

EMPLOYMENT INSIDE REGION IN ROMANIA

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Abstract :

In the context of economic transition, the labor market in Romania has undergone significant changes in the volume and structure of the main indicators of labor. After 1990, the decrease of inhabitants in Romania, due to the negative natural growth and massive emigration, resulted in the reduction of the active population and employment in all eight development regions in Romania.

The paper analyzes the phenomenon of labor employment in regional profile. In essence, two issues were here followed: public participation in economic and social regional developments and employment structure. There were also highlighted the differences and development gaps between regions of Romania in the use of labor in order to identify conclusions that can improve regional development policies and to enhance effective action to fill the available labor resources.

It is this way that the paper highlighted the huge gaps between Bucharest-Ilfov region and other regions of the country in terms of employment structure by economic activities, the region around the Capital City keeping in context the smallest share of the population employed in agriculture.

Keywords : labor market, employed population, regional gaps.

Cod JEL: J01, J43, J80

1. Introduction

The economic restructuring process succeeded to re-direct an important part of the old unemployed people of cities towards rural areas, but this for embracing a just subsistence agriculture. So, the high rural population here existent and resulted, face to the large amount of arable land as available succeeds in their turn to make the agriculture predominant at least in the regional view and especially in the southern part of the country.

There are, besides the increasing number of agricultural people, crumbled farmland resulted from the property reform and low agricultural technology assimilated that equally resulted into a significant productivity diminishing. And concomitantly to agricultural development in particular, regional economic structure and distribution of activities continuously adapted to realities like: natural resources availability, their local processing traditions, facilities of available technology and capital, price system and market mechanism, as also locally specific.

Last year, Romania was by far the top European Union member country regarding the percentage of agricultural farmers in total active population, i.e. the top decreasing order in this regard within EU28 was: Romania (25.4%), followed by Greece (13.0%) and Poland (11.2%).

It is general remark that the education level currently becomes increasingly important for the evolving structure of employed population, as previously a progress providing factor for the whole nation. When considering the same EU28 scale in 2014 for the education level of labour of 15-64 years old, the medium one was predominant, as 49%, that further meaning by sexes 50.3% for males and 47.3% for females in their separate totals. So that the higher education level came on the second position as such with 32.7%, that further meaning 29.8% for males and 36.2% for females, and lastly the low education level was the third with 18.3%, that meaning 19.9% for males and 16.5% for females.

As correspondingly in Romania, the National Institute of Statistics' (NIS) data equally show a predominant medium education level of labour, for 60.8% of males and 54.6% of females, followed by the higher education for 16.7% of employed males and for 22.3% of employed females.

2. Employed population's regional distribution in Romania

In the 2008 year end the civil employed people in Romania were as high as 8474 thousands, then in the 2013 year end they were 8530 thousands, meaning a 216.4 thousands decrease along Five-Year. Table 1 shows the employed people's structure on inside developing regions.

Table 1 Employed by Romania's developing regions (% of total)

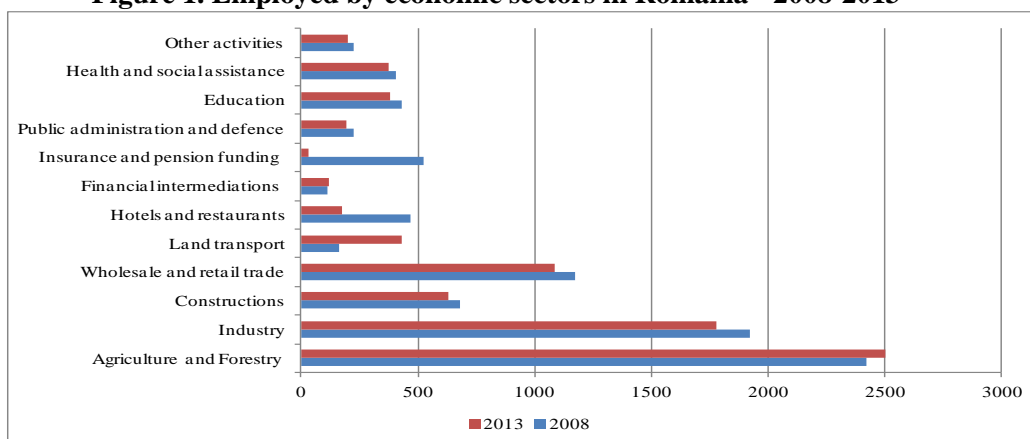
Developing region	2008	2013
North-West	13.6	13.9
Center	12.0	12.2
North-East	14.3	14.1
South-East	12.1	11.8
South	13.7	13.7
Bucharest & Ilfov	14.6	14.7
South- West	9.9	9.8

West	9.8	9.8
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Data source: *Romania's Yearbook 2009-2014 of the NIS*

Not too much structural change in the regional labour's distribution in Romania during these five years to be noticed. But now seeing on the economic sectors, the same employed people's structure appears like in Figure 1, that recalls the above introductory idea about significance of agriculture and forestry in this respect, and this at the national scale viewed.

