

THE ROMANIAN HUMAN RESOURCES MARKET IN THE CONTEXT OF THE EUROPEAN UNION INTEGRATION

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Abstract:

The present context of the workforce market is more than ever characterized by turbulences. One of the factors of this dynamics is without doubt the opening towards the European Union. Both the employee and the employer face the challenges related to the quality and intensity of changes.

1.Present – two actors, two perspectives

When we talk about the workforce market, we have to analyze things from two perspectives: from the point of view of the employer, the challenges are the continuous drop in the workforce offer, the poor level of skill or the uneven distribution of skilled work (taking into consideration the skilled workers in the whole country, not only the big cities), the poor preparation of those in management positions and last but not least the unwillingness of the employees to get involved in their work if it affects the equilibrium of their personal lives. And these were to list only a few. From the point of view of the employee, the challenges are connected to their ability of facing the changes in the organizational environment, which many times require a significant effort, without moments of relaxation. There would be more things to add here, but they are all related to mentality and poor organizational education.

For instance, a significant challenge today is the incapacity of certain employees to understand which the mechanisms of the company where they work are, what puts it into motion and which the decisional factors are. On the other hand, there is their incapacity to regard and perceive themselves as real resources. When this phenomenon is generalized, the organization faces real obstacles in its development. The main cause is the way in which the organization understands to give feedback with respect to the performance and behaviour of the employees against the required standards. It is also true that the employees are not used to demanding feedback, even when it completely misses and does not seem to be encouraged by the organizational practices. This results in the lack of self confidence that employees display, and on the long run it leads to the lack of self awareness. To regard yourself as a resource means to be aware of the fact that, in the organizational space, any effort to be more productive or to work in a more intelligent manner is first of all an investment in yourself and then in the organization. And that is because your personal value grows in direct proportion with the abilities, knowledge and innovative capacity. Permanently going beyond your limits, you widen your knowledge horizon and you learn new things about yourself. And equally important, these abilities become sources of differentiation for the organization, or in other words, sources of competitive advantage.

Employers compete for talents

On the Romanian market, we can talk about really gifted employees, people who, with the support of their own values or the support of the organization to which they belong, add value to everything they do. It is about people who know their own abilities very well and who have the right attitude. These people are the ones that employers compete for, and the ones that impose a change in the human resources management approach. Employers of this kind need special motivational programs, and when I say motivation I do not think only of financial motivation, I also think of professional challenges without which they could not survive within the organization. Actually, the value of such people resides in two aspects: one has to do with reasoning (their professional preparation) and the other one has to do with emotion (the passion, the energy and the inspiration with which they work). Their main purpose is not money. They are people of high values who believe unconditionally in the significance of what they do. They are the kind of employees who often accept worse-paid jobs if they offer them challenges where they can value their abilities, their knowledge or where they have the opportunity to learn new things. Unfortunately, many times organizations do not know how to take advantage of the emotional energy of such employees, even though they claim to appreciate their innovative spirit and their talent. Likewise, there are also employees who in spite of coming in the organization with a lot of energy and promising potential, end up not fulfilling the initial promise because the organization does not sustain their efforts. This may have many negative consequences: the employees lose their integrity because they do not have enough power to fight against the inertia of the system, and as they do not want to resign they accumulate frustrations about the organization. The most common result of this is the lack of interest from the part of the employee to sustain the objectives of the organization.

Employees – the most important resource of an organization?

The reality is that not all employees are “the most important asset of an organization”. Not all employees have the value of those that we mentioned above. Generally speaking, I think we can talk about four categories of employees:

- The talents – the employees who add value to everything they do, constantly upgrading their own and the organizational performance standards, and being real advocates of change;
- The good soldiers – the employees who sustain change because they strive to give the best of them in all the actions they are involved;
- Middling – the employees who trouble the organization because they do not try hard enough to do what they are asked to;
- Toxic – the employees who, consciously or not, undermine the organization not only by not performing the tasks they are paid for, but they also urge or prevent others from performing the tasks.

