Co-founded by the European Union

IOM
UN MIGRATION

ANALYSIS OF LABOUR MARKET RESPONSIVENESS TO NON-EU MIGRANTS AND REFUGEES' SKILLS IN CLUJ-NAPOCA

ANALYSIS OF LABOUR MARKET RESPONSIVENESS TO NON-EU MIGRANTS AND REFUGEES' SKILLS IN CLUJ-NAPOCA

Maria Carmen Pantea

IOM
UN MIGRATION

"This research was conducted as part of the ADMin4ALL project on "Supporting Social Inclusion of Vulnerable Migrants in Europe". The project, which is implemented by the International Organization for Migration (IOM) and funded by the European Commission, aims to enhance the capacity of local governments to develop sustainable strategies and inclusive services for the successful social and economic integration of migrants")

CONTENTS

Summary

Carried out in the context of the Coronavirus crisis, this exploratory study in Cluj mapped the needs on the labour market in 2019 and 2020. As the recruitment of third countries nationals is at the very beginning, the research started from the level of companies, by exploring their experiences and potential skills requirements for the future.

Cluj has an economic environment shaped by higher-than-average income for a large professional sector (notably IT, but also banking, consultancy, medical and pharma, education, administration). By 2019, the recruitment pool for workers in the Cluj Metropolitan Area appeared insufficient and the efforts of expanding the candidate reach were already exhausted. The high salaries in the professional sector put pressure on other economic areas, which traditionally have below-the-average payments (eg. hospitality, cleaning).

Recruitment of workers from third countries has long been on the agendas of various business associations. Each year, the Romanian government approves a quota of foreign workers. Under the pressure of strong advocacy groups from industries facing a crisis of personnel, the quotas have increased each year. In 2019, the number of requests for issuing a notice of employment for migrant workers was 33,634 (General Inspectorate for Immigration- GII, 2020a), almost double than in 2018. Further increases were expected before the Covid-19 crisis. The number of requests in Cluj county represents 3.6% of the total number, yet three times increase in 2019 from 2018.

The recruitment from third countries is rather recent and very limited in Cluj. The Covid-19 crisis occurred at a moment when employees from various fields (automotive, hospitality, landscaping and constructions) were exploring this possibility. Interviewees reported an effect of ‘contagion’, with recruiters and business owners interested to learn from the experience of those who employed migrants. To our knowledge, there are not many agencies specialised in the recruitment of third country nationals in Cluj. However, in 2018-2019, such firms from Romania or from abroad became increasingly proactive in reaching the Cluj market.

The study is based on extensive desk research, which included desk research and 38 interviews with migrants as well as employees’ representatives: managers and recruiters, representatives of foreign business associations and clubs, representatives of local authorities, labour market experts, and NGO staff. In order to map the diversity of employment areas, this study is focused on four economic areas that reflect the specificity of the local economy. These are: IT, the services to business sector, hospitality and constructions.

Main findings

— By 2019, middle-sized and large companies in Cluj county (diverse fields: IT, logistics, automotive, metallic constructions, food preparation etc) reached a level of growth that required alternative responses to their crisis of personnel, besides poaching, increases in the salaries/benefits, or commuting employees from the surrounding area.

— The first sectors that relied on recruitment from third countries were hospitality and constructions. The multinational companies working in production and manufacturing started to recruit foreign workers towards the end of 2019 and did so through agencies of temporary recruitment.

— **The IT sector** of Cluj was not proactive in recruiting third country nationals. Situations when non-EU citizens work in IT companies seem rare and highly contextual: top management staff in companies with mixed or foreign capital and foreign employees that worked as students and continued their employment upon graduation.

— Interviewees from the IT sector appeared sceptical on the need and feasibility of recruitment processes from outside the EU. Limitations referred to administrative setbacks and cultural differences (especially in relation to South Asia).

— Some very large IT companies in Cluj opened international branches in non-EU countries (Republic of Moldova, Turkmenistan, Serbia, Indonesia, and Canada). Very likely, processes of this type will provide an alternative to direct recruitment of third country nationals in Cluj.

— **The business services sector** experienced a massive growth in Cluj since 2008, when foreign companies started to outsource or to relocate services in the city. Especially in the early stages of setting the office in Cluj, multinational companies may rely on key personnel from the mother-company, in order to oversee the process and to ensure adherence to the company policy.

— As the business services sector is interested in employing people with diverse language competences, occasionally, it may search to recruit (very few) workers from non-EU/ SEE countries. These situations are rather exceptional. However, given companies' options to open branches in neighbouring countries, the possibilities to rely on migrant workers in Romania remain marginal.

— In the **hospitality sector**, the foreign business owners from the food and beverage sector (e.g. ethnic and street food restaurants, small shops) were the first to hire third country nationals. They also cooperated in integrating asylum seekers on the local labour market.

— There are several hotels and restaurants in Cluj which recruited staff from third countries, in 2019 (from Venezuela, Egypt, India, Sri Lanka etc).

— Interviews with NGO staff suggest that migrants from the hospitality and construction sector are, in general, interested in extending their contracts for the next year. They also function as peer-referrals for potential migrants back home.

— In **constructions**, recruitment from third countries was only used as a measure of last resort, after reliance on internally relocated workers became difficult.

— Interviewees from the construction and landscaping sector of Cluj declared their intention to increase the recruitment of third country nationals in the near future (semi-qualified or qualified workers). They did not consider recruitment from a particular country, as various agencies (from Nepal, Sri Lanka, Pakistan, Chile) seemed active in promoting their offers.

— Migrant workers' **social lives** appeared very limited and their intention to engage in leisure activities outside work, reduced for financial and cultural reasons. Members of various ethnic communities established in Cluj reported difficulties in involving workers in their events in a meaningful way. Recent migrants' relations with the expats in Cluj seemed rather exceptional and more likely in the context of help-seeking. Latin American workers (in disproportionately lower number than South Asian workers) integrate more easily, due to shared cultural and language affinities. Two local NGOs active in the field are proactive in reaching the migrants' communities in culturally sensitive ways.

— Cluj is likely to be a destination for third country nationals that are not selected for work in countries with higher salaries. For many, the idea of working within the European Union is positively received, although to some, the salary package and the mobility possibilities do not meet the initial expectations. Other cultural issues such as religion and the perceived level of openness to diversity in Cluj, are important pull factors.

— Potential employers are aware at the difficulties of adaptation for migrants, for the current staff and for themselves. They tend to perceive the paperwork as discouraging, even in the absence of any first-hand experience.

— When trying to secure employment in an individual capacity, third country nationals argued that companies do not envision any potential applicants from outside the EU.

— The integration of refugees seems a far more complex process, as it involves a highly vulnerable groups (including people with dependents) in a post-traumatic context. A major challenge in Cluj was to mediate the employment of refugees according to their level of education (often very high). Underemployment in the context of overeducation was frequent.

— According to employers' representatives from constructions, hospitality and food processing services, the need for foreign workers will come again as outmigration from Romania will recommence. The repatriation of Romanian nationals in the context of Covid-19 does not provide a long-term response to the need for personnel.

1. Framing the context

Cluj Metropolitan Area was legally constituted in 2008 and has a total population of 413,761 inhabitants (National Institute of Statistics – NIS, 2011). It now includes the city of Cluj-Napoca and 17 rural communities. The rationale for the creation of the metropolitan area was mainly administrative: it was a structure eligible for European structural funds, in the context of Cluj being designated as a 'growth pole' by the Romanian Government (Gov Decision no. 998/2008).

With an annual grow of approx. 0,19% since 2015[1], Cluj is experiencing more favourable demographic trends than other cities of Romania. The population is aging, but still not as fast as in other counties (0.1% decrease cf. NIS, 2018). In the last five years, the number of inhabitants in Cluj-Napoca increased by about 2 In the ranking of counties in terms of the share of the active population, Cluj is second after Bucharest: 51.4% of its population is active (KPMB and Romanian Academy, 2020). Cluj-Napoca is also an internal migration pole: according to a statistically representative World Bank study, if provided the opportunity to move to any city in the country, 15.32% of Romanians would move to Cluj-Napoca (Cristea et al., 2017).

The local economy and the labour force dynamics changed after the financial crisis of 2008-2010, as many **international companies relocated or externalised in Cluj** their services in IT, finance, business support, engineering and research, and development (Boc, 2020). Cluj became an appealing city for companies searching for young, educated employees, with digital skills and foreign language competence. This wave of new entrants in the economy of Cluj also included industrial production companies. Whilst the initial motivation was the optimisation of costs, in time, companies remained and expanded because of the skills and competencies of the personnel. The increasingly favourable economic context allowed companies to invest in employee trainings and to be more involved in the local community.

In many ways, Cluj provides an ecosystem that is favourable to IT development due to lower software development costs than in Western Europe, a large young population specialised in IT, favourable fiscal policies, a vibrant service economy and a friendly entrepreneurial infrastructure. With the number of IT companies doubling[2] since 2014 and the number of start-ups almost tripling in the same period, Cluj-Napoca is the second IT hub in Romania, after Bucharest. At the end of 2018, the city was home to 1,300 IT companies (Encore Research, 2018). Although Cluj gained notoriety for its thriving IT sector, it has a rather diversified economic structure, including business services, electrical/electronic manufacturing, automotive, finance and banking, tourism, constructions (Table 1).

By and large, Cluj has an economic environment shaped by **higher-than-average income** for a large professional sector (notably IT, but also banking, consultancy, medical and pharma, education, administration). Cluj has the third highest net average income in Romania (after Bucharest and Ilfov) and one of the highest income growths (12.7% between 2018-2019) (INS, 2020). The high salaries in the professional sector, however, put pressure on other economic sectors, which traditionally have below-the-average payments. Recruiting and retaining staff in conventionally under-paid areas such as hospitality and cleaning is difficult. The possibilities for semi-skilled or skilled workers to make a living whilst living in the city are diminishing.

Cluj is also facing a set of **challenges and risks** that are common for Romania: continued emigration, poor performance of the education system, distortions created by undeclared

[1] https://worldpopulationreview.com/world-cities/cluj-napoca-population/

[2] At national level, the increase was of 50%.

work, discretionary increase in the minimum wage, increase in the unit cost of labour, reduction of export competitiveness, administrative burdens and difficulties faced by vulnerable groups in accessing the labour market, low impact of activation policies, and limited involvement of social partners (European Commission, 2018). The City Hall became increasingly aware that communication between the labour market stakeholders is insufficient, that more strategic and better forecasting tools are needed, and that the local competitive advantage is insufficiently analysed (Cluj-Napoca City Hall, 2015).

