

ASPECTS THAT CAN INFLUENCE PERFORMANCE GROWTH IN EUROPEAN PROJECTS

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Abstract: The article started from objectives such as identifying changes that could lead to increased performance towards accessing European funds. As one of the results of this research revealed that the institutions did not receive optimal information about European projects and how to access them, another targeted objective of the article was to identify the main ways in which institutions would like to be informed of future European funding. These objectives were achieved by conducting an exploratory research based on a questionnaire applied to public institutions in Region 7 Centre, most of which have not accessed European funds. The results can help increase performance in an area lacking in terms of project management practice in the public institutions. Given that access to European funds is free, motivating the subjects to take advantage of this opportunity has become vital.

Keywords: European projects; management; performance; public institutions, research.

1. INTRODUCTION

This study emerged as a result of identifying a large number of institutions that have not currently accessed European funds. Thus, in addition to identifying the problems and difficulties faced by institutions that have accessed European funds is also vital to identify those motivating aspects that can contribute to increased access to funds.

Prerequisites for building this investigation are:

- The existence of a large number of institutions that have not accessed European funds to this date;
- Their decision not to access funds is to some extent justified by a number of reasons, obstacles they have encountered in this direction;
- These institutions have certain strengths for accessing European funds that have not been used for various reasons;
- There are certain issues that would motivate these institutions towards accessing European funds.

2. OBJECTIVES

The main purpose of research is to identify ways of increasing performance in accessing European projects. The next stage of the research was to develop objectives and assumptions. The assumptions are possible answers to the problem investigated. Their

formulation is based on author's theoretical knowledge and experience. The table no. 1 contain the research objective and assumptions.

Table no. 1 The investigation's objectives and assumptions

| OBJECTIVES | ASSUMPTIONS |
|--|---|
| Identify issues that may contribute to increased institutions interest towards accessing European funds. | Simplifying procedures for accessing and implementing projects, along with better information on funding opportunities could increase institutions interest towards accessing European funding. |
| Identify the main ways in which institutions would like to be informed of future EU funding. | Institutions would prefer multiple sources of information on future funding such as local information campaigns, newsletters, events. |

3. METHODOLOGY

The population of interest for the study, namely the population from which the sample was selected, is composed of a number of 73 public institutions (municipalities, county councils, foundations, government, prefectures) or NGOs located in Region 7 Centre (counties of Alba, Braşov, Covasna, Harghita, Mureş and Sibiu), most of which have not accessed European funds.

We received a number 90 questionnaires, of which 68 questionnaires were processed in order to remain a majority of institutions that have accessed European funds.

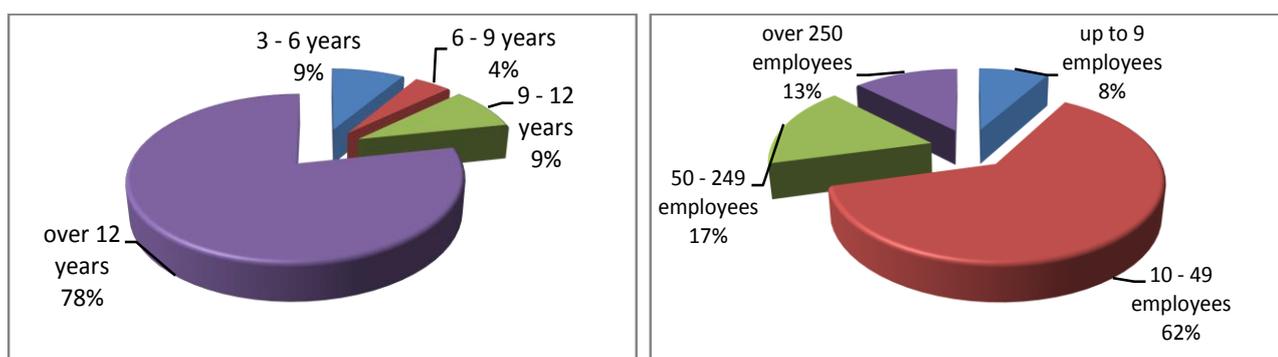


Figure no. 1 Structural differences between institutions depending on the organizations' age and number of employees

Institutions investigated are mostly older than 12 years (78%) and between 10-49 employees. These are followed by large and very large institutions that hold between 50-249 employees and over 250 employees. Institutions that have between 10-49 employees are parish town halls, representing most organizations that fall in the target set, namely institutions that have not accessed European funds.

