

Workforce Professional Skills Development in Times of Economic Crisis

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Using unique individual-level data on the continuous professional training courses completed over the period 2007–2011 this paper addresses a topic a major concern for policy-makers and businesses in the light of the recent transformations emerging markets have suffered during the global financial crisis. The paper presents the analysis of the evolution of the demand for continuous professional training and the changes in the structure of the demand under the circumstances of the economic crisis. Findings reveal a significantly higher demand for continuous professional training for acquiring new qualifications in jobs requiring low educational attainment and competences in foreign languages and information technology in 2008 and 2009, while specializing and performance trainings in qualifications requiring secondary and tertiary education registered a significant increase during 2010 and 2011. More so, the average skill level of professional training is on the rise, demonstrating an increased preference for highly skilled jobs, in the detriment of the low skilled jobs.

Key words: workforce development, skills, qualifications, continuing education and training, economic crisis

Introduction

Nowadays it seems that most managers agree that people represent the most important asset of a company. The idea is not new, but managers when discussing the competitive advantages of their companies have successfully embraced it. Launched in 1950 by Drucker, the idea revolutionized managerial thinking, and set the premises for a new approach in human resource management. In the knowledge economy, the performance of a company and the prosperity of a place are increasingly tied to the talents of people. Previous research studies found that regions with larger proportions of skilled workers grow faster and are economically stronger (Glaeser and Shapiro 2001; Florida 2002; Gottlieb and Fogarty 2003).

Scholars, educational practitioners and policy makers have used the concept of workforce development extensively. Although there

was a general consensus about the economic and social benefits that are expected from workforce development programs (Grubb and Lazerson 2004), several authors noted a limited discussion about its meaning (Harrison and Weiss 1998; Grubb 1999; Giloth 2000). On a related note, Ronald and Joshua (2009) acknowledged the wide meaning of the term: 'workforce development has evolved to describe any of a relatively wide range of national and international policies and programmes related to learning for work.' Other scholars explained the term from a strategic perspective: workforce development represents the 'strategies that influence the environment affecting the training, work practice and careers of practitioners/workers' (Riddout et al. 2002). In a narrow sense, workforce development involves transferring of knowledge and skills and building capacities within practitioners so they can effectively deliver service (Curry, Caplan, and Knuppel 1994; Davis et al. 1992; Rapp et al. 2005).

The vast changes in the economic landscape that have occurred over the past decade set the context for workforce development. A connection between educational attainment and personal income become evident. More so, the current economic and financial crisis has demanded individuals to be more adaptable and flexible on the labour market. These attributes are gained by participating in continuing education to upgrade and update individual skills and competences.

The current economic context places higher expectations on individuals. It is the main purpose of this study to investigate how has the crisis affected individuals demand for skill development training. Studies that investigate or assess the continuing professional development needs of the workforce provide intelligence on workforce development needs (Hughes 2003). The motivations to graduate continuing training courses differ according to the employment status of the individual. Active individuals sought to remain competitive on the labour market or to improve their skills and qualification to accede to a better position through specialization and performance in current occupations, and initiation and specialization in foreign languages and information technology. Inactive individuals aimed to restore their employability status completing initiation trainings in basic occupations.

Economic Context and Evolutions in the Labour Market

Emerging market economies were major beneficiaries of the economic boom before the present global financial crisis. In many cases

with fragile economic and financial systems, they easily have become the victims of the crisis after 2007. In a world with strong economic inter-dependencies, the evolutions of the emerging market economies depend to a high extent on the international economic prospects. Many researchers have attempted to identify and discuss the effects of the crisis on emerging markets (Dooley and Hutchison 2009; Blanchard, Faruqee, and Das 2010; Eichengreen 2010; Dabrowski 2010; Eggins and West 2010). Dooley and Hutchinson (2009) found that 'the policy measures taken in emerging markets to protect from global financial developments proved inadequate in the face of the credit crunch and decline in international trade that followed the Lehman bankruptcy in September 2008.'