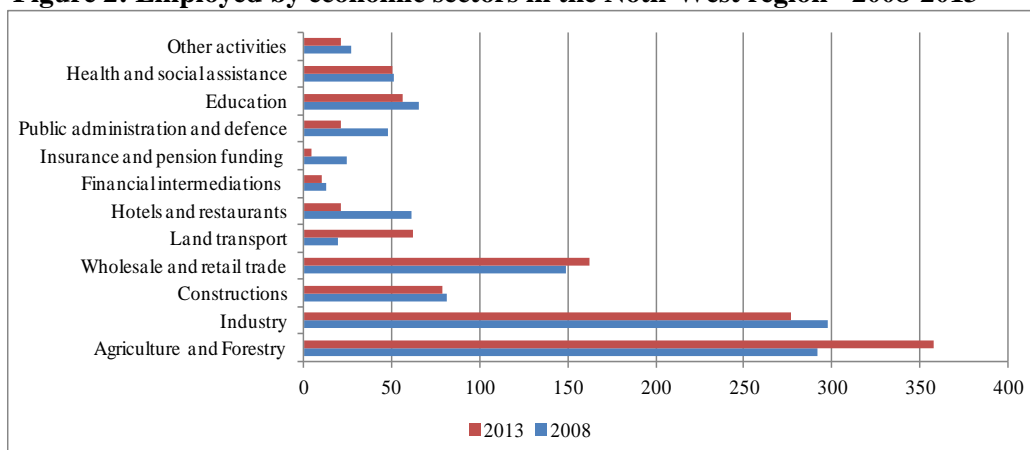
Figure 1. Employed by economic sectors in Romania - 2008-2013



Data source: *Romania's Yearbook 2009-2014 of the NIS*

In the 2008 year end, the North-West region's civil population employed was as high as 1187.9 thousands and in the 2013 year end 1188, namely a relatively constant number, but that is the lonely regional case; though, a case in which the activity structure of population significantly changed, as concomitantly (see in Figure 2).

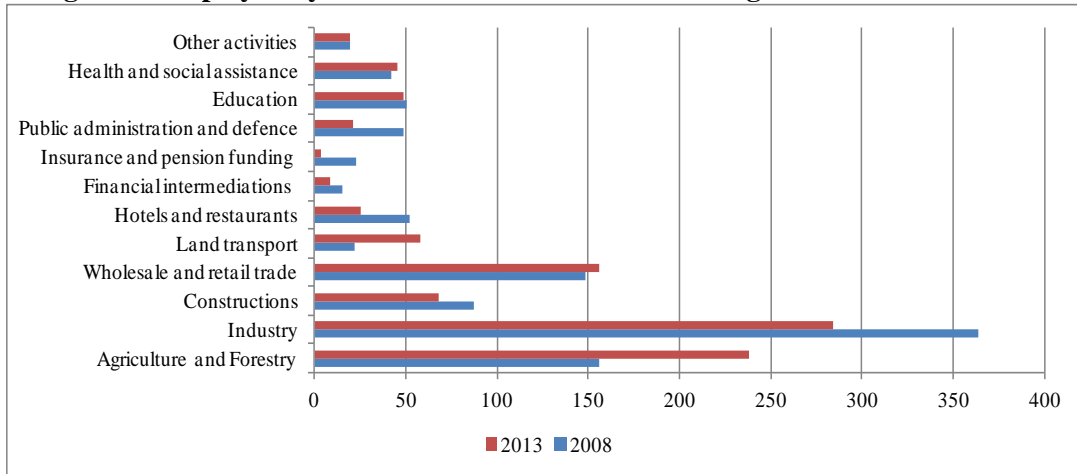
Figure 2: Employed by economic sectors in the North-West region - 2008-2013



Data source: *Romania's Yearbook 2009-2014 of the NIS*

In the Center region, in the 2008 year end the civil population employed accounted 1046.5 thousands and in the 2013 year end 1040.8 thousands, whereas the activity structure of this can be seen in Figure 3. This region is an example of the industry predominance, in this regard, agriculture coming on the next position for people employed and this in the aftermath of an important growth of these years.