4. IDENTIFYING THE ASPECTS THAT MAY CONTRIBUTE TO INSTITUTIONS' INCREASED INTEREST TOWARDS ACCESSING EUROPEAN FUNDS

4.1 Spectrum analysis

This objective is of paramount importance for the research because respondents' answers indicate what could be improved in the process of accessing and implementing EU funds to stimulate institutions to engage more in this direction, so that in the next programming period 2014 – 2020, performance in European projects increases.

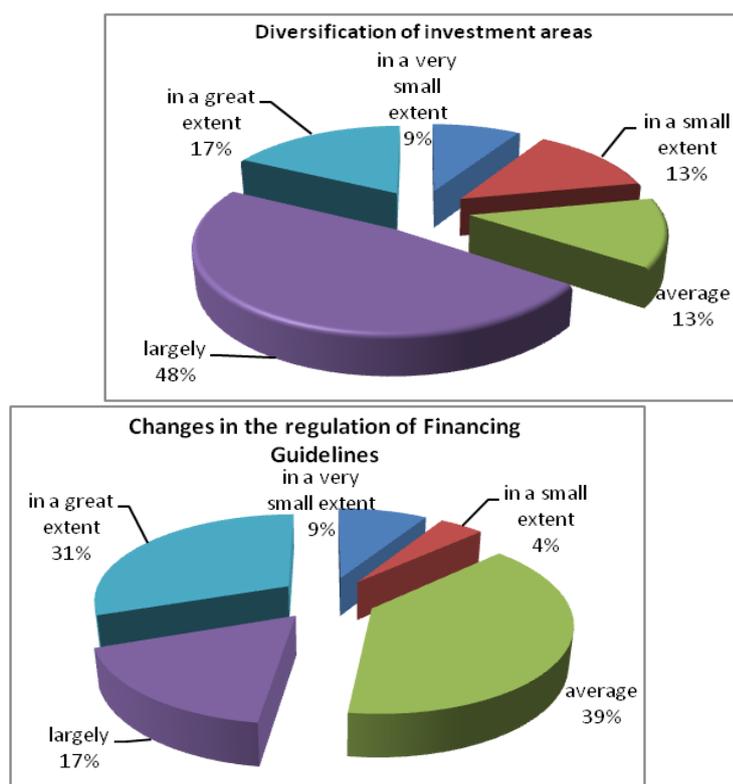


Figure no. 2 Aspects that may contribute to institutions' increased interest towards accessing European funds (1)

A quite high percentage of respondents (65%) state that a diversification of investment areas would greatly stimulate them towards accessing European funds. Respondents said earlier that they have strengths towards accessing European funds such as: investment priorities that are found in areas of intervention (mean score obtained - 3.43) and another strong point is that institutions are eligible in certain areas of intervention (mean score obtained - 3.82); the scores obtained from respondents' answers that would highlight areas where institutions could invest using the opportunities offered by European funds are quite varied. However, respondents say a diversification of investment areas would be greatly beneficial for increasing access to European funds.

Almost half of respondents (48%) believe that a number of changes in the regulation of Financing Guidelines would do much to increase the access of European funds and 39% of

institutions say that this action would have an average influence on their decision to access funds in the future. The research aimed to identify problems encountered by respondents in accessing European funds revealed problems like uncertainties in the requirements of the guidelines, guidelines that are not sufficiently explicit, discrepancies between guidelines and legislation or inconsistency between the guidelines and application forms. Thus, many of the causes of failed projects or problems encountered are due to the Financing Guidelines.

