

Knowledge Horizons - Economics

“DIMITRIE CANTEMIR” CHRISTIAN UNIVERSITY OF BUCHAREST

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The magazine **Knowledge Horizons-Economics** intends to become a top lance of spirituality within the „Dimitrie Cantemir” Christian University and not only, by publishing the best results of individual and collective scientific research of its own professors and by being open to other universities inland and abroad.

The magazine aims at becoming a forum of information and ideas from theory to practice in all fields of activity, but mainly for inter and multidisciplinary research, innovation and applicability.

The Scientific Council and the College editorial board boast well-known professors from Romania and other countries, a guarantee to the high level of this magazine and the selection of these articles.

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ABSTRACTS

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The Importance Of Integrated Logistics For The Company'S Succes On The Market

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Abstract: In our days, logistics is considered to be an important competitive advantage. Total logistics is according importance to all logistics elements in general, mostly to the fact that they are linked between. The concept of integrated administration of material resources corresponds to the philosophy of the following models: “Business Process Reengineering” and “Lean Production”. The main advantages offered by lean production are: high productivity, low costs and short time and also improved quality. Any economic activity is profit orientated. Logistics can contribute to increasing financial performance of the company.

Key words: integrated logistics, profit, management style

JEL Codes: M11

Internal Audit – Determinant Factor In Preventing And Detecting Fraud Related Activity To Public Entities Financial Accounting

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Abstract: The objective of internal audit on fraud, identified in the financial and accounting activity in public entities is to give ensure and guarantee true and fair view of the assets, liabilities and equity, and the financial statements and results. To provide this guarantee internal audit monitors whether transactions and accounting operations entered correctly reflect the nature of the events that took place and whether they are likely to be distorted. The results of an internal audit mission, must ensure the quality and coherence of the financial accounting system, and to reflect correctly, sincerely and completely the financial accounting transactions from primary accounting documents and financial statements

Key words: internal audit, financial and accounting fraud, faithful image, public entity, significant distortions

JEL Codes: M41, M42

Circumstances And Strategic Directions Of Tourism Development In Călărași County

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Abstract: The present article intends to propose a strategy for tourism and marketing for Călărași county, starting from analysing the structure and dynamics of material and technical base of tourism in this area. This analysis of tourism in Călărași county will represent the premise of the developed strategy. We will identify the main objectives of the strategy and at the beginning we will set the general objective, because in the end we'll present the actions to be taken in order to achieve the objectives

Key words: Călărași county tourism marketing strategy, strategic directions, technical and material basis of tourism, tourist movement, tourism development

JEL Codes: L83, R58, Z32

Sources Of Information And Analysis Possibilities

Bogdănel Marian DRĂGUȚ¹, Adina-Petruța PAVEL², Gheorghe CIOBOTĂ³, Dominic PEREZ DANIELESCU⁴

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Abstract: We live in an era in which information is ubiquitous and can be found in various forms, whether we know or not know of its existence. Thus, in every area, but especially in business intelligence, information is paramount. The view that information is power remains as true today, but the importance of this power has grown thanks to technological developments and tools that can be used to manage the means of knowledge.

Key words: information, information sources, intelligence, observation, analysis

JEL Codes: M31, O33

Complexity Of The Effects Of Cross Border Merger On Internal Market Under The Both Company Law And Competition Law

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Abstract: The purpose of this paper is to provide an insight into the legal regime of the effects of cross-border merger on internal market assessed from Company Law and

Company law provisions. On the other hand merger may be analyzed as abuse of market power which affect European trade, qualified as a dominant position by the European Commission and the European Union Court of Justice. Therefore, competition provisions purpose also to remove the barriers to European internal market arising from actions of powerful of single undertakings which enjoy a dominant position in a particular market for good and services. However, the new European legislation would make it easier and much cheaper for undertakings (companies with share capital) to merge with enterprises in other Member States.

Key words: Undertakings, cross-border merger, competition law, abuse, dominant position, internal market.

