#### AMERICAN MANAGEMENT KNOWLEDGE AS BASIS FOR THE DEVELOPMENT OF ROMANIAN-AMERICAN ECONOMIC RELATIONS

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Abstract: We will start with a short introduction in the history of the Romanian-American economic relations on a step by step basis as follows: the first steps to economic relations, economic relations from the interwar period, communist period – from rupture to great opening, nature change of Romanian-American economic relations after 1989, with emphasis on the last years and especially on 2017 and on the future. We then present the characteristics of American economy and we emphasize the successes obtained under the influence of American management. The dominating part approaches an useful topic from theoretical and pragmatic point of view, namely the American management knowledge available to Romanian managers and with the following sub-topics: (1) excellence as dimension of American management; (2) American management, a powerful management of civilization; (3) historical premises; (4) American strategic management; (5) development of managerial theory; (6) American management model; (7) features of American manager; (8) education of leaders in the higher education system; (9) remuneration system and trade unions in American companies.

We conclude with conclusions in which we emphasize the value of the American management as basis of studies and practice in the development of business relations between Romanian and American companies.

Keywords: American management, Romanian-American economic relations, knowledge, American strategic management

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# 1. Short introduction in the history of Romanian-American economic relations

The Romanian-American economic contacts begin along with the two industrial revolutions. The special interest of USA to extend the commerce with the Ottoman Empire and in the direction of Lower Danube region is outlined. USA intention is encouraged by the Treaty of Adrianov (1929) which grants the two Principalities the freedom of commerce and access of all commercial vessels to the Black Sea. And, theoretically, the future Principalities become accessible for the commercial interest of USA and the Romanian products draw the attention of American traders even from Constantinople market. Concretely, the first commercial vessel flying the American flag appears in the waters of Sulina arm in 1843. The "Treaty of friendship, commerce and navigation between USA and the United Principalities" was signed under Prince Al. I. Cuza, document concluded on a footing of equality (Stanciu, I., 2017).

After 1859, the economic connections between the two states begin to become more consistent, emphasized by the following achievements: (1) increase of the number of American vessels signaled in Romanian harbors; (2) agricultural machines and other types of machines are requested openly by Principalities. At the level of 1865, their total volume had the approximate value of \$ 25.000; (3) the import volume from America to Galați harbor reaches the value of \$ 55.000-60.000; (4) modernization of armed forces for participation to the war from 1877-1878 was carried out with 25.000 "Peabody" rifles and an efficient vapor installation able to produce 3000 metallic bullets per hour; (5) after obtaining the Romanian independence in 1877, the economic relations registered a new phase marked by the conclusion in 1881 of the "commercial and navigation treaty between Romania and USA, based on the most favored nation clause" (Popescu-Boteni, S., 1980).

In the first decade of the 20<sup>th</sup> century, the famous "Ford" automobile appears on the Romanian market, the number of owners of that automobile reaching 107 in 1912. The volume of American exports registers a substantial increase from the global figure of \$ 906.819 in 1912 to \$ 2.417.591 in 1913 and \$ 2.306.377 in 1914. "The Romanian-American anonymous company for oil industry, commerce and export" is founded in 1904 in Romania (Viteu, D., 2017).

The Romanian-American economic relations from the interwar period, namely the period of 1920-1936, has the following characteristic features: (1) they were carried out with a slower pace, on one hand due to isolationism, and on the other hand, to the liberal economic policy materialized in "The law of mines", adopted in 1924, "considered by the American party to bring prejudices to its economic interests in Romania" (Synthesis, 1996); (2) however, it is noted the high presence of great American companies on the Romanian market; (3) the modern telephony service is created and the Telephone Palace is built according to the model of American skyscrapers; (4) in 1936, "Ford" Company built the modern factory, equipped with the first operational assembly line from the Eastern Europe, with annual assembly of 2500 automobiles and trucks; (5) companies such as "Standard Oil", "The Chase National Bank", "IBM", etc. are present and operate in Romania; (6) the "Temporary commercial convention between Romania and USA" was signed, in which the two parties granted each other a special statute (Stanciu, I., 1996).

