

An evaluation of the human resources potential of the Western Region (Romania)

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Abstract

The data analysed in the present study show that the human resources potential of the Western Region is limited in nature and characterised by disparities that are multidimensional from both the quantitative and the qualitative point of view. When we consider the region in terms of its administrative sub-units, we find areas that have human resources that are surplus to requirements but insufficiently developed and structurally unbalanced (Hunedoara county), others with high-quality but numerically limited human resources and with great potential for attracting them from other areas (Arad and Timiș counties) and a case of an area whose human resources are both insufficiently developed and deficient from a quantitative point of view (Caraș-Severin county).

Keywords: *human resources, workforce/labour force, unemployment, Western Region, Romania*

Rezumat. O evaluare a potențialului resurselor umane din Regiunea de Vest a României

Datele analizate în acest studiu arată că potențialul resurselor umane din Regiunea Vest este limitat din punct de vedere natural și caracterizat prin disparități care sunt multidimensionale din punct de vedere cantitativ și calitativ. Când luăm în considerare regiunea din punct de vedere al subunităților administrative, există zone care au resurse umane excedentare cerințelor, dar insuficient dezvoltate și dezechilibrate din punct de vedere structural (județul Hunedoara), altele cu resurse umane de înaltă calitate, dar cu resurse limitate numeric și cu mare potențial de atragere a acestora din alte zone (județele Arad și Timiș) și cazul unei zone ale cărei resurse umane sunt insuficient dezvoltate și deficitare din punct de vedere cantitativ (județul Caraș-Severin).

Cuvinte-cheie: *resurse umane, forță de muncă, șomaj, Regiunea de Vest, Romania*

Introduction

The Western Region in its present-day boundaries includes a historic territory (Banat) in which human resources have always constituted an important developmental element and, at the same time, have given rise to major concern regarding their retention and their maintenance at a satisfactory level within this local area. In whole-country terms, this region has for almost two centuries been a statistical low point demographically, with weak natural population dynamics and insufficient inward movement of population.

Many writers (Pavel, 2000, Popa et.al., 2007, Rusu, 2007) ascribe this situation to a specifically "Banat type" demographic behaviour characterised by a low birth rate. This was borrowed from the Swabians who settled here and who influenced the indigenous population in a number of their cultural practices, including that of not producing more than one child per family (the Swabians were a large community, originating in southern Germany and in other parts of the Hapsburg Empire, who were brought to Banat as colonists from 1716-1718 onwards after its freeing from Ottoman control).

Whereas in other parts of Romania a higher birth rate was encouraged, by both external agencies – the State, the Church – in Banat, this originally Swabian custom struck deep roots, the principal motive being

a wish to keep the family's possessions in the hands of only one person. In addition, during the past half-century, during which there has been substantial movement of population into Banat, this anti-natalist behaviour pattern has even spread to the incomers, who have thus not succeeded in modifying the demographic development of the region in a radical and long-term way.

However, the area we are dealing with in this study (the Western Region) also includes, besides the three counties which make up "administrative" Banat (Timiș, Caraș-Severin and Arad), the county of Hunedoara, a space which is different from Banat from the point of view of human resources, but that lies at the point where influences from Transylvania, Oltenia and, of course, Banat itself intermingle. The human resources potential of the Western Region of Romania thus starts from premises which tend to accentuate imbalances, disparities and polarities; it cannot be assigned any homogenising or uniform descriptors. Such a hypothesis is not entirely a risky one if we bear in mind the great social, political and economic changes which have come upon the Romanian society in the past six decades and that have inevitably left their mark on human resources.

