The Contribution of Managers and Economist Engineers' Social Businesses in Reducing Unemployment in Romania

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Currently, the concepts of social exclusion and social inclusion are more and more often used in relation to the extension of the poverty phenomenon on the one hand and the themes of social policies on the other hand. However, poverty and social exclusion generate social vulnerable groups, to which the unemployed also belong. This paper looks at unemployment and migration from Romania as related to the necessity to generate the social businesses of managers and economists engineers through social entrepreneurship in insertion enterprises. Even though national regulations in this respect are at an initial stage, the purpose of our research is to suggest several solutions that would lead to increasing employment among persons belonging to the vulnerable group of the unemployed, at the same time restoring the human dignity of such people. Managers and economist engineers, due to the interdisciplinary professional abilities obtained as part of their initial training in faculties, would be capable of generating such social businesses, at the same time finding resources for them, making steps towards a new form of capitalism.

Keywords: social businesses, economist engineers, unemployed, social entrepreneurship, social economy law

Introduction

Fighting unemployment is one of the targets of actions against global poverty and social exclusion, aiming at restoring the human dignity of the unemployed in Romania and beyond. Answering positively to the essential duty of all economic and political systems, and to eradicate the concepts that led to the phenomenon of unemployment, managers and economist engineers in Romania can and must participate, through the social businesses they develop, to increase the number of jobs and employing persons without a job and other categories belonging to the social vulnerable group. Romania's economy and its national education system should accept Social Economy as separate discipline, connected to the economic and the political system and thus introduce the scientific discoveries in this domain both theoretically, through the university curriculum and practically in the social businesses developed by managers and economist engineers. At the same time, the presence of social inequality and inequity, but also the need to remove such negative social aspects, should also

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be accepted. Acknowledging the legitimization principle of these policies, at the level of social policies, is necessary in all poor countries with emergent or subsistent economic and political systems.

We shall approach the concept of “social business” given its importance in improving the lives of many people, which can be one of the most important social and economic tendencies in the contemporary world. As emphasized by Muhammad Yunus (2010): “Do our dreams seem impossible? If this is so, it means they can become reality only if we believe in them and act so as they might become real” (p. 12). The elements that characterize the measurement of the need for the social protection of the unemployed are the absence of incomes, insufficient consumption and a total lack of opportunities. Thus Preda (2007) has pointed out that: “The absences of income or insufficient consumption are just part of exclusion, i.e. the financial aspect, and responsibility amplifies as it aims at eliminating the causes/restrictions that exclude individuals’ access to resources” (p. 97). Managers and economist engineers acquire, during their initial and continuous education, professional and transversal competences, abilities in the culture of entrepreneurship as means of approaching social businesses, thus being able to answer the necessity for revision, presented in the international context, which is also very important for Romania, especially with regard to reducing unemployment. Therefore they become, as pointed out by Muhammad Yunus (2010) “creators of jobs, rather than jobs seekers” (p. 12). They manage to regard unemployment as an opportunity on which they may act and thus become entrepreneurs. Marius Ghenea (2011) has described the attitude of the entrepreneur who is confronted with a problem (unemployment) as “a problem that is regarded and approached as an opportunity on which they can act” (p. 42). However, it is also equally true that a manager or an economist engineer who starts a new social business, social enterprise or insertion enterprise assumes a significant responsibility, given the inherent risks of the situation. The major risk faced by such entrepreneurs is associated to the new character of such enterprises, based on people’s generosity and defined by Muhammad Yunus (2010) as “social business”. This model of business “aims at eliminating for good social, economic and environmental problems and reducing at the same time the consequences of many other problems humanity has been confronted with: starvation, homelessness, disease, pollution, lack of education” (p. 7), but they can represent “the fulfillment of a new form of capitalism and a new type of enterprise” (p. 7). In Romania it is quite difficult to present students with sophisticated economic theories as long as national economy has turned into a subsistence economy after the 90s, with very severe consequences upon society. The war against costs, especially those related to human resources, became a real ballet of multinational companies. Philipp Lopfe and Werner Vontobel (2013) associate this connection with the global ballet in the following way: “Once enterprises used to represent the pride of a region or of a nation. In the era of hyper globalization, they turned into supply chains for which the optimization of costs has become the main purpose. The company integrated vertically has become obsolete” (p. 34). In our opinion, this represents a catastrophe for both national economy and society.