In the Communist period, the Romanian-American economic relations were described under the form "from rupture to great opening" with the following features: (1) presence of American hope manifested after the war concerning the replacement of the Soviet influence installed in Romania with the Occidental values and culture, namely by means of commerce (Joseph, F. H., Bruce, J. C., 2002), a wish which could not have been fulfilled from political and commercial point of view; (2) during the period of Gheorghiu Dej, an agreement with the United States is signed, which allows it to purchase industrial machinery; (3) in 1964, the American licenses were opened for Romania, factories for Romania were designed, financing agreements were granted for Romania (Malita, M., Dungaciu, D., 2014); (4) the relations between the United States and Romania registered an important quality leap after Richard Nixon managed to become president in 1969; (5) between 1969 and 1977, Nixon and Ford administrations marked the period with the closest ever bilateral relations between the two states.

Things concerning the Romanian-American economic relations really change in 1989, in the sense that the Revolution events from December 1989, as well as the subsequent ones, were monitored with great interest by the American party. The Romanian-American Chamber of Commerce was created, which opened the way to Romania to important companies such as IBM, Coca-Cola, Deloitte & Touche, Chemical Bank, Colgate – Palmolive and other companies dealing with imports and exports. In 1993 Romania obtains the most favored nation clause. However, the Romanian-American economic relations are below potential, at a modest level, affirmation proved by the total report of exports and imports between USA and Romania, at the level of total commercial exchanges of Romanian economy. The figures are the following: in 2016, the total commercial exchanges with USA were approximately \$2.7 billion, which is less than 2% of the volume of Romanian external commerce. The Romanian investments in the United States have a reduced level, although the digital economy has the possibility to be the "gate of Romanian business development".

Efforts are made by both parties to remove the Romanian-American economic relations from the modesty stage and their guidance to performance. The year 2017 and especially October can be a confirmation. It is the presence in Romania of the greatest economic mission from the history of Romanian-American relations. More than 100 American companies were present and discussed with the authorities, Government and Romanian companies which want partnerships. Romania wants to capitalize its economic context, to create a stable economic environment which determines the substantial growth of American investments in Romania. For obtaining pragmatic results, the American management has an important word to say in the process of concluding contracts and executing them in the benefit of both parties.

# 2. Figures talk for themselves: the economies of the two states in 2017, as basis for performance in Romanian-American economic relations

#### 2.1. American economy in 2017

Building a tradition, USA also plays an important role in the global economy in 2017. The economic policy, considered an economic activity, aims political objectives, as well as means to reach them. The economic strategies and policies are formed under the influence of internal and external factors. USA has a powerful leading producer and consumer economy of the global economy. The development of economic processes in USA has a decisive role on global economy. USA is the greatest trader of the world, owning 13.2% of international trade. Almost 50% of international trade is made in dollars and approximately 40% of global credits are issued in dollars. The headquarters of the biggest multinational companies, with more than 17.500 subsidiaries, are located in USA. More than 25% of the electricity production of the planet is carried out in USA. Other global achievements belong to USA, as follows: the biggest oil refining capacity from the world; the first industrial power of the world; the biggest agricultural producer from the world; the most "tertiarized" economy (services produce 72.3% of GDP); the greatest energy consumer of the planet (51%); most vehicles per one thousand inhabitants; five of the first 10 companies from the world are American; the biggest bank in the world is American; most radio devices (2118) per one thousand inhabitants<sup>2</sup>.

The following conclusions are drawn from the above: (1) USA has an economy which exceeds the economies of other states and territories; (2) it is a leading producer and consumer of global economy; (3) the country is also "big" from the economy point of view; (4) development of economic process from USA has a decisive impact on global economy; (5) current status of USA's economy is the result of long economic development and in adequate conditions; (6) the richness of natural resources, large outlet are emphasized; (7) the economic progress favored by the application of competition principles.

These features of the American economy are also mentioned and developed in 2017, as follows: (1) the American economy registered an increase beyond expectations in the second quarter; (2) according to the data provided by the American Commerce Department, GDP evolution in the period of April-June recorded an increase 3% in the annual rhythm, instead of an advance of 2.6%, announced previously; (3) the consumption expenses, responsible for two thirds of the economic activity of USA increased with 3.3% and they were the main factor underlying the acceleration of the increase rhythm in the period of April-June; (4) the analysts claim that the data show that the American economy has a solid position.

