# HUMAN RESOURCES DEVELOPMENT AND THE SITUATION OF LABOUR MARKET IN THE CONTEXT OF SUSTAINABLE LOCAL DEVELOPMENT

# DEZVOLTAREA RESURSELOR UMANE ŞI SITUAŢIA PIEŢII MUNCII ÎN CONTEXTUL DEZVOLTĂRII LOCALE DURABILE

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This study addresses the issue of human resource development, focusing on continuous training and employment, in the context of sustainable local development. It is known that the development is based on the human resource, so there must be local responsabilities in terms of skilled labour and increase the adaptability of environamental changes. The expected results, obtained by analysis (in the Botosani Municipality) will reflect some of the specific measures that must be taken in terms of professional training and employment promotion in the current economic crisis.

**Keywords:** local sustainable development; human resourcses development; continous professional traning; unemployment; promotion.

**JEL CODES:** M12, M53, M51

### Rezumat

Studiul de față abordează problematica dezvoltării resurselor umane, punând accentul pe formarea profesională continuă și ocuparea forței de muncă, în contextul dezvoltării locale durabile. Este cunoscut faptul că, dezvoltarea se bazează pe resursa umană, astfel că la nivel local trebuie să existe responsabilități în materie de calificare a forței de muncă și creștere a capacității de adaptare la schimbările de mediu. Rezultatele așteptate, obținute după efectuarea analizei ( la nivelul Municipiului Botoșani) vor reflecta câteva dintre măsurile concrete, ce trebuiesc adoptate din perspectiva formării profesionale și a promovării ocupării, în condițiile crizei economice actuale.

**Cuvinte cheie:** dezvoltarea locală durabilă; dezvoltarea resurselor umane; formarea profesională continuă; șomaj; promovarea ocupării.



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### 1. INTRODUCTION

Most researchers agree that the strategic development of human resources involves systematic and formal processes which need to be adapted to the existing organizational needs (MANOLE, 2011). At the same time, this development can help organizations to improve the management of operational capabilities, all the specific skills and competencies that permit better management of existing crisis anf prevent future ones (Wang, Hutchins & Garavan, 2009).

Organizations may face more difficulties on operatinal capabilities, for example:

- Lack of knowledge required in crisis management process (Sayegh et al., 2004);
- Lack of awareness to threats to business continuity (Dahlhamer& D'Souza, 1997);
- Lack of psychologicl skills to cope in a certain situation and lack of adaptation to decision making (Gaudine & Thorne, 2001).
- Inability to follow instructions from respondents in a crisis incident (Perry &Mankin,2005).

Given the difficulties and the fact that the strategic approach to human resource development is a requirement in the globalization era, we can say that the continous 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 existance of employees who do not manage to professionally keep up, with changes occuring in the conduct of activities at the organizational level, is a major problem for managers (Manole, 2011, p.208).

Therefore education and professional training are critical elements of which the local development must take into account. But to tackle the issue of continuing professional training and employment in the current economic downturn, we felt the need to define three concepts: regional, local and sustainable development.

Regional development as a form of local development, represents both central and local public administration authorities, designed to improve the economic performance of some geographical areas constituted in "development regions" (Matei, 2004, p.64).

Local development is, in the sense of specialists, a development process, primarily economic, in a certain region or political subdivision which increases the quality of life locally. Local development is aimed at economic prosperity and social welfare by creating a favorable bussiness environment, along side with community integration of vulnerable groups, use of endogenous resources and development

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of private sector (Parlagi, 2004, p.86). Therefore, economic development requires the development of regional or local economic capacities and responding to economic, technological, social changes etc. (Matei, 2004, p.86).

Regarding the third concept – sustainable development – we can say that it seeks reconciliation between two fundamental aspirations, firstly the need for economic and social development, and also environmental protection and improvement.

Thus, the development, which meets the requirements of the current generation, facilitates future generations to carry out its options, is sustainable development (Ionascu, 2003, p.12).

Local development diversifies and enriches activities on a given territory by mobilizing resources and energies existent in the area. As a result of the efforts of a population, local development means the implementation of a economic, social and cultural project.

This transforms a neighborhood space in an area of active self-help (Frege, 1991, p.57). The definition of "local" is not only about the territorial administrative units, but also at intercomunal, interregional and even borders. It should be understood, in the context of reginal development, the place and role of local development, partnership development and types of relationships at various administrative levels (Matei, 1998, p.95).

