management consists of a study conducted by the Administration Council of a large crafts cooperative for the production of ready-made clothes (in the study the level of salaries, prices, CAS etc. are maintained at the level of the period in which the case has been carried out, which does not adversely influence its formative usefulness), Confex – Cooperative society from Buzău, which is a manufacturer of: 1) textile confection: suits, pants, skirts, women dresses, vests, blazers, jackets, sportswear for women (T-shirts, sports pants); 2) lingerie: (knitted, cotton, artificial fibre, mixed fibres, cotton and linen, porous weave), lingerie set for women.

The cooperative company has facilities for the technological manufacturing processes and storage, as well as the necessary logistics for its own activity. The company has commercial relations only with acknowledged third parties, which justifies credit financing. The policy of the cooperative company applies to all customers who intend to have commercial relations in crediting conditions in order to be the object of verification procedures. Moreover, debt balances are constantly monitored, which leads to insignificant exposure of the company facing the risk of non-payment. Identifying and evaluating investments influenced by a crediting market without cash flow, analysing compliance with crediting contracts and other contractual obligations, assessing significant uncertainty, including uncertainty associated with the capacity of an entity to continue functioning for a reasonable period of time, all these raise in their turn other challenges. The company debtors can be affected by liquidity crises, which might impede them to honour their current debts. Deteriorating customer operating conditions might affect the managers' expectations regarding future cash flows. According to the policy of the cooperative company the suppliers are permanently sought, and they should be able to supply quality raw materials.

The quality assurance department constantly assesses potential producers, but also existing producers as well. Quality documents provided by those, necessary for authorization, as well as the quality of the supplied products and their behaviour in the technological process are taken into consideration. The main outlet market of the cooperative society is the external market but it also produces products for the local market. The nature of the cooperative company activity can bring about unforeseen fluctuations in cash inflows in the future. The company management has analysed the problem of the opportunity of drawing up the financial situation, bearing in mind the principle of continuation of activity. No potential risks were identified that could affect the liquidities of the cooperative company.

We mention that the case study is based on data collected over the course of a year, referring to the activity of the Administration Council, taking into account sufficiently edifying examples. Confex Buzău is the 1st grade cooperative company, where the activity of the participative management body has been rationalized, its activity profile being based mainly on the production of textile and lingerie.

The main problems faced by the cooperative companies of light industry involve concentration of decision-making on actions taking place in several areas: increasing the degree of decisional capitalization of the problem area (improving the decision-making index, by participation to a greater extent, of the components of the Administration Council in solving problems, decisional solutions are drawn up, of which one can choose the optimal one); amplifying the number of decisions referring to the function of production, especially those regarding programming, launching, product tracking, technical quality monitoring, due to the need to increase the degree of use of technical production capacities, as well as continuous improvement of product quality and competitiveness. Improvement of the process of participative decision making implies intensification of the use of modern decision-making methods and techniques (diagnosis, delegation, brainstorming, Delphy technique etc.).

Among the improvements associated with the decision-making process, the harmonization of decisions made with the attributes is the most important, since it ensures the fulfilment of the role of the Administration Council in efficiently making participative management operational. In this sense, it is recommended to increase the share of strategic decisions - viewing the whole of the co-operative enterprise activity in the medium and long term – and those of complex character (provisional, organizational, motivational), based on a systemic approach, so that it might ensure the correlation of the main components of the activity, through the prism of specific conditions of the market economy.

4.3.3. Policies for developing activities in crafts cooperative companies

In crafts cooperative companies it is necessary to change managerial thinking, regarding the development of new products and services, the corresponding objective being closely related to the position and even existence of relevant entities in the market. The annual values regarding intra-community deliveries, exports, respectively, produced by crafts cooperative companies, have been relatively constant, and the greatest part of these deliveries/exports belong to the light industry.

The period 2018-2022 represents a challenge for UCECOM, both in terms of opportunities and risks.