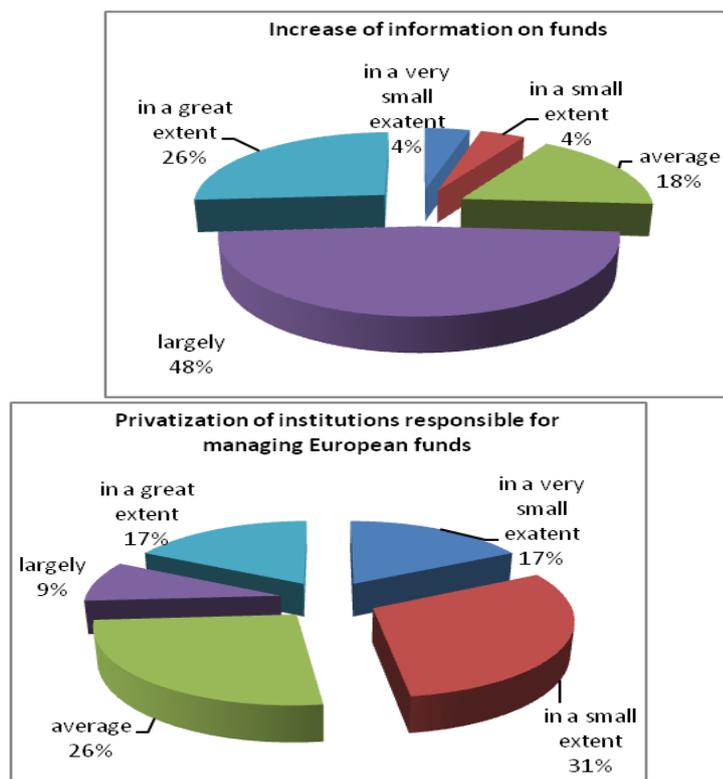


Figure no. 3 Aspects that may contribute to institutions' increased interest towards accessing European funds (2)

Most respondents (74%) feel they are not sufficiently informed about the possibilities of funding and how to access European funds and state that better information would contribute heavily to increasing access to funds. Moreover, the lack of information is considered as a cause of medium importance for the lack of access of funds so far.

Although not in a very large extent, however, privatization of institutions responsible for managing European funds would help in increasing access of European funds in Romania. Low degree of absorption of European funds is also a failure of institutions dealing with their management, therefore, this requires a change in their structure or their privatization, as it was proposed at a time.

Both procedures for accessing funds and the implementation of projects have a high difficulty for potential beneficiaries of European funds. These high percentages of respondents who believe that simplifying these procedures would result in increased access to funds, confirms the results of research that has identified the difficulties encountered by beneficiaries of European funds in Region 7 Centre. Among the main issues raised by

respondents include the inexplicit Financing Guidelines, inconsistent with the application forms, a large volume of documents to be reported.

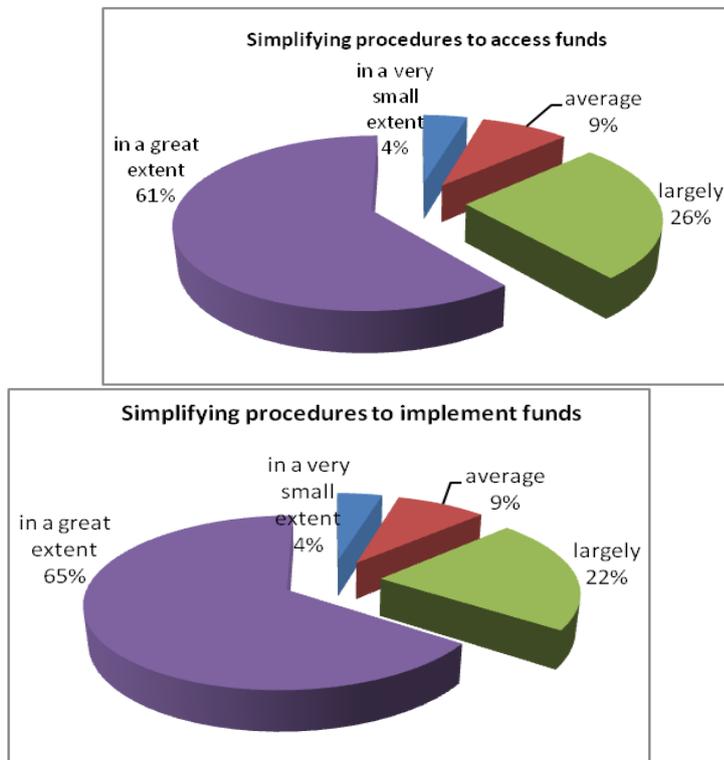


Figure no. 4 Aspects that may contribute to institutions' increased interest towards accessing European funds (3)

Comparing aspects that could increase social actors' interest to access European funds, we notice that better information on funding opportunities, followed by simplifying procedures for accessing funds and carrying out projects should be priorities for the next funding period 2014 - 2020. Improving the quality of Financing Guidelines, their correlation with the law is also important to ensure the success of the European projects.

