

# The Impact of a Managerial Model of Decision and Strategic Action Applied To the Companies from Mures County about Their Performance against the Competition

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## **Abstract**

*Using the qualitative marketing research in the field of strategic management highlights the different levels of complexity of this activity, involving the use of methods and techniques applied in psychological and sociological investigations. In their case, the researcher has an active role in the effort to obtain qualitative nature information, with small samples and is structured based on a rigorous process of selection of the respondents.*

*Qualitative researches of investigating the attitudes, motives and behaviour are based on communication techniques directly or indirectly, that include also the semi-directive depth interview that requires the establishment of an interview guide that includes both closed and open questions, the moderator may, however, intervene in the process and adapt the themes and sub-themes addressed according to respondents' answers.*

*The present research contains an approach guide targeted to the impact it may have a managerial model of decision and strategic action on the performances of an organization in relation to competition.*

**Keywords:** *strategy, performance, marketing research, analysis, managers*

**JEL classification:** D70, L10, L20, M51

## **Introduction**

In order to obtain a comprehensive image of the managers opinion at the level of Mures County about adoption within the company they run, a managerial model of decision and strategic action, during March-April 2016, was conducted a qualitative marketing research.

This research was based on an interview guide, that is described during the work submitted, and following the research, were gleaned a number of positive results in order to form an overall picture of the type of enterprises, what factors influence their activity and what future prospects are found in their business plans.

## **1. Research methodology**

The general assumption from where was started the research was the following: Decision makers of Mures County companies are concerned about

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implementing a performance managerial model of decision and strategic action, it having direct consequences on the performance of the organizations they represent.

The main objective is the analysis of opinions regarding the impact of a managerial model of decision and strategic action applied to the companies on their performance against the competition.

In the below table are the details about the 10 interviewed managers.

**Table 1. Identification data of interviewed managers**

	<b>Field of activity</b>	<b>Number of employees</b>	<b>Year of entry on the Romanian market</b>
<b>Manager 1</b>	Woodworking industry	25	2003
<b>Manager 2</b>	Internal and international transportation services	9	2013
<b>Manager 3</b>	Production and sale of electricity	20	2011
<b>Manager 4</b>	Agriculture	15	2015
<b>Manager 5</b>	IT services	8	2014
<b>Manager 6</b>	Pharmaceutical industry	600	1998
<b>Manager 7</b>	Accommodation services	21	2001
<b>Manager 8</b>	Residential and nonresidential construction	58	2013
<b>Manager 9</b>	Medical services	25	2008
<b>Manager 10</b>	Natural gas industry and electricity	72	1990

For interviewing selected managers, was developed the following interview guide:

*The impact of a managerial model of decision and strategic action applied at the company level over its performance against the competition.*

*1. Opinions regarding the importance of implementing of a managerial model of decision and strategic action at the company level.*

*2. Factors influencing the steps of applying a managerial model of decision and strategic action at the company level.*

*3. Consequences of implementing a managerial model of decision and strategic action at the company level over its performance against the competition.*

Interviews were conducted based on the user guide previously presented; they were scrolling down at the headquarters of the companies included in the sample. Data collection provided by managers was performed with an audio device; after the transcription, the dates were being processed and interpreted using the method of content analysis.

## **2. Analysis and interpretation of results**

The analysis grid of conducted interviews among managers from Mures County is summarized in Table 2.

**Table 2. Analysis grid of semidirective depth-interviews**

Themes	Subject 1	Subject 2	Subject 3	Subject 4	Subject 5	Subject 6	Subject 7	Subject 8	Subject 9	Subject 10	Total	
											Abs. frequency	Rel. frequency (%)
The impact of a managerial model of decision and strategic action applied to the companies from Mures County about their performance against the competition												
1. Opinions regarding the importance of implementing of a managerial model of decision and strategic action at the company level	- vital for business development	- appropriate for business development	- appropriate for business development	- vital for business development	- appropriate for business development	- appropriate for business development	- appropriate for business development	- appropriate for business development	appropriate for business development	- vital for increasing customer confidence in the company	10	21,74 %
2. Factors influencing the steps of applying a managerial model of decision and strategic action at the company level	- financial resources; - human resources.	- financial resources.	- financial resources; - human resources.	- climatic conditions; - financial resources.	- company size; - limited financial resources.	- material resources; - financial resource; - human resources; - legislation; - standards currently in force in the pharmaceutical field.	- financial resources; - human resources.	- financial resources; - human resources.	- material resources.	- financial resources; - human resources.	21	45,65 %
3. Consequences of implementing a managerial model of decision and strategic action at the company level over its performance against the competition	- exact knowledge of the current status of the market and its requirements, of the external environment. - the ability to anticipate various actions which may have decisional character.	- increase control over the company's future; - better economic forecast.	improving the company's reputation by exercising an effective management.	- creating competitive advantages	- ensuring the success on the market where the company operates.	- improving business activity; - improve the quality standards; staff motivation in order to obtain performance.	- improving business resources; - improving business activity.	- creating multiple competitive advantages.	- creating multiple competitive advantages.	- increasing firm performance in its field of work; - frontloading of competition.	15	32,60 %
<b>Total %</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>9</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>46</b>	<b>100%</b>
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Interviewed managers' responses imposed an analysis of two aspects: vertical analysis, consisting of the individual interview, thus highlighting the attention paid by each respondent to the subthemes issues approached by the interview guide and horizontal analysis, that involves the synthetic approach of each theme and sub-themes subjected to analysis by all 10 managers.

