Romanian Youth Enhancing Innovation Mindset and Organizational Change in the Business Environment

Andreea Maria Gabriela Militaru, Bogdan Fleacă, Corina Ionela Dumitrescu, Elena Fleacă
University Politehnica of Bucharest, Romania

andreea.militaru95@upb.ro
bogdan.fleaca@upb.ro
corina.dumitrescu@upb.ro
elena.fleaca@upb.ro

Abstract: This study explores how youth is involved and influence the business environment through their actions and practices. Many young people and youth organizations are framing a mindset to their members about openness to entrepreneurship, innovation, on the business environment. While these youngsters are learning and making efforts to collaborate with similar structures from the EU, most of the companies in Romania are not paying much attention to them. The number of youth organizations had an increased trend in recent years, more and more youngsters acting and interacting with the business environment. Entrepreneurship playing an important role in the changes in the business environment. Some organizational changes are happening within the business environment at the EU level, echoing also in Romania. The level of interest in innovation and entrepreneurship is high for youngsters forming non-governmental organizations, eager to create hubs of knowledge using EU-funded grants. The importance of studying this topic is vital to identify common characteristics, skills, and mindset of the young people involved in the organizational structures. The purpose of this paper is to discuss how Romanian youngsters are enhancing and recognizing the innovation mindset within their organizations and how they can impact the local business environment. Also, another point is to determine the organizational change in the business environment in Romania, impacted by the youth organizations. The methodology is based on primary and secondary data, analysing youth activities outputs and the approaches bringing change in the business environment in recent years. And on the other hand, studying how the business environment, firms, and companies are interacting with youth activities directly or indirectly. The study contributes to the literature review by highlighting local best practices implemented by youth and youth organizations to bring improvement to the business environment together with youth awareness for the business environment transformation.

Keywords: Youth, Innovation Mindset, Organizational Change, Business Environment

1. Introduction

Generation by generation, humanity is facing many challenges and as always, the young people are put into the spotlight, because as the stereotype goes, they represent the future. And the faith and hope of the old people is represented through them because they could change what the latter could not. But what happens when the young people are living in a time when a worldwide pandemic hits, or there are impactful natural disasters, or political disputes involving physical attacks in a time span shorter than 3 years? All over the world, there are local events which affect the world we know now and transforms bit by bit the future. In this case, youth must also adapt, maybe faster than nation’s policy makers. Their behaviour and knowledge must coincide with the business environment demand and reactions.

The business environments face technological advancements faster than ever, markets and economies changing as well. Digital competence and soft skills are essential, this is why the topic of this article, analysing the youth innovation mindset in Romania and EU, is useful.

This paper tries to offer a perspective about Romanian youth and its innovation mindset. The past few years have been rather complicated for Romania. The economy was shaken by the pandemic and by the nearby border conflicts, hence increased inflation and changing business environment are the two most obvious effects. In this context, the innovation and entrepreneurial mindset could come useful for the youth decision makers.

The objective of this paper is to offer empirical research about the Romanian youth mindset and how it is recognised by youth. The main framework of the innovation mindset indicators for this research was depicted from The Entrepreneurship Competence Framework by Bacigalupo et. all (2016).

This year, the EU established a focus on digital competence and upskilling using the green and digital opportunities developed within the Union, labelling the year as the European Year of Skills (EU, 2023). This is highlighting the importance of youth knowledge and specialisation at the local level.

The current study investigates main aspects on the Romanian youth innovation mindset and organisational change in the business environment covering the following chapters: introduction, literature review,
2. Literature Review

Youth mindset is evolving taking different turns, the young generations have different competence and skills when applying them to the business environment. Human inputs have enhanced and brought novelty and improvement to society, not only through the technological advancement, but also through the mindset in coexisting to that. There is no perfect recipe that has been used to improve the business environment, but rather an adaptation to the evolution in time.

Whether the youth involvement in society has an impact over the business environment, and if innovation mindset helps, this is a topic important to tackle. The competence and abilities of the Romanian youth have an impact over the business environment dynamics; therefore, this study wants to show how Romanian youth uses the innovation mindset to show involvement in the society and their inputs for a better experience at the workplace.

2.1 Innovation mindset

The OLSO Manual is defining the innovation as the “implementation of a new or significantly improved product/process, a new organisational method in business practices…”. The notion of discovering something new or improving something, needs creativity, problem solving and thinking outside the box, this represents the process of innovation itself. Therefore, to develop skills, competence and mindset is part of the process. All the skills and competence shaping an entrepreneurial profile are also used to develop an innovation mindset (Sweeney, 2015).