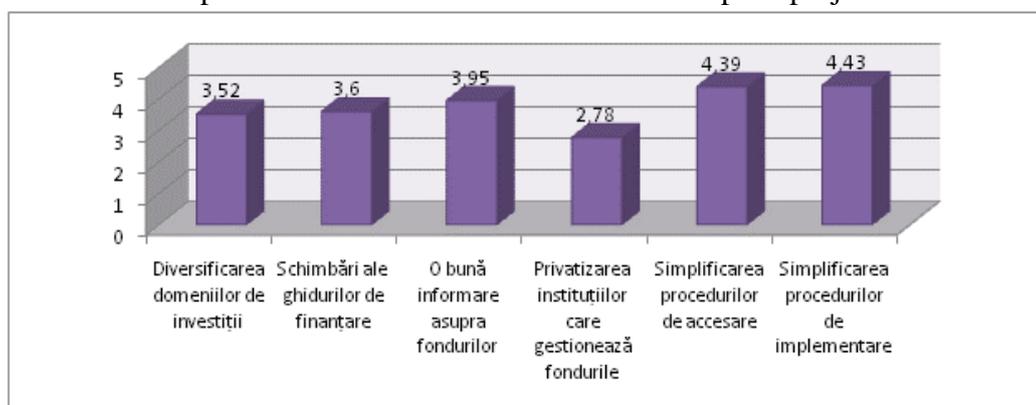


Figure no. 5 Comparison of aspects that might motivate social actors from Region 7 Centre towards accessing European funds

4.2 Statistical analysis

Changes that could help motivate respondents towards accessing European funds vary depending on their experience on project management. Therefore, people with no experience or with little experience in the field consider the simplification of access procedures and better information on funding opportunities as the main aspects that may contribute to institutions' increased interest towards accessing European funds. Instead, people with experience between 6 and 10 years or over 10 years of project management view as important a number of changes such as the simplification of implementation procedures, areas of investment diversification and changes of Funding Guidelines for increasing access to European funds.

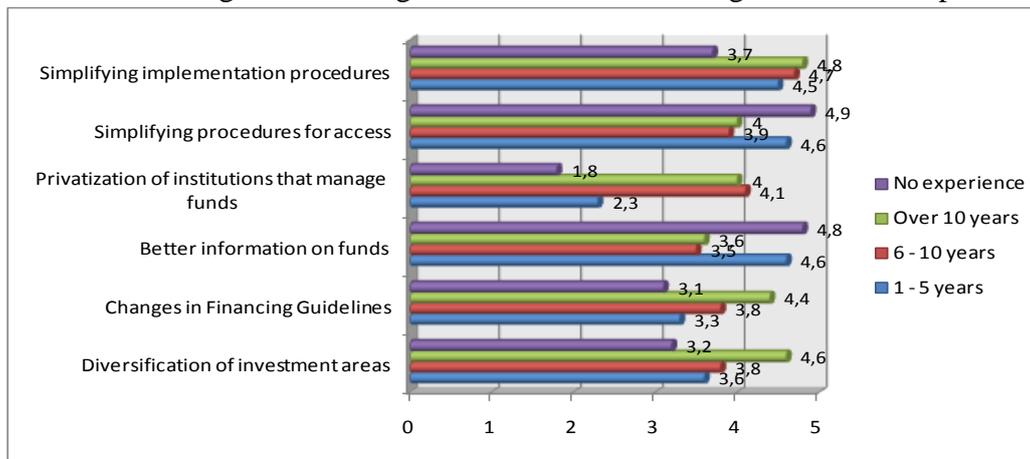


Figure no. 6 Aspects that may motivate institutions towards accessing European funds depending on the respondents' experience in project management

Considering the fact that institutions that have tried to access funds among respondents belong to the government, it is observed that the views of figure no. 7, whereby respondents with experience in projects deemed important to simplify procedures for accessing and implementing European funds and diversify investment areas. Public institutions and NGOs consider that they might be motivated towards accessing funding projects through changes such as: simplifying access procedures, better information on funding opportunities and some simplifications of the Financing Guidelines.

