

MAKING EUROPEAN LABOR FORCE MORE COMPETITIVE THROUGH TRANSNATIONAL MOBILITY

Radu, STOIKA

The Bucharest Academy of Economic Studies, Romania, e-mail: rstoika@gmail.com

ABSTRACT: The aim of this paper is to present an assessment of the importance of transnational mobility for future human resources. Developing, adapting and broadening the range of skills of individuals to create and fill the jobs of the future are the most important contemporary target for Europe. Improving workforce skills has resulted in a process that the gain is mutual for both employers and economies company itself and of course for individuals. In every country of the European Union unemployment rate varies systematically with levels of skill. The employment rate of high skill level, in the European Union is 85%, 70% at medium and low-skilled staff is only 50%. From the need of EU member states of a highly qualified human resource we propose a critical analysis for students with placements mobility at the European level. The study was completed by analyzing and correlating data from surveys of higher education institutions in EU countries that participate in education and training programmes financed by the European Commission and other statistical data available at European level. At the final stage of analysis we identified several directions to develop in the relation between higher education institutions and business sector to ensure a wider access of the future workforce.

1. INTRODUCTION

Currently there is a consensus that, worldwide, exists various social changing, technological and environmental without precedent. The continue transition division of labour creates, for all decision makers, as well as for public and private founders of scientific research and technological development need to develop processes for assessing research strength, and also to examine ways of financing institutional structures in order to dynamically adapt to the demands of their increasingly complex environment.

In March 2000 the Lisbon European Council established the European Union's strategic objective for the decade 2001-2010, that „to become the most competitive and dynamic knowledge-based economy in the world.” The measures provided for in the Lisbon Agenda, is that the EU aims to become the main global economic force by 2010, „displacing” U.S. Since the Lisbon conference, creating a Europe of knowledge is the first objective of the EU, Lisbon Agenda calls for the efforts of many categories of social actors, since the knowledge society is dependent on the production of new knowledge, transmission through education and training, the dissemination of information and communication technologies and their use in the new industrial processes and services. Among active players, universities occupy a unique position, because the key role it plays in their three specific areas:

- education and training;
- scientific research and exploitation of results and growing role in the complex process of innovation;
- contribution to economic competitiveness and social cohesion (for example, the university's role in the community and regional development).

Because they are located practically at the intersection between education and innovation, universities have, in many respects, the key to a knowledge economy and society.

Creating a Europe of knowledge is thus a source of opportunity for universities and at the same time, a major challenge. Universities operate in an increasingly globalize, rapidly changing and characterized by increasing competition for attracting and retaining talent, and by the emergence of new

applications that need to respond. So far, European universities have benefited from financial resources under the North American universities. Are they in a position to compete with the best universities in the world and ensure a sustainable level of excellence? This question arises especially in the context of European Union enlargement; taking into account the often difficult circumstances recently joined countries, both in terms of human resources and financial ones.

Another action area with major impact on education and training is stated in the Declaration of Bologna - its implementation was designated as a „Bologna Process”. European university landscape, organized nationally and regionally, is characterized by a high degree of heterogeneity, reflected in the organization, management and effective deployment activities, including the status and conditions of employment / recruitment, of teaching and research. This diversity is apparent both between different countries due to cultural and legal differences, but within the same country, because universities do not react in the same way to environmental changes affecting them. Structural reforms inspired by the Bologna process is an effort to organize this diversity by providing a European framework for consistent and compatible, as a condition for increasing competitiveness of European universities both in Europe and worldwide.

European universities have modelled themselves by following the lines of some major models, particularly the ideal model of university described nearly two centuries ago by Wilhelm von Humboldt, which places academic activity and research centres make it the basis of teaching knowledge. Current trends are away from these models, leading to wide differences, which are reflected in the emergence of more specialized institutions, with a core of specific skills oriented to both research and education, as well as to other dimensions, the integration strategy regional development through adult education programmes.

The recent economic crisis has no precedent in contemporary generation. Steady growth in economic and job creation recorded in the last ten years has been cancelled - Europe's GDP fell by 4% in 2009, industrial productions dropped to 1990 levels and 23 million people (10% of the EU's active population) currently have a job.

