
Human capital reporting in Romania: from corporate costs to social responsibility and vocational training

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Abstract

All forms of capitals that are found in an entity or within an economy owe their existence and their development to creativity, to innovation and to the work undertaken by the human capital. “The living resource of the economy” is the engine that determines the value creation, which is reflected in turnover, gross domestic product and profit. If Romania intends to be competitive on the global market, the human capital should be used and appreciated. In this regard, education and continuing vocational training must target the demand on the labor market, the latter contributing to human capital development by providing a work environment that allows covering both the financial needs of employees and their personal development. The analysis of the Romanian situation showed that our country is in line with the European trend through the national programs developed. The same cannot be said about the employees’ compensations.

Keywords: human capital, responsibility, non-discrimination, continuous vocational training

JEL Classification: I25, J21, M48

1. Introduction

In the current context of the climate change, of the economic instability and of the increased attention to human rights or to other social causes, *employees* – as *human capital* – are a priority. The economic crisis has led to the revision of corporate attitude towards employees, especially within companies where social responsibility was not based on sound principles of organization, coordination and monitoring.

Given the fact that the company's interest is not in contradiction with the general interests of the community, the recent concern of responsible management aims to initiate and develop relationships with *employees* from the entire organization. If problems occur regarding the loss of confidence in terms of a company's position, the corporate social responsibility instruments are very useful. The future will certainly be one of socially responsible companies, not only regarding the environment, but also of those *capable to use strategically the values of stakeholders. An important place is held by the human capital.* We can define the human capital as the sum of the aptitudes, abilities, talent, knowledge and expertise of the employees, the knowledge with which they leave the company at the end of the day, but a distinction has to be made between the individual expertise of the employees and the collective ability of the company to

exploit this capital. This knowledge can be unique, individual or it can be generic. Also, the human capital can be defined as a resource generating economic benefits, which cannot be recognized as assets because of the inability of the entities to assess it credibly (OMFP 1802/2014). Khan, Humayun and Sajjad (2015) and Marimuthu, Arokiasamy and Ismail (2009) consider that the notion of human capital includes all the processes within an entity, related with the education and training of the employees, which have as a purpose the increase in their satisfaction and, implicitly, in the company's performance. The last perspective is related with the social responsibility of the entities.

Within the European Union, the principles developed to guide companies in their efforts to implement corporate social responsibility are focusing on two dimensions: *the internal dimension* (the relationship between the company and the employees) and *the external dimension* (the relationship between the company and the stakeholders). Regarding the internal dimension, from the information provided by the 2014 Compendium of the European Union regarding the corporate social responsibility (CSR) policies for 2011-2016, it seems Romania has decided to direct its involvement towards social and employee-related policies, as well as the education of human capital, as shown in **Table 1** (Compendium, 2014).

Table 1. CSR Initiatives in Emerging Economies from European Union (2014)*

Country	BG	CZ	EE	HU	LT	LV	PL	RO	SK
Social and employee-related policies	x	x		x			x	x	
Policies oriented toward customers and responsible promoting of business	x	x	x		x	x	x	x	x
Reporting and additional CSR information	x					x		x	
Climate change and CSR				x					
CSR in SMEs		x				x	x		x
Social Responsible Investments		x							
CSR and education	x		x			x	x	x	x
Public Procurements and CSR		x	x	x		x	x	x	x
Alignment to global CSR approaches		x							
Human rights and responsible supply chain management		x							
Financial obligations and corruption						x			

Source: ***, Corporate Social Responsibility – National Public Policies in the European Union – Compendium 2014

Legend: BG - Bulgaria, CZ - Czech Republic, EE - Estonia, HU - Hungary, LT - Lithuania, LV - Latvia, PL - Poland, RO - Romania, SK - Slovakia

* Luxembourg has no intention to develop a National Plan of Action for CSR

In this regard, in September 2011, the Romanian Government adopted the national strategy for the promotion of corporate social responsibility for 2011-2016. The proposed tools for its active enforcement, in the case of the human capital, are increasing concerns about the education of employees and ensuring working conditions (National Strategy for the Promotion of Social Responsibility, 2011-2016).