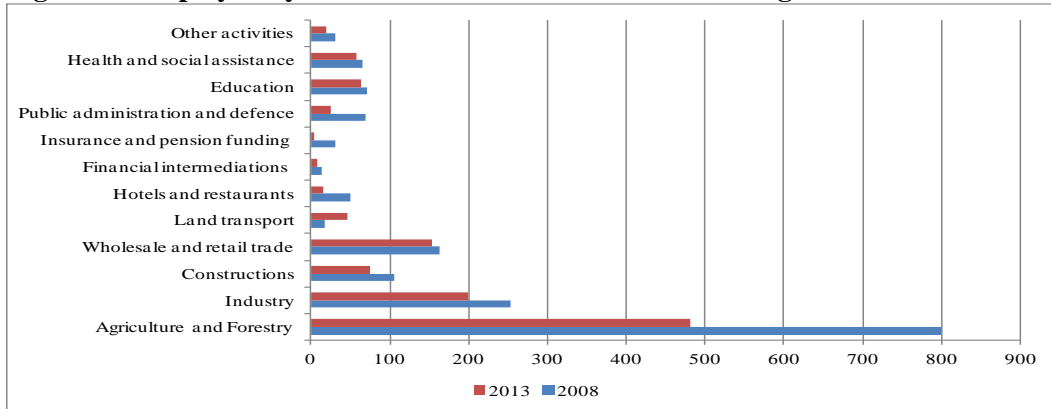
Figure 3. Employed by economic sectors in the Center region - 2008-2013



Data source: *Romania's Yearbook 2009-2014 of the NIS*

Now in the North-East region, in the 2008 year end the civil population employed was 1248.9 thousands and in the 2013 year end 1203.7 thousands; the same populations were distributed on activity structure as in Figure 4. In this case, agriculture was predominant even in a significant declining trend.

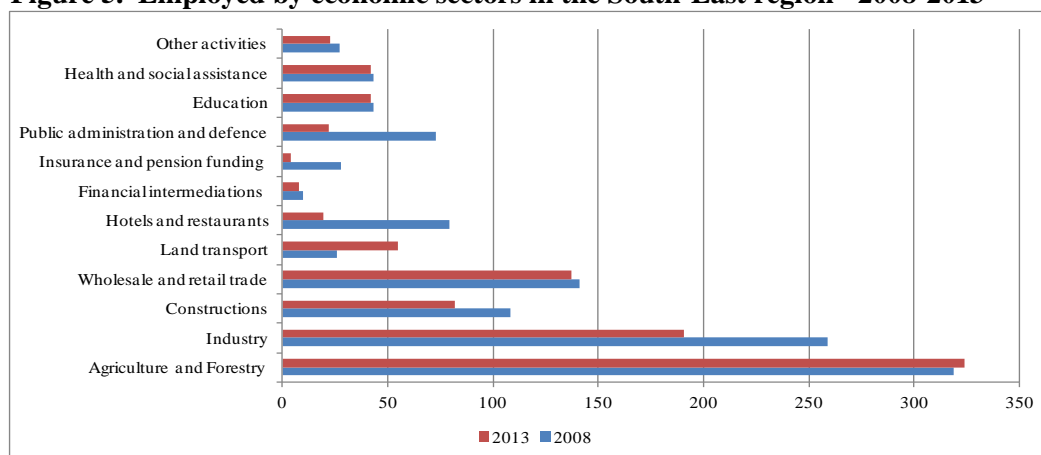
Figure 4. Employed by economic sectors in the North-East region - 2008-2013



Data source: *Romania's Yearbook 2009-2014 of the NIS*

In the South-East region, in the 2008 year end the civil population employed was 1057.6 thousands and in the 2013 year end 1003.9 thousands and the activity structure of population was in the same years as in Figure 5. Here, the industrial population dramatically lowered along this period.

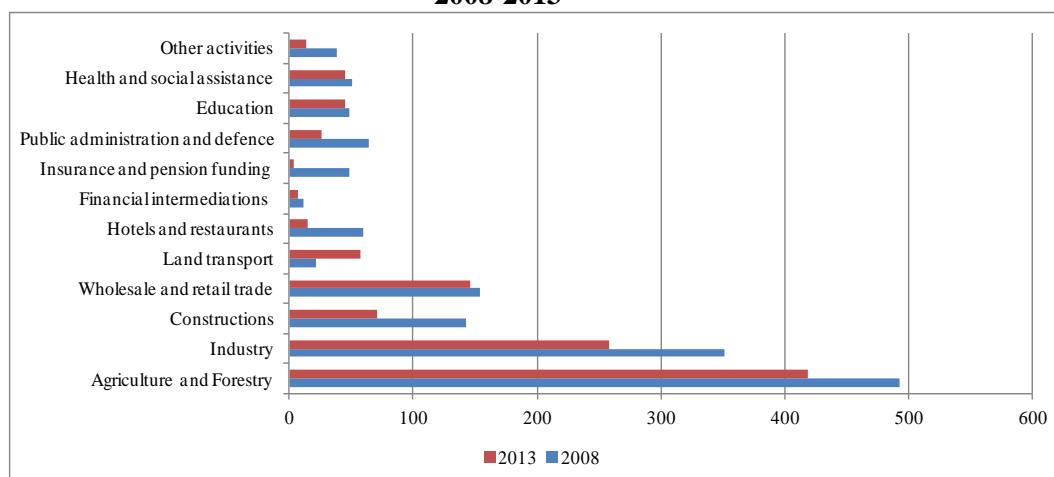
Figure 5. Employed by economic sectors in the South-East region - 2008-2013