The vertical analysis of interviews conducted among managers of Mures County firms highlights their views on the importance of addressing and evaluating the performance of a managerial model applied in companies having direct consequences on its results. This analysis consisted of an approach issues of the within the same interview, offering the possibility of knowing how each respondent treated the themes and sub-themes included in the interview guide.

The first interviewed subject is VIPANDRE IMPEX S.R.L.'s manager. The company is active on the Romanian market since 2003, with headquarter in Pietris, Mures County. The company activates in the woodworking industry (euro pallet), with a staff of 25 employees. According interviewed manager, the importance of implementing a managerial model of decision and strategic action at the company level is vital, the main factors that may influence the implementation steps being human and financial resources. Also, the most visible consequences of implementing such a managerial model on the performance of the company against the competition are accurate knowledge of the current status of the market and its requirements as well as the external environment, namely the ability to anticipate various action that might have decisional character.

The second interviewed subject is the manager of S.C. NICANDRE S.R.L. He is this firm's manager since its inception, the main activity of the firm is internal and international transport. It operates in the market since 2013 and currently has 9 employees. According to company management, implementing a managerial model of decision and strategic action is extremely important, it can provide better forecasts of the firm performance and thus creating a real advantage over the competition. The main factor that may influence this process are the financial resources of the company.

The third interviewed subject is the company manager for 3 years. CIS ENERGY S.R.L. is a specialized company in the production and marketing of electricity since 2011 with a team of 20 employees. According the company's manager, implementation of a model of decision and strategic action within the organization is vital for its development, the main limiting factor is financial and human resources.

The fourth subject, participant in this marketing research, is manager of the company BDK CATINA BIO S.R.L., which was founded in 2015, working in agriculture (culture of sea buckthorn), with a staff of 15 employees. According to the manager, implementing a model of decision and strategic action at company level is essential for the proper functioning of it, and could constitute a real competitive advantage. The factors of this restrictive approach that were mentioned are climatic conditions and financial resources.

The fifth respondent is manager of S.C.OCASSIOSOFT S.R.L., since its inception (2014). Realizing the importance of implementing a managerial model of decision and strategic action at company level, its management intends to undertake such an endeavour although there are some restrictive factors such as firm size and its relatively limited resources.

The sixth interviewed manager is in the company GEODON RICHTER ROMANIA S.A.'s management for a year. The company is on Romanian market for 18 years, working in the pharmaceutical industry it (produce tablets and capsules, solutions for internal and external use, ointments and creams, cosmetics and food supplements), with a staff of 600 employees. According to the manager, among the endpoints of implementing a managerial model of decision and strategic action at company level on its performance against the competition can be distinguished: improving the company's activity, increasing its quality standards or motivation in achieving better performance.

The seventh subject, participant in this marketing research, is manager of S.C. OVIRAM S.R.L., since its inception in 2001. The company operates in the field of accommodation, with a staff of 21 employees. Company management realizes the importance of implementing a managerial model of decision and strategic action, but it is inappropriate currently due to the restrictive activity of the enterprise.

The eighth manager is the lead manager of MFC CENADI CONSTRUCT S.R.L., since its inception in 2013. The firm operates in the field of residential and non-residential construction and currently has 58 employees. The company does not have implemented a system of decision and strategic action, but considers this as one essential to the success of a firm on the market.

The ninth of the interviewees is manager of SC DENTAL CLINIC S.R.L., since its inception in 2008. The company operates in healthcare, specializing in 2D and 3D dental x-rays and having a staff of 25 employees. The company does not have implemented a managerial system of decision and strategic action, but considers this as one key to market success and material resources stated as the main limiting factor of performing such an endeavour.

Tenth of the interviewees is manager for four years of S.C. CIS GAZ S.A. Established in 1990, the company operates in the natural gas industry and is specialized in assembly, commissioning, construction, rehabilitation and special facilities for all three branches of the field: extraction, transport and distribution. According to the manager, as a result of the fact that the firm has a tradition of 25 years on the market in Romania, customers trust the services they provide. Implementing a managerial system of decision and strategic action at company level would lead to an increase of the confidence of customers and might constitute a real competitive advantage.

### **Conclusions**

Starting from quantitative determinations of the overall grid, vertical analysis reveals several differences in how managers from Mures County perceive the importance of dimensions of strategic management and its impact on the economic performance of a company.

In the context of the above, it can be concluded that the information collected and stored by analysed managers is different both quantitatively and structurally.

The horizontal analysis of semi directive depth interviews shows that most companies analysed did not implemented a managerial system of decision and strategic action, but appreciate this as being one essential for the market success and indicates the material, financial, human resources, respectively the legislation as the main restrictive factors of carrying out such an endeavor.

At the same time, managers consider that between consequences of implementing a managerial model of decision and strategic action at the level of a firm on its performance, the most important are:

- Accurate knowledge of current state of market and its requirements, respectively of the external environment;
- Ability to anticipate various actions which may have decisional character;
- Improving company activity;
- Improving quality standards;
- Employees motivation in achieving performance.
- At the level of this qualitative marketing research can be highlighted a number of disadvantages, namely:
- A relatively small number of interviews, a situation due to the relatively high cost generated by this research method;
- Quite frequent interruptions during the interviews, caused by the interventions of other persons in the context in which the discussions were conducted at the headquarters of the companies where the respondent managers operate;
- Non representativeness of the results of qualitative research among the population studied, and therefore the impossibility of extrapolation the results to all managers in Romania.

The results obtained in this qualitative research provides important information for senior management of Romanian companies being also a landmark in designing a questionnaire that can be used in a further quantitative marketing research.

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