Based on these aspects, we find appropriate the presentation and the analysis of indicators related to sustainability reporting, and also of other data that characterizes, in terms of value, the relationship of entities from Romania and of public sector entities with the available human capital.

2. The Research Methodology

Under the methodology applied, the reasoning used is the *deductive* one. Based on the data presented, there were extracted conclusions regarding the Romanian economy and the Romanian companies' relationship with the employed human capital. There have also been considered solutions offered by Romanian agencies for the education of the workforce and its continuous vocational training. *Comparative analysis* was used to assess the attitude of companies from the sample towards the human capital, using a series of indicators calculated for this purpose. Data analysis that formed the basis for determining indicators using the information provided by local and European databases (National Institute of Statistics, Eurostat) is a *quantitative* one. In order to collect the data used in this study, the National Institute of Statistics and Eurostat used questionnaires, the method of collecting data from administrative sources regarding the active population, or a

combination of both methods. More specifically, for indicators regarding the health of employees, data were collected from insurance companies, from the national health insurance system and from labor inspectorates. Data collected in this manner were aggregated at the National Institute of Statistics. At European level, data were obtained by collecting and then adding up the information received from national rapporteurs.

3. Dimensions of Human Capital in Terms of Performance (Cost-Benefit)

It is widely recognized that it cannot be set a value for human capital as an economic resource, given the fact that its characteristics are difficult to measure. For a long time, the only way to assess/measure human capital was represented by personnel costs. Nowadays, this traditional approach to the 'value' of labor is maintained in a large number of Romanian entities, as demonstrated by their decision to use payroll overheads (salaries based on the number of work hours) in the detriment of payroll agreements (salaries based on the generated production) (Law no. 53/2003 on the Labor Code, art. 162). Given the impossibility of finding data at national level on the two types of payroll, we will use, for analyzing the human capital, the level of labor costs in the economy, per employee, and compare them with the average turnover that the employees have generated per person.

Table 2 shows the total average salary and the average annual level of labor costs per employee for the reference period (2010-2015).

Table 2. The Level of Total Annual Costs per Employee in Romania

Reporting period	Average salary (lei)*	Average salary (euro)	Average annual cost of labor (lei/employee)	Average annual cost of labor (euro and mil. Euro/employee)	
2010	1,836	434.23	29,100	6,882.36	0.00688
2011	2,022	471.90	29,724	6,937.08	0.00694
2012	2,117	490.08	30,828	7,136.61	0.00714
2013	2,223	501.95	32,100	7,248.18	0.00725
2014	2,298	512.41	33,756	7,526.92	0.00753
2015	2,415	538.81	N/A	N/A	N/A

* the gross average salary used for stating the social insurance budget - BASS

Source: <http://statistici.insse.ro/shop/index.jsp?page=tempo3&lang=ro&ind=FOM111C>

Table 3 comprises, for comparative purposes, the

annual turnover level generated by each active employee.

Table 3. Values of human capital reporting in terms of turnover related to the number of company employees										
Reporting period	A. Number of firms on categories of employers (by number of employees)					B. Turnover for companies in relation to the employer's category (mil. EUR)				
	0-9	10-19	20-49	50-249	250	0-9	10-19	20-49	50-249	250
2010	397,901	24,869	15,189	7,635	1,497	38,888	16,800	23,795	46,211	86,285
2011	356,008	26,947	16,294	8,161	1,541	40,319	18,488	27,016	50,214	98,452
2012	372,569	27,041	16,496	8,043	1,582	39,650	19,586	27,465	49,134	99,432
2013	383,257	27,424	16,003	7,931	1,538	36,701	19,335	27,430	52,894	99,197
2014	397,901	24,869	15,189	7,635	1,497	38,888	16,800	23,795	46,211	86,285
Reporting period	C. Company turnover in relation to the employer's category (mil. EUR) – b/a					D. Turnover per employee (mil. EUR) – turnover/average number of employees				
	0-9	10-19	20-49	50-249	250	0-9	10-19	20-49	50-249	250
2010	0.098	0.676	1.567	6.053	57.639	0.0217	0.0466	0.0454	0.0405	0.02306
2011	0.113	0.686	1.658	6.153	63.888	0.0252	0.0473	0.0481	0.0412	0.02556
2012	0.106	0.724	1.665	6.109	62.852	0.0236	0.0500	0.0483	0.0409	0.02514
2013	0.096	0.705	1.714	6.669	64.497	0.0213	0.0486	0.0497	0.0446	0.02580
2014	0.098	0.676	1.567	6.053	57.639	0.0217	0.0466	0.0454	0.0405	0.02306