A rational general strategic vision should have in view the intelligent use of all available means to affirm crafts cooperative companies as trustworthy private economic agents, promoting active partnership relations, in the conditions of permanent preoccupation to satisfy the needs of cooperative members and communities of which they are part.

Improving operational management and becoming responsible in adopting and applying management decisions can be achieved by the involvement of the General Assembly in the management of co-operative entities. General Assemblies have a well determined role in

establishing strategies, activity program, revenue and expenditure budget, and performance criteria for the administration contract or management contract, as well as in the selection of administrators, imprinting a specific character to the activity of organization and management in the sector.

5. Conclusions

The analysis of the main economic-financial volume indicators show, in general, maintaining the present markets, and in many cases, even increasing the volume of production and services.

In the context or the uncertainty associated with the evolution of the target markets, also taking into account the relatively limited possibilities of identifying new market niches for a series of goods and services offered by the associated members, also considering the typology of the activities run in the reporting crafts cooperative entities, it is recommended that associated members conduct detailed analyses, possibly multi-annual, adapted to their real possibilities. Depending on the results of these analyses, practical solutions could be identified to improve the activity, in the sense of business development and to increase competitiveness both in the internal and extra Community market.

Considering the research results based on the questionnaires carried out at the level of service delivering cooperatives of the light industry, in order to assess the degree of use of human resources management, one can appreciate that there are differences between the categories of organizations surveyed (cooperatives with 5-25 employees, cooperatives with 26-100 employees, cooperatives with 100-500 employees). The worst results have been seen in the case of cooperatives with 5-25 employees. However in the case of cooperatives with 26-100 and cooperatives with 100-500 employees, the mentioned criterion is “largely” or “totally” met.

In the case of criteria relating to the results of assessment and monitoring (regarding the satisfaction of customers’ and staff’s requirements and the labour market requirements, and the financial results of the organizations, respectively), cooperative companies with 5-25 employees satisfy to a smaller degree these criteria. Therefore, it is confirmed that there is a correlation between the degree of satisfaction of the criteria referring to the results obtained and the degree of satisfaction of criteria referring to planning, by the services supplying companies.

As a result of the study, possibilities were identified to increase the degree of satisfaction with the accepted criteria, of which we mention: involvement of the entire staff in solving the problems; implementation of a quality management system to develop the ability of ensuring traceability in evaluating the results related to the established objectives; monitoring and systematic assessment of the needs and expectations of customers, knowledge of the business environment, continuous improvement of the competencies of their own staff, extension of the field of activity for other products required in the market as well, development of the capacity of accessing European funds to finance technological development programs. In order to implement these improvements it is necessary to develop an organizational quality-

oriented culture, pursuing to obtain long term advantages for the customers and for the staff of these cooperative companies and for the society as a whole.

It results from the study that the human resources management activity in cooperative companies is absolutely necessary at the level of all cooperatives, but especially in small cooperative companies, since these cannot clearly define the problems encountered and they are unable to solve them. With regard to how human resources management can act as a generator of changes in the mentality and behaviour of the employees, it should be noted that this is very difficult to achieve, since employees are mostly old and lack knowledge, lack information about the economic environment in which they run their activity, and they are reluctant to receive pieces of 'advice', determined by the largely unfavourable policy for the small cooperative companies.

In Romania, it is necessary that the entire system of cooperative companies finalizes the reform, which should lead to the compatibility of the Romanian system with similar systems in Europe and the world, having as its first goal the creation of an efficient system of human resources management in cooperative companies.

The main problems encountered by cooperative companies of the light industry involve concentration of the decision-making process on actions running in several areas: increasing the degree of decisional capitalization of the problem area (improving the decision-making index, by participation, to a greater extent, of the Administration Council components in solving problems, drawing up decisional solutions of which the optimum one to be chosen); amplifying the number of decisions referring to the function of production, especially those regarding programming, launching, production tracking, technical quality control activities, due to the need to enhance the degree of use of technical production capacities, as well as the continuous increase of product quality and competitiveness. The improvement of the participative decisional process implies intensification of the use of modern decision-making methods and techniques (diagnosis, delegating, brainstorming, Delphy technique etc.)

