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Quality of Higher Education in Romania: are Graduates Prepared for the Labour Market?

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Abstract

The purpose of the study is to analyse data concerning the quality evaluation in Romanian Higher Education and to reach conclusions on the relationship between the universities and the labour market. The question: are graduates prepared for the labour market? is taken into consideration mainly from the employers' point of view. Recent data show that degrees are considered valuable by employers, but graduates have better theoretical knowledge than practical training in the field. In overcoming the present situation, increasing the social involvement in universities and establishing proper strategies would favour employability and economic development.

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1. Introduction

Taking into consideration both the social - economic context and the current trends related to the Bologna Process and the Lisbon Agenda, institutional reports in Romania point to the risk of having less efficient universities, inflation of academic diplomas, and less professional skills at graduation leading to a lack of competitiveness on the European labour market (Quality Barometers 2009 and 2010).

2. Quality of Higher Education in Romania

Romania finds itself in the European trends of ageing population and demographic decline. The economic crisis effected both employment and incomes. The fall in the employment was much stronger than the fall in GDP. Job losses affect especially in the private sector much more considerably than in other European countries. The employment fall of Romanian workers abroad and, consequently, a decline of remittances are the effects of European markets' contraction. The economic crisis and the reforms from 2009-2010 have combined results: incomes from labour and pensions have decreased, and some social benefits have been reduced or eliminated (Stanculescu, 2011).

The latest trends show that young people are the hardest hit by the crisis in the European Union (EU). In 2009, the EU youth unemployment raised to 5.5 million. 1/6 people aged 18 to 24 year was neither unemployed, nor participating in a form of education in 2010. Statistics released in early 2012 indicate 6.8 million unemployed or underemployed young people. Jobs losses are reported in the manufacturing sector and constructions, while employment is growing in health care, social work and education (European Centre for the Development of Vocational Training, 2012).

Romania occupied the 13-th position in the EU Member States in 2009 with 19.6% youth unemployment rate (the overall EU unemployment rate among young people was 18.3%). According to the data provided by the National Institute of Statistics (NIS), in 2010 the employment rate of working population aged between 20-64 years was 58.8%, and the occupancy rate recorded among higher education graduates was the highest in comparison with previous years. The employment recorded in 2010 was 80% for persons with higher education and only 42% for those with low education. The compared unemployment rates registered for graduates of higher education in Romania at the end of 2008 and in 1991 show significant differences: values of 7.9% in 2008 compared with 2.3% in 1991 (according to the National Employment Agency - NEA). One of the explanatory theories points to the fact that in 2008 there were two generations of graduates with the implementation of Bologna (Stefan @ Chivu, 2011).

The investment in human capital for better knowledge and skills increases employment, especially of young people. Higher education (HE) represents a major direct contribution to the formation of human resources.

The Lisbon Strategy focuses on two principal tasks "delivering stronger, lasting growth and more and better jobs" in the European Union. Policy measures proposed under the "Community Lisbon Programme" are designed to target the following main objectives: knowledge and innovation for growth, making Europe more attractive to invest and work, and creating more and better jobs. The Member States' efforts are supported by the European Commission in the area of "human capital, education, vocational training including a particular focus on integrating young people". The European Community assists also Member States "in developing active ageing strategies, including measures to increase healthy life years" and supports EU-wide activities and networking in the labour market through a Lifelong Learning Programme (European Commission: The Community Lisbon Programme, 2005) designed to become a reality for all in the EU (European Commission, 2011.a).

Progress towards the common European objectives in education and training is reported both in education attainment and adult participation in lifelong learning (European Commission, 2011.b). Still, gender inequalities are present in education. Women are overrepresented in higher education, but are underrepresented in science and engineering, and boys perform less well on reading literacy and leave school early more often than girls (European Commission, 2011.a). Despite of the fact that more and more people complete their education, EU falls short of 2010 target aiming that 85% of young people will have completed at least upper secondary education. The Europe 2020 target for employment (75%) implies less than 15% of low achievers in basic skills and increase the percent of people with higher education to 40 % in the EU (European Commission, 2011.a).

Jobs become more "knowledge-and-skills-intensive", and employment in high-skilled occupations increases since 2008 in the EU. Unemployment and poverty risks are higher for low-skilled persons: they are three times more

likely not to find jobs than the highly educated persons, and the poverty risk they face is twice as high than the medium-skilled ones. Persons with higher education under 40s represent an increasing share of the self-employed, and the crisis accelerates the decline in self employment under 40 with low or medium qualifications in 2010 (European Centre for the Development of Vocational Training, 2012).

