EVOLUTION AND PERSPECTIVES OF PERSONNEL EMPLOYMENT WITHIN THE SMALL AND MEDIUM ENTERPRISES IN ROMANIA

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Abstract: The present paper dwells on the evolution of employment during the period 2006-2007 within the SME-s and on te perspectives of the year 2008 in order to measure the intentions of the employers regarding the increase or the diminution of the number of employees.

Key words: employment, entreprise, jobs.

In Romania, in 2007, compared to the year 2006, the SME-s increased their number of employees in average with 3,73 persons / company, fact that represents an average increase of the number of personnel/company with 16,58 % , thus demonstrating that the sector of small and medium enterprises contributes decisively to the creation of new workplaces.

More than 3 /4 of the companies (79,53%) hired less than 5 employees, 8,92 % of the enterprises employed between 6 - 10 persons, 6,30% of the enterprises hired between 11- 20 persons and only 5,25% of the SME-s hired over 20 persons (figure no. 1).

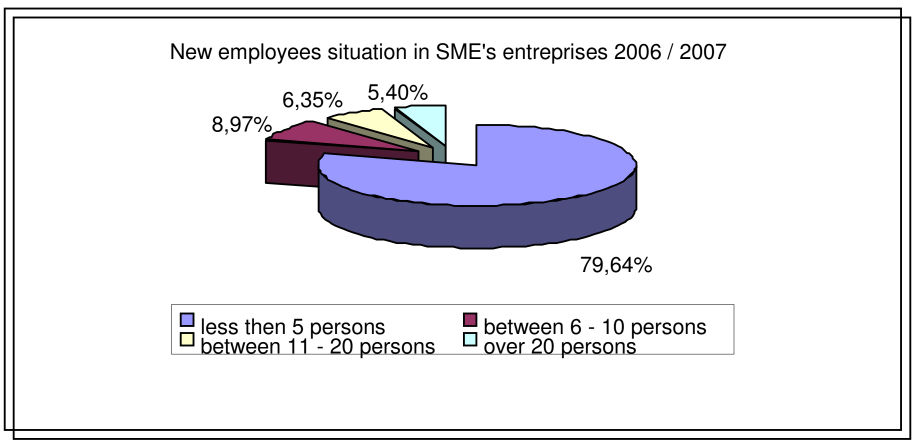

Figure no. 1: The Employment Situation within the SME-s

Should we take into consideration the SME-s in point of the duration of their performed activity, we will notice mainly that the companies activating on the market for about 10 - 15 years hold the most important average of new employees (5,04 %) and the enterprises with less than 5 years of existence recorded the most important percentage increase for newly hired persons (19,88%) (table no. 1).

Crt. no.	Indicator	The SME's duration of existence			
		under 5 years	5 – 10 years	10 – 15 years	Over 15 years
	The average number of newly hired persons	3,30	3,30	5,04	4,02
	The increase percentage of the average number of employees	19,88 %	15,70 %	16,10 %	10,32 %

Table no. 1: The evolution of employments and of the average number of employees according to the SME-s duration of existence

By grouping the companies on regions of development, we can notice that the SME-s located in the North-Western area hold the most important number of newly hired persons (9,67%), while the enterprises within the Central area record the most important percentage increase concerning the number of employees (22,41%). The companies located in the South-Western area register the smallest average number of new employees as well as the smallest personnel increase percentage (8,38%).

Crt. nr.	Indicator	The SME-s duration of existence							
		Nord East	South East	South	South West	West	North West	Center	Bucharest
1.	The average number of newly employed persons	6,96	2,61	2,35	1,21	5,38	9,67	1,78	4,34
2.	The increase percentage of the average number of employees	15,51%	18,02%	17,03%	8,38%	16,53%	21,30%	22,41%	16,47%

Tabel no. 2: The evolution of employments and of the average number of employees within the SME-s, according to the development areas

According to a study performed by ManPower Romania, regarding the manpower perspectives, it comes out that the employers within all the eight analyzed regions have positive employment intentions. The results of this study demonstrate the fact that the net employment provision for the second trimester of the year 2008 reaches a level of + 36%. Thus, 43% of the Romanian employers intend to augment their work force during the following trimester. On the other hand, only 7% of the employers expect a reduction of the employment activity. Concurrently, a segment of 49% of the employers do not anticipate any change. The employers from the North-western area are the most optimistic regarding the 2nd trimester of the year 2008 with a significant Net Employment Prevision[62], of +42%. The employers within the North-eastern and West regions are the less optimistic, recording nevertheless an important Net Employment Provision of +21%.

