

PERSPECTIVES OF THE YOUNG GRADUATES ON THE LABOUR MARKET

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Abstract: Young graduates face numerous problems when they leave the school to enter the labour market. The orientation and the option for a certain job is no longer done according to the youth's physical and intellectual skills or to the results obtained at certain disciplines during the academic years, but they are done at random, or they are oriented by the group of friends' option. One of the main causes of the youth's access problems on the labour market is their insufficient training level. When they enter a faculty they neglect their professional training and choose to have a job on the labour market, often being blocked in a temporary and badly paid job. Romania presently holds a top position regarding the number of the unemployed youth recorder in the EU's statistics, even though the migration of the well-trained labour force has increased.

Key words: youths, professional training, unemployment, occupancy, labour market

Professional training, the increase of the general eligibility level, the acquirement of theoretical and practical skills, the adjustment to the new informational technologies and the integration into a complex and diversified Europe are done during school time and throughout one's active life. The initial education of the labour force is very important because it represents the procurement of productive competencies that will be put into practice during one's active life.

The demographic changes from the latest years have had a significant impact on the labour market, changing the education- occupancy-unemployment-inactivity relation. From this point of view, the professional training policies should be adequate to a decreasing and old population, from which more than 40% come from the subsistence agriculture field and have a reduced professional and territory mobility. Although these policies are oriented towards groups of people in need and try to offer more opportunities and mobility on the labour market, they managed to temporary and partially solve the problems faced by the labour market because they lack the necessary consistency and sustainability³²⁷.

When we discuss young graduates' perspectives on the labour market, we refer both to highschool and university graduates. Most of the highschool graduates are interested in the educational services the public and private faculties provide, delaying their entrance on the labour market. In contrast, university graduates that are targeted by the work force's offers face countless problems being candidates of professional failure. From this perspective, at the end of 2007, about 360.000 people with studies ranging from elementary to post- highschool were registered at ANOFM. (National Employment Agency.)

Young highschool graduates are being disappointed by the fact that school prepares them not even for life, that the qualifications for occupying a workplace are poor; they are not even able to make their own curriculum vitae or know where to start looking for a job or to whom to address to. Thus, after 12 years of studying they are in the position where they have to re-orientate their professional career in dependence of the permanent changes on the labour market, which means they are forced to choose a new job. All these facts are evidence for the fact that the qualifications obtained by the highschool graduates are not interrelated with the requests of the labour market, and that these graduates have not been well oriented according to their skills and professional interest. Why? Because nobody is interested to check (and get

involved) if what is written on the paper has a correspondent in real life, or if it is functional and with what results. Although, at national and highschool level there are, at least on paper, professional orientation consulting rooms, they do not function.

ANOFM (in English NEA), through professional counselors at the territory employment agencies, try to find a compromising solution between the employers' demands and the jobseekers' wishes. Thus, from one million people that are annually recorded in the NEA's database, 50,000 are sent to training courses because the employer needs skilled workforce; moreover, any person can benefit of free-of-charge professional counseling services and support.

The board of the National Council for Adult Vocational Training (in Romanian CNFPA) recommends to all those interested in having a training course, to choose an authorized one. (see Table 1). These programs should reflect the need of the workforce on the market and should allow the jobseekers to re-orient more exactly. But most of the NCAVT's authorized programs from the last four years illustrate less the beneficiaries' needs and more the way the vacant positions are regulated. Thus, the regulations imposed by the law with respect to the necessary qualifications in order to be hired in a specific domain have stimulated the training providers to reorient towards specific programs.

Qualifications	Number of programs
Security agent	313
Waiter, shop assistant in the food field	248
Commercial worker	227
Cook	212
Work protection inspector	167
Human resources inspector	163
Data-processing operator	149
Bricklayer, stone-worker, plasterer	148
Common competencies-Communication in English	118
Carpenter - joiner – parquetry worker	114

Source: NCAVT, Capital Magazine, 21 February 2008, page 37

Table 1 Programs authorized by NCAVT

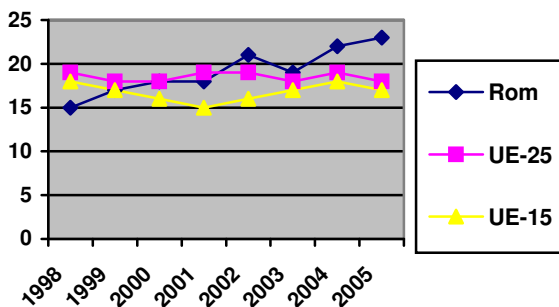
The jobs authorized by NCAVT are not appealing to the highschool graduates, most of them having no criteria that could allow them to make an evaluation and a selection; moreover, they don't know which qualification training course could lead them to a better workplace. In order to facilitate the connection with the labour force it is estimated that on the next months NCAVT will launch a national portal for professional counseling. Anybody who has access to the internet will be able to find, in real time, information about vacancies and professional training opportunities; they will also receive basic online professional guidance³²⁸.