Southeastern European (from now on referred to as SEE) emerging economies were facing the challenges of catching up with the developed EU Member States, enjoying long-awaited periods of economic growth after the Fall of Communism. The financial crisis that shook the Western economies as of 2007 took a while to be felt in SEE. Signs that the region would face major economic downturn appeared by the end of 2008. In Romania, the first signs of the economic and financial crisis were felt at the beginning of 2009 when the economy shrank suddenly, moving from an economic growth of 7.3 percent in 2008 to minus 6.6 percent in 2009 (National Institute of Statistics 2008; 2009; 2012). The reduction of the economic activity has had a significant impact on other macro-economic indicators, such as public debt, current account deficit, inflation and unemployment. The fall in output has several explanations, among which the main are: the reduction of the external demand from Western trading partners which led to the drop of exports; the reduction of the internal demand due to the lack of financial resources; and the fall in the volume of workers' remittances from Western economies, due to the worsening of the economic conditions in these economies as well (Banca Națională a României 2012).

The trade activity of SEE emerging economies suffered from the falling demand of key EU trade partners under recession (see www.eurostat.org). The region's exports declined, with the consequence of lowering the industrial production. Romania situated within this regional trend of decreasing exports. A major cause of the economic contraction was the reduction of the economic activity due to the substantial decline of the exports to the Western economies, already affected by the economic and financial crisis. Romanian exports decreased by 13.8 percent in 2009, as compared to 2008. European countries were the main destination of Romanian exports: in 2008,

TABLE 1 The evolution of selected export categories of Romania (2008–2010) (in%)

Export category	2008	2009	2010
Motor vehicles, trailers and semi-trailers	12.8	16.2	16.3
Basic metals	9.2	5.5	6.9
Refined petroleum products and coke	9.0	5.5	4.8
Wearing apparel	8.4	7.7	6.3
Machinery and equipment not elsewhere classified	7.6	7.4	7.1
Electrical equipment	7.2	7.2	7.4
Chemicals and chemical products	5.5	3.6	4.0
Computer, electronic and optical products	5.2	8.2	9.5
Products of agriculture and hunting	4.1	4.5	4.9
Other transport equipment	4.0	5.1	3.5
Other export categories	27.1	29.1	29.3

NOTES Adapted from National Institute of Statistics (2012).

87.5 percent of the Romania's exports went to other European countries. In the following years, the important share of the exports to other European countries in the total Romania's exports maintained at 88.4 percent in 2009 and at 88.1 percent in 2010, according to the National Institute of Statistics (2012).

The years of crisis have changed the structure of Romania's exports. This is worthy to be mentioned in the view of the future investigation of skills development during the economic crisis. The evolution shows a reorientation of Romania's industrial production from raw materials products and work-intensive products towards industries that require electronics and IT skills. The automotive sector ranked 1st in the structure of Romania's exports between 2008 and 2010, but the analysis of the exports' structure indicates that the category 'Computer, electronic and optical products' registered the strongest increase in the total exports as compared to 2008, ranking 2nd in 2010. Also, increases in the share were recorded for electrical equipment and products of agriculture and hunting (table 1). The following categories registered decreases of weight: metallurgical products, refined petroleum and coke, wearing apparel, and chemicals (table 1). This evolution generated the need for more specialized skills, providing professional training providers with several opportunities.

The business activity suffered the strong impacts of the crisis and of the public policy measures aiming to counteract the effects of the crisis. The rapid evolving environmental changes triggered modifications in the organization and management of activities. Businesses were forced to adopt flexible business practices to cope with the re-

TABLE 2 The evolution of the unemployment rate in Romania over 2002–2011 (%)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
8.4	7.4	6.3	5.9	5.2	4.0	4.4	7.8	7.0	7.0

NOTES Adapted from National Institute of Statistics (2008; 2012).

duction of demand. Businesses struggling with the crisis have ceased production, lay off workers, use hire freezes, apply wage cuts, or shortened working hours.

