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THE IMPORTANCE AND EFFICTIVE MANAGEMENT OF SOCIAL CAPITAL

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Abstract: *Share capital represents the total amount of money and other assets of financial value that you and the other partners subscribe to establish and operate the company. Its role is multiple and crucial to the success of your business.*

First, share capital provides you with the initial financial resources necessary to start your activity. It is the foundation on which you build your business. Second, it represents a guarantee for the company's creditors, demonstrating that you have the necessary means to honor your obligations. This aspect is particularly important when negotiating with suppliers or business partners.

• Introduction

We must understand that adequate social capital plays a crucial role in strengthening the credibility and financing capacity of the company. It represents a guarantee for potential business partners and financial institutions, significantly influencing their perception of the stability and solvency of the company. A consistent social capital can significantly improve the corporate image. The company will be perceived as more stable and reliable, which can bring new business opportunities and strategic partnerships.

• Material and method

In the article, the authors presented aspects related to social capital and emphasized its importance and efficient management.

The information presented throughout this work was obtained by the authors from several sources, which were interpreted, resulting in figures and conclusions.

• Results and discussions

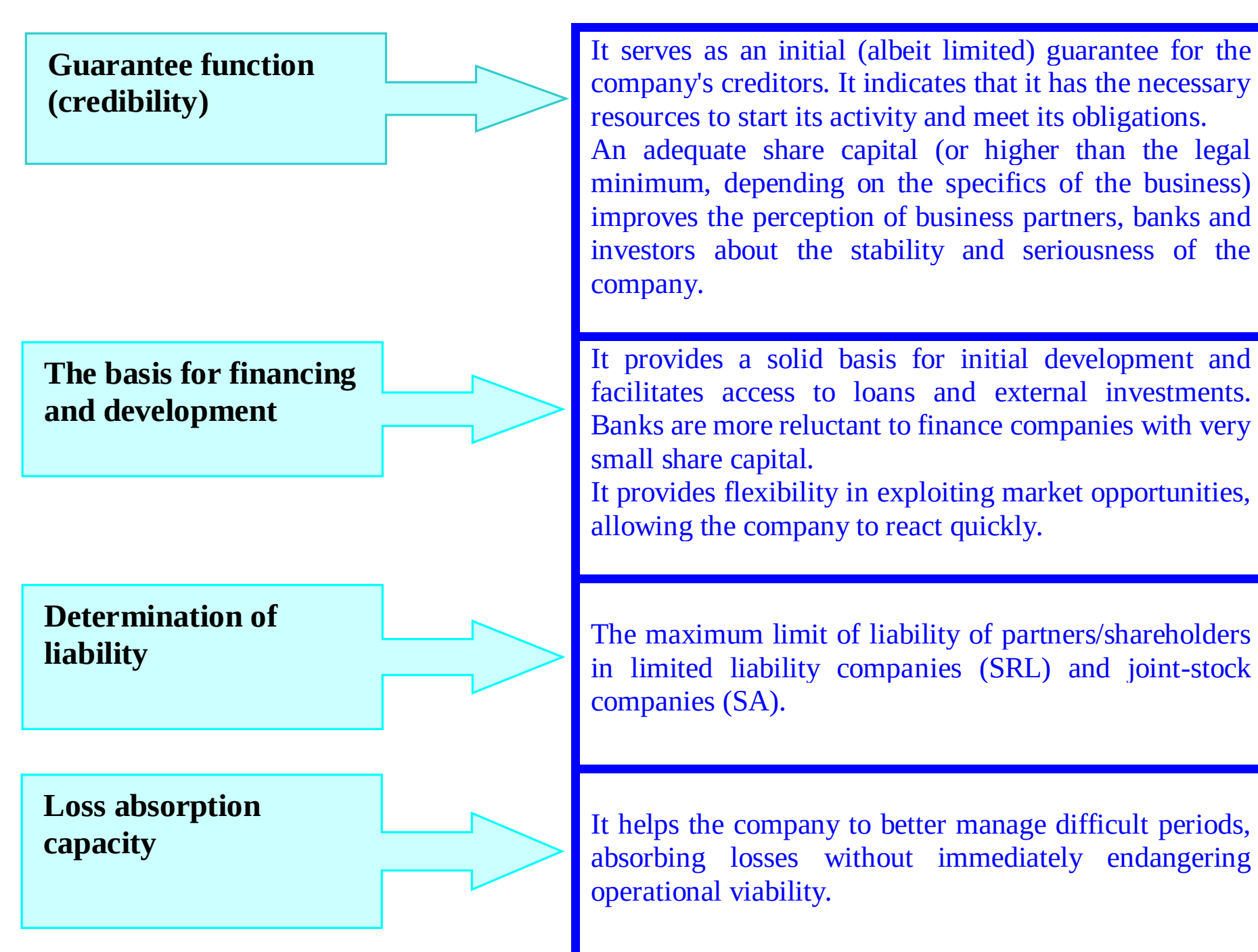


Figure 1. . The role of social capital

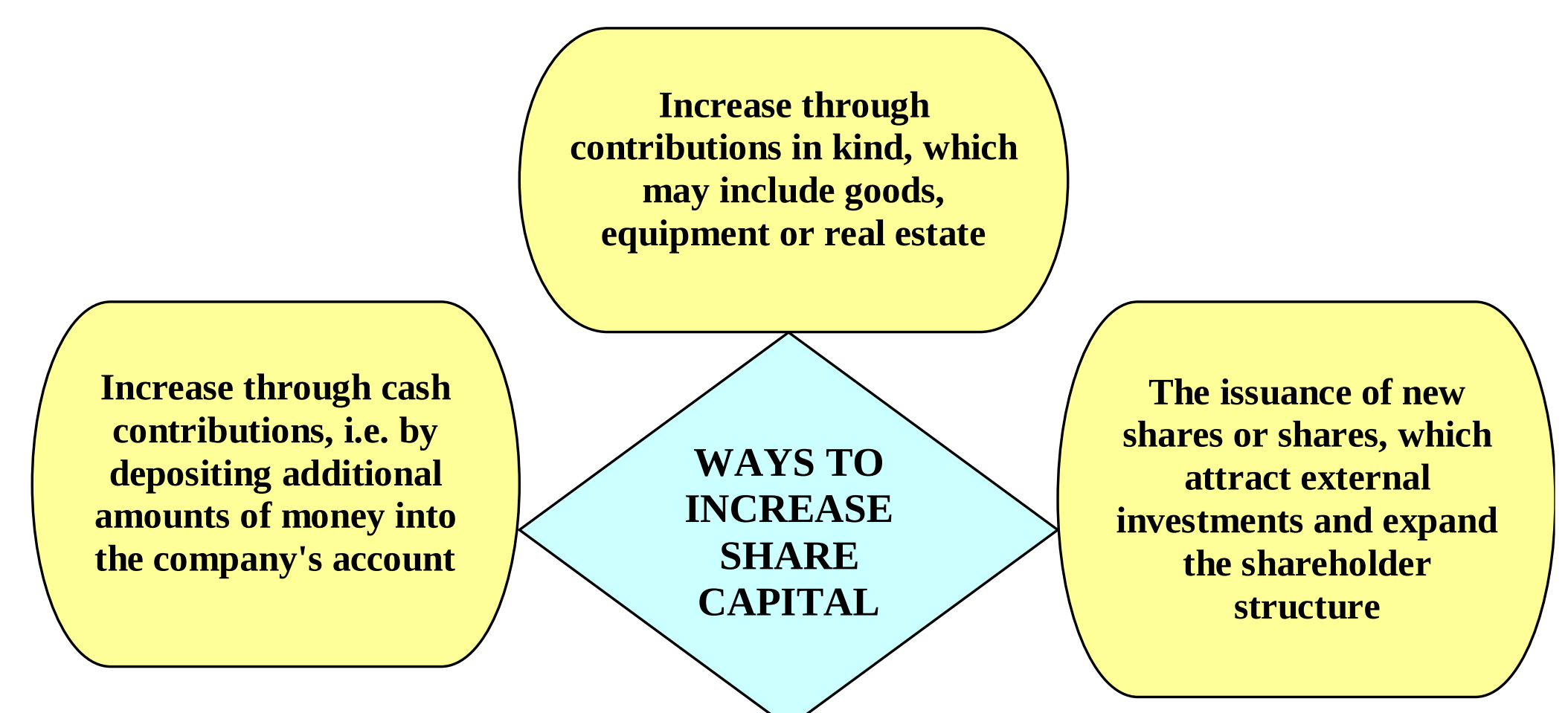