The crisis has caused a shock to millions of citizens and revealed some fundamental weaknesses in the overall European economy. The crisis made the task of securing the future economic growth is more difficult. The situation is still fragile, European financial system holding back recovery and the difficulties faced by both enterprises and households to obtain credit, spending and investing. Public finances have been severely affected, with the average deficit of 7% of GDP and debt levels of over 80% of GDP, thus nullifying the crisis two years twenty years progress in fiscal consolidation. Many investment plans and ideas may be lost because of uncertainties, sluggish demand and lack of funding. There have been highlighted structural weaknesses in Europe. Out of the crisis is the immediate challenge, but the biggest challenge is not trying to return to pre-crisis situation. Even before the crisis there were many areas in which Europe is not progressing fast enough in comparison with the rest of the world:

The average growth rate in Europe was lower than that of structurally largely due to a lag in that productivity increased in the last ten years. This situation is due much of the differences between business structures, while low levels investment in research, development and innovation, using insufficient information and communication technologies, with the reticence of some segments of companies to support innovation, barriers to market access and a less dynamic business environment.

2. Although there has been some progress, the employment rates of employment in Europe, with an average of 69% for those aged between 20 and 64, are still much lower than in other parts of the world. Only 63% of women work, compared with 76% of men. Only 46% of older workers (55-64 years) have a job, compared to over 62% in the U.S. and Japan [8]. Moreover, Europeans work an average 10% fewer hours than their U.S. or Japanese counterparts.

3. As the generation born after the Second World War („baby boom”) begins to retire, the EU's active population will start to decrease from 2013 to 2014. Number of people aged over 60 years now increasing by two times faster than before 2007. The decrease in active population, combined with growing numbers of retirees will put additional pressure on our welfare systems. While Europe must address its own structural deficiencies, the world is changing rapidly and will be very different by the end of the coming decade. The European economies are increasingly interlinked. Europe will continue to benefit from the fact that it is one of the most open economies in the world, but competition from developed and emerging economies intensifies. Countries like China and India are investing heavily in research and technology in order to place a higher position in the industry value chain and leapfrog into the global economy. This puts pressure on the competitiveness of certain sectors of our economy, but every threat is also an opportunity. As these countries develop, it will open new markets for many European companies.

In this context the European Union's main objective is to achieve, by 2020, an occupancy rate of 75% for women and men aged 20 to 64 years, this is to be achieved through greater participation young people, older workers, workers with low qualifications as well, and a better integration of legal migrants. Low participation in the labour market has long been one of Europe's weaknesses in structural terms. Before the crisis, employment rates in Europe were a few percentage points lower than the U.S. and Japan. The crisis has dramatically increased unemployment and demographic changes are likely to further reduce the available labour force.

Greater participation in the labour market would have a significant impact on Europe's future growth. Promoting innovation and growth also requires sufficient qualified and trained workforce. It is essential to have a population with a high level of skill to face the challenges of demographic change and social inclusion in Europe. Investing in quality education, learning and lifelong learning is therefore a key dimension to smart growth, sustainable and inclusive growth. Europe 2020 establishes a dual main objective in terms of education, namely that by 2020, the percentage of young people aged between 18 and 24 who leave school early to be more than 10%, and European young people between 30 and 34 years who have completed higher education or an equivalent level to be at least 40%. From this perspective we intend to conduct an analysis of the possibilities of the future workforce training „students” in terms of transnational mobility investment programmes financed by the European Union.

2. TRENDS IN THE EVOLUTION OF EUROPEAN LABOUR MARKET

According to recent years, three main directions have been identified that affect the requests of registered university graduates. An important trend is the emphasis on education and training is seen by many as the most important factor influencing economic growth in accordance with the 2002 World Bank study. The concept of knowledge society was coined to indicate not only widen participation in higher education or knowledge-based sectors of the economy or high technology, but rather a situation in which the characteristics of work organization is changing under the influence important and growing knowledge. Another direction shows the changes in labour market structure. In 2000, it was introduced the concept of „labour market transition” to indicate how in modern society, the demarcation lines between work, leisure, education and care have been blurred to such loss that lead to increased patterns of mobility and flexibility to „de-standardization” learning and overall emphasis placed on employment opportunities. There is thus an important proof of the fact that the transition is non-linear and chaotic being influenced by the fact that many early school graduates are affected by being in a precarious financial situation. Last direction refers to the internationalization and globalization of product markets and labour markets and their impact on higher education.