Among the improvements associated with the decision-making process, the harmonization of adopted decisions with the attributes has an important place, since it thus ensures the fulfilment of the role played by the Administration Council in efficiently making participative management operational. In this sense, it is recommended to increase the share of strategic decisions - having in view the entirety of the activity of the cooperative company run in the medium and long term - and of complex ones (provisional, organizational, motivational), based on a systemic approach, so that to ensure the correlation of the principal components of activities, through the prism of specific conditions of the market economy.

In crafts cooperative companies a change in the managerial thinking is required regarding the development of new products and services, the corresponding objective being closely related to the position and the very existence of the relevant entities in the market.

The period 2018-2022 is a challenge for UCECOM, both in terms of opportunities, and risks. A general rational strategic vision should have in view the intelligent use of all the available means for the affirmation of crafts cooperative companies as trustworthy private economic agents, promoting active partnership relations, in conditions of permanent preoccupation to satisfy the needs of the cooperative members and of the communities of which they are part.

Improving operational management and becoming responsible in adopting and applying management decisions can be achieved by the involvement of the General Assembly in the management of co-operative entities. General Assemblies have a well determined role in establishing strategies, activity program, revenue and expenditure budget, and performance criteria for the administration contract or management contract, as well as in the selection of administrators, imprinting a specific character to the activity of organization and management in the sector.

REFERENCES

1. ALEXANDRESCU, F., MIHALACHE, F. Economia socială și cooperativele. Manual de intervenție./ Social Economy and Cooperatives. Manual of Intervention. București: Editura Expert, 2011. 92 p. ISBN 978-973-618-283-9.
2. ANGHELACHE, C. Rolul cooperăției meșteșugărești în evoluția și creșterea economică a României./ The role of Crafts Cooperatives in the Evolution and Economic Growth of Romania. Revista Română de Statistică, Supliment nr. 5, 2018, pp. 262-279.
3. CHLOUPKOVÁ, J. European Cooperative Movement. Background and Common Denominators. Unit of Economics Working Papers, 2002. no. 4. 43 p.
4. GALERA, G. The Evolution of the Co-Operative Form: An International Perspective. Trends and Challenges For Cooperatives and Social Enterprises in Developed and Transition Countries. Edzioni 31, Trento, Fondazione Cariplo, 2004, pp. 18-22.
5. MANEA, M. D. The Development of the Cooperative Sector Within the European and Romanian Area. Network Intelligence Studies, 2013, no. 1(1), p. 70.
6. NICOLESCU, O., BURDUȘ, I., HIDEGCUTI, I., CĂPRĂRESCU, Gh., COCHINĂ, I., VERBONCU, I., COMĂNESCU, M. Ghidul managerului eficient./ The Efficient Manager's Guide. București: Editura Tribuna Economică, vol. 2, 2001, p. 55.
7. PETRESCU, C. Cooperăția în România - actor al economiei sociale./ Cooperatives in Romania - Actors of the Social Economy. Calitatea vieții, 2011, no. (4), p. 416.
8. RADU, S. M., ILIAȘ, N., BUȘE, F., FRĂȚILĂ, O. C., ILIAȘ, I. T., BUȘE, G. F., BĂLAN, G. Strategic Management Practices in the Field of Human Resources. Chișinău: Impressum Publishing House, 2018, p. 49. ISBN 978-9975-3155-6-2.
9. RUS, I. Managementul performant în întreprinderile cooperatiste din industria ușoară./ Effective Management of the Cooperative Enterprises in the Light Industry. Conferința Internațională PERFORMANȚE ÎNTR-O ECONOMIE COMPETITIVĂ (ediția 3), Institutul Internațional de Management "IMI-NOVA", 13-14 mai 2016, pp. 75-82. ISBN 978-9975-3085-2-6.
10. RUS, I. Societatea cooperativă meșteșugărească în spațiul economic și legislativ./ The Cooperative Crafts Company in the Economic and Legislative Space. International Conference "PERFORMANCES IN A COMPETITIVE ECONOMY" (5th edition V), International Institute of Management "IMI-NOVA", 18-19 may 2018, Chișinău, Republic of Moldova.
11. ZAMAGNI, V. N. Interpreting the Roles and Economic Importance of Cooperative Enterprises in a Historical Perspective. Journal of Entrepreneurial and Organizational Diversity. EURICSE, 2012, no. 1(1), pp. 24-33.

