Active harmonization of higher education bachelor study programme in the area of trade, tourism and services with the labor market dynamics

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Abstract. The main purpose of our paper is to highlight the interplay between the demands of the workforce market from Hunedoara County and the competences of graduates from The Economy of Trade, Tourism and Services (ETTS) Bachelor study programme. As far as the methodology of the paper is concerned, we used a qualitative description approach that comprises manifold aspects: the statistical analysis of trade and tourism branches from the V West Region in correlation with the labor market; job opportunities analysis before and after the pandemic; cognitive and behavioral competences achieved by graduates from the ETTS programmeme in order to become well trained specialists in their area of interest. The results of our investigations led us to the following conclusions: the pandemic brought about continuous oscillations in the trade and tourism labor markets in such a way that, having skills in both fields, graduates from the ETTS programmeme could get compensation of the declining trend of available jobs in the hospitality industry by the increase of vacant jobs within the online commerce; on the other hand, Hunedoara County – an area with various types of tourism – mountain, historical, religious tourism etc. – has witnessed an upsurge in the number of tourists in spite of the pandemic.

1 Introduction

The changes that constantly occur in the contemporary labour market as a result of alterations in the production factors market, the market for investment or consumer goods, the financial market and other relevant markets as a result of global economic and financial dynamics have led to an increase in employment flexibility in the labour market [5, 6].

The labour market is the economic space in which the demand for labour, represented by employers, and the supply, represented by the owners of labour, meet, face and negotiate freely [6].

Nowadays, the labor market is redefined in terms of skills because they include provable characteristics and skills that allow and improve the efficiency or performance of a job. Practitioners in the economic field require, to a larger extent, from business graduates to

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manifest and to put into practice both hard skills (namely planning, coordinating, controlling, problem solving – ability, innovative intelligence, organizational capabilities etc.) and soft skills (i.e. communication abilities, critical thinking, leadership, positive attitude, teamwork, business ethics, multitasking etc.). In other words, we are witnessing a pattern changeover from teaching to learning focus that stresses the role of experiential learning in the process of accomplishing high level performances which are expected to occur in the area of business education [2].

In this context, the role of higher education in the training of competent specialists for the labour market is a complex process in which exits from the system are measured by the degree of insertion of graduates on the labour market.

Analyzing the influencing factors of the insertion of young people on the Romanian labour market, we can consider that they are related to the training of young people, their socioeconomic status, technological changes in companies, the effects of the current economic and financial crisis, which requires a permanent need of rapid adaptation to changes in the economic environment, to an increasingly competitive environment.

The issue of the insertion of young people on the labour market is very important in the prevailing economic context and the professional insertion of graduates is an objective of strategies in the field of university education because inactivity among young people has a high cost and requires specific policies. Unemployment, especially long-term unemployment, at the beginning of a career can have long-term negative consequences, such as lower incomes in the future and worse employment prospects [11].

The educational background of higher education graduates plays a very important role in their success on the labour market, graduating from a public educational institution and occupying a place financed from the budget increasing the chance of quality employment.

2 Implementation Methodology

The modalities of transition between school and work environment and professional insertion have evolved a lot in the recent years, becoming more complex. Vocational integration must be understood as a process displayed over time that measures the dynamics of convergence and divergence between learning and work / employment. The purpose of our work is to monitor the transition of students to the labour market from the perspective of the skills they acquire as students.

We will analyze the harmonization of the educational requirements with the labour market in comparison with a very appreciated Bachelor study programme, respectively the study programme of The Economy of Trade, Tourism and Services within the University of Petroșani. In order to perform this analysis, the methodology we employed consisted in: the analysis of the dynamics of the trade and tourism sectors, of the labour market in these fields at the level of the West Region, especially of Hunedoara County; the analysis of job offers before and after the onset of the pandemic; the analysis of cognitive and behavioural skills of ETTS graduates to become specialists in the field of trade, tourism and services.

