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USING BEST PRACTICES IN DESIGNING A LIFELONG LEARNING STRATEGY FOR HUMAN RESOURCES IN ROMANIA

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Abstract

Starting from the understanding that society as a whole can not move forward without sufficient incentives, we initiated this research aiming to identify good practices in formulating strategies on lifelong learning in order to emphasize the need to create a stable framework for the development and training of human resources. Considering that in the last decade there has been a growing desire among higher education graduates to study abroad after their mobility period and showed the willingness to engage in the labor market in other european countries, we think that the proposed research theme fully justify its relevance, in terms of the need to create medium and long term strategies in order to ensure compliance with the next european regulations framework and a set of elements that have the capacity to regain the qualified romanian human resources employed abroad. Without a european workforce that is able to respond promptly to training tasks throughout life, Romania and after that Europe will not gain the skills needed to achieve an competitive advantage among other world economies. In this respect, we think that the present theme is sufficiently anchored in the realities of our contemporary society on the one hand and on the other hand requires to identify the concrete measures that could be put in place in order to improve the issues presented.

Keywords: lifelong learning, human resource, good practice, labour market.

JEL Classification: J21, J24

Introduction

If we start to make an short overview of the concept of European integration, concept that has spread all over the world in the postwar period as one of the most important features of the contemporary world, we will see that from all existing models of integration in the world, the European Union is at the moment, the most developed model and an example for

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other states wishing to walk the same path. A first milestone occurred in 1946, in University of Zurich, where Sir Winston Churchill (prime minister of Great Britain - Nobel Prize for literature in 1953) spoke about the future of Europe that: "The remedy is to recreate the European family as we can and to provide a structure that allows us to live in peace, safety and freedom. We need to create a kind of United States of Europe".

Based on the assumptions that a high level of education can lead to long-term economic growth and new jobs versus the proposed target for 2020 that people with low basic skills have to be below 15%, it was observed that the amount of funding to the member states, even front on economic crisis stood at relatively low rates (4% of GDP). Numerous cuts of staff costs in countries like Belgium, Bulgaria, Greece, Spain, France, Hungary, Ireland, Latvia, Portugal, Romania, Slovenia and the reductions in infrastructure and equipment, all these measures are more likely designed rather to restrain the growth of the most important chapter that can provide education and training population.

The economic crisis comes also to affect the future prospects of youth unemployment in this category which increased from 15.5% in 2008 to 20.9% in 2010. In this way the reduction target to get below 10% of people who leaves school early (population between 18-24 years) can be seriously jeopardized. On the other hand, for the final output of the economic crisis incidence, "Europe must generate economic growth based on knowledge and innovation." By reference to the overarching objectives of the Europe 2020 strategy, namely that by 2020 at least 40% of people that is aged between 30 and 34 years will hold a degree in tertiary education. All member states reforms, which are considered necessary, will concentrate on two main axes: the first aimed to increase the number of graduates and the second to maintain and improve the quality of education and research. In Romania, in the 2010 the level of tertiary graduation rate stood at 18%. Another aspect to be taken into account is that *lifelong learning for most Europeans is not a reality*. More than that, the people who participate in lifelong learning aged between 25-64 years stands at 9.1% which is well below regarding the target set by Europe 2020 strategy at 15%. On the other hand, the crisis caused quite radical changes in terms of job demand - where demand for lower-level qualifications dramatically decreases and for industrial area which require high standards of qualification is higher.

In the study published last year by the World Bank entitled "The Jobs Crises, and Government Household Responses to the Great Recession in Eastern Europe and Central Asia" (2011), the institution considers that despite major layoffs at European level the effects resulted after companies approach to reduce their personal expenses, were amplified in the fixed-term employment contracts and lower income cases. Thus the peak of the economic crisis registred in 2009, organizations responded to declining demand trends in three measures already established: layoffs, hiring freeze and lowering the incomes of new and existing employees. As a direct consequence the unemployment situation deteriorated rapidly, the critical point being registred in 2009, year which "contributed" to an increase of unemployment at about 12.2 million people, compared to 2008 when it accounted 8.4 million of unemployed people.