Data source: *Romania's Yearbook 2009-2014 of the NIS*

In the South (Muntenia) region, in the 2008 year end the civil population employed was 1201.0 thousands and in the 2013 year end 1168.8 thousands and the activity structure was distributing the same population as shown in Figure 6. Here both industry and agriculture were losing employment and agriculture was staying as majority during these five years.

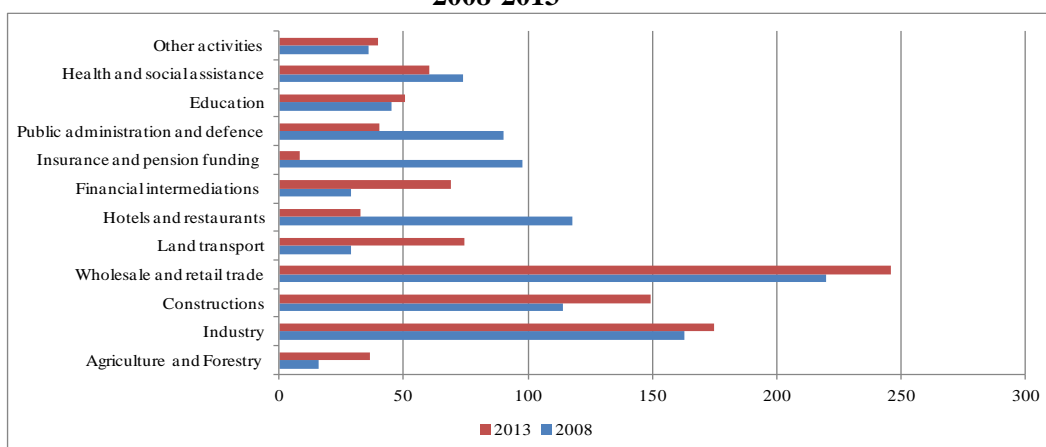
Figure 6. Employed by economic sectors in the South-Muntenia region - 2008-2013



Data source: *Romania's Yearbook 2009-2014 of the NIS*

In the Bucharest & Ilfov region, in the 2008 year end, the civil population employed was 1281.7 thousands and in the 2013 year end 1256.9 thousands and the activity structure of population was like in Figure 7 along the same period. This is a rather atypical region at the national scale, namely it is the lonely one with the services activity dominant.

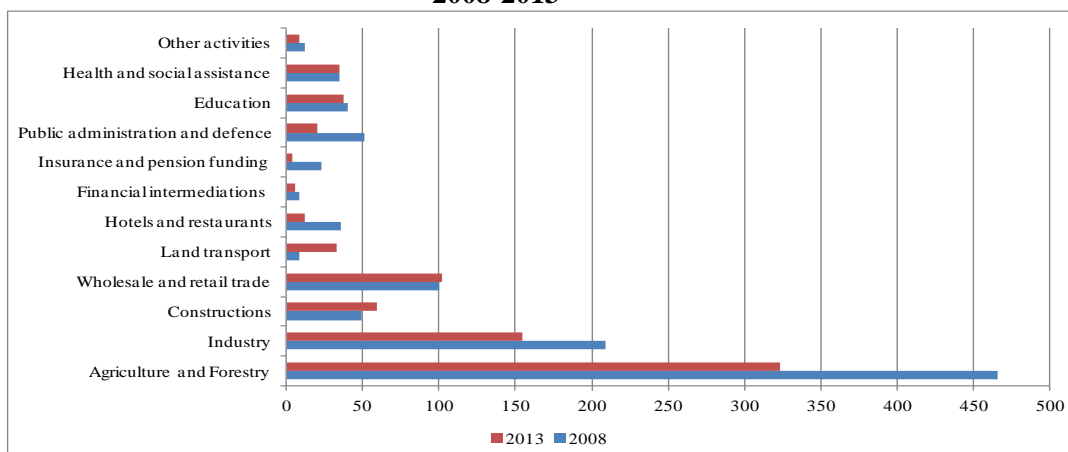
Figure 7. Employed by economic sectors in the Bucharest&Ilfov region - 2008-2013



Data source: *Romania's Yearbook 2009-2014 of the NIS*

In the South-West Oltenia region, in the 2008 year end the civil population employed was 867.0 thousands and in the 2013 year end 832.0 thousands. The activity structure employed people distribution was so like in Figure 8. This is another region of dominant agriculture, despite this sector losing enough people employed.

