



## ABSENCE OF LABOR OR UNEMPLOYMENT?

Alexandru TRIFU

“Petre Andrei“ University of Iasi

**Abstract:** We consider that the most relevant aspect of this period is the one related to the workforce/labor force. Starting, even, with “The Great Resignation” process, the actual labor market is considered a tense one. Analyzing data, events, opinions regarding the labor force and the unemployment phenomenon today, the question from the title has appeared as imperative. Taking as example what is happening now in serving activities in airports sector: clearly, it is a lack of staff, an absence of labor force. On the other hand, where is the former staff/personnel laid off, who is apparently not unemployed, working in other activities, due to this revolutionary changes in labor activities of remote work. In this complex analysis of the labor market, there are many variables, intrinsic and extrinsic to the employees. In addition, there are flexible methods to ensure a remote work and, therefore, possibilities to work both from home and from office. If the classic definition of an unemployed person is the person looking for a paid job, the actual reality, demands the labor force where it is needed, from the employers or specialized institutions. Conclusions are that we are living in an uncertainty world, with challenges and even disorder on the labor market. Therefore, we suggest using tactics measures in managing employees/staff actions and demands, exactly in order to realize a modus in rebus between the demands/requests of employees and the needs of entrepreneurs/corporations in each stage of economic activities.

**Keywords:** Migration, Unemployment, Uncertainty, Workforce.

---

### INTRODUCTION IN THE PROBLEM AND ANALYSIS

The most important phenomenon on the labor market is that one of "Great Resignation", coined by Professor Anthony Klotz and the his analysis regards mainly the American economy and labor market.

Briefly, Professor Klotz predicted the following (Urooba, 2022):

- a. The rates of resignations would remain high for another two or three years'
- b. The beginning of 2022 demonstrated such a high rate of resignations.

In order to stop this phenomenon of Resignation on large scale, employers can do something to retain the employees to exit from the entities (Heller, Kerner, 2022):

- a. Reward employees with higher wages, or bonuses (only if the economic situation of the firm permits this , due to the international and pandemic situations);
- b. Tuition reimbursement, in the case that the employer necessarily needs employees in the respective deficient field (including IT education);
- c. Support a hybrid/remote work activity. That is a flexible activity to combine work from home with face-to-face activities considered, however, more for the work climate and personal development;
- d. Encourage team working that is both from home and in person, aspect that can be an incentive to remain with the team/within firm. Tasks and goals are shared and people is more involved in the activities;
- e. At last, but not at least, the reduction of the stress, of the negative psychological phenomena as bossing, bullying and other possible factors which can negatively affect the work, collaboration, employees aspirations and advancement expectations.

The opposite process, this time *starting from employers side*, is that one of hiring, maybe a Great Hiring, exactly where it is necessary, in the domains with deficit staff shortage. Also, in the view of Heller and Kerner and of Professor Klotz in this new recruitment stage, the focus is on the employee, in what is capable to do and taking into account the employee's intention to have control in what's he/she is doing and how considers the meaning and purposes in their careers.

In such fast labor movements, when entrepreneurs, CEOs, employers aim not to lose their businesses, a decisive key in labor market is *a faster recruiting*. The recruiters, "head hunters" must move quickly, with talent and professionalism, For US, as a barometer in this respect, the average process of hiring an employee, after the interview, is about 24 days.

Another efficient mean of hiring is using social media platforms, with hundreds of thousands, even millions of followers. No matter the location, now it is possible to hire from all over the world the right man for the right job.

In this activity of hiring, with many applications and job changes, however, the top employees, talented, with skills and capacity of adaptation, themselves will evaluate the employers' requirements, based on compensation, organizational culture, development and diversity. That is, to see a balance between family and work activities/tasks and the effect in the life standard.

Thus, we translate our analysis on another major problem of our days, influencing the labor market largely: the migration of *the labor force*.

Migration plays a decisive role in the development of society, but the negative effects are extremely drastic for the countries of origin if no attempt is made to control and effectively manage it. Immigration represents both an opportunity and a challenge for Europe. Legal immigrants are needed to fill certain requirements in the EU labor market, as the EU population is aging and the birth rate is falling. In post-expansion migration conditions, young labor flows predominate, which constitutes an important political issue and a challenge for both receiving and sending countries. Since a significant proportion of these migrants are women, their successful integration into the labor market is another important condition for addressing these challenges. Awareness of the causes and effects of migration in an enlarged European Union is a prerequisite for the development of effective migration policies in Europe and thus a precondition for achieving the objectives.

Over the years, the European Union has been the preferred destination of millions of immigrants, especially Romanians. The countries of destination were and remain the highly developed countries where these immigrants have social protection, tolerance from the authorities and relative understanding from the resident citizens. This is because legal immigrants are needed to fill certain gaps in the EU labor market, as the population of the member states is aging and the birth rate is falling. The most wanted are IT specialists, doctors, nurses and other health professions, but also health workers and other services that Europeans do not want to perform and need workers from abroad. But the labor force coming from outside the EU is not always desired by some social and interest circles, such as right-wing extremists or Christian fundamentalists. In recent years, in Europe, state budgets are no longer able to take care of the vulnerable layers of society and grant fewer benefits and aid.

