

CONSIDERATIONS REGARDING THE REMUNERATION OF MANAGEMENT TEACHING STAFF IN STATE UNIVERSITIES IN ROMANIA

IULIANA CENAR *

ABSTRACT: *Although existing in all public institutions, the management compensation is less common as a subject of concern in the literature. Of the many aspects under which this subject can be researched, both extensively and structurally, dimensionally, comparatively in time and space, etc. we have opted for the exposition of some considerations regarding the remuneration of the didactic leadership positions in the Romanian state universities. These considerations refer to the need for economic motivation and equitable assurance through the didactic leadership functions, the way of setting and the dimensions of the management's allowances by teaching degree/teaching functions and management functions, the identification of some ways to exercise a valuable management through the means of management compensation with the implications of their activation on motivation and equity.*

KEY WORDS: *management compensation, state universities, motivation, equity.*

JEL CLASSIFICATIONS: *J31, M12, M54.*

1. INTRODUCTION

The importance of education in any society is without any doubt that: education contributes to the training and improvement of specialists, the research and development activity generates new fundamental, applicative and developmental knowledge, it "produces" knowledge and specialists that satisfy the socio-economic requirements, contributes to the development of the specialized culture, etc.

Education "has not only the duty to contribute to the economic growth and social development of a country, but to continue to create values and bring further these supreme values" (Popovici Bărbulescu, 2011, pp. 207-214).

* Prof., Ph.D., "1 Decembrie 1918" University of Alba Iulia, Romania, cenar_iuliana@uab.ro

Education and its desirable aims have, however, also a less publicized side - the administrative one on which the quality of the aforementioned processes depends. The didactic and scientific performance, among other things, is determined by the professionalism, the motivation, the total involvement, the freedom of action and the empowering of the human factor involved in its realization.

An important role in ensuring a performing educational act (which efficiently, effectively and judiciously correlates the objectives, means and outcomes) have the teachers who hold leading positions. The way they manage education is reflected in the performance indicators of the university, ensuring continuity through the quality of services offered and how to manage available resources, contributing to the progress of current knowledge, etc. Leadership allowances are the price paid by the university for services rendered for the benefit of education.

The management of performance is also seen as "the path to administrative responsibility, the achievement of standards and the offering an added value to the services provided" (<http://www.management-universitar.ro>), "the process of creating an environment in which people feel motivated to highlight their best skills and qualities" (Ivorschi, 2012, pp. 28-38). In other words, assuming responsibility for performance in education implies the use of proper leverage of professional motivation, balanced by a high degree of involvement in activities complementary to didactic and scientific research.

In our opinion, one of the current problems of motivation for organizational performance is also the way of remuneration of the teaching positions held by teachers in state universities, functions that are exercised by an additional effort and which contribute to the achievement of the desired results. In these circumstances, we propose to expose the intrinsic discrimination that is proliferated under the current legal framework (GD 38/2017) and which is to be operational in the next period (Law 153/2017), with other value dimensions. This form of discrimination permits, in our opinion, the restrictive differentiation of the rights represented by the management's allowances for the same position among the different categories of teachers.

2. MOTIVATION FOR PERFORMANCE AND EQUITY THROUGH LEADERSHIP FUNCTIONS

The vector of university development in the new global context is ensured by the efficient use of human capital. Maintaining, developing and motivating human resources is the main premise that they have to capitalize on in order to achieve performance. Development, as a change that brings added functionality and efficiency through successive and correlated changes generating positive effects, assumes the harmonization of management decisions with the actions of the human resource and its contribution to the proper achievement of the established objectives.

University education, like any field of activity, needs a well-prepared human resource, that is professionally managed. "When decisions and actions are concurrently efficient and effective, the overall final result is one: competitiveness at all levels, ensuring the organization's sustainability in the short, medium and long term" (Nicolescu & Verboncu, 2007, p. 429).

The implementation of modern systems to increase quality depends crucially on the motivational factor, an active role in this approach belongs to the academic staff who, besides the didactic teaching function, occupy, according to the normative framework, also a management didactic function. They have a series of motivational expectations for the additional effort and responsibility involved in the managerial act, expectations that "are reflected in their actions, efforts, decisions and behavior" (Nicolescu & Verboncu, 2007, p. 471). Reasons are felt as an expression of human needs and expectations, both economic and moral-spiritual.