On the labour market, crisis' impact varied across different labour market segments. Adjustments occurred both in the public and private sectors. The public sector envisaged the reduction of the salary expenses through: a cut-off with 20 percent of the salaries, the introduction of hiring freezes and the limitation of the retired workers' replacement. The private sector used mainly wage cuts, cuts of in-kind benefits, temporary technical unemployment schemes, and employees' layoffs. According to EC-DGEFA (2011) the largest wage cuts in Europe were recorded in Romania and the Baltic countries. The flexibility of wages was aimed through several collective agreements at sectorial level concluded since 2008 and an amended Labour Code in 2011.

Under these circumstances, the labour market in Romania was significantly affected the economic downturn. The unemployment rate increased steeply from 4.0 percent at the end of 2007 and 4.4 percent at the end of 2008 to 7.8 percent at the end of 2010 – level that was previously reached in April 2003 (table 2). The job cuts in the public sector, the temporary cease of production in the case of private companies, and the close down of firms due to poor economic conditions and increased tax burdens determined the increase of the deficit of the social security budget for the assistance of unemployed. In 2010 and 2011 the unemployment rates oscillated around 7 percent, approximately 3 percentage points under the EU average of 9.9 percent (National Institute of Statistics 2012).

A major characteristic of the Romanian labour market is the reduced workforce as compared to the total population. The crisis has aggravated the situation, decimating the number of employees. As shown by figure 1, only 4.11 million people were employed in Romania in 2011, representing about 42% of the active labour force. A slight increase in the number of employees was registered in the first months of 2012, due to hiring in the private sector, especially in the industry and constructions.

Another characteristic of the Romanian labour market is the geographical concentration of highly skilled labour force in particular

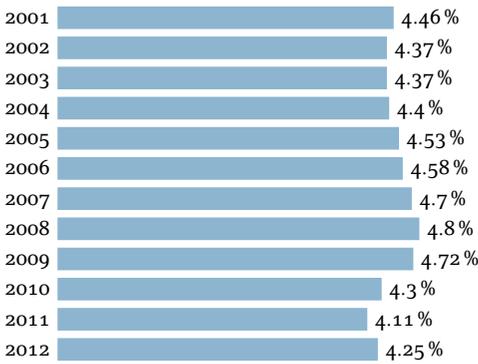


FIGURE 1 The evolution of the number of employees in Romania over the period 2001–2012 (adapted from National Institute of Statistics 2012)

areas of the country, especially in the capital city and several other major cities. The closedown of industrial facilities spread all over the country due to the economic crisis (and several examples were provided previously) has aggravated the situation of low-skilled individuals, who found themselves in the need of improving qualification and even re-qualification.

In addition to the deteriorating situation on the national labour market, Romanian workers from abroad started to return home. The exact number of the Romanian emigrants is not known, but the figure is estimated to be between 1 million and 3 millions. Constructions, agriculture, trade, merchandise road transport, or elder- or childcare, are the most common activities Romanian labourers are performing abroad. With the deterioration of the economic conditions in Western countries, most of them lost their jobs, stopped sending remittances and/or returned to Romania, increasing the unemployment.

Workforce Professional Skills Development during Economic Downturn

The economic context and the conditions from the labour market in times of recession place at the centre of the debate the issue of workers' skills now more than even before. The discourse of skills acquisition and development prevails in all branches of activity. It might seem that 'skills have become the global currency of 21st century economies' (see www.skills.oecd.org). Topics like 'new/emerging skills,' 'skills mismatch,' 'skills shortages,' 'brain drain' have emerged on the agenda of policy makers being considered to be major issues

facing countries, companies and individuals today. Discussing about structural unemployment, Krugman (2012) sees it having two determinants: skills and geography. Skills, or better said, their absence, represent one side of the coin, and refer to the lack of the right knowhow. On the other side, geography says that workers are in the wrong places. Both affect the labour market from Romania.

