

THE LABOR MARKET BETWEEN SUPPLY AND DEMAND: A COMPARATIVE ANALYSIS BETWEEN GRADUATES OF HIGHER EDUCATION NEEDS AND EXPECTATIONS OF EMPLOYERS IN THE JIU VALLEY

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ABSTRACT: *The quality of an educational system is reflected not only in the instructive performances of the educational actors, but also in the degree in which it ensures an adequate professional integration. The undergraduate of today, the graduate of tomorrow needs an as accurate as possible information regarding the labor market, which cannot be achieved only by individual means, but also by resorting to carrier counselling services. The reasons for the present research is closely linked to improving the level of communication between the two environments-academic, on the one hand, and economic, on the other hand-as well as the opportunities that we can offer the collaboration between the two environments.*

KEY WORDS: *labor market, graduates, employers, demand, supply, competencies.*

JEL CLASSIFICATION: *J23.*

1. CONCEPTUAL ISSUE

The labor market is in the economic area that get together, they encounter and freely negotiate the demand for labor, and employers offer, represented by holders of labor. Therefore, the labor market is the employer who has jobs, supplier is job Finder-the transactional object is employed, labor force, and the price is the full wage, known as the individual salary Fund. Labor is provided on levels of skill (competence) and units of time (hours, days) ([https://ro.wikipedia.org/wiki/Piata_muncii_\(economie\)](https://ro.wikipedia.org/wiki/Piata_muncii_(economie))).

With the arrival of the year 2017 brings news and changes regarding the labor market in Romania. Talents, rapid adjustment, wage increases, more days off or digitization, are just some of the trends that will mark the year 2017. The year 2017

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brings important changes and in terms of legislation in the field of unemployment, both in terms of people looking for a job and employers who employ unemployed camp.

The first novelty is the introduction of the first activation on the labor market, the first consisting of a sum of 500 lei for unemployed allowance, who are not getting the amount of unemployment. Another novelty is the first Installer-this consists of a substantial amount of 12,500 lei, for people who engage in a locality situated at a distance greater than 50 km from home. Another feature of the labor market, which will be felt in the year 2017, is that Romanians are increasingly less interested in jobs abroad, and many sectors are faced with finding staff even for Romania.

Areas where significant changes will occur throughout the year, are those in which there will be and the more employment, and these are: banking and finance, energy, technical, automotive, and IT outsourcing. These areas will need intensive labor in 2017. At the same time, the shortage of manpower in these areas, and in the year 2016 felt updates per year. (<http://www.capital.ro/ce-duce-anul-2017-pentru-piata-muncii-din-romania.html>).

On the other hand, it talents is another trend that will mark the year 2017. Employers seek talented candidates this year, and specialized in different fields of activity. The year 2017 is shaping up to be one with jumps for the labor market in Romania, which is why employers need and it is recommended to take into account these trends that will influence the market.

2. METHODOLOGY AND RESEARCH SUBJECTS

The study has been carried out in June 2016, in Jiu Valley, with 29 employers, representatives of the most important companies in the area, activating in fields such as: economy, public administration, industry, IT, constructions, mass media etc. And 39 graduates from the University of Petroșani and beneficiaries of the services of the Centre of Counselling of the University, their greatest part being licensed in a single speciality.

Study Hypothesis: We estimate that there are no significant differences between the employers' and graduates' professional expectations.

The research method applied was indirect inquiry by questionnaires. The questionnaire addressed to employers had 21 questions, and the one addressed to graduates 25, of which 8 were common for the two lots of subjects, by which comparable results have been constituted between the requirements and expectations of the two parties involved in the labour market and the work hypothesis has been validated. Similarly, the results obtained as a result of processing the questionnaire constituted the basis for the next step, namely the development of a counselling plan by which the future graduates might improve their competencies and model their attitudes in agreement with the employers' expectations.

3. RESEARCH RESULTS

The essence of professional selection activity is efficiently done when two categories of information are compared, namely: number and requirements of vacant

jobs and qualities of those looking for a job. In the process of professional selection, the expertise of work capacity intervenes, this representing the identification of the existing agreement between the individual and the profession, more accurately, between the physical and psycho-social availability of the individual and the professional requirements. (Jigău, 2001).

The candidates' recruitment process is based on the use of a variety and modality of attracting graduates from higher education towards available jobs. From the answers given by the employers of the top firms in Jiu Valley, more than 40% are based either on recommendations (48.3%), or on direct approach of the candidates (44.8%), and more than one quarter are based on information found on job sites. Unfortunately, only 10% attract the candidates by promotion actions in university centres.