So far we have approached the topic discussed here in the following published or ready-to be published papers: “Managers and Economist Engineers in the Development of the Social Economy” (Rada & Măgdoi, 2013); “The Initial and Ongoing Training of Economist Engineers as Human Resources of the Labor Market” (Măgdoi & Rada, 2013); “Managers and Economist Engineers between the Social Responsibility of Oil Corporations and the Development of Social Economy” (Măgdoi, Rada, & Maghiar, 2014); “Managers and Economist Engineers between Social Economy Development and Obtaining Profit” (Măgdoi & Rada, 2014); “Forms of Communication and Strategies adopted by Managers and Economist Engineers in the ‘BLACK SWAN’ Situation of Social Economy” (Rada & Măgdoi, 2016); “The Antifragile of Decisions

Adopted by Managers and Economist Engineers Working in the Sector of Vulnerable Groups' Social Economy" (Măgdoi & Rada, 2016). In essence, the current research differs from the others by the fact that it approaches the reduction of unemployment in Romania by the action of managers and economist engineers through the mechanism of social business entrepreneurship, even though, as pointed out by Mircea Alexiu (2013), currently there are only "tendencies in the study of social economy in Central and Eastern-European countries" (p. 16).

Literature in the field includes Romanian and foreign databases, interpretations, ideas developed, studies, reports that represent a substantial help in our approach: ("The Romanian National Institute of Statistics" (<http://www.insse.ro/cms/ro>, 2016); "European Commission—EUROSTAT Your key to European Statistics" (<http://ec.europa.eu/eurostat/web/main/home>, 2016) and specialized literature: "Building Social Business: The New Kind of Capitalism that Serves Humanity's Most Pressing Needs" (Yunus, 2010); "Reiche Mitis, Arme Bürger: Die unsoziale Kehrseite der maBlosen Unternehmensewinne" (Löpf & Vontobel, 2013); "Case Study Research. Desingn and Methods" (Yin, 2003); "The Price of Inequality: How Today' Divided Society Endangers Our Future" (Stiglitz, 2013); "Entrepreneurship—the Path from Ideas to Opportunities" (Ghenea, 2011); "The Social Economy of Vulnerable Groups" (Buzducea, coordinator, 2013); "The Romanian Social Policy between Poverty and Globalization" (Preda, 2007). Of course, we do not aim at an exhaustive use of research in the field, and we simply mention some sources we found useful.

The study hypothesis we have taken into account is: the primary variable: the existence of unemployment in Romania and the secondary variable: reducing unemployment in Romania by means of social businesses developed by managers and economist engineers. In this empirical study we shall build a research design that might lead us logically from the primary variable towards the secondary variable that would link empirical data to the initial questions to which we should find answers and the set of conclusions. As intermediary stages of the logical plan, "collecting and analyzing relevant data" (Yin, 2005, p. 73) will also be included.

Method

Case study, with its advantages and disadvantages, has been used as research method (Yin, 2005). We chose it because our initial questions were "how" and "why" and because we have a limited control on events and our intention is to reduce unemployment through the social businesses developed by managers and social engineers in Romania.

Study Questions

In accordance with Yin's recommendations (2005), our investigation will examine the empirical theme by means of a series of pre-established procedures.

The questions we shall attempt to answer are as follows:

- Why is unemployment such a severe problem in the Romanian society?
- How can the social businesses of managers and economist engineers reduce unemployment in Romania?
- Why should managers and economist engineers develop social businesses in order to reduce unemployment in Romania?

The first question relates to unemployment as a severe social problem and forms the first part of our research, the main variable, while the answers to the subsequent questions represent the results of our research, the secondary variable.

Hypothesis

The second component of the research design is the hypothesis, whereby we turn our attention to the existence of unemployment as a severe social problem, towards its conceptualization and towards key indicators that define unemployment in Romania.

The secondary variable is the second part of the hypothesis, practically the solution offered to the problem: the development of social businesses by managers and economist engineers. We attempt to emphasize why managers and economist engineers, in accordance with current good practice, should develop social businesses with the view of reducing unemployment.

Analysis Units

The following component of the research design (the third one) aims at the analysis units and, as indicated by Robert “is related to the fundamental problem of defining the case” (Yin, 2005, p. 37).

The primary analysis unit. The primary analysis unit is formed by the social businesses of managers and economist engineers: defining and initiating social businesses, good practices in initiating social businesses, distinguishing them from concepts such as: social businesses and corporatist social responsibility, social businesses and profit, social businesses and governments, social businesses as new forms of capitalism, the offer of social businesses, the social business of managers and economist engineers as ideas to be put into practice.

The analysis unit for the context. The following analysis unit is that of the context in which the case (unemployment) exists as a result of the post-industrial stage in Romania: the presence of social inequality and inequity, the need to eliminate them, lack of acceptance, at the level of social policies, of the principle for the legitimization of such policies, which is necessary in all poor countries with emergent or subsistent economic and political systems, a category in which Romania is included. This study aims to define the unemployed through relevant indicators and indices: aspects related to employment in Romania, the expansion of unemployment in Romania, the LIO (Labor International Office) unemployment rate, the unemployment rate in relation to the level of education in Romania, the LIO unemployment rate in terms of age groups, the evolution of the unemployment rate in Romania.