The condition of the young university graduates is less tragic than that of the highschool graduates, but even they have to face numerous problems when occupying a desirable workplace according to their professional skills.

If we look from the point of view of the higher education relevance at the demands of the labour market we can mention some difficulties the young graduates face: the system is not interrelated with the needs of a dynamic market; the existence of a big number of students at profiles that are no longer requested on the market or at others where the schooling figures are oversized in comparison to the demand; the teaching method and the content of the curriculum are updated at the present European standards; a graduate might have solid theoretic knowledge and lack the practical ones; the absence of systematic studies and analysis regarding the interrelation between the university curriculum offer and the demands of the labour market; inconsistencies in developing strategies to strengthen the partnership with the economic and social environment, etc.

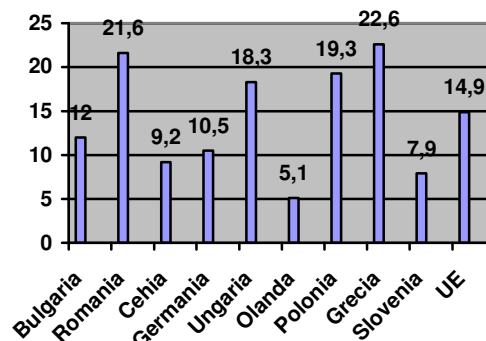
The employers' demands, the graduates' claims and the authorities' lack of interest doom the fresh university graduates to receive the minimum dole offered by the state instead of having a decent salary. The young Romanian graduates are condemned at unemployment due to three major factors: 1) the governors that are not sufficiently interested in this "target-audience"; 2) the employers that claim from the students to accumulate experience from the theoretical course – most of the times outdated. 3) the students exaggerated requests regarding the salary and the position- asked in the first year of work.

Romania holds a top position regarding the number of unemployed youth according to the EU's statistics. Our country ranked, in the third trimester of 2007, on the second place amongst the EU's member states regarding rate of unemployment for people aged between 15-24, which represents 21.6% according to Eurostat (European Union Statistical Information Service), which means 6.7% percentage points more than the average in the European Union (14,9%). The first place is held by Greece-22, 6%, and at the bottom we have Holland -5, 1%, Slovenia 7, 9%, Czech Republic 9, 2%, etc (see graph 1 and Graph 2).



Source: Eurostat

Graph 1. Youth Unemployment in Romania is higher than in EU.



Source: Eurostat

Graph 2. Unemployment average rate for youths under 25 years old

Another factor that might amplify unemployment amongst youth is the Government's imposition of a high level of the minimum wage on economy. The increase of the minimum wage for high education graduates was announced as a success of the negotiations held between the unions and patronages. In Bucharest and for some graduates categories success is illusionary; firms already pay salary packages that exceed the 880 lei gross (about 650 lei net) mentioned in the collective labour contract signed in December 2007. But in Romania there are categories of graduates and also regions where the increase of this salary is very difficult.

Stipulations regarding the minimum wage, in reality, do not refer to the occupancy of the labour force but to its non-occupancy. They don't force any employer to hire an employee at the minimum salary level, but they oblige him not to hire at certain levels, situated below the one fixed by law or by the collective labour contract. In Romania there are, actually, two minimum wages: the one established by the Government and the one established by the unions and patronages. Also, the respective stipulations flagrantly breach the employer's and employee's right to sign a contract. They compel the young inexperienced graduate not to accept the job, even though he would like to receive a salary that is below the minimum wage. If the employer wants to maintain the production level, as the time passes by, he will replace the unskilled and inexperienced workers, which have unexpectedly become expensive, with fewer workers that are more qualified, with much experience and with much sophisticated machinery so that his total productivity remains constant. The first sacrificed will be those less skilled, especially youth who lack experience.³²⁹

Although unions are aware that the minimum wage leads to unemployment, they still support this intercession. Why? The strategy is to determine the passing of a law or to sign a contract that will make the salary of the new comers on the labour market so big that they won't be hired no matter how outrageous the unions' salary requests would be.

After the EU's integration, another factor that has determined the increase of the youth unemployment rate is the border opening and the migration of the well-prepared workforce. Even though in the last three years 300,000 workplaces have been created due to economic growth, hundreds of Romanians left to work abroad determining radical changes on the labour market. According to a study made by the Ministry of Labour, Family and Equal Opportunities, one of four persons has taken into consideration the possibility of working abroad in the last three years and only 21% of the young generation thinks they can have a future in Romania. Although labour force migration represents a chance for many young people, from the point of view of bigger income, study continuity, knowledge, competencies and skills acquired, it also represents a risk factor which could generate losses of human capital and development, because those who emigrate have a high educational level.

Of course we ask ourselves why the young generation leaves. They leave for a better life because one's country is not where you were born but where it is good for you and we believe that it is natural for the human beings to look for a country that could offer them a certain standard of living according to their abilities, professional and intellectual skills and where their merits and contributions to the social and economic development of humanities are recognized.