#### 2.2. Romanian economy in 2017

The Romanian economic power is focused mainly on the production of goods by small and medium enterprises, in industries such as those of precision machines and motor vehicles, chemical, pharmaceutical industry,

that of household appliances and clothing industry. The main Romanian industries are the textile and footwear ones, metallurgical industry, that of light vehicle and machine assembly industry, mining, wood processing, construction materials, chemical, food and oil refining industries. In the present, mechanical engineering is very broad and it is oriented toward the market. The Romanian IT industry has a constant annual growth. Oil machinery for land and marine drilling platforms, mining machinery, machine tools and products of fine mechanics industry are produced by mechanical engineering. The chemical industry developed in the last decades due to the existence of a wide range of raw materials in the country (salt, potassium, resinous wood, reed, methane gas, animal products). The petrochemical industry produces synthetic rubber, plastics, cellulose and paper, medicines and cosmetic products, coloring matters, dyes and detergents. The industry of construction materials produces cement, glass and glassware, ceramics, prefabricated parts, lime. The wood processing industry has considerable forest resources and produces wood particle boards, fiber boards, veneers, plywood, furniture. The light and food industries have a tradition in Romania. Important are also the cotton industry, wool processing industry, clothing and hosiery industries. Tourism is the economic sector with development potential which can become an attraction both for investors and foreign tourists. Agro-tourism has also great (Mureşan, M., 2004).

2017 is very beneficial for the Romanian economy and implicitly for the Romanian-American economic relations. According to the National Institute of Statistics, in the first quarter of this year the country's economy recorded a powerful growth. The gross domestic product increased with 5.8% in the first quarter. With respect to the second quarter, compared to the same period from 2016, GDP had an increase of 5.9% on the gross series (http://www.agerpres.ro).

The World Bank published the news by which it estimated that the Romanian economy would increase over the potential in 2017 and 2018. The references to GDP claim that it will probably increase with 5.5% this year, due to the fiscal stimulation measures. Also, the World Bank foresees the GDP expansion of 4.1% for 2018 and 3.6% for 2019.

The Eurostat report, published on August  $16^{\text{th}}$  2017, shows that Romania recorded the highest economic increase of 5.7% from the European Union.

Even the International Monetary Fund had to improve its estimates concerning the Romanian economy in 2017 and 2018, as follows: it reviewed the estimates concerning the evolution of the Romanian economy in this year as increasing from 4.2% to 5.5%, according to the newest report<sup>3</sup>. Also, the International Monetary Fund improved its prognosis on the growth rhythm registered by the Romanian economy in 2018 up to 4.4%, compared to the advance of 3.4% foreseen in April this year. According to the document related to the perspectives of global economy, Romania will register this year the highest economic increase of 5.5% from Europe.

We stop here with the figures because they love terseness and we will move on to the following sub-chapter, the dominating part of the

#### 3. American management, development factor of Romanian-American economic relations

### 3.1. Importance and significance of knowing and applying the American management

American economy, by adaptation to national particularities, determined by traditions, national culture, American habits.

Nowadays, the American management has a significant evolution generated by the acceleration of innovation rhythm, complication of market mechanisms, introduction of computers in the management activity in mass proportions, extension of managerial macroeconomic policies.

American management is an organized and coherent assembly of concepts, principles, functions, rules, norms, structures, methods, instruments and techniques of efficient transformation of reality from companies. It is a process, namely a sequence of activities, which orients the thinking and actions of the American manager preoccupied with the economic and social performance of the company.

American management brings many and powerful instruments for supporting thinking, decision and transaction and helps the American managers to set clearly defined and measurable objectives before

 $<sup>^3</sup>$  International Monetary Fund, "World Economic Outlook" Report, published on October  $10^{\rm th}\,2017$ 

companies, to monitor their fulfillment, to know how to take risks, to use creativity resources and encourage the subordinated personnel, emphasizing the guidance of group activities in attracting the purposes for fulfilling the company mission.

#### 3.2. Excellence, as dimension of American management

Excellence as dimension of American management is built by American theorists and practitioners on trust and good faith and it represents the state of competitiveness, reached through the level of efficacy and productivity which ensures sustainable presence on the market, in the conditions of multiform and complex interaction of many factors to which we will refer further.