The integration of the Higher Education into international flows is based on the Lisbon Declaration (2000) and the Barcelona Declaration (2002). These documents include the three main priorities of the knowledge based economy: employment, increasing connectivity in Europe and knowledge (Stefan @ Chivu, 2011).

An overview of the recent history of the Higher Education System (HEI) in Romania distinguishes three main developments since 1990: “distancing from the communist past; rapid expansion of number of HEIs and students; introduction Bologna, decrease HEIs, further increase students.” (Romanian Agency for Quality Assurance in Higher Education, 2009). Romania is one of the 29 countries which signed the Bologna Declaration in 1999 and the following structural reforms aim to increase the mobility of the students, improve their chances on the labour market, reduce the number of university specializations and increase the participation in masters’ and doctoral programmes. In Romania, the quality of higher education is decreasing. According to Vlasceanu (2007), the causes for decreasing credibility and competitiveness in universities are: the massification of higher education; the rapid growth in the number of higher education institutions, both public and private; the emergence of specialization domains not demanded on the labor market; lack of financing; the inappropriate liberalization of education; political pluralism; and difficulties in adjusting to European benchmarks (cited by Ilie @ co., 2012).

A significant part of the students are enrolled in private universities. While in the „Old Europe“ the popularity of private universities is smaller (2.16% students are enrolled in private higher education institutions in Austria and 4,5% in Germany), in countries of the „New Europe“ the number of students enrolled in private universities is much significant (53.90 % in Estonia, 41.94% in Romania) (Damian @ co., 2010).

We need to take into consideration that twenty years of transition in the former Eastern block countries is a quite short period of time in terms of the evolution of society (Damian @ co., 2010). Significant aspects come mostly from the social and economic environment. The unstable or unpredictable legislation influences the HE landscape. Structure of public and private universities; students involvement” in university governance and quality assurance internationalization; the more and more popular distance learning; public pressure on education; poor resources allocated to education and research, are the main sources identified for poor economic performance. In developed countries, the average yearly allocation per student in state universities is four to ten times higher than the one in most of the „new Europe” countries. The percentage from the GDP for education is from 3 to 7%, and for public higher education is from 0.5 to 1.73 % in the former Eastern block countries (St. Aubyn @ co., 2009).

Such as in many other countries, a lack of output/outcome indicators is reported in Romania. “As a result of rapid growth in student numbers and study programs, quality is unevenly distributed over national HE systems as a whole but also at the level of the institutions, such that rapid introduction and use of output/outcome criteria should become a priority” (Damian @ co., 2010, p.4).

Recent studies on the state of quality in the HE system shows a predominant focused on inputs, such as student flows, knowledge transmission and reproduction and less on learning and research outcomes. According to differentiated learning and research outcomes, the Romanian universities are qualitatively distributed on hierarchical layers and would like to represent the type of universities in which learning is based on high research performances (almost all universities). The national HE image abroad is generally a positive one, and particularly with regard to the implementation of the Bologna process. The estimations place a percent between 5%- 20% of universities in line with the institutions having internationally competitive results in research and producing nationally and European competitive graduates on the national market and on European level (Vlasceanu @ co., 2010). In a 2010 study, Damian underlines: “Having one (or several!) „world class” universities is seen as obligatory, an idea which is subliminally or directly transmitted to the public. Public statements such as „we do not have any university in the top 20 or even in the top 50!” is a quite common slogan. Asking high school graduates in front of TV cameras at peak audience hours questions such as „in which foreign university do you plan to study?” indicates certain mistrust in the university studies offered in the own country.” (Damian @ co., 2010, p.5). Meanwhile, the universities have to overcome the chronic lack of resources in order to develop a culture of competitive quality (Vlasceanu @ co., 2010).

In the effort of shaping the HE system according to the reality of the labour market, the *White Paper for Quality and Leadership in Romanian Higher Education in 2015* outlines the expected outcomes: “Increased interest from

universities in having a foresight approach to the labour market. As beneficiaries will grow increasingly knowledgeable about the higher education area they will act pragmatically with regard to learning, HEIs will have to become more directly involved in the analysis of the labour market and to rely more on the collaboration with prospective employers. Improved credibility of education among employers, who will be able to distinguish quality based on the level of access and performance and even direct participation in the reputation systems of the field; will be more interested in getting involved in lifelong training for their own employees and the value for money principle will encourage them to negotiate with education suppliers, while the latter's flexibility will ensure better harmonization with the employees' work activity" (Andreescu @ co., 2011, p.22).

