# THE NEED FOR HIGH QUALIFIED LABOR FORCE IN THE PRIVATE FIRMS FROM ORADEA

#### **Hatos Adrian**

Universitatea din Oradea, Facultatea de Stiinte Socio-Umane, ahatos@gmail.com

## Chipea Floare

Universitatea din Oradea, Facultatea de Științe Socio-Umane, fchipea@gmail.com

This article presents the results of a survey conducted with randomly sampled representatives from 660 firms from Bihor, aimed at supporting the academic institutions to develop their educational programs as to address the educational needs for the private sector. The study presents in the fist section the structure of the human resources of private firms from Bihor County and a prognosis of the need for higher education qualifications from the following period. In the second section we assess the quality of the human resources provided by University of Oradea.

Keywords: labor market, prognosis, training needs analysis, quality, educational services planning

### Introduction

The Romanian higher education institutions are increasingly forced to take into account the needs from the labor market when planning the educational services. We can talk about the devalorization of the certifications, due both to their inflation and also to their decrease utility compared to the competencies and abilities needed at working places in the knowledge society. On the other hand, the European employment policy, as part of its social policy, imposes the correlation of educational offer to the signals from the labor market (Prisăcaru, 2004). University of Oradea has to face these pressures, and our article addresses these needs by achieving three objectives which can help at planning a complete educational offer:

- description of the structure of human resources of private firms from Bihor County,
- prognosis of the need of higher education qualifications for a the near future,
- evaluation of the quality of human resources provided by University of Oradea for the private sector employers.

#### Data and method

The findings of this study have as basis data from a survey conducted in March – May 2008, on a random sample of firms from Bihor County. The sample consisted of 489 firms from Oradea, 142 firms from other towns in the County and 29 firms from the rural areas. The survey is part of the project: "Careers. Guidance, mediation and professional training center for young people from Bihor County", nr. nr. PHARE 2005/017-553.04.02.01.01.601, in which University of Oradea, Faculty of Social Science is partner.

### The sample

Comparing the two sets of data one can notice an overrepresentation of firms from the commercial sector, distortion which is counterbalanced partly by the under-representation of service firms. Added to the sampling biases, the differences can be also explained by the errors in the identification of the correct main domain of activity or to some changes in this domain from the one officially registered. The data correction by domain of activity, by simple mathematical reduction of firms with commercial activity, show that all the sampling biases can be reduced to overrepresentation of firms with commercial activity.

Table 1. the sample structure on domain of activity

	Number	Percentage	Percentage	Ponderated
	in the	in the	in Bihor	percentage
	sample	sample	County	
commerce	392	64,9	43,9	47,8

services	99	16,4	25,2	24,1
constructions	32	5,3	7,1	7,8
another domain	30	5,0		7,3
light industry	22	3,6	6,9	5,4
transport	16	2,6	8,3	3,9
heavy industry	6	1,0	3,5	1,5
agriculture	5	0,8	2,7	1,2
agro-industrial	2	0,3	2,4	0,5
Total	604	100	100	

# Structure of human resources in private business from Bihor County

The structure of labor market and local economy can not be judged only on the basis of frequency of organizations declaring a certain type of activity, knowing that the firms from industrial domain are generally larger then the ones in commerce. Large firms, with more employees, even if are less in number, occupy important segments of labor force. Our data show that, indeed, the majority of firms in the heavy industry have over 30 employees, while those in commerce have less then 10.

Table 2. Firms from Bihor County on domain of activity and number meployees

	less then 10 employees	between 10-49 employees	between 50-249 employees	over 250 employees
agriculture	60,0	20,0	20,0	,0
constructions	40,6	40,6	18,8	,0
heavy industry	,0	16,7	83,3	,0
light industry	13,6	27,3	45,5	13,6
transport	33,3	26,7	26,7	13,3
commerce	74,0	20,8	3,4	1,8
services	64,3	25,5	6,1	4,1
agro-industry	50,0	50,0	,0	,0
other	55,2	31,0	6,9	6,9

The interesting results are those regarding the profile of human resources of private enterprises from Bihor County. One can note that, depending on the weight of the four levels of education considered (see figure 1), we can identify certain particularities. Thus, firms from light industry have over 50% of the employees non-qualified, while those in heavy industry have a significant percentage of higher educated personnel, and those from agro-industrial sector employ an important number of professional school graduates.