2.Perspectives on the world workforce market:

In March 2006, Manpower Inc. published a study regarding the mutations on the global workforce market. The Manpower White Book lists the main trends and tendencies displayed in the “new world of work”. The most important phenomenon that the study draws the attention upon is the increase in the talent shortage.

“The talent shortage” that the Manpower research referred to means the acute lack of well prepared people, able to face an ever more competitive environment. The speeding up of competition in all fields lead to higher demands from the employers regarding the

human resources. Under these circumstances, the authors of the study say that it becomes more and more difficult to find people who have all the abilities necessary to fulfill effectively their roles in the contemporary market.

Beyond the difficulties that an employer faces when trying to hire personnel, the problem is a global one. It is about a situation of imbalance: there are less and less people with the proper abilities, in the proper places. In the vision of those at Manpower, the economies of the developed countries will be affected the most in the future. The talent shortage could even endanger the development engines of the global economy.

The authors of the study notice the existence of a paradox in the human resources world: the talent shortage is growing in direct proportion with the workplaces shortage. According to a report issued by the International Labour Organization (ILO), the global economy cannot generate enough workplaces to reduce the unemployment rate, in spite of the extraordinary economic growth in some regions. What is interesting is that given the existing unemployment rate, the employers in many parts of the world face serious problems when trying to cover their needs with respect to the workforce. The problem is actually the lack of human resources at the level of those with higher preparation and an inflation of unskilled or primarily skilled people.

The main causes for the talent shortage are, according to those at Manpower, the ageing population, the decrease of the birth rate, the economic migration, globalization or the outsourcing and offshore phenomena.

The birth rate is in decline in many countries of the European Union, and the trend is also alarming in USA and Japan. As less and less young people enter the workforce market and the life expectancy is longer than before, the workforce will not have enough resources to support the retired or inactive people.

It is estimated that in the next 50 years, the low birth rate and the high life expectancy will lead to the doubling of the support given to old people. By 2050, the ration hired – retired people will be of 1 to 1. A way to prevent this from happening would be to encourage those with experience and proved abilities to work for as long as possible.

Another alarming phenomenon is that of workforce migration. Many persons coming from countries with a developing economy leave their country to work somewhere else. Many students also go to study abroad and choose not to come back to their native country, generating a talent exodus in the developed countries. While this migration is very good for the receiving countries, it blocks the economy and leads to shortages in the other regions.

Countries like Spain or Italy, confronted with the urgent need to face the growing demand for skilled workers in certain fields, have started to facilitate the access of immigrants, coming especially from Balcanic countries. In a similar way, Japan and other newly industrialized economies, like the countries in South-East Asia attract every year many people from the Philippines, Indonesia, China, Thailand or Pakistan. The experts at Manpower expect that soon enough the USA will facilitate the access of Mexican immigrants, after having made great efforts for many years to stop this migration phenomenon.

Through outsourcing, it is estimated that over the next years almost all the production units will be moved from the developed countries to the emergent and developing economies. The Manpower study estimated that by 2025, China and India will manufacture together 25% of the world gross domestic product. But, as the emergent economies will develop, they will come to need more workforce in order to cover their internal needs. As a consequence, together with the improvement of salaries in the internal economies, the delocalized activities of global employers will meet the internal

competition for work force. The Manpower prognosis states that this may lead to the generalization of talent shortage in all economies.

Due to the evolution in technology, the demographic changes or globalization, the world of work is rapidly changing. The tendencies do not take five or ten years anymore to become reality, and the changes are extremely quick. Not long ago, people used to think that the abilities, the qualifications and the experience they had and which seemed key-factors in the organizations where they worked, allowed them to keep their jobs for many years without any threats. But the quick rhythm of technological and entrepreneurial changes determined many once "key" positions to lose their attractiveness and necessity.