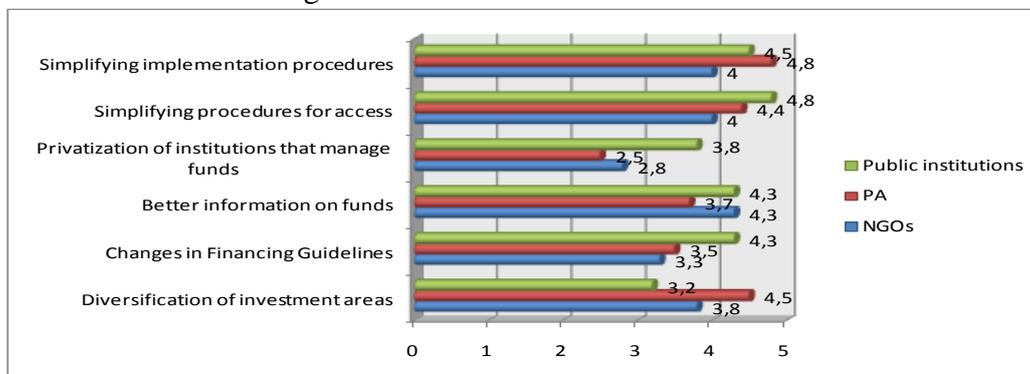


Figure no. 7 Aspects that may motivate institutions towards accessing European funds depending on the type of institution

5. IDENTIFYING THE MAIN WAYS IN WHICH INSTITUTIONS WOULD LIKE TO BE INFORMED OF FUTURE EUROPEAN FUNDING

5.1 Spectrum analysis

This objective responds to the need of respondents who consider the need for better information on funding opportunities from European funds, on areas they may invest using grant funds and at the same time remain faithful to the main investment priorities of the institution. For example, there are villages whose schools require renovations, but they are investing in sport grounds that no one uses.

The main ways of information on future European funding include: various campaigns of information, national conferences, training in the field, on-line, media information, organizing events (seminars, conferences, trade fairs, caravans) and developing a newsletter.

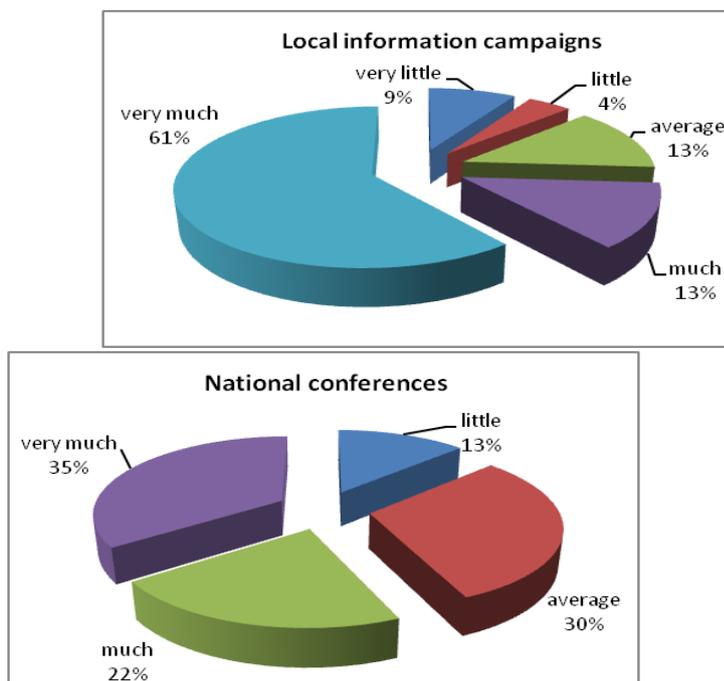


Figure no. 8 Importance given to information about funding through local information campaigns and national conferences

Respondents' answers indicate their preference for local information campaigns, with a percentage of 74% who appreciate this information on the funds much and very much. National conferences are valued by respondents in a lower percentage (57%).