The number of migrants working away from home has increased exponentially in the last 10 years, and the money they send to their countries of origin, which is capitalized at the level of the GDP of the respective developing countries, represents more than the value of direct investment and development aid for those countries, as shown by a study by the Center for Migration Analysis within the International Organization for Migration (IOM), in December 2021 ([www.economica.net](http://www.economica.net) 2021). In countries such as El Salvador, Lebanon, Kyrgyzstan, Tajikistan and Tonga, the money sent home by migrant workers represented more than a third of the total GDP, the IOM report also shows.

Another aspect in our analysis is linked to the process of *part-time activity*. With employers increasingly hiring more part-time workers and fewer full-time staffers, many in the workforce are considering the viability of part-time employment. Beyond the obvious income ramifications, there are hosts of advantages and disadvantages to consider when determining if the part-time employment model works for you (Maverick, 2021),

This case shows us the situation that an already hired person takes a part-time job to increase his and family income (that is, he/she is not an unemployed person).

For example, from the reference mentioned above, some advantages of working in particular in part-time jobs:

- a. *Opening opportunities for new jobs and status.* When there are no full-time positions available within a given company, workers may accept part-time employment to position themselves as the obvious candidate when a coveted full-time slot becomes available. A part-time job can also help individuals gain experience and training in fields unfamiliar to them.
- b. *Opportunity to earn more money.* Although it may sound counter-intuitive, working part-time can sometimes enable an individual to make more money – especially if they are capable of balancing more than one job.
- c. *Family importance.* Working part-time is ideal for family-oriented individuals – especially those who value the opportunity to pick up their children from school. Furthermore, part-timers may save on day care expenses, which may exceed the extra money earned by working full-time.
- d. *A little bit more time to pursue more activities and projects.* Even it's the last one, in fact this is the biggest advantage of part-time working. For those lacking the requisite academic credentials for their dream job, a part-time position may serve as a stepping stone that affords the flexibility to obtain the certification needed find roles in their desired profession. Others may use part-time jobs to climb the ladder within an existing field.

## MATERIALS AND METHODOLOGY

The theoretical approach deployed by this study is drawing from different contributions from researchers, financial management, and social sciences.

A qualitative research was conducted, based on observations, on opinions of employers and employees, on alumni and feedback of our graduates.

In the final stage, using *synthesis*, we try to see possible trends in offer and demand on this volatile, indeed, labor market.

## RESULTS AND DISCUSSION

Realities show a quite different situation: employers use media for advertisement in searching the right employees for their jobs. Attractive offers, especially from pecuniary point of view: wages, bonuses, possible remote work and conditions for promotion.

In practice, there are many tasks to do, even stressing or hard labor and, after not a long time, we find out that a part of the staff quitted the entity and migrated to another entity in the field or to other jobs.

Besides the disponibility to work, knowledge and skills to do the tasks quickly and well, a crucial component of hiring is focused on diversity, equity and inclusion. This aspect, due to the employees who value diversified workforce, includes employees of different ethnicities, gender or racial backgrounds.

On the other approach, diversity within an entity comprises other categories to be taking into account: education, culture, language and capability to communicate, skills...

Finally, in the recruitment activity of today, find talented persons and findind the right fit, is the most important and delicate task.