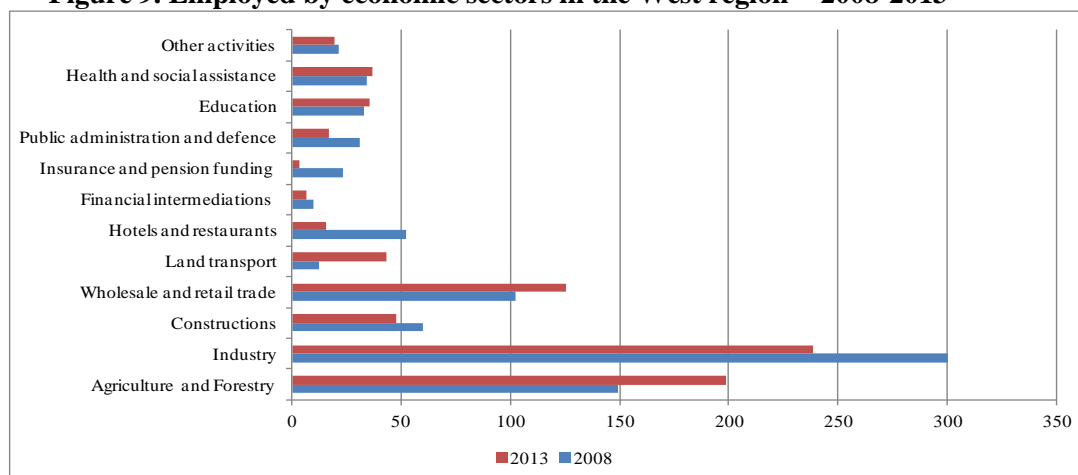
Figure 8. Employed by economic sectors in the South-West Oltenia region - 2008-2013



Data source: *Romania's Yearbook 2009-2014 of the NIS*

In the West region, in the 2008 year end the civil population employed was 856.4 thousands and in the 2013 year end 832.0 thousands and its activity structure was as shown in Figure 9. The West region is the third one in the decreasing order in which agriculture doesn't hold the majority of its employed population. Despite this, the agricultural population is here significantly increasing along this period.

Figure 9. Employed by economic sectors in the West region - 2008-2013



Data source: *Romania's Yearbook 2009-2014 of the NIS*

Then, there is a list of conclusions of the above analysis:

- it is about an overall 216.4 thousands decrease of population employed in all Romania's economic sectors;
- contrary to this, it is a slight growth to be noticed in the North-West region, namely of 0.1 thousands;
- and overall again the other regions accounted an absolute decreasing of people employed: South-East -53.7 thousands, North-East -45.2 thousands, South-West -35.0 thousands, South -32.2 thousands, Bucharest-Ilfov -24.8 thousands, West -19.8 thousands, Center -5.7 thousands;
- only three regions, of the total of eight, in which people employed in agriculture aren't majority of total people employed;
- the Bucharest&Ilfov region is atypical nation-wide, i.e. trade is the highest in employed people structure, followed by industry and constructions.

It is to see the total employed people of Romania diminishing at both the national scale and in rural areas. Overall, in 2013 the employment rate

of the 15-64 years old people was 59.5%, namely 4.7% lower than the European average. As for the rural areas, the employment rate diminishing for the same age group was diminishing from 61.6% in 2008 to 60.7% in 2013.

As for people employed's dynamic on activity sectors in the 2008-2013 interval, analysis indicates significant decreases as such for the primary and secondary sectors: -2.6% in agriculture, -4.4% in industry and constructions face to an increase of 14.5% in the tertiary sector. As geographically, significant disparities persist for pretty minimal numbers as such for either industry and/or tertiary sector in some rural localities, or agriculture up to 80% of people employed.

Employment seen from professional status results for 2013 as high as 89% self employed and contributing family workers in rural areas. These workers hold 42.6% of the total employed people in rural areas, but unfortunately this aspect plays for the subsistence agriculture rather than for any entrepreneurial spirit. As seen from residence areas, it is to be noticed that the employment rate in rural areas in 2013 was 51.5%, namely 1.5% higher than in urban areas. But this isn't for more favourable employment opportunities, on the contrary.