Source: (Eurostat, 7-8)

The indicator turnover per employee calculated in Table no. 3 is interesting as it depicts the dynamics of labor in entities, depending on their size. It is noted that the values of turnover per employee are similar and especially low, for entities with 0-9 employees and for those with more than 250 employees. This aspect raises a question: is it possible that, within the large entities, employees do not make the same effort as in smaller firms (10-250 employees), simply because it is impossible to track their individual performance? For micro-entities, we believe that the explanation may be a simple and, in our opinion, a reasonable one: often, if the entity reports up to 9 employees inclusively, few of these are directly productive; therefore, a discussion in terms of performance is inconclusive. However, in the case of very large entities, the majority of employees are represented by those directly involved in productive activities. Therefore, we believe that in the case of very large-size entities there must be found and implemented some productivity incentives, for example the employees' participation to profits. Employee incentives such as the distribution of profits may lead to an

increased interest in obtaining a growing turnover. Another solution would be switching to the payroll agreement system that allows the compensation of employees according to production. These comments are also based on the data from Table 2, which is reflecting a steady increase in payroll costs for entities.

4. Education and Continuing Vocational Training - Dimensions of Human Capital Development

Currently, as noted in the presentation of dimensions of corporate social responsibility, there is a growing concern for the development of human capital in terms of training, education and continuing training. The European approach to employment, education and training of employees is reflected in the Bruges Bulletin. Developed for 2011-2020, it represents the Bulletin of European Ministers for Vocational Education and

Training, of social partners and the European Commission on the strategic approach of the Copenhagen process (2002), on strengthening European cooperation in the fields of education and training. For the aforementioned period, governments should pay more attention to the training of the labor force, to optimally meet the needs of employers, with emphasis on improving lifelong learning. In Romania, companies show minimum interest toward the social dimension. A change in this approach would be in line with the European strategy. Regarding the **private sector**, the management and the employees are provided with legislation that protects the interests of both parties, (re)designed so as to lead to better human capital management, its sufficient remuneration, the implementation of social and moral rules of conduct etc. (regulations from the Labor Code, the evolution of the minimum wage etc.). Even in these conditions, private sector entities must accept social measures as beneficial for the relationship with employees, beyond what is enforced at the legislative level.

However, there are data that allow us to analyze the national approach on education. Romania has

established its own measures to meet the objectives imposed by the statute of membership of the European Union in terms of **human capital development**. According to the National Reform Programme in Romania (2011-2015), in order to achieve an employment rate of 70% in 2020 for the 20-64 years age group, our country is focused on the priority of eliminating the constraints to employment growth, leading to a better functioning of the market, to facilitate the transition from unemployment or inactivity to employment, to strengthening the professional skills of the workforce and to increase the quality of employment for residents in rural areas, of young people and women (National Reform Programme, 2015, available on-line at http://www.mae.ro/sites/default/files/file/pnr_2015.pdf). If we take into account the National Reform Programme for 2015, according to the statistical data from the National Institute of Statistics, the employment rate (20-64 years) registered a value of 65.7% in 2014, 4.3% lower than the national target assumed for 2020. The rate of youth employment (15-24 years) was 22.5%.

The structure of persons employed according to educational level and gender is presented in **Table 4**.

