Internationalization of SME’s in the Context of the Economic Crises

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Abstract
The Small and medium enterprises bring a significant contribution in what concerns competitiveness, research, innovation, employment as well as the solution to particular problems. We should strive to develop a dynamic and competitive SME sector, which will contribute to the economic growth, employment and reduction of poverty. In the context of the economic crises the need to have vast and inclusive information will trigger a very profound and broad process, with major changes in all the components of the economical activity, also in SME’s. In this paper we present the importance that small and medium-sized enterprises have and the objectives to understand the necessity to develop them for the national economy, knowing the optimal strategies to be adopted, practical possibility to adopt strategies of innovation by the SMEs.

Key words: small and medium enterprises, internationalization, competitiveness.

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1. Introduction
One of the matters that make the subject for the actual debates is referring to the future of the national economy, in a world which is in an accelerate process of globalization. Actually it is about the transit from the national economy to the global economy, as a homogenous world space, where the national economies are dissolved and the fundament of which incorporates a diversity of positions because on the global plan the firms and not the states enter in the competition, and the organization of the global economy is determined by the “industries” dynamics and by the companies’ effort to create themselves competitive advantages.

Concerning the internationalization process, a devoted definition is connected to the implication increase in the international operations. The traditional approaches that explain the firm’s internationalization were formulated starting 30 years ago, as the entrance barriers on the external markets were more elevated and the firms that internationalize themselves were the large-scale enterprises, with sufficient power and resources. Thence, the majority of the studies connected to internationalization concentrated over the large-scale enterprises. Recently, under the deregulation and markets liberalization conditions, the studies included also the internationalization of the small - and medium size enterprises.
So, the businesses’ internationalization and mostly, the internationalization of the small-and medium size enterprises, arouses a big interest in the academic and businesses environments from Europe and on world plan, when the transformations from the economy of the beginning of the XXI century tend to bring the small - and medium size enterprises in the close-up view of the economical development, conferring them a new status.

2. The importance of reflecting on the internationalization of SMEs

The essential dominant characteristic of this century is changed. It applies to all the organizations, including SMEs, no matter what they do, all are systems undergoing change, and their self– regulation is done through management.

We will witness, in economy, a revolution of the information which is the base of the economical increasing significance of information, of the capacities and of the SMEs organization competences. An essential role in the starting of this revolution is held by the mixing up between the new IT, the communication technology and acquisition means, making, dissemination and use of information.

There is a variety of factors that impels the creation, development and inclusively the internationalization of the small - and medium size enterprises, considered to be or not specific for the economy based on knowledge. Between these, at least the followings should be taken into consideration:

- The small number of components, the tangible dimensions of the tangible assets, the smaller complexity of the activities, the flexible structure makes easier the situation in the close-up view of the preoccupations, decisions and actions of the knowledge’s resource;
- The entrepreneurial spirit, the elevated degree of cohesion, the flexibility and the organizational dynamism are to be found traditionally in the small– and medium size enterprises, being in the same time characteristic for the economy and the firm based on knowledge;
- The increase of the preparation level of the population and his new economical-social structure, with the development of the entrepreneur spirit, so the increase of the population’s proportion that can initiate and develop entrepreneurial activities, will determine the interest’s amplification and the real preoccupation of the population in this direction.
- The accentuation of the individualization and personalization of the products and services that follows to the production’s demassification process, when the level of the economical development and the life standard increases, also brings new opportunities to the small– and medium size enterprises;
- The technical and technological changes, such the diminution of the equipments and technologies complexity, the increase of their performances, the modularization of the technical activities, the technical standardization, the proliferation of the telecommunications, etc., determine the diminution of the investment, technical and human efforts, necessary to develop a small - or a medium size enterprise. From the category of technical and technological changes, the most remarkable is the informalization of economy, with a special impact over the small - and medium size enterprises developments, if the access to information increases substantially, with reduced costs, then the communications with the business environment are facilitated and amplified, the informational decalages between the small-and large-scale enterprises are considerably diminished;
- We have to mention, as factor that manifests in a special manner in the countries of the
European Union, the outlining of the approaches and politics of regional and local development, for the elimination of the decalages between the regions of a country or between countries. The regional and local developments are especially centered on the support of the small - and medium size enterprises.