Migration means that risks are being assumed and show that people who migrate are the most dynamic and boldest members of the society; most of them are youth, therefore age is the most important parameter of the migration intention, then people who come from low-budget families tend to temporary migrate to work while the desire to migrate to continue his/her studies is more evident for people who come from high-budget families. The distance between one's expectancies and the reality concerning the revenue determines an increase in people's intention to migrate definitely or with an education purpose (the urban environment and the youth).³³⁰

What should be done? We believe that the decisional factors should get involved so that the young graduates won't migrate and the work force be more flexible and adjusted to the requirements of the labour market. One main responsible factor is the young graduates themselves that allow to be influenced by others or by their group of friends .many youths don't have a clear life plan but a vague or limited one; others are very rigid with no plan at all. Professional orientation is very important and should be done in accordance with the youth's physical and intellectual abilities, with grade records, health, etc. if the young generation is well counseled and they passionately choose a profession, then their work results will have an immediate outcome and nobody will consider work a burden. It's true that in relation with the market, youths display different behaviours: some are inactive and had or haven't had a workplace; others are dynamic, changing many jobs, even the profession, while others fail to integrate themselves onto the labor market.

But today's youth can identify more easily the opportunities on the market and sometimes they succeed in capitalizing them successfully. Many students and even graduates work in the fields of activity that have no connection to their studies; on one side this can be benefic because it reviews the slow answers of the education system to the rapid changes on the labour market but on the other side a speculative behaviour of the youth may appear, which implies frequent change of jobs and salary increases higher than their competencies or productivity³³¹.

According to a study³³², youths have diminished their professional involvement which have triggered a big fluctuation in this category of employees. The average staff fluctuation for the 19-28 group of age is 45%-more over the percentage in the East market. Another survey done by Bestjobs indicates that 67, 76% Romanians intend, for 2008, to change their workplace. One of the reasons is the salary, 56, 46% think that they are low paid for their work.

According to the psychologist³³³ experts "youth workplace fluctuation is determined by the upward mobility, by climbing the hierarchical ladder and not by solving a frustration or some dissatisfaction." There is a growing interest of the young professionals of the IT (information technology 21,1%); project management (14,4%), finance/accounting (11,7%), marketing (11,3), research/development (11,2%), projecting/design/creation (8,1%), human resources (7,3%), sales (7,2%), training/education (1,7%), others(6%)³³⁴.."

Human resources specialists talk about a pressure created by the crises of talented people on the Romanian market. Stephen Morez, general manager at Hudson Romania states "even though there are more openings offered by the big companies that came to Romania, there are not enough skilled people to occupying

them.” Because of that, some managers started to introduce some specific instruments for managing gifted people so that to avoid the loss of those exceptional before they had developed to their full potential. Moreover, the employers have to position themselves on the market, to define their image duties through clear measures of improving the internal human resources process; they have to improve the internal human resources process, their organizational culture and change their leadership style. The deep crisis of the young and qualified workforce have influenced the employers’ attitude towards people under 25; the management of the companies is more permissive and flexible in attracting young workforce; they try not to require previous experience and they don’t emphasize so much the references.

Also the state offers facilities to the companies that hire highschool graduates, students or university graduates. Employers that hire pupils and students during the holidays benefit of a monthly financial incentive of 50% of the gross minimum wage per country for each student³³⁵. According to article 80 from 72/2007 Law, the employers that hire, for an undetermined period of time, graduates of universities are exonerated for a period of 12 calendar months from payment for the unemployment insurance budget and receive monthly per graduate:

- 1 gross minimum wage per country, from the date of hiring for graduates of secondary schools or vocational schools.
- 1.2 gross minimum wages per country, from the date of hiring for graduates of Upper secondary schools and post-highschool
- 1.5 gross minimum wages per country, from the date of hiring for university graduates

Another factor responsible for the preset situation is the educational system’s minimized contribution to the professional development of the youth; the fact that it hardly adapts to the market needs thus, causing an decrease in demands for any form of education, i.e. school abandon or migration to more performant educational systems.

What should be done?

- Application of measures that should stimulate new competencies updated to the new requirements of the labour market. A competitive economy implies competition.
- The quality of the workforce might become the key to economic development and progress if the diploma dictatorship will be removed in order to put the equality sign between a degree and one’s ability to perform.
- The work motivation of the Romanian youth in order to increase the economic efficiency is both complex and important. Thus, it is crucial to be aware of the Romanian youth’s attitude towards an active life; moreover, both professors and employers will know how to offer guidance to the youth and teach them how to combine education commitments with work commitments.
- Improving the occupancy services by using advanced informational technologies;
- The functionality of the professional training consulting rooms starting elementary school, high school, university and ending with the existing local and national Employment Agency
- Development of active measures regarding the employment and of good awareness; mediatization of the active measures; reduction of bureaucratic procedures, i.e. formalities simplification in order to benefit from all these active measures; quality increase of the professional training courses;
- Involvement of the employers and important social partners in the university education planning, etc.

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