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EDITORIAL

Managers Are Also Controlled

To lead is a general term referring to directing entities while moving, changing organizations.

For organizations, there are several variants of leadership, for example, management, governance, administration. Management represents the organization's successful orientation. Administration represents leading organizations on the basis of predetermined rules.

Governance refers to leading organizations based on trust. Such an organization is the state, but the term governance began to be used also for the association of owners, which is an organization based on trust. Governance means the combination of processes, customs, policies, laws that affect how a company is run. Corporate governance refers to all relations between owners (within the General Assemblies or Councils of Administration) and the relations between owners and managers (appointing managers, managers' evaluation). A good governance should result in increasing the value of the enterprise

The term „governance” has been used since 1937 by Ronald Coase in his work *The Nature of the Firm*, but the subject has begun to be approached more frequently after the year 1992 when in the UK it was elaborated a code of best practices in management (by the committee headed by Sir Adrian Cadbury), it was created an international network for corporate governance, a corporate governance manual was created in the USA (by the committee headed by Mervyn King). While the O.E.C.D. has developed principles for corporate governance.

Previously there were a few key moments that led to the clarification of governance matters. Among these, we mention that J. Burnham identified the managerial revolution around 1925, which represented the separation between owners and managers. Sociologists have begun to define the enterprise as a collection of contacts (contractual theory), there are employment contracts for the performers, but also management contracts for the leaders. In sociology, the managers are seen as employees. In this manner it was identified an „informational asymmetry”, managers having more accurate information than the owners. There is a large influence of managers over the election of the Board of Directors in companies in which ownership is dissipated. Managers' power becomes larger than that of the owners.

The agency theory was developed by Mac Jansen and W. Meklin (1976); within the theory the manager is seen as the agent of the owner. Also, contracts for profit sharing were made (gainsharing contracts) as a result of owners understanding the role of the managers but also the role of employees in value creation. Profit is shared among owners, managers and employees, which leads to the emergence of social peace.



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Governance emphasizes on the appointment of managers and administrators on control functions (audit) and the creation of a managerial philosophy (vision, mission, policy, strategy). The main shareholders are entitled to be informed and to decide who will lead the company.

The OECD principles with regards to corporate governance foresee shareholders' rights to be specified; fair treatment of shareholders; the role of interest groups in the governance of corporations to be specified; information transparency; responsibilities of the Board of Directors to be specified. Lately, the world has increasingly focused on improving corporate governance, that arose the need for universal standards applicable to the performance of companies, in addition, an index was developed to assess the governance in companies with dispersed shareholders.

Taking into account the impact it has on corporate governance, the term governance is also used to manage systems of systems, quality systems, or information systems. All these actions are directed to ensure the health and effectiveness of the body which is the company.

Sorin Ionescu
Editor-in-Chief

ABSTRACTS

Portability of Projects

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ABSTRACT: *This article introduces the concept of project portability for industrial and technical assistance projects, where a special characteristic of these projects is that they can be replicated in terms of technology, know-how, plans and procedures, but applied in different environments. The purpose is to save resources both from reutilization of planning and design and from improved procedures for avoiding risks. As is well known, the main impact on the success or failure of new implementations comes from cultural factors, ceteris paribus. In order to assess the influences of cultural diversity, the article offers a practical instrument, the cultural profile radar that may identify cultural incompatibilities that affect the success of a project. The instrument has eight cultural dimensions that are analyzed for each of the four project partners, namely the implementing organization or the initiator of the project, the project manager, the project team and the host community in which project is implemented. While communication, transfer of information and knowledge, the mobility of workforce and specialists are constantly increasing, cultural diversity still impacts projects and represents a continuing challenge for managers and implementing organizations.*

Keywords: portability, cultural diversity, cultural profile radar, project management



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Model of Business-IT Alignment

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ABSTRACT: The article focuses on a current highly discussed subject of interest related to Business-IT alignment. Following an overview of Business-IT alignment concepts and current research in the field, the Management of Business Informatics model is analyzed from the Business-IT alignment perspective in order to demonstrate its role in achieving alignment between business and IT. Several examples of real MBI model use cases that address the relationship between business and IT in university education and practice in the Czech companies are outlined.

Keywords: management of business informatics, business-IT alignment, metrics, analytical application

Space Systems as Critical Infrastructures

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ABSTRACT: Space systems have become critical enablers for a wide variety of applications on which advanced, as well as emerging, societies have come to rely more and more. These applications run the gamut from command and control to information gathering and communications and are becoming critical to the operation of the infrastructure system-of-systems. We argue that space systems, rather than being just a component of wider infrastructures, can be described as standalone critical infrastructures and included in the critical infrastructure protection framework that has been developed in recent decades. At the same time, critical space infrastructures exhibit key differences from their terrestrial counterparts, affecting risk and security governance.

Keywords: critical infrastructure protection, critical space infrastructures, resilience, security governance, space systems

New Methods for Project Monitoring

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ABSTRACT: Project management process has been widely discussed within the past many years along with various industries around the world. Proper planning has been stated by specialized institutions as being the main key to meeting projects' objectives, respectively projects' success. Past few years' research and debates about project management resulted in having, even more, statements that project monitoring does equally contribute to projects' success or failure. Efficient measurement of project's performance enables early identification of bottlenecks, development of efficient solutions for business decisions, minimizes risks and guides to organization's success. Conducting a systematic and integrated monitoring process by applying the most suitable and cost-effective management model saves projects from failure and engages all relevant stakeholders to project's objectives. The purpose of this paper is to evaluate the main project monitoring methodologies currently applied within most industries at international level and to extract similarities, best practices and most commonly utilized instruments for project monitoring.

Keywords: monitoring, evaluation, supervision, control, audit

Benchmarking in Manufacturing Companies

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ABSTRACT: Benchmarking, or learning from the best, can be seen as a performance improvement strategy for companies worldwide. More than this, benchmarking enables companies to focus on their weaknesses and strengths, and thus, make a comparison with their main competitors' results so that they can remain competitive on the market. Benchmarking is one of the most common strategies for improving business performance nowadays. This study aims to analyze the implications of benchmarking in increasing performance within manufacturing companies, by analyzing successful methodologies that were implemented so far and proposing a best practice benchmarking method for manufacturing companies. The study contributes to the performance improvement of manufacturing companies, by analyzing benchmarking methodologies and best practices, as well as by offering solutions to existing challenges in the field.

Keywords: benchmarking, competitiveness, comparison, productivity improvement



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Core Entities in IT Governance

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ABSTRACT: Several worldwide known frameworks are accepted in the IT governance/management area. These frameworks use the terminology and entities to express their principles, structure, and implementation. The article deals with understanding entities process, function, and service. It discusses their definition and reasons that can lead to differences in perception of their substance and subsequently their usage. It stresses the importance of their role in the context of the level of abstraction in modeling. Proper use of entities across different frameworks (across the organization) is a prerequisite for application of frameworks and ability to achieve a company mission.

Keywords: process, function, service, information technology, framework, governance



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Decision-Making in Major Sporting Events

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ABSTRACT: EURO 2020 promises to be the grandest European football championship to date. 19 cities bid for the right to host matches and only 13 were selected by UEFA. The present paper undertakes a detailed analysis of the bidding dossiers, examining the strong points and the weaknesses of each bid, in an effort to determine the most important factors for selection. Following the analysis, the key criteria are determined to be the quality of the stadium, the commitment to continue investments in renovating and expanding existing facilities and the ability of the bidder to secure guarantees from local and central authorities that the interests of UEFA and its partners would be fully protected.

Keywords: City brand, city promotion, large scale events, strategic investment, EURO 2020