The embedded analysis unit. The embedded analysis unit presents the way in which managers and economist engineers can initiate, maintain, and develop social businesses with the view of reducing unemployment in Romania. This study defines the professional, transversal competences and abilities of economist engineers as well as their authority concerning personal studies and capacity to initiate, develop, and maintain social businesses.

Liking data to hypotheses. The fourth component of the research design is that of connecting data to hypotheses. It anticipates the data analysis stage. We shall follow the mixed model (Yin, 2005) in linking data to hypotheses. We have gathered data and information from documents, archives, direct observation, participative observation, respecting the three essential principles: “multiple sources of proofs (two or more sources converging towards the same findings), a database (the proofs gathered, not the final study report) and a logical succession of proofs (explicit connection between the collected data, the questions addressed and the conclusions reached)” (Yin, 2005). Data are analyzed by examining, classifying, and testing proofs, showing a special attention to all proofs, which are objectively presented, while we also demonstrate interest for exploiting alternative interpretations. We have been led logically to successively follow proofs that express explicit connections among the data collected, the questions raised, and the conclusions reached. The data

obtained from literature, the texts of different documents, direct observation of the social businesses of managers and economist engineers (definition and initiation of social businesses, good practices in initiating social businesses, separating them from other concepts—social businesses and corporatist social responsibility, social businesses and profit, social businesses and governments, social businesses as new forms of capitalism, the offer of social businesses, the social business of managers and economist engineers as ideas to be put into practice) will demonstrate the logical connection with the initial questions relating to the reduction of a severe social problem (the unemployment) and the means whereby managers and economist engineers can initiate, maintain, and develop social businesses.

Data obtained from proofs. (EUROSTAT documents, The Romanian National Institute of Statistics, texts of different documents, direct observation for counting the unemployed through relevant indices and indicators: aspects of job occupation in Romania, the expansion of unemployment in Romania, the LIO-Labor International Office-unemployment rate, the unemployment rate in relation to education level in Romania, the LIO unemployment rate on age groups) clearly demonstrate contextual connections between the severe social problem of unemployment in Romania, the possibility to diminish it through social businesses and the creators of such social businesses: managers and economist engineers.

With the view of reducing unemployment, our research aims to prove the capacity of managers and economist engineers, define their professional and transversal competences and the abilities of economist engineers and their authority to initiate, develop, and maintain social businesses. We can observe logical connections between the capability of managers and economist engineers to initiate and develop social businesses with the view of reducing unemployment in Romania.

The study hypothesis. The primary variable: The presence of unemployment as severe social problem in Romania. The secondary variable: Reducing unemployment by means of social businesses developed by managers and economist engineers.

Criteria for data interpretation. This last component of the research design anticipates the data analysis stage. After obtaining data through the strategies and the techniques chosen, we attempted to do a quality analysis, paying attention to all proofs. We have presented proofs objectively and demonstrated interest for exploring interpretations. We used combined criteria for interpreting findings, and logical models that “stipulate intentionally a complex sequence of events in time. These are included in repeated patterns cause-effect-cause-effect” (Yin, 2005). Thus, the dependent variable from an initial stage (“the existence of unemployment”) becomes an independent variable in a subsequent stage. “Reducing unemployment by means of the social businesses initiated by managers and economist engineers”. Using the logical model involves connecting the elements observed empirically.

Preliminary Theories

The importance of theories lies in treating the five components of the research design in relation to the theme of the study. The theory is elaborated before the data gathering stage, which makes this study different from other similar ones, which purposefully avoid specifying the theoretical hypotheses at the beginning of the investigation, a situation which can be mistaken for the case study, based on the idea that one can go directly to the data gathering stage (Yin, 2005). The following stage, of data gathering, can be approached only after understanding the studied object “creating relevant field connections, which depends on the understanding or the theory of the studied object” (Yin, 2005, p. 84).

By developing the theory that is an essential part of the case study, due to the fact that the purpose of the investigation is to propose a theory about the existence of unemployment, the case study will show how social businesses of managers and economist engineers will reduce unemployment in Romania. At the same time, the case study focuses on why managers and economist engineers should initiate, maintain, and develop social businesses, with the view of reducing unemployment in Romania, and what competences, abilities, and authorities they should gain in order to develop social businesses.