Regarding the motivations of the internationalization of the small - and medium size enterprises, the specialty literature associates them the two big categories of devoted motivations, the reactive type and proactive type:

The reactive motivations are those that response to the pressures from the businesses environment, such as: concurrence pressure, the diminution of sales on internal plan, the capacity excess in rapport with the sales possibilities on internal plan, the supra production determined by the conjunctural factors, the accessibility of some foreign markets, etc.;

The second category of motivations grounds the voluntary engagement of the firm on international plan for the capitalization of some competitive advantages, such as: the access to the material and financial resources abroad, the reduction of costs by capitalization of the economical advantages or of commercial policy from the foreign countries or by the increase of the production scale, the capitalization of the technological progress hold by some domains, the orientation to the external market of the management, etc.

For the small - and medium size enterprises, the accent is on the motivation of type proactive, and especially on the managerial implication.

The necessity of the firms’ outliving, in the circumstances of the maturing of the internal markets, binds them to find new businesses opportunities in other countries. As the liberalization degree of the international commerce increased, and as the accentuation of the globalization, the firms confront even on their own markets with a stronger foreign concurrence, to which they need to face directly, by the approach of some strategies very offensive, when the financial means allow this, or by the capitalization of other occasions of business from the external markets.

The increase of the internationalization of the small - and medium size enterprises brought a series of challenges to the existent theories concerning the explication of the firm’s internationalization process, which doesn’t explain in totality their comportment or they can not be used to make right predilections of their evolution. Between the traditional theories, devoted, concerning the internationalization process, there is the theory of the product’s life cycle, the stage theories, the theory of the transaction costs, the eclectic paradigm of John Dunning, the approach based on networks, etc. The studies realized in the last decade demonstrate that some firms, mostly small - and medium size enterprises, start to have international activities even from the setting up or after setting up, phenomenon that can not be totality explained on the basis of the traditional theories. Consequently, a new theoretical current for the explication of the international process developed, that starts from these evolutions and so, it has in center the small - and medium size enterprises, current situated in the present in consolidation process, having at the base concepts as “born globals” or “international new ventures”.

It is signaled a series of special modifications in the typology and the sector’s structure of the small - and medium size enterprises, that have a stronger international dimension – it is about enterprises from rush sectors of the economy, virtual enterprises, the enterprises integrated in the chain of added value of some large-scale enterprises, in networks of enterprises or clusters that arouse a rising interest in the specialty literature.
The internationalization strategies of the small - and medium size enterprises, explained on the basis of the traditional approaches of the internationalization, are enriched by new elements, in accordance with recent evolutions, new types of internationalization strategies according the model “born globals”, integration in networks and clusters, etc. being proposed.

In principle, gradually, the internationalization of the small - and medium size enterprises is realized by crossing several stages that define as many types of firms with international activity and express specific motivation of the participation on the world market. The studies realized starting the 90’s of the last century, show that some firms, especially small– and medium size enterprises, don’t follow anymore a gradual, stage process of the internationalization, they beginning to have international activities even from the setting up, to enter on the markets from big geographical distances, to penetrate simultaneously in more countries, to form strategic alliances and mixed societies without having an anterior experience, etc. Consequently, a new theoretical current for the explication of the international process developed, that starts from these evolutions and so, it has in center the small - and medium size enterprises, current situated in the present in consolidation process. Any from these models can not explain by itself the dynamics of the small - and medium size enterprises’ internationalization, and especially of those from the rush sectors of the economy, the resource of which tends to be represented more by knowledge. For many times, it is suggested a complex approach, which has to take into consideration much more models and theories, so that to permit the profound study of the phenomenon. However, the majority of studies give the priority to one of the devoted model, and the stage approach still remains dominant. At the same time it is signaled also essence modification in the typology and structure of the small– and medium size enterprises’ sectors, due to these new evolutions.

In the case of the European Union, a special attention was conferred to the following types of small– and medium size enterprises: small - and medium size enterprises from the rush and medium technical sectors that have affinities by the nature of the businesses deployed with Internet and the new evolutions of the market; the small - and medium size enterprises that exploit the opportunities offered by the electronic commerce, especially in the services sector - sometimes named cyber-firms; the small - and medium size enterprises integrated in the chains of added value of the big companies which are forced to innovate under the pressure of the main clients.

Alongside the adhering to the European Union it is clear that Romania experiences a new stage of profound transformations, in accord with the tendencies from the contemporary world, it is in the front of the greater challenges that history offered and namely the SMES sector which in the last years introduced a series of measures to accelerate its increase. These measures were made to create a permissive regulation environment, legislatively and fiscally favorable; to provide financial assistance for the SMES’s development and support; to improve the competitiveness and to stimulate the development of the entrepreneurial culture.