The essence of excellence present in American management is given by the preoccupation and results obtained by the American companies in the process of increasing business efficiency. Successful business belongs to the American companies oriented to excellence, based on a strategy aiming quality, responsibility, change and continuous improvement.

As it was proved in the American management practice, excellence in management is in the competitive fight a reliable and verified instrument, able to bring success, to attract investors, to increase market value. Excellence in management and excellence management became a component of strategic planning in the American practice.

The purpose of American management excellence programs is not only to increase the loyalty of consumers and partners for the company, but also the management of such parameters, as for example, investment capacity, social responsibility, attraction of consumers, brand, quality of products and services, management efficiency.

For excellence and its management, the American specialists elaborated four main technologies: of image, creation and valorization of brands, active approach and reference to the opinions of authorities.

### **3.3.** American management, a powerful management of civilization

In all numerous theories and phenomena of living practice, American management was and remained the most powerful management of civilization. American management allowed the United States of America to obtain the leader situation among the countries of the Western world, in relation to which its study has a certain interest. This situation is also determined by the fact that managerial science and practice was formed in USA for the first time.

The appearance and development of scientific management school is related to the name of the American engineer F. Taylor. As the management historians emphasize, "the industrial revolution started in Europe and only after this it spread to America, while the revolution of scientific management was produced in America and only after this it exceeded its borders".

The classic school created by H. Taylor significantly influenced the formation of directions in the American managerial theory. In their turn, the American scientists contributed to the improvement of management functions, extending them up to seven and principles, introducing additions, mentions and modifications.

The passage from extensive to intensive management methods required investigations concerning the management forms. In time, it was understood that for the extension of capitalist production it is necessary to change the relation toward the worker in the enterprise, to conceive new motivation and co-operation methods between workers and owners. The formation of new concept received the name of school of human relations, related to the name of the American sociologist and psychologist Elton Mayo.

Further, the American sociologist P. Mailz introduced the term "management of human resources". This model is treated as strategy able to solve the fundamental purposes of the organization. The model of human resources is focused on the active position of personality in the organization. This concept of human resources allows the participation of subordinates to management. The management of human resources requires the improvement of the organization personnel policy.

#### **3.4.** Historical premises

The American modern management is based on three historical premises: (1) market existence; (2) industrial means of production organization; (3) corporation as main form of property.

The market approach of resource distribution is a much more efficient area compared to command approach. It is based on the cooperation between seller and buyer which independently establish the prices, requirements related to the quality of goods and so on. The market relations require the adoption of managerial decisions in the conditions of imprecision and risk, which increases the responsibility of managers in their elaboration.

The American management model and its excellence are oriented toward corporation (joint stock company) as organizational and legal form of entrepreneurship which appeared even from the beginning of the 19<sup>th</sup> century. Corporations received the status of legal person and their shareholders received the right to a part of the profit, distributed in proportion to the quantity of owned shares. Corporations replaced the small enterprises, in which the entire ownership belonged to the capital owner and they controlled the entire activity of the workers. The creation of corporations entailed the ownership separation from the control on its use, namely power. The real power of corporation is the structural basic unit in the American management model and in the present.

#### 3.5. American strategic management

In their activities, the American corporations widely use the strategic management which was put in practice in the '70s. The strategy is defined as a general program of actions oriented to the discovery of important problems and resources for achieving the main purpose of the corporation.

The content of strategic management consists in the elaboration of long-term strategy, necessary for the victory in the competitive fight and also for achieving the management in the real temporal dimension.

The strategic management requires the creation of strategic organizational structure, in the composition of which is the section of strategic development at high management level and strategic management centers which are responsible for the elaboration on time of production competitive capacity and of its outlet.

An important part of the corporation planning activity is the strategic planning, which appeared in the conditions of overloading the market and slower corporation growth. Strategic planning encourages the effort of leaders to obtain current maximum profit and orients them in the activity of foreseeing future environment changes. In the '60s, the workers of corporations requested more and more insistently to have the economic and social situation improved and as a result the doctrine of "production democracy" appeared, related to the involvement in management of non-professionals both of the enterprise itself and consumers of goods and services, namely of the exterior in relation to the enterprise environment.