JEL Codes: K33

Drafting A Cultural Strategy Based On Cultural Content - Fortress Of Oradea Case

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Abstract: The increasing competition in the tourism market entail the need for strategies focused on positioning and differentiation elements. A pillar of cultural tourism strategy in city of Oradea is the Fortress. By means of European funds, we are witnessing reintroduction of this Fortress into tourist circuit. A Fortress can get to be a vector of utmost importance for tourism in Oradea and Bihor County, but only under the conditions that will be preserved and enhanced the features as: value, rarity, inimitable and organization (exploitability). In this article are presented in detail these features, which we consider, that represents the core elements of the strategy based on cultural content. In our opinion, for a sustainable development, the efforts must be continued and directed towards creating an own identity, reason that elements such as mystery, story and participation cannot be missing.

Key words: cultural tourism, strategy, Oradea, fortress

The Concept Of Professional – A New Paradigm Of Companies

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Abstract: The concept of professional provided by Article 3 of Romanian Civil Code relates to any legal or physical person who exploits an enterprise. The legislator intended to replace the consecrated institutions such as merchant or commercial company with this very new legal concept characterized by an insufficient normative rigorosity and terminological clarity, generating a series of problems regarding its applicability. In our opinion this replacement is mechanical and uncorrelated with other relevant concept such as enterprise or economic enterprise or economic activity, etc.

Key words: Company, legal personality, limited liability, professional, trade (commercial) company.

JEL Codes: K 33

Informal Institutions And Economic Performance

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Abstract: Using the critical analysis of the literature, the paper brings into focus the role of informal institutions on economic performance. The main conclusion drawn from the analysis is that economic performance is structured on the optimal functioning of institutional arrangements in which informal institutions are of particular importance by catalyzing decrease transaction costs, requiring judicious contracts, in order to promote a climate of trust between economic and the entire society.

Key words: informal institutions, trust, transaction cost, economic performance

JEL Codes: O43

Internal Communication Marketing Role Within Organization

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Abstract: In terms of marketing communication, this is a relatively new concept which evolved mostly in the last two decades of the twentieth century. The changes that have occurred lately in the world, both economically and socially, politically or culturally, made the need for communication to be very important for a modern organization. In this way, the basic component of marketing, communication, has a greater importance within organizations through its relationship being built with employees, customers, suppliers, distributors or other audiences.

Key words: marketing communication, internal marketing, relational marketing

JEL Codes: M31

Analysis About The European Shipping And Payment Trends 1975 – 2015

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Abstract: In shipping, more than in other economic sectors, changing trends are very frequent, because of the specific dynamic of markets. The freight rates and second hand prices in the dry bulk market seem to be stationary. This result is in contrast to the findings of a number of papers. However, the results confirm that classical shipping market was stationary in freight rates, which is not the case, if the freight rates followed a random walk. By transforming, all observations, from US\$, to Japanese yen, showed that freight rates and prices saw to become stationary and volatility, reduced.

Key words: shipping, market, price, transport, perspective

JEL Codes: M15, M16, L91

Financial Reporting Within The Context Of A Good Corporate Governance

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Abstract: Corporate governance is increasing the value of an economic entity on solid, well-grounded base, making use of the professionalism of the management team and all employees; it creates a close link between the added value of the economic entity and the tools available to management and used in order to achieve effective control on the results reflected in the entity financial reports. Applying the principles of corporate governance is an asset to economic entities which can thus more easily manage specific activities, knowing and controlling the risks that may affect those and reaching the established objectives. Therefore, corporate governance applies to both private and public sector. According to the author, the public should be more interested in the application of corporate governance principles by the fact that economic entities operating in this sector provide services for the society, its members contributing by paying taxes to the consolidation of national budgets; this is doubled by the fact that members of the society have high expectations that all money is spent safely and in terms of efficiency.

