

## THE EVOLUTION, BLOCKING STEPS AND NEW TRENDS ON THE ROMANIAN LABOUR MARKET

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*Abstract: In this article we will focus on identifying the policies and strategies of employment for the graduates with a higher education in both the European Union and Romania, trying to create a framework of laws of the EU and Romania that should coexist in a perfect integration, in order to facilitate the insertion on the national and international labour market of qualified personnel. Considering that the labour market is seen as the contact area between graduates of higher education and the employing companies, we considered important to (re)analyze the labour market with all the elements that characterize its functions, including the theories, the relations between the offer and the demand on the labour market, but also the elements that determine the possible changes occurring in the process of integration and employment. Without any doubt, any critical situation that appears on the labour market shall entail the defining elements of unemployment seen as a distortion of the labour market. Unemployment represents a dramatic situation if we take into consideration the psychosocial aspects of a person that is in such a situation. Job loss is felt in different ways and in varying intensities by individuals who are affected on either short or long terms, according to their life experiences and conflicting trends that are specific to their personalities. We also wanted find out how well the modern economy functions in the development of the relationship between the society and the individual, thinking that it has become more and more difficult for higher educated graduates with expertise only at a theoretical level to be absorbed on the labour market without having in their portfolios years and years of practical experience.*

*All of these analyses have led to the completion of a particular case study conducted on a group of subjects who are undergraduate students at the "Oil and Gas" University, in Ploiesti, concerning the integration of higher educated graduates on the job market. The research includes the premises, purposes, objectives and hypotheses formulated from which we started the research. We will present the procedure of organizing the research and the investigated subjects. The stages of the research include: the implementation documentation analysis, the instruments for research and the interpretation of the results obtained.*

*In order to check the veracity of the results obtained, we used the following research instruments: the piloting of a questionnaire addressed to undergraduate students, the organization and interpretation of a focus-group and the presentation of the interviews attended by students and academics at the "Oil and Gas" University in Ploiesti.*

*Key Words: labour market, graduates, (un)employment, (un)balance on the labour market, strategies, integrative legislation.*

### 1. Identification of the policies and strategies for employment in the European Union and Romania

The employment policy is closely linked to the legislative system which adopts and implements the legal provisions regarding major issues pertaining to the rights and obligations of citizens involved in the labour market. Thus, it draws attention to some important legal aspects, such as: employment law and optimal work conditions in which employees can safely carry out their professional activities, equal opportunities for both women and men, concerning remuneration and managerial positions that they can handle without any discrimination on grounds of gender, religion, political, etc. It also follows the observance of social protection, labour protection, the fight against discrimination, rejection of social exclusion, the protection of employees in the event of danger at work, the creation of a permanent social dialogue to work on an ongoing basis, both at the enterprise level, national and community level through democratic consultation of the social partners in order to take administrative, economic, and social decisions.

It is important for Romania's positioning on the same stage with the other EU Member States, the level of compatibility and the harmonious intermingling of the Romanian legislation with the Community acquis. The official website of the Ministry of European integration ([www.mie.ro](http://www.mie.ro)) presents the eight major areas which are included and have the laws of our country that are harmoniously compatible.

According to data and statistics presented on the official website of the NEA, evidenced by the fact that economic agents regarding statements of job vacancies, in the records of the National Agency for employment (ANOFM) there were recorded 12.361 jobs, on 22<sup>nd</sup> October, 2013. At the national level for people with higher education there were

offered 1173 jobs, as follows: 180-client services analyst, programmer, 87-53-mechanical engineer, 28-counselor/expert/inspector/reviewer/economist in General economy, 24-system software engineer, 23-engineer civil engineering, industrial and agricultural, 23-19, manager-system engineer in computer science, 18-16-pharmacist, salesperson etc.

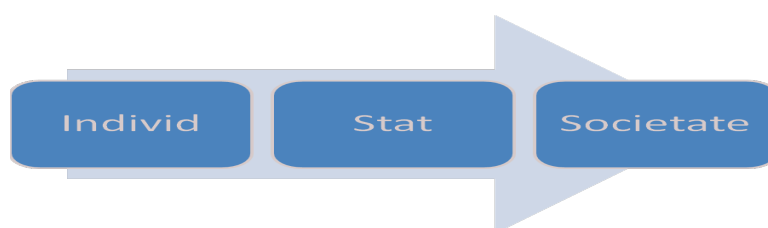
In the confrontation of supply and demand of labour force, in total and in structure, it follows a certain level of employment and unemployment, globally and on components. Indicators used to characterize the potential of a labour market are expressed in absolute size and in relative size, permitting some comparisons between different markets, at the same level or of different levels (e.g., between a regional labour market and national labour market to which it belongs).