Certain American authors consider the attraction of non-professionals to management "the third management revolution". According to these authors, the first revolution is related to the separation of management from production and its positioning as management activity of a special type.

The second revolution is characterized by the appearance of managers, namely the persons with special profession. "The production democracy" (participative management) was treated as form of contribution of all organization workers to adopting decisions concerning their interests.

Participative management can be considered an approach of management by the human factor of the organization. The purpose of participative management consists in improving the use of the entire human resources of the organization.

Nowadays, four main forms of attracting personnel to management spread in USA: (1) participation of workers to labor management and production quality; (2) formation of joint committees of workers and leaders; (3) elaboration of profit participation systems; (4) attraction of workers' representatives in the councils of corporation directors.

In 1960, the brigade methods in labor organization and quality circles began to be propagated, idea appeared at the American specialists. However, the quality circles developed largely in Japan at the beginning and only afterwards they were propagated widely in American corporations.

The attraction of workers to the participation in high managerial bodies of corporations – in managing boards – is practically found quite rarely.

In order to reduce the resistance of workers to organizational changes, that take place in corporations, programs related to the "quality of work life" were elaborated, by means of which the corporation personnel is attracted to elaborate the development strategy of the organization, to solve different internal and external problems.

#### 3.6. Development of American managerial theory

American scientists continue to develop the theory of management. The significant representative of American management, P. Drucker, formulated the basic principles of modern management, as follows: (1) as a whole, management content is similar in different countries, but its methods are different. National management has to take into account its own traditions, culture, history; (2) in the center of management attention is found the human being who must focus his/her efforts to increase the efficiency of his/her activity in order to make efficient the work of the entire corporation; (3) the management mission consists in directing the activities of all workers for fulfilling the general purposes of the corporation; (4) the management task consists in the continuous development of capacities, needs of all enterprise workers and possibilities to satisfy them; (5) every worker must be responsible for the work entrusted to him/her; (6) in the end, the enterprise activity is evaluated through a large and different number of means and instruments; (7) evaluation and results of enterprise activity find their expression not inside the enterprise, but outside it.

In his scientific work, P. Drucker gives special attention to management efficacy. He considers that for USA, as global economic and social development leader in the current stage, the management efficiency has a decisive significance in keeping its positions because efforts and more experience are always needed in order to remain at the top, than it was necessary to be positioned at the level reached.

#### 3.7. American management model

The American management model is characterized by hierarchical bureaucracy with specific functions and attributions precisely established in the company documentation.

The system of decision-making is distinguished by centralization carried out according to the vertical principle: "from the top to the bottom" which is characterized by a large volume of verbal communication after adopting the decision.

As the most specific features of the American management style are mentioned: entrepreneurial spirit, exceptional organizational capacities, special attention to personnel competence and developed "improvement industry" of management. With respect to the American entrepreneurial spirit and organizational capacities, most of specialists in the field of managing statesmen and politicians' capacities consider this feature one of the most important.

It is manifested first of all in such personnel qualities as perseverance in pursuing purposes, stability and ability to finish something started. It is no coincidence that the concept of management according to purposes and excellence management was elaborated and carried out in most different versions and at different levels in the American management.

American specialists consider also that the characteristic manifestation of entrepreneurial spirit consists in orientation to advantages, benefits. This explains the active desire of Americans to get into the details of the activity, method, means, system, to be interested in innovations, to study the experience of other countries.

#### 3.8. Traits of American manager

American leaders are considered masters in obtaining maximum advantages from the created business or situation. In the period of favorable circumstances, the action is led with initiative and energy, maximum is requested from people, instruments, time. This side of American entrepreneurial spirit generated three "action rule": (1) produce what is purchased and brings profit; (2) choose the efficient means to fulfill purposes; (3) act skillfully and use necessary resources.

The American entrepreneurial spirit and its orientation to excellence are also manifested in the ability to evaluate, to calculate. In the management sphere, nothing that does not receive financial and temporal evaluation is found in USA. Time – is money and money, in return – is time. Upon business creation, execution or improvement, Americans permanently evaluate the pluses and minuses, calculate potential losses and advantages. The system for preparing the courses of qualification improvement of American managers include more disciplines, sections and themes focused on forming and developing this important and necessary skill.