Table 4. Number of employees of reporting entities from Romania in relation to different criteria for structuring

A. Number of employees by education level (thousand persons)							B. Number of employees by gender (thousand persons)		
Reporting period	ISCED 2011 level 0-2		ISCED 2011 level 3-4		ISCED 2011 level 5-8		Reporting period	Men	Women
2005	537.2	9.14%	4,274.9	72.70%	1,068.4	18.16%	2005	3,187.6	2,692.8
2006	524.9	8.56%	4,448.5	72.55%	1,158.2	18.89%	2006	3,292.2	2,839.3
2007	521.7	8.45%	4,452.0	72.09%	1,202.0	19.46%	2007	3,357.3	2,818.3
2008	528.4	8.38%	4,475.0	70.94%	1,304.8	20.68%	2008	3,461.0	2,847.3
2009	548.8	8.84%	4,322.5	69.65%	1,334.9	21.51%	2009	3,409.7	2,796.5
2010	472.0	8.36%	3,891.6	68.95%	1,280.2	22.69%	2010	3,129.9	2,513.9
2011	463.2	8.14%	3,847.8	67.62%	1,379.5	24.24%	2011	3,161.9	2,528.7
2012	464.7	8.12%	3,848.8	67.21%	1,412.8	24.67%	2012	3,194.8	2,531.6
2013	465.9	8.12%	3,818.1	66.55%	1,453.1	25.33%	2013	3,209.8	2,524.3
2014	605.2	10.36%	3,751.7	64.23%	1,484.4	25.41%	2014	3,271.8	2,569.5

Source: <http://statistici.insse.ro>, http://www.mae.ro/sites/default/files/file/pnr_2015.pdf

Analysis of data from **Table 4** performed on the number of employees' distribution by educational levels reveals a reality that, at first glance, is a positive one: the quality of human capital experienced a steady improvement due to the increasing trend of employees with higher

education in the detriment of those with high school and undergraduate studies. Is that good or bad? Given that higher education graduates are opting for "office" jobs, indirectly productive, we ask ourselves whether this aspect is an obstacle to the growth of labor productivity,

given that the percentages are supported by an increase, or decrease, respectively, of the actual number of people. Therefore, increasing the quality of formal education is an impediment unless it is supported by both an increase in the number of directly productive workers, as well as an increase of their professional training level. Could this be one of the reasons for the stagnation of the turnover per employee? In this respect, we also take into account the fact that in 2009 there were disbanded the arts and crafts schools, as it is emphasized by the continuous decrease, since then, of staff with secondary education (directly productive).

In order to support training, as part of the national program, important legislation, such as the Labor Code and the Fiscal Code, clearly regulates and provides certain facilities for continuous training. In accordance with the Law no. 53/2003 on the Labor Code, republished in the Official Journal of Romania no. 345/18.05.2011, art. 189, training activities can be provided to employees in any of the following forms: attending professional training courses organized by employers or training services providers; professional training at the workplace for newcomers to a position or job; probation and post-graduate training in Romania and abroad; professional training at the workplace; coaching and other forms of training agreed upon between employer and employee.

Funding is needed in order to organize professional training courses, especially in companies, since

according to the Labor Code art. 190, employers should create appropriate conditions for all employees to take part in professional training programs as follows: at least once every two years, if they have 21 or more employees, or at least once every 3 years, if they have 21 or less employees.

Since expenses related to professional training are borne by the employers, funding may be (European Centre for the Development of Vocational Training - CEDEFOP, 2013):

- A. **a direct one:** employers' own funds (companies, national companies, institutions financed from extra-budgetary sources, institutions financed from the state budget), the unemployment insurance budget, sponsorships, donations and fees from participants.
- B. **an indirect one:** *for employers* - deducting costs of employee training; *for training providers* - exemption from VAT payment (Law no. 227/2015 regarding the Fiscal Code published in the Official Journal of Romania no. 688/09.10.2015, art. 292, letter f: the educational activity stipulated in the National Education Law no. 1/2011, as amended and supplemented, adult professional training, as well as the provision of services and goods closely related to those functions performed by public institutions or by other licensed entities is exempt from VAT); *for employees* – internships.