Given the general European labor market, significantly affected by the challenges of globalization, technological changes, population ageing, climate change and the effects of the recent economic crisis, the EU had to react to all of those influences through development of new regulations designed to support workforce in order to preserve the existing jobs but also to provide new jobs. In this regard were initiated measures to stabilize

national labor markets focused on maintaining existing mass of employees, creating new jobs and developing the employees skills.

1. General Aspects Regarding the EU and Romanian Labor Market

The whole process of globalization and changes in the development of each member states of the European Union are key factors in modifying the classical evolution of human resource management. The main objective in the whole process of globalization is the integration of all human resource practices in an unique format. However, this goal is difficult to achieve in terms of actual differences (economic, social, institutional and cultural) between EU countries. In a publication of the World Bank, 2011 mentioned above in order to reduce the situation created by the economic crisis, countries from Eastern Europe and Central Asia have promoted policies and programs (with direct or indirect effects) dedicated to protect the living conditions of residents and active labor, but even so for achieving those results, companies can come only by boosting efficiency at maximum production capacity coupled with an increasing labor performance, properly trained and well qualified in advance.

By 2006, according to National Employment Agency in Romania, the unemployment rate reached a minimum of 5.6%. The economic crisis has prompted a wave of layoffs, but not all sectors were hit with the same power. Thus industry layoffs reached approximately 300,000 employees. The second sector taking into account the number of layoffs was the construction sector that recorded a number of 107,000 redundancies. Finally, the third in the top of the redundancies, the retail sector lost about 91,000 employees. Currently, in Romania, according to the National Institute of Statistics, the unemployment rate recorded at the end of March 2012 stood at a level of 5.1%.

If we look at the evolution of unemployment in Romania, measured from 1991 (fig. no 1), we can see that minimum point reached by our country in terms of unemployment was in 2007, when this figure reached 4.1%, situation marked by productivity increases of industry, foreign investments in the economy and increases in final consumption.

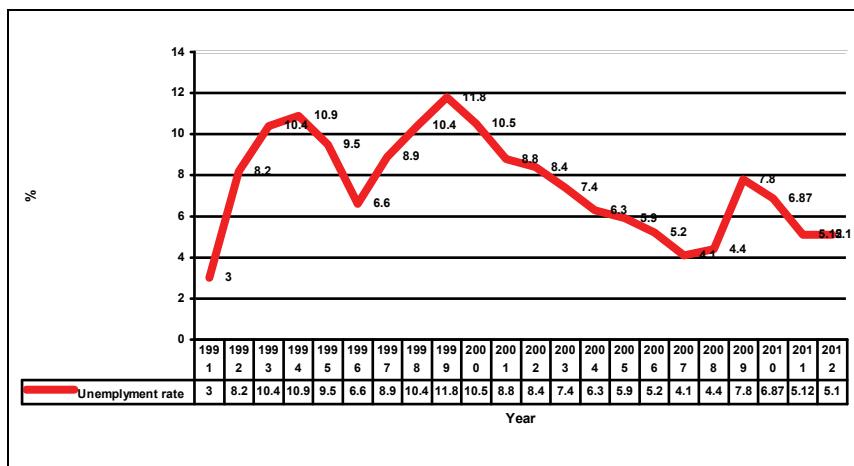


Fig. no. 1. Evolution of unemployment rate in Romania, period 1991-2012
Source: adapted from NIS, 2012

If we address to the structure of unemployment in our country in terms of level of training, according to the National Institute of Statistics, it appears that over 73% of the total unemployed people are represented by those who do not have graduate a high school and about 19% belong to those who have completed the baccalaureate degree (table no 1). These figures shows that those who study at a higher level find more easily a job compared to the other categories.

Table 1. Distribution of unemployed people in Romania based on the training level 2012

Level of training	First level	Secondary level	Tertiary level	Total
Number of unemployed people	334454	87025	33062	454541

Source: adapted from NIS, 2012

According to these data we can conclude that there is a need in the near future for a reconfiguration of the human resources for the purposes of its specialization to better meet the requirements of enterprises and providing also an easier insertion into the labor market and with direct implications in decreasing the unemployment rate.

