New Trends in Workforce Competences Due to the Internationalization of Markets

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Abstract. The demand for competences recognized internationally has been growing, since many Romanian companies are developing their business in a diverse and multinational environment. This is also a consequence of multinationals and labor market development, in Romania, in recent years. Today's employee is a combination of a high skilled professional and an adaptable person that is able to accomplish different tasks and to solve a variety of issues. Those abilities are completed with creativity and optimization of work, necessary for taking part in new projects and, not the least, for providing innovation for the company. In this regard, the present paper aims to analyze and to compare the European and Romanian graduates’ mobility in view of obtaining the desired job, the dynamics of competences and the role of future specialization in an international environment.

Keywords: high-skilled employees; higher education; labor market; international competences; internationalization; international mobility.

Introduction

The recruitment of employees and the periodical training of workforce have become two major strategies in HR departments of the companies for finding, developing, motivating and retaining the human resources.

While the recruitment process usually analyses the candidate’s competences and the previous working experience, the periodical training has two major purposes: to grow the employee inside the company by teaching him new abilities and competences, and to contribute to the employee’s personal development, while motivating the employee to remain loyal to the company and to consider developing a career inside the company.

Periodical studies based on statistical data regarding the workforce characteristics (based on competences, level of education and the availability to relocate) and employment rates for different industries have shown that there may be large numbers of unfilled job vacancies due to skill mismatch or lack of workforce mobility (Eurostat, 2017; INS, 2017). Literature recognizes that the curricula play an important role in providing both technical and interpersonal skills and reducing the skills mismatch. The universities’ policy regarding curricula, the legislative framework and the collaboration between universities and its stakeholders are the
main directions for the development of HE and for building graduates’ competences in accordance to labor market needs (Nicolescu, 2011; Nicolescu & Dima, 2010; Nicolescu & Paun, 2009; Rizvi, 2007). Alongside the curriculum, the work force mobility has increased the opportunity for finding and developing a professional career (Caligiuri & Bonache, 2016; Clark, 2000; Muller & Wolbers, 2003). All the more, the mobility of individuals during undergraduate and graduate programs has brought into discussion the skills and practical experience obtained and developed from the international mobility experience (Teichler & Janson, 2007; Udrea & Ştefâniţă, 2016; Van Mol, 2016).

In order to evaluate the Romanian and European students’ employability and to correlate the students’ career development options with the availability to continue the specialization or to relocate, this paper approaches students’ achieved competences from the perspective of their career. Subjects regarding the graduates’ competences due to the internationalization of markets have become a topic of interest for Romanian universities, companies and legislative policy (Petcu, Petcu, Hâj, Santa, & Fiţ, 2015). Beginning with the identification of the main competences recognized internationally, the literature review chapter analyses the new trends in workforce competences due to the internationalization of companies and labor market. The analysis will emphasize the demand for skills that are relevant today or will become so in the future, for professional/technical skills that are influenced by technological trends and for interpersonal skills recognized internationally.

The article will highlight the dynamics of Romanian and other European students’ appreciation for international interpersonal competences (as provided by their university) and will compare the availability of Romanian and European students to change their residency or to follow trainee programs in order to advance in their professional career. The analysis will be based on secondary data analyses for statistical data from Trendence Graduate Barometer Romanian edition over a period of 3 years. Also, the analysis of students’ need to develop and their aspirations for the future career will be supported by recent statistical data from Romania and Europe (Eurostat, 2017; INS, 2017) regarding employment rate in recent years. Also, the results will be sustained and detailed by a qualitative research conducted in April 2017 at the National University of Political Studies and Public Administration (Butum, 2017).

