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Continuous Professional Training and the Situation of Labour Market in Romania

Cristina Manole^{a*}, Cristina Alpopi^a

^aFaculty of Administration and Public Management, Academy of Economic Studies, Bucharest, Romania

Abstract

This study is part of a wider research carried out in recent years, in North-East Moldova – important socio-economic region of Romania – ancient Romanian culture and civilization hearth. It addresses issues of human capital development in the context of sustainable development of the City Suceava and Botosani. This study addresses the issue of human resource development, focusing on continuous training and employment. It is known that the development is based on the human resource, so there must be local responsibilities in terms of skilled labour and increase the adaptability of environmental changes. The results obtained from the research will reflect some of the practical steps that must be taken in the coming years, locally, in terms of human resource development

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1. Introduction

Given the fact that the strategic approach to human resource development is a requirement in the globalization era, we can say that the continuous training of employees is essential. If, decades ago, young graduates gained a job because of the knowledge acquired from schools, today the stock of knowledge, skills, professional aptitudes accumulated over time, reaches its limits very fast. The existence of employees who do not manage to professionally keep up, with changes occurring in the conduct of activities at the organizational level, is a major problem for managers (Manole, 2011, p.208).

*Corresponding author.

E-mail address: cristina_manole68@yahoo.com

Organizations which have an adequate vocational training philosophy understand to operate in an area where competitive advantage is achieved only with employees of high professional and moral quality. For this is necessary to invest in human resources of the organization in developing their skills and knowledge (Manole, 2006, p.148) . According to specialists (Bennett,1990,pp.47-48), there are benefits from the use of training, which have a significant effect on economic activities and increasing the overall efficiency of organizations and individuals, such as:

- improving performance at individual, team and organizational level in terms of results(outputs),quality, speed and overall productivity;
- increase membership and involvement of employees in the organization's activities by encouraging them to participate in establishing the mission and objectives of the organization;
- improve operational flexibility, by enlarging the area of professional skills of employees;
- developing a positivist organizational culture, for example based on results and performance oriented learning.

In conclusion, we can say that professional training is a major component of strategic human resource management, together with all the others: talent development, performance development, leadership development and organizational development (Hu, 2007).

Following analysis of human resources development processes and the situation of unemployment and employment, locally, we could say that in Romania, the labour market is in a continuous transformation process which started in the last decade of the twentieth century and continues today.

For example, the developments registered in 2008 , placed Romania at a significant distance from Lisbon's strategic objectives for 2010, respectively: general employment the rate for working age population (15-64 years old) of 59,7% to a distance of 10,3 percentage points from the objective of 70%; female employment rate of 53,1% at a distance of 6,9 percentage points to the objective of 60%; employment rate of the age group 55-64, of 43,6% at a distance of 6,4 percentage points from the objective of 50%.

The global economic crisis has completely changed the operating parameters of the Romanian labour market. From this point of view, one can say that unemployment has increased and this trend continues, and labour shortages will become a thing of the past and will be replaced with surplus labour, due to tightening of the growing demand labour. In this context, the Romanian authorities have set for the period 2009-2020, as a priority: establishing a functional real needs assessment system and defining the directions of development of human resources in the current European and global market (see table 1)

Table. 1. National Institute of Statistics, Employment and Unemployment in the second quarter of 2008, Nr.198 alin.3.10.2008, Statistical Survey of the Household labour(AMIGO). Quality Report.

Strategic Integrator Objective	Specific objectives	Directions of Actions	Key Performance Indicator	Basic Level	Year Basic Level (Estimated number of studies conducted in 2009)	Target	Term S M L	Responsible	Source of Funding
Establishing a functional real needs assessment system and defining the directions of development	Growth of analysis capacity and evaluation of changes occurred on the labour market	Achievement of coherent policies in terms of the labour market	Number of sectoral policies developed and implemented	0	2009	3 10 15	2010 2013 2020	MMFPS, MECI	Sectoral programs, European Social Fund