If we take now under consideration the structure of unemployment people, using the gender criteria, we can mention that two thirds out of the total are represented by man and only one third by woman. This is due, in particular, from massive restructuring of “engine” sectors in the economy at EU level: construction, industry in general with links to the automotive sector, stock exchanges, banking and transport, where there is a higher number of male employees against female employees. Obviously men aged 25-54 years were most affected by rising unemployment, the number of unemployed in this category reaching 47% of the total (fig. no 2).

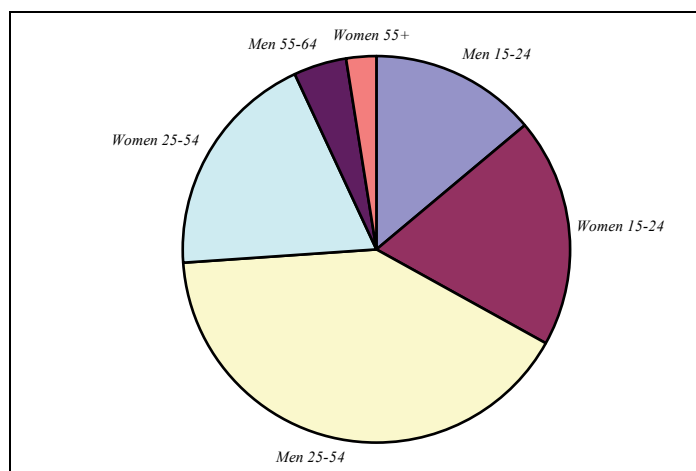


Fig no. 2. The structure of EU unemployment increase by gender and age

Source: adapted from Eurostat, EU annual data, 2009

The important mass of unemployed people, creates an instantly pressure on already reduced budgets of the Member States by providing different types of social security benefits on the one hand, and on the other hand facilitates a large scale migration creating also a special

pressure on the small number of vacancies, which can be a starting point in the potential deterioration of bilateral relations between Member States.

According to the authorities the main causes of the high level of unemployment were determined by: failure in career counseling, refusal of employers to select young people which is considered as unskilled labor force, relatively low training opportunities and early school leaving.

2. Comunitary Programmes – Support for a Future Europe Based on Knowledge

Throughout the various financing schemes of European Union in education, culture and audiovisual area, we could mention the Lifelong Learning Programme, which allows, for all the citizens of different ages, to participate actively in creating learning experiences and take part at the added value of these experiences in the development of education and training area across the continent.

The EU Lifelong Learning Programme has a budget of around 7 billion Euros for the whole period 2007-2013, covering a wide range of activities such as individual mobility funding (pupils, students, teachers, trainers and other participants in the education and professional training processes), study visits and creating academic networks.

The Lifelong Learning programme has four distinct sub-programmes for each of the educational and training level: Comenius programme dedicated to the primary and secondary educational level, Erasmus programme dedicated to the tertiary educational level, Leonardo da Vinci programme dedicated to the education and vocational training and Grundtvig programme dedicated to the adults education. The main targets set by European Commission for the 2013 academic year is to reach 3 million pupils involved in actions financed by the Comenius programme, 3 million students that participated in mobilities covered by Erasmus programme, 80000 mobility periods of placements in enterprises financed under the Leonardo da Vinci programme and 7000 individual mobilities dedicated to the adults education financed by Grundtvig programme.

Looking from another point of view, the main objectives of the Lifelong Learning programme can be summarized in (as they emerge from the European Parliament Decision 1720/2006):

- contributing to the development of quality in lifelong learning, promoting innovation and the European dimension at all levels of education;
- creation of a European lifelong learning area;
- promote creativity, competitiveness and at the same time increasing entrepreneurship;
- increasing participation in lifelong learning for all regardless of age, including categories of disabled or disadvantaged groups
- strengthening the role of lifelong learning in creating European citizens able to understand and respect human rights and democracy and encouraging tolerance and respect for people and cultures
- promote quality assurance in all sectors of the European training area;
- encouraging the dissemination and implementation of the results of ongoing projects financed by this programme and to improve the quality of education and training;
- promoting the importance of cultural and linguistic diversity in Europe;
- fight against racism and xenophobia;

- integration into education and training of people with special needs;
- promote equality between men and women and all forms of discrimination.