Previous to the case study, we have looked at the literature on the themes of conceptualization-theory and observed the presence of concepts relating to economy, social sciences, vulnerable social groups. Among them we can mention: unemployed persons, unemployment, social businesses, managers and economist engineers. However, we should point out here that each concept must be understood before drawing significant conclusions in relation to it. The problem of conceptualization is found at other authors: “the clarification of concepts is a continuous process in social research” (2009, p. 19). Of course, we know that there is an entire range of relevant potential theories for our study, and for this reason we shall rely on: (a) “Theories about individuals” (Yin, 2005, p. 50), in other words theories about the development of managers, economist engineers and the unemployed; (b) “Theories about groups” (Yin, 2005, p. 50), in other words about the vulnerable social group—the unemployed; (c) “Organizational theories”, such as theories about social businesses; (d) “Societal theories” (Yin, 2005, p. 50), for instance the unemployment as a result of poverty and social exclusion.

First we develop a theory from the primary analysis unit, i.e. the social businesses of managers and economist engineers. We start from the assumption that managers and economist engineers, besides their professional, transversal competences and authorities acquired through studies and practice, have the capacity to act, especially as social activists. In other words, they should not hesitate in assuming the social role required by human compassion in situations of devastating social problems, such as unemployment. As indicated by Muhammad Yunus (2010), the “best-known social entrepreneur and founder of Grameen Bank” (Ghenea, 2011, p. 62), winner of the Nobel Prize for Peace in 2006 and inventor of the social business concept: “As for me, the role assumed in that moment of crisis has turned into my calling. I gave up my academic position and founded a bank/a bank for the poor” (Yunus, 2010, p. 7). He started from an acute social problem of the local farmers and craftsmen, who were unable to access very small credits in order to pay their suppliers or develop their activity, and the idea of the social business (setting a bank for the poor) was the first step, and the last stage of the way is seen by Yunus as “the initiation and fulfillment of the idea of a new form of Capitalism and a new type of enterprise, based on the generosity of people and defined by myself as social business” (Yunus, 2010, p. 7). In our research, from the multitude of social problems in Romania we chose to focus on the unemployment, and the solution offered for its reduction is associated to the social businesses initiated, developed, and maintained by managers and economist engineers, capable to devise and put into practice this model of business, that would limit the social, economic, and environmental problem that affects the population of Romania and generate other negative outcomes: starvation, homelessness, disease, pollution, lack of education.

It is quite difficult to introduce to students of Economic Engineering, the future managers, the relevant economic concepts that would offer solutions to severe social problems in the absence of specialized courses. The students mentioned above should have the opportunity to understand, by attending the courses of Social Economy, how they can initiate, develop, and maintain social businesses, learn more about poor people and regions, understand the effort of those without resources to obtain the small amount of money they need daily.

These young students should be encouraged, taught, and helped to become “creators of jobs, not job seekers” (Yunus, 2010, p. 10). We should promote among these young people the idea of entrepreneurship and personal autonomy, not that of dependence from others. The concept of social business has gone through several stages, moving from one level to another, from micro-credits to the presentation of poverty as a phenomenon with multiple faces, as demonstrated by the author of the concept (Muhammad, 2010). Poverty has to be solved. “Poverty is a way of life. It has many faces. Therefore it should be approached from several directions and no approach is insignificant” (Yunus, 2010, p. 13). It is well-known that the great financial crises, such as the one from 2008-2009, are not the only problems that threaten humankind, they are accompanied by a food global crisis, an energy crisis, an environmental crisis, and a crisis associated with medical services. But the unstoppable crisis is the social and the economic one, generated by massive global poverty. Such crises are equally important and are connected to one another, as demonstrated by their simultaneity. We believe, together with Muhammad Yunus (2010) that “in fact, these crises are generated by the same source: a fundamental vice in our conception about capitalism” (Yunus, 2010, p. 13) and that the main error of the theory about capitalism can be a wrong representation of human nature. The persons involved in social businesses are presented as being driven by a single dimension of existence, the economic one, and their only purpose is to maximize their profits. This is a false theory, since people are not cash machines, and they are essentially multi-dimensional beings whose happiness depends on several factors, not only the desire to make money. However, the economic theory on business states that, in their economic activity, individuals follow their own interests and society will benefit most when each individual will be able to obtain individually his/her benefits, negating the role in people’s lives of political, social, spiritual, and cultural aspects. People are not only egotists, they are also altruistic and act in accordance with their own interests related to profit, but if they would act only to obtain profit, in society there would be only institutions conceived for generating maximum individual prosperity and there would be no schools, churches, hospitals, art museums, foundations, charity institutions, or non-profit organizations. But reality confirms that individuals are also driven by altruistic motivations. This fact is demonstrated by the presence of charity institutions supported by human generosity.