Rezumat

Cooperativele reprezintă un model dual, bazat pe o componentă economică și una socială, devenind actori cheie ai economiei bazate pe competiție și demonstrând că pot rezista perioadelor de criză și depăși impactul acestora. Organizațiile cooperatiste caută permanent forme competitive de organizare cooperatistă. În multe state europene, forma cooperatistă a întreprinderii este utilizată sub aspect inovativ, fiind încurajată de factorii de decizie. Autoritățile europene optează pentru promovarea utilizării pe larg a formei cooperative în aria europeană prin îmbunătățirea vizibilității, caracteristicilor și înțelegerii sectorului, îmbunătățirea în continuare a legislației comunitare în domeniul cooperativelor, consolidarea poziției cooperativelor și creșterea contribuției la realizarea obiectivelor comunității.

Lucrarea evidențiază semnificația cooperăției meșteșugărești din România, dimensiunile și tendințele de dezvoltare a acestui sistem, provocările cu care se confruntă și cadrul de reglementare a activității acestora cât și beneficiile pe care la oferă. Analiza evoluției cooperăției meșteșugărești din România a permis punctarea

orientărilor și acțiunilor strategice de dezvoltare a cooperăției meșteșugărești pentru perioade viitoare de timp de durată medie, iar implementarea va dinamiza evoluția acesteia. Cooperăția meșteșugărească din România este bine structurată în profil teritorial, fiind corect organizată, prin conducerea unitară UCCECOM, existând un management adecvat care poate valorifica mai eficient resursele financiare și materiale.

Cuvinte-cheie: *sistem decizional, cooperativă meșteșugărească, management participativ, politica societății cooperative, managementului operațional*

Аннотація

Кооперативы представляют собой двойственную модель, основанную на экономическом и социальном компонентах, которые становятся ключевыми игроками в конкурентной экономике и доказывают, что они могут противостоять кризисным периодам и преодолевать влияние последних. Кооперативные организации постоянно ищут конкурентные формы кооперативной организации. Во многих европейских странах кооперативная форма предприятия используется в инновационном аспекте, поощряемом лицами, принимающими решения. Европейские власти предпочитают содействовать широкому использованию формы кооперации на европейском пространстве путем улучшения видимости, характеристик и понимания сектора, дальнейшего совершенствования законодательства Сообщества в области кооперативов, укрепления позиций кооперативов и увеличения вклада в достижение целей сообщества.

В статье подчеркивается значение румынских ремесленных кооперативов, масштабы и тенденции развития этой системы, проблемы, с которыми они сталкиваются, а также нормативная база их деятельности и преимущества, которые она предлагает. Анализ эволюции ремесленных кооперативов в Румынии позволил указать направления и стратегические действия для развития ремесленной кооперации на будущие периоды средней продолжительности, а их реализация ускорит его развитие. Румынская кооперация ремесел хорошо структурирована по территориальному признаку, должным образом организована через единый менеджмент Национального Союза Ремесленных и Производственных Кооперативов - UCCECOM, имеет адекватное управление, которое может более эффективно использовать финансовые и материальные ресурсы.

Ключевые слова: *система принятия решений, ремесленный кооператив, управление на основе участия, политика кооперативного общества, оперативный менеджмент*

Received 11.07.2019

Revised 01.08.2019

Accepted 01.10.2019

Published 30.12.2019