For instance, many of the routine jobs, with a low level of specialization, are eliminated and jobs for which the demand used to be substantial are one by one out of the picture. The USA Bureau of Statistics estimates the elimination of 10 million jobs in the USA by 2010. Meanwhile, new jobs will be created, requiring abilities for which now the offer is limited. A cycle of abilities which used to be valid for three years, is now valid for only nine months.

People will have to understand that the abilities with which they entered the workforce market will not be enough all through their careers. The continuous development and improvement of abilities, the permanent education and training will be key notions. Employees have to take advantage of each and every training and re-qualification opportunity they are offered.

The trends on the workforce market have great chances of intensifying in the foreseeable future and in the next ten years. According to the Manpower study, the solutions that employers have in order to deal with the human resources shortage are: strengthening the collaboration with educational organizations, investments in training and development, outrunning the retirement age and redefining the jobs. Now that the battles for the human resources are tougher and tougher, the key activities in the future will be the formation, the updating and the extension of the abilities of the personnel, as well as the determination of their commitment to the organization.

3. The evolution in the new world of work

The employers

- Feel more and more the need to form and reorient their employees, in order to develop new specific abilities;
- Opt for the externalization of processes which do not represent the nucleus of the activity for external suppliers;
- The great organizations delocalize the production units to developing territories and economies (like Romania), which allows them to reduce costs and improve efficiency;
- Look for a variety of solutions for the human resources, to ensure the attraction of talents and expertise.

The employees

- People change their career orientation more and more often;
- The people who are at the retiring age continue to work in order to increase their income:
- Globally, more and more people work from home;
- Mothers return to work, looking for flexible timetables and solutions;
- More and more women take on managerial responsibilities and positions;

- People have become more flexible from a geographical point of view. Many travel and work from mobile offices, their performance being facilitated by the new technologies.

The speed of change

The change in organizations is a challenge in itself. It is hard to quantify how quickly an organization can change, but it is clear that the speed in adjusting to the changes in the external environment offers it a long-term competitive advantage. To this also adds the capacity to anticipate or create tendencies in the environment. The change is managed by the leaders of the organization, but it does not become real if the employees do not assume its objectives. Many times, this means a change in mentality. The longer the history of the company is, the more difficult it becomes to take such a challenge. If you have done things in a certain way for 20 years, it is hard to start doing them differently. The educational management experts have come to the conclusion that it takes between 2 and 6 years for a company to change its culture.

The obstacles of change

At the level of managers, one of the obstacles is that many of them still can not separate their executive role from the strategic one they would need in order to support change. There is also a vicious circle sometimes. And that happens because there are organizations where the structure forces managers to act as executants, not as managers. From the point of view of the employees, the main obstacle is connected to, as I have stated before, their mentality and laziness. Very often employees assume a passive position in what change is concerned – “It’s the job of managers to change something.” The phenomenon does not appear from the very beginning and it is not completely devoid of logical explanations. We are used to operate with routine. Routine make us confident and comfortable, because when we do what we have done so well time and time before, we feel good. The problem appears when you do not realize that some things around you have changed and what was well done in the past becomes completely insignificant today. This is what happens when employees are not really concerned with the effects of their work on the people they work with and on the people they work for. Psychologically speaking, this means stagnation at the level of the individual, who refuses to learn, to develop. Of course, there are other causes that belong to the systems in the organization, but because we are talking about human resources, I chose to refer only to these aspects.

4. The integration of Romania in the European Union

I believe that the first impact will be at the level of mobility. A part of the resources in Romania will choose better paid jobs in other European Union countries, while resources from neighboring countries will come to work in our country. This will have a major impact on the way organizations operate in our country. The resident workforce will have to improve their standards, not because “somebody else is waiting on the line”, as we have been hearing for years, but because that somebody might be more profitable from the point of view of the employer. More profitable may mean more available, better qualified or simply more serious. It will be a silent but correct fight, and the best will hang on.

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