The conclusions will emphasize the role of high specialization and the role of international competences for companies’ development. Simultaneously, the conclusions will show the role of the trainee programs for acquisition of specific international competences for different companies (SME or MNC). Also, the conclusions will show the link between the development of workforce competences and the growing interest of students for different companies that develop their business outside the country or in an internationalized environment.
Trends in workforce competences due to internationalization. Aspects regarding internationalization of competences – development and realities

Internationalization of competences is a direct consequence of the impact of the globalization process in Economy and in particular in Labor Market. Studies have shown that the globalization of the companies has brought new organizational challenges for HR management (Muller & Wolbers, 2003; Roberts, Kossek, & Ozeki, 1998). Nowadays, the companies are searching their best employees benefiting from the potential of the large global workforce with diverse interpersonal skills like flexibility, communication skills, intellectual curiosity about the rest of the world, the availability to value diversity and the ability to be objective, people who have a broad perspective in applying practical leadership skills to guide change in the organization (Roberts et al., 1998). Thus, the demand for qualifications has become theoretically unlimited since the companies have access to the global labor market and the employees are available to relocate in order to obtain a better job (Clark, 2000, p.184). Highly skilled graduates are perceived as a key factor for driving the industrial development and innovation for all the companies. The main issue for universities is to identify those skills that will be useful for their graduates for a lifetime or at least for more than five years to cover the actual demand of competences existing on the labor market for different industries (Bratianu & Bolisani, 2015; Bratianu & Vătămănescu, 2017). Since the world is facing the changing demand for competences, not only universities but also the companies and the individuals will forecast the demand for skills that are relevant today or will become so in the future (WEF, 2016). Thus, in meeting the technological trends, the industries have a growing interest in science, technology, engineering, and mathematics. Still, the study (WEF, 2016) highlighted that competences related to “hard knowledge” or professional/technical skills will not be sufficient for absorbing the request from the labor market. The employees will also need a set of interpersonal skills recognized internationally for all industry sectors, like coordinating with others and working efficiently in diverse teams, negotiation, emotional intelligence, systems analysis, complex problem solving, time management, people management and material resources management.

Other studies define the interpersonal skills recognized internationally as global competences (Deardorff, 2014; OECD, 2016). According to these studies, acquiring global competences is a life-long process that involves developing “the capacity to analyze global and cultural issues from multiple perspectives, to understand how differences affect perceptions…. to engage in open, appropriate and effective interactions with others from different backgrounds” and cultures. A similar opinion regarding the global competence is found in Rizvi (2007, p.393) study. The global competences enable students to “become globally mobile and to work in a range of different cultural contexts” and open the way towards international labor market requirements. Also, Deardorff (2014) mentions that the growing interest for intercultural competence is a consequence of the internationalization of universities and is driven by economic and social factors being relevant to employability due to the increasing diversity of the world and labor force mobility. Internationalization of the companies has major implications in designing future competences for employees. Usually, corporations are motivated to set up their business outside the
The international market is characterized by complexity, heterogeneity, dynamism, competitiveness, and uncertainty (Danciu, 2009). For being competitive in international markets, the companies need levers and resources. The human resource is an important lever for managing many issues generated by international markets. Thus, we can find a direct connection between international competences and the characteristic of international markets. Competences like “understanding and critically evaluating complex problems and issues” (OECD, 2016, p.4) are generated by the complexity of the international market, “understanding different issues and analyzing from multiple perspectives” (OECD, 2016, p.6) are generated by the heterogeneity of the international market, “flexibility and working efficiently in diverse teams” (Danciu, 2009, pp.102-103) are generated by the dynamism, competitiveness, and uncertainty of the international markets.

Another study has evaluated the human resources as a generator of ideas by taking their information from diverse and intercultural teams, teams that are developed in internationalized organizations (Vătămănescu & Andrei, 2014). The authors have also identified three benefits resulting from multicultural labor force for the internationalized company: innovation and work creativity, a better understanding of international customers and international specialization of the employees. Thus, the rapid transformation of organizations driven by global changes will require “higher cognitive capabilities, extensive relationship management, and leadership
skills... diversity in cultures, gender, working generations and mode of employment” (Beechler & Woodward, 2009).

The interaction between universities and community, government, and companies, is essential for innovative systems and economic growth (UNESCO, 2009). According to the study, there is a bidirectional flow between universities and industry. This flow is represented by information and human resources and is tracing the path for designing competences. A similar opinion regarding the role of universities in “preserving and enriching national and universal culture” have Bratianu and Stanciu (2010). In their paper, the authors refer to the mission of the innovative university in training and forming specialists in accordance with the requirements of society and market needs. The active implication of universities in providing international competences has its roots in companies’ internationalization and their providing competent human resources. The definition of internationalization of companies from Business Dictionary approaches the process of internationalization from commerce and market and computing viewpoint:

- **Commerce**: The growing tendency of corporations to operate across national boundaries.
- **Marketing and Computing**: An approach to designing products and services that are easily adaptable to different cultures and languages.