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PERFORMANCE AND VALUES IN ECONOMIC ORGANIZATIONS

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Abstract

The performance of an organization is influenced by the way in which organizations define their mission and provide the resources needed to carry out activities, how each employee knows their responsibilities, and the quality of communication at all levels.

In view of the increase in organizational performance, it is necessary to create and implement systems and procedures that will harmonize the budget execution process with the allocation of resources, minimize the costs and ensure the highest level of achievement of the established objectives.

Performance measurement is performed using performance indicators that allow for quantification of costs, measurement of activity efficiency as a result of efforts and results, measurement of effectiveness of achievement of objectives, measurement of financial result. Attention must be focused on assessing the extent to which the human resource achieves its objectives and fulfills the performance criteria, as it is the decisive factor that decides on the level of performance.

Keywords: *economy, efficiency, effectiveness, performance measurement, organization, performance, performance valences, financial statements.*

Cod JEL: *M40, M41.*

Elements of performance

The performance of an organization is influenced by how human, material, informational and financial resources are used to implement the activities and how they help achieve the set goals.

The research of the specialized literature reveals that the elements of the concept of performance within an organization can be presented as

follows: the referential system, the dimensions of the performance and the performance measurement.

The features of the referential system within the organization are given by:

- the complexity of the organization's mission, which is determined by the structure and complexity of the activities carried out, the way of quantifying the results of the activities carried out, identifying the market requirements and needs in relation to the quality of the products / services provided, the value system promoted and the image of the organization the market segment in which it operates;
- strategic development directions, established over an average period of time, and whose realization is largely influenced by the availability of the resources available for their realization;
- the general and specific objectives, which although they are established for all areas of activity of the organization, their realization does not ensure, however, the fulfillment in full and in term of the activity programs.

Performance dimension features within the organization are given by:

- resource economics, seeks to ensure that the resources needed to carry out the activities are assured in quantitative and qualitative terms and in the most advantageous conditions.
- the cost of operation is influenced by the constraints on the lack of resources in relation to the needs and exigencies of the market;
- the efficiency of the activity, has a pronounced collective character, as the organization provides products / services, seeking profit,
- the effectiveness of the activity is characterized by the capacity of the organization to fulfill its goals, objectives and attributions within the limits of the available resources.
- the quality of products / services, requires compliance with certain standards in their production and supply.

Performance-specific performance traits are given by the design and implementation of performance measurement mechanisms. As a rule, this is a complex and difficult process, due to the variety and diversity of the markets, the variety and diversity of the rules on the market, the different understanding of the concept of performance, type, nature and structure of products / the services provided in relation to those existing on the market and the complexity of the social and political environment in which the organization operates and which generates risks with a direct influence on performance.

Performance measurement allows tracking the efficient and effective allocation of available resources to the organization and helps substantiate and make managerial decisions.

Consequently, the dominant feature of performance growth is the establishment of functional structures, the increase of managerial accountability and the use of appropriate processes for carrying out the activities.

The measures that may be ordered to increase performance are related to the following:

- the consistent application of the management method to objectives;
- clear definition of the responsibilities of the personnel involved in achieving the objectives;
- performance measurement using performance indicators;
- rational use of available resources;
- final evaluation by assessing the quality of the results and the level of efficiency achieved.

Ensuring performance within an organization involves establishing a relationship between results, means and goals, and an approach in terms of effectiveness and efficiency.

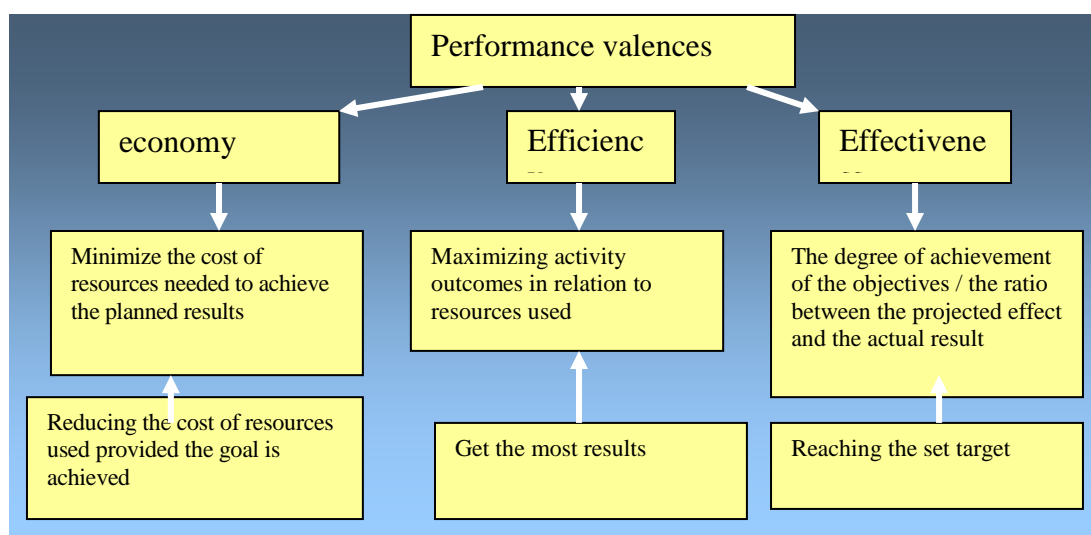
The importance of performance and their significance in economic organizations

