Volunteering, A Skills Incubator for Future Organizations

Loredana Nicoleta Zainea

Doctoral School of Management, The Bucharest University of Economic Studies, Romania loredananicoleta.zainea@gmail.com

Sorin-George Toma Faculty of Business and Administration, University of Bucharest, Romania tomagsorin62@yahoo.com

Dragoş Tohănean Doctoral School of Business Administration, The Bucharest University of Economic Studies, Romania <u>tohanean_dragos@yahoo.com</u>

Abstract

Volunteering represents an opportunity to learn continuously, to gain new work skills, qualifications and competences. It increases people degree of adaptability to the future demands of the labor market, taking into account the permanent changes from the economic and technological environment. A proper approach of this activity can create various opportunities regarding mobility or/and the professional insertion capacity of young people, but also a thorough preparation for new business models.

The aims of the paper are to define the concept of volunteering and to show that volunteering, as a formal or informal learning method, can ensure a thorough preparation for the future organizations, by accumulating competitive advantages, professional skills and qualifications that meet the requirements of the labor market and facilitate the insertion into the labor market. The authors used a descriptive research method.

The paper highlights that there is a strong relationship between the people competencies and labor market requirements, and emphasize that formal education and volunteering are viable solutions that can mitigate the socio-economical risks caused by the transition to the economy based on knowledge. Also, it shows that volunteering can enable the labor market access, by accumulating professional competences, skills and qualifications.

Key words: volunteering, organizations of the future, labor market **J.E.L. classification**: B26, A13, L31

1. Introduction

The new technologies have a positive impact over the labor productivity and efficiency, although robotization and digitalization of work will result in significant structural changes in employment opportunities (Brynjolfsson *et al*, 2011). To cope with these great challenges, proper education and training are needed for all stakeholders involved to adapt to the new kinds of management, leadership and organizational culture (Kaivo-oja *et al*, 2017), in order to mitigate the risk of joblessness within the high-performing sector due to the absence of the necessary skills and competences. This process implies continuous learning and increase the level of creativity, social intelligence and entrepreneurial thinking (Werner *et al*, 2016) in order to diminish the pressure from technological, environmental and social changes.

O.E.C.D. (2019) estimates that 14% of existing jobs could disappear due to automation in the next 15-20 years, and another 32% are likely to change radically. The labor market will be influenced in the future by several factors such as the demographic changes, the transition to the

knowledge-based economy, the decline of traditional jobs, etc., which require a comprehensive study of the phenomenon in order to elaborate thorough forecasts.

Volunteering has a positive impact over personal development, civic engagement and active citizenship (Hankinson *et al*, 2005), integrates values such as solidarity or non-discrimination and contributes to the development of participatory democracy, and the promotion of human rights at the global level. There is a strong relationship between social inclusion and volunteering as it leads to solidarity between generations and promotes civic participation throughout the whole life. In this respect, volunteering is connected with other concepts such as social responsibility and corporate citizenship (Toma, 2008). This is why volunteering represents a means to promote dignity, self-satisfaction and respect, to contribute to the progress of society and to integrate this activity into the concept of decent work (ILO, 2011).

Due to the high economic competition and work digitalization, the specialists in the field have elaborated various studies to identify the necessary skills and competences for the employee to face the challenges of the future economy such as a higher need for flexibility, a remarkable intensification of work and a strong demand for lifelong learning (Harteis *et al*, 2014).

The aims of the paper are to define the concept of volunteering and to show that volunteering, as a formal or informal learning method, can ensure a thorough preparation for the future organizations, by accumulating competitive advantages, professional skills and qualifications that meet the requirements of the labor market and facilitate the insertion into the labor market. The structure of the paper is as follows: the second part deals with general aspects related to volunteering, education and the needed skills to increase the degree of employability. The third part shows two directions of action that can be followed in order to cope with challenges of the future economy. Conclusions are presented in the final part of the paper.

2. Literature review

The key term of the paper is volunteering. Volunteering has drawn the attention of the globally decision-makers, being considered a component of informal work (Table 1), an economic activity that generates economic benefits, especially in developing countries.