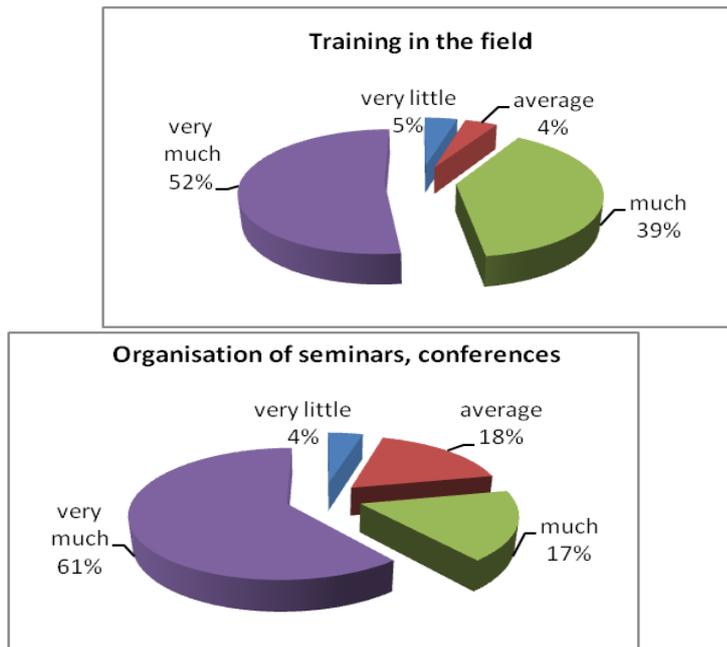


Figure no. 9 Importance given to information about funding through training in the field and organization of different events (seminars, conferences, etc.)

Respondents have a positive attitude about training in European funds, thus a 91% appreciates this information method greatly and to a great extent. In the investigation conducted previously, although the institutions that have accessed funds were very receptive to the training of the employees, only 32% of the courses organized during 2007-2012 were in the field of European projects and, as for the courses planned in the future, just 29% had the theme project management. Participation in events such as seminars, conferences, trade fairs, caravans are also popular (much and very much) in a high percentage (78%) of the respondents.

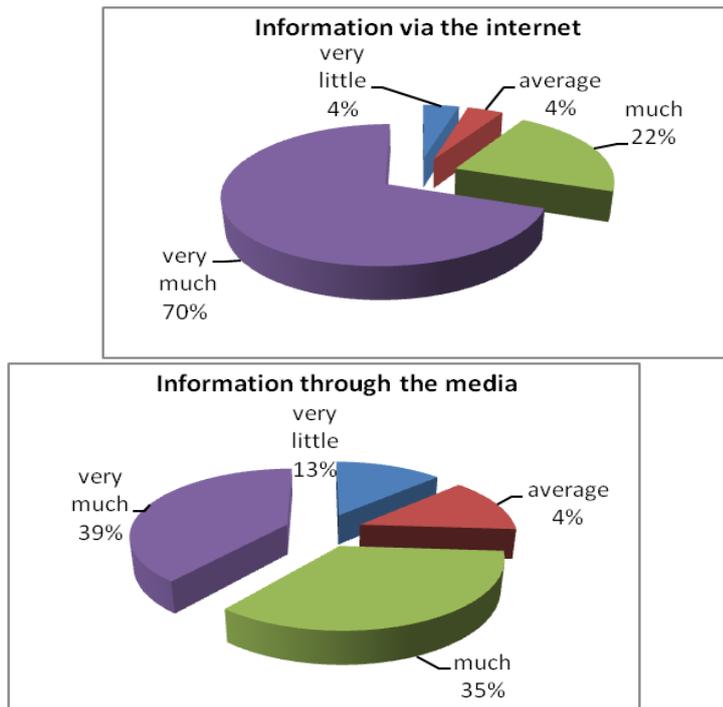


Figure no. 10 Importance given to information on funds via the internet and mass-media

As it can be noticed from Fig. 10, the internet is one of the means preferred by respondents to receive information on European funds, being the fastest, easiest, most convenient way to communicate. Moreover, in this first funding period, information on European funds, their evolution and of European projects could be accessed by multiple online addresses, such as: finantare.ro, fonduri-structurale.ro, fonduri-ue.ro, etc. Although appreciated in a lesser extent, the media should not be neglected as a means of information of potential beneficiaries of European funds.