Local development implies a normative and procedual framework of a local partnership, local development strategies and resources.

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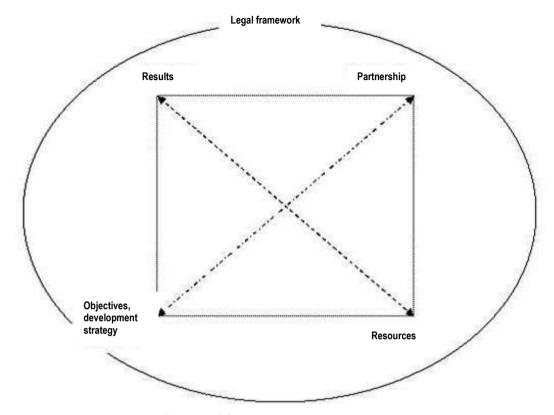


FIGURE NO.1 COMPONENTS OF LOCAL DEVELOPMENT Source: www.scritube.com/administratie/Dezvoltareurbană

As we mentioned earlier, local development is a complex phenomenon that concerns the entire economic, social, political and cultural life in a territory. Thus, local development should consider factors such as:

- Environmental protection;
- Social development;
- Economy and market;
- Government and regulation;
- Spatial planning;
- Education and training;
- Science and research.



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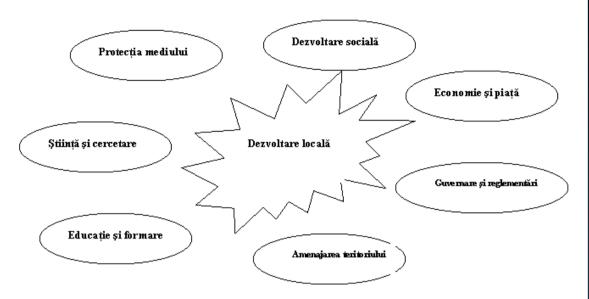


FIGURE NO.2 ELEMENTS INFLUENCING LOCAL DEVELOPMENT Source: www.scritube.com/administratie/Dezvoltareurbană

The development is basing on the human resource, so there must be local responsabilities for skilled labour and increase adaptability to environmental changes.

The main objective in training is to provide skill and experience, so as to achieve optimum and safe performance, using the most appropriate methods. In doing so, a very important role have personnel strategies and policies, as the modernization of work processes do not ensure the achievement of economic efficiency, if not is also considered staff training. In order to improve professional training, it is felt the need for action on (Manole, 2006, p.146):

- The exact knowledge of training demand and its evolution;
- Organization of a clear evidence of employees training in each organization;
- Inform those interested in the possibilities of training;
- Motivating employees and supporting those who want to improve on their professional training;
- Create a plan for training activities;
- Coordination of continuing professional training activities whithout interfeering wit initiatives.

Each of these distinct types of learning activities involves a varity degree of acquisition of knowledge, capacity building of understanding, skills and attitude training.

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The overarching goal of the professional training action is to increase performance (Livy, 1988, p.145). Also, there are other reasons why the professional training is one of the "outpost" of human resources management: to develop human potential, helps individuals to "grow" professional but also on a social culturale perspective. These aspects are not merely a result of socio economic and cultural changes in the entire world, with repercussions on the training activity (Manole, 2006, pp.146-147). According to specialists (Bennett, 1990, pp.47-48), there are benefits from the use of trainig, 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.

Organizations which have an adequete vocational training philosophy understand to operate in an area where competitiv advantage is achieved only with employees of high professional and moreal quality. For this is necessary to invest in human resources of the organization in developing their skills and knowledge (Manole, 2006, p.148).

Thus, professional training must meet certain requirements in order to be a viable investement, and those are (Louart, 1994, pp.133-134):

- Focus on solving problems and eliminate causes of production failure:
- To be addressed directly in relation to performance;
- To be geared towards obtaining clear and effective results;
- To be aimed at continuous improvement of staff;
- To assume a strategic approach.