The concept of social business is based on this individual generosity. It is stimulated, in many countries by the fact that donors benefit from a reduction of taxes, in exchange for the donations. Unfortunately all government regulations, the educational system, and social structures are founded on egotistic motivations as well, these being the only “evils” that are worth paying attention to. We believe that time has come to change our perspectives, from our orientation towards profit, in which businesses invest huge resources of time, energy, money, towards changing our perspective upon the world of business and the understanding that there are two types of businesses, as indicated by Muhammad Yunus (2010) “some oriented towards obtaining personal benefits and some dedicated to helping others” (Yunus, 2010, p. 15). We shall focus on this second category in our approach, which includes businesses focused on creating benefits exclusively for others, not for their owners. These remain only with the satisfaction of having served people and having built their business on the altruist side of human nature. This component of business has been labeled by Muhammad Yunus (2010) as “social business” and represents, as indicated above, a component that is absent from both economic theory and practice.

Managers and economist engineers, after acquiring the necessary capacities, can become investors in social businesses, with the view of supporting the unemployed, without looking for gaining profit themselves. They have to be convinced that the social business is an authentic one and can generate enough benefits to

cover its costs and also support successfully its social side and when an economic surplus is obtained; it can extend business and generate savings that would cover possible risks. The social business of managers and economist engineers can function, just like any other company, according to the principle: “without losses, without dividends”, thus completely fulfilling its social objectives. For this purpose, managers and economist engineers should get free of their preconceived ideas according to which profit is the purpose of any business, ideas inoculated by traditional theories and economic practices. Instead, they may enjoy the idea of setting companies that aim at altruistic purposes. They have to know that the sources of money for their social business (an issue we intend to discuss in another paper) are multiple, for instance sums that are currently allocated to the philanthropic investments of small and large enterprises, from the sums allocated by all corporations with social responsibility title (they will see that the same social objectives are better attained by means of social business companies), the acts of charity on the part of many people who invest in social business, not only money, but also creativity, relationship abilities, new technologies, life experience, and any other resource necessary for creating social businesses that can change the lives of the unemployed.

The notion of social business is different from other frequently used concepts, such as “social enterprise”, “social entrepreneurship”, or “socially-responsible businesses” that, is indicated by Muhammad Yunus (2010) “refer to different types of companies, oriented towards the maximization of profit” (Yunus, 2010, p. 23), while the role of social businesses is to solve a social problem by methods specific to business, for instance the production and selling of products and services. The options for initiating and developing social businesses can be chosen by: (a) companies that function in accordance with the principle “without losses and without dividends”, having as objective the reduction of unemployment, in other words offering jobs for the unemployed, being held by managers and economist engineers who reinvest all their profit in the development and improvement of the business, or by (b) the other type of social business, i.e. companies oriented towards profit and held by unemployed poor persons. This last option is justified by the fact that the profit directed towards the poor (through their own social business) contributes to the reduction of poverty and implicitly of unemployment. This type is defined by Muhammad Yunus (2010) as being “type II of the social business. Grameen Bank is an example of such social business, held by the poor, who are both clients and depositors of the bank” (Yunus, 2010, pp. 23-24).

Social businesses are different from non-profit organizations since they have investors and owners, who do not benefit from profits, dividends, or other forms of financial profit. Those investors and owners can recover the sums invested in social businesses in a pre-established period of time, depending on their options, which is either very short (one or two years), or very long (50 years or more). However, if the sum recovered by the investor is higher than the initial investment, that business is no longer a social one. Muhammad Yunus (2010) formulated the seven principles that must be observed so as a social business might be operational:

- (1) the purpose of the business is that of eradicating poverty or solving one or several problems (in fields such as education, health services, new technologies, environment) that threaten people and society, not the maximization of profit;
- (2) the company must become sustainable from the financial and economic point of view;
- (3) investors get back only as much as they invested. No dividends are added to the sum invested initially;
- (4) after the investment is recovered by the investor, the profit is reinvested for the expansion and the improvement of the activity;
- (5) the company acts consciously as regards environmental issues;
- (6) the employees receive remunerations at the market level, benefiting from better working conditions than the standard ones;
- (7) all persons involved act with joy. (Yunus, 2010, p. 24).

The following theory is generated by the contextual analysis unit, namely the existence of the