In view of obtaining as detailed information as possible regarding competencies and knowledge expected by employers to be found with University of Petrosani graduates, we have been looking both for key competencies, proposed in a Recommendation of the European Parliament, and for competencies/knowledge that are specific to domains of companies involved in research.

A part of the competencies centralized as a result of the analysis of the participants' responses, are also to be found in the table with key competencies, developed at UE level. We wish to underline that these classifications do not exclude each other; they help us create a detailed picture of the companies' expectations regarding UPET graduates' competencies. We feel that these competencies should increase the employability level for the UP graduates. In general, these are the main competencies the employers wish to find with the future candidates:

- communication –within the company and with its clients as well;
- creativity –absolutely necessary in solving problems;
- critical thinking – useful in processing situations – analysis and synthesis – for information of speciality and more;
- initiative – closely connected to project initiation;
- time management – to meet deadlines, but also to solve work tasks;
- permanent learning – development, but also availability to transmit, take over, assimilate information received from colleagues, superiors or in training sessions;
- team work and cooperation.

Figure 1 shows that most of the employers participating in the study consider that the candidates' education is very important (95.8%), but also their skills (77.7%). Recommendations in favour of the candidate are appreciated by more than 60%, and the reputation of the higher education institution is appreciated by approx. 40% of the respondents.

Out of a list of 18 abilities/competencies subject to analysis of both university graduates and employers in various domains, with whose help we intended to see the level of self-knowledge of the young at graduation, on the one hand, and on the other, the suggestions of the representatives of Jiu Valley labour market addressed to higher education institutes in Romania regarding training these competencies among their educational products.

Out of the responses of the respondents, in a hierarchy of the first five points in the order of importance, we notice the same skills, with negligible differences. However, the percentage is averagely slightly higher in the evaluations made by employers regarding all the 18 skills/competencies. This is explicable also due to the fact that, as they describe themselves, most of the graduates are in a process of knowing themselves, being at the level at which they should practice various competencies in a safe context, learning about them, discovering their skills, but also their weak points related to the carrier they wish to build up.

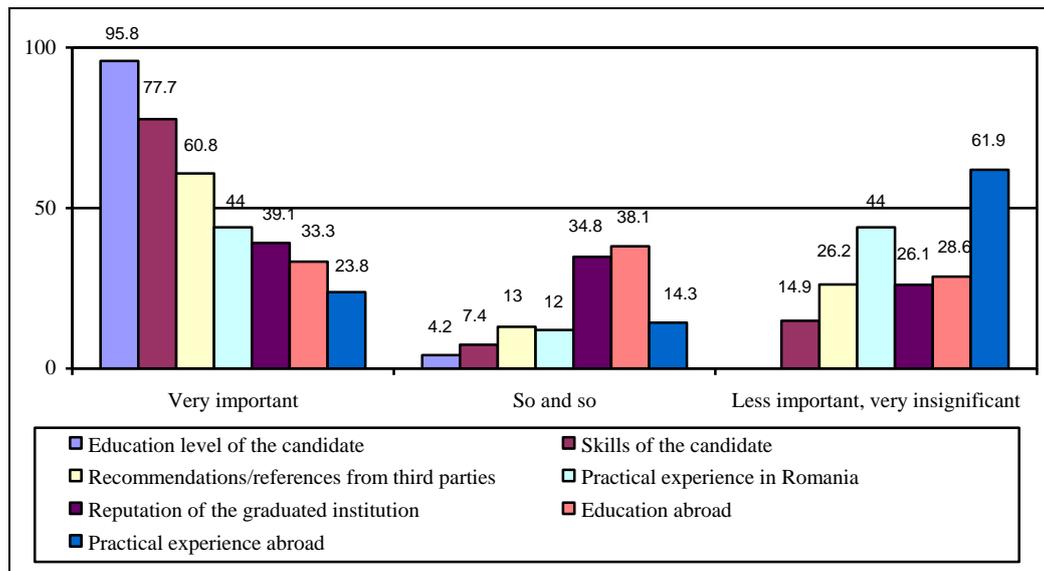


Figure 1. Importance of the following aspects in the recruitment process (%)

