

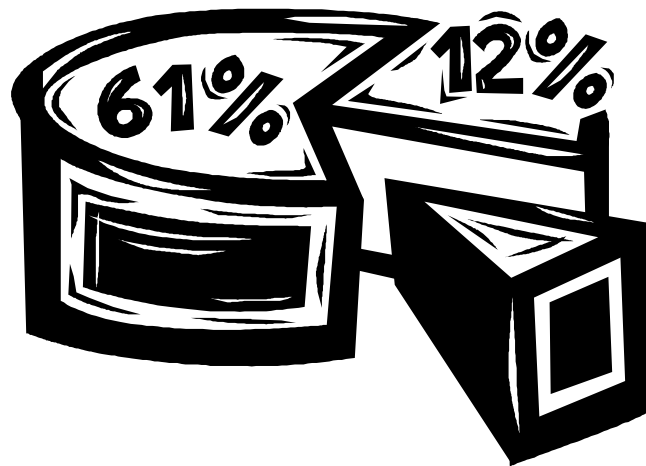
UNIVERSITATEA EMANUEL
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EMANUEL UNIVERSITY OF ORADEA
in collaboration with

ADVANCED SOLUTIONS SRL
presents

The results of the questionnaire-based research concerning the
training market in Western Romania



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I. INTRODUCTION

1. The evaluation of Romanian training market

The training market in Romania is continually growing and we need to remember that the only constant is change. If during the first years after the Romanian Revolution foreign trainers organized the training courses almost exclusively, after 15 years we are assisting the development of a well-trained section of Romanian trainers. Most of these Romanian trainers are some of the participants or people who used to facilitate the training courses from the previous times.

According to *Business Magazine*, the training area suffered certain changes from non-government (during that time there were many international finances) to the state and now we are witnessing a powerful growth in the private sector. Organizing training is already a well-structured business. At this point 40 training companies are present on the Romanian market, 20% of whom are international companies¹.

The tendency of the expert international companies on this field toward franchisees is more and more obvious. Just this year franchisors like Dale Carnegie, Ken Blanchard and Telephone Doctor entered the Romanian market. Marius Balasoiu, manager at Business Intelligence Agency (BIA) shares the same opinion. He states, "a training company grows to the point of buying a franchisee"²

The training programs that are in great demand, at national level, are those concerning sales, leadership and team building. BIA representative explains that salespersons are most exposed to stress. This is also the reason why most of them are tempted to give up these jobs for easier ones, maybe even better paid jobs. This kind of training are the most easily to evaluate and with early results. Mr. Balasoiu states that concerning the training about leadership the tendency is toward the strengthening of middle management and of management processes.

The national training market, though very difficult to evaluate, is estimated at around \$ 20 million – this number sums up the revenues of all active and authorized companies and individuals. *Business Magazine* estimates the income for a day of training between 600-700 Euros for basic training and 1800-2500 Euros for more specialized training.

Business Magazine performed a summary containing the tariffs for training programs in terms of the nature of the company that organizes them and of the course type, as follows:

- one-day training organized by a Romanian company is evaluated up to 1.800 Euro/day
- one-day training organized by a company with international franchisee is evaluated up to 3.000 Euro/day
- one-day training organized by a foreign company, the superior limit can not be estimated
- Team-building can reach 6.000-8.000 Euro a day
- The so called open courses are estimated around 700-1.000 Euro /day for one participant

Among the powerful players on the Romanian market, we mention: AIMS Human Capital Romania, Interact, Qualians, BIO, Telephone Doctor and Human Invest. The biggest amateurs for this kind of services (though most are organized in-house) are the multinational companies that have special budgets for training. We mention: Carrefour, QAB, ING, PriceWaterHouseCoopers, Coca-Cola HBC, GlaxoSmithKline and others. The local companies are also starting to include this chapter in their development budgets, the annual expenses reaching to 80.000 Euro or more, for at least 15% of the companies, according to Dale *Carnegie Training*.

¹ According to Gini Coman's statement, sales Director at Dale Carnegie Training, recently launched in Romania

² The article Back to school, Business Magazine

2. The necessity, method and distribution of this questionnaire-based research

We have seen the Romanian training market at a glance. Being aware that both the great players and clients are focused around Bucharest and that the target-market of ROMCOM, at least in the first years, is the west side of Romania a specialized and focused research on this area becomes necessary.

Certain aspects of interest concerning this market are considered to be analyzed. This research is based on a questionnaire that was filled in by businessmen from the target area. The target group is made of small and middle size companies with private capital and different legal forms. The questionnaire was intentionally given to the persons that held an influential position in the company or to the owners - considering that they have the authority to invest in a training program offered by ROMCOM.

Professors, students and graduates from Griffiths School of Management distributed the questionnaires; they have been under the authority and co-ordination of the manager of this project. Those who distributed the questionnaire received the follow instructions:

- the target: business men and companies from the west side of Romania
- the questionnaire has to be distributed to those who have influence and decision making power to invest in a training program (human resources manager, director, owner and not to a salesman or a worker)
- large companies with decision making center in Bucharest or in other cities are not to be considered (e.g. banks, Orange shops)
- the manager of this project will verify the validity of the data written in each questionnaire
- the questionnaires will be accepted and numbered in terms of the deal
- the manager of the project will offer to those who distribute the questionnaire the follow materials :
 - a paper copy of the questionnaire
 - an optical copy of the questionnaire
 - access to the existent database

Firstly, the validity of the questionnaires was verified and after this stage, they were input in the database included on the CD attached to this report. Once the data were centralized, they were analyzed according to the statistics methods studied and used in the specialized schools. These data represent the fundament of this report.