According to Paxton (2015), the mindset is comprised by a mixture of beliefs, feelings, values, and attitudes. All these offer guidance towards decision making, contributing to the innovation process. The human mindset is the one keeping boundaries, closer or farther, for understanding and adapting in different context, nurturing transformation, and evolution.

From the psychological point of view there are two types of mindsets, the fixed one and the growth one. The fixed mindset is synonymous to traits and talent which are fixed and unchangeable over time. While the growth mindset offers a thirst for the unknown, seeing and seizing the opportunity to growth. According to Catherine Cote (2022), the growth mindset brings out positive traits for an entrepreneur, from fostering resilience to humbleness and adaptation to move to different fields of work.

Nowadays, youth is facing many challenges and maintaining a growth mindset gives the opportunity to learn new things constantly, supporting disruptive solutions and enhancing innovation.

One of the youth characteristics which fosters the growth mindset is creative collaboration. This ability can come in had when doing tasks and projects, at school, or while volunteering or even working. This creative collaboration involves working remotely and finding solutions to not get bored easily. This concept of creative collaboration it represents already a change in the traditional paradigm, an organisational change brought into light by the pandemic times. Another characteristic is design thinking which fosters willingness to learn and test new ideas, communication, and flexibility (Kahn, 2018).

Following the traditional types of learning which are known and used in Romania, as well as in the EU, the formal, non-formal and informal learning have different impact over the life of the youngsters.

In Romania, the formal education is represented by the education system, which timidly started to offer students the possibility to stimulate innovation skills, however, sometimes it fails due to lack of discipline and commitment.

Another formal education environment is the workplace, however depending on the age when the youngster starts the job and depending on the organisational culture and values, the growth mindset is achieved sooner or later.

An important framework for learning which contributes to the innovation mindset is the non-formal learning. From individual participation in competitions/contests, to Erasmus+ experience and volunteering activities, over
all extracurricular activities, all these bring an added value to the skills and competence, enhancing the young people to activities that get them out of their comfort zone, building their innovation mindset. In this moment, these non-formal learning activities represent the most accessible free option of youth to achieve an innovation mindset.

The volunteering activities are an alternative for the youngsters to gather skills and competence before entering the job market, the volunteering experience is one of the most complex way to acquire the innovation mindset, bringing experience and entrepreneurship competence for the tomorrow’s professional.

According to Guide for the Recognition of Competence Acquired Through Volunteering (2011), volunteering is a community activity carried out by any person on his own initiative, offering his time, skills, and time for the benefit of others, usually with a scope and within an organisation, without receiving a material consideration. The activity can be carried out in areas such as: social services, protection of human rights, education, culture, scientific, humanitarian, religious, philanthropic, sports, environmental protection and so on.

According to FutVol (2017), there are 14 key abilities emerged from volunteering, from conflict resolution, critical thinking, problem solving, respect, communication, empathy and altruism, intercultural understanding, digital competence, teamwork, taking initiative, organisational skills, up to time management and adaptability. All the previous abilities emphasised for volunteering are relevant for the entrepreneurial and innovation competence.

This is why for the empirical analysis of this paper all these aspects were taken into consideration when building the survey structure.

2.2 Youth profile EU and Romania

According to EU framework the individuals between 15 and 29 years old are considered young people. In 2021 were approximately 73 million young people aged 15-29. And in Romania, the national average is slightly under the EU average with only 16% share of young people from a total population of approximatively 19 million inhabitants, in 2021. (EU, 2022)

Besides the importance of having a wider pool of young people, it is also important to understand the formal study and employment trends during and after the pandemic.

A bit under half of young people in the EU were employed and 5.9 % of them were self-employed. According to OECD, the self-employment young people’s rate last year was between 3,4% in Germany, and up to 16.4% in Greece. And on the other hand, the share of young people not involved in any type of activity of employment, education, or training (NEET) is at the lowest in the Netherlands with 7.4%, and at the highest in Italy with 26%. There is no relevant statistic indicator about this topic for Romania.

According to the Romanian National Statistics Institute, in the 16-24 age group, no less than 24% of young people were unemployed at the end of 2022. And approximately 20% of the young people (15-29) are NEET.

According to Konle-Seidl and Picarella (2021) young people have been affected disproportionately by the pandemic. The nations were advised to implement mental health initiatives in educational settings to combat the pandemic effects.

All in all, the pandemic passed through, and the pandemic is over, the youth is still affected by the rapid changes. The adaptive learning process must continue, and policy makers should focus on improving the innovation skills in youth.