Companies that operate in an international environment (both SME and MNC) have increased their transactions abroad and have increased the technological specialization in the entire production chain. Also, these companies are designing standard products that are suitable for different cultural or nations and are maintaining the same quality of their services and products (Cantwell & Janne, 2000; Gronroos, 1999). The management of companies for international markets has implications on finding and recruiting local expertise along with uniformity in requirements for competences.

Ensuring quality in education represents the main objective for universities along with providing competences that fulfill the demand from the labor market. Several studies conducted in Romania (Nicolescu, 2011; Nicolescu & Dima, 2010; Nicolescu & Paun, 2009) have traced some directions and recommendations at the institutional level in order to minimize the gap between the demand for and the supply of competences. The skill mismatch is experienced by both employees and employers, that are actors in the labor market. In this complex framework, universities have to be innovative, not only in terms of the formal educational processes and research, but also in terms of informal education (Zbuchea, Pinzaru, & Anghel, 2014) and development of national and international networks.

On one hand, the studies show that the graduates have a positive perception on theoretical scientific knowledge achieved upon graduation, but they are less content about the practical experience and interpersonal competences like adaptability and the ability to work independently obtained from curricula. On the other hand, the employers consider that not only technical competences but also interpersonal competences like communication skills, adaptability, self – esteem, the ability to solve problems and also practical skills are suitable for accomplishing daily work...
tasks. Thus, it could be concluded that the main gap is represented by the lack of adaptability to the organizational culture, low performance in working in teams and insufficient practical experience.

Analyzing the results of the study „The Quality Barometer” conducted by ARACIS in 2010, Alexa, Deca and Hâj (2014) indicate a similar opinion regarding employers’ opinion on high theoretical skills and poor practical skills achieved by graduates. Also, the study mentions that only a small number of students consider that Romanian universities provide the abilities and skills needed in the workplace and that educational offer does not fulfill the requirement of the labor market. Analyzing other results from a Eurobarometer survey published in November 2010, the same authors highlighted that only 24% of employers in Romania, compared to the European average of 47% consider that the graduates have suitable competences for the existing vacancies. The indicated reasons are lack or poor collaboration with universities (only 19% of respondents have collaborations with universities with the purpose of adapting curricula and recruitment procedures to the labor market needs), lack of previous work experience and internship programs (Alexa et al., 2014). Literature recognizes that there are 3 major theories related to development of competences: through curricula and lifelong learning (European Commission, 2014a; Nicolescu, 2014; Van der Wende, 1997), through international mobility (Knight, 2004; Nicolescu, 2014) and through internships and volunteering (Matthews, Green, Hall, & Hall, 2009; Nicolescu & Paun, 2009).

Recent studies (IEMU, 2015) regarding the development of international dimension of education in Romania show that in an internationalized university the graduates should demonstrate that they own simultaneously international competences like “flexibility, critical thinking and comparative vision of their culture in a global context of problems, process and systems, personal involvement in global and intercultural context” and the ability to communicate in a foreign language. All these aspects are related to designing the internationalized curricula and involve not only openness to a globalized world but also communication and collaboration with universities’ stakeholders. Among stakeholders, the study mentions the increased involvement of multinationals, local and foreign research institutions in order to include the international dimension of the educational content in curricula (Petcu et al., 2015).