2019 was a year that brought the **crisis of labour force** closer to the fore. According to the National Confederation of SME entrepreneurs, at national level, 57% of entrepreneurs

Table 1. The number of employees by sectors in the Cluj Metropolitan Area (2018)

Sector	No. of employees
AGRICULTURE, FISHERY AND FORESTRY	1,433
INDUSTRY	3,9754
SERVICES	
Commerce	33,267
Information and communication[3]	19,053
Education	15,348
Health and Social Work	13,143
Transport, storage and currier	12,652
Constructions	12,645
Professional, scientific and technical activities	6,572
Hotels and restaurants	6,132
Finance and assurance	4,756
Public administration	4,063
Culture and entertainment	3,330
Cleaning & disposal	3,050

Source: INS, 2019

ranked the 'employment, training and the retention of staff' as their top difficulties (National Confederation of SMEs, 2019). In 2019, Cluj had an occupied population[4] of 341,300, with a 0.8% increase, compared with 2018, when there were 338,600 (NIS, 2018). The unemployment rate in Cluj was relatively constant throughout 2019 (1.3%), whilst the average of the North-West Region was 2.2% (NSI, 2020). At the end of December 2019, there were 4,483 people registered as unemployed in Cluj: 53.4% of them being women (NIS, 2020).

By 2019, the **recruitment pool for workers** in the Cluj Metropolitan Area appeared insufficient and the efforts of expanding the candidate reach were already exhausted. In the city, companies were competing for the same candidates, with increased salaries and bonuses, improved offers for training and professional development. The production and manufacturing sector with small added value, slowly moved to the periphery or extended in other cities. The companies situated in the first and second ring of the urban zone were compelled to rely on a rather limited demographic pool. The reasons seem to be the underdeveloped infrastructure, able to connect the municipal city to the surrounding areas, and the disproportionately low investment in human capital outside the municipal city. Several rural areas remained outside the development race with qualifications that were no longer

[3] *Out of which: services in information technology: 14.514*

[4] *The employed population includes all persons aged 15 and over who have carried out an economic or social activity producing goods or services for at least one hour during the reference period (one week), in order to obtain income in the form of wages, payment in kind or other benefits.*

attractive and with underdeveloped training infrastructure. The strategy of integrated urban development (2014-2020) conceded that the preference for physical infrastructure such as centres for technology transfer or business incubators was likely to be inefficient unless backed by strong measures for human capital development (Elisei et al., 2017). Additionally, the developments in the city and the immediate surroundings, put pressure on the use of land, with a process of weakening rural economies. The tension between strong development in the city and the rest of the metropolitan area remained unsolved.

As the labour force crisis deepened, large companies and business associations became more vocal in relation to educational practices and searched to have an influence at a more structural level. The **vocational education and training** (VET) schools entered a long overdue process of reform and classes within the dual VET system started to emerge[5]. After several years of hesitation, several companies entered partnerships with schools in the recent dual system. Despite strong efforts for revamping the image of manual occupations among young people, recruitment for VET is extremely difficult in Cluj-Napoca (Pantea, 2019). In the summer of 2020, as many as 2,000 young people in VET are expected to finish their education (rom. invatamant profesional) and there are 1,306 places for new entrants: 756 in conventional VET school and 550 in the dual system (Cluj County School Inspectorate, 2020). The apprenticeship system, however, did not gain popularity in Cluj. Despite substantial state support measures for apprenticeship programmes, companies rarely applied for these available support measures.

Universities are strongly involved in the city's development and are very proactive in reaching the Cluj business community. Cluj is home to 11 **universities**, with a total of 80,000 students. 'Babes-Bolyai' University (UBB) and the Technical University of Cluj-Napoca (UTC) signed protocols with the municipality and main economic players, to enhance the relevance of the academic curriculum. The Technical University is part of 13 economic clusters and has strong relations with the socio-economic environment. From 2020, a major automotive company with a research and development centre will be sustaining a master's degree at BBU. A top oil and gas company also supports a scholarship programme and student competitions in the economic field at the same university (UBB, 2020b). The strong relationship between universities and companies in Cluj needs to be seen also in terms of students' density in Cluj, which is greater than in Bucharest. Companies' involvement in students' training is an important strategy in recruitment and employer branding. Large companies started to realise that they are 'fishing in the same pool' and, regardless of students' individual options, the investment in education has high overall returns.

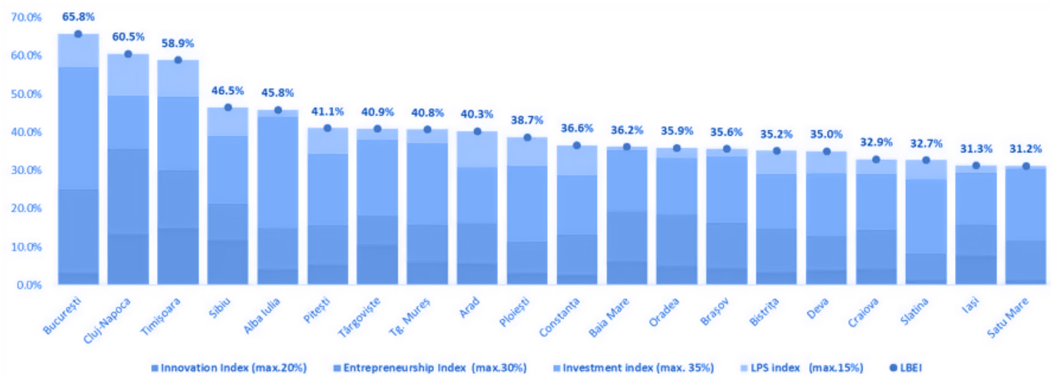
Cluj-Napoca has **strong administrative support**. Previous research (Volintiru and Stefan, 2019) positioned the city among the municipalities that managed to optimise their financial resources by using significantly more EU funds than their own budget; other municipalities included Iasi, Oradea, Craiova, Timisoara, and Bacau. More recently, Cluj-Napoca became the first city in Eastern Europe to receive a grant from the European Commission, through the Urban Innovative Actions programme, in a project that proposes a strong partnership between the local administration and the cultural, academic, business and social sectors (Boc, 2020).

Cities can excel in some areas over others (Volintiru and Stefan, 2019). By and large, Cluj has several sources of competitive advantage in comparison with other similar cities. These are mainly related to: (i) a strong university profile; (ii) relatively favourable demographic dynamics; (iii) excellence in medicine; (iv) a diversified economic infrastructure, including clusters; (v) a strong associative life and a multicultural ethos; (iv) growth of creative industries; and (v) international connectiveness (Cluj-Napoca City Hall, 2015). An analysis at

[5] The dual VET system is part of the secondary education (initial vocational education and training) and involves school and work-based programmes for young people (9th to 11th grade). They are an alternative to high schools, although it is possible for young people to continue their education at high school level. This system entails a higher commitment and accountability for companies in the provision of training (Cedefop, 2018).

subnational level, based on a metric system that integrates four major axes of assessment, positions Cluj in the top regarding entrepreneurship and public authorities' support (Figure 1).

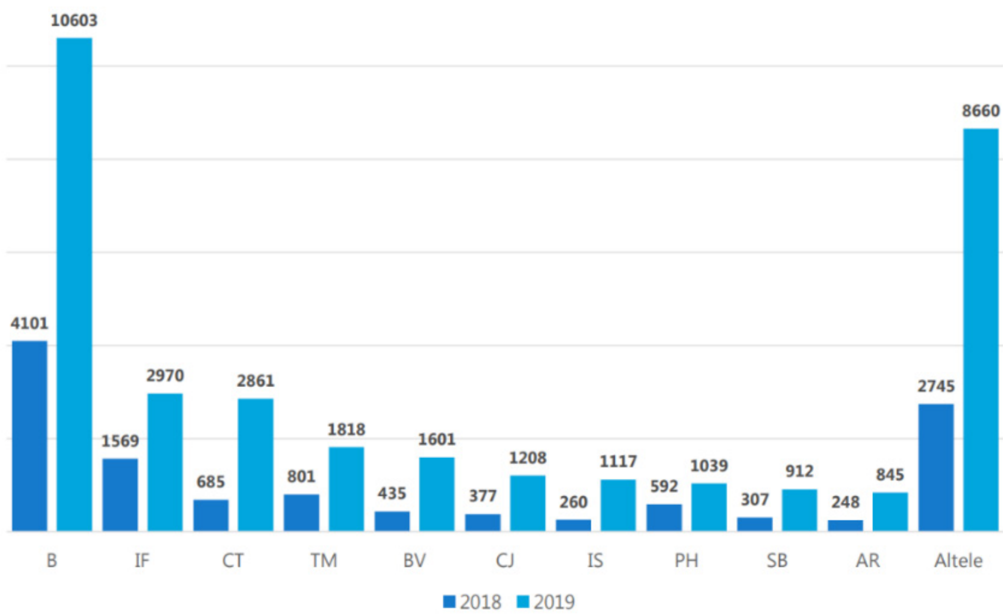
Fig. 1. Classification of municipalities from the perspective of LBEI (Local Business Environment Index) and pillars (local entrepreneurship, innovation, investment financing, local public support)



Source: Volintiru and Stefan (2019)

Recruitment of workers from third countries has long been on the advocacy agendas of various business associations. Each year, the Romanian government approves a quota of foreign workers. Under the pressure of strong advocacy groups from industries facing a crisis of personnel, the quotas have increased each year. In 2019, the number of requests for issuing a notice of employment for migrant workers was 33,634 (General Inspectorate for Immigration - GII, 2020a), a 177.5% increase from 2018. Further increases were expected before the Covid-19 crisis. The number of requests in Cluj county represents 3.6% of the total number at country level. However, the number represents more than a 300% increase from 2018

Table 2. Admission of foreigners – employment in 2018 and 2019



Source: General Inspectorate for Immigration, 2020c

(Table 2). According to data provided by GII (2020b), in the first quarter of 2020, in Cluj county there were 12,337 registered foreign nationals (EU and non-EU). The number of foreign citizens (EU and non-EU) with temporary residence permit was 4,608 (some with contracts extended from the previous year). Out of those, 445 were work permits and seven for detached work (IGI, 2020a).