An organization can be considered as performing if it is both efficient and effective in building up and using resources. According to this principle, being efficient means achieving goals with little effort or overcoming goals with planned resources.

According to the literature, the performance concept is associated with three valences:

- economics - purchasing the necessary resources at the lowest cost;
- efficiency - maximizing the results obtained from a given amount of resources, or minimizing the amount of resources for a planned outcome;
- effectiveness - the results achieved reach the expected results.

Starting from research in the field of performance-specific criteria, as well as from the overall goal of measuring performance, namely to improve efficiency and increase efficiency, performance valences can be as follows:



Economics is defined as "minimizing the cost of resources allocated to achieve the expected results of an activity, while maintaining the appropriate quality of these results." This implies that inputs of resources required to ensure the operation must be at the best value for money or inputs of resources must be made at the best possible price.

Efficiency is defined by "maximizing the results of an activity in relation to the resources used" This implies achieving a higher level of results with a volume of resources or achieving the same level of results but with less resources.

Efficiency, on the one hand, implies obtaining maximum economic effects with a given consumption of resources, and on the other hand, obtaining the volume of planned effects with a minimum consumption of resources. The general expression of efficiency is given by the ratio of economic effort to economic effect, namely:

$$E = \text{Effort} / \text{Effect} - \text{when effects are maximized};$$

or

$$E = \text{Effect} / \text{Effort} - \text{when efforts are minimized};$$

E - efficiency;

Ef - economic effort;

Ee - the economic effect

Efficiency is influenced by the quality of decision-making, the skills and professional capacity of the human resource, and the ability of the organization to perform tasks in a timely manner.

Effectiveness is defined by "the degree of achievement of the scheduled objectives for each activity and the relationship between the projected effect and the actual outcome of the activity. In practice, the

concept looks at the ratio between the result obtained and the objective to be achieved. Thus, the objectives must: • Express coherence with the mission of the organization; to be within a time horizon, measurable and allow the development of quantitative and qualitative indicators.

According to the literature, it is increasingly spoken of that "it is much more important to do well what you have done - effectiveness - than to do something else - efficiency." Thus, within an organization, it is not can speak of efficiency without effectiveness or vice versa, the relationship between these concepts being a whole-part, namely effectiveness is a measure of what is being done, efficiency is a measure of how it is done.

Under current development conditions, performance must also be addressed in the context of sustainable development, taking into account the present situation and development directions established for the upcoming period.

In order to achieve this goal, the directions of action must be on how to better manage the organization's resources, achieve the set profit levels and achieve the best possible performance by ensuring the organization's effective functioning.

Performance measurement through financial statements

In order to measure financial performance, it is necessary to appeal both to professional and financial results in performance measurement and to an analysis of the interdependencies between internal and external parameters, quantitative and qualitative, technical and human, physical and financial management.

Measuring performance through financial statements results in determining whether financial resources are used economically, efficiently or effectively, and whether "human, material, informational and financial resources are used to achieve the proposed objectives."

The financial statements provide information on the position and financial performance and changes in the entity's financial position as follows:

Components of financial statements	Measurement indicator of financial performance
Balance sheet	The patrimonial result
Heritage account	The patrimonial result
State of Treasury Flows	The Treasury Outcome
Changes in the structure of assets / capital	Overall result
Budget execution account	Outcome of budget execution

The balance sheet is considered a patrimonial asset indicator, provides information on the financial position through its assets, liabilities and equity;

The property income account is determined as a difference between income and expense, discloses information on financial performance on the basis of the patrimonial outcome;

The cash flow statement provides information on the existence and movements of cash in terms of operational, investment and financing activities;

The statement of changes in the structure of assets presents information on the structure of equity, namely: funds, property, retained earnings, asset revaluation reserves and amortization and amortization.

The budget execution account, implements the interface with the approved budget, reflects the outcome of the budget execution and recognizes all the financial operations during the financial year relating to the revenue received and the payments made.