**Methodology**

This study aims to analyze and to compare the results of 3-year statistical data from Trendence Graduate Barometer (Trendence Institute, 2014, 2015, 2016) for Romania and Europe regarding students’ availability for future specialization and relocation in order to obtain the desired job. Trendence is a European research institute that provides information regarding students’ perception of achieved skills upon graduation, analyzing collections of data from universities across Europe. The dynamic of collected data from Romanian and European universities in years 2014-2016 is shown below:
Table 1. Survey participants in Trendence Graduate Barometer (Trendence Institute, 2014, 2015, 2016)

<table>
<thead>
<tr>
<th>Number of survey participants - graduates</th>
<th>Europe</th>
<th>Romania</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>301.949</td>
<td>281.749</td>
</tr>
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Also, the purpose of this study is to evaluate and compare Romanian and European graduates’ appreciation for interpersonal competences recognized internationally and their need for specialization in accordance with their preference for MNCs or SMEs. Also, starting from the INS (2017) study, this paper will highlight graduates’ efficiency in relation to their competences for different industries sectors and companies. The secondary data analysis will also be correlated with other statistical information regarding employment rates and companies’ influence in the economy in Romania and Europe.

Along with the secondary data analysis, this paper will connect the statistical information with a qualitative research (Butum, 2017) that contains representative results from the interviews with 20 respondents, graduates of the National University of Political Studies and Public Administration. Their opinion will confirm and will highlight the results of the secondary data analysis.

Findings

The analysis and comparison of Romanian and European graduates’ need for specialization in accordance with their preference for future jobs and availability to relocate

The dynamics of Romanian and European graduates’ appreciation for continuing specialization (Graph 1 and 2) shows the difference in perception between Romanian and European graduates. For Romanian students, it has become more important to gain general skills and then become employees than to obtain high specialization before finding a job. The information provided in the graphs reveals that in 2014, 43.70% of respondents prefer to gain general skills before becoming employees, the percentage growing to 53.60% in 2016. European graduates are more constant in their options from one year to another, the data showing only a small variation in opinion, less than 1%. For them, it is more important to complete their education with high specialization programs before finding a job in their field of specialization. This could be also noticed in Graph 2, the information showing that European students complete their specialization before obtaining a job and the future specialization continues according to companies’ needs as lifelong learning programs.
For Romanian students, the preference for high specialization is transferred upon becoming employees to following graduate trainee programs as seen in Graph 2. Thus, the data from the Graph 2 presents the availability of Romanian and European graduates to continue their education and become highly specialized after finding a job. It could be observed that in 2016, 61.50% of Romanian respondents want to gain more specific competences required by employers by completing trainee programs, workshops, obtaining international certificates and other forms of specialization. This is also a consequence of poor practical competences obtained during HE studies. A study regarding the access of young graduates on Romanian labor market shows that from a total of 4.817.000 young people with the age between 15-34 years old only 8.9% (428.000) have declared that they worked during the highest school they attended. From them, only 16.7% (71.476 individuals) were HE graduates (INS, 2017). Thus, the data from the graph shows that the number of Romanian graduates who considered that they could obtain a job without any trainee program upon graduation has dropped from 43.90% in 2014 to 38.50% in 2016.

Correlating this information with the data provided by the same INS study (2017): in 2016 only one quarter of Romanian higher education graduates with general qualifications declared that their level of education is suitable for their current job, we could explain the need of Romanian graduates for specialization in a post graduate trainee program. The data from INS (2017) also shows that for certain graduate programs, usually for vocational qualification, the young graduates consider that their level of knowledge is suitable for their job (78.1% for Health and Social assistance graduates, 70.8% for Education and 69.9% for the graduates that are working in ICT industry). In terms of employment, the data from Eurostat study (2017) shows that the employment rate of recent graduates in Europe rose from 76.5% in 2002 to 82.2% in 2008. After the crisis, the employment rate for young graduates dropped to 75.4% in 2013 and reached 78.2% in 2016. The study also mentions that the slow growing rate of young graduates’ employment was determined by Europe 2020 strategy for increasing employability. The strategy aims to help young people to gain skills and experience in order to secure their first job, giving them access to the labor market by labor market reforms in job creation and
higher education policies and reforms for identifying and developing the potential for future skills and competences. We can conclude at this point that the graduates need both university support for completing their education and the continuing specialization of their professional career.

The responses from the interviews with graduates also show that the respondents consider lifelong learning and the trainee programs (varying from short term workshops needed for operational tasks to the high professional certification required for middle and high management positions) valuable and beneficial for obtaining a job in their field of study (Butum, 2017).