Fig. no. 3 summarizes the main actions targeted by the EU lifelong learning strategy. By assimilating the values promoted by the programme, respecting the European quality charter for mobilities and by participating to these programmes represent good premises for developing national and institutional capabilities in creating programmes that increase the level of employability and competency of the beneficiaries (Stoian, Bogdan, 2012, p. 91-92).

Starting in the late 90's, two new elements have intervened in the economic environment with major influence in the global living standards. These are globalization and the "aggressive" technological development. The development of IT sector has seen as considerable in size in the United States, where there have been considerable increases in competitiveness and in turnovers of the economic levels. In the last period of this decade, the average growth of the American economy exceeded 3.5% ahead of the one representing 2.4% of the European continent (World Bank, 2011). Taking into account the same comparative system related to the indicator GDP per number of inhabitants amounted about 69% of the level in the United States and the productivity level amounted only 78% from the level registered in USA.

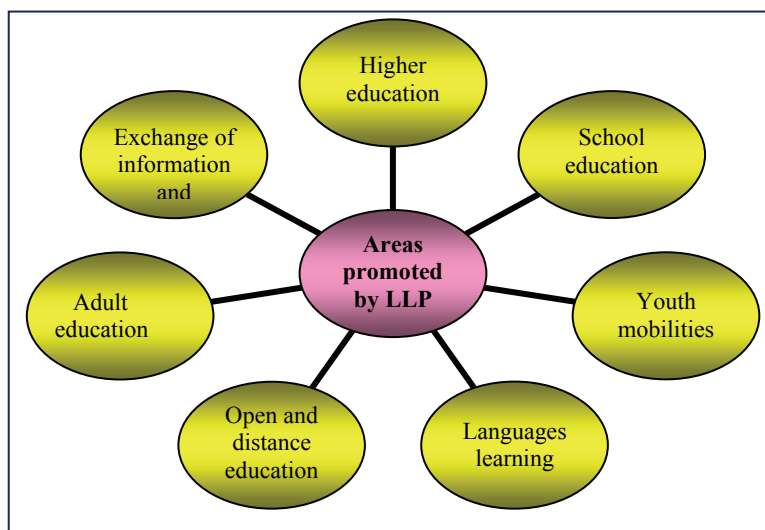


Fig no. 3. Intervention areas of Lifelong Learning Programme
 Source: developed from the European Parliament Decision 1720/2006

The increasing participation of people in higher education was a direct achievement of ensuring free access and economy demand for a skilled work force. In this landscape, European students – *the future work force of the 21st century*- will step into career in a space (European and global) in which terms such as integration, globalization and free trade have become structural, affecting society as a whole. (Stoika, 2012)

At the end of 2011, the Commission proposed a new public architecture of measures in order to better align its Member States to the agreed standards. From the proposed amount

of about 340 billion euros, half will be designed to reduce disparities in less developed regions. Initiatives to boost employment, social inclusion and promoting lifelong learning will be financed with amounts close to 84 billion euros.

The starting point in drafting the new program „Erasmus for all” (named as the most well known Erasmus programme which is seen by the European Commission as a best practice example)- entire dedicated to education and training -was the approval by the European Council Strategy "Europe 2020" in June 2010, a strategy that included a set of reforms to support the EU out of the economic crisis, based on education and training – providing solid grounds for *a smart, sustainable and inclusive growth*. The European Commission is becoming more aware that without massive investment in human resources can not meet its targets.

The new programme will be based on three axes: individual mobilities, cooperation in the field of innovation and dissemination of good practices and support for designing education and training policy.

At the total amount allocated will be added about 1.8 billion exclusively for international cooperation thereby Commission estimates in terms of participation to reach about 5 million beneficiaries from the program "Erasmus for all" by 2020 .