The term "volunteering" encompasses all forms of unpaid work performed by any person, in a formal or informal way, or on their own initiative, which contributes to a competitive European labor market, to the development of vocational education and training, as well as for increasing social solidarity (Law 78/2014, regarding the regulation of the volunteering activity in Romania).

No.	Definition	
1.	Any activity that involves spending time, unpaid, doing something that aims to benefit the environment or individuals or groups other than (or in addition to) close relatives (National Council for Voluntary Organisations, 2005).	
2.	It represents the work that a person does out of free will, that reaches out to invest time and service for the benefit of others or to a cause that is not profit-seeking, and for which there is no monetary or in-kind payment (Butcher, 2010).	
3.	It is an unpaid non-compulsory work, that is, time individuals give without pay to activities performed either through an organization or directly for others outside their own household (International Labour Office, 2011).	

Table no. 1. Volunteering definitions

Source: Authors' contribution

According to the definitions mentioned above, volunteering represents an activity with economic potential, but the work carried out is unpaid. It is not compulsory as people voluntarily get involved in this activity, without being constrained from a legal, institutional point of view, etc.

It is important to mention that there are two types of volunteering. The first one is represented by formal volunteering, where the people have a contract signed with host organization, in order to perform voluntary and fret ale of charge activities. At the end of the agreed contractual period, the volunteer will be awarded with a certificate to acknowledge his activity. The second one, informal volunteering, has no contractual relationship between the volunteer and the host organization. The volunteers are gathering spontaneously to help the people in need. (e.g. floods, earthquakes, etc.).

3. Education and competencies

The Europe 2020 strategy represented by the European Union's agenda for the current decade, related to jobs and economic growth potential, proposes a sustainable and inclusive growth, as a way to strengthen the economy and adapt its structure to the challenges of the next decade. Education is one of the key components of this strategy. The educational objectives are correlated with technological development and innovation, which contribute to a higher degree of employability, to new job creations that require high qualification and implicitly, the reduction of poverty.

Although, the technological development has always been the basis for human expressivity: to sustain self-realization, to raise self-esteem, to increase community bonds, and to create a better society (Zagalo *et al*, 2015). According to Crimson Education, Fast Company publication, Institute for the Future for Dell Technologies and Organization for Economic Cooperation and Development, the employees must focus and develop new competencies, in order to gain a competitive advantage in the future (Table 2).

No.	Competencies	Observations
1.	Creativity	Employers see the potential of the future employee and believe that it can add value to the company, while robots cannot think creatively.
2.	Interdisciplinary knowledge and cultural expression	In many cases, you work with foreigners in the workplace and it is necessary to be able to communicate in their language or in a language of international circulation, and to understand their cultural values.
3.	Adaptability	The ability to function, think and make decision flexibly within an organization, labor market, etc.
4.	S.M.A.C. (Social, Mobile, Analytic and Cloud)	A new concept related communicatively within a digitalized environment.
5.	S.T.E.M. (Science, Technology, Engineering and Mathematics)	This concept refers to the basic knowledge that must be learned in order to keep up with the global evolution.
6.	Taking responsibility: Considering the ethics of action	It refers to everything related to ethics, morality, common sense, or education.
7.	Resilience	The future can reserve us many "surprises" through the emergence of new types of businesses, mentalities, consumer skills that do not exist today, and the obstacles must be turn into opportunities.
8.	Critical thinking	It refers to the fact that the entrepreneur or the employee must make decisions that cannot be automated.
9.	Personal brand	It is related to the people advantage towards robots which doesn't posses and understand pshilosophy, arts, etc.

Table no. 2. New competencies for the jobs of the future

Source: Authors' contribution

Matching the workforce skills and qualifications with the employers' requirements is an essential condition for an efficient labor market.

Depending on the velocity and duration of the technological and demographic changes or economic-financial crises, organizations can register human and financial losses. In order to combat these threats, it is important to correlate the educational outcomes with the labor market requirements, which is one of the Europe 2020 key strategy.