of human resources in the current European and global market	Understanding the labour market needs from the point of view of demand and supply studies	Accomplishment of studies, analyzes and statistics regarding human resources in Romania	Number of studies, analyze, reports, continuous professional training strategies			4	2010	MMFPS, MECI	Research budget, Sectoral programs, European Social Fund	
				2	2009	8	2013			
						15	2020			
				Number of studies, analyze, reports, strategies – transition from school to work			4	2010	MMFPS, MECI	Research budget, Sectoral programs, European Social Fund
		1	2009	8	2013					
				15	2020					
				Number of studies, analyze, reports, strategies – employment			6	2010	MECI, MMFPS, ANOFM	Research budget, Sectoral programs, European Social Fund
		2	2009	7	2013					
				20	2020					
			Accomplishment of studies relating to labour demand	Number of studies, analyze, reports, strategies – labour market access			4	2010	MMFPS, ANOFM	Research budget, Sectoral programs, European Social Fund
		2	2009	10	2013					
				15	2020					

Source: Integrated Project for Human Resource Development Strategy (SIDRU)

Regarding continuous professional development, it is envisaged development and articulation of the two components of the system, respectively, on the one hand the harmonious development of people for active citizenship and life through for specific training programs for adults in a formal and informal system, and on the other hand, improving the employability, adaptability and mobility of labour according to the required needs, which is going to be achieved through the development of a performance, transparent and flexible system of continuous professional development (SIDRU).

Thus, a strategic priority for the period 2009-2020 is: professional development as a basis for labour supply on the labour market, flexible and articulate potential labour demand (see table 2).

From this point of view, specific objectives assumed through Integrated Development Strategy for Human Resources (SIDRU), aims to: improve the quality of the personnel training system; develop an integrated, efficient and flexible network in order to manage training need in relation to the labour market developments; establish evaluation mechanisms of FCA; adjustment to the training offers for human resources development.

It is clear that implementation of all strategic objectives mentioned above, will require a financial support well defined. From this perspective, possible funding sources of SIDRU objectives, according to National Strategy for Durable Development, National Development Plan, Operational Programs and specific action plans are: contribution of EU structural instruments (European Regional Development Fund, European Social Fund, Cohesion Fund) and public and private national financing relevant (state budget, local budgets, external credits, other public sources); exclusive allocation from national and local public sources for human resources development programs with objectives similar to those financed from Community funds mentioned above; other funding provided by employers, other categories of legal persons classified as donors, ONG, etc; co-financing by adults through the creation of

facilities by state efforts to support individual learning, such as Individual Learning Accounts, tax deductions, etc., based on annual plans for eligible persons for accessing these facilities.

Also, for additional funding of strategic objectives, Romania can also access other EU funds (which are not part of the structural and cohesion funds) – „Lifelong learning” programme, European Programme for Global Adjustment, etc., and also funds allocated through SEE Financial Mechanism established by the AELS States (Iceland, Lichtenstein, Norway), to help reduce economic and social disparities in the European Economic Area.

Table 2. Professional development as a basis for labour supply on the labour market, flexible and articulate potential labour demand

Strategic Integrator Objective	Specific objective	Directions of actions	Key Performance Indicator	Basic Level	Year Basic Level (Are estimated number of studies conducted in the year 2009.)	Target	Term S M L	Responsible	Source of Funding
Develop an integrated, efficient and flexible network in order to manage training need in relation to the labour market developments	Adjustment of training offers for DRU	Improving access to services and opportunities for FCA, developing an appropriate model for informing, advising and guiding potential beneficiaries	Number of participants to FPC programs (training and re-training)	187.00	2004	15620	2010	MMFPS, MECI, ANOFMCNFP A, Social Partners, Sectoral Committees, Employers, Providers	State budget, Insurance budget for unemployed, social partners' funds, employers' funds, structural funds
				0		0	2013		
						35410	2020		
						0			
						56000			
						0			
		From which Woman	Number of participants in continuous training	70960	2010	20000	2013		
				15934	2010				
				5	2020				
				0	2010				
				25000	2013				
				55000	2020				
Adapting the content of FCA offers at the request of the economic environment and the development requirements of society knowledge	Diversification of opportunities for training and life long learning	Number of persons receiving counselling / guidance-continuous training	90000	2010	2006	2010			
			15800	2013					
			0	2020					
			36000						
			0						
			60000						
Adult participation between 25-64 years old, to education and training (%)	Share of enterprises that provided FPC to their own	Adult participation between 25-64 years old, to education and training (%)	1,3	2010	2010				
				2013					
				2020					

 employees(%)