Cluj county has the reputation of being a city that is **friendly and open to diversity**. This creates favourable circumstances for sound public policies that are favourable to the recruitment of third country nationals. Cluj-Napoca has a **vibrant civil society**. However, there are mainly two NGOs in the city with a consolidated profile in assisting migrants and refugees (LADO[6] and PATRIR[7]). Their activities focus on human rights protection, intercultural learning, social cohesion, and countering radicalisation. As there are few Romanian language courses provided by state institutions, NGOs try to supplement this area as well.

[6] The League for the Defense of Human Rights (LADO) Is a non-governmental organisation founded in 1990.
[7] The Peace Action, Training and Research Institute of Romania (PATRIR) was founded in 2001 as a non-governmental organization.

2. Methodology

Scope of the study

Carried out in the context of the Coronavirus crisis, this **exploratory study** mapped relevant stakeholders' needs in Cluj on the labour market in 2019 and 2020. As the migration process is at the very beginning in Cluj, the research started from the level of companies, by exploring their experiences and potential needs for the future. **Recent experiences with foreign employees and future implications for recruitment** were sought in four main economic areas of Cluj. The research aimed to gain a better understanding of employers' tentative projections for 2020, including any interest in the recruitment of foreign workers.

Approach to information gathering

The study was based on extensive desk research, which included:

— **public documents** and **unpublished reports** (grey literature) on labour market needs and major challenges faced by companies and firms in the Cluj Metropolitan Area;

— **official statistics** provided by local institutions (NIS Cluj and County Employment Agency);

— internal **data from market research** agencies and online job search platforms.

As the research also aimed to unpack the perceived rationales of the 'labour force crisis', **37 semi-structured phone interviews** were carried out. Interviewees were persons with managerial or recruitment roles, representatives of business associations (including foreign business associations and clubs), personnel from agencies specialised in the recruitment of third country nationals, representatives of local authorities, labour market experts, NGO staff and foreign employees in Cluj. The interview duration was between 30- 90 minutes, with an average of 40 minutes. Research participants were invited to share their views on: (i) the labour force dynamics between 2019-2020: previous employment needs, the recruitment-retention dynamics and their underpinning rationales; (ii) the anticipated impact of the Covid-19 crisis on employment; (iii) the tentative exploration of the need/interest to recruit non-EU migrants and the particular skills of interest (if the case). The interviews with migrants explored their perspectives on: (i) the perceived characteristics of the labour market in Cluj; (ii) the experiences of mismatched skills, including any instances of over-qualification; (iii) the social aspects related to employment; (iv) other experiences in Romania, in order to retrieve tentative elements of local specificity. For ensuring anonymisation, the research will not include the names of the participants and the companies/agencies/institutions.

Data analysis

The research design was interactive, with **data collection and interpretation evolving concurrently**. The simultaneous process of data collection and data interpretation allowed for tentative hypotheses to be generated and verified during the data collection itself, and not at its end. It also enabled interview guides to be continuously revised based on preliminary findings and the need for further information. All interviews were transcribed, coded, and analysed in NVivo10, a software for qualitative data interpretation.

Limitations

A major limitation related to the availability of recent and reliable statistical data. All sources of information carry their own biases. The official statistics are always retrospective, if not outdated and partial. Companies' data on employment dynamics did not always reach the Labour Office, especially in a context of high turnover, as was the case in 2019. The temporary and seasonal employment of the student population was also unlikely to be included in statistics at its actual scale. Many online platforms have a bias towards junior and mid-level positions, which may rank high in statistics. The senior positions are often disseminated through word of mouth, head hunting or internal promotion and are less likely to be retrieved in the online platforms (eJobs, bestjobs, hipo, jobssup, olx, etc). Also, databases/platforms retrieve labour market information that cannot be aggregated (e.g. with 'in house' categories). Surprisingly, in 2017 market research suggested that as many as 50% of IT professionals in Romania did not have a profile on conventional recruitment channels such as LinkedIn, or on job sites (Andriescu, 2017).

Recruitment strategies are industry and company specific. Large companies have their own recruitment departments or rely on internships as a selection strategy. This research indicates that for the Business Process Outsourcing (BPO) companies, recruitment through peer referral accounts for as much as 20% of the intake. For many other jobs situated at the bottom of the occupational pyramid, online advertisements and recruitment are rarer, especially in rural parts of the Cluj-Napoca Metropolitan Area. To add to complexity, data on third country nationals as provided by the Inspectorate of Immigration, is not disaggregated on the level of education, industry or gender. Also, some employers in Cluj choose to register immigrant workers in neighbouring counties, where the company has a workstation and the time required for paperwork is shorter than in Cluj.

The statistical data was, thus, used selectively, in order to contextualise the understanding of the local labour market structure and its transformations. We are cognisant of the limitations likely to derive from this incomplete statistical coverage. The study does not use techniques that are likely to retrieve patterns in large data sets, or to infer projections. We are aware that such processes would require specific tools and an effort of larger scale.

The research was carried out during the Covid-19 crisis (March-May 2020) and is thus prone to limitations specific to this context. The study is exploratory in nature and context specific. The very early insights on post-pandemic changes need to be considered as provisional, with inherent errors and omissions. First, the level of economic disruption caused by the Coronavirus crisis could not have been adequately grasped at a time of high turmoil and uncertainty when its manifestations were still unfolding. Economic changes take time to become apparent, and their underlying mechanisms were difficult to be decoded at an early stage. Second, Cluj-Napoca is home to many companies that are part of global production chains. The local economic landscape needs to be read against a much broader context, with transformations that were not easily accessible to the interviewees or still to emerge.

Interviews with local authorities close to the economic environment and with migrants themselves, were also integrated. With a single exception, all interviewed migrants had a university degree (in Romania or abroad). This limits the capacity to reflect the large diversity of migrants in Cluj. As the recruitment of third country nationals is an incipient phenomenon in Cluj and, at times, a contentious issue, the availability of employers for interviews, was probably more reduced than otherwise the case. Image concerns prevented them from speaking easily. The Covid-19 crisis added to this complexity, with many companies being preoccupied with the management of the crisis for their employees. Several important areas such as retail, transportation and logistics, pharma, real estate have not been included in the current study.

Roadmap

In order to map the diversity of employment areas, this study is divided into four parts based important local industries: IT, the services to business sector, hospitality and constructions. The choice for the sectors was motivated by the need to reflect the specificity of the economy in Cluj (e.g. IT and the services to business) and also, to include areas that conventionally employ migrant workers (e.g. hospitality and constructions). A last, concluding section, presents the main findings and their implications for the recruitment of third country nationals.

3. The IT sector

Mapping the sector

A conventional distinction (yet, not without limitations) is between outsourcing and product companies. To contextualise the information on employment, the next section sketches some general characteristics of the two.

Outsourcing companies develop projects for several clients (usually large companies that externalise services in Cluj). They make up around 90% of the IT market in Cluj (Brainspotting, 2018). As outsourcing companies simultaneously work on different projects, they have a higher number of staff, well established roles, processes and departments. When clients are diverse, certain risks are mitigated and the shock of not having a contract renewed is easily softened. New entrants' opportunities to learn depend on the possibilities to work in different projects and to get support in this process. The IT developers have only a partial overview of the entire process and a reduced sense of ownership of the end product. As a matter of practice, client companies carry out more innovative work. They own the software, hold the propriety rights, and have the overall control from the concept to distribution.

As the name goes, **product companies** cover the entire development lifecycle of a product. If successful, the value return may be high. Such companies represent around 10% of the market share in Cluj (Brainspotting, 2018). Product companies must navigate through a higher level of uncertainty, with more complex processes of identifying a market(able) need, building trust beyond the IT sector, securing funding, developing, testing and revising the product. The sense of product ownership is high. Such companies require innovative and agile teams, proactive in connecting with investors and in reaching the market, alert to other players that can provide alternative solutions in very dynamic environments.

The relationship between 'product companies' and **start-ups** is not straightforward. Not all start-ups are product companies. Indeed, the majority are small outsourcing companies that do not develop end-to-end products. Even when they do, the product development may take place in a rather 'outsourced' contractual relationship.

Mixed companies are generally, outsourcing companies at a high level of maturity which also developed their own product. This can be regarded as a strategic move for reducing dependency on clients. The mixed structure enables innovative projects to thrive in a context that is more protected from inherent economic risks. There is a budget allocated for research and development. In terms of personnel, mixed companies allow for more innovative aspirations of some IT developers to be manifested, often in separate teams.

According to the interviewees, there are **no recent big players** in the IT sector in Cluj. 2019 and the beginning of 2020 witnessed an increase in the number of small product companies, with several firms from Netherlands, Belgium, Germany and the UK opening research and development centres in Cluj. Interviews at recruitment agencies suggest that many foreign companies explored the possibilities to open offices in Cluj, but decided not to do so. A main reason seems related to a poor alignment between their expectations on the availability of employees and the actual offer. According to the interviewees involved in prospecting the market, interested companies seemed insufficiently aware of the scale of employee poaching and the financial efforts involved. IT companies competed in benefits for attracting prospective employees working for other companies in Cluj. Data from recruitment agencies suggests that a company hiring an IT developer was likely to spend as much as 6,000 Euro for the recruitment process alone. The amount represented the aggregate costs of recruitment (staff, job fairs, selection stages and training, early attrition).

The distinction between product and the outsourcing companies focused on processes opens an ongoing debate on the **innovation versus execution** character of the IT sector in Cluj. To some, the disproportionate focus on execution at the expense of innovation, are long-term risks. Part of this argument is the difference between having a 'task-orientation mindset' (as the one engendered by the outsourcing sector) versus an 'entrepreneurial mindset' (as stimulated in product companies). To others, the large companies of outsourcing are vital for developing a large city. Besides, many small firms were established by IT professionals with consolidated experience in large companies. The municipality and the two IT clusters intend to strengthen innovation and move the city towards a more creative IT industry.

But the conventional distinction between product versus process companies is not the only possible way of differentiating within the IT sector in Cluj. At least for the short term, it may be more relevant to consider **the market addressed** by the IT companies. For instance, companies that worked for the hospitality, tourism or transport industry had a sharp decrease in demand for IT services, regardless of their status as 'outsourcing' or 'product' companies.