4. Research methodology

The authors used a descriptive research method based on the official statistics from National Institute of Statistics from Romania and specialized literature gathered from numerous sources such as books and international journals found in various libraries and electronic databases. In 2017, the skills supply of the workforce corresponded largely with the demand existing in the labor market, indeed for low and medium level qualifications the supply exceeded the demand (Figure 1). The European Center for the Development of Vocational Training (C.E.D.E.F.O.P.) estimated that over 13 million high-performing jobs will be created, which require a higher level of qualification, while jobs that require a lower qualification will be lower down by almost 6 million, between 2017 and 2025.

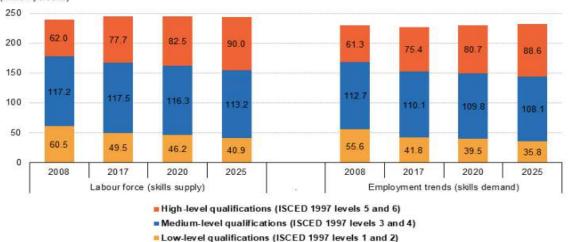


Figure no. 1. Employment trends and employment by qualification, EU-28, 2008, 2017, 2020 and 2025 (million persons)

C.E.D.E.F.O.P. forecasts indicate that until 2025, the supply of skills will grow slightly faster than the skills demand. Thus, it is expected that the supply, respectively the workforce share composed only from the ones that graduated the primary or secondary education, will decrease from 20.2% in 2017 to 16.8% in 2025. In the meantime, the demand, respectively the share of jobs for the people with qualifications of medium or low level, it will be lowered from 18.4% to 15.4%.

5. Findings - Necessary action directions related to skills training for organizations of the future

5.1. Formal education

The arts, historically significant landmarks, local celebrations and traditions, and the creative economy, all serve as prime cultural venues through which volunteerism may build cultural capital (Green *et al*, 2008).

As per Europe 2020 strategy shows, one of the key factors for economic growth and job creation is represented by education and training.

The main objective of the Europe 2020 strategy related to education is to reduce the share of early school leavers by less than 10% and increase the share of the population aged 30-34 with higher education by at least 40%. If successful, this action will have major impact increasing the employment rate from 69% to at least 75%, which is another strategic target.

Education and training represent a permanent concern of the decision-makers (Marinescu *et al*, 2018) and play an important role in the productivity growth process, innovation development, and also maintain a high competitiveness level. In the future, the minimum level of education desired

Source: (C.E.D.E.F.O.P, 2016)

for "European citizens" is higher in secondary education, while tertiary education offers highly qualified human capital, given its links with research and innovation (Figure 2).

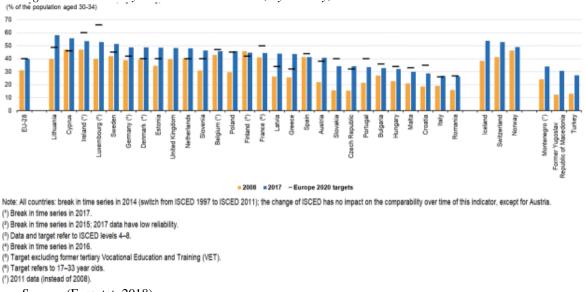


Figure no. 2. Tertiary educational attainment, by country, 2008 and 2017

Source: (Eurostat, 2018)

As can be seen, the increase in tertiary education levels at EU level is reflected in all member states, due to the investments made in higher education to meet the labor market requirements for a more skilled workforce, as well as shortening the degree programs after the implementation of Bologna process reforms in some countries. The European states established national targets for tertiary education between 26% (Italy) and 66% (Luxembourg).

In 2017, 19 countries from Central and Northern Europe exceeded the general objective set by the European Union, respectively 40% of tertiary graduates. In Eastern Europe, the strongest increases between 2008 and 2017 were recorded in Slovakia and the Czech Republic, while Romania registered a level of 27%.