socio-economic phenomenon (unemployment), defined by the Dictionary of economic words Romanian-English-French-Spanish as being: “the socio-economic phenomenon characteristic for the market economy, which is defined by the forced inactivity of a large number of employees, as a result of a lack of balance between demand and offer of jobs” (Vasilescu-coord, Dumbrăvescu, Burcea, & Niculescu, 2008, p. 441). It is a result of the post-industrial stage in Romania and is generated by the existence of inequality and inequity, which have to be removed, of a lack of acceptance, at the level of social policies, of the principle for the legitimization of such policies. It can be: “cyclical unemployment, caused by economic crises and other crises, specific to an unfavorable context” (Ibidem, p. 441); short-time working, “resulting from the reduction of the time for activity in a company” (Ibidem, p. 441); structural unemployment, “determined by economic, geographic, social restructuring, generated by the necessity to adjust social-economic activities to the requirements of the ethic program and the major restrictions to access to some production factors (for instance energy, some basic raw materials, etc.)” (Ibidem, pp. 441-442); technological unemployment, “resulting from the application of some new production methods, which determine reducing the number of employees” (Ibidem, p. 442); voluntary unemployment, “type of unemployment in developed countries, generated by high unemployment indemnity” (Ibidem, p. 442); unemployed workers, who are “persons apt of work but unable to find a job due to the absence of demand for workforce” (Ibidem, p. 442). Those who are affected by such social problems, the unemployed, must be described by relevant indices and indicators such as: aspects of occupation in Romania, the expansion of unemployment in Romania, the ILO unemployment rate, the unemployment rate in relation to education level in Romania, the ILO unemployment rate in terms of age groups and the evolution of the unemployment rate in Romania. According to the International Labor Office (ILO) and as mentioned in the Romanian Statistical Yearbook (2015), the unemployed are

persons aged between 15-74, who in the period referred to are characterized simultaneously by the following conditions: have no job and do no activity with the view of obtaining payment, are looking for a job, having used in the four weeks preceding the survey different active methods in order to find a job (registration to job occupation agencies or private agencies offering jobs, actions with the view of starting a new activity independently, posting announcements, asking for the help of friends, relatives, colleagues, trade unions, etc.) and are available to start work in the following two weeks if they found a job” (Yearly Statistical Report, 2015, p. 97).

The active population, from the economic point of view, includes “all the persons that provide workforce available for the production of goods and services during the reference period” (Statistical Report, 2015, p. 97), including the employed population and the unemployed. The occupation rate “represents the ratio between the employed population and the total population” (Yearly Statistical Report, 2015, p. 97). The rate of activity “represents the ratio between the active population and the total population aged 15-64, expressed as percentage” (Yearly Statistical Report, 2015, p. 97). The unemployment rate is “the ratio between the number of the unemployed, defined in accordance with the International Labor Office (ILO) criteria and the total active population, expressed as percentage” (Yearly Statistical Report, 2015, p. 97). Statistical data and the results concerning the level of such indicators, calculated with different periodicity and based on information from different sources, constituted the two series of data used in order to characterize unemployment in Romania, and are mentioned in the section referring to data gathering and will be analyzed in order to enable us draw the conclusions of the report in the section data analysis.

The theory related to the embedded analysis unit, i.e. the way in which managers and economist engineers have the capacity to initiate, develop, and maintain social businesses with the view of reducing unemployment

in Romania. Managers and economist engineers are specialists with higher education in the fundamental domain of engineering sciences and the field of engineering and management. In the initial period of their studies and continuous education, the economist engineers and implicitly managers acquire, as indicated by the National Register of Qualifications in Higher Education in Romania, professional competences such as: “Doing calculations, demonstrations and applications for solving specific tasks”, “Elaborating and interpreting the technical, economic and managerial documentation”, “Planning, programming and leading enterprises”, “Elaborating and evaluating technical, economic and financial fluxes at the business level”, “Technical and technological design of business processes”, “Business and processes leadership and control”, but also transversal competences such as: “The responsible application of principles, norms and values of professional ethics in performing professional tasks and the identification of objectives to be attained, of available resources and the subsequent risks”, “The identification of roles and responsibilities in a multi-disciplinary team and the application of relationship techniques and efficient work inside teams”, “The identification of opportunities for continuous formation and the efficient use, for the development of informational sources”.

The human abilities of managers and economist engineers are very important as such specialists are called to demonstrate the ability to understand and accept the quality of social activist, in other words they should never hesitate to assume the social role required by the necessity to solve a social problem (such as the unemployment). They should have the initiative to be able to tour, in certain situations, for small credits directed to the beginning of small commercial activities and find ways to help people return easier the sums lent, by instituting several simple rules. They should understand that, when things go wrong, there is an opportunity to re-project, revise, and rebuilt on the principle of inclusion. They should militate for the access of credits as part of human rights, as long as these services are vital for the self-financing of persons; believe in the creativity of human beings and understand that people are not born to suffer from starvation caused by poverty, and that when the poor will release their energy and creativity, the poverty will disappear. They have to be convinced that they can become involved in any activity that might contribute to reducing unemployment in agriculture, in the fields of rearing animals, fishing, non-conventional energy, information technology, education, weaving or manual carpenter skills, marketing services, personnel recruitment services, by starting social businesses. They have to understand the difference between businesses oriented towards profit, treated by the economic theory and practice and the social business where the investor aims at supporting others without retaining for himself financial earnings and at the same time is an authentic business that generates enough benefits to cover the costs and is able to create resources to support itself. Last but not least it should constantly participate to the formation of necessary abilities with the view of understanding and applying the principles of social businesses.