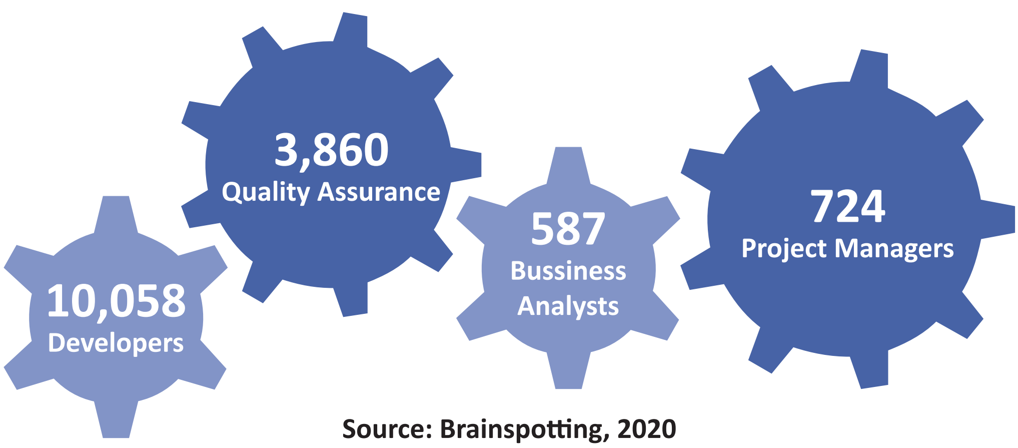
Around 1-3% of the IT professionals are **freelancers**, working with foreign companies or for the outsourcing companies in Cluj. In the context of Covid-19 crisis, they appear to be also hardest hit, with many individual contracts being interrupted.

Employment dynamics until the beginning of the Covid-19 crisis

Roughly, one out of 11 employees from Cluj works in the IT field. As of 2018, Cluj had 16,619 work contracts in the IT sector that benefited from fiscal facilities; they made up 15% of these contracts countrywide (KPMG and Romanian Academy 2019).

As the IT ecosystem is vibrant and diverse, any objective of **mapping the type of skills needed** is prone to bias and likely to be incomplete. Although there are two IT clusters in Cluj, the intention to create a joint database on the vacancies and/or anticipated needs did not materialise. Whilst the demand for IT professionals has always been high (Figure 2), the actual number needed in Cluj has always been a contentious issue. In 2017, in Cluj,

Figure 2. The employment structure in the IT sector in Cluj



Source: Brainspotting, 2020

1,489 young people graduated with a specialisation in IT and 410 in telecommunications (Brainspotting, 2018). The number is similar in each year.

In 2019, IT companies in Cluj had an **exceptionally high turnover** (yet, lower than in the services to business sector). As expected, the frequency of changing the workplace decreases by the level of seniority.According to interviewees, the limitations expressed by those working in IT may include, in addition to salary: (i) an insufficient degree of project novelty; (ii) the difficult entry into research and development teams; (iii) inadequate project management; (iv) opportunities for progress within the company.

Overall, 2019 was a year that stretched the capacity of recruitment agencies to the maximum. Junior positions were often managed in house and senior positions externalised to agencies. In the attempt to recruit competitive staff, employee poaching became the norm. New graduates appeared to have strong negotiation skills and stronger leverage in negotiations. A high junior intake (reported in interviews in the context of a successful internship programme) had the risk of putting pressure on the senior staff. Concerns over the level of competence of the **new entrants** were crosscutting themes in the interviews with recruiters. Unpacking the notion of 'quality of talent' revealed issues related to both hard skills (algorithmic thinking, functional and object-oriented programming, database design, project management principles) and soft skills (sense of responsibility, communication, capacity to meet deadlines, capacity to work autonomously etc). Against the above background, several top companies employed mid-level professionals for entry-level positions. Together with the closing of internship programmes for 2020, this situation is likely to have a long-term impact on the employability of average graduates.

Table 3. Number of juniors recruited by year

Number of juniors recruited per year	Bucharest	Cluj-Napoca
0-5	23%	33%
6-10	18%	8%
11-20	9%	17%
21-30	18%	17%
31-50	9%	17%
Over 50	23%	8%

Source: Brainspotting, 2020

The IT sector created an ecosystem where besides local universities, there are several recognised providers of short-term, specialised IT training, such as private IT schools. Also, multinationals and large companies developed structured trainings in novel software systems. Programmes for developing new skills/technologies had strong budgets and developed structures (including external training providers). They were open to internal staff, but also worked as a recruitment strategy (e.g. internal 'schools' or 'academies', junior bootcamps etc). Large mixed companies which have customer-support departments relied also on professional reconversion, in order to cover low and mid-level IT roles. Providing customised IT training to internal, non-technic personnel with a strong interest in software, became a retention strategy in many companies (Brainspotting, 2020). Often, undergraduate employment interfered with young people's capacity to continue their studies. Students' early employment sent mixed messages on the relevance of higher education for the IT sector. More recently, some large companies moved towards long term approaches and developed partnerships with local universities, internship programmes and MA courses based on company-specific curricula.

The recruitment of seniors appeared to be a major challenge, especially for some technologies in high demand. It seems that in 2019, the city was not able to totally accommodate the staffing needs of companies interested in entering the market and some decided not to locate in Cluj. Interviews with workforce managers identified very few and niche areas where multinational companies with high recruitment capacity, were, still, unable to secure staff for certain bids. This was the case with very new software programmes owned by foreign companies, and some old ones with limited applicability (e.g. used in banking, aerospace, non-embedded automotive systems). The later are stable, yet tedious programmes, still in use because of concerns on data portability (both financial and security-related). Learning such software packages was rarely seen as a strategic career path by IT developers (perceived risk of stagnation).

The **hype of start-ups** generated a tendency for many senior developers to move to (or aspire towards) small companies and start-ups. There, the work in small teams with more fluid responsibilities and tasks, creates circumstances for exercising a variety of roles (yet, not always with specialised knowledge, which may generate career limitations). The move between firms of different types is a matter of individual calculus of opportunities. In the context of the Covid-19 crisis, most multinational companies from Cluj formally ceased their recruitment processes, and IT professionals across the entire spectrum have tended to stick with the current employer, unless their position was threatened.

There are several units within large companies in Cluj, which carry out **research and development projects for automotive companies** in an outsourced mode. The evolution of such units is largely dependent on the particularities of the industry itself. For instance, the move towards electrical driving and autonomous vehicles creates demands for new tools and technical solutions, such as the integration of cyber security in automotive processes or machine learning (embedded software for automotive applications). The tools and skills are novel for Romania and for Europe, as well. Whilst the demand for specialists is not currently very high, finding software developers able to work at the forefront of such technological changes, is not easy. It became visible that the future will require increased synergies between development, operations and technical support. However, the automotive IT cannot grow faster than the automotive market itself.

Faced with a high turnover, companies increased salary packages and worked towards **retention** through **complex benefits packages**: from health insurance and 13th salary to social events, trainings, relaxation facilities, office perks, etc. Larger firms had a stronger capacity to provide such benefits, whilst the small, emerging ones increasingly relied on the start-up infrastructure made available in the city: hubs, co-working spaces, venture capital events, business accelerators, etc. Top companies allocate highly competitive salary packages and benefits, including granting equity in the company to key employees, in order to increase their loyalty.

Employment of third country nationals until the beginning of the Covid-19 crisis and implications for future recruitment

The IT sector of Cluj **was not proactive in recruiting third country nationals**. Situations when non-EU citizens work in IT companies seem rare and highly contextual. At one end of the spectrum, there is the situation of top management staff in companies with mixed or foreign capital. At the other end of the occupational spectrum are foreign employees that worked as students and continued their employment upon graduation). Probably, the largest group is made of employees from the Republic of Moldova: students, graduates, people with dual citizenship or IT professionals recruited from Moldova by the few companies that opened offices there. Due to the favourable policies supporting Moldovan students to study in Romania, there is a large number of young people from Moldova who study in Cluj. Also, as Romania has a distinct policy with the Republic of Moldova, many of its citizens in Cluj also have Romanian citizenship.

Occasionally, interviewees recalled situations when companies tried to employ a foreign national with whom they had previously cooperated with (from Canada, US, Australia, India). Several gaming companies in Cluj had an interest in recruiting third country nationals for positions they were unable to fill locally. According to the few interviewees that were knowledgeable of the sector, this interest – if maintained- would not involve recruitment of scale.

By and large, interviewees appeared **sceptical on the need and feasibility** of recruitment processes from outside the EU. Limitations referred to administrative setbacks and cultural differences (especially in relation to South Asia). Romania applies important tax deductions for the salaries of the IT developers. As non-EU citizens are not eligible for tax deductions, the increased costs further discourage their employment. Besides, the senior developers are often sub-contracted as service providers. This situation allows for further tax decreases. The possibility of having third countries nationals work in the same structure are more complex as regular employment. The few situations of third country nationals working in the IT companies of Cluj seemed rather exceptional or followed previous collaborations. More recently, however, some very large IT companies in Cluj opened international branches in non-EU countries such as Republic of Moldova, Turkmenistan, Serbia, Indonesia, and Canada. This is part of a long-term strategy to test new markets. It is likely that processes of this type will provide an alternative to large-scale direct recruitment of third country nationals in Cluj.

4. The business service sector

Mapping the sector

The 'services for business' sector is notoriously hard to define. For the purpose of this analysis, we have included two areas that are important for the recent economy of Cluj: Business Process Outsourcing (BPOs) and Shared Service Centres (SSCs). From the analysis, we have excluded the more specialised subset of BPO, namely the Knowledge Process Outsourcing (KPO), which involves more specialised knowledge-based work. A part of the IT sector can be integrated in KPO.

Business Process Outsourcing (BPO) refers to a company providing externalised services to several others. . Shared Service Centres (SSCs) refer to a specialised unit of a large company, which, for for cost optimisation can be located remotely. The links with the main company are very close. The type of services carried out in BPOs and in SSCs are customer service, finance, logistics, IT or handling complaints.

There are a wide range of services that are outsourced in Cluj county, at different levels of business:

— **customer interaction services**: sales support, claims, reservations, customer services helpline, handling credit and billing problems, telemarketing and marketing research;

— **back-office operations**: data entry and handling, data processing and database services, accounts payable, financial processing, human resource processing services, payroll services, warehousing, logistics, inventory, supply chain services, ticketing, insurance claims;

— **professional or business services**: HR services, finance & accounting services such as auditing, bookkeeping, taxation services etc.