Any wage system should be based on the principle of equity, which can be summarized as follows: equal work equal pay, so there is undifferentiated treatment in wage management so that „unity and harmony cannot be destroyed” (Manolescu, et. al., 2007, p. 515). This principle is enshrined in the Universal Declaration of Human Rights, which states that "all people, without any discrimination, are entitled to equal pay for equal work" (Manolescu, et. al., 2007, p. 523), and its application is the best guarantee for establishing fair wages.

Equity implies a fair relationship between work efforts and rewards compared to the efforts and rewards of other employees, so that people doing the same work in quantitative and qualitative terms have to receive the same rewards without discrimination. This situation will have less positive repercussions on the employee's socio-professional behavior with the same result for the organization. Remuneration is not only a consequence, but also a prerequisite for effective work.

In order for the management allowance to act as a motivating factor, it must fulfill the following essential conditions: to be desired, the additional effort to generate the improvement of performance, and the latter to determine the reward offered (who would want to receive a lower financial reward for a work of equal value?).

We did not intend to analyze the level of wages in education, but we intended to observe the principle of equal opportunities and treatment in the granting management allowances, on the contextual basis created by the legal provisions regarding the personnel's remuneration from public funds from higher education / university and limited financial resources of universities for teachers who hold different didactic degrees/ different teaching functions.

The function is a form of occupation, being the activity carried out by a person in a functional hierarchy of leadership or execution (<http://www.mmuncii.ro>). According to art. 277 par. (1) of the Labor Code (Law 53/2003), the managerial positions are those defined by the law or by internal regulations of the employer. In universities, the management functions (the academic management) are set by the law of national education, namely: chancellor, vice-chancellor, dean, vice-dean, department manager (Law 1/2011, art. 207, alin. (2)).

Increasing work efficiency requires consideration of all motivational, material and non-material factors, including leadership indemnity, and one of the new dimensions of organizational cultures aims to require employees' staff in relation to what they are offered, including the administrative component of education.

The exercise of a leading function contributes to the satisfaction of the human need of social recognition based on the feeling of the right person in the post he occupies, the competence, the autonomy, the self-confidence, and the appreciation and

recognition of those around him. Thus, the person in charge of a leading post has the „ability to perform activities that lead to achievement and responsibility” (Duma & Solange Roşu, 2012, pp. 19-28). Transcendence, in its turn, has as a motivating dimension the consequences that a certain action generates on those around.

However, it is obvious to ask ourselves: is social recognition and / or reporting to others sufficient for involvement in a university management activity? Can the economic side of motivation be ignored? Is it reasonable to compromise between intrinsic and transcendent motivations on the one hand and economic ones on the other? Although ”there has never been a model of motivation that can be applied to all individuals” (Vagu & Stegăroiu, 2007, p. III), we think that an anthropological approach is appropriate, with an equitable economic dimension for everyone involved.

3. MANAGEMENT COMPENSATION

Below we will present some dimensions on the remuneration of management functions by taking into account seniority in education/research between 20 and 25 years. We ignored the didactic degree of assistant, on the grounds that only sporadically people holding this teaching degree occupy managerial posts.

The coordination of educational activity, like any human activity to be initiated, deployed, developed needs a dynamic presence of three factors or main elements - the source - man, time and money (Marteia, 2009, pp. 193-196), and money is meant to quantify the size of the efforts involved and the quality of the results obtained in the course of a human activity.

According to art. 21, par. (1) of the GD 582/2016, the basic salaries for teaching staff in higher education are determined by taking into account the teaching function, the seniority in education, the uninterrupted seniority in education and the length of service at work according to gradations. The management allowance and the basic salary corresponding to the degrees of teaching „posts” for teachers form the basic salary corresponding to the „teaching” leadership post. We also mention that, according to current legislation (OMENCS 5446/2016), the basic salary differentiation for the management function is made on two levels of remuneration corresponding to Ist degree and IInd degree, depending on the number of students, so that universities with a number of less than 10,000 of students are in the first degree salary, and those who exceed this number are in second degree.

According to the data found in the Annual Public Report - 2015 the state of funding for higher education and the optimization measures required, in the year 2015 out of a total of 49 state universities 17 have more than 10,000 students and 32 are below this numerical threshold (<http://www.cnfis.ro>).