Currently, continuous education and training of adults is the natural continuation of inital education and training, as an objective necessity imposed by a transition to a knowledge based society and the need for professional fulfillment and permanent personal development. This way, it occured, the integration

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concept of lifelong learning (IPIV) (lifelong learning<sup>1</sup>), which includes the initial education and the adults learning<sup>2</sup>, as learning forms which ensure overall development of individuals, including proffessional development.

Constant investment in an individual's lifetime will allow the creation/development of performant human resources, highly competent, able to support the incorporation of technological progress and sustainable growth of national economy and, also social and cultual development. Romanian companies, but also I would mention, the entire public sector, need skilled workforce to cope with tough competition on the European market and to be able to continually adapt to changes. Moreover, "permanent education in order to obtain new skills, widen and improve specialization" is the objective of government for the period 2009-2020, provided by ISHRD (integrated strategy for human resources development). Lifelong learning is an opportunity for people fro, disadvantaged backgrounds, to join the labour market.

Continous adult learning (CAL), as support for ISHRD foundation is subject to:

- a) Building simulation tools for employers to invest in staff education;
- b) Facilities for adults to invest in their education;
- c) promote educational offers for adults.

Continous adult learning (CAL) in relation to the profession or continous professional training (CPT) is managed by institutions like – Ministry of Labour (MLFSP) and National Council for Adult Vocational Training (CNFPA), at the same time with the Ministry of Education, Research and Innoavtion (MECI), and the granted facilities are more of a mender type (for example, re-qualification of unemployed) and not proactive (for example, to fund adult learning allowing individual career development through vertical occupational mobility).

Strict exigency belong to the CAL system, given that, on the one hand, almost one quarter of young people between 18-24 years old leave school withouth having basic skills and qualifications necessary to

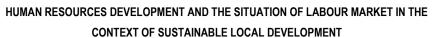
<sup>&</sup>lt;sup>1</sup> All learning activities conducted throughout life in order to improve the knowledge, abilities and/or qualifications for personal, social and/or professional reasons. The horizontal/transverse dimention of IPIV brings together the learning, it could be formals, non-formal or informal which is done in a full range of activities (personal, social and/or professional), at any stage of life (longitudional dimension). The notion of *lifelong learning* encompasses all areas and refers to school, vocational training, and also at university and adult edducation, as components of a system of equal value compehensiv (Tissot, 2004l).

<sup>&</sup>lt;sup>2</sup> The learning offers for adults are often designed for general purposes rather than for the vocational education. Adult learning is related, but not synonymous with education/continous training, which has especially vocation connotations related to the acquisition of skills that allow practicing a profession. It is commonly used to highlight general education of adults (eg, in the popular universities); for providing a compensatory learning in basic skills that people may not be acquired in initial education (literacy),to develop itself and manifest as active citizens, but cover all the education needs of adults, and that of facilitating those persons (a) to access and obtain qualification that have not been accumulated for various reasons in the education system and the initial training (b) to acquire, to improve or update abilities and/or competences in a specific area (Tissot, 2004; European Commission, 2008).

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hold a job<sup>3</sup> and, on the other hand, we will face medium and long term aging effects. Therefore, it is necessary an increased attention to lifelong learning for elderly adults in the labout market, through services that support active aging FCA. We have taken important steps on the assurance line, for example, the second chance for education, or extension advisory services. Solutions are needed to diversify the offer of training, in particular the providers for basic adult learning, to better adapt to the characteristics and trair learning needs.

At the same time, firms face a more acute need for technological changes correlated with staff training<sup>4</sup>. Even with respective economic crisis, CAL remains an important factor in the economic relaunching.

Even so, Romania has a low corporate investment in training/continuing professional development, which is considered by companies to be an expense than a durable investment with positive effect on medium and long term. For example, the participation rate in CPT courses was 26,4% in total public units (22% persons under 25 years old, 27,7% persons aged 25-54 and 15,1% people of 55 years old and over) and 32,3% for those in private enterprise (ie, 35,6%, 32,6% and 22,9%) (INS, 2007). Although the average duration of training courses in 2005 increased by 1,3 times compared with 1999, average per participant was halved (44,1 hours compared to 72,7 hours) and 69,9% during such allocation was carried out in the work program.