Youth organisations are helping youth to gain innovation competence and soft skills needed by the business environment. EU is giving the opportunity to youth organisations like the ones briefly mentioned below to use grants to develop digital, entrepreneurial skills and hubs of knowledge. The Erasmus+ programme is one of the frameworks offering grants with this scope. These three organisations have stakeholders from the business environment and provide volunteering opportunities.

GEYC

Group of the European Group of Change (GEYC, 2023) was founded in 2010 and stands out with the many initiatives and projects they have for youth. They want to empower young people to create a positive change in their communities. The target youth, youth workers and teachers to join their activities. The event SMARTERAcademy reached the 6th edition, starting in 2014, this is one of the many initiatives that brings youth,
the aim is to foster the mindset of social entrepreneur, to give necessary knowledge to make a change in the local level, thus developing young people capable of identifying the social needs around them and creating solutions for them. GEYC has a community of over 3000 young people, and it is continuously increasing.

AIESEC Romania

Association Internationale des Étudiants en Sciences Économiques et Commerciales (International Students Association of Economical and Commercial Sciences) in Romania was founded in 1990 (AIESEC, 2023). Being considered the first youth NGO in Romania. The aim of AIESEC is to develop the leadership qualities of youth through experiences. The experience are opportunities for personal development, facilitating international exchange programs, local volunteering, and events. Nowadays AIESEC is a global platform for young people to explore and develop their leadership potential.

ESN Romania

Erasmus Student Network (ESN) Romania was founded in 2004, when the section from Cluj-Napoca was accepted within the international network. Today ESN Romania has 14 local sections in 12 cities. The organisation has approximately 400 volunteers providing help to approximately 3500 international students who come to Romania each year. ESN believes in helping international students integrate and is providing opportunities for cultural understanding and self-development for students of Romania and not only (ESN, 2023).

3. Research Methodology

The methodology of this study is focused on two types of analysis, primary research and a secondary one. The primary research is based on a survey constructed in three sections applied on 55 young people. The secondary study is built on statistics and knowledge gathered from reports, scientific articles, guidelines, and other sources.

The authors conducted a pilot study concerning the profile of young people with innovative mindset and their interactions with the business environment. The topic of skills and adaptability nowadays is very important for the business environment.

The main variables shaping the questionnaire are linked with other studies emphasising the entrepreneurial and innovation competence and the extracurricular activities with emphasis on the volunteering aspects, which might influence the mindset. In table 1 are presented the research objectives and the operational variables.

<table>
<thead>
<tr>
<th>Research objectives</th>
<th>Research variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>O1. Defining the youth innovation mindset and capacity.</td>
<td>Common extra-curricular activities</td>
</tr>
<tr>
<td></td>
<td>Volunteering involvement (type, purpose, department, period)</td>
</tr>
<tr>
<td></td>
<td>Job organisation profile</td>
</tr>
<tr>
<td></td>
<td>Organisation field</td>
</tr>
<tr>
<td></td>
<td>Activity (department) type</td>
</tr>
<tr>
<td></td>
<td>Average number of employees</td>
</tr>
<tr>
<td></td>
<td>Role within the workplace</td>
</tr>
<tr>
<td></td>
<td>Entrepreneurial intention</td>
</tr>
<tr>
<td></td>
<td>Work experience</td>
</tr>
<tr>
<td></td>
<td>Openness to hire young people</td>
</tr>
<tr>
<td>O2. Understanding the ways of interaction of youth with the business environment, the level of involvement and competence</td>
<td>Workplace mindset</td>
</tr>
<tr>
<td></td>
<td>Ideas and opportunity</td>
</tr>
<tr>
<td></td>
<td>Resource</td>
</tr>
<tr>
<td></td>
<td>Into action</td>
</tr>
<tr>
<td>O3. Defining the demographic respondent’s profile.</td>
<td>Age</td>
</tr>
<tr>
<td></td>
<td>Gender</td>
</tr>
<tr>
<td></td>
<td>City of residence</td>
</tr>
<tr>
<td></td>
<td>Level of education (year, ongoing studies)</td>
</tr>
</tbody>
</table>

Source: authors’ structure depicted from the literature review analysis.
The primary research was carried out on a sample of people between the age of 20 and 30, covering a wide range of workplaces within different industries and different education levels. All respondents agreed to give their permission for the research team to use the data for research purposes only. The results were used for statistical measurements and analysis.

The applied questionnaire was structured in three parts covering 27 mandatory closed questions and one non-mandatory open question. The first part was focused on identifying the importance and involvement in extracurricular activities for young people. This part was formed of 9 questions covering the variables mentioned in Table 1. The second part structured in 12 questions covered the connection of youth with the business environment and innovation mindset. The third part of the questionnaire involved general descriptors about the respondents, their profile regarding age, gender, and level of education.