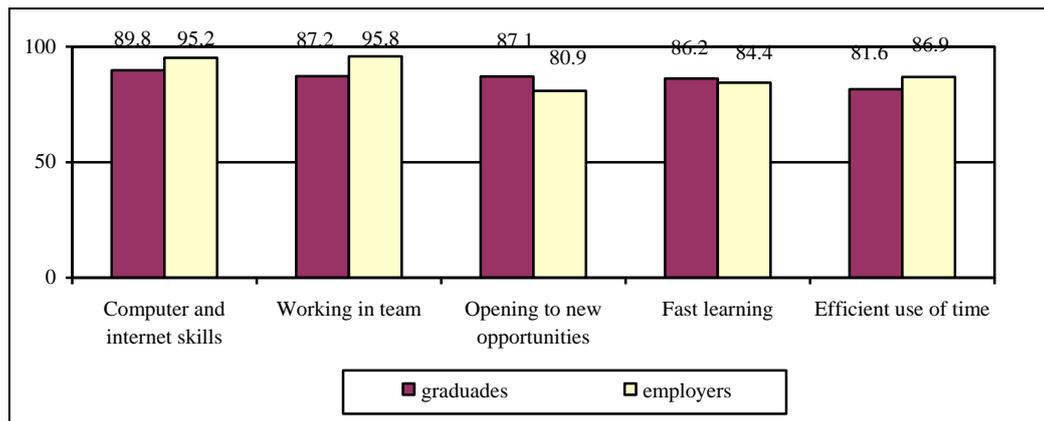


Figure 2. Importance of competencies in the opinion of the graduates and employers (%)

It is already known that when a university is graduated, the objectives in life are formulated generally, and the perception on the professional future is vague. Being in a continuous process of knowing their own selves, graduates will need instruments, strategies and methods that might help them discover themselves from a professional point of view, understand individual resources, but also their limits, so that they might build up medium and long term objectives, starting from these personal evaluations, being able to discover their abilities, but also their weak points in relation to a carrier they intend to develop.

Comparing the two lots of subjects – graduates and employers – regarding the factors that lead to difficulties in accurately tracing a decisional course for one’s carrier, it is seen that opinions are relatively similar, thus supporting the hypothesis that was the foundation of this investigation. Thus, the lack of information regarding the chosen carrier field is seen to be the main cause, the response variant being identified in more than two thirds in the responses of the graduates and in approximately half in the responses of the employers. Similarly, the lack of interest or initiative for a carrier, considered to be responsible for the indecision in building up a professional course, accumulates more than one third of the opinions of the respondents of the two lots of subjects. Even concurrent interest for several domains have been evoked, but also the so-called myths related to the chosen carrier, causes possibly also determined by the lack of adequate information regarding carriers.

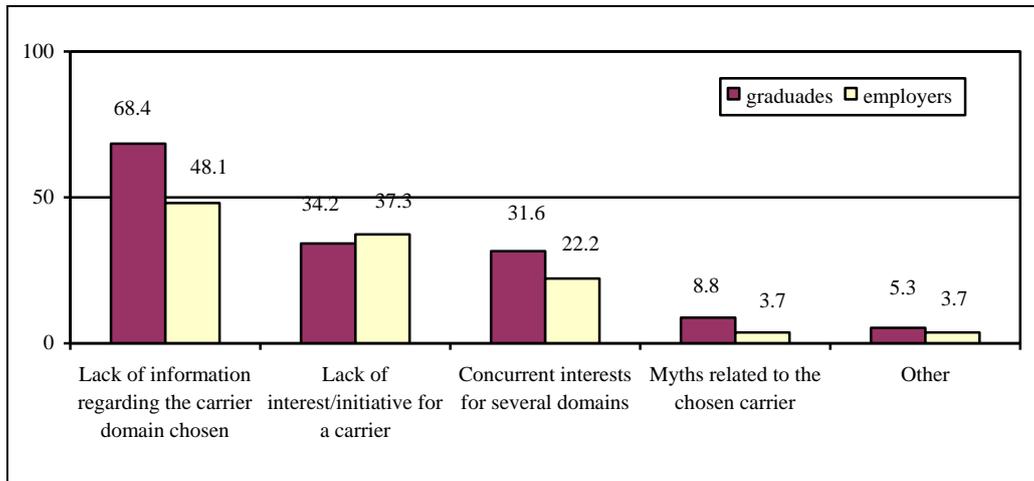


Figure 3. Responsible factors creating difficulties in accurately building up decisional tracks regarding carrier, in the opinion of employers and graduates (%)

Considering the psychological and social characteristics specific to the graduates’ age range, the information reaching them, the confidence shown in the information sources, as well as the critical thinking, the way in which information is processed, are all essential factors in carrier decisions assumed by them.

Figure 4 points out another comparative analysis between the two lots of subjects, highlighting the fact that the hierarchy of the first four places in the order of

importance is approximately the same, with small differences, but with the specification that the more important numerical percentage is found in the assessment made by the graduates.