The report contains a list with characteristics of the target people (in terms of several factors), the analysis and comment of their answers and the connections/correlation that follow the statistic processing of gathered data. The report also contains certain objective conclusions and suggestions as results of data analysis. The appendix of this report contains data organized in tables or charts that represent the base for our findings.

3. The profile of the respondent

Businessmen who were kind enough to fill in the questionnaire present the follow characteristics

- most of the respondents are *directors* (41%) in their companies, *graduated University* (51%) and activate in *services* area (39%)
- most of them have initiated their business because they *identified an opportunity* on the market and are involved in businesses *over 10 year* (43% of them)
- 37% of them started their business *by themselves*
- the businessman from the west side of the country appreciates that the sector of his activity is *continually growing* (62%); he finds necessary to develop the business' capacity to produce or offer services in order to satisfy the market requests.
- 55% stated that the *business is growing and they have an increasingly number of clients*
- among the information sources used in business most of the leaders rely on *previous education*
- approximately half of the respondents (48%) go to *every training program that they consider necessary and helpful for them*; as an average the last training program they took part in was 9 months ago.
- the subjects for a training program qualified as interesting are: *financial management* (52 persons out of 99 respondents), *sales management* (39 persons out of 99), *teamwork* (36 persons out of 99), *negotiations techniques* (35 persons out of 99) and *communication techniques* (34 persons out of 99); some of the respondents were interested in more than just one field.
- the training form considered suitable for 30% of the respondents is *series of seminars on a proposed schedule of topics* ; 49% of the respondents prefer *week-ends for seminars* (Friday after noon and Saturday)
- businessmen who attended seminars/training classes before, state they were *excellent organized* (49%) and 80% of them *have applied the learned concepts* in the day to day activity of their business
- of those who are willing to organize a seminar with their employees, 41% consider an *in-house training* to be the most efficient and suitable for their business
- the most important factor in decision making process concerning the participation to a seminar/ training class is *the subject of the seminar*
- a seminar qualified as a good one must contain firstly *practical parts*, also *case studies* and *theoretical part*; the materials the respondents would prefer to receive when attending a seminar are *detailed copies of the seminar's content* and *copies of the speaker's PowerPoint slides*
- most businessmen [86 out of 99] consider the seminar relevant if the speaker *is a businessperson who knows the way of doing things in Romania*
- among those who are willing to attend seminars 75% would pay between *30 and 50 Euro for a day of training*
- for a recorded seminar the best format is considered the *DVD video* (52%) ; the average price they offered is *23 euro per piece*; they prefer *to buy it when they attend such seminars/training classes*
- the most frequent problem businessmen are facing in their company is either *the lack of qualified personnel* or *the reduced motivation of employees*; among the respondents exists the openness to collaborate with a consultancy firm especially on problems of *sales, management and marketing*
- concerning the upcoming accession of Romania to the UE, most business people invest in their facilities in order to be more competitive, considering that most of Romanian companies will face a strong competition
- the areas in their company they wish to fortify, for the accession to UE, are: firstly the *general management of the company and quality standardization* (55 out of 99), followed by *marketing* (54 out of 99) and *sales* (45 out of 99)

II. THE ANALYSIS OF THE SPECIFIC INTERESTS AND RELEVANT CORRELATIONS

In terms of the company's evolution, we will perform an ample analysis, extending the area of connections with different aspects.

In accordance to the statistic findings, over *64% of the businesses are growing* and not even one of the businessmen, we interviewed, is considering to quit the industry. *32% of them evaluated the business as stagnant or going down* and the rest of 4% *offered another evaluation*.

For the beginning, we will focus on the connection between the *business evolution* and the *frequency of attending seminars/training classes*. We can observe the mutual relation between the positive evolution of the company and the attendance to every seminar considered necessary. The different connections between these two aspects can be observed in **table 1** "*The influence of business evolution on the attendance to training classes*" from the appendix 2.

Another direct connection exists between the *price considered reasonable* and the *business' condition*, the former aspect influencing the willingness to pay a higher price. At the opposite side are those whose business is stagnant which mean that they cannot afford to pay high prices, though the attendance at this kind of seminars is an investment and the positive results will not cease to reveal themselves. Below is **table 2** "*The influence of the business evolution on the price considered reasonable*"

q4	q29	30-50E	50-70E	70-100E	Another price	Total q4
Great business		36.5	11.5		4.5	52.5
Ok		11	1		1	13
Stagnant business		16	3.5	1	4	24.5
Awful		2				2
I'll quit						0
Another		1				1
total q29		66.5	16	1	9.5	93

Another important correlation exists between *the areas for which the businesspersons are open to work with a consultancy firm according to the business' performances*. Those with a growing /developed business consider prior the following fields: management (25 of 54), marketing (23 of 54) and sales (20 of 54). For those whose *business is facing difficulties* the areas of interest have another order: most of them (11) are interested in financial management, followed to an equal score (9 of 54) by general management and sales.

Everyone is wondering to what is due the success in running a business. The answer to this question is drawn from the findings of this study (which can be found in the appendix). In the top of the list, containing the information sources used in the running the business, is placed *previous education* (each source was given a certain weight) with 403 points, followed at only 79 points difference by the next option which is *reading books*. Businessmen also use and consider important: *seminars* (312 points), *newspapers/magazines* (299) and *training program* (298). This high level of interest in seminars and training classes represents a real opportunity. The other sources businessmen use in their companies and their importance can be observed in **figure 1** "*The primary sources used in running the business*".