— **technical support developed as an auxiliary of the IT sector** (although the border with the 'IT sector' is rather fluid and contextual): database services, technical support services, content preparation and management, data storage etc).

In general, large foreign companies decided to externalise services to Cluj, in order to optimize the costs of the labour force (in comparison with the EU and North America), but also due to the student population here. There are no recent big players in the BPO and SSC field in Cluj county. The major companies that opened offices, entered the local market after the 2008-2010 crisis, in order to optimise their costs. The sector grew exponentially, with a major company reporting a 400% yearly increase. Gradually, as the world economy recovered, priorities moved towards increasing the quality of services and reaching new markets. According to interviewees, Cluj remained an important pole of this development, due to its highly digital young population, its' cosmopolitan culture and its large student population.

Overview of employment dynamics until the Covid-19 crisis

In 2019, companies faced **hard times in securing the employees** needed. The general context was shaped by many companies with plans of enlargement having to recruit from the same pool. Horizontal mobility became a common practice among those at the base of the occupational hierarchies in BPOs and in SSCs. Recruitment became more difficult and expensive. For instance, data from recruitment agencies suggests that the average cost per hired person in the services to business sector was 3,000 Euro. The amount represented the aggregate costs of recruitment (staff, job fairs, selection stages and training), divided by the number of employees retained at 3 months. Some major BPOs also relied on the leasing of personnel.

According to the internal data from the Association of Business Service Leaders, there are now 17,000 employers in Cluj's BPOs and SSCs. They make up 12% of the total national employees in the field. However, interviewees described the market as 'not yet saturated', as there is no major BPO or SSC player that left the city in the last five years. On the contrary, interviews with the representative of a major company suggest that Cluj did not reach its full potential, with a 60-70% increase being permitted by the city's growing office infrastructure and its qualified population. In 2019, Bestjobs registered a total of 136,124 vacancies, with the largest share (18,211) being in the finance/accounting area[8]. The number of openings listed under the 'call centre/client service' name was 3,651. Yet, as the 'call centre/client service' category may deter potential applicants, it is likely that many jobs that involve direct contact with customers (email, voice, chatbot, etc) may have been included under other labels: Marketing: 7,115 positions, Sales 16,229 or Specialists/Technicians: 15,675). A BPO company with over 1,000 employees in Cluj, substantiates these findings: 95% of its openings in 2019 were for 'customer support agent'.

The BPOs and SSCs target a young population in/with higher education, yet without a very specific **educational background**. Apart from foreign language proficiency (English and ideally French, German, Spanish or Nordic languages), recruitment seems to be based on 'soft' skills like communication, motivation to learn, teamwork, digital literacy. Large companies usually rely on established internal training structures and induction periods that form the capacity to follow highly standardised procedures.

The **human resource policies** of the SSCs are strongly embedded in the policy of the mother companies. This entails very structured testing processes and limited space for local recruitment decisions. Whilst this level of standardisation adds rigour, it sometimes limits the choices of HR departments. Besides, budgetary limitations do not allow for consolidated investment in employee retention. The solutions for motivating staff are within internal hierarchies of progression that create distinctions depending on (i) the type of contact with clients (inbound vs. outbound services; voice/email/chatbot); (ii) the type of client (individuals/companies); (iii) the content of work (accounts payable, accounts receivable, liaison role with other departments or technical support by degree of complexity, etc).

The turnover is high for the entire industry, but it peaks at entry level for the positions of outbound customer service operator[9]. For employees, major deterrents in the BPO and SSC area refer to the repetitive tasks, high pressure to meet targets, burnout, few possibilities of progress, and insufficiently competitive salaries[10]. By and large, the mobility is from the BPO sector to SSCs, where the possibilities of professional reconversion in financial or technical sectors is higher. The high turnover generated managerial difficulties of workforce retention and a cycle of control. For instance, the excessive reliance on written procedures emerged as a managerial tool to respond to high turnover, which, at its turn, generated low retention. At the beginning of 2020, companies searched to reach untapped groups, such as young people in rural areas and those in high school. Remote work was used as a 'flexibility' incentive, but not applied at large scale.

[8] personal communication.

[9] when an agent contacts (potential) clients to follow up on a service or to notify of new products or policy changes.

[10] Findings of the project 'University-to-work transition. A qualitative inquiry on over-qualification among Romanian youth', PN-III-P1-1.1-TE-2016-0368. Director: Maria-Carmen Pantea.

Employment of third country nationals until the beginning of the Covid-19 crisis and implications for future recruitment

The BPO and SSC area is highly available as an **entry-level employment option** for foreign students in Cluj- Napoca. Throughout 2019, the fiscal regime discouraged companies from employing part time workers, as the taxes for full time and part time work were the same. As students from third countries are permitted to work four hours/day at most, their employment was severely limited. Exceptions were situations when different work arrangements were agreed on an informal basis: with longer working time paid off the record . As much as 20% of the recruitment in the BPO and SSC area is based, according to interviewees, on peer referral. The possibility for a third country national to work in the sector is, thus, highly dependent on his/her referral network. Indeed, third country nationals associations and online groups function as important channels for job referrals. According to the interviews, when employed, third country nationals tend to remain in the company for a longer time than a local. This stability needs to be seen also in the context of an employment process that is administratively more complex than for the Romanian nationals[11] and perceived as such by prospective employers. Language competencies in French, Spanish, Portuguese and especially Dutch, were in high demand, with better salary packages than English and Romanian. Some companies also searched (unsuccessfully) to recruit Romanian citizens working in EU countries (ex. Netherlands) for customer service employment in Cluj.

BPO and SSCs also have **third country nationals working in managerial positions.** Especially in the early stages of setting the office in Cluj, multinational companies located outside EU may rely on key personnel from the mother-company, in order to oversee the process, to ensure the knowledge transfer and adherence to the company policy. As the General Inspectorate for Immigration does not provide data disaggregated by the type of jobs occupied by migrants, the size of this group is uncertain. According to the interviewees, multinational companies with American capital implement this model of staff rotation only in the early stages of business development. Companies with Asian capital seem more likely to have third country nationals in highly managerial positions throughout the process. SSCs may also implement a system of rotation within the company, at different branches located worldwide. It facilitates continuity and contributes toward better communication within the company. For SSCs in Cluj, this seems to be a process that is 80% carried out within the European Union. The reasons are linked to legislative processes related to the employment/detachment of third country nationals and to the different business environments. As BPOs and SSCs are interested in employing people with diverse language competences, occasionally, they may search to recruit (very few) workers from non EU/ SEE countries. These situations are rather exceptional: when a client is interested in having a wide language coverage for its customer-support services. However, given companies' potential to open branches in neighbouring countries, the possibilities to rely on migrant workers in Romania remain rather contextual.

[11] The employment of third country nationals entails: i.) obtaining the employment permit; ii) obtaining a long-stay visa; iii). obtaining the right of residence; iv). issuance of a residence permit for work.

5. The hospitality sector

Mapping the sector

There are many ways of classifying this heterogenous industry[12]. Depending on the **type of ownership**, the literature distinguishes between independent facilities (owned and managed by an individual or a partnership, often in a single location) and chain restaurants/hotels (under the control of a group, including franchises). The later can be part of global companies (this is most often the case) or may be multi-local facilities that emerged within the local market. Depending on the **type of service provided,** one can distinguish between (i) food and beverages (the largest segment of the industry: restaurants, catering, bars and cafés etc.) and (ii) accommodation (mainly hotels and pensions[13]). The distinctions go further, with restaurants being classified in fast food, food services and specialty services, for instance. All types of services: food & beverages and accommodation fall under different ownership categories.

The **food and beverages sector** is notorious for the scarcity of research, with business decisions often based on inspiration and less on a careful analysis of clients' needs. Countrywide, six out of ten restaurants, bars or coffee places enter bankruptcy at nine months (Research Hospitality Culture Institute, 2019). There is no evidence that Cluj is an exception, especially in the context of the emergence of new consumption groups. As elsewhere, in Cluj, the hospitality sector is part of a complex ecosystem generated and maintained by the growth of the professional service sector. The large student population is simultaneously a consumer group and a labour force.

In terms of **tourism**, Cluj is mainly a destination for business travels and city breaks. Friendly fiscal facilities helped the sector reach several consecutive years of high profit. As of January 2020, the number of tourists hosted in the accommodation units of Cluj was 35,671, compared with 3,481 in January 2019. Foreign tourists in January 2020 amounted to 15% of the total number, a 3.7% decrease in comparison to the same period of 2019 (INS, 2020). Besides corporate events, the festivals in the city and its surroundings maintained a vibrant hospitality sector. However, the hosting capacity at the county level did not reach even 50% of its capacity in 2019 (Table 4). Alternative accommodation providers (peer-to-peer sharing economy) were not accounted for in the official statistics and the dimension of this sector is not known.

Table 4. Overnight stays in tourist accommodation units in Cluj county

	2019												**2020**
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.
Total	22.3	27.2	28.8	34.9	40.0	41.6	43.9	41.6	37.7	38.5	32.1	25.3	21.8

Source: INS Cluj, 2020

Employment dynamics until the beginning of the Covid-19 crisis

The hospitality sector has its' own particularities that need to be considered when analysing labour force dynamics. For instance, this sector is highly sensitive to economic, seasonal and meteorological factors. In Cluj, the rhythms of the hospitality sector are influenced by those of the business community (ex. corporate events, lunch hours, holidays) and the cul-

[12] This study did not include 'travel and tourism' (tour operators, agencies and transport providers), although they are conventionally included in the industry.
[13] The more recent providers of accommodation in the peer-to-peer sharing economy are, also, not included in the present study.

tural events during the summer. The employment structures rely heavily on a combination of core staff and large numbers of temporary employees who are often students, young and/or female. The intersection between employers and employees' interests is often a site of tension.

From employees' perspectives, the **sector has several negative features**, such as: low payment, low status, the unsocial hours, level of stress due to social interaction and (physical) workloads, weak possibilities of progress (Pizam, 2010). On the positive side, hospitality work offers job variety, personal incentives, teamwork, interaction with people, wide choice of employers. According to the interviewees, with very few exceptions, the financial rewards are the main incentive in Cluj. Other elements, such as progression, working environment, skills acquisition and team, matter little. Thus, faced with many job offers on the market, people move for small salary increases. From employers' perspectives, hospitality work involves operating costs, has high levels of staff turnover, is market sensitive, and can be subject to intense competition (Pizam, 2010).