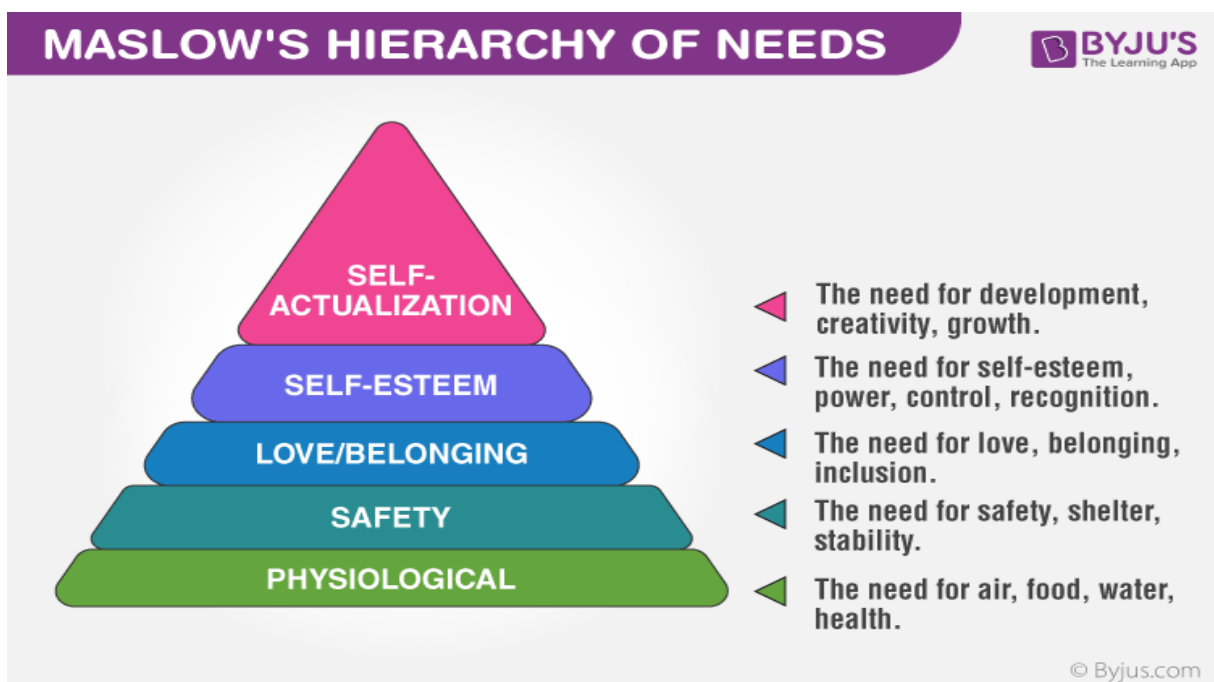
Another aspect regards the entrepreneurs: due to the lack of labor force and the pressure they are burdened with, employers are forced to increase wages further. This is a significant additional burden on firms, on top of costs that have already risen considerably.

A sensitive aspect which occurred in practice is linked to the ratio between demand and supply on the labor market. Under the less favorable scenarios, Europe's economy sinks into recession. Therefore, the labor shortage will gradually decrease over time, moreover, due to the layoffs the labor market will turn again from the direction of demand to the direction of supply, which will worsen the bargaining position of the employee. And, additionally, as the reality demonstrates,

many entrepreneurs/employers are hiring already employed persons than unemployed ones and, of course, the unemployment rate does not decrease. An expressed reason is that the already person with job is more reliable than the other one, or employers intend to hire already known in the field, with possibilities for adding value and increase the profit (see [www.quora.com](http://www.quora.com), 2019).

Yes, they are existential problems of adaptability and which concern the mind of every person who wants to emigrate for a better situation than in his own country. And, we definitely consider, is to take into account the steps of Maslow's Hierarchy of Needs, which also show us the integration into a society, and show us the desire to be respected and appreciated (even if you don't know the language well, but your work you do it conscientiously and you are an example in society).

For a better understanding of the influence of psychological theory of Abraham Maslow, below we present one synthetic representation of the Maslow's Hierarchy of Needs (McLeod, 2020):



## CONCLUSIONS

As markets begin to stabilize and production levels are slowly rebounding to pre-pandemic levels, companies from around the world have yet another challenge to navigate: the ongoing labor

shortage. We must observe local/home labor market, but mainly regional labor market (EU is a outstanding case) and international one. At the same time, analyze the opinion of the rulers considering, for example, that some workers/employees' mentality from a developed country who don't work enough and produce little. The movements of labor migration are obviously from East to West and the problem belongs to the governments of countries with a shortage or absence of labor force to take measures to compensate this shortage with qualified staff or able to learn and improve quickly. These actions have to be done altogether with corporations/firms/organizations, which most need this labor force. It is needed of a *modus in rebus* between employers and employees, a sort of common language of intentions, in order that all the parties involved in to get favorable results, especially from the pecuniary point of view.

In this respect, we suggest the use of Tactics, because these fast movements from the labor market must be solved operatively, in order to continue the economic and social activities and the ensurance of a right level of living standards for employees. We are dealing with a massive labor shortage from different causes, economic, social, psychologic, and pandemic and it is necessary to know the causes and how to manage with these negative aspects.

## REFERENCES

- (1) Heller, Amanda, Kerner S. M/ (2022) *The Great Resignation: Everything you need to know*, [www.techtargget.com](http://www.techtargget.com) retrieved July 31<sup>st</sup>, 2022.
- (2) Maverick, J. B. (2021) 6 Benefits of Working Part-Time Instead of Full Time, [www.investopedia.com/articles/](http://www.investopedia.com/articles/) retrieved August 5, 2022.
- (3) McLeod, S. (2020) *Maslow's Hierarchy of Needs*, [www.symplypsychology.org](http://www.symplypsychology.org) retrieved July 15, 2022.
- (4) Urooba, Jamal (2022) *The psychologist who foresaw the "Great Resignation" thinks quit rates will remain high for another 2 or 3 years*, [www.businessinsider.com](http://www.businessinsider.com) retrieved August 2<sup>nd</sup>, 2022.