For the position of head of department manager, the components of the basic salary I have referred to above are as follows:

We find that for the same management position, the management allowance is significantly different between the three didactic degrees considered, with 2326 lei between the lecturer and the professor, respectively 1307 lei between the associate professor and the professor. Obviously we ask: is it such a differentiation justified in view of the attributions in the job description corresponding to this management

function which this allowance remunerates? Is such a leading position motivating for a university professor?

Table 1. The basic salary for the teaching staff that have the teaching function of department head in universities with less than 10,000 students

Indicators	Didactic Degree		
	Lecturer	Associate Professor	Professor
The base salary according to the teaching degree (lei)	3404	4423	5730
Leadership allowance (lei)	2924	1905	598
The base salary according to leadership function - department (lei)	6328	6328	6328
The leadership allowance (%)	46.20	30.10	9.45

Data source: Own processing after GD 38/2017

From another perspective, the ratio between salary and the management allowance reveals, in our opinion, significant differences, so that if in the case of university heads of departments with a lecturer's degree the management compensation represents 85.90% of the salary corresponding to the respective didactic degree, in the case of professors this is only 10.44% of the corresponding basic salary. For lecturers, this indicator is 43.07%. The discrepancies I have referred to above are found at the level of the other university management positions occupied by teachers.

For universities with less than 10,000 students, the management allowance corresponding to the didactic and management functions is presented in the table 2:

Table 2. Management allowances corresponding to teaching and management posts for universities with less than 10,000 students

- lei -

Management post	Leadership Indemnity		
	Lecturer	Associate Professor	Professor
Vice-chancellor	4082	3063	1756
Dean	3395	2736	1069
Department manager	2924	1905	598

Data source: Own processing after GD 38/2017

For the management function of vice-dean, the values are with 100 lei below the level specified for the function of department manager.

Therefore we justify the failure to present data for this didactic leadership function, with the mention that in 2016, there were no value differences between the two functions.

The table below shows the amount of management allowances for universities with over 10,000 students.

Table 3. Management allowances corresponding to teaching and management positions for universities with more than 10,000 students

- lei-

Management position	Leadership Indemnity		
	Lector	Associate Professor	Professor
Vice-chancellor	5082	4063	2758
Dean	4524	3505	2198
Department manager	4180	3161	1854

Data source: Own processing after GD 38/2017

The differences in the remuneration of leadership functions are obvious, the figures speak for themselves. Is it justified for a lecturer dean to have a senior management allowance of 2056 lei higher than that of a dean teacher? Or a university associate professor should be remunerated for his leadership position with 1305 lei more than a vice-chancellor professor?

The ratio between the management allowances (MA) for lecturer and associate professor degrees and those awarded to university professors is presented in the following table:

Tab. 4. The report between the management allowances for the lecturer and the associate professor degrees and those granted to the university professors

Management position	1st degree		2nd degree	
	MA Lecturer/ MA Professor	MA Associate Professor / MA Professor	MA Lecturer/ MA Professor	MA Associate Professor/ MA Professor
Vice-chancellor	2.32	1.74	1.84	1.47
Dean	3.17	2.55	2.05	1.59
Department manager	4.88	3.18	2.25	1.70

Data source: Own processing after GD 38/2017

Is there any justification for the leadership allowance of a department head lecturer of 4.88 times higher than that of a professor with the same senior management position? But for a 3.17 times higher allowance of the lecturer dean compared to that of the dean professor?

Beyond the inequalities that we have outlined in the previous tables, we wonder what would be the financial motivation of a professor for a leading position in the state higher education? Can it compensate the non-material forms of motivation (perhaps undifferentiated by the didactic degree) the financial differences? Or a position in the university hierarchy? To what extent, in such circumstances, will teachers want to get involved in the university management act?

With one exception, the chancellor's position is occupied, in the current mandate, by teachers who have the teaching degree of a professor (<http://www.cnr-romania.ro/membri/>), so for this leadership position there is no justification for addressing a difference of the management indemnity.

Is the principle of equality respected here? Can we consider the management indemnity as an incentive leverage for an administrative position at least for teachers with a professor's degree?

The change in optics is provided in GEO no. 20/2016 and has been applied since August 2016. Previously, for management functions in university education, the management allowance is calculated as a percentage of the minimum level of the enrolling salary for the teaching function of a university professor with a seniority of over 40 years (Law 63/2011), in other words for the same management position, the amount of the indemnity was equal. What is the equitable solution?