According to representatives from the industry, at the end of 2018, Romania's hospitality industry employed 400,000, needed 100,000 more and had 50,000 un-qualified employees (Botea, 2018). Industry representatives used this data in order to **lobby, in favour of increasing Romania's labour migration quotas**. It is unclear how many people work in the hospitality sector of Cluj. According to the interviewees from the industry, statistical reports were unable to keep track of the unprecedented turnover. They described hectic contexts that put management under strain: students generally available to work two to four hours a day, recently hired persons deciding to resign at two weeks or even earlier, periods when understaffed teams had to face multiple tasks which further threatened retention. Retention at six months was reported as exceptional. In some cases, placement agencies were used for the recruitment and provision of short-term workers. In the context of labour shortage, the tasks falling within the responsibility of employees became more fluid and contextual: from food preparation, to customer service and handling the cash register. In hotels, busy weekends and events required extra hours, highly flexible or dispensable staff.

Interviewees argued there are **generational differences** that limited firms' capacity to recruit and retain staff. They characterised the employees below 30 as fast learners, good at relating with clients, but with competing priorities that prevented full time work. The employees older than 30 were characterised as 'more reliable' and firms put effort in retaining those with valuable skills. However, 'older' employees were rather reluctant to operate the cash register and, generally, to go beyond their immediate level of professional comfort. Interviewees stated that the recruitment of maids (in hotels) and cleaning staff (across the entire spectrum of companies in Cluj) was a major challenge. Labour migration or employment as cleaning staff in the health sector (at the beginning of 2019), were important reasons.

The qualitative research suggests that the form of ownership is a criterion very strongly related to the employment challenges in 2019. According to interviewees with extensive experience at different levels in the hospitality sector, **payment through the brown envelope and long-hours** were the norm in the independent facilities. Thus, employees received not only the declared minimum wage but also an undeclared 'envelope wage' and unfiscalised sales bonuses. According to key informants from the hospitality sector, many employees working 12-14 hours signed two-hours work contracts (the minimum for benefiting from health insurance). They tended to perceive these grey arrangements as win-win solutions. These practices maintained a distorted entrepreneurial culture and threatened the survival of the correct players from the hospitality sector.

Interviews suggested that the industry experienced a **massive growth** in the recent years because of the overall level of prosperity in Cluj and due to a friendly fiscal regime for tourism. The sector experienced, however, a record turnover and an unprecedented crisis of personnel. The recruitment of cleaning staff appeared as more difficult than in the food and beverages sector (mainly because of uncompetitive salaries, high workload, commuting costs and migration behaviours of employees). Poaching of qualified staff appeared to have been a practice, with cooking personnel being recruited for work abroad. Other recruitment strategies, based on partnerships with vocational schools or based on internal migration, were deemed insufficient and at times, less satisfactory.

Employment of third country nationals until the beginning of the Covid-19 crisis and implications for future recruitment

The **foreign business owners** from the food and beverage sector (e.g. ethnic and street food restaurants, small shops) were the first to hire third country nationals. They also cooperated in integrating asylum seekers on the local labour market. With very few exceptions, the refugees in Cluj, relocated to Western Europe. However, the openness to hiring foreign employees, was something that was maintained for employers with a foreign background or with work experience abroad. Interviewees reported an effect of 'contagion', with business owners interested to learn from the experience of those who employed migrants. To our knowledge, there are not many agencies specialised in the recruitment of third country nationals in Cluj. However, in 2018-2019, such firms from Romania or from abroad became increasingly proactive in reaching the Cluj market. In 2019, many large employers from the hospitality sector gathered information and explored the pros and cons of this idea.

Interviewed employers argued that a previous **difficulty in staff retention** was the key reason for recruiting migrant workers. The possibility to rely on stable personnel offered some level of predictability and ranked high. They appreciated foreign workers also for displaying a high level of compliance and for being available to do unconventional hours. However, resorting to third country employees was not without dilemmas and several interviewees familiar with the business calculations in chain-restaurants, had mixed standpoints. Elements of skepticism were related to: (i) the high costs of recruitment (agency fees; transportation; accommodation and meals in the first month); (ii) migrants' weak capacity to relate to clients in increasingly hectic work environments; (iii) the high public visibility seen as a risk; (iv) increased likelihood of entering the scrutiny of inspection authorities; (v) decreased functionality of mixed teams. According to the interviewees, the minimum salary is not motivating for third country nationals. As a matter of practice, migrants receive more than the salary of Romanian co-workers in the same positions. Recruitment of third country nationals in the hotel sector is not subject to the same challenges, as the tasks are clearly delimited, with teams working under the coordination of a migrant who can also be a liaison person.

Firms that recruit migrant workers are **large and well established on the market**. There are several hotels and restaurants in Cluj which recruited staff from third countries, in 2019 (from Venezuela, Egypt, India, Sri Lanka etc). The practice is for 10-20 workers from third countries, to work in the same unit (or for the same employer in its various facilities in Cluj, yet, to have the same accommodation). This research did not come across instances where over 22 foreign workers employed in the same hospitality firm. Employers reported being advised by agencies or business managers in other counties, to favour the recruitment of very large groups of foreign workers (reportedly, 50-100). Arguments related to increased retention and agencies' fee deductions. According to a market research of a chain-restaurant, the business would have been able to capitalise the costs and reach a good level of profit two years after recruiting 50 employees from third countries. In this case, a decision was made to increase the salaries of the local staff and thus, to consolidate retention.

Migrant workers' social lives appeared very limited and their intention to engage in leisure activities outside work, reduced for financial and cultural reasons. Members of various ethnic communities established in Cluj reported difficulties in involving workers in their events in a meaningful way. Recent migrants' relations with the expats in Cluj seemed rather exceptional and more likely in the context of help-seeking. Situations when migrants experienced vulnerabilities at work were related to deceitful recruitment with unexpected costs being deducted, isolation, a limbo status in the context of Covid-19 and technical unemployment. Interviews with NGO staff seem to suggest that migrants from the hospitality sector are, in general, interested in extending their contracts for the next year. Interviewed employers offered Romanian language manuals and the two local NGOs active in the field, seemed proactive in reaching the migrants' communities in culturally sensitive ways.

Interviewed employers expressed their **satisfaction with the decision to recruit** third country nationals and aimed to retain their staff for the near future. To them, the repatriation of Romanian nationals in the context of Covid-19 does not provide a long-term response to the need for personnel. Whilst acknowledging the possibility of a slow and difficult economic recovery, interviewees seemed optimistic in relation to the resilience of the hospitality sector in Cluj. Still, the interviewees who did not recruit migrant workers, seemed convinced that at least for the following years, the sector will make ends meet with local employees. They expected a market situation with employers better positioned to negotiate the terms of work.

6. Constructions and landscaping

Mapping the sector

International classifications divide the construction sector into three categories: **construction of buildings** (residential and non-residential), **civil engineering** and **specialised construction activities** (ISIC Rev. 4). This study will only refer to the first category. The distinction between residential and non-residential buildings[14] largely shapes the employment dynamics in the construction sector. In Cluj, the non-residential building sector mainly includes the construction of manufacturing plants, production halls in the first metropolitan ring and office buildings in the city. Also, there are several **mixed companies**, which develop both residential and non-residential projects. Cluj is also home to a small, yet vibrant community of freelancers, such as restaurateurs working for EU funded projects.

Cluj has a very **dynamic construction sector**, with many residential buildings built in the recent years. In 2019, the number of finished dwellings was 8,019, an increase of 425, compared with the previous year (INS, 2020). Interviewees were not able to identify major elements of decline in the construction sector during 2019. The limitations referred mainly to the availability of land, with increased urban pressure in the city area. At the beginning of the Covid-19 crisis, the residential market reached similar levels to before the 2008 crisis (Table 5).

Table 5. The number of finished dwellings in Cluj (county level)

	2018				2019			
	1st trim.	2nd trim.	3rd trim.	4th trim.	1st trim.	2nd trim.	3rd trim.	4th trim.
Finished dwellings	1592	1869	1857	2276	1409	1496	2825	2289
Urban	957	1155	1127	1039	908	801	1548	1048
Rural	635	714	730	1237	501	695	1277	1241

Source: National Institute of Statistics, 2020

There are several **big players** in the construction industry of Cluj. Unlike other cities of similar scale, there is no single company dominating the market in Cluj. Companies vary from larger enterprises, to small contracting firms. The prospects of high profit in the residential sector, attracted players with mixed expertise, in a context of low market predictability. The sector developed in a less structured manner for years, with several missed opportunities. The periods with low levels of regulation affected the social life in the city and its environment, and now increase the burden on urban management[15]. According to interviewees, although increasingly professionalised, the composition of players in the construction sector still bears the legacy of a profit maximising entrepreneurial culture. One example is the price of residential constructions in Cluj, which is similar to that of buildings with reduced environmental footprint in Western Europe. Despite the emergence of educated and affluent social strata, non-residential developers in Cluj did not make a structural shift towards green residential buildings. Arguably, such a choice might have stimulated local industries in the area of sustainable construction technologies, among others.

[14] Non-residential buildings include: industrial buildings; commercial buildings; educational buildings; health buildings; other buildings (Eurostat, 2013).

[15] One example of poor urban planning is Floresti, a nearby commune where the less controlled residential developments leaded to a threefold increase in population (since 2011, still, the commune with the largest number of residents in Romania).

Employment dynamics until the beginning of the Covid-19 crisis

In recent years, the construction sector benefited from fiscal facilities, increased employment regulation, higher staff retention and better salaries. As of June 2019, the gross minimum salary in construction was 3,000 RON as compared with 2,230 for the other sectors of economy. Traditionally, the non-residential building sector has more stable and qualified employees, optimised production flows, clear procedures and strict deadlines. In 2019, several non-residential (and mixed) companies contracted the execution of commercial buildings in other counties. The residential developers seem more likely to have a higher employee turnover, less adequate equipment, a lower level of quality control and externalised services. Regardless of the sector, the turnover of younger workers is higher, situated at the base of the occupational pyramid. All companies worked toward incentivising the retention of their hard-core, yet older staff.