In addition to the CPT offer inm enterprises, the CAL service system is difficult to measure in a quantitative and qualitative method. The CAL service providers are diverse, from formal education institutions to specialized economic agents and civil society institutions, belonging to both the public and private environment. Educational institutions are focused on inital education and the CAL offer is rather a residual concern and ill adapted to the needs of adults and employers, requiring offers more diverse, more flexible. At postgraduate level, universities focus more on offering masters and doctorates, and very little on offering modular, flexible, timely training throughout their career. Specialized institutions of CAL, as providers in the specific market focus on providing learning opportunities for training/ professional development and for short term demand on knowledge updates, general abilities and competences gaining and specific changes in the content generated by jobs. Because CAL should offer a rapid adjustment to chaning requirements of the labour market, diversifying and improving the quality of training supply must be a constant concern.

<sup>&</sup>lt;sup>3</sup> The Ministry of labour, Family and Equal Opportunities.

<sup>&</sup>lt;sup>4</sup> The need for CPT was determined mainly by the firms in order to absorb technological and non-technological progess. The dynamic situation of firms in terms of technological change is perceived different by region, industry and business size. On the whole country, 42% of representatives of the companies belive that, in their own companies have been important changes in the last 5 years in terms of technological and non-technological area. The most significant changes in technology and work organizations were recorded in large firms (with over 50 employees) (National Observatory of employment and labour training, 2007).

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In addition, the quality of the offer, such as adaptations to the particularities of adult learning, is often questionable. Unfortunately, it is often found that teaching and learning techniques are traditional, inconsistent with the active, participatory and innovative learning. At institutional level, there is an acute need for training of trainers for adults focused on quality and entrepreneurial culture, based on active learning and skills, according to the needs of specific formative and professionalism of their career.

Courses not only offered by CAL need improving, but worrying is also the low interest of aduls to access CAL offers. For example, the data offered by ANOFM on courses funded by the unemployed fund, show that out of the total number of unemployed people in 2006, only 8.77% have opted for this opportunity, in spite of its facilities and of free training. In 2007, 46999 people participated, of which 89,9% were unemployed. Unfortunately, in recent years, remains, as I said earlier, at very low interest showed by unemployed people regarding continous professional training.

To conclude this part of the study we can say that, unfortunately, continues today, the fragmentation of training offer, the unconscious covering at the national level with training providers for adults, but also a low interest of emplyers (contractors, entrepreneurs) for investment in human resource development, all leading to a very low rate of paarticipation of those concerned.

According to Integrated Human Resources Development Strategy Project (IHRDSP)-previously mentioned in the study- the overal objective for the period 200-2010 aims to: improving the capacity and quality of human resource development systems, leading to growth and to ensure a stable employment, higher quality of life and social cohesion effective for those Romanian citizens at risk of social exclusion, to achieve, by 2020, the curent average level of EU countries, the main indicators of ssustainable development.

In this context, according to the project, the strategic targets for 2020 are the following (Ministry of Environment and Sustainable Development, 2008):

- The employment rate of working age population rata (15-64 years old) to increase from 59%, in 2008, to 65%, in 2020;
- Activity rate of working age population to increase from about 64% in 2008, to 70-75%, in 2020;
- Participation rate of children age 4 to early education to be at least 90%;
- Weight of 15 year olds who get few results on functional literacy to be maximum 15%;

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- Leaving early education system by the young age group 18-24 years, to be up to a maximum of 85%;
- Increase adult participation, the 25-64 age group, in education and training to be to a minimum level of 12%;
- Number of participants in training or retraining programs for vulnerable groups to increase from 6.487 i9n 2005 to 170.000 in 2020.

Given these objectives, we can say that education, initial and ongoing training and research will contribute to the whole process of investment in human resources so that in fact they can support the capacity of national economy, and implicit the human resources, to cope with competitive pressures, the increasing of the single European market and the global one.