Another trait of the American entrepreneurial spirit consists in the unity between words and acts. The American manager believes and he/she is devoted to undertaken obligations, own promise, letter of signed contract. Keeping the verbal or written word – is an important point of the "code of entrepreneur honor", in which the manager's excellence, prestige,

conscience and professionalism are reflected. According to the rules of business ethics, breaking one's word or promise entail the most severe sanction – the loss of confidence in the manager.

At the manifestation of the American entrepreneurial spirit will be also added word terseness and clarity, which expresses the focus on economy of means of expression.

There are special manuals in USA which contain recommendations of communication rules – with telephone, subordinates, auditor. The word diagram – is also a powerful instrument in explanations, demonstrations and instructions.

## 3.9. Experience of American managers in the organizational – managerial sphere

It is appropriate to briefly treat also the experience of American managers in the organizational-managerial sphere. This skill has its particularities in the case of Americans.

The organization of any activity is carried out in detail, taking into account all potential details and sides that can bring success (or unsuccess). The efficiency of any organizational system or organization is determined first of all by processing from different positions – legal, personnel, material, financial, temporal, external conditions and so on.

The collaborators of American companies work in the conditions of a high level of labor organization.

Precise and impeccable organization of business ensures high labor productivity, efficient use of devices, time, raw materials, materials and human resources.

Americans skillfully conceive and introduce organizational systems adequate to concrete missions, organize labor conditions for company employees so that to only obtain what is necessary and not what they want.

An important indicator of American organizational ability consists in ensuring the excellent connection between purpose and missions and necessary types and volumes of resources.

As presence sign of manager professionalism it is considered the ability to determine the possibility to achieve objectives, missions (namely the capacity to really establish the missions according to resources existing in the company – material, financial, human and time).

# **3.10.** Training and improvement of American managers in the higher education system

An important feature of the American managerial style if ensuring personnel competence, development of management improvement industry.

This feature is expressed in the system of personnel qualification training and improvement, in the development of its educational technologies. Four types of organization are included in this system: (1) management school (business school); (2) faculties and departments from higher education institutions; (3) professional societies; (4) consultancy companies;

More than 300 business, administration and economy, industrial management schools exist in the present, in which the 2 and 4-year education is used, with PhD preparation and short improvement courses.

The main mission of all forms and types of qualification training and improvement is, according to the statements of the American theorist in the field of management, P. Drucker, "to generate productive knowledge".

Management schools (business schools) deal with learning problems and qualification improvement of specialists and managers in different directions.

USA is the first country where the education of leaders in the higher education system began to be carried out. The first management faculties within higher education institutions appeared here at the end of the  $19^{\text{th}}$  century.

The American management association is one of the largest units dealing with the popularization of organization and management problems. It holds many courses, seminars and conferences, provides informational services and has its own magazines.

The management development association organizes conferences, seminars, discussions and courses for the personnel from small enterprises and it provides management consultation services.

The national council with research and innovation problems and use of results deals with research-development problems by innovations in institutes, members of this society, trains its members – industrial enterprises, universities, commercial companies, state bodies and trade unions – concerning the newest achievements and methods in the field of organization and leadership. The American association of personnel training and improvement reunites individual and collective members, the activity of whom is related to the corresponding problem.

#### 3.11. Particularities of labor market and remuneration system

Excellence of American management depends greatly on the particularities of labor market, to which we will refer further.

Labor specialization in USA is a major factor of work activity productivity carried out by certain employees. In USA, labor specialization is noticed in all aspects of lucrative activity. The advantages of this labor specialization are that it allows the reduction of training volume of employees, increase the level of professional skill in every specialized workplace.

In the system with specialized responsibility, the knowledge of different workers extends on a narrow range and it is related to a certain profession.

The companies from USA are preoccupied with the efficiency obtained by means of advanced specialization and severe separation of duties.

The American company and trade union reached an agreement concerning the movement from one level to another on the hierarchy of workplaces, to be based on two criteria – merits and labor stage of the employee. In practice, the criterion of labor stage becomes first in most cases.