3 Analysis of the dynamics of the trade and tourism sectors in correlation with the peculiarities of the bachelor study programme offered by the University of Petroșani

3.1. Presentation of The Economy of Trade, Tourism and Services study programme
The study programme related to the qualification The Economy of Trade, Tourism and Services is addressed to students who want to build a professional career in the tertiary sector. In addition to the basic training specific to the profession of economist, the programme offers the opportunity to acquire skills and practical skills essential to business management in the three areas: starting a new business; management of financial, material and human resources; organizing and performing services specific to those areas; modern techniques of promotion of products and services etc. Among the possible occupations of the graduates of this undergraduate programme are the following:

- Counsellor/expert/inspector/reviewer/economist in economic management (code COR 263106);
- Counsellor/expert/inspector/reviewer/economist in trade and marketing (code COR 263104);
- Financial Manager (patrimony) (higher education) (code COR 263111);
- Analyst in tourism (code COR 263204).

The last years witnessed, within the University of Petrosani, the emphasizing of the applicative aspect of the academic programs through initiating partnerships with the business environment and implementing multidisciplinary projects and systems for the practical training of the students. This development direction has been supported, from the financial, logistical and human resources point of view, by the earning of a series of competitions for structural funds granted owing to POCU programs. Such a trend has determined important gaining regarding the learning outcomes: development of the entrepreneurial competences of the students, creation of favourable premises for involving the students in the processes of social innovation, introduction of new curricula subjects able to increase the students' chances of inserting on the labour market: Corporate Social Responsibility, Public Speaking, Entrepreneurial Competences etc. In addition, beginning with the academic year 2018-2019, the reviewing of the bachelor and master academic curricula is being made in accordance to consultations with companies that regard the inclusion of new subjects and the updating of the content of the existing subjects; this approach is meant to determine the acquiring, by the graduates, of the qualifications and competences required by the labour market.

### 3.2 Analysis of the competencies of ETTS graduates to become specialists in the field of trade, tourism and services.

The undergraduate study programme The Economy of Trade, Tourism and Services has the mission to provide students with the cognitive and behavioral skills necessary to become specialists in the field of trade, tourism and services.

Thus, this study programme aims to train specialists in the field of business administration, which will contribute to gaining competitive advantage in the market for organizations in which they will work as specialists in the fields of trade, tourism and services and be able to successfully perform tasks related to positions in these fields of activity in accordance with the current requirements of the labour market in Romania and the European Union, promoting a set of values based on solidarity, equity, scientific objectivity, creativity and dynamism. The professional competencies that will be acquired by graduates at the end of university studies are:

- carrying out of performances in trade, tourism and services;
- marketing of products/services;
- managing relationships with customers and suppliers;
- management and allocation of material and financial resources;
- ensuring the quality of services in trade, tourism and services;
- assistance in human resources management.

In conjunction with these, the transversal competences are:
• the application of the principles, norms and values of professional ethics within one's own rigorous, efficient and responsible work strategy;
• identifying roles and responsibilities in a multi-specialized team and applying effective relationship and work techniques within the team;
• identifying opportunities for continuous training and efficient use of resources and learning techniques for their own development.

3.3 Analysis of the dynamics of the trade and tourism sectors, at the level of the Western Region, especially of Hunedoara County

In order to substantiate the current state and prospects of absorption on the labour market of the graduates of the qualification related to the study programme The Economy of Trade, Tourism and Services, we analyzed and corroborated a series of information presented in reference documents at county, regional and / or national level:
- Strategy for the development of the West region 2021-2027;
- Socio-economic analysis and SWOT - PDR West 2021-2027;
- Development strategy of Hunedoara County for the period 2014-2020;
- The regional development plan of Hunedoara County for the period 2014-2020;
- Manpower Group study on the employment prospects in Romania -2020;
- National Strategy in the field of youth policy 2015-2020;
- Government strategy for the development of the small and medium enterprises sector and the improvement of the business environment in Romania - Horizon 2020;
- National Research, Development and Innovation Strategy 2014-2020;
- National strategy for tertiary education 2015-2020;
- Order of the Minister of National Education no. 5376 / 19.10.2017 regarding the approval of the fields and specializations / university study programmes correlated with the economic sectors with growth potential in Romania.