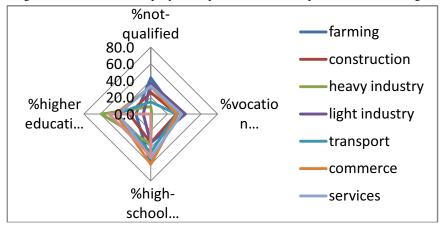


Figure 1. The profile of human resources of Bihor firms

People who graduated high-school and vocational schools are the ones that participate the most at different training courses. This situation can be explained by several aspects: they are the best represented category (at least high-school graduates); accreditations obtained do not guarantee the vocational training required; they are employed for long term, the investment in human capital being thus profitable.

# The prognosis of need of higher educated personnel

The majority of firm representatives consider that they will increase the number of employees in the future years, which prove also some amount of optimism regarding the local business sector. The most needed are the high school graduates, followed by those graduating vocational schools and those from higher educational programs. From this last group, the economists and engineers will be most wanted.

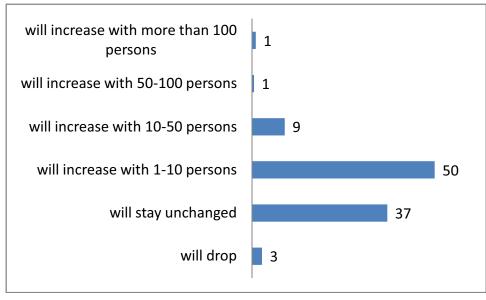


Figure 2. Prognoses regarding the number of personnel

Table 3. Highly educated specialists needed by the firms from Bihor County

	N
Engineers	205
Law counselors	27
Economists	274
Doctors	7
Computer specialists	38
sociologists, social workers	10
Psychologists	2
Public officers	56
other	41

Our data prove the fact that, at least on behalf of the private sector, the need of university degrees will be still very high, even increasing. Given the needs from the public sector and from the non-governmental sector we record a strong demand. University of Oradea has to be prepared to answer this demand.

Regarding the recruitment tools and mechanisms, personal connections are still the most efficient technique for identification and acquisition of a working place – generally valid situation (see Granovetter. 1995). In order to maximize the orientation chances on the labor market, students have to be put in contact with the economic sector since their student hood (through practical training in the field, volunteering and the forms of social participation, internships).

## The evaluation of University of Oradea graduates

From the firms in our sample, 266 have as employees' graduates from University of Oradea. The mean number of them is of 6.7. The majority (86%) consider the professional training of these employees as good or very good. It is worrisome though that at the question where they had to identify the weak competencies of their employees which graduated University of Oradea they list technical and field related competencies.

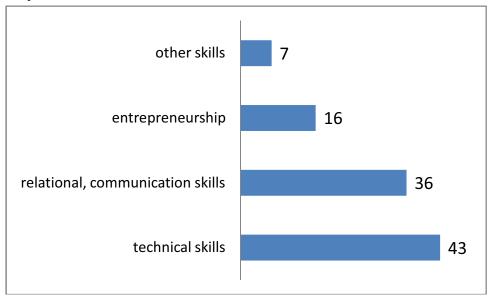


Figure 3. Which are the competencies that your employees who graduated University of Oradea lack? (%)

This critical judgment regarding the competencies and abilities regarding their field impose a re-evaluation of the contents of educational programs in the direction of their harmonization with the technical and applied needs of contemporary professions.

## Limits

Our research has a few limits that can not be ignored. Thus the validity of our conclusions is affected by the lack of comparative data – regional or longitudinal. Consequently, in the presentation of our data we can not talk about trends or about the situation of human resources from our County in an area of regional comparisons. On the other hand, the lack of data from public sector and those regarding NGOs make the image we have on the labor market and possible tends to be only partial.

## **Conclusions**

Regarding the evolution of labor market and their effects on planning of the educational offer from University of Oradea can be focused on at least three aspects:

- the optimism of business sector which forecast a higher demand of labor force,
- the demand in higher qualified labor force will be still very important, with an advantage for engineers and economists (on behalf of private sector),

• there is a concrete need for evaluation and reorganization of educational programs on behalf of University of Oradea.

# References

- 1. Granovetter, M., 1995, Getting a Job: A Study of Contacts and Careers, University of Chicago Press, Chicago.
- 2. Prisecaru, P. și colab., (2004), Politici comune ale Uniunii Europene, Editura Economică, București.