An attenuating solution to this state of affairs is the possibility to increase up to 70% from the minimum level of basic salaries for management functions at the higher education level/university (GD 582/2016, art. 1 (2)). The increase is established annually by the Board of Administration on the basis of the criteria approved by the University's Senate, within the limit of the financial resources, a conditioning which obviously encompasses to a significant extent, the actual materialization, being well-known the financial difficulties of the universities.

Also, the board of administration of higher education institutions may also establish differentiated salaries, with a 30% increase of the basic salary, depending on the type of activity carried out and the quality of the salary.

The differentiated remuneration policy for leadership posts should take into account: compatibility with the objectives and the mission of the entity, effective management of the educational process with all its components (didactic, research, social, cultural, etc.), managerial skills proven by the concern to increase the quality of the educational act, availability, involvement in solving new problems: the annual performance evaluation and not compensating the failures due to the lack of several variables such as operability, erroneous realization of some documents, etc.

In choosing a correct solution, university management has to relate to ethics. "The ethical decision is the process (and the ability) to explore all aspects of choosing between several possible actions, depending on the recognized moral values of the organization, and then weighing these options and recommending a course of action" (Gavrilescu, 2011, pp. 317-322).

4. DEGREE OF ECONOMY AND/OR EQUITY?

The issues outlined above indicate at least two directions of action for the decision makers of the universities, respectively:

1. the equal / non-differentiated treatment of all teaching staff who are in charge of management by granting the same amount of management compensation. It is the leadership allowance for the didactic degree situated at the base of the institutional hierarchy, because the minimum level of remuneration is set by a normative act. The legal instruments that universities can use are the two attenuating solutions previously specified (increase of the basic salaries for the teaching didactic functions, respectively the granting of differentiated wages on the basis of their own financial resources).

Naturally, such a solution involves higher costs, but “when you offer, you can ask”. We also believe that the requirement of transparency and efficiency in the use of public financial resources is not breached, as the didactic, scientific, relationship with the actors working on the labor market, valorifying the various opportunities for the benefit of the academic community and the beneficiaries of education has a positive impact on the performance of the educational and institutional processes, without significantly affecting the character of the degree of economy.

2. the orientation for the management structures where the didactic leadership posts are appointed (vice-chancellors, vice-deans) to teachers with a professor’s degree. Although, in strictly financial terms, such a choice seems desirable, it must be analyzed at least in relation to the following aspects: satisfaction of the need for complementarity and the existence of a binder between generations; the risk of creating a vacuum of people with managerial experience due to withdrawal from activity; the low motivation to occupy some leading positions, including the reasons that from a professional point of view, a good part of the individual objectives have been accomplished.

Naturally, in any of the solutions proposed, the law and policy of the organization are not violated, but a fair decision-making process must also meet the requirements of balance and justice for all involved, regardless of the didactic degree, both long-term and short-term. ”Flexibility in the use of resources is considered fundamental for the development of a performance-oriented culture” (Matei, 2006, pp. 27-34).

5. CONCLUSIONS

Responsible management of resources is the goal of any management, and the reward system must be fair and equitable among others.

From the point of view of equity and equality, we consider that the provisions of the previous legislation on remuneration of management posts were stimulating for all categories of teachers to get involved and to make the most of their professional experience concerning management.

The management of universities has, through management allowances, a public financial management tool, at least for the management posts that are occupied by appointment, being obviously more attractive from this perspective, the option for teachers with the degree of professor. But what can such a solution be balanced with? We recognize that such a state of affairs is motivating lecturers and associate professors to accede to a leading university post, but this balance must not be built on the motivation of one category and the demotivation of another category, but by using of fair reward mechanism paradigm, (for example the previous ones) that channel everyone’s efforts towards performance (and) regarding administration.

We consider that the effect of financial disparities referred to in this paper is the impairment in the sense of diminishing the motivation to achieve performance in the position of leadership occupied by teachers holding higher didactic degrees, knowing the influence of the financial side on it and the fact that the change in legal

parameters took place after the electoral process in universities for the current managerial mandate.

The subject of remuneration for leadership positions in Romanian state universities remains open to future approaches such as: analyzing the solutions implemented by universities after changing the legal framework for awarding management allowances and their orientation to the next academic choices; identifying teachers' opinions on higher academic degrees regarding the issues I have referred to in this paper; the way universities comply with the requirement of transparency in the use of public funds and publicize their staff remuneration policies, including on the segment of management allowances.

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