1. I would opt for a high specialization in my field of study for a manager position in the next 2 years.
2. I am available for improving my competences and abilities (that are currently undergoing training) by continuous participation in workshops and interactive sessions.
3. I want to get the PMI certification and also other relevant certifications that will be beneficial for my career.
4. The students' answers also revealed that for a successful start in a career both universities' prestige and the knowledge provided by curricula are equally important.
5. I haven't experienced any difficulties in finding a job until now, but I hope that when I reach a different level, my diploma and my knowledge will be considered useful in finding a better job.
6. I haven’t experienced any problems in finding a job until now. I consider that the university prestige represents a plus for the employers’ conviction.

The secondary data analysis of the information presented in Graph 3 shows that the multinational companies are by far favorites in Romanian students' view. The degree of trust in a successful career in an MNC has a linear grow from 54,70% in 2014 to 56,90% in 2015 and then to 57,20% in 2016. The appreciation for a career in an SME appears to lose importance, the results showing a decrease from 45,2% in 2014 to...
42.8% in 2016. Things look totally different for other European students. The gap between the preference for MNCs and SMEs is very small and there is no significant variance from one year to another (6.5% in 2014, 7.4% in 2015 and 7.6% in 2016). This difference between Romanian and other European graduates’ preference for company type could be correlated with the results of a Eurostat Report (Eurostat, 2014) that mention that “in some selected Central European economies, such as Estonia, Romania, and Slovakia, the foreign-controlled companies play a substantial role in the economic performance of their economies” and “the impact on the labor market differs from country to country, however, the general trend is that in Europe, the majority of persons is employed by EU-controlled companies and not by those controlled from outside EU”. Also, the importance of the SME in Europe is enormous, according to an EU report, because they „represent 98 % of businesses, provide 67 % of jobs and create 85 % of all new jobs” (European Commission, 2014b).

The data from above related to Romanian graduates’ options for starting and developing a professional career in SMEs or MNCs are supported by the results of the qualitative research:

*For a start in my employee career the SME appears more suitable, for better adaptation to the work field, but after gaining experience I think that MNCs are also an option. I also think that I could develop a career even in an SME .... I also believe that the MNCs are more attractive from the salary package point of view.*

The data from Graph 4 regarding Romanian graduates’ availability to change their residence in order to obtain a better job shows that only a small minority of respondents choose to relocate before achieving practical experience. In the analyzed years 2015 and 2016, only 17.8%, respectively 12% of respondents are available to relocate abroad without previous relevant work experience. The majority of responses mentioned that they would prefer that the first job would be in their residence town residence or region. It could also be noticed that in 2016, 49.3% of respondents prefer to have their first job in their town residence. This data
is also confirmed by qualitative research and the data provided by INS study (2017). The INS information shows that in the second trimester of 2016 from the total number of 2,507,000 young people on the Romanian labor market only 3.8% had changed residency in order to obtain a position.

The qualitative research showed that the decision to relocate varies from one student to another, but usually their decision is connected to the possibility of gaining professional experience or an attractive salary package. If obtaining a job and career advancement brings me considerable benefit, then I will be available for relocation. I think that my expectation is idealist…. I wish to have a motivating salary and the possibility to develop my career.

Yes, I am available for changing my residency for a job that would benefit my professional development rather than financial development.

According to the secondary data analysis Graph 4, the European graduates have more availability to change their residence to take up a job on the labor market than the Romanian graduates. The information below shows that usually, they prefer to move to another region or town from their country. Thus, only 20.7% from the respondents’ number in year 2015, respectively 19.3% in year 2016 declared that they would prefer to have their first job in the residency town as against Romanian graduates that prefer in a higher number to develop their career without changing the residency (30% from respondents’ number in 2015, respectively 49.3% in 2016).

Also, the European graduates are more available for relocation in another country. The data show that in the year 2015 18% from the graduates respectively 19.5% in 2016 prefer to have their first job abroad as against Romanians (18% in the year 2015 respectively 12% in the year 2016) that prefer to have their first job in Romania.