# 2.CONTINOUS PROFESSIONAL DEVELOPMENT, UNEMPLOYMENT AND PROMOTING EMPLOYMENT. CASE STUDY

I was mentioning in the first part of the study that sustainable development at local level is based on human resource, so that authorities must take responsibility in terms of labour skills and employment promotion, in order to increase adaptation capacity of human capital to the new trends of development of economic environment. The analysis performed on the two fundamental aspects of human resource development (FPC and promoting employment) is based on information provided by the Local Development Strategy of Botosani City 2008-2015 (S.D.L.M.B), this strategy being based on national, regional and county level, allowing an easy way to addressing access to Structural and Cohesion Funds of the European Union. I opted for the analysis in Botosani municipality, old princely court (sec XV-XVIII), which may be presented today as a historical region of Romania, a land of beauty and compelling human values (Eminescu-poet; Iorga-historian; Enescu-musician; Luchian-painter; Grigore Antipa-naturalist, etc.) One of the major issues, identified in the last years (2005-2008), locally, is the difficulties faced by employers in hiring qualified personnel in the labour market. It has many gaps in the supply of skilled labour in the context of new trends of development of economic environment. According to primary data provided by S.D.L.M.B., in 2005-2007 there was a growing trend in the training activities, so the number of graduates of courses organized by various authorized institutions, have a positive score from year to year (see table 1):

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TABLE NO.1

Levels of professional training	2005	2006	July 2007
Qualifiction	1090	1102	1229
Initiation	317	484	473
Specialization	-	24	264
Improvement	27	138	1605

Source: County Agency for Employment and Training Botosani

After surveying public opinion, the citizens of Botosani City agreed (in a ratio of 75,9%) with the fact that at local level unemployment was a higher one (see table 2), contrary to official statistics which noted that at municipality level the unemployment rate was about 1% in 2007 (see table 3). Also, ome of the features of the labour market in Botosani municipality, in the period concerned, were:

- the need for skilled labour;
- many unemployed who worked illigally;
- existence of labour shortages in certain sectors;
- emigration of skilled and unskilled labour to the domestic and external labour market;
- little chances of re-employment fir unemployed people in the local labour market, etc.

All these features are found in public opinion and are expressed in percentage level (see table 3).

TABLE NO.2 UNEMPLOYED RATE DEVELOPMENT AT THE MUNICIPALITY LEVEL BETWEN 2005-2007

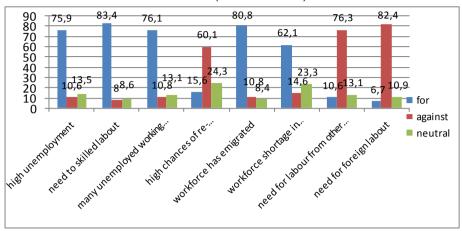
	2005	2006	July 2007
Totla unemployed, of which:	1951	1379	836
% women	37.2	40.2	46.5
% allocated expenses	49.2	57.5	55.4
Unemployment rate at the city level	2.38	1.65	1
Unemployment rate at the county level	7	6	5.24

Source: County Agency for Employment and Training Botosani

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TABLE NO.3 CHARACTERISTICS OF LABOUR (UNEMPLOYMENT) IN THE BOTOSANI MUNICIPALITY



Source: Market research for Local Development Strategy Botosani, 2007

At the same time, the evolution of unemployed by age and education level, are other relevant indicators of human development in the Botosani City in 2005-2007, as follows (see table 4 and 5):

Evolution of Unemployed by Age at The Municipality Level in 2005-2007

**TABLE NO.4** 

Year	Total registered	<25	25-29	30-39	40-49	50-55	>55
I Cai	unemployed	years	years	years	years	years	years
2005	1951	417	142	356	594	361	73
	100%	21%	7%	18%	30%	19%	4%
2006	1379	269	77	240	382	308	104
	100%	20%	6%	17%	28%	22%	8%
2007	836	109	153	141	214	206	107
	100%	13%	18%	17%	26%	25%	13%

Source: County Agency for Employment and Training Botosani

Evolution of Unemployment by Training Levels in 2005-2007

**TABLE NO.5** 

Year	Workers	Normal studies	Higher studies
2005	1494	267	180
2006	1061	201	117
2007	629	133	74

Source: County Agency for Employment and Training Botosani

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 sthrenghts and weaknesses, but also opportunities and threats (S.W.O.T. analysis), as fallows (see table 6):