Business investment in continuing training in relation to the monthly average cost of labour(%)	40,3	2005	7	2010
			8	2013
			10	2020
People recruitment within 12 months from the final examination (%)	0,3	2007	50	
			55	
			67	2010
				2013
				2020
Participation rate of unemployed to professional training (%)			0,5	
	58	2006	0,65	2010
			1	2013
				2020
			60	
			65	
	13,97	2007	75	2010
				2013
				2020
			15	
			20	
			33	

Improve the quality of the personnel training system	Implementation of quality assurance mechanisms	Education and training staff trained/improved	7200	2009	9.200	2010	MMFPS, MECI, ANOFMCNFP A, Social Partners, Sectoral Committees, Employers, Providers	State budget, Insurance budget for unemployed, social partners' funds, employers' funds, structural funds
					14.700	2013		
					20.000	2020		
		Number of FPC providers supported for introducing quality assurance standards	37300	2006	38.400	2010		
					40.000	2013		
					50.000	2020		
Develop an integrated, efficient and flexible network in order to manage training need in relation to the labour market developments	Coordination of training management needs	Scheduled financial effort for of the unemployment fund(%)	2,17	2007	3	2010	MMFPS, MECI, ANOFMCNFP A, Social Partners, Sectoral Committees, Employers, Providers	State budget, Insurance budget for unemployed, social partners' funds, employers' funds, structural funds
					5	2013		
					10	2020		
Establish evaluation mechanisms of FCA	Monitoring and evaluation of institutions providing FCA services	Share of FCA providers which have developed systems for monitoring and evaluation	20	2009	25	2010	MMFPS, MECI, ANOFMCNFP A, Social Partners, Sectoral Committees, Employers, Providers	State budget, Insurance budget for unemployed, social partners' funds, employers' funds, structural funds
					40	2013		
					80	2020		

Source: Integrated Project for Human Resource Development Strategy (SIDRU)

2. Analysis of continuous training activities and the local labour market situation

2.1. Suceava Municipality

Analysis on the development and effective use of human capital in the city of Suceava is based, among other things, on information provided by the local authorities, they provided us with the “Local Sustainable Development Strategy of the City Suceava 2009-2015” which folds strategic documents sorted by national, regional and local (county), allowing an easy approach to access the Structural and Cohesion Funds of the EU. Following consultations held locally and analyses, the authorities has established an overview in terms of sustainable development in the city of Suceava and that is: building and asserting a European identity for the city of Suceava through consolidation as a

strong, stable and diversified economic centre able to ensure prosperity and improve the quality of life, and through valuing the potential tourism motor of the local development and European integration pol.

We will focus with our analysis on the first specific objective mentioned “Continuous education and training”, agreeing with local authorities, that this is essential for developing human resources in the city of Suceava. It is known that, promoting quality in education and initial and continuous training, including higher education and research is one of the specific objectives identified in the Sector Operational Programme for Human Resources Development (SOPHRD), which sets the priorities and the major key areas for Romania’s interventions in human resources for 2007-2013. Other specific objectives included in the above operational programme and which aims at human capital development and promotion of full employment and social inclusion include: developing a modern and flexible labour market; promoting entrepreneurial culture and improving quality and productivity at work; improving public employment services; promoting (re) insertion in the labour market of inactive people including in rural areas; facilitate the insertion of young people and the unemployed in the labour market; easy access to education and employment for vulnerable groups.