Directions above create new indicators on the skills that people should be equipped with (Figure 1):

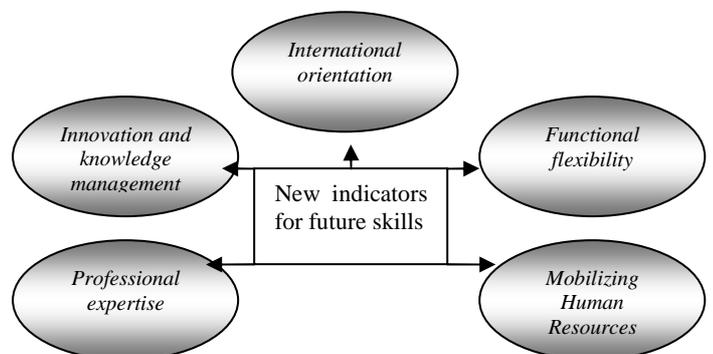


Figure 1. New indicators for future skills

- „Innovation and knowledge management” - derived from the fact that workers are often expected to do more than simply a set of predefined tasks;

- „Professional expertise” - number of graduates of higher education are expected to become experts in their professional area. Experts still distinguish their mental organization started by the upper and the ability to remember specific domain knowledge, and how to address problems, perform diagnostics and statistics, use automated procedures, which have intuitive feelings regarding solutions with the ability to properly deliver conclusions and interpretations.

- „Functional flexibility” - working environment is very dynamic. Rapid developments in technology, markets, organizations and relevant knowledge require the university graduates have access to various challenges directly related to their expertise and acquire new knowledge quickly from the system. This has implications for the changing job content, the structure reconfiguration positions within the organization or in another job or mobility in other organizations. To be flexible, graduates, they need a well-developed capacity to adapt to rapid changes in learning new skills - skills and ability to cope with change. Graduates can also change the environment in which they work, by making best use their existing skills. Graduates to ensure that the third indicator must possess a high level of ability to cope with change in a productive way to take into account any changes as means providing opportunities than threats that are much more interested to learn and try new procedures will work later as their use to acquire new skills.

- „Mobilizing Human Resources” - university graduates will have to have the ability to effectively mobilize their skills and their manager in an active and direct their own work and others. First, higher education graduates will be expected to possess a highly developed capacity to raise their skills so they can work independently when working individually and cooperate with others when we work together. Then, graduates may be called upon to mobilize capacities of others. This is associated with leadership skills involving the ability to communicate ideas and inspire others, to plan and monitor work processes and can make decisions when necessary. Compared to the first two issues, graduates must be able to organize work so that optimal use of available human resources and synergies in teams, establishing clear lines of communication and, if necessary, adapt the working environment consistent with their skills with their peers or subordinates.

- “International orientation ,,- globalization and the blurring of national boundaries increases the importance of international orientation indicator. This requires not only a good knowledge of foreign languages, but also an ability to understand and empathize with other cultures, the willingness and ability to appreciate the limitations of their own national context, i.e. the development of intercultural skills.

3. THE ANALYSIS OF EUROPEAN TRANSNATIONAL MOBILITY

It is essential that the basis of qualifications of EU citizens to be constantly renewed at any stage of life to cope with the challenges and present and future technological developments. While quality education at primary, secondary and tertiary education is crucial, ongoing training and education outside the classrooms are becoming more important. In a rapidly changing global economy, knowledge becomes the most valuable asset of the EU.[10] This created an increased need for (re) education and training in all stages of life. Various EU initiatives in this area have been refurbished under a single programme for Lifelong Learning.