Methodology

Human resources potential is a relatively new category of classification and is particularly popular in

approaches with a bias towards economics. "Human resources refers to the totality of the people within a given space, viewed simultaneously in quantitative terms (as a number) and qualitatively (their level of competence, education, professional training, health etc.). This concept thus provides a link between the number and demographic structure of the people who make up a group, on the one hand, and their level of competence (knowledge, aptitudes, familiarity with working etc.) on the other." (Batey, 2002, 54)

Labour resources (quantitatively the most important category of the total population) is used to refer to that section of the population which possesses that combination of biological, physical and intellectual traits which makes possible their direct and permanent participation in some useful socio-economic activity (Preston et.al., 2001). Labour resources (the active element in society, engaged in production or in the service sector) are conditioned by two sets of factors: *demographic* ones, in that their volume is influenced to a major degree by demographic variables (birth rate, death rate, average life expectancy etc.), and *socio-economic* ones, since the age limits (especially the upper limit) associated with these resources can change as a function of factors that are socio-economic in nature (degree of economic development, legislation regarding the age of retirement etc.).

However, in reality it is not the case that all those capable of working are actually in employment. This is a consequence of specific socio-economic conditions, which differ widely from one state or region to another (the structure of the economy, its ability to provide jobs, the pace at which the economy is developing, the retirement age etc.), of tradition, of different levels of professional training, of the number of years normally spent in full-time education, of the proportion of the whole population who are pursuing studies of some kind, of the length of military service and the proportion of the population serving at any one time, etc. For this reason, within any population we may speak of the *active population* on the one hand and the *non-active population* on the other (Ungureanu, Muntele, 2006).

The term 'active population' is, unfortunately, quite vaguely defined. It is normally used to refer to all those who wish to work, irrespective of whether they actually manage to do so in a settled and uninterrupted way, and therefore includes those in temporary work, those providing some form of unpaid assistance, generally within the family, young jobseekers, those carrying out their military service and even the unemployed (Rowland, 2006). Nor is the non-active (provided for) population more precisely defined. In principle, those who are financially dependent on

the active population – family members, retired people, school and university students etc.) – are considered to be non-active (Ulrich, 1997).

From a qualitative point of view, human resources potential is closely linked to the term development (Guest, 1997, Lecaillon, 1990, Mathur, 1999, Etzkowitz and Klofsten, 2005, Gennaioli et.al, 2013). Because, on the one hand, development with its multiple dimensions cannot be conceived of in the absence of suitable human potential, and because, on the other hand, development ought to have as its principal aim the proper satisfaction of essential human needs. The term 'human potential' is clearly not a synonym for the term 'human development', although a number of links between the two concepts do exist. The quality of human resources depends most of all on schooling and all the factors by which this is influenced, but this in turn operates in close connection with other factors such as *health* and *level of access to means of communication*. The greater the investment in education and schooling, the higher the human resources potential. Academic studies agree that the development of human resources comes about not only via the teaching provided in school but also through people learning on their own and studying on their own, and for this *the existence of some accessible means of communication* is a prerequisite (Becker et.al., 1997).

At the same time, investment in the health of the human resources is directly connected to their level of education and to access to the mass media, since an appropriate amount of medical knowledge cannot be acquired if means of communication are insufficiently developed. At a theoretical level, the logical sequence of the causal links between the three abovementioned factors shows that the higher the level of education in a region, the more developed its means of communication will be, and that the level of investment in health is higher or lower as a function of the level of communication. In practice, problems may appear when dealing with these causal links, due to an overload of available data that strains efforts at qualitative analysis. In our study we will investigate these correlations on the basis of the following sets of data: people in high school or university as a proportion of the total active population (those aged 15-59) as an index of access to schooling; number of PCs per thousand inhabitants as an illustration of access to communication; number of doctors per thousand inhabitants, an index that suggests how easy or difficult it is to access medical and health services (Pike, 2006).

Given these causal links of a conceptual nature, our analytical approach may be angled from two principal directions – quantitative and qualitative – on the basis of which arguments are the most relevant at a regional level. Among the quantitative arguments

(those susceptible to statistical analysis), *the number of the population capable of working* – the human resources pool of any area of land -, *the degree to which the paid workforce is employed in service industries* and the *rate of unemployment* can reveal essential characteristics that are directly linked with the development potential of the region concerned. Alongside this, looking now from a qualitative point of view, a number of specific features can be outlined on the basis of such indicators as *the degree of training of the human resources*, their *level of access to means of communication* and *the state of their health*. Theoretical studies show that these all have a decisive impact on the growth of the human resources potential of any given geographical area (Merlin, 1997).