Key words: financial reporting, corporate governance, financial accounting information, decision – making system

The Practical Use Of The Linear Multiple Regression In The Complex Gdp Analysis

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Abstract: The economic and social phenomena meet the influence of several factors, and their contribution is more difficult to argue only through the dependence analysis of two variables. Using the simple regression model explains in a small contribution the factors of an economical result that evolving differently from year to year, provided that the factors are found together, in various proportions, in each economic outcome. Most often we use the multifactorial approach to analyze the evolution of a phenomenon. This article highlights the effective possibilities to use the multiple linear regression model in the analysis of gross domestic product. To emphasize the practical aspects related to the use of multiple linear regression in the macroeconomic analyzes, we have developed a practical study in which we defined as dependent variable the GDP, and the fluctuations will be explained by more causal variables. We used data with a yearly frequency, the economy of Romania and to compare we deflated, taking as a basis 1990. The objectives of this analysis are to determine the function that describes the best relationship between the indicators undergoing analysis, to observe the link that is established between them and to estimate an econometric statistically significant valid model.

Key words: gross domestic product, multiple regression, households consumption, public consumption, investments, change in inventories, exports variation, gross disposable income, coefficient, significant

Economic And Social Consequences Triggered By The Neet Youth

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Abstract: The NEET rate is a relatively new indicator which gained during the last two decades an increasingly higher importance with respect to youths' labour market both in the approaches of international organisations and in the mass-media. The high rates of the young NEET population represents one of the important challenges for each country, not only due to the risks of the "scarring effects" but also due to the negative effects of this statutes on the future outcomes of the labour market for the individual and for the community and the society in which he/she lives. Evaluating the economic and social consequences of the NEET statutes plays an important role in developing the policies for youths and in adopting measures for increasing their insertion on the labour market and for encouraging them to remain enrolled in educational or vocational training systems. The paper presents a brief analysis of the NEET youths' situation in Romania within the European context and highlights a series of economic and social consequences generated by the NEET statutes for some youths.

Key words: Youth NEET, Youth unemployment, NEETs' characteristics, economic and social consequences

JEL Codes: E24, J13, J21, J89

Financial Accounting Information System – Premise Of Managerial Act

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Abstract: Economic globalization has led lately to an increase in the complexity of the economy, with major impact on the growth of needs related to the area, content, promptness and quality of information of an economic nature in general and focusing on financial and accounting information in particular. Moreover current economic phenomena identified in a highly competitive economy characterized by risk and uncertainty triggered the informational revolution on economic entities both in terms of their functionality and in terms of performance, giving a new dimension to the management information system and hence the financial accounting information system. Financial accounting information supports the management of any economic entity in substantiating management decisions so that they are characterized by opportunity and utility leading the entity towards performance.

Key words: managerial decision, entity, information, performance, financial accounting information system

JEL Codes: M41, M42

Internet And Social Networks - Development And Promotion Vectors In Tourism

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Abstract: If we were able to choose a head of state with the help of Facebook, why shouldn't we choose the much desired holiday destination as well? In search of new experiences, the Internet is more accessible and, with it, the social networks, especially Facebook! Initially accessed only for us, friends, contacts and communication now Facebook is useful for obtaining information about certain individuals or events, promotion, leisure activities, online transactions. And why not recognize, Facebook is much more accessible than the visit to a travel agency, which, unfortunately, may be insolvent... There are risks, but nothing risked nothing gained was a saying... Like individuals, the tourism companies must earn over time the trust of the ones to whom they are communicating. The TUI company from Germany has had a Facebook page since 2011, with over 250,000 subscribers. Once on Facebook, you assume risks as well, becoming too transparent, even vulnerable! Not coincidentally the Safer Internet Day was set worldwide on February 9! But there are travel agencies that do not have a Facebook page and they go ahead full steam. Despite these fears, social networks, especially Facebook, are and will remain options for Internet users related to the choice of a holiday destination. Even the so popular Facebook is losing ground in recent years, due to the emergence of mobile applications on social networks, such as Snapchat, Instagram, Viber, Google+, WhatsApp, etc. In the knowledge society, Social Media becomes a vector of the tourists' interaction with the online environment, with the preferred brands and means of real-time communication of useful information volume to each individual/tourist. For tourism, social media and communication channels such as Facebook, Instagram and YouTube become the most accessed ones mainly by the constant tourists. These social networks, but not only these, have shown the major influence that social media can have when used frequently, intelligently, and when the message resonates with a critical mass of users. The new concepts in Social Media are strategy, planning and integration at the Social Media in Tourism event, held in Bucharest, on 19 February 2016.