A priority problem is the increase in employment among young people, to reduce unemployment for this group of the population, knew that if their unemployment rate is above average. Among the actions on the short and medium term that can stimulate the growth of employment in the case of young people should be include the following:

- the support for getting the first job and starting a career through the application of the measures providing incentives to employers for employment of graduates of higher education;
- to promote apprenticeship to work for young people with a low level of education and without qualification;
- providing support for the creation and development of micro-businesses by young people aiming to strengthen entrepreneurship among young people;
- promoting labour market integration of young people and the unemployed young people, which can be financed from the European Social Fund.

## **2. Modern economy in the development of the relationship between the society and the individuals.**

The incessant concerns knowledge and understanding of the relationship between the individual and the society in terms of imminent and the evolution of the new generations have produced a series of scientific researches in various important areas that become necessary for insertion of young people on the labour market. The human factor is fundamental to the transformation of society. Thus, there ought to be considered the relationship of interdependence between three essential poles: *the individual*-as labour force, *the state* - in which economic activities take place and *the society* which is affected by the approach taken by evolution, involution.



**Source: The Authors.**

In the recent years, there has been a constant concern on the part of high school graduates for study programmes organised at the University. From the analysis of the dynamics of the number of students, however, it is obvious the increase of interest of the undergraduate studies, for further training through undergraduate school, in the context of supplementing the number of seats without charge, but also to career development opportunities offered by the following two academic preparation cycles.

The table below presents the dynamics of students on cycles of studies during the period 2008-2013, from the “Oil and Gas University” of Ploiești:

Table 1. The dynamics of the number of cycles studies students.

Year	Undergraduates		Master		PhD
	Budget	Fee	Budget	Fee	Budget & fee
01.10.2008	3030	5201	766	2546	277
01.10.2009	2774	5580	886	2619	242
01.10.2010	3011	5182	867	1981	227
01.10.2011	3120	4424	719	1538	147
01.10.2012	2895	5333	564	737	128
01.10.2013	2932	3484	596	701	103

Source: The “Oil and Gas University” of Ploiești.

At the present time, there are also enrolled in programs of study in the University international students whose number decreased for the undergraduate masters and have remained relatively constant, with a slight increase, even for

undergraduate studies, fact which demonstrates the increased visibility and appreciation of the University's educational services offered by the University. Another aspect that should be taken into account for the development of *Individual-State relationship* is and the degree of adaptability of educational programmes to the requirements of the labour market. At the moment can occur and there are already warning signs regarding the degree of uncertainty of the graduates of higher education. The impact of the labour market is evident when young people cannot find a job and they are forced to adopt alternative retraining in another area. The problem that arises is that of *over-education*, in the sense that young people often wish to postpone the moment of integration on the labour market and prefer to enrol to post-Bachelor's courses, choosing the path of a radical, retraining and study option in the hope that the new chosen domain will fold much better with market requirements.

The trend of continued studies is always welcomed, but only in the sense in which the young persons choose this option in order to gain more experience in the chosen field. A process of retraining, a change of direction to study radical opposite domains, will conclude, unfortunately, in most cases, in a lack of efficiency of the time devoted to study.

The implications are major in the event of the failure of labour market inclusion, in the lack of confidence in a workable economic system, and/or the educational imbalance with psycho-social negative connotations. However, in today's society in which changes occur, the necessity to adapt to multiple systems of continuing vocational training seems unavoidable.

### 3. Case study

During the established period for the conduct of research, September 2011 and November 2013, three research tools were used which lead to a more accurate evaluation of the results. The ternary research include: piloting a questionnaire on 1160 subjects, arranging and participating in focus groups and interviews-academics.

The questionnaire contains a set of 12 open questions which have as main objectives the identification of the following issues:

- the quality of university education,
- university curricula in correlation and according to the requirements of the labour market,
- the usefulness of the studied theories,
- auto-assessment of acquired skills,
- employment rate before or after completion of undergraduate studies.

After piloting the questionnaire we held focus-groups with students and master students from the Faculty of Economics. The Focus-Group contained 6 questions that were geared to the following aspects:

- the usefulness of theoretical knowledge acquired during academic studies for integration in the labour market,
- the importance of self-financial support,
- the extent intent for requalification in the study of a different field of education according to the new requirements of the labour market,
- expectations, subjects in connection with future job.