With respect to the particularities of labor remuneration system in American companies, we kept in mind the following.

The remuneration value of American company employee is determined by the category of his/her workplace.

The American companies function in a social atmosphere, which preaches justice. Consequently, workers are more mobilized, easily change their workplace in searching for better personal possibilities. In this situation, the role of leaders is uncertain, with the permanent necessity to support on the hierarchical information structures of the company and on the danger of dismissal, which is used as a disciplinary measure for leaders. However, at the same time, the development of functional hierarchy, based on advanced specialization and precise clarification of work attributions, helps the formation of workforce standardized market inside and outside the company and encourages the employee to be more mobilized. These causeeffect relations mean the decentralization of personnel leadership.

The managers of American companies have less freedom to determine the personal remuneration, which depends mainly on the positioning in the job title list and years served.

Generally, the salary according to the American scheme is determined starting from the evaluation of work attributions. In addition to the payment according to the contract, the workers receive 25% bonus for overtime hours and premiums twice per year.

#### 3.12. Trade union in the American company

The trade union in the American company plays an important role in ensuring managerial excellence.

The legal basis of trade union organization in USA has fundamental particularities. In America, the members of the work group, elected officially with the majority of votes at elections, who passed under the control of the National council for work relations, receive from the local trade union section the right to represent the interests of workers and to have discussions with the administration. These representatives become members of the branch trade union. However, most of collective agreements are adopted at the level of the enterprise.

In SUA the best strategy for branch trade union oriented to ensuring the support of most of the members consists in presenting the interests of average voter for corresponding problems. This fact explains the orientation and action of the American trade union in dealing more with remuneration problems than those of ensuring the stability guarantee of workplace occupation, until the danger of mass dismissal does not appear. According to the rule of age in solving employment, the youngest workers are susceptible of dismissals and the trade union member with "average stage" has as a rule an average labor stage and he/she will be certainly protected from dismissal in a normal situation.

#### **Conclusions**

Through their management, the United States of America remained for a long time the "Mecca of organization", where specialists and creators in the field came not only to be convinced of the wisdom of American managers, but to also take over their managerial organization experience. The technical and scientific progress led to profound changes of work methods which, in their turn, require new forms of personnel organization and management, oriented to the efficiency increase of human resources use. The attempts of the specialists who motivate such stimulation orientation of employee behaviors, necessary for the successful functioning of the organization, transform into high significance tasks.

In different countries, this task is solved, taking into account the historical, political and social particularities, technical and scientific development of these countries. Also, the normal psychological and ethical norms, as well as the behavioral styles of people are taken into account.

In the last decades, in the capitalist countries subject to research and in the last years in Romania, the interest in psychosocial aspects by the "human factor" of management increased greatly. In this context, the analysis of the American personnel management style has an important interest. First of all, this is that management branch where the difference between the American style and Japanese style, quite widely spread, is obviously manifested. The importance is the increase of labor productivity, topic which will be thoroughly treated in the paper.

It is important to note that American management is defined by two main characteristics. First of all, it is a more efficient system from innovational point of view. Secondly, it is directed to maximal objectives, with minimal expenses, by adapting the companies to the new market conditions. With respect to the experience transfer, it is very useful for us to present the national innovational system of USA in the 21<sup>st</sup> century.

The detailed research of American experience of forming and developing the national innovational system has a high value for Romania because the constraint of creating the innovational economy is one of the state priorities of our country.

The American managerial system, fulfilling the requirements of current stage, logic and regularities of economic and social development, tries to be flexible, efficient and useful not only for American managers but also for those from other territories preoccupied with the success, performance and excellence of the company they are leading.

The purpose of this paper consists in providing the possibility to theorists and practitioners from Romanian management to study the American management model and to apply creatively its significant ideas. I take into account: the study of development history of the American management model; treating of American management particularities; knowledge of philosophy and objectives of the American company; emphasis of strong and weak points of the American management and their influences on the general crisis situation and maintenance of leader position in the global economy; analysis of management system in some American representative companies.

To the readers of this article who wish to acquire more experience from the American managerial theory and practice I recommend the paper "America. Spațiul excelenței în management" (Petrescu, I., 2016).

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