Numerous efforts were made to stimulate skills acquisition and development, and strategies for the maximization of use of skills were elaborated at all levels: at international level by international bodies, at national and regional levels, and at organizational level. OECD proposed countries an important framework of reference with three pillars: i) the development of the relevant skills by encouraging and enabling people to learn throughout life, by fostering international mobility of skilled people to fill skills gaps, and by promoting cross-border skills policies; ii) the activation of the supply of skills by encouraging people to offer their skills to the labour market and by retaining skilled people in the labour market; and iii) the placement of skills in effective use by creating a better match between people's skills and the requirements of their job, and by increasing the demand for high-level skills (see www.skills.oecd.org).

During an economic downturn, the lack of financial resources generally impedes upon the budgets for training and development, in the case of both employers and individuals (either employed or unemployed). Also, public funds for learning are usually cut, to ease the pressures on the public deficit. Still, Nour (2008) recommends employers a three-pronged strategy to respond to the economic downturn: 1) attracting new talent, 2) retaining top performers, and 3) training and developing staff. Workforce training and development provide companies during an economic downturn with at least two major benefits: the attraction and retention of talent, and the growth of the own stock of expertise and skill supply.

Skills development was studied in various countries mainly before the current economic crisis, but several researchers have tried to capture also the effects of the global economic crisis of skills development. The impact of the 2007–2009 global economic crisis on the training and development budgets was studied by Shen and D'Netto (2012). They identified an overall reduction in training budgets among Chinese export-oriented enterprises. They found a clear distinction between the measures adopted for off-the-job training based on an individual's level in the organizational hierarchy demonstrated by a significant reduction in off-the-job training for low level managers and non-managerial employees, while con-

tinuing to provide off-the-job training for middle managers as a talent retention strategy. Masso and Krillo (2011) studied the impact of the crisis on the labour markets of the Baltic States placing particular emphasis on how the impact varied across different labour market segments. Other studies have focused on the Asian crisis' (1997–1998) impact on the workforce development and labour markets (Smith and Abdullah 2004; Zhu 2005). Rowley and Warner (2004) concluded that appropriate human resource management helps businesses survive and tackle the long-term challenges of economic crises.

From employers' perspective, the question of what to do with the workforce during an economic downturn seems to have a simple answer: keep the best employees and layoff the ones no longer needed. Retained employees are also affected by the economic situation: some employees continue to be trained generally with a lower budget; some employees are applied wage cuts or reduced working hours. Nevertheless, these situations seem better than the layoff, which can harm the capability of both workers and organization to recover. In Romania over 600,000 employees – representing 14 percent of the today's workforce – have been laid off over the period 2008–2011. At the same time, the remaining employees were forced to undertake more responsibilities for the same or reduced wages. This led many employees to seek new positions, especially at competitor companies.

Recruiting and retaining talent was the biggest concern for the CEOs from Romania, according to a PwC (2012) survey. In this context, several employers have started to value and build employees' loyalty through workforce development methods that would benefit not only the employees, but also the business. According to the same study, the availability of skilled workers was a major concern. Creating and fostering a skilled workforce was the main objective mentioned by 68 percent of top managers for which they plan to increase the investment over the next three years (PwC 2012). Mihai (2012) provides the example of Dacia – Renault Group which has invested 35 million EUR for the training of its 17,500 Romanian employees in the last 12 years.

The decision to invest in workforce development is made on the basis of several factors. The vast majority (61 percent) of the investigated CEOs from Romania agreed that the most important factor when deciding investment in workforce development were the quantifiable returns on the business. Secondly, the investment decision-making process considers the improvement of the over-

TABLE 3 Rationales for investment in workforce development

Statement	Percentage
We require quantifiable returns to our business for any investments we make in workforce development	61
We invest primarily to improve overall living and working conditions where we operate	55
We invest primarily to ensure a future supply of potential employees	52
We are investing in adult/vocational training programmes	48
We invest primarily to enhance our reputation	27
We are investing in formal education systems	27

NOTES Adapted from PWC (2012).

all living and working conditions in the operating environment (55 percent). Thirdly, workforce development investments aimed at ensuring a future supply of potential employees (table 3) (PWC 2012).