**Graph 4. Romanian and European graduates’ availability to relocate**
*(Trendence Institute, 2014, 2015, 2016)*
Graduates’ appreciation for interpersonal competences recognized internationally

The literature chapter revealed that among the international competences recognized at international level are included: “understanding and critically evaluating complex problems and issues and analyzing from multiple perspectives”, “flexibility and work efficiently in diverse teams”, “the ability to solve the problems and to find information”, “the ability to work under pressure”, “to develop and coordinate multicultural teams” and “the ability to deal with different communication styles”.

In order to analyze and compare the appreciation of Romanian and European graduates for interpersonal competences recognized internationally, the Graph 5 presents relevant information on the students’ perception of achieved skills upon graduation. The evaluation of the dynamics of skills achieved after completing the curriculum shows that there is a significant interest in interpersonal skills like Responsibility, Flexibility, Ability to work under pressure and social competency.

**Graph 5. The appreciation of Romanian and European graduates for interpersonal competences recognized internationally (Trendence Institute, 2014, 2015, 2016)**

The information from the Graph 5 shows that in Romanian graduates’ view, the appreciation towards interpersonal competences has grown gradually. For the European graduates, there are no significant differences in perception from one year to another, but they also recognize the importance of these skills; the data shows that in 2016, these competences are valuable for more than 66% of respondents.
Graduates’ answers to the interviews came to confirm and detail the interpersonal competences achieved during their university programs. The main abilities achieved are orientation towards results and communication. I have learned to better organize the working time and I have improved the capacity to present my work in front of people. The main abilities that I have gained upon graduation are related to optimal fulfillment of a project plan and better detection of the risk factors in projects. I participated in the project “Student’s internship, the first step for obtaining a job” a year ago and I can say that it was an interesting experience in which I obtained knowledge, I met new people and I could observe closely how is implemented a real project financed from EU funds. I consider that I have obtained a complete and compact set of information useful in my future professional career.

These answers highlighted the importance of working in effective teams and in international projects, the necessity to identify the risk factors and to find solutions to complex issues. All the more, the graduates have mentioned key abilities related to flexibility and ability to identify the resources, communicating with other people and organizing efficiently the working time.

**Conclusions**

Students’ adaptation to labor market conditions has become a major concern and has led to collaboration between employers, HR consulting firms, policymakers, labor union and education providers in order to improve and develop the competences for young graduates (WEF, 2017). Since the conditions on Economy are changing fast due to the global development of markets and internationalization of the companies, the demand for skills recognized internationally has also increased. This article has shown that most of the Romanian graduates choose to follow training programs upon graduation and other forms of specialization for obtaining a better job and advance in professional career. Also, the results of the secondary data analysis, the results of the qualitative research and the data provided by Eurostat (2014) have shown that in Romania the young graduates’ preference for MNCs is higher than in other European countries and this is a consequence of MNC influence on Romanian labor market.

The Romanian graduates tend to prefer MNCs for the salary package and for the opportunity to achieve practical experience in an international environment. Thus, obtaining international competences along with the practical experience are valuable for Romanian graduates and for their need to develop their future career.

The results of the secondary data analysis have also shown that, among Romanian graduates, only a small minority is available for finding and taking up a job abroad. Thus, in 2016, a vast majority, 49,3% of Romanian respondents declared that they are not available for relocation as against European graduates that are more willing to change their residency to obtain their first job.

Graduates’ need to adapt to labor market opportunities has also brought to attention the development of interpersonal abilities that are valuable for accomplishing tasks
in multicultural teams or for the efficient management of time and resources. All the more, the graduates recognize the importance of risk management and validating the theory in practice. Development of international competences is still in its early years in Romania but important steps have already been made. At universities’ level there has been created the frame of internationalization and there has been visible growth in students’ international mobility and at MNC level companies that develop their business at international level, the employees have achieved international competences by following trainee programs for international operations and by conducting their careers in an international and multicultural environment. Still, few steps have been taken for designing internationalized curricula and for providing international competences through university programs.

Since the data has shown that there is still a mismatch in skills between labor market needs and graduates’ competences, a future analysis of competences matrix (for demand and supply of competences) is required. This paper has shown only the graduates’ approach and the trends that already exist on the labor market for international competences. A future study will approach competences from employers’ point of view, focusing more on the data provided by HR consulting firms and online HR platforms.

References


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