5.2. Volunteering (formal and informal education)

The volume and value of volunteering are required to better understand the volume and characteristics of the participants in the labour market as well as the dynamics of the labour market, and to plan and implement labour market and other social policies (Young, 2007). Through volunteering people have the opportunity to strengthen and to apply their theoretical knowledge and technical skills. At business level, volunteering improves the reputational advantage and the, relational/networking opportunities, increases the chances of recruitment and provides new qualifications and capabilities (Loosemore *et al*, 2017).

Taking into consideration that volunteering is a worldwide spread concept, it should be promoted among citizens as a general value at society level. The carried out voluntary projects have a positive impact over various fields such as the social protection of human rights, medical, cultural, artistic, educational, scientific, religious, and philanthropic activities (Zainea *et al*, 2018). By using the gained knowledge and competencies, people can easily cope with the future challenges and requirements of the labor market.

Volunteering gives to the people the opportunity meet new people, to widen your circle of friends, to show compassion towards your peers, to promote personal ideas, to raise self-esteem and strengthen the civic spirit.

6. Conclusions

Volunteering teaches the citizens the way to react and to be prepared for the new requirements of the labor market, in order to make lifelong learning a component of their individual career. Volunteering promotes economic and social cohesion, social inclusion, solidarity between generations and has a major impact at the society level.

The paper shows that there is a strong relationship between people competencies and the labor market requirements, and emphasizes that formal education and volunteering are viable solutions that can mitigate the socio-economical risks caused by the transition to the economy based on knowledge. It also illustrates that volunteering represents an essential factor for individual and collective emancipation and plays a key role in people development as it is actively involved in the creation of social and human capital.

7. References

- Brynjolfsson, E. and McAfe, A., 2011. Race Against the Machine: How the Digital Revolution is Accelerating Innovation, Driving Productivity, and Irreversibly Transforming Employment and the Economy. Lexington.
- Butcher, J., 2010. *Mexican solidarity: Citizen participation and volunteering*. New York: Springer-Verlag.
- C.E.D.E.F.O.P, 2016. *Forecasting skill demand and supply*. [online] Available at: <<u>https://www.cedefop.europa.eu/en/events-and-projects/projects/forecasting-skill-demand-and-supply/data-visualisations></u> [Accessed 20 October 2019].
- Eurostat, 2018. *Tertiary educational attainment, by country, 2008 and 2017 (% of population aged 30 34).* [online] Available at: https://ec.europa.eu/eurostat/statistics-explained/images/1/1b/Tertiary_educational_attainment%2C_by_country%2C_2008_and_2017_%28%25_of_the_population_aged_30-34%29.png> [Accessed 23 October 2019].
- Fast Company, 2018. *The future of work: These are 5 super-skills you need for jobs of the future.* [online] Available at: https://www.fastcompany.com/40584248/these-are-the-5-super-skills-you-need-for-jobs-of-the-future> [Accessed 21 October 2019].
- Green, G.P. and Haines, A., 2008. *Asset Building and Community Development*. 2nd ed. Los Angeles: Sage Publications.
- Hankinson, P. and Rochester, C., 2005. The face and voice of volunteering: a suitable case for branding?, *International Journal of Nonprofit and Voluntary Sector Marketing*, 10(2).
- Harteis C. and Goller M., 2014. New Skills for New Jobs: Work Agency as a Necessary Condition for Successful Lifelong Learning. In: Halttunen T., Koivisto M., Billett S. (eds) *Promoting, Assessing, Recognizing and Certifying Lifelong Learning*. Lifelong Learning Book Series, (20). Springer, Dordrecht. [online] Available at: https://doi.org/10.1007/978-94-017-8694-2_3 C
- Institute for the Future for Dell Technologies, 2019. *Future of work: Forecasting emerging technologies' impact on work in the next era of human-machine partnerships*. [online] Available at: <<u>http://www.iftf.org/fileadmin/user_upload/images/ourwork/Tech_Horizons/realizing_2030_future_of_work_report_dell_technologies.pdf</u>> [Accessed 21 October 2019].
- International Labour Office, 2011. *Manual on the Measurement of Volunteer Work*. pp. 5-11. [online] Available at: https://www.ilo.org/wcmsp5/groups/public/---dgreports/----stat/documents/publication/wcms_162119.pdf> [Accessed 21 October 2019].
- Kaivo-oja, J., Roth, S. and Westerlund, L., 2017. Futures of robotics. Human work in digital transformation. *International Journal of Technology Management*, (73)4, p. 201.
- Loosemore, M. and Bridgeman, J., 2017. Corporate volunteering in the construction industry: motivations, costs and benefits. *Construction Management and Economics Journal*, 35 (10), pp. 641-653. [online] Available at: https://doi.org/10.1080/01446193.2017.1315150> [Accessed 19 October 2019].
- Marinescu, P., Toma, S-G. and Zainea, L., 2018. Management and the progress of society. PROCEEDINGS OF THE 12th INTERNATIONAL MANAGEMENT CONFERENCE, Bucharest, Romania. [online] Available at: http://conferinta.management.ase.ro/archives/2018/pdf/3_16.pdf [Accessed 121 October 2019].