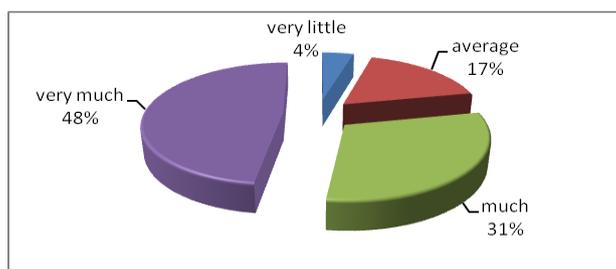


Figure no. 11 Importance given to information on funding through a newsletter

The creation of a newsletter to keep the institutions posted on funding opportunities, and not only, but also on the launch dates of calls for proposals on various funding lines and the possible changes that may occur in the Funding Guidelines or legislation and that would create the effect of projects is highly appreciated by a percentage of 79% of respondents. Such a newsletter would be a way to get the latest news on European funds.

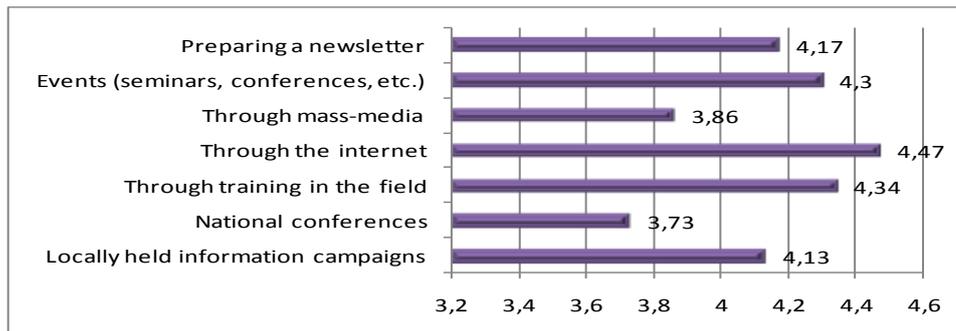


Figure no. 12 Comparison between the main ways of information on European funds

Comparing the possible means of information on European funds, except national conferences that require extra effort and the media which began to lose credibility, all other information methods analyzed received grades between 4 and 5 (which means high and very high importance given to the methods analyzed). The Internet which has become the most valued means of accessing any type of information is standing out with the highest grade awarded.

5.2 Statistical analysis

Institutions stated that better information on the possibilities of information would help increase access to European funds. Large institutions that have over 250 employees say that the main ways that they get informed about funds are the internet, training, attending national conferences. Institutions that hold between 50 and 249 employees believe that the best information means are training in the field, participating in various events and employees’ training in the field. Smaller institutions that have fewer than 50 employees prefer local information campaigns, newsletters, events.

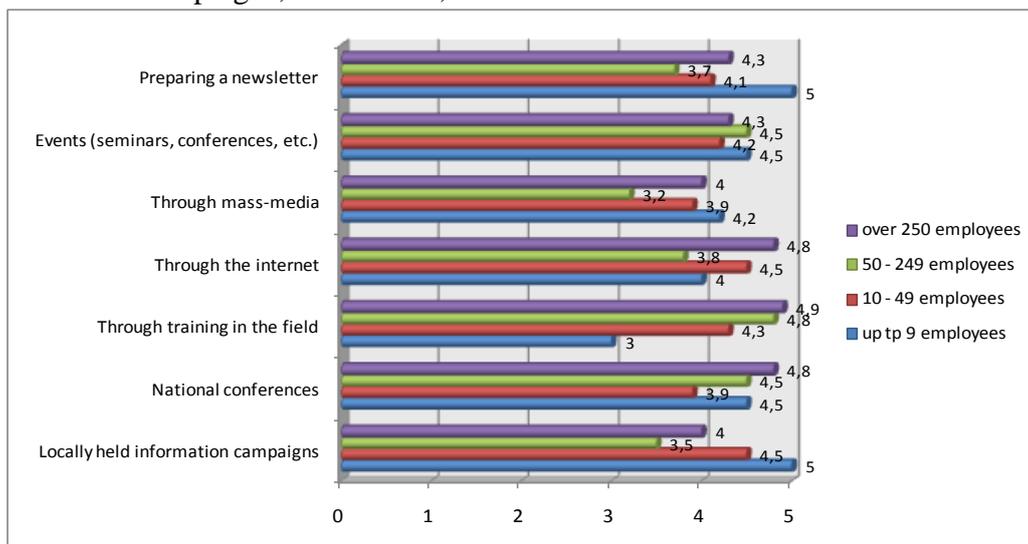


Figure no. 13 Analysis of information means on funds depending on the size of the institution

Respondents who have more than 10 years experience in project management declare that the ideal means of information on funds are the Internet and participating in various

events, national conferences. In contrast, people with no experience in projects and who do not have sufficient knowledge to interpret the information available online, prefer as means of information attending classes in the area, local information campaigns or the media.