The content of the minutes, collaboration agreements and partnerships are added to this information, which prove that economic operators in Hunedoara County and neighboring areas have a high degree of interest in collaborating with the University of Petrosani, especially with students of The Economy of Trade, Tourism and Services.

Thus, the socio-economic analysis based on the elaboration of the Development Strategy of Hunedoara County for the period 2014-2020, presents the structure of the projection of the potential demand on fields of professional training for the period 2013 - 2020 at the level of Hunedoara County and the Western Region. According to the authors of the study, it results that the first five areas for which a high demand is forecast at regional level are: Environmental protection, Mechanics, Trade, Economy and Construction, Installations and public works, while at county level they are Mechanics, Tourism and food, Economics, Construction, installations and public works, Electronics automation. Therefore, the sectors of the manufacturing industry overlap with the directions in which it is possible to exploit the development potential of the various branches specific to the manufacturing industry, and the development of educational services supporting these levels will ensure the necessary highly skilled workforce [7]. In addition to this, the increased interest of students in specializations in the fields of trade, mechanics, tourism and food, IT, engineering and economics indicates that the young population tends to focus on areas with wider openness compared to the strong industrial profile of the county. Regarding the dropout rate among pupils and students, the County Development Strategy highlights, based on statistical data, that county values are lower than the regional ones at each level of education.

Considering that some of the graduates of the analyzed study programme tend to look for jobs in the neighboring counties, in this case the counties of Timiș and Arad, an alignment can be made with the directions from the strategic and operational documents from the West
region, respectively Strategy for the development of the West region 2021-2027 and Socio-economic Analysis and SWOT - RDP West 2021-2027 which shows that in the West Region there are clusters focused on the dominant sectors - automotive, ICT, construction, agro-food, tourism formed to facilitate the interaction and cooperation between the actors operating in these priority sectors for the economy of the region and it is recommended to support interventions for the development and / or modernization of new joint facilities in clusters. Moreover, considering the field of study programme analyzed, namely Business Administration, these documents emphasize the need for entrepreneurship education because the West Region has a moderate level of development of entrepreneurship compared to the national level, with 9% of all Romanian enterprises and 9, 5% of the total national turnover, which shows the existence of an entrepreneurial potential to be exploited.

The analysis of the innovation score criteria - European Innovation Scoreboard 2019, emphasizes the need to adopt innovation in SMEs. Increasing productivity and competitiveness requires increasing investment in business research and development, digitalisation, increasing the rate of training and survival of enterprises, creating a strong entrepreneurial culture and advancing towards higher value-added sectors.

Regarding the training of the labour force at the level of Hunedoara County, the classification of the active civilian population according to the level of education of the last graduated educational institution indicates a high percentage (35%) of people who graduated high school, category followed by people with higher education (21%), middle school (18%) and professional and apprentices (17%). The large share of the active population graduating from high school (to the detriment of technical or university studies) raises the issue of the need for training programmes specific to tertiary education to prepare high school graduates for the labour market.

This direction of action is compatible with the provisions of the National Strategy for Tertiary Education 2015-2020, according to which special emphasis will be placed on strengthening the capacity of Universities to develop and provide relevant programmes for the labour market - with special emphasis on ensuring transversal skills, but also for the development of those skills needed in the potentially competitive economic sectors identified according to the CNS: automotive and spare parts industry, ICT, health and pharmaceuticals, tourism and eco-tourism, textiles / leather, wood and furniture, creative industries, energy and environmental management, bioeconomy etc.

Moreover, for a deeper understanding of the context in which this study programme is developed, it is necessary to use statistical data on the active and inactive population, respectively the employed population in the county. At the level of the West Region, although Hunedoara County occupies the third place in terms of population, its active population represents 23.56% of the total active population of the region, ranking second after Timiş County (38.42%) and before Arad County (23.44 %). Statistical data from the beginning of 2019 show that the active population represents over 166,400 inhabitants in Hunedoara county, of which 29,200 inhabitants worked in the field of trade, 4,300 in the field of tourism and over 14,000 in the field of services [12].