Proofs Gathering

Proof gathering has been based on literature in the field, documents, archives, direct observation, participative observation. Our attention is directed towards each source, respecting the principle of priority (a) multiple proofs sources (two or more sources, converging towards the same discoveries); (b) a data base (the set of gathered proofs, not the final study report); (c) a logical succession of proofs (explicit connections between the data collected, the questions addressed and the conclusions reached) (Yin, 2005, p. 122).

The Primary Analysis Unit: The Social Business of Managers and Economist Engineers

Definition. As compared to a common company, “a social company is projected so as to generate exclusively social benefits. No profit for investors is aimed at. Therefore, it manages to develop. It dedicates its

entire attention to social causes". (Yunus, 2010, p. 32).

Good practice. A good practice is not considered the combination of profit with social benefits, i.e. "do well while obtaining profit" (Yunus, 2010, p. 32), which pragmatically allows the expansion of the business model, on condition that this profit should remain at the company and "be used with the aim of increasing the quantity of social benefits it generates" (Yunus, 2010, p. 32). The social company is a new business model that does not exclude the classical business model, based on the maximization of profit, but involves the necessity to detach itself from the two models.

Social businesses contribute to the expansion of the market, offering new options for consumers, employers, and entrepreneurs, at the same time determining "businessmen to have in view certain social responsibilities" (Yunus, 2010, pp. 32-33). If concerned about a social problem, businessmen can contribute to its eradication, using the mechanism provided by the social business.

Another good practice is the exclusion of the profit or dividend payment, for reasons such as: it is immoral to obtain profit from other people's suffering, especially in the field of micro-credits. "Following the micro-credit model offered by Grameen Bank, many organizations throughout the world started to offer small credits to poor people" (Yunus, 2010, p. 33). Next, the exclusion of obtaining profit from the definition of social businesses is a pragmatic reason: "In difficult periods, profit will always come before social benefit". The third reason is a systemic one: "In order to eliminate prejudices, revise traditional economic structures and encourage new ways of thinking, it is necessary that social businesses should be created in the form of well-defined alternatives, separated from the world of business and charity programs" (Yunus, 2010, p. 32).

The Contextual Analysis Unit: Unemployment

In Figure 1, number of registered unemployed and unemployment rate and sex and area can be seen as the need to take measures to combat unemployment, which even if it appears to be declining, both the rate and the number of unemployed, could be eroded due to the migration of the working population.

Figure 1. Number of registered unemployed and unemployment rate. Source: Roman Statistical Yearbook 2015, p.

Table 1

*Population by Participation in Economic Activity, by Sex and Area**

	2009	2010	2011	2012	2013	2014
	Thou persons					
Economically active population						
Total	9,576	9,365	9,188	9,232	9,202	9,243
By sex						
Male	5,428	5,280	5,132	5,181	5,191	5,228
Female	4,148	4,085	4,056	4,051	4,011	4,015
By area						
Urban	5,102	5,048	5,057	5,037	5,022	5,078
Rural	4,474	4,317	4,131	4,195	4,180	4,165
Employment						
Total	8,952	8,713	8,528	8,605	8,549	8,614
By sex						
Male	5,030	4,881	4,734	4,800	4,791	4,844
Female	3,922	3,832	3,794	3,805	3,758	3,770
By area						
Urban	4,716	4,605	4,623	4,618	4,587	4,669
Rural	4,236	4,108	3,905	3,987	3,962	3,945
Unemployed**						
Total	624	652	660	627	653	629
By sex						
Male	398	399	398	341	400	384
Female	226	253	262	246	253	245
By area						
Urban	386	443	434	419	435	409
Rural	236	209	226	208	218	220
Percentage %						
Activity rate***						
Total	65.9	64.9	64.1	64.8	64.9	65.7
By sex						
Male	75.1	73.7	72.1	73.2	73.4	74.3
Female	56.7	56.2	56.1	56.4	56.3	56.9
By area						
Urban	63.8	63.5	63.9	64.1	64.5	65.8
Rural	68.9	66.8	64.4	65.8	65.5	65.5
Employment rate***						
Total	61.4	60.2	59.3	60.2	60.1	61.0
By sex						
Male	69.4	67.9	66.3	67.6	67.6	68.7
Female	53.4	52.5	52.3	52.8	52.5	53.3
By area						
Urban	58.9	57.9	58.4	58.7	58.9	60.5
Rural	64.8	63.3	60.5	62.2	61.8	61.7

Table 1 to be continued

Unemployment rate**						
Total	6.5	7.0	7.2	6.8	7.1	6.8
By sex						
Male	7.3	7.6	7.7	7.4	7.7	7.3
Female	5.4	6.2	6.5	6.1	6.3	6.1
By area						
Urban	7.6	8.8	8.6	8.3	8.7	8.1
Rural	5.3	4.8	5.5	5.0	5.2	5.3

Notes. * The series of data for the 2009-2014 period have been calculated according to the usual resident population by residence criteria, under the conditions of comparability with the final results of the Population and Housing Census—2011.