Results

The quantitative evaluation of the human resources of the Western Region

A limited pool of labour resources

Although the focus of our study is on the recent period (1998-2014), it is useful to be aware of the context within which the volume of labour resources rose and fell at a national level in the first decade after the events of December 1989. This background

picture was characterised by a brief period of growth in labour resources until 1992, followed by a substantial decrease almost up to the beginning of the new millennium, when the balance was redressed. This situation can be explained as the result of phenomena that are well known: a decrease in Romania's overall population, demographic ageing and an upward trend in emigration. Although the level of labour resources in the Western Region has fluctuated, it does display a number of characteristic stages which are to a large degree the effect of the economic and social phenomena that have shaped Romania in the last few decades (fig. 1). In absolute terms, the volume of labour resources shows a generally decreasing trend until 1994; this corresponds to the period of falling population and severe economic recession that Romania experienced in the 1990s. The 1994-2002 period shows a fluctuating volume of labour resources; this stage covers the years when Romania was transitioning to a market economy and also takes in 1998, the year when large numbers of the workforce began to emigrate. The appreciable growth seen over the 2002-2014 period, although averaging only 5% at a regional level, is explainable in terms of a bulge in the adult age group accompanied by a fall in the numbers of children and young people, due, obviously, to a fall in the birth rate and a reduction in natural vigour.

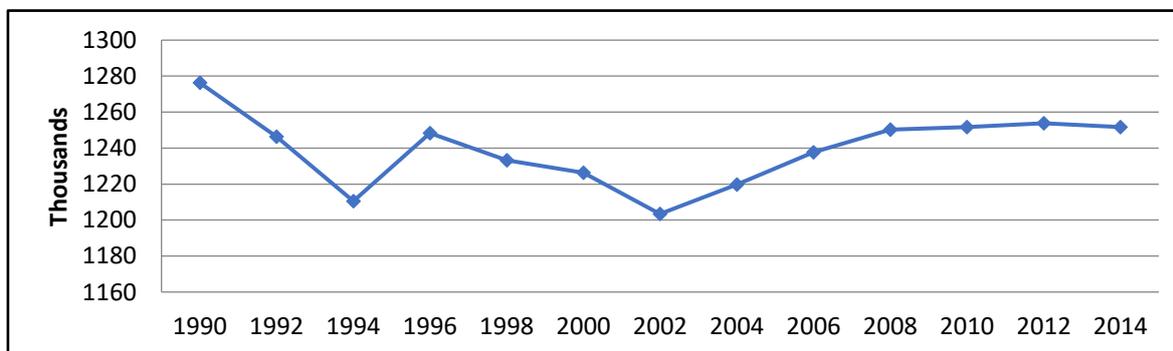


Fig. 1: The evolution of labour resources in Western Region (1990-2014)

(Source: National Institute of Statistics)

Although a certain amount of imprecision is involved, knowing what proportion of the total population of a defined area is formed of potential working population (labour resources) can provide a reasonably accurate picture of the extent to which that area is well supplied with labour resources. According to the definitions used by demographers, what is regarded as the potential working population is the population aged between 15 and 59 – the ages which, broadly speaking, indicate when a person joins the labour force and when they retire. Figure 4, which

shows the distribution of the potential working population according to where people live, demonstrates that the largest reserves of human resources are concentrated in the urban parts of the region (the towns of Timișoara, Arad and Reșița in particular), followed by a relatively compact area that comprises the flatter country parts of Arad and Timiș counties. The hilly/mountainous areas of each county are the most lacking in terms of their volume of labour resources.