The survey variables are using the scales as follows: 20 questions using the nominal scale and the rest using interval scale, and one using ratio scale. The interpretation and graphical elements were made in PSPP, Microsoft Excel and Google Forms. Figure 1 shows an extract from the variable database in PSPP, an open-source statistical instrument.

![Figure 1: PSPP variables database](source: authors’ structure depicted from the literature review analysis.)

### 4. Results and findings

The first step into the survey was to understand the involvement level in activities that would extend innovation competence and skills. This point can be related to the demographic profile. The pilot study was focused on two main age intervals 20-24 years old and 25-30 years within 55 responses, as it can be depicted from Figure 2. The interval 15-19 was not taken into consideration because there were no relevant responses. Over 80% of the respondents are from Bucharest, and the rest are from other cities of Romania.
Figure 2: Age-Gender distribution

The two age intervals are related to the peak of education in Romania and common to the interval in which youngsters enter university and start preparing their professional activity.

In the first section several useful percentages were identified, for example over 70% of the participants at this survey are still studying in a private or public form of education, only one respondent of 40 is participating in a private form of education. Then the highest participation in non-formal activities were courses and workshops related to the individual interest, the contests and competitions and the internships together with the volunteering activities among the top four out of nine main activities.

Regarding the volunteering aspect, the most relevant volunteering activities were the ones at local level, inside Romania, only a small percentage of the respondents were involved in international volunteering activities, about 20% of the respondents did no volunteering at all until the moment of this survey completion.

From the rest of 80% of the respondents who carried out volunteering activities, 27.3% did volunteering between three and four years, 16.4% carried volunteering activities for up to one year and 16% said that they are carrying volunteering activities for more than five years, as presented below in Figure 3.

Figure 3: The distribution of time for volunteering involvement

Regarding the purpose of the volunteering and main areas, there was extracted from the literature review seven types of areas. Soomro et al (2015) studied these seven types of general services (educational, medical, welfare services), emergency services (ambulance, fire department, movements), environmental issues, recreational volunteering (sports, philanthropic, international), political, religious/faith and imposed volunteering. The respondents were asked to choose a maximum of three out of the seven areas which were representative of their experience. The top three young people’s preferences with 87% were the general services, recreational volunteering, and the environmental issues.

In Figure 4 is presented an overview, in descending percentage order of the variables describing the organisations profiles depicted from the respondents. The 55 young people representatives covered the
following organisation types: corporations (66%), SME (16%), state institutions (10%) and non-governmental organisations (8%).

Figure 4: The organisations profile where the young people are working.

Besides setting the profile of the youngsters several correlations between the variables are presented, emphasising the data gather and the results.

While correlating the fact that a young person owns a business with the involvement in non-formal learning, it can be concluded that while the number of respondents is quite small, only 7.27% declared that they own a business, the respondents who declare that they own a business also confirmed that they were decision makers within their volunteering experience. The table 2 shows the crosstab analysis between the two variables.

Table 2: Crosstab Owning a business and Decision Maker volunteering activities variables.

<table>
<thead>
<tr>
<th>Do you own a business</th>
<th>Have you been a decision maker in your volunteering/extracurricular activities?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NO</td>
</tr>
<tr>
<td>-----------------------</td>
<td>----</td>
</tr>
<tr>
<td>Do you own a business</td>
<td>NO</td>
</tr>
<tr>
<td></td>
<td>Row %</td>
</tr>
<tr>
<td></td>
<td>Column %</td>
</tr>
<tr>
<td></td>
<td>Total %</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>1</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Row %</td>
<td>25.0%</td>
<td>75.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td></td>
<td>Column %</td>
<td>4.2%</td>
<td>9.7%</td>
<td>7.3%</td>
</tr>
<tr>
<td></td>
<td>Total %</td>
<td>1.8%</td>
<td>5.5%</td>
<td>7.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total</th>
<th>Count</th>
<th>24</th>
<th>31</th>
<th>55</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Row %</td>
<td>43.6%</td>
<td>56.4%</td>
<td>100.0%</td>
</tr>
<tr>
<td></td>
<td>Column %</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td></td>
<td>Total %</td>
<td>43.6%</td>
<td>56.4%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: authors’ structure depicted from the literature review analysis.

Even though almost 70% of the respondents declared that they were volunteers for a period longer than 1 year, just over 65% from the respondents had a job at the moment of the survey completion in April 2023, and approximatively 20% was looking for one. Hence there might be a relation between the two variables. Also for a better understanding in Table 3, a Pearson correlation was realised, and can be deducted that between the three variables taken into consideration for the correlation: time spent to do volunteering, number of jobs changed by now and current role, there is a small degree of corelation.

