Current Business Environment in Romania

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Abstract

For any successful business in today’s increasingly competitive business environment there is great need to effectively manage the business communication system and to accurately know the political and economic background of the counterparts. As for foreign languages, it is highly important for the business people to use their “linguistic code”, a grammatically accurate language with the proper terms, avoiding colloquial expressions which would neither fit the business environment nor could be easily understood. Since English is largely considered the international linguistic code in present business communication, more and more English terms are borrowed in Romanian and most of them are used as such (keeping their phonetic and morphological aspect).

Keywords: Vehicles of influence, highlighted, cultural nuances, overview, counterparts, endeavor, cues

Introduction

Since 2001, the Romanian government has declared the development of the Information and Communication Technology (ICT) sector as a strategic priority for the national economy.

The evolution of governmental policies to develop the Knowledge Society (KS) in Romania has been strongly influenced by the accession to EU in 2007. A significant body of legislation and initiatives has been developed during 2001-2004 to stimulate and sustain the development of ICT sector 1. MCIT has elaborated a series of strategies closely mirroring the ones set by the eEurope/+/2005 programmes. To satisfy the requirements of the EU accession, between 2001 and 2004 GPIT approved over 180 projects worth over 700 million Euros 2.

International trade takes place within the framework of agreements worked out by countries in the World Trade Organization (WTO), formerly known as the General Agreement on Tariffs and Trade (GATT). Business relationships all over the world are developing much faster nowadays as a result of the interaction of important vehicles of influence, such as: business environment, social media, blogs on internet etc. (Rodriguez, 2002)

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1 MCIT Activity Report 2001-2004, Communications and information technology in Romania
2 idem
The Knowledge Society in the Global Context of Romania

Over the last 50 years trade barriers have been coming down and free trade, open borders and deregulation now form the ideal for almost all nations.

Trade negotiations are well-known for their epic eleventh hour negotiating sessions, where individual nations argue for what they see as their specific interests.

In the context of the Lisbon strategy and of the European regulation framework the government programme mentions the following objectives concerning the development of KS over the period 2005-2008:\(^3\):

- Increase of the competitiveness of the Romanian economy by stimulating the use of the most innovative information technologies:
- Consolidation of ICT industry;
- Increase of the public administration’s institutional performance by coherent and generalized implementation of integrated informational systems;
- Improvement of the citizens’ living conditions

Since 2001 scientific research as a strategic factor for development has been reorganized in the governmental program. The Ministry of Education and Research (MER), the key institutional actor involved in the implementation of the RDI Policies, implements the strategies for education and scientific research. Under the authority of MEC, in 1994 was created the National University Research Council (CNCSIS) as the main institutional body to fund scientific research in Romanian universities.

As highlighted in a recent report released by the World Bank\(^4\), “after a decade of one of the poorest reform performance in the region, Romania has made a remarkable progress in stabilization, growth and poverty reduction in the last four years.”

In the Global Information Technology Report released by the World Economic Forum, Romania registered the most important progress in Europe, a similar situation being recorded in Iceland.\(^5\)

Cross-Cultural Awareness and Training for Doing Business in Romania

By transforming its economic policies at the turn of the century, Romania experienced high growth and prosperity, which it continues to enjoy as a new member of the European Union. Its

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\(^3\) Romania government program 2005-2008, Chapter 20, Policy in the field of ICT.

\(^4\) World Bank, Restructuring for EU integration – The Policy Agenda, 2004

\(^5\) The Global Information Technology Report 2004-2005, World Economic Forum, uses the Networked Readiness Index (NRI) to measure “the degree of preparation of a nation or community to participate in and benefit from ICT developments.” The NRI is composed of three aspects which assess the environment for ICT offered by a country, the readiness of the community’s key stakeholders and the usage of ICT among these stakeholders;
rapid economic growth and modernisation makes Romania an attractive market for potential business investment, but in order to be successful, one must have an understanding of Romanian business etiquette and culture.

The tools to develop successful business relationships with Romanian counterparts, achieving a deeper appreciation of Romanian social and business culture and also understanding the business practices in Romania as well as Romanian cultural nuances will ensure business partners’ endeavors in Romania to be more effective.

**Benefits Of Romanian Counterparts From Abroad**

For doing business in Romania business counterparts are provided with:

- A detailed overview of what motivates Romanian counterparts in the business world
- A comprehensive framework for better understanding your Romanian colleagues and how to appropriately respond to differing cultural nuances
- A summary of the current state of affairs in Romania as well as the future of its economic environment, particularly in light of its recent membership in the UE
- Business and social etiquette tips to help you develop more successful business relations with Romanian colleagues and clients
- Greater understanding of what Romanian colleagues, clients and suppliers expect of you to help you build more successful business relationships with them
- Practical strategies for conducting business more effectively with Romanian counterparts
- A better understanding of what can go wrong and how to deal with potential problems when doing business in Romania

**Benefits Of Clients From Abroad In Doing Business In Romania**

- Considering or already doing business in Romania
- Travelling extensively to Romania on business
- Interested in establishing partnerships with Romanian counterparts
- Employing Romanian nationals with organizations from abroad
- Experiencing any challenges working with Romanian counterparts

Doing business in Romania is designed to meet the specific needs of our clients from abroad depending on their particular requirements and existing skills set. This typically includes knowledge on:

- Foundation of Romania: history, politics and economics and how they have shaped the nation
- A cultural profile of Romania: demographics, identity, religion, language and customs (Radulescu, 2011) and their impact on business
• Romanian business and the future of Romania’s economic environment as a new member state in the European Union
• Working environment and business etiquette in Romania: hierarchy, time orientation, relationships, appropriate greetings (Balaceanu, Apostol, Dogaru, 2012)
• Leadership and management styles for doing business in Romania
• Effective business communication in Romania: degrees of directness, verbal and nonverbal cues, negotiating and communicating across cultures
• Tips on the potential challenges one may face while conducting business in Romania and the most effective ways to resolve these issues.

Conclusion

The explosion in international business has provided the opportunity for the Romanian business people to effectively communicate with other highly-experienced managers from abroad, interacting with their social and cultural status as well. There should be noticed that the beliefs, values, norms, attitudes of the business people who come in Romania are largely influenced by their national culture.

In the context of enhanced connections among national economies and their increased interdependency, Romania has gradually become an attractive market for potential business investment and different clients from abroad have come to do business with the Romanian counterparts, many times surpassing the eventual problems they had already been aware of.

The multiple changes in the business environment more or less involve the cultural experience and affect the way politics and culture are perceived nowadays, communication being a key factor that requires common ground for people all over the world.

References


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