[62] The parameter „Net Employment Prevision" (PNA) can be obtained by means of the difference between the percentage of employers anticipating an increase of the total number of employments and the percentage of employers estimating an employments reduction within their location, during the following trimester.

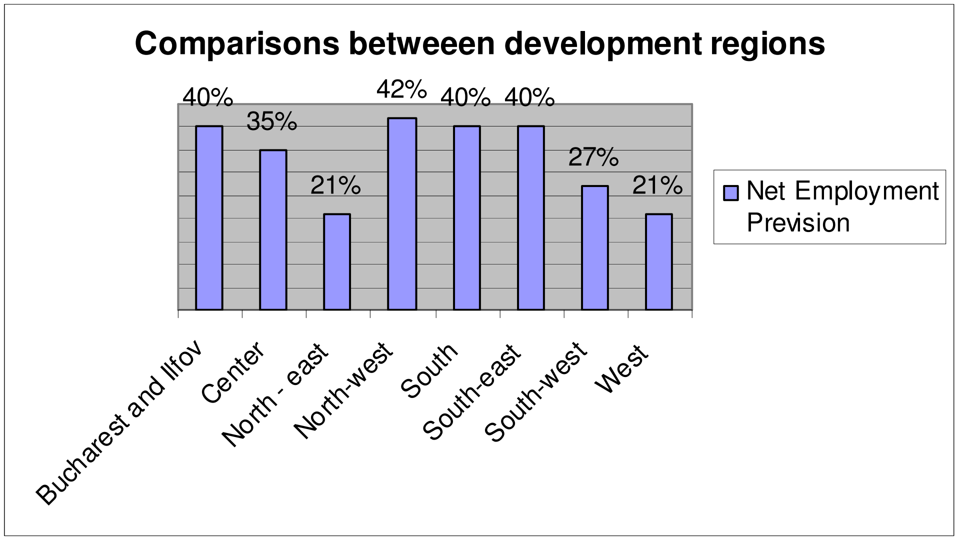

Fig. no.2: Comparisons between development regions

According to the chart hereinabove (Fig. no. 2) the employers from the capital, center, North-west, South and South-east anticipate a considerable evolution during the 2nd semester of the year 2008 whilst the Net Employment Prevision of 21% is identical to the one reported by the employers from the western region and corresponds to one of the lamest previsions for the sectors of activity studied during this trimester.

The analysis of SME-s according to their fields of activity emphasizes the following important aspects:

- considering the average number of newly employed persons, the constructions and industrial companies detach considerably from the SME-s from the other fields, with averages of 7,59 and 5,16 new employees per company. These evolutions are determined by the particular development of the activities in the field of constructions and by the slight revival of the industrial sector;
- regarding the increase percentage of the average number of employees, the service companies occupy the first position (19,98%), and the tourism companies the last (14,57%).

Crt. no.	Indicator	SME-s on sectors of activity					
		Industry	Constructions	Trade	Tourism	Transports	Services
1.	The average number of newly employed personnel	5,16	7,59	2,30	4,43	3,40	2,78
2.	The increase percentage of the average number of employees	16,04%	17,92%	15,11%	14,57%	16,55%	19,98%

Table no. 3: The evolution of employments and of the average number of employees according to the SME-s activity field

The comparisons between the sectors of activity (Fig. no.3) for the year 2008 the 2nd semester indicate that the employers from the labor market have great expectations regarding the employment activity, positive previsions being reported on all the ten sectors of activity.