This programme has four main routines:

- **Comenius** programme designed to increase the quality of education in schools, strengthen its European dimension and promote mobility, language learning and a greater involvement. The tools to achieve them are partnerships between schools in areas of common interest and multilateral projects between schools in different countries for the development of teaching methods and curricula of us. This programme also finance educational networks, and twinning of individual schools, both „real” world, and in the „virtual.”
- **Erasmus** mobility for cooperation in higher education across Europe. Its various actions are not only students who wish to study and train in a European university but also professors or staff of companies that intend to teach in a partner university, and teaching non-teaching staff of higher education seeking training abroad. Erasmus was launched in 1987 as a support programme for students in conducting a study period in another European country, with formal recognition of studies at the partner institution. Since 1995, he became a part of the Socrates Programme of the European Union, with a wider area of coverage. Starting with 1998 year, Romania is a participant in the Erasmus Programme, higher education institutions participating also in other inter-university cooperation projects and thematic networks. From 2007, with the launch of the Lifelong Learning Programme, Erasmus component has changed the structure, diversifying its target groups and actions financed.
- **Leonardo Da Vinci** funds contains a wide range of activities including mobility projects, but also the development and transfer of innovation projects and strengthening of legitimate individual networks.
- **Grundtvig Programme** seeks to help adults as they advance in life to adapt to trade on the labour market and society by updating knowledge and skills. This programme is addressing students, teachers, trainers and others working within education organizations.
- **Jean Monnet Programme** promotes teaching and research in European integration as a course taught at universities in the world.

The analysis of statistical data gathered through the annual survey of Lifelong Learning programme implementation, signed by all educational institutions in Romania, from the European statistical data and reporting institutions involved in running this programme we intend to present below the implications of developments in student mobility in connection with the real situation of the European economic environment.

Beginning in 2007-2008 the programme gave Erasmus students the opportunity to carry out periods of practice (placement) in European companies. This action provides the opportunity for students enrolled in higher education institutions to spend a placement period of between 3 and 12 months in a company from a country participating in the programme. These types of mobility have been carried out by the year 2007 under the Community Programme Leonardo da Vinci for vocational education and training.

First observation after analyzing the mobility situation in the first two years after the launch of the Lifelong Learning in 2007 and 2008 (situation shown in Fig. 2) is that in Europe the number of these types of mobility increased with 51.63% from 20,002 in 2007-2008 to 30,330 in 2008-2009.

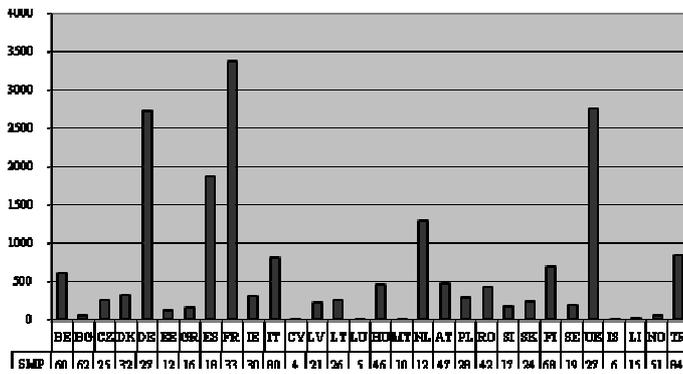


Figure 2. The evolution of transnational mobility for placement at European level in 2007-2008

The greatest number of placement periods were registered in France - 4723 students (15.6% of the total mobility) followed by Germany with 4487 students (14.8%) and the UK with 3397 students (11.20%).

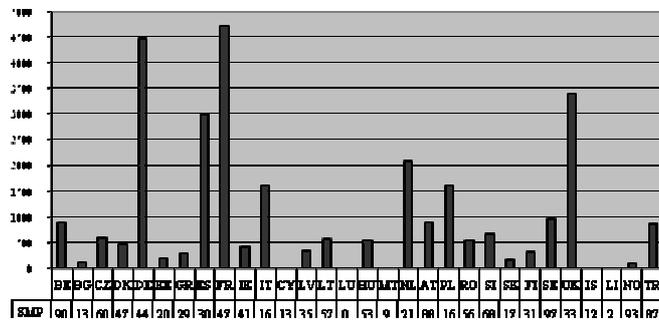


Figure 3. The evolution of transnational mobility for placement at European level in 2008/2009

Another important indicator shows that about 61.4% of mobility within the Erasmus placements were conducted by women. The percentage is somewhat high compared with figures showing that the percentage of women in European mass of students is only 53.94%.