Empirical Research

Methodology

Workforce skills development through continuing professional training (CPT) courses was analyzed over the period 2007–2011 in Romania through a quantitative analysis. The research objectives were:

- to discover the evolution of the demand for qualifications and skills during the period of economic downturn;
- to analyze the structure of the qualification training levels and its evolution during the investigated period.

Basically I wanted to discover if the crisis led individuals to seek new skills acquisition and / or skill development, taking into account the major changes in the economic context and the crisis impact on the labour market in Romania presented in the first part of the paper. Secondly, I wanted to identify and measure changes in the skills on demand, like for instance a potential shift from low-skilled training programs to knowledge-intensive training programs.

Data on the number of graduates of continuing training courses were collected to analyse the demand for qualifications, on a market characterised by an excessive offer (ANC 2012). The continuing training courses are professional training courses organised by providers of continuing education that need to be certified as such by the National Authority for Qualifications. These data were collected from the committees that manage the registries for continuous professional training from different parts of Romania, more precisely from counties with different economic development. I investigated

a number of 13 counties, out of 45 counties of Romania. The investigated counties were: Alba (AB), Arad (AR), Argeş (AG), Bistriţa Năsăud (BN), Braşov (BV), Galaţi (GL), Gorj (GJ), Hunedoara (HD), Ialomiţa (IL), Prahova (PH), Satu Mare (SM), Suceava (SV), Vâlcea (VL). These counties were randomly selected, and the results presented in this working paper refer only to these counties.

The investigated period of time of 5 years is a rather short period to allow trend analysis, and it may be difficult to see whether the pattern of the demand movement within the period of crisis is the result of the crisis or not. This may represent a potential limitation of this study.

Findings and Discussion

Skills development appears to have different motivations according to the stage of the economic cycle. On one hand, in times of economic growth skilled workforce is likely to become a scarce resource. In accordance, employers seek to develop the workforce as a method to build employee loyalty in order to increase employee's retention. On the other hand, in times of economic downturn, the compression of the economic activity determines business downsizes that give employers the possibility to filter out the low performance employees. The pressures put on human resources increase fuelled by the fear of unemployment. In this situation, individuals are those seeking to develop their skills so as to become or remain competitive on the labour market. Few were the employers that decided to continue the training of the workforce during the economic crisis with own financial resources.

Irrespective of the reasons for which individuals pursue skills development in times of economic downturn, there appears to be a significant need for skills and qualifications on the Romanian labour market. This need has determined the professional training providers, NGOs, and public institutions to offer a wide range of continuing professional training programs in Romania. The market for continuing professional training (CPT) is supervised by a National Authority for Qualifications with the main role of authorizing CPT courses and providers, and supervises their activity. According to the depth of the knowledge and skills, continuous professional education courses are of five types: for initiation, for qualification, for re-qualification, for specialization, and for performance. The initiation represents the acquisition of minimum knowledge, skills and abilities to perform an activity. Training courses for qualification aim to equip learners with a set of professional competences that al-

TABLE 4 Evolution of the number of graduates of CPT courses per type of course

Category	2007	2008	2009	2010	2011
Initiation	524	2903	2252	2336	4110
Qualification	4494	22129	8697	10919	7215
Specialisation	245	3151	1913	4364	2910
Improvement	1276	13728	3782	5749	4930
Requalification	0	242	0	0	0
Total	6539	42153	16644	23368	19165

lows them to perform activities particular to a job or profession. The courses for performance refer to the improvement of professional competences within a qualification. The specialization courses aim learner's acquisition of knowledge and skills in a narrow area of a profession. Last, re-qualification means the acquisition of specific competences of a different profession than the initial profession.