For fulfilling the strategic objective regarding continuous education and training, the local authorities have established two fundamental programmes in Suceava municipality. The first one concerns with the rehabilitation and equipping of schools in order to ensure high quality education, and the second programme aims at developing the infrastructure of vocational education and professional training, as follows: STRATEGIC OBJECTIVE: CONTINUOUS EDUCATION AND TRAINING

Table 3

NR.	PROGRAMME	OBJECTIVE PROGRAMME
1	REHABILITATION AND EQUIPPING THE SCHOOLS IN ORDER TO ENSURE HIGH QUALITY EDUCATION	Development of educational infrastructure in the municipality of Suceava, to carry out an educational act of the highest quality
2	DEVELOPING THE INFRASTRUCTURE OF VOCATIONAL EDUCATION AND PROFESSIONAL TRAINING	Development of education and continuous training as a pillar of support for sustainable development of human capital

Source: Local Strategy for Sustainable Development of Municipality Suceava 2009-2015

To implement the two programmes mentioned, the local authorities have established several concrete activities to be undertaken in the next period, so:

Table 4

NR.	PROGRAMME	ACTIVITIES CONDUCTED
1	REHABILITATION AND EQUIPPING THE SCHOOLS IN ORDER TO ENSURE HIGH QUALITY EDUCATION	<ul style="list-style-type: none"> Creating partnerships for accessing European funds on rehabilitating schools; Creating new educational units to ensure a fair ratio between the number of preschool/pupils/students and the number of educational units; Rehabilitation of schools in accordance with EU standards; Finding appropriate solutions to equip laboratories and offices; Improve sanitary conditions in schools.
2	DEVELOPING THE INFRASTRUCTURE OF VOCATIONAL EDUCATION AND PROFESSIONAL TRAINING	<ul style="list-style-type: none"> Promote and support training courses; Substantiation of annual plan for schools based on results of studies and forecasts of labour market dynamics; Promote social inclusion through increasing access to education and

continuous training on the labour market;

Create a framework where stakeholders (university, local authorities and the business community) can communicate;

Promote entrepreneurial spirit and culture.

Source: Local Strategy for Sustainable Development of Municipality Suceava 2009-2015

Considering all the stated objectives of sustainable development of human capital in the city of Suceava and taking into account the activities that were set to run in the two underlying fundamental programmes to increase the quality of education and professional training we propose several measures that will need to be adopted by the local authorities in the near future.

In our opinion, this package of measures will help improve the continuous training activities, reducing unemployment (unemployment rate was 4,79% in April 2012, it has increased over previous months, the context in which national unemployment rate was 5,26% earlier this year) and promoting employment. Thus, in our opinion, in terms of continuous training should be set up, in the municipality Suceava, a training centre that will focus on training the workforce in deficient areas at the local level (services, constructions, tourism, etc); achieving a permanent connection between it and the local labour market, in order accurately collect and forecast the report between supply and demand across the labour market; which should take place through an active partnership made between the education system including adult training, public administration and the business environment. At the same time, at the municipality Suceava it should be imposed the making of periodic surveys of the labour market by the newly established centre in order to correctly and timely identify its characteristics but also its development needs.

In the final analysis performed, we can say that it remains to be seen whether all strategic objectives related to human capital development – an essential condition for sustainable development in Suceava – will be completed. If this happens, in the long term they will contribute at improving the quality and efficiency of education and continuous training, to employment and social inclusion; this will ensure human resources will be able to use the best possible way, current and future opportunities for personal and professional development, in order to achieve the current average level of EU countries at the main indicators of sustainable development – national objective set for 2020 under the National Strategy for Sustainable Development of Romania, Horizons 2013-2020-2030 (Manole, 2012, p.72).