In 2008-2009, 21,670 enterprises received Erasmus students in internships. Thus about 45.1% of enterprises were small, 36.4% medium and only 18.5% were high. The biggest host companies were located in Cyprus and Finland at the opposite hovering Malta and Estonia. An interesting indicator of the evolution of mobility placement shows that students have chosen the range of training skills in education (4317 students - representing 14% of the total mobility), followed by scientific and professional activities. Underrepresented sectors in this study were those related to business administration and those relating to mining.

If correlate statistical data presented at the European level we can see that there are significant differences between the choices of economic sector for internship placement, so that 76% of participants in training in public health sectors and international relations were covered by women.

Areas where students (man) represented a percentage over 50% were those that focused on the production of electricity, natural gas, supply of air conditioning and construction.

An university is the first which provide valuable knowledge, but also as an intermediary between students - the future highly skilled workforce - and economic environment every year by development agreements with several companies in Europe. Looking from another perspective employers are becoming more interested to receive a greater mass of students and intend to provide a package of practical knowledge more complete and current, designed to facilitate their insertion into future labour market.

In evaluating the final reports of the universities we distinguished from their experiences the following problems:

- insufficient funds;
- recognition results from running these types of mobility;
- curricula do not include provisions for longer periods of placements in a economic environment;
- there are still some difficulties in advising the higher education institutions giving counselling and guidance to students;
- difficulties in finding business partners in some countries.

Also in addition to these identified problems and perceived impact of the 3 parties involved in the mobility for student placements we appreciate that they are becoming more aware of the importance of the need for highly qualified workforce for the European labour market and employment opportunities from abroad. The main defining elements in the decision to undertake a placement abroad is determined by the prestige of the partner institution and improving language skills. A large part of the mass of students - expressed their desire to pursue an international career in their field of study after considering these mobility better prepared for the labour market. According to data collected from the final reports of students where they identify these types of mobility are particularly favourable and indicating its intention to participate for a second time in such mobility in the same cycle of study. Another important thing for students is to ensure an easier insertion in the labour market, development of generic skills and creating a European citizenship anchored in intercultural diversity.

Higher education institutions create premises for cooperation to ensure mobility and thereby increase the visibility and reputation of the institution at the European level, broadening the educational offer through regular exchange of procedures and standards.

For these types of mobility organizations creates opportunities for collaboration with university research centres for developing new technologies, products and future services, i.e. competitiveness, increasing default interworking with possession of a highly qualified workforce, ensuring its long term sustainability.[12]

An increasing number of students, apprentices, pupils and people in the labour market on the one hand and teachers and trainers (including trainers from companies) in all sectors of education and training on the other benefit from a mobility period abroad. Learning periods abroad organised in mobility actions featured in all sectoral programmes (Table 1).

Table 1. Situation of participants at transnational mobility financed by EU through Lifelong Learning Programme in 2008\2009

	Participants	Comenius	Erasmus 2008-2009	Leonardo da Vinci	Grundtvig	Study Visits
Mobility	Students		168.000			
	Placements		30.000	55.219		
	Staff/trainers/education specialists	11.370	36.000	12.521		4.219
	Adult education staff				1.780	
	Total	11.370	234.000	67.740	1.780	4.219
	Percentage of total	3,56%	73,33%	21,23%	0,56%	1,32%

Studies indicate that learners participating in well prepared and framed learning mobility actions – such as the ones supported by EU mobility programmes so far - acquire new skills (particular intercultural and language skills which are highly appreciated by employers) and become more adaptable and self-reliant. It greatly contributes towards the employability of the individuals concerned and in the case of teacher/trainer mobility, is an important means for the enhancement of the professional skills of teachers and trainers and for the broadening of their networks.