3. The employers' perspective on the Higher Education capacity to prepare graduates for the labour market

The *Quality Barometer 2009: Statistical distributions, interpretation and options on the state of quality in Romanian higher education* represents the first systematic analysis of the national Higher Education quality in European context. The second edition of the evaluation was released in 2011 *Quality Barometer 2010: The state of quality in Romanian higher education*. Both Barometers, developed by the Romanian Agency for Quality Assurance in Higher Education – ARACIS, analyse data sources, consisting of national panel surveys on populations of students, teachers and employers (their perceptions, representations and attitudes), as well as in-depth interviews with students and other key actors in the Romanian Higher Education system. Data on employers perceptions was gathered from various domains (industry, construction, services, trade), different company types (state owned, private Romanian, private foreign), and different company sizes (under 10 employees, between 10 and 49 employees, between 50 and 249 employees, and over 250 employees). In order to establish the first benchmarks for the national higher education system, the *Quality Barometer 2010* introduces a novel element by analyzing the input, process and outcome indicators (Quality Barometer 2009 and 2010).

The 2009 Barometer results show that employers select and employ graduates according to three main factors: "the reputation of the university they graduated from (the indicator of the graduates' potential knowledge level), the employment history (graduate's work experience, which should be specialized and Romanian) and the candidate's capacity "to sell himself/ herself" during the employment interview" (Quality Barometer 2009, p.14). Meanwhile the most four important aspects employers look for and are most interested have little connection with the graduate's academic studies: teamwork, ability to organize his/her work, punctuality, morality and communication skills with co-workers, customers etc. The aspects directly related with the university rank lower in the employers' satisfaction. The general satisfaction of the employers is moderate with the new hired graduates.

Graduates are perceived to have a better training in theory than in practice (just 27% of the employers think that graduates have a good practical training, while 51% recognize a good theoretical training). The employers value degrees differently: only 36% think that a BA degree is a guarantee of quality graduates, while 40% consider otherwise.

Also, the employers have a better image about the public universities than the private ones (54% of the employers). They also would prefer graduates from the pre-Bologna higher education system (over 51%), rather than graduates of the Bologna system, and graduates Romanian universities, rather than from foreign ones (42%).

The responsibility of training graduates is seen differently by the employers: a third of the respondents consider that graduates should be trained in universities, a third part believe the training is the students' responsibility, and less than a third think that the employing companies should take responsibility. Furthermore, employers provide vocational training either at the workplace, or through specialized programs, because they perceive a need for supplementing the academic knowledge of graduates (56%), according to the *Quality Barometer 2009*.

In addition, about the state of quality in higher education could be noticed various discrepancies and gaps between perceptions, representations and attitudes expressed by students, teachers and employers. The 2009 research reveals two levels of divergences: inter-contextual and intra-contextual. The inter-contextual difference is based on objective data: the difference between the external context - the positive image of higher education in the Bologna context -, and the internal context - the negative image generated by the decreasing demographics, public under-funding and state of research in universities. The internal context points to divergences between the objective and subjective aspects of higher education: noticeable gaps between data of university statistics and the perceptions and attitudes expressed by the mentioned groups of stakeholders, employers, students and academic staff. The study

concludes: "... despite objective and comparative records, we tend to believe that the quality assessment of our higher education is good, worthy of our positive appreciation" (Quality Barometer 2009, p.19).

The main gaps/divergences of perception between employers, students and teachers (which decreases from the teachers, to the employers) concern mainly the skills and abilities gain by students in faculty and how these apply to the labour market: how the educational process prepares and guides graduates on the labour market; the responsibility to train graduates for work; if a degree is an indicator of the knowledge and skills acquired by a student; the important requirements in the selection and hiring process; and the type of training graduates receive during their studies (Quality Barometer 2009, p.19-24). The largest gaps between the academic staff and the students' perceptions interest are the following:

- The share of positive perceptions of the academic staff is higher than of the students about the degree to which faculty helps students gain the skills and abilities they need to work: 90% of the professors think that the education prepares and guides graduates on the labour market, while only 50% of students think the same (the largest gap found on the topic);
- 33% of the employers believe that universities have the responsibility to train graduates for employment, and 63% of the academic staff support this opinion, which marks a largest gap between perceptions on this topic, while 41% of the students supports the responsibility of universities, marking the second noticeable gap between professors and students;
- The degrees value on the labour market is perceived by only 40% of the companies as guarantee of the graduate's training, while 84% of the academic staff and 69% of the students agree with it, meaning that the degrees significance loses value from academic staff to employers.