Given the demographic projections to the entire European Union, according to which in the next two decades the percentage of young people (situated in the age group 15-29 years) will decline from about 28% today to 25% in 2020 while the number of persons in the age group 50-64 years will increase from about 28% to about 32%, as estimated by CEDEFOP 2010, forced authorities to further identify the smartest ways for the integration into the labor market of young people in order to increase human resources efficiency. Now is the moment for a innovative intervention in education and training, translated by policy measures in identifying ways of facilitating the transition from education to employment.

3. Human Resources Continuous Training. Curent Status in Romania

Starting from the 10 provisions mentioned by European Commission in „Europe 2020” strategy we can observe that four of them refers to the Strategy for Employment:

- *Improving participation* of women and men in the labor market, reducing structural unemployment and promoting job quality;
- Developing a skilled workforce with capacities in responding to labor market needs and promoting lifelong learning;
- Improving the quality and performance of education and training at all levels and increasing participation in tertiary education or equivalent;
- Promoting social inclusion and combating poverty.

Wishing to make a connection between the current situation in the continuous training of human resources and with the training opportunities from today and in order to identify possible best practice examples in the field, with the stated aim to propose a strategy for continuous training we conducted a survey among over 250 companies in Romania.

The survey concentrated on the 22 questions regarding various aspects of this kind of activity (staff employees and issues that these organizations are currently facing, job-criteria, typology of ideal employee, skills and structures/opportunities identified in human

resources management, companies future perceptions on continuous training, the importance in acquiring performance from specialized activities of pre/post employment and collaborations with academic institutions and their future view regarding a possible human resource strategy at national level).

The respondents structure had a good territorial distribution even though was registered a big concentration of them in Bucharest. Taking into consideration the size of respondents the following structure was registered: 2.53% - big companies (more than 250 employees), 37.13% medium size companies (50-249 employees), 48.10% small companies (10-49 employees) and 12.24% micro companies (less than 10 employees). Regarding the most important aspects that are considered by companies in the moment of recruitment, 57.39 % of respondents appreciated that they selected staff with a tertiary degree, 36,31% mentioned that they selected staff with secondary degree (baccalaureate degree) and only 6.33% of total companies recruited unqualified personnel, which we appreciate as a best practice example(Fig. no 4). Taking into account also the separate answers regarding new employees with a higher education degree we can appreciate that 31.65% of respondents hired university graduates without any level of experience, mean while 25.74% indicated that they selected staff with professional experience in a specific field.