All initiatives to support an increase in the levels of mobility should be accompanied by initiatives to improve and ensure the quality of mobility and tackle mobility obstacles. Means to do so could include:

- Ensuring that the mobility actions are embedded in a broader internationalisation strategy of the participating institutions and have to full backing and endorsement by the top management of the institution.
- Ensuring that participants receive a good preparation and follow up of the mobility period including adequate linguistic preparation.
- Ensuring that sufficient funding is provided to cover (part of) the cost of sending/receiving organizations.
- Ensuring that mechanisms are in place for quality assurance of the sending/receiving and intermediary bodies and validation of periods of learning abroad.
- Exploiting the possibilities offered by ICT. This can be done to serve two distinct purposes: (a) to encourage the use of 'virtual mobility' to support physical mobility and (b) to introduce new types of mobility for students unable to benefit from physical mobility.

CONCLUSION

The field that we proposed to analyze in this paper it was large and very interesting, because of the complexity implied by the implementation of changes in European higher education under the Bologna process and the economic environment because of its dynamics. Bologna reforms provides some tools to change that, if implemented properly European Union level unit will produce positive effects including the protection of the rights and interests of students. Results from analysis once again highlighted the importance of mobility for placements both in the European educational and economic environment as well as the need to intensify cooperation in view to approach and even

reach the targets set at EU level by 2020. The benefits of learner and teacher mobility are not limited to the individuals concerned. Experiences with mobility programmes over the last 20 years indicate that cross-border exchanges have a lasting and far-reaching impact at institutional and system level. Mobility leads to the spread of good practice, quality improvements in teaching and modernised, more internationally oriented curricula. It enhances the attractiveness of the institutions, helps to build confidence and experience, increases international competition, and can, as been shown by the Bologna process, lead to far-reaching reforms at system level. As such, mobility actions have a high potential to contribute to the quality of education systems in Europe. More emphasis should be put on „learning mobility” and its contribution to employability and making European labour force more competitive and attractive on the global market. Mobility should be linked to quality and recognition of acquired skills (e.g. learning outcomes), and there should be an emphasis on the provision of high quality learning experiences.

REFERENCES

1. Bratianu, C. “An analytical model of organisational intellectual capital. Management and Marketing Magazine”, Vol. 1, No. 3, pp. 17-32, (2006).
2. Cameron, E., Green, M., “Making sense of change management: a complete guide to models, tools and techniques of organisational change, Vol 1, London, United Kingdom, (2004).
3. Ericson, KA&R.J. Crutcher, The Nature of Exceptional Performance, D.L. Featherman & R.M. Lerner ed.,(1990).
4. Joint Progress Report of the Council and the Commission on the implementation of the „Education & Training 2010” work programme, Permanent Representatives Committee, (Part 1), EDUC 11, Brussels, Belgium, (2010).
5. Cedefop. Future skill supply in Europe. Forecast up to 2020, Publications office, Luxembourg, (2009).
6. Stoika R., Caramihai M., Severin I, UNISO 2008- Mobility: Asset for Profesional Development, 978-973-0-06151-2 .pp. 163-167, Iasi, Romania (2008).
7. Stoika, R. - Impact of community programmes on future human resources, Management of Sustainable Development Journal, Vol. 2, Nr.1, Ed. Lucian Blaga University, Sibiu, (2010).
8. World Bank, Constructing Knowledge Societies, The World Bank ed., Washington, USA, (2008).
9. Cedefop. Future skill supply in Europe. Forecast up to 2020, Publications office, Luxembourg, (2009).
10. The Bologna Process 2020 – “The European Higher Education Area in the new decade”, Communiqué of the Conference of European Ministers Responsible for Higher Education, Leuven and Louvain-la-Neuve, (2009).
11. Report from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions: Report on progress in quality assurance in higher education. COM487, Bruxelles, (2009).
12. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: A new partnership for the modernisation of universities: the EU Forum for University Business Dialogue, COM158 final, Bruxelles,(2009).
13. Progress towards the Lisbon objectives in Education and Training – indicators and benchmarks 2008, European Commission Staff Working Document, SEC2293, Bruxelles,(2008).