The focus groups were held during April 2013-June 2013 and October-November 2013.

The ternary research ended with interviewing the professors. These interviews took place in November and December 2013.

After the interpretation of data from the questionnaire the following issues emerged:

-26.3% of subjects considered that Romanian education is heading in the wrong direction, while 45, 7% consider that it is neither good nor bad.

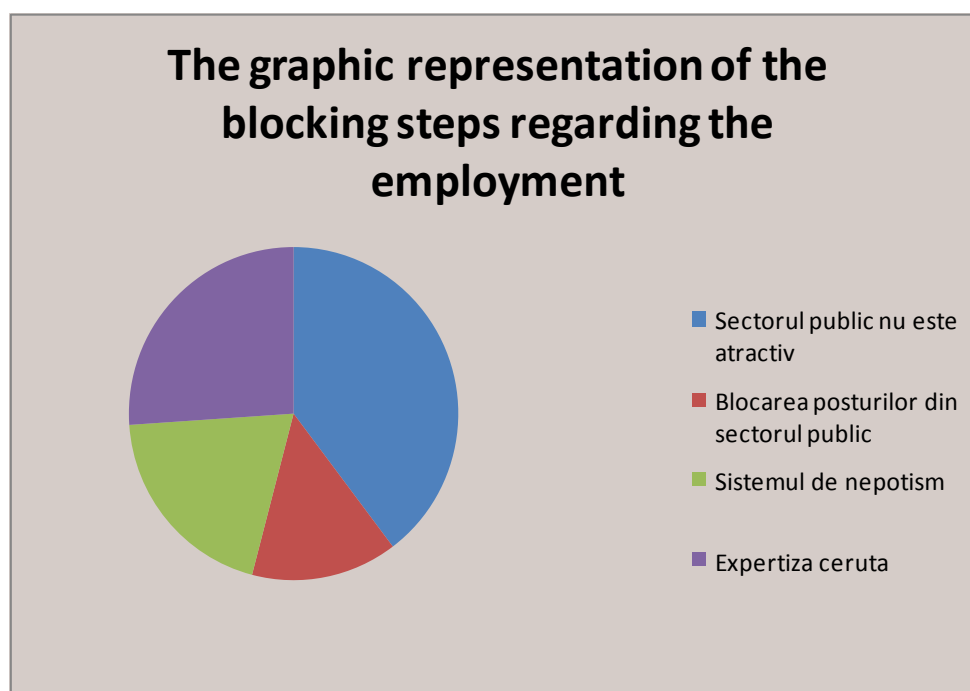
-The quality of the Romanian education system at the level of bachelor/masters degree in correlation with the requirements of the labour market was qualified as being very weak at 2.7%, 2.3% of respondents considered it poor, 32% neither good nor poor, 26% and the remaining 37% of respondents considered it very good.

-Assessment of the usefulness of the material studied in the College/master in terms of insertion in the job market was reflected as follows: 16% - 21% very low, low 13% not low, not high, 13%, high and 44% and 6% very high.

For the subjects the essential blocking steps after being awarded with a university degree in order to embark on a position that corresponds with the field studied were the following: 64% for the public sector is not attractive in terms of the minimum wage paid to young workers, 23% blocked public positions, 32% system of nepotism and favouritism in the public and private sectors,

42% of the remained positions require experience from graduates.

Fig. 1. The graphic representation of the blocking steps regarding the employment.



Source: The Authors.

#### 4. Conclusions

As a result of the implementation of the instruments of the research we have concluded that all respondents have the opinion that something would have to change both in the system of the higher education, and at the level of those in charge of training of young the graduates in the workplaces. They consider that they really need much more practice during the college years and the opportunity to be trained by the hiring companies.

Among the measures which institutions of higher education should apply in order to meet the needs of employers there are included more stringent requirements for admission in the faculty, which would create in the minds of young people a much clearer analysis of their need to become students at a certain college and to study a particular field chosen consciously and for the long term.

Also, the figure of graduates of higher education will no longer be so great that the labour market becomes choked and incapable of a large absorption of specialists. The faculty can also assess the activity and to ascertain the extent to which it manages to combine the skills and abilities that are needed on the labour market. Academics can adapt the curriculum so as to cover the gaps between the theoretical and the practical skills of the graduates in order for them to be able to be integrated on the labour market. School partnership-businesses are based on the balance between the supply and the demand and it is important for the educational and the personal development of students and for their future socio-occupational insertion. The prestige and effectiveness of the Universities are given by their alumni, either through further studies or through their integration in the labour market.

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