Key words: tourism, internet, social networking, promotion

JEL Codes: L83, L86

Empirical Study On The Correlation Between The Dividend Policy And Performance Of Companies Listed

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Abstract: Dividend policy is a key element in financial management, task and responsibility for company managers in terms of profit distribution based on the decision of the General Assembly of Shareholders. Policy dividends provide a favorable signal regarding the financial condition of the company (a company providing dividends is a company that has the financial ability to honor its obligations to investors, providing current income and future shareholders) as a company that rewarded investors with dividends annually, will announce whether or decrease their investment profits will negatively affect the market price of the shares.

Key words: performance, dividends, earnings per share

Institutional Perspective To Business Localization

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Abstract: The paper aims to assess the synergic impact of institutions, geography and culture on the decision of localization of operations and individuals. For this purpose, we will identify factors influencing the spatial distribution of operations and suggest an analysis of typology and institutions favorable for economic performance. We conclude

that the benefits resulting from agglomerations would not be possible without inclusive political and economic institutions that allow exploitation of market opportunities, encourage technological innovation and investment in people and mobilize talents and skills of a large number of individuals

Key words: Business localization, agglomeration economies, institutions, agglomerations, path dependence.

JEL Codes: R39, E02, O43.

Considerations On Value Added Tax Implications On The Entity's Performance

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Abstract: Romania has done significant progress regarding implementing European Directives on Value Added Tax, although certain notions have been taken over without adapting them to the Romanian economic environment, as well as disconnecting fiscality from accounting. Yet, current fiscal regulations don't meet the requirements of an optimal fiscal system every time, as it is considered in economic theory. The principle of stability, for example, doesn't belong to Romanian fiscal system and as far as simplicity is concerned there is none, especially regarding VAT. Furthermore, the definition of terms used in the legislation involves a critical appreciation, justified by the fact that in some cases, the attempt to define certain terms, entails the need to address other terms. This shortfall is the result of the hurried takeover of terms from the European legislation that are "indigestible" for an adaptation of the language and customs of national conditions in the field

Key words: value added tax, performance, cash flow, breakeven point, liquidity, solvency, rates of equilibrium

JEL Codes: M41, M42

Gender-Differentiated Human Capital And Time Distributions In A Generalized Heckscher-Ohlin Model With Endogenous Physical Capital

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Abstract: This paper deals with the role of preferences and technological differences between any number of national economies in determining the dynamics of capital stocks, gender-differentiated human capital, pattern of trade and gender-differentiated time distribution in a reformed H-O model. The trade model studies endogenous wealth and human capital accumulation and labor and capital distribution between sectors and between countries under perfectly competitive markets and free trade. It is an integration of the H-O model, the Solow-Uzawa neoclassical growth model, the Uzawa-Lucas two-sector model, and the Oniki-Uzawa trade model. It synthesizes these well-known economic models with Zhang's utility function for describing household behavior. The paper simulates the model, demonstrating the motion of the dynamic system and the existence of equilibrium point. We also examine the effects of changes in the total factor productivity of a country's industrial sector, the productivity of country's education sector, one country's propensity to consume another country's global commodity, man's propensity to stay at home, woman's propensity to receive education, and a country's population.