From the sector’s structure point of view, but also as organization modalities of the small - and medium size enterprises from Romania, it is remarked the accentuation of some forms and also the networks and the clusters, which have to base an intensification of the relations between firms and between them and stakeholders and which benefit in the present of special attention:

The firm networks are formed as the third potential organization form, situated between market and classic firm. These networks will be able to compete with the big firms, the cooperation between them contributing to the exceeding of the handicaps generated by the insufficiency of the resources of the small firms. So, virtual organizations are created or collaboration networks between firms and persons situated in different places that interfere within a fluid organizational structure, able to adapt themselves to the participant’s needs.
and to facilitate the performance attainment by using the resources in common. Within these networks, the international dimension is for many times implicit;

An evaluated form of firm’s networks in observation and which is considered to take a big ampleness in the future is the cluster- that intercorrelates the component firms to a higher level, making them to action as an integrated system, cumulating on superior plan the diversity and complementarity’s advantages of the network and also those of the intense interfingering from the implied activities, similar to those of a big organization. As for the networks, the international dimension appears for many times implicitly.

Thereby, concerning the internationalization strategies that should be implemented also by the Romanian small– and medium size enterprises, it is traditionally recognized the influence of some factors as: firm’s characteristics, businesses environment or the way they conceive the development on international level:

Concerning the firm’s specific, traditionally it is considered that the medium size enterprises internationalize easier than the small firms and the firms with longer experience in business are able to promote an internationalization strategy towards the firms new founded. The small - and medium size enterprises from the processing industry, that produce corporal goods, develop easier international strategies based on the product differentiation, and the holding of an technological advantage, as certificates or marks, represents a trump in the internationalization process. A big part from these considerations are in the present infirmed by the internationalization phenomenon of the firms of type “born globals”;

Strategies associated especially to the small - and medium size enterprises related to the environment characteristics, when an accentuate competition on the internal market and a rapid change rhythm in their activity domain can be associated with the orientation to the international market- between them it should be mentioned the niche’s strategy, which presupposes their concentration on the products and services for which it is disposed competitive advantages as a result of their capacity of innovation, adaptability and personalization of the production in connection with the request exigencies;

A significant delimitation in comparison with the new evolutions is that relating to the firms’ action way, strategies of competitive type, independent or cooperative being pointed out, in collaboration with other firms. Traditionally, it is recommended that the small– and medium size enterprises to resort to competitive strategies, that can be proved as an efficient way of commercialization of the products from the external markets and of exceeding of the handicap related to the available resources. For this, the small - and medium size enterprises cross the well known phases, starting with the strategy substantiation, based on the analysis of the internal potential and of the external environment, continuing with the strategy’s proper formulation, with their components, and materializing in implementation;

The substantiation of the internationalization strategy includes so the opportunities identification and the associated risks with accent over the evaluation in opportunity terms of the localizations and potential activities, in this sense, being studied the businesses environment characteristics, with the request analysis, concurrency, restrictions concerning the access on market, etc., and especially the risks related to internationalization, economical, political, financial, etc.

The formulation of the internationalization strategy, based on the results of the effectuated analysis in the anterior phase, supposes as essential aspects the establishment of the firm’s international objectives, market and partners’ selection and the establishment of the operation ways - respectively, the internationalization forms. The strategic objectives of the internationalization that can be adopted in the actual context of the small - and medium
size enterprises suppose, as in the case of the big firms, selection between the increase of extensive type and the increase of intensive type, the autonomous development or partnership, etc;

The proper implementation of the strategy, so it has been substantiated and formulated as a preliminary.

The Romanian industry operates already in an open and competitive environment. There is a series of measures that can facilitate the SMES competitiveness maintenance in order to operate in continuation on the autochthonous market more competitive and more and more important, even sometimes it is unrealistic neglected.

3. Conclusion

In conclusion, at a general level, the passage from the internationalization to economical life globalization - one of the defining characteristics of the evolution of the businesses environment at world scale in the second half of the XX century - has a great influence in the economic crises over the small - and medium size enterprises and over their internationalization. The influence is mixed, both negative, by the superior concurrence, the increase of the turbulence of the businesses environment, and positive, facilitating the access at new markets of provision and sale, the acceleration of the know-how transfer, the access at new technologies, partnerships and strategic alliances at international level, etc. The specialty literature and the real evolutions of the small - and medium size enterprises, proves the fact that these situate rather in the position to counteract the negative effects of the economical internationalization and to valorize the positive ones, particularly those from economy’s rush domains.

References