- Na'ama, L. *Jobs in 2030: Skills You Need Now to Land the Jobs of the Future*. Crimson Education. [online] Available at: https://numberworksnwords.com/nz/blog/top-10-jobs-in-2030-skills-you-need-now-to-land-the-jobs-of-the-future/#.XZDnJS2B0aw> [Accessed 20 October 2019].
- National Council for Voluntary Organisations, 2005. *Volunteering: Compact Code of Good Practice*. London: Home Office.
- Organization for Economic Cooperation and Development, 2019. *Future of Education and Skills* 2030. [online] Available at: http://www.oecd.org/education/2030-project/teaching-and-learning/tearning/transformativecompetencies/Transformative_Competencies_for_2030_concept_note .pdf> [Accessed 21 October 2019].
- Organization for Economic Cooperation and Development, 2019. The future of work. *OECD Employment Outlook*, p. 3. [online] Available at: http://www.oecd.org/employment/E
- Toma, S.-G., 2008. Social responsibility and corporate citizenship in the 21th century. *Amfiteatru Economic*, 10(23), pp. 80-85.
- Werner, E., Holger, H., Ulf, R. and Verena, T., 2016. *How big is the gig? Assessing the preliminary evidence on the effects of digitalization on the labor market*. Institute for the Study of Labor (IZA) Policy Paper 117, Bonn. [online] Available at: http://hdl.handle.net/10419/162528> [Accessed 13 October 2019].
- Young, S., 2007. *Volunteer work and ILO*. Presentation at the Global Assembly on Measuring Civil Society and Volunteering, Bonn, Germany.
- Zagalo N. and Branco P., 2015. *The Creative Revolution That Is Changing the World*. In: Zagalo N., Branco P. (eds) Creativity in the Digital Age. Springer Series on Cultural Computing. London: Springer. [online] Available at: https://link.springer.com/chapter/10.1007%2F978-1-4471-6681-8_1 [Accessed 17 October 2019].
- Zainea, L. and Marinescu, P., 2018. The volunteer management projects in the context of the economic and financial crisis in the European space. *Strategii Manageriale*, 4(42), pp. 146–154. [online] Available at:

<http://www.strategiimanageriale.ro/images/images_site/categorii_articole/pdf_categorie_f674869d73 270b82caafc2a634fbfd76.pdf> [Accessed 11 October 2019].

- * * * Communication from the Commission Europe 2020. A strategy for smart, sustainable and inclusive growth. [online] Avalaible at: https://eurlex.europa.eu/LexUriServ.do?uri=COM:2010:2020:FIN:EN:PDF [Accessed 19 October 2019].
- * * * Law 78/2014, regarding the regulation of the volunteering activity in Romania. Art. 1 (2). [online] Available at: http://www.mmuncii.ro/j33/images/Documente/Legislatie/Asistenta-sociala-2018/Legea_78_2014_la_18-01-2018.pdf> [Accessed 21 October 2019].