Following the current trends of the economy performance measurement may include: financial result; the quality of the products / services provided; the quality of the human resource; the establishment and use of financial resources;

In order to ensure good functioning and a certain level of performance at the organization level, it is necessary to have an assessment of: the management tools used, the budget forecasts, the quality of the products / services.

Performance measurement tools are specific to each organization and are designed to meet management requirements. Under these circumstances, measurement tools, financial or other, which the organization uses to measure an objective, are the indicators.

In order to be used in various analyzes, indicators have to meet a number of criteria related to: justification; trust; understanding; resistance to adverse behaviors; out comprehensive; focus on performance.

In some authors' view, the indicators are "objective data describing a phenomenon from a strictly quantitative point of view", for others, "indicators are numbers that accurately express the controlled phenomenon," or "digital data originating from an activity or action , which can effectively contribute to the enrichment of progress decisions or their implementation".

Taking into account the views of specialists on understanding the concept, we believe that the following should be taken into account when defining an indicator:

- definition of the indicator - be clear, easy to understand and attached

- to an objective;
- the formula for calculating the indicator - should be simple and use quantifiable data and information within the entity
 - the frequency of the indicator's calculation - should be correlated with the deadlines for achieving the objectives, but it is advisable to carry out interim evaluations to ensure that the achievement of the objectives leads to the expected results;
 - why the indicator was chosen - it is necessary to specify how it contributes to the measurement of the objective and how it guarantees performance;
 - the sources of data needed to calculate the indicator - it must be within the organization, be the result of analyzes and processing and be used and approved by the management;
 - possible interactions with other indicators - Set of established indicators should be a homogeneous one and contribute to the actual and complete measurement of an objective.
 - the range of decisions that can be taken based on the indicator - an indicator is well established and defined if it helps management in making the decision;
 - how to present the indicators - they can be presented in both relative and absolute sizes.

In order to ensure a good performance measurement, it is necessary for the indicators conceived and used to make it possible to assess the consumption of resources in relation to the results obtained and to compare them with the established levels.

Conclusions

The performance of an organization is influenced by how it defines its mission, the resources available to carry out its activities, the degree of knowledge by each employee of their responsibilities, the way of measuring the results obtained, the elements that are taken into account at substantiating managerial decisions, and the quality of communication at all levels.

Taking into account the current conditions and trends of the economy, which make resources limited, the measurement systems and, at the same time, the increase in performance must aim to: improve the functioning of the organization in terms of resource economy, efficiency and effectiveness, improving internal control mechanisms by ensuring the effectiveness of risk management and the functionality of internal controls; the allocation and use of available resources to achieve performance, motivating staff and using all of their professional capacity to increase organizational performance.

The performance of an organization exists if it can be measured with a set of indicators with a degree of complexity more or less high.

Applying a performance measurement model based on the quantification of results according to the performance indicators will help determine the level of performance achieved. Attention must be focused on assessing the degree and the way the human resource achieves its individual objectives and fulfills the performance criteria, given that it is the decisive factor that decides on the level of performance achieved.

The use of a performance measurement indicator system should cover at least the following: quantification of expenditure for carrying out the activities, measuring efficiency as a result of efforts and outcomes measuring the effectiveness of achieving the objectives, measuring the quality of derulater activities; the measurement of the financial result, respectively the accounting result, considered the main indicator for the measurement of the financial performance. The established performance indicators system can be used both to determine performance, activities or actions, and to determine the contribution of each manager and employee to achieving the objectives of the organization.

Setting goals and reaching targets is significantly influenced by managerial competence and staff quality, which are the decisive factors in achieving performance. The manager must have autonomy and demonstrate flexibility in the decision-making process, authority over subordinates, formal leadership rules, delegation capacity and stability to achieve the objectives. In exercising his / her duties, the manager fulfills a dual role, ie a specific internal role exercised within the organizational and decision-making process and an external role to deal with the organization's exposure to the requests of interest groups or institutions and authorities with prerogatives in the field.

Promoting employees with proven professional and managerial skills that have achieved performance and are responsible for implementing policies and achieving the set goals is the key lever in increasing the quality of performance and performance.

The design and implementation of an internal control system within the organization, based on sound financial management of resource management and utilization, on ensuring the integrity of the property and on the application of the necessary corrective measures, is the premise of achieving at least the planned results. The implemented internal control system must ensure identification of malfunctions, develop adequate internal control tools, limit risks and ensure the achievement of activities.

Under the current conditions, the rigor of resource use must ensure cost reduction and focus on programs to achieve the set goals. The core tools available to managers, used to increase performance, are knowledge of

cost behavior in all their complexity. Knowledge of costs is also a decisive factor in making decisions and planning future activities.

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