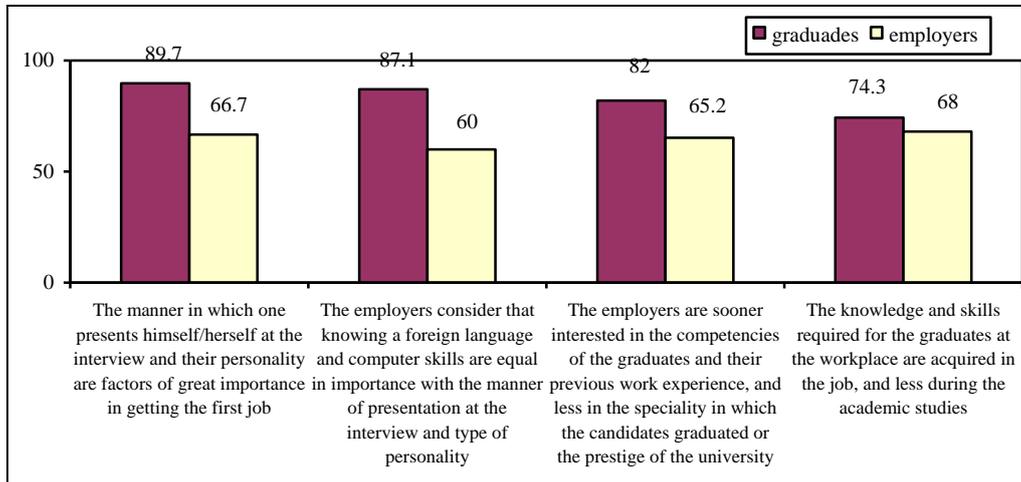


Figure 4. Importance of the following aspects in the opinion of the graduates and employers (%)

The comparison between the two lots of subjects of the study points out a perfect match of the hierarchy of activities intended to accumulation by the graduates of professional experience. Thus, in a percentage of over 85%, both graduates and employers rate first in the process of acquiring professional experience, entrepreneurial activities, which involve initiative and coordination of one's own activity or of a group's, followed by activities involving interpersonal relationships, helping the others, educational activities, appreciated by more than three quarters of the respondents.

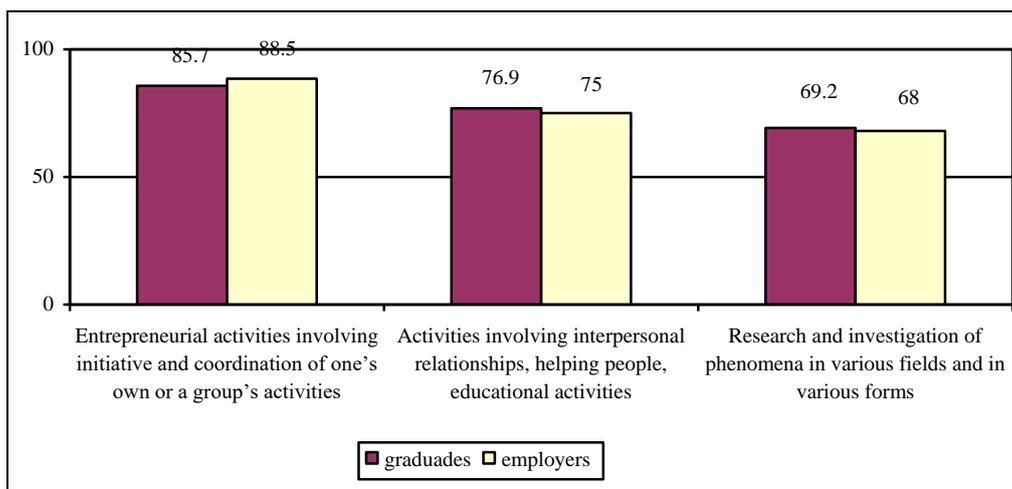


Figure 5. Importance of the following activities for accumulation of professional experience by graduates (%)

For the young at the beginning of their carrier, access to as much information as possible regarding the employing company, the expectations regarding the ideal candidate is important. A candidate will convince by his /her personality, experience, the way he/she looks at his/her professional advancement, aptitudes showing that he/she might bring a plus value to the company. A common factor regarding the expectations of the employers is volunteering, involvement in various activities during the education years, stages of practice. Participation in these activities is looked upon by the employers as a way of gaining experience. The same work experience is seen both by the graduates and the employers as key-element in carrier promotion and advancement, followed by the level of qualification attained, but also the existence of a personal and professional development plan, first of all by participating in training courses (Fig. 6). This compatibility of ideas between the two lots of subjects supports the hypothesis of the study.