Table 5. Number of continuing vocational training courses organized by the NEA

Year	Number of courses	Number of courses for the beneficiaries of free training services		Number of courses related to funding programs		Number of courses on forms of training				Organizing institutions		
		Number of courses for unemployed people	Number of courses organized for other categories of beneficiaries of free training services	Number of courses funded from social security budget	Number of courses financed from other funds	Initiation	occupational retraining	Training	Specialization	Authorized training providers	Own training centers-NEA	Regional Centers for Adult Training - RCFA
2015	2,146	2,102	44	1,748	398	341	1,566	120	119	526	619	1,001
2014	2,002	1,953	49	1,912	90	292	1,546	72	92	457	636	909
2013	2,093	2,041	52	1,872	221	412	1,465	111	105	557	667	859
2012	2,072	2,010	62	1,647	425	397	1,468	97	110	728	622	722
2011	2,229	2,148	81	N/A	N/A	464	1,570	96	99	825	662	742
2010	2,397	2,173	224	2,094	79	493	1,750	105	49	720	851	826
2009	2,215	1,980	235	N/A	N/A	N/A	N/A	N/A	N/A	709	842	664

Source: National Professional Training Plan 2009-2015, NEA (<http://www.anofm.ro/formare-profesionala>)

In the same spirit of integrating disadvantaged groups, women and young people on the labor market, the National Employment Agency (NEA) annually organizes professional training courses, as shown in **Table 5**.

In contrast to the public continuous training programs featured on the official website of the NEA, for the private sector information is insufficient, as shown in **Table 6**.

Table 6. Training and education by classes of employers - % from the total number of companies

Year	Number of employees			
	0-9	10-49	50-249	Up to 250
2005	NA	23	38	64
2006	NA	NA	NA	NA
2007	NA	NA	NA	NA
2008	NA	NA	NA	NA
2009	NA	NA	NA	NA
2010	NA	12	28	56

Source: Population and social conditions, Education and training, Participation in education and training, Continuing vocational training in enterprises, Training/non-training enterprises, Training enterprises as percent of all enterprises, by type of training and size class, Continuing vocational training (CVT) courses, sample updated according to Eurostat, 03.09.2014, available at: <http://ec.europa.eu/eurostat/data/database>

From **Table 5** it is noticeable an increase in the number of courses offered by other institutions than those financed from the State Social Security Budget. The number of training and specialization courses follows the same trend. In order to facilitate the access to information for people who are searching for jobs, in the period 2011-2015, the NEA has implemented a call center (PES - Public Employment Service), through a project co-financed by the European Social Fund Operational Programme Human Resources Development (SOP HRD) 2007-2013. The project aims to increase the quality and the efficiency of NEA services, by implementing call centers providing opportunities and guidance on vocational training/training/development and social and professional integration in the labor market for the persons concerned, which is an innovative system for providing information.

5. Indicators of Sustainable Reporting on Human Capital

Sustainability reporting has grown continuously in recent years. A study of sustainability requires the consideration of the role of all forms of capital (natural, biological, social, financial, human, etc.) and the way they interact to create entity-level value (Slaus and

Jacobs, 2011). It is generally defined as being the reporting of an organization on environmental, *social and economic issues*. The environmental impact is also known as the impact on the natural capital and it can be reflected as a separate component of equity, in addition to the financial, economic and intellectual ones (Association of Chartered Certified Accountants (ACCA) and the Netherlands Institute of Chartered Accountants (NBA), 2013).

There should be no confusion between sustainability reporting with impact on the economy and the traditional financial reporting, which is leading to value indicators of a historical nature. Sustainability reporting must consider the local and the global impact of the organization's activities on the economy, unlike traditional financial reporting, which essentially reflects the health of the reporting of the entity and of the economy as a whole.

In **sustainability reporting** there should be included a comprehensive set of information related to the elements of human capital such as community, the degree of corruption, the anti-competitive behavior, the employees' health and safety and human rights. As a result of the inconsistency or, frequently, even in the absence of such reports, we have considered in our research the items presented in **Table 7** as components of sustainable reporting.