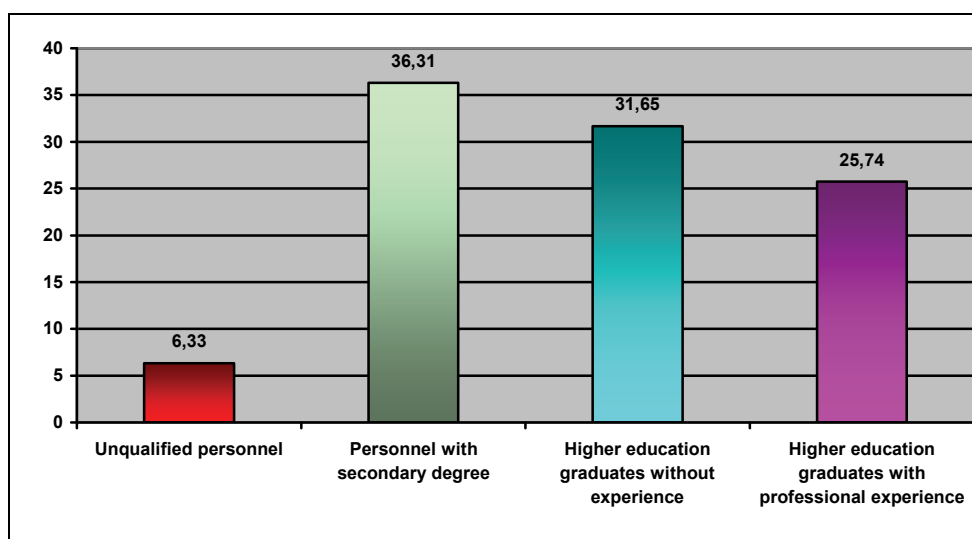


Fig. no. 4. Structure of employees selected in the last three years

Source: adapted from Stoika, 2012

Another issue that we intended to highlight consisted in underlining existence of specialized personnel with a specific role in human resource development inside the companies. Therefore, the responses analysis showed that in most presented cases (68.35%) at the institutional level exists specific personnel with formal tasks in human resources development, full time employed (fig. no 4). This parameter is a strategic one at national and organizational level, measuring the organisations’ interest in ensuring competitive advantage through a better development of human resources.

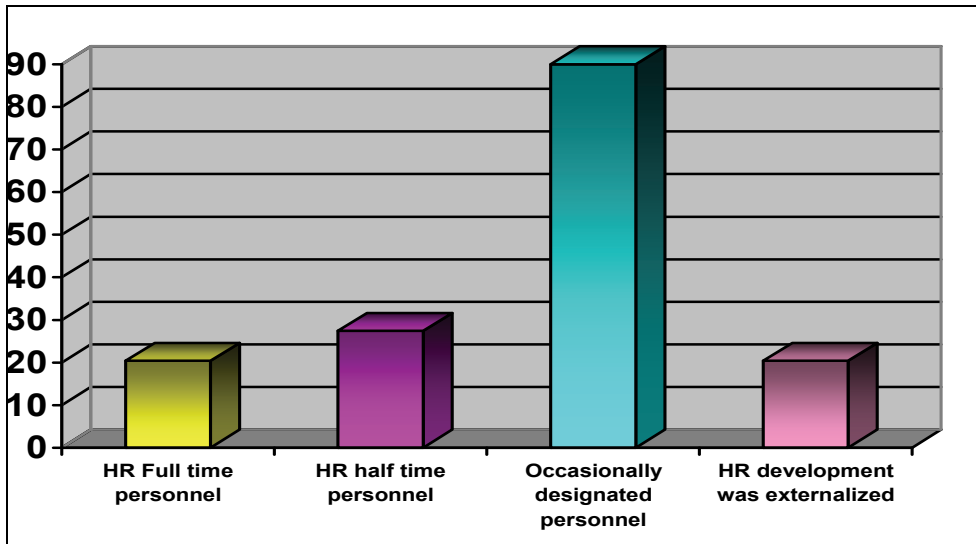


Fig. nr. 5. Categories of personnel involved in managing human resources

Source: adapted from Stoika, 2012

In terms of percentage of employees receiving training leave professional or institutional, answers illustrate the following situation: over a half of survey respondents (52%) mentioned that between 1-15% of all employees received training periods. In 40% of organizations who answered to this question indicated that the number of beneficiaries of such vocational training leave is between 16% - 30%. A small number of organizations (6%) were indicated the range between 31% - 50%. At this question were recorded 5 answers which indicates that over 50% of employees benefited from these types of training periods (fig. no. 6).