Figure 2. Methods of increasing share capital

STRATEGY	DESCRIPTION AND BENEFITS
Determining the optimal initial amount	The amount of capital should be determined not only at the legal minimum (which may be symbolic, e.g., RON 1 for an LLC), but also based on the actual needs of the business, the scale of the initial investments, and the credibility requirements of the market.
Increase in share capital	The company needs additional resources for investment, expansion, or to strengthen its financial position and credibility (e.g., to obtain financing). By subscribing to new shares/stocks or by converting debts/reserves into share capital.
Reduction of share capital	Under the conditions and within the limits of the law (e.g., coverage of losses, reimbursement to shareholders—in compliance with creditor protection).
Effective use of contributions	Amounts deposited as contributions to share capital can and should be used immediately in the interests of the company (purchases, operating expenses, etc.), without having to remain permanently blocked in the bank account.
Integrated financial planning	Share capital should be viewed as part of a broader financial strategy. Solid business planning indicates not only the optimal amount of capital, but also the direction of development and financing requirements.
Transparent communication	Effective management also includes transparent communication about the financial position, which can attract new investments and maintain the confidence of shareholders and creditors.

Figura 3. Efficient management of social capital

• Conclusions

Smart management of social capital is an integral part of success as an entrepreneur or manager. Its strategic use strengthens the financial position, credibility and provides the resources necessary to transform the business vision into reality.