The distribution of the active population in the county territory indicates its concentration in the urban environment (71.5%), this being in connection with the high degree of urbanization of the county, the densest territorial administrative units in terms of active population being Deva municipalities, Hunedoara and Petroşani (over 30,000 people), followed by the municipalities of Orăştie, Brad, Vulcan and Lupeni (between 10,000-30,000 people), as well as by the cities of Simeria, Uricani, Călan, Petrila and Geoagiu (between 5,000-10,000 people).

Unlike the active population, the inactive population includes people who have not worked at least one hour and are not registered as unemployed during the reference period - pupils or students, pensioners, housewives, dependents. The ratio between active and inactive
people within Hunedoara County is about one to one, 44% of the population being active and the remaining 56% being inactive.

Although at present Hunedoara County is not perceived as an eminently tourist area, its industrial image remains outstanding, it is characterized by traditional forms of tourism (in the sense of their antiquity): spa tourism, religious tourism, mountain tourism (hiking and sports winter), speleological tourism (visiting caves), and historical tourism (Dacian fortresses). Hunedoara County is characterized by a high diversity of tourist resources, which are due to natural factors (various landforms, determined by a diversified and complex lithological structure, thermal and mineral waters, nature reserves, etc.), historical and economic favorable. Thus, the tourist identity of the county must be built starting from the existing and visible objectives such as Dinosaurs Geopark (UNESCO site), Roman and Dacian fortresses, Huniazilor castle, Deva fortress or Geoagiu Băi resort, in parallel with the promotion of identity areas Țara Hațegului, Ținutul Pădurenilor, Valea Mureșului, Țara Zaranului, Zona Orăștie, Sistemul urban Deva-Hunedoara-Simeria-Călan and Valea Jiului. It is noteworthy that these areas include tourist objectives that present a segment from each period essential for the historical evolution of Romania: the period of the Dinosaurs - the Geopark from Hațeg and the dwarf dinosaurs; the period of ancient Dacia - The Dacian fortresses in the Orăștiei Mountains; the period of the Roman province - the Roman Citadel from Țara Hațegului; medieval period - Huniazilor Castle and the period of industrial development, and especially of the development of mining, with which the Jiu Valley is identified today.

In addition, Hunedoara County has special natural resources, being covered in proportion of over 70% by natural and semi-natural ecosystems (forest vegetation, natural pastures and hayfields, rivers and lakes). On its territory there are 2 national parks - Retezat National Park and Jiu Gorge National Park, 2 natural parks - Grădiștea Muncelului Natural Park - Cioclovina and Dinosaurs Geopark, 41 nature reserves and monuments and 21 sites of community importance (part of the ecological network NATURE 2000).

The mountain attractions of the county also allowed the development of mountain resorts in the south of the county, respectively Straja resort with over 220 accommodation locations, 14 km of modern ski slopes 50% of them with night installation, ski lifts, chairlifts, gondola etc. Parâng resort with 122 accommodation locations, tourist attractions in Vulkan Pass, etc. which have developed due to winter tourism but which have developed attractions that allow to attract tourists during the summer as well.

There are also spas such as Geoagiu-Băi, Cîncș or Călan Băi and the development of local swimming pools that attract countless tourists and athletes for leisure, such as the Swimming Pool in Petroșani, the Swimming Pool in Hunedoara, AquaLand Deva, AquaLand Arsenal Orăștie etc.

Religious tourism is also noteworthy in Hunedoara County, starting from the heart of the county from Crișan Monastery to the south - Lainici Monastery, the whole county has historical monuments some of an antiquity and undeniable value such as Densus Church, Colț Church or Sântăm Church culminating with the Prislop Monastery which allowed an amazing development of accommodation around Hațeg due to the multitude of pilgrims visiting the tomb of Father Arsenie Boca.

In recent years, in the new economic context marked by the process of economic restructuring, the orientation of several territorial administrative units within the county to capitalize on previously untapped tourist resources, has led to diversification of tourism (eg archaeological tourism, rural tourism) and to the increase in some areas (especially of those that present elements of local identity) of the tourist circulation. This fact is also visible in the increase of the tourist offer, and especially in the number of arrivals. Starting from these favorable trends, the authors of the Hunedoara County Development Strategy consider that county tourism needs an additional impetus from three directions: modernization of transport
infrastructure that ensures accessibility of tourist objectives of national interest, promotion of a strong local identity, relying on areas ethnographic characteristics and (re) qualification of the workforce to areas that support tourism activities.