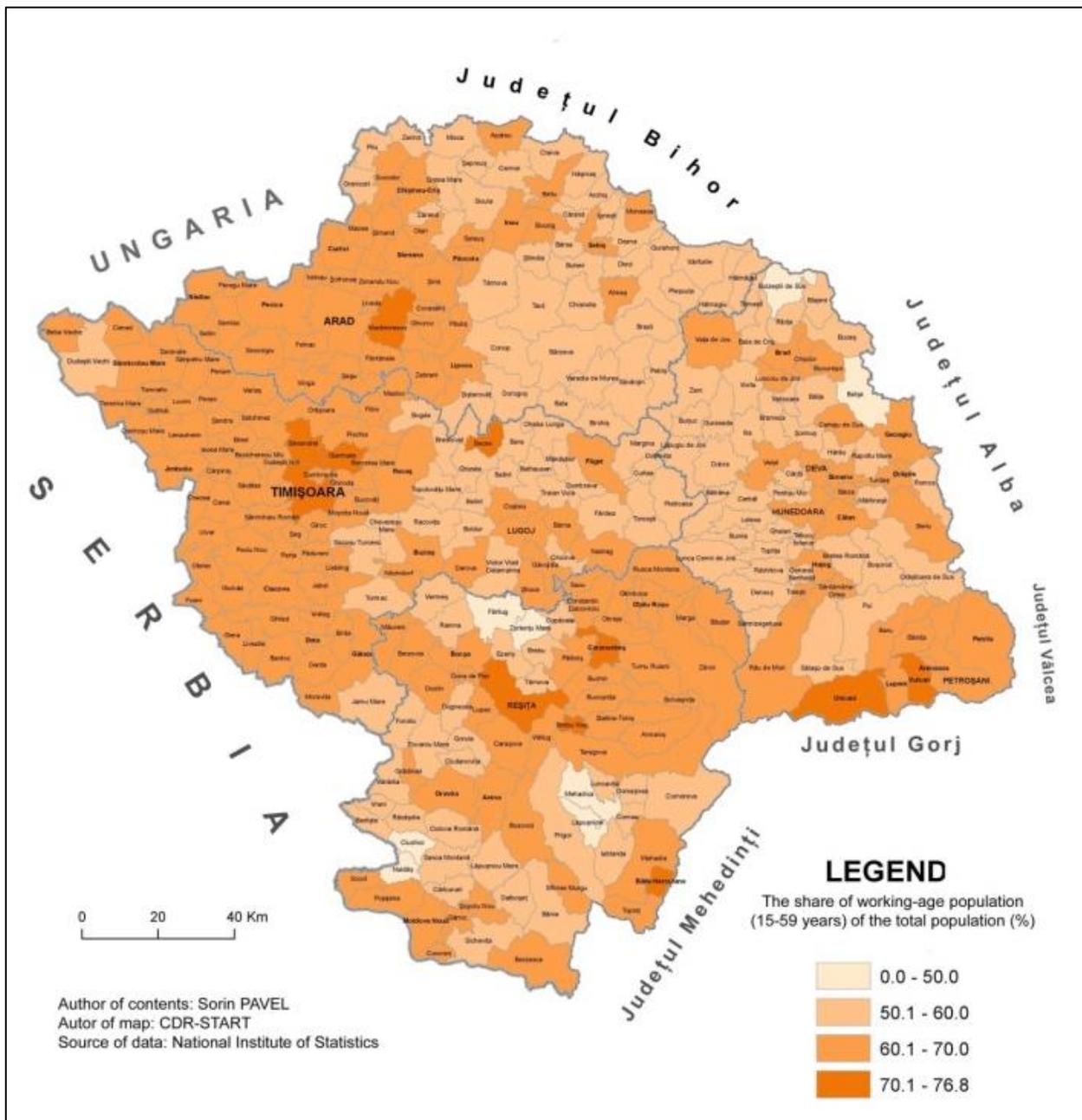


Fig. 2: The share of working-age population (15-59 years) of the total population in the Western Region

The qualitative evaluation of the human resources of the Western Region

Data from table 1 and figure 3 indicate that counties where a higher proportion of the population is in school also have more developed communications. While it might have been expected that the city of Timișoara, through its status as one of Romania’s major university centres, would give

Timiș a high ranking in the proportion-of-population-in-school table, Arad comes as a surprise, ranking second within the region, but far ahead of Hunedoara and Caraș-Severin counties. Arad’s exceptional position in terms of education and communication could give rise to interesting hypotheses about the origins of the ‘tides’ of human resources that flow towards the two regional hubs (Timișoara and Arad) and the qualitative distinctions between them.