According to the interviewees, recruitment was difficult in 2019 not because of low payment or high turnover, but because of a **severely undersized labour force** compared with the scale of the projects developed or intended. According to interviewees, the demand was high for masonry workers, tile setters and carpenters. However, the crisis of welders, locksmiths and electricians put projects' management under strain. These last occupations entail a high level of qualification, complex learning processes and high standards of quality. Interviewees described situations of industrial construction sites having a disproportionately low execution capacity because of an insufficient number of welders for installing metal roofs, for instance.

The workforce in construction is **ageing**. The labour market dynamics in the construction sector in Cluj need to be read alongside the social dynamics at work. They shape the process of learning on the job, the transfer of knowledge. Ultimately, the social relations play a role in staff retention and in the continuity of processes. Although the management and the recruitment personnel seem very much in favour of employing young people, the work teams are not youth-friendly. The possibilities for young entrants to learn on the job are very context specific and without structures of support from more experienced team members. The implications are low retention among the young and, in the long term, a cohort of insufficiently experienced workers. According to interviewees, over 50% of young people exit companies and establish informal work teams for small scale projects (grey entrepreneurship). A possible solution to this structural drawback would be, according to an interviewee, the use of new technologies. A shift in the sector towards green buildings, for instance, would give young people a competitive advantage and further enhance quality. The VET system may also step in. For the time being, however, despite scattered initiatives, these developments are still, marginal. This issue is, also, not yet on the agenda of the public and regulatory authorities.

The areas of greatest recruitment need are also **under-represented in what is offer by the VET system**. In general, recruitment of prospective students is difficult and in the construction sector, even more so[16]. Very recently, several companies decided to cooperate with technological colleges (rom. colegiile tehnice) within the more recent dual VET system (qualifications: welding, locksmithing, installations, electricians). The technical faculties have established partnerships with the industry sector. According to the interviewees, the level of work-readiness of the new entrants is decreasing each year.

Employers from the construction and the landscaping sector complained about the **poor work ethic** among the potential employees. The rural areas of the first metropolitan ring made the main selection pool for the semi-qualified workers. The practice, of commuting

[16] cf. the research findings of the project 'A youth-centered analysis of the changes in the nature and meaning of work', PNII-RU-TE-2014-4-0011.

workers was described as necessary, yet, unreliable. Employers described projects perturbed because of absenteeism, alcohol consumption or weak availability for extra hours among the less qualified workers. Seasonal work in agriculture and episodic migration for work in Europe also interfered. Especially in the sectors that are weather dependent (such as landscaping), these fluctuations of personnel posed major business risks.

To the interviewees, the possibility to attract **qualified workers from diaspora** was less probable. According to them, the salary levels for the qualified workers in Cluj are already highly competitive. There seem to be other social reasons preventing the repatriation of Romanian construction workers and entrepreneurs. Interviewees familiar with the labour market abroad described situations of Romanian entrepreneurs who are reserved about the possibility to form strong work teams if repatriated.

Employment of third country nationals until the beginning of the Covid-19 crisis and implications for future recruitment

The recruitment from third countries is rather **recent and very limited** in Cluj. The Covid-19 crisis occurred at a moment when many local construction companies (especially industrial buildings) were exploring this possibility. In any case, the construction sector of Cluj employed workers from third countries later than Iași and, of course, than Bucharest. The sector tried to make ends meet with commuters from rural areas and some groups relocated from the East of Romania. Recruitment from third countries was only used as a measure of last resort, after reliance on internally relocated workers became difficult.

In early 2018, a local company, specialised in the creation of heavy metallic structures, hired 46 qualified workers from Vietnam[17](welders, grinders and polishing workers). The process enabled the company to accept important contracts and to extend considerably. The local industry perceived the choice as a success. In time, the profile of the company shifted towards the production of components for port equipment and for the machinery industry. Yet, welding remained key. Then, other local companies specialised in the construction of industrial buildings, joined. They targeted mainly semi-qualified and qualified workers. The presence of employees with higher education was very rare, yet, present, as migrants worked under the coordination of a technician/engineer from the same country. For the companies, this structure ensures good communication in a context shaped by major safety concerns and language barriers. Companies created manuals with the translation of the commonly used terms and occasionally, Romanian language classes were provided.

Interviewed employers described construction workers from third countries as **highly qualified, disciplined, with strong internal bounds,** highly focused on ensuring the wellbeing of families back home. Many foreign construction workers extended their contracts or functioned as peer-referrals for peers back home. Interviewees from the construction and landscaping sector of Cluj declared their intention to increase the recruitment of third country nationals in the near future (semi-qualified or qualified workers). They did not consider recruitment from a particular country, as various agencies (from Nepal, Sri Lanka, Pakistan, Chile) seemed active in promoting their offers.

The **social life** of construction workers seems limited, although there are several indications that companies and Romanian colleagues searched to establish bonds and resonated with their migration status. Latin American workers (in disproportionately lower number than South Asian workers) integrate more easily, due to shared cultural and language affinities. Employers provide accommodation. However, in 2020, a city hall debate on an urbanisation plan, cancelled the decision of an enterprise to build accommodations for

[17] *the total number of employees in the company was 300.*

prospective migrant workers in the proximity of the workplace, on the periphery of Cluj. This choice would have posed limitations for migrants' social lives.

According to the interviewees with migrants, Cluj is likely to be a destination for third country nationals that are not selected for work in countries with higher salaries. For many, the idea of working within the European Union is positively received, although to some, the salary package and the mobility possibilities do not meet the initial expectations. Other cultural issues such as religion and the perceived level of openness to diversity in Cluj, are important pull factors. The rationales for migration to Romania from certain states and not from others depend on the salary levels back home (see the increased salaries in China and Turkey), the capacity of foreign economies to sustain a growing young population (see the case of Vietnam), the alternative (more established) migration routes (US and Canada for the Latin American countries; Western Europe for South Asian migrants; Poland for Ukraine), political priorities and the stability of the administrative context (see the strong consular support for Vietnam citizens in Romania).

7. Overview of findings

There is no single entity able to collect data on the labour force dynamics in 2019 and the representative bodies of various industries or interest groups have partial coverage. The scale of the 2019 labour force crisis is presented differently, depending on the stakeholders involved, their type of exposure and their agendas. According to this research, 2019 was a year that put the capacity of the recruitment processes under strain. Companies from the same sector were competing for the same employees and poaching became the norm. Candidates demonstrated an increased flexibility in changing the workplace and even for professional reconversion. The Covid-19 crisis occurred at a time when (potential) employees had a strong leverage over the recruitment process and the terms of employment.

In what concerns manual workers, Cluj experiences first a **crisis of workforce replacement (due to skills drain) and then, one generated by the high economic growth** in the last years, when additional workers were needed. The main causes for this disequilibrium are: (i) migration (skills drain); (ii) retirement of employees; (iii) a reduced number of qualified young people from the Vocational Educational System (VET). Whilst these are broader challenges in Romania, the situation in Cluj is increasingly difficult given the very low propensity towards VET and for manual occupations among the young people in a city with a vibrant knowledge economy[18].

Yet, Cluj also has an **untapped labour pool** of people who are, theoretically, 'employable': discouraged workers in remote rural areas, 1,636 young people registered as 'not in education, employment or training'[19], Roma people in segregated communities with little or no experience of employment, informal workers in the grey economy, etc. This situation is not unique to Cluj county, as Romania faces the same paradoxical situation: it has one of the lowest unemployment rates in the European Union (3.2%, the lowest in the last 30 years) and the third highest level of inactive population (PwC, 2019). This research suggests that the economy of Cluj county tends to require a level of skills that cannot be met by its most disadvantaged strata. In the absence of some skill formation measures, these untapped groups would not meet the minimum requirements for employment. According to the recruiters from the automotive sectors, the new industrial processes require from the 'unqualified workers', literacy and some digital competences, as work is increasingly complex. Recruiting a large number of 'unqualified' (but actually 'semi-qualified') employees for rather strict, industrial work environments was a major challenge. Indeed, staff from the recruitment agencies declared it was far easier to fill in recruitment processes for office workers, than for manual workers.

The qualitative research seems to suggest that by 2019, middle-sized and large companies in Cluj county (diverse fields: IT, logistics, automotive, metallic constructions, food preparation etc) reached a level of growth that required **alternative responses** to their crisis of personnel, besides poaching, increases in the salaries/benefits, or commuting employees from the surrounding area. Some opened branches in other cities or abroad (Moldova, Ukraine). The Cluj county-based units continued to operate, yet, the production was extended to other small centres. These companies grew, but they grew elsewhere. The recourse to migrant workers was late, and part of the solution only after relocation of workforce within Romania was insufficiently able to satisfy the increased need for personnel. As the Cluj labour force became increasingly expensive, companies from industry with small added value that would be interested in the recruitment of migrants, restructured or relocated.

[18] cf. the research findings of the project 'A youth-centered analysis of the changes in the nature and meaning of work', PNII-RU-TE-2014-4-0011.
[19] 1011 with high school and above (cf. AJOFM, 2020)

The first sectors that relied on recruitment from third countries were hospitality and constructions. The multinational companies working in production and manufacturing started to recruit foreign workers towards the end of 2019 and often did so through agencies of temporary recruitment. 2019 witnessed a **'contagion effect'** among employers recruiting workers from third countries, who described an unexpected interest from other companies eager to learn from their experience. To our knowledge, there are not many agencies specialised in the recruitment of third country nationals in Cluj county. However, in 2018-2019, specialised firms from Romania or from abroad became increasingly proactive in reaching the Cluj market with proposals for recruitment of migrants. The Covid-19 crisis occurred in the middle of this process.

The occupations in which third country nationals are recruited are strongly gendered. The General Inspectorate for Immigration did not provide data on migrants' level of qualification. Based on the limited data retrieved during this qualitative research, the large majority of third country nationals work as semi-qualified and qualified workers. Several instances of over-qualification have been reported in the hospitality sector (with university graduates working as cleaning personnel). Instances of skills mismatch and overeducation have been reported for refugees. In their case, the processes of recognising the certification were lengthy and extremely difficult. Jobs below the level of qualification became a solution at hand for refugees with advanced degrees. Gradually, with few exceptions, they relocated in other EU countries.