Employers meet the requirements they ask for hired graduates in different degrees. In the selection and hiring process, the employers consider as very important the following abilities:

- ability to be organized at the workplace (97% - important and very important), but only 51% of the employers are satisfied and very satisfied with how the hired graduates meet this requirement,
- ability to work in a team (96%), and only 59% are satisfied and very satisfied,
- communication skills (96%), and only 58% are satisfied and very satisfied,
- punctuality (93%), and only 61% meet the requirements,
- morality (90%), and only 65% are satisfied and very satisfied.

On the practical dimension of the topics taught in courses, the students and professors seem to agree: 66% of the students and 68% of the academic staff consider that university courses address the practical issues useful for work. Related to this, the employers act differently and over 50% of them said they organize professional training courses organized shortly after recruitment inside or outside the company, because they are not very satisfied with the training provided by universities (33% of employers believe that the duty to prepare graduates for employment belongs to universities), or in order to supplement their skills (28% of employers considered that the responsibility for preparing to work belongs to the employers, and not at all to the universities). The perception of academic staff and employers about the training requirements of the labour market are not compatible (70% of professors considered that between the university training and the workplace requirements there are no significant differences, while only 27% of employers believe that the graduates have a good practical training in the field). The explanations include the lack of perceivable results of the Bologna process and also, the employees' training is considered as a burden by the employers, and not as business policy like in advanced economies. The companies are moderately satisfied with the educational content quality, while the perspective of the academics is predominantly positive in relation to the education level of university graduates (Quality Barometer 2009).

The *Quality Barometer-2010* confirms most of the results of the previous 2009 barometer on the degree of confidence in the three main groups of clients: students, academics and beneficiaries. Considering the quality of university education in Romania, none of these groups are significantly satisfied, even the overall picture for higher education is positive (as the *Quality Barometer-2009* also concluded).

The 2010 results shows that employers perceive a large gap between the current level of skills of graduates and the required competences, mainly because they consider the work experience more important than the reputation of the faculty program attended by the graduates. The majority of employers prefer graduates who had a job during the university (part-time 40% or full-time 26%), and just a small percentage (7%) would rather hire graduates who did not worked during their studies. Employers prefer master degree graduates and, between the pre-Bologna and the post-Bologna bachelor degrees graduates, they favour pre-Bologna graduates. Also, they prefer state universities to

private ones (as also revealed by the *Quality Barometer 2009*). The companies generally value longer study period, but same time they prefer employees with work experience, which could be a challenge for the young graduates and consequently could generate tension between education and work (*Quality Barometer 2010*; Popescu, 2011).

4. Conclusions

The data gathered within the 2009 and 2010 Barometers show a present divergence between the higher education system and labour market. The uncertainly developing market requests efficient universities, flexible curricula and increasing social involvement of universities. But, "...we do not have a student-centred university; we have a self-centred university in a hostile environment, a university concerned with its own survival resources (for obtaining financing and accreditation)." (Vlasceanu @ co., 2011, pp. 46-48). Structural changes in universities meet a certain amount of internal opposition: "To address the relationship between the academy and employment is to risk, at least in some quarters of academia, being seen as an apologist for anti-intellectualism, for the erosion of academic freedom and as proposing that higher education should be about training graduates for jobs rather than improving their minds." (Romanian Agency for Quality in Higher Education, 2011). Not just proper current and medium strategies, but also long-term programmes need to be established. Because the prestige of the faculty is important for employers, standardization in HE evaluation offers a more genuine image of higher education institutions. A strategic quality approach will not only eliminate the danger of „homogeneous practices which have been inhibiting creative solutions and, conversely, have encouraged responses that do not always represent an adequate answer to external demands." (Miroiu @ Andreescu, 2010, p. 90), but it also involves an internal education system more permeable for social signals.

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