TABLE NO. 6



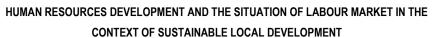
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NR.	AREAS	STRENGHTS	WEAKNESSES	OPPORTUNITIES	THREATS
1.	Continous professional training	Continued growth from year to year of number of people who are moving towards professional training  Implrementation of programs of adult training courses  Employment offers are higher for women than for men	- Weak representation of adult training services and lack of training centres - Lack of services and demand for skills development programs, particularly for people with key positions in companies and public instituations - 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 - Occipatinal accidents are due to: poor training, alcohool, high turnover of workers	Awareness of emplyers for a shift to investment in human resources  Increasing competition in the workforce by: improving working conditions, the return of the workforce from abroad economic development environment, etc.  Establish an accreditation centre for recognizing qualifications  Involving the private sector in offering training services to adults	The migration of specialists and labour, in general, to other regions  Decreased labour supply compared with labour demand  Aging workforce  Deteriorating of economic environment
2	Unemployment and promoting employment	Downward trend in unemployment  Official unemployment rate is very low  The existence of a Eures office for helping the workforce on the external labour market  Population growth is higher than national average	- Official statistics do not reflect reality (unemployment is still high): many work illigally, many left to go to work abroad, many emigrate, while others are involved in seasonal work - Loal jobs are few, leading to their employment on the basis of recomendations 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	Government programs to subsidize jobs  Investment objectives supported by Structural Funds grant  Implementation of programs promoting active employment measures  Tighter degree of monitoring from labour markert institutions in charge	Continous migrationg of the workforce  Migration of spcialists to other regions  Frequent and difficult changes in labout law enforcement  The damage degree of economic development

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Taking into account all the difficulties (weaknesses) related to continous training and the labour market situation – unemployment and promoting employment- at Botosani municipality in 2005-2007, the local authorities has to adopt several measures, absolutely necessary, from the point of view of the human resources development. From this perspective, 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 during 2005-2007) 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 oder 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, byt he 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, publich 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

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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:

- 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;
- 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;
- Implementation in partnership with training organizations for projects in vocational adult training required in the labour market, for both unemployed and unqualified employees;
- 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 iin improving and increasing economic results;
- 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 aftergraduating from superiod shools;
- Support campaigns on the promotion of compliance with health, safety and security and stimulate the establisment of several occupational medicine clinics and doctors specilizing in ocupational medicine.

### 3. CONCLUSIONS

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 percentual points from the objective of 70%;

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female employment rate of 53,1% at a distance of 6,9 percentual points to the objective of 60%; employment rate of the age group 55-64, of 43,6% at a distance of 6,4 percentual 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 no.7) (NIS, 2008).

TABLE NO. 7

Stategic Integrator Objective	Specific objectives	Directions of Actions	Key Performanc e Indicator	Basic Level	Year Basic Level <sup>5</sup>	Target	Term S M L	Responsi ble	Source of Funding
Establishing a functional real needs assessment system and defining the directions of development of human	Growth of analysis capacity and evaluation of changes occured on the labour market	Achieveme nt 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
resources in the current European and global market	Understan ding the labour market needs from the point of view of demand an	Accomplish ment of studies, analyzes and statistics regaring human	Number of studies, analyze, reports, continous professional training strategies	2	2009	4 8 15	2010 2013 2020	MMFPS, MECI	Research budget, Setoral programs, European Social Fund
	supply studies	resources in Romania	Number of studies, analyze, reports, strategies – transtion from school to work	1	2009	4 8 15	2010 2013 2020	MMFPS, MECI	Research budget, Setoral programs, European Social Fund
		Accomplish ment of studies relating to labour demand	Number of studies, analyze, reports, strategies – employemen t	2	2009	6 7 20	2010 2013 2020	MECI, MMFPS, ANOFM	Research budget, Setoral programs, European Social Fund
			Number of studies, analyze, reports,	2	2009	4 10 15	2010 2013 2020	MMFPS, ANOFM	

<sup>&</sup>lt;sup>5</sup> Estimated number of studies conducted in 2009.

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	strategies – labour market access			

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

Regarding continous professional dvelopment, 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 prohrams for adults in a informal and nonformal system, and on the other hand, improving the employability, adaptability and mobility of labout according to the required needs, which is going to be achieved through the development of a performant, transparent and flexible system of continous professional development. (SIDRU)

Thus, a strategic priority for the priod 2009-2020 is: professional development as a basis for labour supply on the labour market, flexible and articulate potential labour demand (see table no 8). From this point of view, specific objectives assumed through Integrated Development Strategy fo Human Resources (SIDRU), aims to:

- Adjustment to the training offers for human resources development;
- 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.

