

THE ROLE OF INVESTMENT IN HUMAN CAPITAL INTO ROMANIAN EDUCATION

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Abstract: Everyday reality raises a number of problems and questions to the academic world, whose main mission is to prepare graduates able to find their role in society, but also to adapt to the changes that occur day by day. Without investing in education, we can not expect a society to grow. We can say that the economic value of education is proportional to the extent to which the school responds to the needs of real life.

Key words: *human capital, public system, universities*

INTRODUCTION

Romania is in a continuous process of change from all points of view: economic, social, civic, etc., and it tries from all its powers to adapt to the conditions of the present. Undoubtedly, higher education occupies an increasingly important place in Romanian society, becoming absolutely necessary for Romanian society based on competitiveness and competence.

On the period before the revolution, the Romanian higher education was entirely driven by the decisions of the Ministry of Education. It did not interest anyone how many students entered and how many were able to complete a faculty because the quality of the educational process did not influence the university-external relationship.

MATERIALS AND METHODS

After 1989, the education system, as well as all the branches of the country, faced major problems of adapting to the demands of the market economy. Even today, it is in a continuous process of transformation, which must take into account the realities it faces in terms of the functioning framework, academic autonomy, attributions and responsibilities.

The efficiency of the higher education system is due to a well-trained workforce able to communicate easily, to be adaptable and mobile so that it can easily meet the demands of the labor market.

Investing in human capital within educational institutions plays an important role both for society and for every individual and produces long-term effects. Universities are continually evolving, but also in constant competition to attract and retain the most talented.

The quality of the attracted human resources depends to a large extent on existing financial resources, on working conditions, but also on career prospects. We identify the following three elements that influence this process:

- sufficient and sustainable resources for universities - although the main source of funding is the public one, alternative incomes are also possible, consisting of:
 - student contribution in the form of enrollment and enrollment fees;
 - the sale of services;
 - capitalizing on research results, etc.

- excellence in education and research - identifying areas where excellence can be achieved so that it can focus support funds for academic research - all of these have the ultimate goal of specializing universities.

- a more pronounced outward opening, which would also imply a higher level of competition for universities. [1]

Economic growth as a whole, but also the development of society depend on the identification of new knowledge, their transmission through the educational system, their dissemination with the help of technology and their use by new methods or methods.

RESEARCH RESULTS

In the past, education was the form in which the rich had power in society, because only those who had money had access to acquiring knowledge. As society evolved, education has become one of the fundamental human rights, due to the impact it has on every individual, but also on society as a whole. [2]

With the development of society, more and more activities have evolved and jobs have been diversified, which must be supported by a well-established educational system that provides access to all social categories and eliminates any obstacles to those who want to specialize.

The first condition for a state to develop and eliminate the economic and social inequities between people is the accessibility to a quality education system. Education should be seen as a long-term investment, which in the future will generate revenue that will contribute to the development and welfare of the entire society.

Higher education leads to an increase in the overall health of a state, but also to an increased level of life satisfaction in general terms.

The most important strategic document of the European Commission for the next period, the Europe 2020 strategy presents education as a necessary priority to support the economic growth of the EU but also for the social sustainability of states.

In Romania, according to the Law on National Education, education is considered a national priority, and higher education is regarded as a public responsibility. However, although at least 6% of P.I.B. for education, it has not been respected even once, as it can be seen in the next table:

Table 1

PIB allocated to education (%)

Year	2009	2010	2011	2012	2013	2014	2015	2016
Percentage of P.I.B. allocated to education	4,24	3,53	3,07	3,50	2,80	3,0	3,7	3,6

Source: processing on the Internet

The discrepancy between the assumptions made and the reality has led to the emergence of critical situations in the higher education system that have led to negative effects for both students and universities.

There are many issues facing Romanian education. Among these, we can identify:

- increased demand for higher education - especially in the first years after the revolution, due to the development of new fields and programs
- accession to the European Union required alignment with EU law with massive efforts and investments
- complicating the learning process with computer systems rather cumbersome: they should be more efficient and more adapted to the news
- decrease of state budget funding for state higher education institutions. [3]

To all these, but also to many other problems, we have to find viable, future solutions that lead to the economic development of our country, stimulate progress and raise the standard of living of the population.

Changes that occur internationally are reflected in both the educational system and the labor market in Romania.

The current situation can be summarized as follows: low participation in education and the inability of education structures to adapt quickly to the changing needs of the labor market

Romania has been a participant in the Bologna Process since 1999. Since then, the system of higher education has been pursued in line with European requirements so as to increase student mobility and participation in Masters and PhDs.

What can be done to become aware of the role of investment in education? Here are some suggestions:

- increasing the student equivalent allowance, thus increasing the basic funding of universities;
- counseling services to help integrate into the labor market;
- providing financial support for students covering at least accommodation and meals, etc.

Why is the investment and development of human capital in Romanian education advantageous? Due to the fact that most of the knowledge and skills are obtained in school.

At present, in the face of permanent changes in Romanian society, a very important educational strategy is related to the educational offer with the current labor market requirements. Following several studies, it became clear that there is a direct link between the quality of human capital and productivity, regardless of the field.

Thus, good professional training of teachers is directly associated with a high quality level of higher education, which generates well-trained graduates with rigorous professional skills, able to adapt at any moment to the dynamics of the labor market.

CONCLUSIONS

The role of a higher education institution is to shape people, teach them to seek, enable them to "sell" to the labor market.

As a conclusion of the above mentioned issues it is necessary to work on the following aspects: aligning the educational offer to the labor market requirements; highlighting the place of university education as well as permanent training.

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