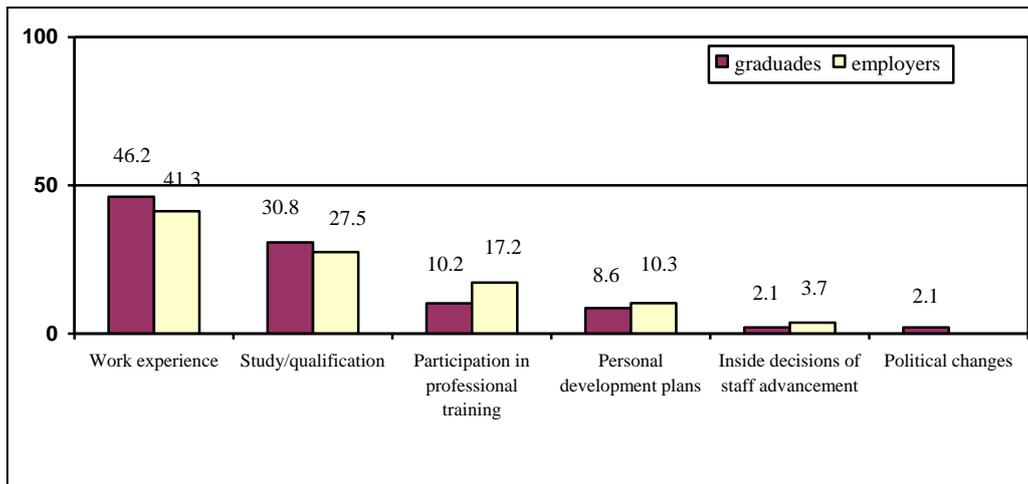


Figure 6. Carrier advancement possibilities, in the opinion of graduates and employers (%)

The comparison between the two lots of respondents points out a relative similarity of opinions regarding the limits existing in Romania’s labour market. Thus, the variant with most of the choices, both of the graduates and of the employers, is represented by the problem of insufficient and poorly paid jobs. One should mention however, that with the graduates, among the aspects mentioned as limits of the labour market, we may also find lack of possibility of accumulating professional experience, a requirement that is absolutely necessary for hiring, but also the existence of jobs that do not match the value and type of qualification, an aspect which should be in the attention of the universities – the difference between the two lots regarding these last two aspects being significant.

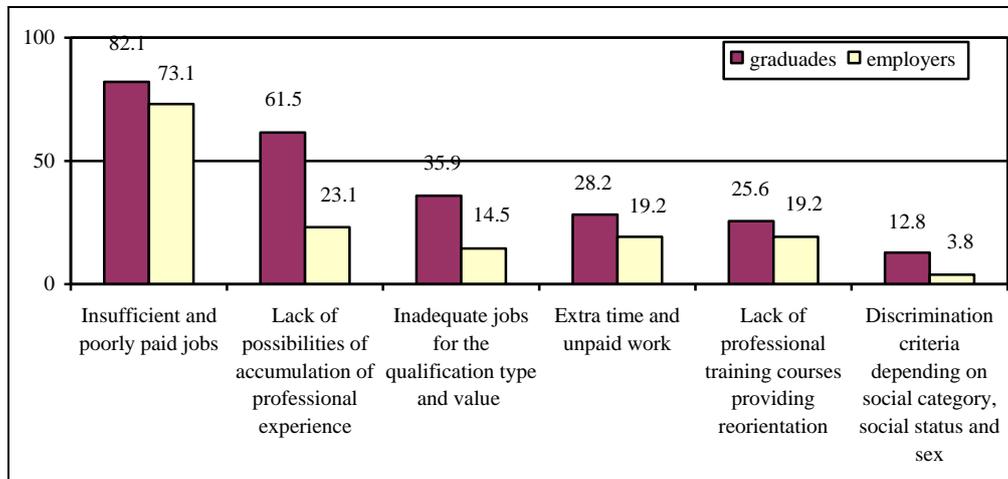


Figure 7. Labour market limits in the opinion of graduates and employers (%)

3. CONCLUSIONS

The hypothesis on which our entire research was based, namely “We consider that there are no significant differences between the professional expectancies of the employer and undergraduates/graduates”, has been confirmed.

For the young at the beginning of their carrier, it is important to have access to as much information as possible regarding the employing companies, and the expectations of those on the ideal candidate, this being the main reason of maintaining an active partnership between the two media – academic and economic, its final goal being an increase of the level of employability of the university graduates.

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