The adaptation processes: for migrants and companies, are not easy, and the feedback from the interviewees was rather mixed. When the size of the company and the profile of tasks allow, workers from third countries form homogenous teams, under the coordination of a migrant that ensures the link with the rest of the team. This possibility does not allow certain barriers (notably language) to interfere with the overall work process in a very disruptive way. When the work processes are more fluid and contextual, when multiple tasks need to be handled and the size of the business units is small, integration and adaptation is more difficult. In these cases, the functionality of the mixed teams requires careful management.

Potential employers are aware at the difficulties of adaptation for migrants, for the current staff and for themselves. Interviewees without any direct experience of recruitment of foreign workers seemed discouraged by perceived setbacks, such as long and tedious administrative processes, concerns over security at work, the increased level of official scrutiny and cultural differences (especially in relation to South Asia). For instance, a major chain restaurant explored the possibility of recruiting third country nationals, but, after considering the challenges of adaptation, decided to go for an improvement in the retention of their current labour force.

The Covid-19 crisis brought into light less anticipated forms of risk in the recruitment of third country nationals; **who bears the social and economic costs** of precarious migration, is a contentious issue. One interviewee recalled a recent situation of 100 construction workers from third countries, employed through a placement agency in Romania. With their contracts not being renewed after three months, their placement agency searched employment solutions, also in Cluj. Some migrants in Cluj with a 'no work no pay' status, required humanitarian help. In May 2020, a number of 37 migrant workers from Sri Lanka were employed in Cluj after their employee from the East of the country abandoned them in the after marks of Covid-19 crisis.

When trying to secure **employment in an individual capacity**, third country nationals argued that companies do not envision any potential applicants from outside the European Union. According to the interviewed migrants who tried to individually navigate the local market, employers tend to perceive the paperwork as discouraging, even in the absence of any first-hand experience. Migrants' risk of working in precarious conditions is high (ex. employment below the educational level, undeclared working hours with social benefits implications etc). The third country nationals interviewed were in favour of an increase in the public visibility of migrant communities in Cluj, in order to facilitate intercultural learning. The opportunities for communication within and beyond the small ethnic groups were few also because of insufficient physical spaces for organising meetings and events.

The **integration of refugees** seems a far more complex process, as it involves a highly vulnerable groups (including people with dependents) in a post-traumatic context. According to the interviewees involved in processes of assistance, it was a major challenge to mediate the employment of refugees according to their level of education (often very high). The administrative barriers involved in the recognition of certificates, and the short-term economic pressures led to refugees ending up in rather precarious employment. When better able to navigate the administrative systems, many relocated to more affluent Western countries, where they have social networks and better prospects of self-realisation. The success stories in Cluj, while not totally absent, are very few. The experience with the labour market's inclusion of refugees in Cluj seems to also suggest the precarity of other support structures (besides employment), which are needed to accommodate foreign residents, in particular a friendly school system for children and responsive healthcare. These issues open a broader debate on the level of democratic maturity and openness to diversity in the Romanian society.

The actual **scale of the impact of the Covid-19 crisis** on the labour market in Cluj is uncertain. According to the data provided by the County Agency for Employment Cluj, at the end of March 2020, no company with more than 250 employees applied for technical unemployment support. According to interviewees, the Covid-19 crisis increased the level of vulnerability for employers at all levels: from blue collars to the managerial positions. Due to image concerns, many firms decided to be less open regarding the level of economic difficulty faced in the context of Covid-19. Conversely, firms from the hospitality sector insisted on the negative impact of the crisis, in order to mobilise support measures. Yet, the impact of the crisis on the migrants previously employed in the sector was very rarely a public matter.

Any predictions related to the labour market dynamics beyond the beginning of Covid-19 pandemic, can only be tentative, partial, insufficiently supported and prone to bias. By and large, interviewees argued that in comparison with other counties, the economy of Cluj is likely to be more resilient, as it has sectors with high added value. However, there was a general level of unease in relation to the magnitude of the crisis and time length needed for economic recovery and eventually, for growth. . Interviewees agreed that in order to optimise their costs, companies will behave more prudently, also by revising the recruitment strategies. It seems that persons employed at the end of 2019 face a higher risk of losing their jobs, if working for companies facing economic difficulties. With safety concerns gaining priority in the future, employers argued that future recruitment will be shaped by the capacity to adapt to remote work and to carry out multiple tasks under pressure.

Against the above background, interviewees seemed certain that for the short and medium term, the local surplus labour will be sufficient and that, globally, the mobility will be reduced. On the long term, they tended to argue that for fields such as constructions, hospitality and food processing services, **the need for foreign workers will come again** as outmigration from Romania will recommence. The need of foreign workers in Romania seems strongly related to the extent people from Romania will continue to work in the EU. However, a shared understanding in the business community is that Romania cannot import the total number of the workers it needs and it cannot keep up with the rhythm of population decline (because of aging and migration). Recruitment from third countries may be part of the solution, but on the long term, the measures for ensuring sustainable economic growth are a matter of structural policy change. These processes may include a reform of the VET system, education of quality to address functional illiteracy, solutions able to retain the young qualified population and, ideally, to encourage repatriation.

References

AJOFM

2020 *Analiza structuri teritoriale. Strategia ANOFM post 2021 – STRATEG.* Cod proiect : POCU/370/3/15/129744

Boc, E.

2020 'Brain drain in the EU: local and regional public policies and good practices', *Transylvanian Review of Administrative Sciences*, 59 E/2020: 23-39.

Brainspotting

2018 *IT&C Talent Map Romania*, 2017 – 2018.

2020 *IT Talent Map Romania,* 2019 – 2020.

Cedefop

2018 Romania: start of dual-based initial VET.

2020 *Note on lifelong guidance and the COVID-19 pandemic: Responses from Cedefop's CareersNet*.

Cluj Napoca City Hall

2015 *Strategia de dezvoltare a municipiului Cluj-Napoca 2014-2020*.

CNIPMMR

2019 *Cartea Alba a IMM-urilor*.

Comisia Naţională de Strategie şi Prognoză

2019 *Proiecţia principalilor indicatori economico – sociali în profil teritorial până în* 2023. URL: http://www.cnp.ro/user/repository/prognoze/Prognoza_profil_teritorial_toamna_2019.pdf

Cristea, M. et al

2017 *Magnet Cities: Migration and Commuting in Romania*. Washington, DC: World Bank.

Elisei et al.

2017 *Strategia integrată de dezvoltare urbană pentru polul de creștere Cluj-Napoca, pentru perioada de programare 2014-2020 (2023)*. URL: https://files.primariaclujnapoca.ro/dezbatere_publica/Strategia-integrata-de-dezvoltare-a-Zonei-Metropolitane-Cluj-N.pdf

Encore Research

2018 *Cererea si oferta de digitalizare*. Cluj-Napoca: Aries Transilvania.

European Commission, 'Council Recommendation on the 2018 National Reform Programme of Romania', Brussels, 23.05.2018, COM

2018 422 final, pp. 4-7.

Eurostat

2013 *Glossary*, website - latest update 2013. URL: http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Glossary:Building

Inspectoratul Scolar Judetean Cluj

2020

Institutul National de Statistică

2011 *Recensamantul populatiei si locuintelor 2011*.

2019 *Fisa localitatii.*

2020 *Buletin statistic lunar al judetului Cluj*.

Institutul National de Statistică, Cluj
2020 *Cercetarea statistica anuala S3 - Costul fortei de munca.*

Inspectoratul General pentru Imigrări
2020b Communication based on 544/2001, issued: 16.04.2020.

Inspectoratul General pentru Imigrări- Biroul Informare şi Relaţii Publice
2020a 'Migratia si azilul'. Nr. 51/2020

Inspectoratul General pentru Imigrări
2020b 'Analiza activității Inspectoratului General pentru Imigrări în anul 2019. Obiective 2020'. URL: http://igi.mai.gov.ro/sites/default/files/evaluarea_activitatii_in_anul_2019.pdf

KPMG and Academia Română
2019 *Piaţa muncii din România : Repere cantitative şi calitative privind deficitele de forţă de muncă.* Bucureşti: Editura Centrului de Informare şi Documentare Economică.

Pantea, M.C.
2019 *Precarity and Vocational Education and Training. Craftsmanship and Employability in Romania*. London: Palgrave.

Pizam, A. (Ed)
2010 *International Encyclopedia of Hospitality Management*. Oxford, MA: Elsevier.

PwC
2019 *Studiu salarial şi de beneficii* PayWell România 2019.

Research Hospitality Culture Institute
2019 *Know your industry, improve your business*. Editia III.

Start-UP Nation
2018 *Densitatea IMM-urilor la nivel județean in Romania*

The World Bank/ International Bank for Reconstruction and Development
2019 *Romania Catching-Up Regions. Modele de cooperare interjurisdicțională*. URL: http://documents.worldbank.org/curated/en/338051580282390068/pdf/Romania-Catching-Up-Regions-Interjurisdictional-Cooperation-Models.pdf

Volintiru, C. and Stefan, G.
2019 'Economic development and opportunities in Romania: Local Business Environment Index (LBEI)'. White paper. Aspen Economic Opportunities & Financing the Economy Program.

Universitatea 'Babes Bolyai'
2020a 'UBB în comunitate – BOSCH sprijină un program de master al facultății de matematică și informatică'. *NewsUBB*. March 2020. URL: https://news.ubbcluj.ro/ubb-in-comunitate-bosch-sprijina-un-program-de-master-al-facultatii-de-matematica-si-informatica/

Universitatea 'Babes Bolyai'
2020b 'Universitatea 'Babes Bolyai' și MOL România au încheiat un parteneriat pentru susținerea unui învățământ universitar modern'. *NewsUBB*. Ian. 2020. URL: https://news.ubbcluj.ro/universitatea-babes-bolyai-si-mol-romania-au-incheiat-un-parteneriat-pentru-sustinerea-unui-invatamant-universitar-modern/

IOM is committed to the principle that humane and orderly migration benefts migrants and society. As an intergovernmental organization, IOM acts with its partners in the international community to: assist in meeting the operational challenges of migration; advance understanding of migration issues; encourage social and economic development through migration; and uphold the human dignity and well-being of migrants.

This document was produced with the fnancial assistance of the European Commission. The views expressed herein can in no way be taken to refect the offcial opinion of the European Commission.

Publisher: International Organization for Migration (IOM)

Office in Romania

11, Viitorului street, District 2, Bucharest

Email: iombucarest@iom.int

Internet: www.romania.iom.int

This publication has been issued without formal editing by IOM.

Cover image: © freepik.com