Table 7. Items of sustainable reporting on human capital

Human capital – sustainable reporting	Representative indicators
- Corruption and fraud	- Corruption perception index
- Human rights (non-discrimination)	- Annual rate of employment
- Health of employees	- Number of companies from business with eco-management systems implemented - "Eco" licenses for manufacturing and/or distribution - Number of accidents with more than three days of absence
- Management - employee relationship	- Descriptive assertions

Source: own opinion

For the first two identified issues
(corruption and human rights),

the representative data are found
in **Table 8**.

Table 8. Values of sustainable reporting specific to human capital

Reporting period	Corruption and fraud	Non-discrimination (right to work - the annual employment rate)	
		Women	Men
2005	3.0	(2.6%)	(0.6%)
2006	3.1	1.3%	0.2%
2007	3.7	(0.4%)	1.0%
2008	3.8	(0.8%)	0.6%
2009	3.8	(2.3%)	(1.7%)
2010	3.7	(2.1%)	1.2%
2011	3.6	0.3%	(1.7%)
2012	44*	(5.4%)	(4.3%)
2013	43	(1.2%)	(0.2%)
2014	43	0.4%	1.2%

* Since 2012 it was decided to calculate the corruption perception index by comparing it to the [0-100] interval

Source: http://www.transparency.org/research/cpi/cpi_2005/0/, 2006-2014

Regarding the first indicator that characterizes the human capital in terms of sustainable reporting, the measure of corruption perception is given by the corruption perception index, calculated for the public sector upon which depends, more often than not, the "welfare" of the business environment. In other words, a corrupt or a very corrupt public sector will adversely affect the business community in the sense of favoring some community members in the detriment of others, and therefore **distorting the true balance between supply and demand on the market, including the labor market**. In terms of value, the closer the score is to zero, the higher the corruption level. The level of corruption is reduced as the indicator approaches the value of 100 (the other end of the interval). Parallel to this approach, another way to assess the corruption in the Romanian public sector is given by the value of some corruption indexes placed in the interval [0, 10],

with the following meaning: the closer the score is to zero, the higher the corruption level; the closer the index is to 10, the lower the corruption level. For this indicator and corresponding to both ways of calculating the corruption perception index, the figures for the reference period are the object of **Table 8**.

Equal opportunities for all employees (the equality) is considering issues related to non-discrimination in respect to working rights and are illustrated by the employment growth rate of by gender. A simple analysis illustrated in **Table 8** shows a tendency of discrimination in this respect, in the sense that employers display a preference for male employees.

One way of assessing the concern of the business environment regarding the health of employees involved in the process of manufacturing – providing services - selling can be measured by the existence of eco-management systems implemented by companies (ISO

14001 – is focused on the orientation of the company's management system towards minimizing the negative impact of its activities on the environment and, by the translation effect, on the employees, as part of the environment). Another interesting indicator to be

approached is the number of “eco” licenses (or licenses with low environmental impact) for manufacturing or service providing activities of companies from the Romanian private sector. The data for these indicators is shown in **Table 9**.

Table 9. Relevant indicators for assessing the employees' health

Reporting period	Health						
	Number of companies in the business with implemented eco-management systems	Number of “eco” manufacturing and/or distribution licenses	Number of accidents with more than three days of absence (by category of employers depending on the number of employees)				
			0-9	10-49	50-249	250-499	Up to 500
2005	2 companies	0 “Eco” Licenses	N/A	N/A	N/A	N/A	N/A
2006	2 companies	0 “Eco” Licenses	N/A	N/A	N/A	N/A	N/A
2007	0 companies	0 “Eco” Licenses	N/A	N/A	N/A	N/A	N/A
2008	1 company	3 “Eco” Licenses	276	825	1,293	527	1,545
2009	0 companies	4 “Eco” Licenses	241	649	930	401	1,165
2010	4 companies	4 “Eco” Licenses	222	676	903	480	1,248
2011	4 companies	0 “Eco” Licenses	237	614	870	424	932
2012	4 companies	0 “Eco” Licenses	226	642	867	426	976
2013	3 companies	0 “Eco” Licenses	244	680	852	428	1,127
2014	5 companies	0 “Eco” Licenses	N/A	N/A	N/A	N/A	N/A

Source: Health, Health and safety at work, Accidents at work, Main indicators, Accidents at work by size of enterprise, sample updated according to Eurostat, 13.07.2015, available at: <http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>.