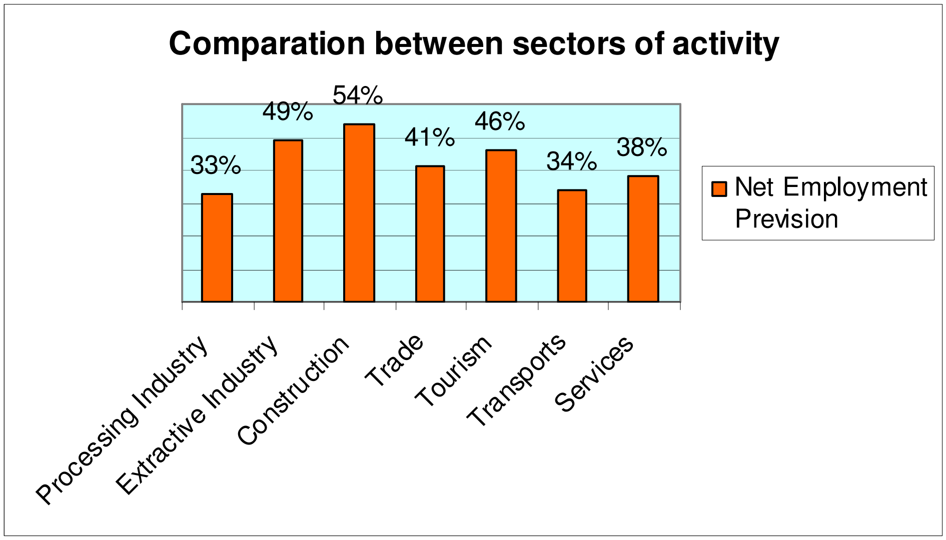

Fig. no. 3: Comparisons between sectors of activity

The companies with the strongest intentions of employment come from the industries where the deficit is the most acute. The constructions field leads by far this top, with a net employment prevision of 54% for the next three months, in the conditions in which the deficit within the sector is estimated by ARACO to approximately 80-100.000 persons at present. The same problem of personal recruiting also occurs, at present, in the retail (the employment prevision is of 41% for this sector), in the hotelier industry (46%) or in the extractive industry (49%). The employers from the financial-banking or consultancy field have also serious employment intentions (38%). The public institutions anticipate, as well, a positive dynamic of employments within the following trimester - approximately 20%.

In this context, the National Council of Small and Medium Sized Private Enterprises from Romania performed a research on a sample of 234 SME-s having as purpose to evaluate the existing deficit on the work force market. A first investigated aspect referred to the percentage of the SME-s confronted with a deficit of work force. The result emphasized the fact that most of the investigated companies (Fig. no. 4) – 70,94% - confront with such a deficit and, at present, the deficit is, on an average, of 17 persons/company, but it will increase by the year to come to 29 persons/company.

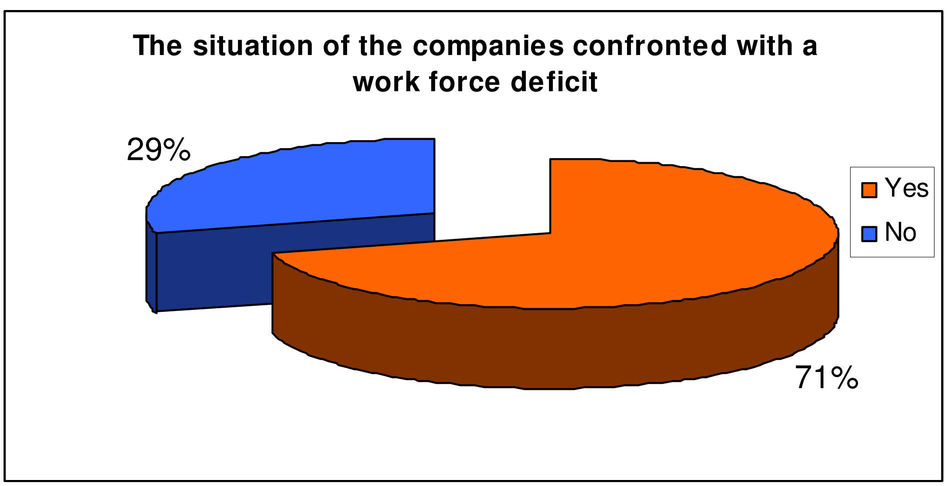

Fig. no. 4: The situation of the companies confronted with a work force deficit

The undertakers were questioned regarding the professions (jobs) indicating the highest deficit. Most of the companies indicated: skilled workers in the field of constructions, lathe operators, fitters, instalatori, carpenters, welders, electricians, motor vehicles dyers, mechanics, motor vehicle tinkers, millers, mechanic fitters, skilled workers in agriculture, drivers, security agents, rodent control agents, salesmen, chemist operators, architects, electronic engineers, designing engineers, metallurgic engineers etc.

As a conclusion, the proposals solicited by the undertakers for the improvement of the situation on the Romanian work force market aimed at :

- the reduction of the fiscality applied on the work force;
- the support of the Arts and Trades Schools program;
- the elimination of social welfare for the skilled persons receiving a job through AJOFM, according to their qualification;
- the organization of vocational schools for craftsmen;
- the organization of regional workplaces grants ;
- the granting of facilities to the companies organizing trainings and qualification/requalification courses with their own funds;
- the stimulation of the Romanians working abroad for their return to the country;
- the granting of facilities to the companies employing students and young people;
- the reappraisal of the Labor Code which is unbalanced, by granting more rights to the employees and more obligations to the employers;
- the facilitation for the employment of work force from the Republic of Moldavia;
- more permissive conditions for the granting of work permits or of sojourn visas.

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