Key words: trade pattern; O-H model; Oniki-Uzawa model; Uzawa-Lucas model; gender; time distribution; learning by education; propensity to receive education

The Impact Of Nepotism And Corruption In The Economy

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Abstract: Nepotism usually means hiring relatives, close friends, regardless of their merits and abilities. This would be a simple definition of nepotism, which as we all know, the rapidly became the "criterion" and favorable for employment leading people by family ties. While corruption is a permanent risk to the economic system, but also for the country's legal system. The purpose of this paper is; be analyzed nepotism, analyze the effects of nepotism, and analyzed the impact of korropcionit the country's own economy.

Key words: nepotism, corruption, dysfunctional economy, lack of perspectives.

The Determinants Factor Of Islamic Bank's Profitability And Liquidity In Indonesia

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Abstract: This research aims to analyze the determinants factor of profitability and liquidity of the Bank Muamalat Indonesia, Bank Syariah Mandiri, and Bank Mega Syariah. Profitability variable represented by ROA (return on asset) and liquidity represented by quick ratio. Independent variable factor affecting profitability is the quick ratio, CAR, and ROA. Independent variable factor affecting liquidity is CAR, NPF, and OER. The analytical method used in this study is multiple regression analysis. The data used is the quarterly data from the years 2008 to 2015. The analysis showed that the quick ratio and OER have a negative and significant effect on profitability, and CAR has a positive and significant effect on profitability. CAR has positive and significant effect on liquidity, OER has a negative and significant negative effect to liquidity, and NPF has not significant effect to liquidity.

Key words: Profitability, liquidity, ROA, quick ratio, CAR, NPF, OER

Corporate Sustainability Reporting Practice In An Emerging Market: A Case Of Listed Companies In Nigeria

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Abstract: This paper seeks to explore the trend in sustainability reporting practice in an emerging market. The study involves critical assessment of the current level of sustainability reporting disclosures. To achieve this, content analysis was used on data sourced from the corporate annual reports of selected listed companies quoted in Nigerian Stock Exchange. The analysis identifies the extent to which sustainability reporting has been in line with global best practices in disclosing the three sustainability reporting metrics (environmental, social and governance). Finding revealed that the selected listed companies are more highly disposed to disclosing governance and social information than environmental disclosure. Corporations also attempt to manage stakeholder impressions by self-servingly biasing the language and verbal tone used in their environmental disclosures. The study found that the greatest proportions of location of corporate social and environmental disclosure of the sampled companies are disclosed in the chairman's statement and directors' report.

Key words: Sustainability reporting, listed companies, corporate sustainability, corporate social responsibility

JEL Codes: M 41

Study On The Correlation Between Price Stability And Financial Stability In The Evolution Of The Economy

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Abstract: With the globalization of financial flows and the increasingly high degree of financial markets integration, financial stability has become a topic of study particularly important for financial institutions and researchers alike. Society's net benefits overwhelmingly depend on the effectiveness of the financial system which becomes a valuable public asset and an essential feature of such a system is stability.

Price stability and financial stability are crucial for the proper functioning of an economy, price stability is the primary objective of monetary policy and it examines the connections between price stability and financial stability. Price stability is essential for achieving financial stability in a country, while to achieve these two objectives it's also necessary a good collaboration between the political and financial factors. Price stability is both an end in itself as well as a means for monetary policy, as it contributes to achieving a sustainable economic growth and macroeconomic stability.

Key words: Monetary activity, banking system, banking activity, stability, prices.

JEL Codes: E58

Expanding K-Means Algorithm For Absolute Data

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Abstract: In the majority of works published so far on k-means algorithm, the study was performed on numerical data and functions with which the distance between the data points can be calculated. Recently, as far as the clustering issue is concerned, the problem of using absolute data has also been raised, and the algorithms used so far have been considered unacceptable for their implementation in large databases. This article aims to apply accurately the "notion of the cluster center" on a set of absolute objects and how it is used in issues related to absolute objects grouping.

Key words: algorithm, center, cluster, data mining, distant, object.

JEL Codes: L 8