The first years of the economic crisis lead individuals with lower educational attainment and qualification to complete a formal training to acquire or improve their skills. Looking at table 4 one can easily note that most of these learners sought to acquire qualifications when the crisis began, fact demonstrated by the largest number of graduates of qualification of CPT courses. This pattern continued over the next years of crisis, although CPT for performance and specialisation got an increased interest from the demand side. The analysis of the share each type of CPT course had over the period 2007–2011 considering the number of graduates indicates an explosion of the demand for initiation courses (+784.4 percent): from 524 graduates in 2007 to 4110 graduates in 2011 (table 4). Given the non-existence of requalification courses (with one exception presented in what follows) one can easily conclude that individuals opted for initiation courses in new fields of activity instead of requalification courses. A single requalification CPT program was conducted in 2008 at the request of Dacia – Renault Group for 242 employees. Therefore, the increase in the number of graduates of CPT courses demonstrates a significant demand for qualifications and skills development in Romania, after the beginning of the economic crisis.

The requirements for specialized skills have generated an increase of the demand for CPT for specialization and improvement during the years of crisis. The number of the graduates of CPT for specialization constantly grew from 245 graduates (2007) to 4364 graduates (2010), to register a decrease in 2011. The number of CPT for improvement had a similar evolution, from 1276 graduates in

2007 to 5749 graduates in 2010; less graduates were registered in 2011 (4930 graduates). The changes in the structure of the economic activities in general, and in the industrial output and exports in particular, which were presented earlier, have generated the need for more specialized skills possessed by the workforce. During the past years, the demand for training courses for specialization and skills improvement has constantly increased.

For the investigation of the second objective, the skill level of the qualification was also considered. The skill level represents the minimum educational attainment needed to perform the job for whose qualification the continuous professional course was graduated. For each job that exists in Romania, the Registry of Occupations requires a minimum educational attainment that can range from 1 to 4, where 1 = primary education (elementary school), 2 = primary education (gymnasium and other primary vocational education), 3 = secondary education (high school and other secondary vocational education), 4 = tertiary education. Continuous professional training courses are designed for selected occupations from the Registry of Occupations and lead to the qualification to perform the respective occupation.

Workforce development through continuing professional training courses was reduced in 2007. In this year, individuals sought to obtain specialisations mainly in the field of agriculture (e.g. apiarist, forester, farmer, plant grower). A year later, to the agricultural specialisations added the low-skilled specialisations and basic trainings in IT and foreign languages (e.g. English). The economic growth led to an increased demand for security agents to guard shops, banks and companies' premises. A closer look at the place where the courses for security agents were organised reveals that rural areas represented a good source for labour force during economic boom. Indeed, a common practice used during 2007 and 2008 was the training of rural available workforce and relocating it to cities, to serve mainly as security agents and taxi drivers. Unfortunately, most of them were sent back home in 2009, when the crisis impacted severely on the business activity. Legal requirements for specific qualifications boosted the demand for the training and certification of the respective qualifications (e.g. HR specialist; work security and health specialist, trainer). In 2009, the demand for English courses increased, together with the appetite for basic computer skills and data input and processing activities. Low-skilled qualifications (e.g. bartender) and agricultural qualifications (e.g. apiarist) continued to be requested in several counties. Soft-skills courses emerged in the offer of continuing professional training providers, registering some

TABLE 5 Evolution of the skill level of graduated professional courses (%)

Skill level	2007	2008	2009	2010	2011
Skill level 1	0.0	0.0	0.0	0.1	0.1
Skill level 2	75.8	70.3	68.0	57.8	56.8
Skill level 3	8.7	13.4	16.6	19.9	25.7
Skill level 4	15.5	16.3	15.4	22.2	17.3
Mean	2.4	2.5	2.5	2.6	2.6

success (e. g. leadership, negotiation, communication, and teamwork skills). In 2010, the preoccupation of employees for foreign languages increased, German courses added to the English courses. The management of public funds obtained as grants required particular skills and competences, like project management skills, trainer and public procurement expert certification. In 2011, new qualifications were introduced to attract individuals, like: mentor, landscape designer, entrepreneurship, controller and environmental specialist. Nonetheless, the demand for workforce development through continuing professional training courses decreased, although employees' training might prove a good method to retain employees when financial incentives are scarce, as it is the case in times of economic crisis.