Regarding the relationship between the management and the employees, it appears that its quality is strongly correlated with the health of the company. It can be said that relating to the “macro” level of the company, “... health signs rely on its profitability, in the medium and long term economic stability, in the ability to overcome potential crises or economic problems. Moving toward the “micro” level components, healthy means a good market image, including the labor

market... From the point of view of human resources management, healthy translates by increased performances, due to valuable and motivated employees, by optimal costs” (Neacșu, 2014). We appreciate that is very suggestive the set of employees' beliefs versus those of the employer, regarding the quality of work (see **Table 10**); the good functioning of the activity, whatever its nature, depends on the balance that the two sides are able to establish.

Table 10. Employee versus employer - indicators of the management-employees relationship

Unrequited reviews regarding the management-employees relationship	
The employee is convinced that he	The employer is convinced that
<ul style="list-style-type: none"> - only works to help increase the welfare of his boss - is not content with the work he is paid for - identifies his boss with an arrogant person - is too valuable for the company - considers that incompetent managers can be found everywhere 	<ul style="list-style-type: none"> - he pays too much to his employees - his employees should fear him in order to avoid laziness and indiscipline - his employee is only interested in the salary, but not in other company expenses - the employee is wasting much of the time spent at work

Source: own opinion

To these issues we add the state of affairs that managers must constantly seek in order to have a “healthy” company, which is identified by the following: adequate working space and time; optimal structure of employees; known and accepted authority level; appropriate climate for professional development; compliance with organizational rules; transparent communication system, both horizontally and vertically, upward and downward (Apostol, 2015).

6. Conclusions

Human capital is the power of a nation, a force that leads to economic growth, to a better positioning on the market and on the world map. If these issues are conceptually understood and accepted, in Romania the practice invalidates the theory. According to Eurostat, Romania ranks sixth in Europe in a ranking of the lowest average salaries, after Moldova, Albania, Ukraine, Bulgaria and Macedonia. It therefore seems pointless to talk about social actions and continuous improvement, when the average salary in 2015 is 538.81 euros, and the vast majority of Romanian economic entities reports, at least formally, minimum wages for employees, regardless of the education level.

On the other hand, education is important not only for a nation's future productive capacity, but for the development of the human capacity, which is seen as an extension of individuals' freedom to live the life they think they deserve. Romanians are reluctant to learn something new, and the continuous training process is hardly promoted in Romanian school. Moreover, in most cases, the remuneration level, irrespective of the education level, is insufficient. As a result, we are

witnessing an “exodus” of well-trained young people to other countries that even if they do not offer the same employment opportunities, offer salaries that exceed the remuneration potential of Romanian companies. Regarding the cost-benefit ratio, the situation arises in which the Romanian state bears the cost of training a young person, of which another state will benefit in the future. Therefore, beyond the availability of specialized Romanian agencies to offer and promote lifelong learning (LLL) there is a need for an essential change in the Romanian remuneration system.

Regarding the institutional environment, NEA is consistently involved in developing, implementing and organizing continuous vocational training. Its representative actions are grouped in the National Vocational Training Plan. A first analysis of this plan highlights the alignment with the European context and to the Bruges Bulletin, which leads us to the conclusion that the plan of Romania regarding the continuous training cannot be dissociated from the European plan. Secondly, the presentation of the Romanian perspective cannot be dissociated from the European strategy.

Professional training is a defining active measure for shaping the profile of any person seeking a job, given that by ensuring the growth and diversification of the professional skills of the unemployed there are achieved two specific objectives: the meeting of the immediate labor market demand and the growth of employment opportunities of the unemployed. For the professional development of the people in search of a job, the opportunities for integration/reintegration are growing either immediately, or in the future.

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