

ROMANIAN HR PROFILE

2007



• Poziționarea și rolul HR managerilor în companiile din România • Rolul și percepția departamentelor HR • Influențele în procesul decizional privind programele de training și consultanță • Managementul performanței • Rolul și evoluția managerului HR • Dezvoltarea managerială în companiile din România • Tendințe în procesul recrutării și selecției de personal • Stilurile de management din România și impactul acestora asupra angajaților

Romanian HR Profile 2007 | Executive Summary

Romanian HR Profile 2007 is a complex project that offers an up-to-date picture of the Romanian Human Resources Industry.

The study report is considered a reference document for HR professionals in Romania, which is confirmed as well, by the big number of buyers and by the interest that media had shown in 2006.

Being at its 2nd edition, the research was realized between May – August 2007, based on the answers received from the representatives of 501 companies, distributed all over the country. The used sample assures an error of maximum 5%.

The Present Report was launched at the 4th edition of Business-Edu, in September 2007, Bucuresti.

Romanian HR Profile 2007 is structured in four sections:

- I. The Role of HR Department and HR Director
- II. Learning and Development
- III. Recruitment and Selection
- IV. Motivation, Compensation and Benefits.

This year the research reveals the fact that the role of Human Resources department in Romania is still an administrative one, being far away of having a strategic role.

Only in 19% of the cases, the HR Directors are those who make the strategic HR decisions in our country. Practically, in 72% of the cases, the decisions are made by the General Manager of the company, not by the HR Director. This shows us a „hands-on” management type, practiced by the General Managers quite often in our country.

Anyhow, the situation is much better, than in 2006, when the figure was only 12%. This shows us an increase in importance of the HR job and especially an increase of the decisional role that the HR Director has, who be a more active member of the board.

Only in two out of five companies in Romania, the HR director is part of the Board Directors and in less than a half of these cases, this is an active person in making strategic decisions for the company direction.

The majority of interviewees, the work assessment criteria are totally missing. 40% of the HR Directors have no idea how they are evaluated, but they suppose they are evaluated, and other 38% declares they don't use any key indicators.

The recruitment and selection together with the training activity are the most externalized functions of HR department. Three quarters of the interviewees declared they run training programs (with internal or external resources); 70% of the companies have a distinct training budget.

All these data confirm one more time that learning and especially the training, gain more and more importance in the Romanian companies, and the HR professionals admit this thing.

In 2007, in Romania, the average training budget per employee is estimated to 87EUR per year. Taking into consideration the cost of a training day in Romania, we can say that, as an average, every employee in our country benefits of one training day per year. The average annual budget spent for the top managers is approximately three times bigger.

In comparison with 2006, the percentage of the organizations without an allocated training budget decreased 3 times, and the percentage of the organizations that allocated for the training budget more than 200EUR per employees increased 4 times. The number of the companies that made less than 200 training days, decreased from 82% to 68%, and the percentage of those which made more than 200 training days increased 3 times, in comparison with last year. This shows us that a bigger population of employees will be exposed to training programs.

According to the results we have, we realize that the recruitment is in 2007 one of the biggest problem for the HR directors, meaning that they have to face a limited offer of candidates matching their budgets and competency request.

As an effect of this fact, the recruitment budget increased constantly; they recruit based on experience and competence, which is a specific situation when you need somebody urgently for a certain job.

Romania is confronted with candidates who are not well prepared, have no experience, but they ask higher and higher salaries. Because of the pressure determined by the lack of well prepared candidates is normal that all these issues become stronger and the wages will increase even more.

The HR professionals consider the salary as being the main reason why the employees are leaving the company. The salary reasons registered a major increase in comparison with last year, but the other indicators as well. This confirms us one more time the existing pressure in recruitment process and the pressure for increasing the salaries. Still, just in 37% of the companies are organized "exit interviews".

Regarding the performance management, only two thirds of the companies that have a performance assessment system, have written plan for compensation. According to the obtained interviews, only 46% of the companies organize Employees Opinion Surveys.

The Compensation and Benefits politics in our country evolved very much lately, being based on an increased demand of qualified staff. The survey shows us that the mobile phone and the car are the most used benefits in Romania; these are followed by the meal tickets, free water-coffee-tea and scholarships.

The priorities of the benefits and compensation strategies in Romania are oriented to reaching company goals and maintaining the competitiveness on the market.

As a conclusion, we can say that the market finds itself in a positive evolution the human resources field showing its relevance and importance for the business, more than last year. Besides all these, taking into consideration the low implication at the board level and the lack of a human resources strategic approach, the most wanted place of HR Director as Business Partner is still far.

The Recruitment and Selection, followed by increasing employees' loyalty and reward, according to their performance, remains the challenge number one of the local human resources market in Romania in 2007-2008.