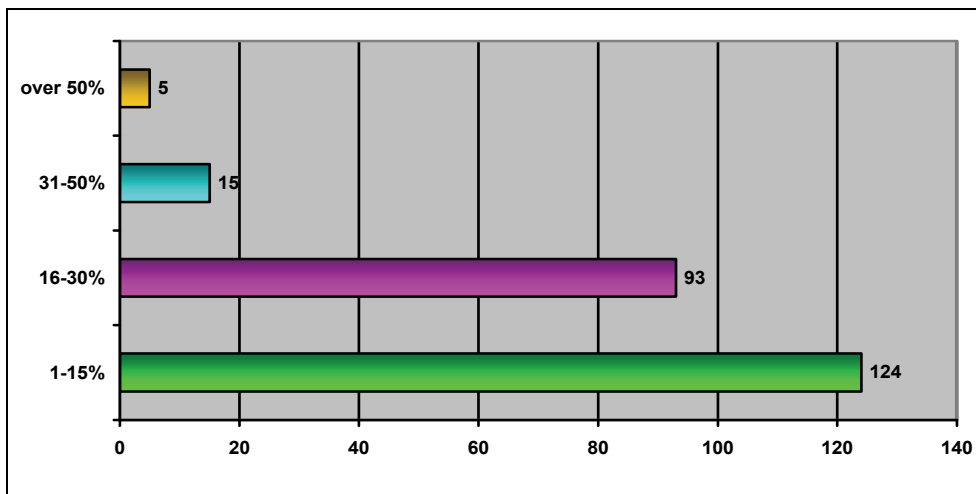


Fig. nr. 6. Percentage of employees involved in training activities

Source: adapted from Stoika, 2012

Summarizing answers to this question we can mention that these training periods are not accessed extensively by employees due to factors such as reduced total number of employees having sometimes the capacity lack to ensure the permanence of work, wage restraint, not encourage or widespread participation of employees from the management level which only aim to increase turnover, lack of proper and constant information from departmental structures dealing with the management of human resources.

4. Directions Towards a Strategy for continuous Training of Human Resources

A national strategy for continuous training of human resources at this scale has yet to produce its own effects on two separate levels:

- level of the new workforce needs identified between education and labour market
- level of workforce who are working or looking for another job.

Without a clear tie between the two levels the regulations can have an incompatible impact with the realities of each category. Any strategy is based on an amount of principles able to give rise to specific objectives involving activities with a major impact on the individuals. Without them any strategy can not achieve its targets. For that, based on the elements identified above we can define the main strategic principles that a strategy for continuous training should be based:

- *Principle of lifelong learning*: The idea of training must be modeled so that the individuals see it as a useful activity necessary to advance in their careers and in everyday life.

- *The principle of active participation*: This strategic proposal was initially coordinated for stimulating widely participation of all stakeholders (Higher Education Institutions, government, NGOs and other structures) in projects dedicated to promote and stimulate the training activities of human resources in Romania.

- *Principle of adaptability of training resources*: Under the proposed strategy, we attempted to define the strategic activities training needs of the two-tier labor segments from Romania mentioned above (pupils and students - the future workforce and those who are currently employed or seeking, employment).

- *Principle of transparency and dissemination of results*: Most of the issues raised in the proposed set of strategic activities should be disseminated to stakeholders in different sessions / working groups/ seminars. Of course, this idea is available to all stakeholders to develop concepts related to training activities, using derived information in creating a solid basis for future decisions in this area.

- *Principle of employability*: Any approach which includes various measures as a human resource strategy must have also the purpose of creation of new jobs and increasing the retention rate of active staff in the labor market, making also possible best practice examples.

Conclusions

In terms of the legal structure in Romania, we see that there are various approaches to education and training of human resources, which are permanently changed (sometimes annually) ultimately leading to an increased non-qualitative expansion of this approach to the workforce occurring in the medium and long term with even opposite effect. In order to

implement the good practices promoted at the European level, we consider necessary for the Romanian government to enact the proposed measures and to favour direct actions, which impact the individual, as a key element of increasing the competitiveness of the national economy.

We also mention the following issues that are not sufficiently well managed at national level in human resources: insufficient correlation between the real needs of the economic environment with the competencies of human resources currently attending training sessions, many training centers not providing high quality training, attention focused on obtaining certificates / diplomas showing some skills without focusing on what is really important, no feed-back post-running training sessions which is required for improving training services, lack of a national body to coordinate training activities at national level to ensure proper implementation of all provisions related to this activities. So creating a human resources strategy based on above proposed principles in Romania would have a significant impact in a relatively short period of time and could specifically also have in the group of young graduates (the highest percentage of workers seeking employment abroad). If after all the above issues we consider also the recent cases registered at university level (decrease of graduates who fail to promote baccalaureate exam, automatically declining the new potential mass of candidates in higher education system) and demographic projections in our country we can reach at the conclusion that in the following period highly skilled workforce will decrease significantly. After all issues presented we envisage that the answer for most of these disproportions found between labor market and requirements of future jobs can only be transformed into a set of strategic measures in order to minimize these differences.

Acknowledgements

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