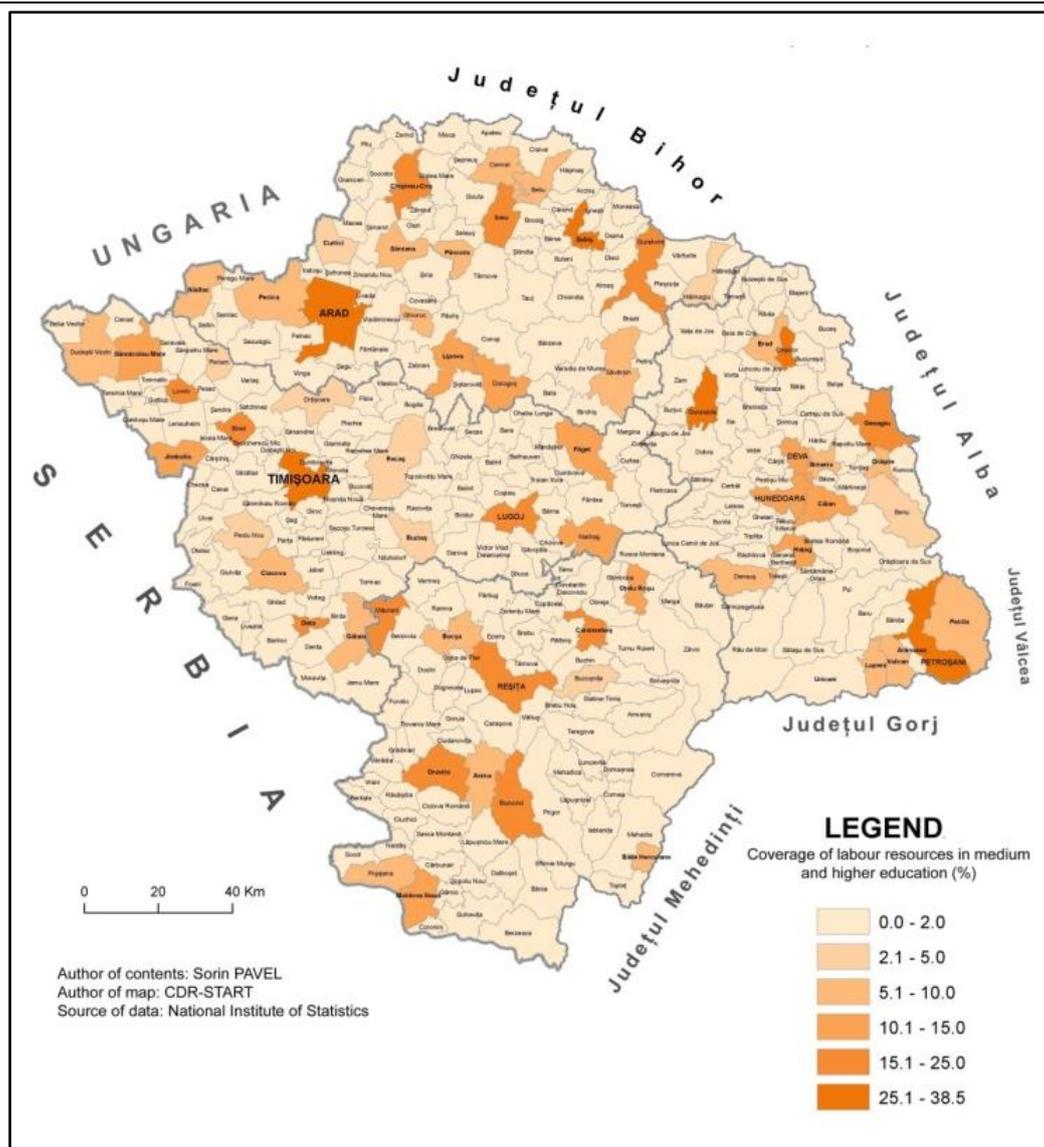


Fig. 3: Coverage of labour resources in medium and higher education

The other two counties, Caraș-Severin and Hunedoara, follow the same sequence of correlation as regards the indicators under consideration, with the one exception that Hunedoara is ahead of Arad in terms of access to healthcare. Why does healthcare not follow education in this case? The answer is not far to seek if we appeal to other variables such as the degree of urbanisation, higher in Hunedoara county

than in Arad county, it being well known that medical personnel are more concentrated in urban areas. Settlement by settlement (fig. 12), the highest proportions of population in school are naturally found in university centres (Timișoara and Arad), followed by county towns, smaller urban centres and finally main villages that have high schools.

Table 1: Qualitative indicators of the human resources in Western Region

Indicators (2014)	Arad	Caraș-Severin	Hunedoara	Timiș	Western Region
Number of physicians (‰)	2,7	1,9	3,0	5,7	3,7
Number of PCs (‰)	11,9	9,9	10,5	17,2	13,0
Proportion of school population in total population (15-59 years) (%)	14,6	9,5	10,6	18,2	13,9

Source: National Institute of Statistics, 2014

Discussion

The variables taken into consideration above are relevant at the regional level to the extent of which the social mechanisms through whose agency they come about can also be identified. This is, of course, a matter of the cumulative effects of lifestyle, the way in which the development of the private sector is achieved, the correlation between the distribution of scarce resources within society, education etc. At the same time, it should be emphasised that the development of human resources is strongly linked to the material capital each county has at its disposal, and the level of healthcare and educational provision is in direct proportion to this. In the case of the Western Region, as elsewhere, the poorer counties (Caraş-Severin and Hunedoara) are the ones with a lower quality of human resources, which implies a degree of dependence of the development of human potential on the existence of material resources.