![Diagram showing the distribution of companies by sector in Hunedoara county.]

**Fig.1.** The situation by domains of the number of companies in Hunedoara county in the year 2020

In Hunedoara county, the insertion opportunities of the graduates from study programme The Economy of Trade, Tourism and Services are multiple, given that, in addition to training in the field of tourism, they also acquire skills in the field of trade. This situation correlates with the significant share of companies that are active in the field of trade in the total number of active enterprises. As it is pointed out in figure no. 1, out of the total of 9525 companies that operate in the county area, 3224 (ie 30%) are active in trade and 2649 are companies that carry out service activities (22%).

### 3.4. Analysis of the dynamics of the trade and tourism sectors at national level

According to the Press Releases issued by the National Institute of Statistics [12], in the first quarter of 2018, the vacancy rate was that of 1.20% and in the same period of 2019 it was 1.51% and the number of vacancies was 58.4 thousand in 2018 and 60.1 thousand in 2019. This situation has changed since 2020, when Romanian employers report dark employment plans for the period July - September 2020. 15% of employers forecast an increase in the total number of employees, 22% forecast a decrease and 52% do not anticipate any change, resulting in a Net Employment Forecast of -7%.

However, the field of trade evolved continuously during the pandemic, so that its most dynamic component was the electronic trade - the most important evolution on the continent, of about 27% was in Eastern Europe, while Romania exceeds this average, the estimates being increased by at least 30%. The same trend was registered for electronic payments, an unprecedented increase in Romania: from 353 million payment in the second quarter of 2019 to 395 million plements in the same period of 2020 and for the option of mobile wallet, the increase is of 145%.

Labour market trends must also be correlated with the consequences of the pandemic. However, if a gradual, monthly analysis is made towards the end of 2020, the economic

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2 The vacancy rate is the ratio between the number of vacancies and the total number of jobs (occupied and vacant, excluding those blocked or intended only for promotion within the enterprise or institution), expressed as a percentage.
indicators tend to have a upswing trend, so that in December 2020, the turnover from market services provided mainly to enterprises in nominal terms increased compared to the previous month both as a gross series by 8.8% and as a series adjusted according to the number of working days and seasonality by 2.9%.

Compared to the corresponding month of the previous year, the turnover of market services provided mainly to enterprises increased in nominal terms both as a gross series by 11.7% and as a series adjusted according to the number of working days and seasonality with 9.4%. In terms of services, the turnover increased compared to 2019 as a gross series with 4.2%.

![Graph](image)

**Fig.2.** The evolution of the turnover in the Services field

Manpower [8], being a global leader in labour solutions and one of the largest companies in the employment market, conducted a study on Employment Prospects for the third quarter of 2020, undertaken by interviewing a representative sample of over 600 employers in Romania.

The Results of the study conducted in the third quarter of 2020 highlighted the following:

- The Romanian employers report pessimistic employment intentions for the period October - December 2020. 11% of employers anticipate an increase in the total number of employees, 16% forecast a decrease and 69% do not anticipate any change, resulting in a Net Employment Forecast of -5%.
- After adjusting the data to eliminate seasonal variations, the forecast is +3%. Employment intentions strengthen by 17 percentage points compared to the third quarter of 2020, respectively weaken by 8 percentage points compared to the third quarter of 2019;
- Employers in seven of the country's eight regions forecast staff cuts in the next quarter, especially in two regions where employers report bleak forecasts of -26% - in Bucharest and Ilfov and in the South. Employers in the South-East region also report dark employment prospects of -22%, and for the West region employers report a Forecast of -14%. On the other hand, the weak employment outlook is reflected in Forecasts of -6% and -4% for the Central and North-East regions, respectively, while the Forecast for the North-West region is -2%. However, there are areas that are experiencing increasing development, such as services, in compensation with other areas such as tourism but which through the absolute positive difference would create an excess of future employees.