2.2. Botosani Municipality

After a careful analysis of continuous training activity and also the unemployment and promoting employment in Botosani Municipality, in 2005-2007, have been identified many weaknesses, as follows: weak representation of adult training services and lack of training canthers; lack of services and demand for skills development programs, particularly for people with key positions in companies and public institutions; poor qualification of general personnel; largest share of secondary education; little interest shown by the workforce for training; poor skill level in construction, textile and trade; occupational accidents are due to: poor training, alcohol, high turnover of workers; official statistics do not reflect reality (unemployment is still high); many work illegal, many left to go to work abroad, many emigrate, while others are involved in seasonal work; local jobs are few, leading to their employment on the basis of recommendations and less on regulatory requirements; poorly prepared workforce; labour shortage in constructions, real estate, tourism and catering; little chances of re-employment of unemployed; mainly passive measures over those of active; the population is declining, as well as employment, increasing social burden on retired and children.

Taking into account all the difficulties (weaknesses) related to continuous training and the labour market situation – unemployment and promoting employment- the local development plan, part of the Development Strategy for the

period 2008-2015, Botosani City Hall together with City Council representatives and local institutions/departments with sectoral activity (the AJOFM; County House of Pensions, Health Insurance County; Public Health Authority; S.C. Termica SA; S.C.Urban Serv SA;EON GAZ; S.C. ELTRANS SA; General Directorate of public Finance; School Inspectorate; Labour Inspectorate; The General Directorate of Statistics; County Office for Consumer Protection, etc.), private sector representatives and also citizens views (with the help of market research conducted) have established the vision and objectives of development. The main operational objective established in the sectoral scope “Continuous professional training” refers to the development, in Botosoni Municipality, of a least one CPT centre. From this point of view, the development strategy aims mainly at active interventions promoting development of the skills of human resources through consistent coordination at public level of all actors involved: specialized public institutions, human resource, businesses, training organizations, career guidance organizations, etc., based on actual market requirements, developing forecasts and strategic guidelines.

To achieve this operational objective there have been identified several measures to:

- create a training and accreditation centre for adults, focusing on training in key areas of strategy which are scarce (food industry, tourism, services, trade, constructions), and establishing a permanent connection of it to the market reality, in order to forecast and relay on the relationship between supply and demand on the labour market, which must take place through an active partnership developed between the education system, including professional adult training, public administration and the business;
- period surveys of the labour market, by the newly established centre, in order to correctly and accurately identify its characteristics and also its development needs;
- creating, in partnerships with training organizations, a centre for developing workforce skills in sales, communication, public relations, management, entrepreneurship, etc.

As to regards to the other sectoral industry, “Unemployment and employment promotion”, the operational objective set was referring to the implementation of active employment measures. From this point of view, the development strategy aims mainly to promote the active intervention to stimulate employment, through a publicly coherent coordination of all actors involved: specialized public institutions, human resource, businesses, training organizations, career guidance organizations, etc., based on actual market requirements, developing forecasts and strategic guidelines.

To achieve this operational objective there have been identified the following measures:

- implementation in partnership with training organizations for projects in vocational adult training required in the labour market, for both unemployed and unqualified employees;
- implementation, in partnership with training organizations, in order to support the unemployed to seek work;
- implementation in partnership with training organizations for entrepreneurial skills development projects to stimulate the unemployed to develop businesses in competitive fields;
- involvement in creating a mechanism to stimulate recovery facilities in the village for workforce which is working abroad and of specialists who do not come back after graduating from superior schools ;
- stimulate the implementation of projects to develop skills in human resources by employers, with effects on the efficient use of human resources that have role in improving and increasing economic results;
- support campaigns on the promotion of compliance with health, safety and security and stimulate the establishment of several occupational medicine clinics and doctors specializing in occupational medicine ;
- the implementation, in partnership with specialized organizations, of a fair, twice a year, in order to present face to face the supply and demand of the workforce, in particular to support young people, through these events being able to take the real pulse of the labour market.

3. Conclusions

According to Sustainable Development Strategy of the European Union, the general governing objective of all the Union's policies and activities is that referring to sustainable development – which aims to continuously improve the quality of life and well-being on Earth for present but also future generations. To this end, it needs to promote a dynamic economy which provides jobs and a high level of education, health, social and territorial cohesion and environmental protection in a peaceful and secure world, respecting cultural diversity. In this context, we hope that the Romanian economy will be aligned with EU standards, in the next years.

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