Bringing together the data analysed, we may draw the conclusion that the human resources potential of the Western Region is limited in nature but exhibits multi-dimensional disparities from both a quantitative and a qualitative point of view. The administrative boundaries which divide up the region delimit territorial units which have a surplus of human resources but where these are insufficiently developed and structurally imbalanced (Hunedoara county), others with a limited amount of high quality human resources and a high potential for attracting human resources from other areas (Arad and Timiş counties) and one case of a territorial unit whose human resources are both insufficiently developed and lacking from the quantitative point of view (Caraş-Severin county). Identifying the spatial disposition of human resources potential can be a useful jumping-off point for the planning of regional policy, which in order to achieve its main objective, the reduction of disparities in development, will need to take into consideration, among other factors, the disadvantages that stem from the underuse of human potential on the one hand and from overestimating it on the other.

Conclusion

The distribution of human resources potential within the Western Region cannot be uniform for so long as the boundaries of this unit of territory contain within them historical spaces that have evolved in different ways over time, each with its own demographic, social and economic personality. Often, however, boundaries within the region follow the lines of force of the distribution of human potential, and the quantitative and qualitative characteristics of this potential constitute the foundation of the entire edifice of regional social differentiation. There is

strong empirical evidence to show that it is educational level that to a large extent determines access to healthcare and the possession of means of communication. From a quantitative point of view, however, the region's labour force reserves are limited. Since its internal labour surpluses are for the moment unable to relocate, movement into the region from outside will be required in the future in order to meet the needs of any sustained development. Redeploying the region's own underemployed human resources (found in Caraş-Severin and Hunedoara counties) is no easy matter; it would require either large-scale retraining of the workforce or the deliberate siting of industrial enterprises in areas that are not attractive from an investment point of view.

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