Even if for the last 6 months the sector was deeply marked by the accentuated decrease due to the pandemic, in the Hotels and restaurants sector, a favorable employment climate is forecast for the next three months, employers reporting a Net Employment Forecast of +11%. The perspectives suddenly strengthen compared to the previous quarter, improving by
64 percentage points, but weakening by 2 percentage points compared to the same period of last year.

Fig. 3: Net Employment Forecast for the Hotels and Restaurants sector
Source: Manpower Study on Romania's Employment Prospects, 2020

In terms of **Wholesale and Retail Trade**, employers anticipate optimistic employment plans for the fourth quarter of 2020. Employment intentions improve by 35% compared to the second quarter, but are 4 percentage points lower than in the same period of 2019.

Fig. 4: Net Employment Forecast for the Wholesale and Retail Trade sector
Source: Manpower Study on Romania's Employment Prospects, 2020

Even though the conclusions of this study show that there is still a period necessary for economic recovery in the two areas presented, the skills that students in the study program The Economy of Trade, Tourism and Services also direct them towards entrepreneurship and business development. Thus, the pandemic changed the perspective regarding the jobs occupied by the former students from ETTS: moving from the trade/services organised in physical locations to those provided on-line; an increased tendency among the graduates to migrate from traditional jobs in the tertiary field towards free lancing and entrepreneurship mainly organised through teleworking.

Romania has a huge potential for long-term economic and social development, existing especially at the local level, where entrepreneurs will be encouraged and stimulated to capitalize, in a profitable and judicious way, current business opportunities and predictable prospects. The general objective of the *Governmental Strategy for the development of the small and medium enterprises sector and the improvement of the Romanian business environment - Horizon 2020* [9] is represented by the creation of a favorable environment for business, private initiative and entrepreneurship, stimulating the establishment and development of SMEs and supporting the increase of competitiveness of the local business environment at local, regional, national, European and international level through significant growth, at dimensional, sectoral and regional level, the net balance of economically active SMEs, the development of existing enterprises and the creation of new jobs. Thus, this
strategy shows that by December 31, 2020 the number of employees in SMEs will exceed 3.2 million employees and the net balance of economically active SMEs will exceed the threshold of 670 thousand enterprises in the Romanian economy.

By stimulating entrepreneurship, an increase of about 41.23% of the number of economically active SMEs will be obtained and in terms of "density of SMEs per 1,000 inhabitants", achieving this strategic target means the operation of about 36 enterprises in one thousand inhabitants in 2020, compared to 21.94 enterprises per thousand inhabitants in 2012 (according to Eurostat).

About a quarter of young people in Romania (27%) want to open a business. The most targeted field by young people is that of trade, services and consultancy (30%), followed by agriculture and tourism. Statistics at European level indicate that Romania shows little importance to entrepreneurship education, so that less than 10% of those who started and developed a business have a theoretical basis in this regard, compared to the European average of 30% [10].

4 Conclusions

The localization of Hunedoara county in the proximity of some other counties characterized by increases / values superior to GDP compared to the national average (Timiș, Arad, Alba, Sibiu) can be a potential advantage, given that the economic dynamism registered on the Timișoara-Arad-Sibiu-Brașov axis could reflect on the revival of the economy of Hunedoara County.

According to the Development Strategy of Hunedoara County, it is necessary to facilitate the dialogue between the education centers in the county and the business environment so that the educational requirements of the labour market be correlated with the skills of graduates of the study programme The Economy of Trade, Tourism and Services.

The results of this analysis pointed out that: the pandemic period caused a continuous vibration on the labor market in trade and tourism, so that for ETTS graduates with skills in the two fields, the decrease in jobs in the field of HoReCa was balanced by their increase in trade, in particular online trade; the specificity of Hunedoara county with multiple forms of tourism - mountain tourism, historical tourism, religious tourism - allowed an increase in the number of tourists in these segments in pandemic conditions.

In conclusion, with regard to the development of the university environment, an important direction is to adapt the curriculum to the requirements of the labour market and to facilitate the access of students and graduates to jobs.

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