Table 5 presents the structure of the graduated CPT courses based on skill levels needed for their graduation. The mean is in fact the weighted mean of the number of graduates per each skill level and that skill level. In general, an ascending trend can be noticed. Also, it is easily noticeable that there were no courses designed for individuals with skill level 1 (elementary school). In the first four years, the mean increased from 2.397 in 2007 to 2.641 in 2010, while in 2011 it registered a decrease. In other words, the weighted average 'moved' from the skill level of 'primary education (gymnasium and other primary vocational education)' towards the superior level of 'secondary education (high school and other secondary vocational education).'

The workforce development through continuing professional training courses had been influenced by the availability of funds for human resources development from the European structural funds. The structural operational program for the development of human resources (SOP-DHR) made possible the partial or entire funding of CPT courses. The SOP-DHR Programme is financed by the European Social Fund and is implemented in Romania through 7 Priority Axes in a total number of 21 key areas of intervention (KAI). The 1st Priority Axis 'Education and training in support for growth and

development of knowledge based society' aimed to enhance the development of flexible lifelong learning pathways and increasing the access to education and training by delivering modern quality initial and continuous education, providing thus a financial support for individuals seeking continuing education.

Conclusions

The years of financial crisis have generated structural changes in the economic activity in Romania. The labour market was severely hit, and the risk of unemployment started to become imminent for many individuals, after a worry-free period of economic boom. Continuing education and training play important roles during economic downturn and have positive several effects. First of all, investments in human resources have the potential to stimulate growth in the economy. Continuous professional training is a simple method to raise the quality of human resources, in times when the business activity is reduced. Also, qualifications provide people with high self-esteem and confidence, especially in difficult times. Periods of economic instability affect people's finances, but have also psychological effects. Several fears (e.g. fear of losing the job, fear of bankruptcy) particular to crisis situations might be overcome by continuing education and training.

Small but flexible training providers that had some ability to adapt to the rapidly changing environmental circumstances dominate the market for specialized training in Romania. As a result, the number of graduates of continuous professional training courses has registered a massive explosion in 2008, when the dawns of the crisis appeared. The years of crisis have shaped the demand for workforce development through continuing professional training courses, revealing a tendency from lower qualification courses graduated to higher and more specialized qualifications courses graduated.

The volume and the structure of the demand for continuous professional training varied at regional level according to the local economic and social conditions. The long-standing agricultural tradition is reflected by the specializations individuals seek to acquire, especially for facilitating the access to the European funds for agriculture. Eight of the analyzed counties have agriculture as the major occupational activity in which the active population is employed. The industry is spread in different parts of Romania, according to the Communist plans for the industrialisation of the country. Industry was severely affected by the economic crisis, and over 600,000 employees were laid-off over 2008–2011. The spatial allocation of

economic activity influenced the type of qualifications individuals sought to acquire.

This piece of research provides lessons for different parties. The government should oversee the structural transformations the labour market suffers especially in times of economic crisis, and should promote continuing education programs through the existing specialised agencies for the qualifications mostly needed with priority, and to better supervise and co-ordinate their activities. The actors from the business sector need to be aware of the importance of CPT and budget the expenses with the workforce development, as required by the legislation, even in times of crisis. Professional training suppliers should increase their responsiveness to the needs of the business environment and of trainees, which have different requirements according to the category they belong to: adults in work who have a need to update their skills and capabilities in order to remain employable, adults who are out of work and thus need re-qualification or additional qualifications to re-enter the workforce, and adults seeking to 'position' themselves with regard to the labour markets in which they wish to participate. Last but not least, the individuals are expected to be the most active seekers of skills and qualifications improvement, due to their increased vulnerability a the labour market affected by times of economic downturn.

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