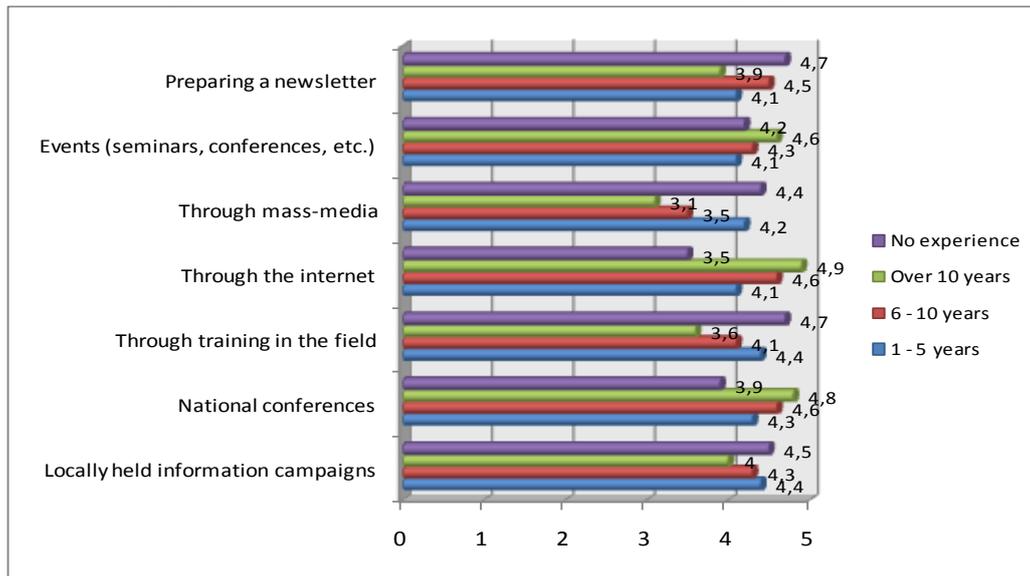


Figure no. 14 Analysis of information means on funds depending on the respondents' experience in project management

Respondents with modest experience in this area consider useful to develop a newsletter on the information opportunities, the Internet and organizing various events and conferences.

6. CONCLUSIONS

In conclusion, it can be seen that respondents with little experience in projects deemed the simplification of access and better information on funding opportunities could increase institutions' interest towards accessing European funds. And more experienced respondents in project management believe that simplifying the procedures for implementation, areas of investment diversification would help increase access and absorption of European funds. Due to poor programming of investment areas, there are priority axes which have exhausted funds to this date and axes with a very low degree of access to funds due to lack of eligible beneficiaries.

Although the results at the end of the first funding period 2007 - 2013 are well below expectations, however, respondents have not lost confidence in the ability of European funds to mitigate the effects of the crisis that hit Romania in recent years, but are not very confident in their ability to reduce the differences between urban and rural areas.

The investigation conducted in this article has allowed the preparation of recommendations for institutions managing European funds in Romania:

- Increasing availability in consultancy and project development support institutions both in completing the application form, as well as technical and financial reporting;

- Development of Funding Guidelines to provide detailed and explicit information to potential applicants for facilitating completing the application form;
- Simplifying procedures of public procurement;
- Simplifying procedures for accessing and implementing the projects by substantially reducing the documentation required by the institutions managing European funds.

Recommendations for potential beneficiaries of European funds:

- Identifying project ideas through an analysis of institutional needs that could be financed through European funds and creating a portfolio of projects;
- Making efforts to transform institutions' weaknesses towards accessing funds into strengths that can capitalize growth opportunities that funds offer;
- The project manager must have in addition knowledge about the processes involved in the company, the ability to work more efficient by using modern techniques and tools of project management;
- Initiation of relationships with both national and international project development institutions for the exchange of best practices, collaboration and knowledge transfer.

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