** According to the international definition (ILO = International Labour Office).

*** Calculated for working age population (15-64 years).

Source: Household Labour Force Survey (HLFS); Roman Statistical Yearbook 2015, p. 104.

Combating unemployment must be a target in the fight against global poverty, social exclusion, and the emergence of human dignity among the unemployed in Romania and beyond. Responding to the key debt, Romanian economic managers and engineers can and must participate in their social affairs in increasing the number of jobs, employing the unemployed and other categories of the socially vulnerable group.

The Embedded Analysis Unit: Managers and Economist Engineers

Studies. Higher education studies in the fundamental field: Engineering Sciences; Study field: Engineering and Management; Graduate studies program: Economic Engineering; Master studies program: Management and Communication in Engineering; Study level: graduate and master.

Name of qualification. Economic engineering.

Possible occupations, in accordance to COR and the National Register of Qualifications in Higher Education in Romania RNCIS. The occupations that can be accessed by economist engineers are: economist engineer (Code 244109), project manager (241919), economist adviser in commerce and marketing (244104); specialized referent in public administration (247004); specialized inspector in public administration (247003); Director assistant—higher education (241924); Teacher at intermediary school (on condition 30 credits of pedagogical training have been obtained) (232201); Shopping analysis/supplier consultant (244109); Faculty secretary (235901); Insurance inspector (241601); Fabrication programmer (241302); Production engineer (214409); Specialist in human resources (241216); Quality insurance engineer. Referent for quality insurance; Logistics engineer, Administrator (higher education); Human resources inspector (higher education); Human resources referent (higher education); Electronics engineer; Engineer in the energetic field; Engineer in the electrical field; Engineer for technical-economic evaluation.

Proofs Analysis and Conclusions

The analysis and examination of data presented in the section Data gathering shows that the population number is decreasing, especially the active population, while the number of the unemployed and the unemployment rate, though oscillating, continue to be high. However, it appears to be going down, but if we look at international migration in the case of Romania, shown in the Yearly Statistical Report 2015 (ISN, 2016, pp. 102-103), showing the change of residence, we can see that, in 2009, 247 thousand persons emigrated from Romania, of whom 106 thousand are men and 141 thousand are women; in 2010, 198 thousand persons

emigrated, of whom 86 thousand are men and 112.3 are women. In 2011, 196 thousand persons emigrated, of whom 87.4 are men and 108.1 are women. In 2012 the number of emigrants rose to 170.2 thousand people, of whom 70.2 thousand are men and 100 thousand are women. In 2013, 161.8 thousand persons emigrated, of whom 65.3 are men and 96.5 are women. In 2014, 184.6 thousand persons emigrated, of whom 79.7 are men and 104.9 are women. Therefore it can be seen that there are more women among the emigrants. The large majority of those emigrants are formed of the active population that did not find a job in Romania due to poverty and social exclusion, which leads to the conclusion that the number of the unemployed and the unemployment rate can be much higher.

By analyzing the concepts and the good practices of social business companies we can conclude that they are a business model that can surely limit unemployment in Romania by the involvement of the unemployed.

The analysis of capabilities acquired by managers and economist engineers shows that such categories of persons can initiate, develop, and maintain social business companies on condition that they will permanently improve their abilities.

Conclusion

- Romanian managers and economist engineers must initiate social businesses and involve the unemployed in their activities, with the view of limiting unemployment.
- The state must support such initiatives through start-up programs for social businesses.
- An IT platform for the management of the social business (organization, planning, coordination, control, motivation) should be created.
- The number of unemployed persons and the high unemployment rate, the exposure to high unemployment risk on the part of higher education graduates, migration to Romania and the limited job offer, very low GDP/capita as compared to different European Union states, very low income per capita can be regarded as opportunities for the social enterprises of managers and economist engineers.
- It is crucially important to define Social Economy as compulsory discipline in higher education, at all specializations and all education forms, in order to make graduates familiar with the real needs of a subsistence economy, in a country with rich natural resources that is nevertheless unable to value them for the well-being of society. Graduates should also be taught to become entrepreneurs—initiators of social businesses and “creators of jobs, rather than job seekers”.

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