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# TABLE NO. 8

Stategic Integrator Objective	Specific objective s	Directions of actions	Key Performa nce Indicator	Basic Level	Year Basi c Leve	Target	Term S M L	Responsible	Source of Funding
Develop an integrated, efficient and flexible network in order to manage training need in	Adjustme nt of training offers for DRU	Improving access to services and opportuniti es for FCA, developing an appropriate	Number of participan ts to FPC programs (training and re- training)	187.000	2004	156200 354100 560000	2010 2013 2020	MMFPS, MECI, ANOFMCNF PA, Social Partners, Sectoral Committees, Employers,	State budget, Insurance budget for unemployed, social partners' funds, employers' funds,
relation to the labour market developme nts		model for informing, advicing and guiding	From which			70960 159345 200000	2010 2013 2020	Providers	structural funds
		potential beneficiari es Diversificat ion of opportuniti	Woman			25000 55000 90000	2010 2013 2020		
		es for training and life long learning	of participan ts in continuou s training			158000 360000 600000	2010 2013 2020		
		Adapting the content of FCA offers at the request of the economic environme nt and the	Number of persons receiving counselin g / guidance-continuou s training	1,3	2006	7 8 10	2010 2013 2020		
		developme nt requiremen ts of society knowledge	Adult participati on between 25-64 years old, to	40,3	2005	50 55 67	2010 2013 2020		
			education and training (%)	0,3	2007	0,5 0,65	2010 2013		
			Share of enterpris es that provided FPC to their own employee s(%)			1	2020		
			Business investme nt in	58	2006	60 65 75	2010 2013 2020		

<sup>&</sup>lt;sup>6</sup> Estimated number of studies conducted in 2009.



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1		continuin						1
		continuin g training in relation to the monthly average cost of labour(%)	13,97	2007	15 20 33	2010 2013 2020		
		People recruitme nt within 12 months from the final examinati on (%)						
		Participati on rate of unemploy ed to professio nal training (%)						
Improve the quality of the personnel training system	Implement ation of quality assurance mechanis ms	Education and training staff trained/im proved  Number of FPC providers supported for introducing quality assurance standards	7200 37300	2009	9.200 14.700 20.000 38.400 40.000 50.000	2010 2013 2020 2010 2010 2013 2020	MMFPS, MECI, ANOFMCNF PA, Social Partners, Sectoral Committees, Employers, Providers	State budget, Insurance budget for unemployed, social partners' funds, employers' funds, structural funds
Develop an integrate d, efficient and flexible network in order to manage training need in relation to the labour market developm ents	Coordinati on of training manageme nt needs	Schedual ed financial effort for of the unemploy ment fund(%)	2,17	2007	3 5 10	2010 2013 2020	MMFPS, MECI, ANOFMCNF PA, Social Partners, Sectoral Committees, Employers, Providers	State budget, Insurance budget for unemployed, social partners' funds, employers' funds, structural funds

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Establish	Monitoring	Share of	20	2009	25	2010	MMFPS,	State budget,
evaluatio	and	FCA			40	2013	MECI,	Insurance
n	evaluation	providers			80	2020	ANOFMCNF	budget for
mechanis	of	which					PA,	unemployed,
ms of	insituations	have					Social	social
FCA	providing	develped					Partners,	partners'
	FCA	sisytems					Sectoral	funds,
	services	for					Committees,	employers'
		monitorin					Employers,	funds,
		g and					Providers	structural
		evaluatio						funds
		n						

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

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 simalar to those financed from Community funds mentioned above;
- Other fundings 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 fundin of stratigic 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.

Also, funds will be allocated from the state gudget and locald budgets and also reimbursable funds granted by the International Bank for Reconstruction and Development, that sets annual priorities for the allocation of funds allocated according to agreed action plans.

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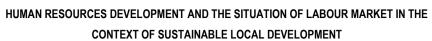
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In conclusion, it remains to be seen whether all these strategic objectives on human resources development will be implemented. If this happens, they will contribute on long term to improving the quality and efficiency of education and initial and ongoing training, the employment and social inclusion, will provide human resources able to use the best possible current and future opportunities of personal and professional development in order to achieve the current average level of EU countries for the key indicators of sustainable development, national target set for 2020, in the National Strategy for Sustainable Development of Romania, 2013-2020-2030 horizons.

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