Table 3: Pearson correlation duration volunteering activities/number of jobs/role

<table>
<thead>
<tr>
<th>Pearson Correlation</th>
<th>V1. Duration of volunteering activities</th>
<th>V2. Current role within your organisation</th>
<th>V3. Number of jobs by now</th>
</tr>
</thead>
<tbody>
<tr>
<td>V1</td>
<td>1.0</td>
<td>0.109</td>
<td>0.70</td>
</tr>
<tr>
<td>V2</td>
<td>0.109</td>
<td>1.0</td>
<td>0.240</td>
</tr>
<tr>
<td>V3</td>
<td>0.070</td>
<td>0.240</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Source: authors’ structure depicted from the literature review analysis.
Regarding the impact of extracurricular and study experiences, the respondents recognise that they were positively impacted by both, as seen in Figure 5.

Another point tackled was how open is the business environment to hire youth and how they attract them. Almost 90% of the respondents stated that their companies have an open culture and prefer to hire young people. The most preferred ways to reach young people are participation at job fairs, short-term internship offers, financial incentives and grants.

![Figure 5: Distribution of education versus extra-curricular impact at the workplace](image)

Regarding the innovation mindset acquired by the youth during their formation years, the respondents were asked in the questionnaire if they agree with statements related to the innovation competence. These statements were depicted from the EntreComp: The Entrepreneurship Competence Framework, a study from 2016, conducted within the EU JRC Science Hub (Bacigalupo et al., 2016) and adapted to the methodology of the study. Depicted were the ones which expressed the innovation and growth, highlighting the contribution of the young people to the development of their specific field of study and work.

The statements covered all three innovation competence areas which are tightly connected, as mentioned in Figure 6, in the conceptual map. There were 30 statements covering Ideas & Opportunities, Resources and Into Action, for each statement a scale of five levels was applied: Strongly Agree/Disagree, Agree/Disagree and the Neutral attitude.

![Figure 6: Innovation attitude and mindset conceptual map](image)

According to the EntreComp Progression Model and to the respondents, 35% of the youth consider they are still building the independence, and another 35% are taking responsibilities, as presented below in Table 4.

<table>
<thead>
<tr>
<th>Table 4: Adapted EntreComp Progression Model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Foundation</strong></td>
</tr>
<tr>
<td>Relying on support from others</td>
</tr>
<tr>
<td>16% respondents</td>
</tr>
</tbody>
</table>
Andreea Maria Gabriela Militaru et al

As main finding can be said that volunteering work is important for acquiring useful skills and competence for the job market, and it is impacting the innovation mindset. Figure 7 is reinforcing the Progression Model, here the respondents seem to agree that they take the responsibility, and they are closer to driving transformation and innovation at their workplace.

![Figure 7: Average Distribution of answers Innovation Mindset Statements](image)

Youth can bring change within an organisation with the skills and competence acquired during the study years. Though the number of years of volunteering is not strong related to the present role at the workplace, the skills do count for their experience.

Even though the sample was small, the insights are intriguing. The Romanian youth agrees with the fact that formal knowledge and work experience are impacting positively their career and long-term prospects, but they do not feel prepared to be make changes at their workplace. They prefer to do their tasks at work following guidelines and getting help from peers.

The number of years of volunteering experience raises the confidence of the youth and bring added value to the workplace. And the work position in most cases is not related to the volunteering topic or hobbies of the respondents. The entrepreneurial spirit is not emphasised enough, because only 8% of the respondents own a business.

5. Conclusions

The young people possessing entrepreneurial-innovation mindset, usually are the ones with competence gained from the studies done individually and doing non-formal learning they have done without being confined by the society, they are the ones curious and courageous enough to get out of their comfort zone.

Living nowadays, in an era where technology achieved a speed of development hard to keep up by most of the people, means to create new patterns of thought. Even though resistance to change is a natural part of the process, the same is innovation and creativity. In the case of the Romanian youth, the majority is trying to survive and get a job, only a few make efforts to thrive and change the workplace.

Even though the sample from this study could not be representative for all young people, the results can still be applied. Yes, the research is quite restrictive, therefore a broad analysis can be developed in future research. Using the framework from EntreComp brought extra value to the article and to the survey variables. For the analysis of the primary data PSPP was used as primary tool.

One of the limits of this paper was the sample, only 55 respondents. Also gathering relevant data from the 15-19 years old youngsters could bring forward improvements on the research.

Another limit was the questionnaire structure, being a pilot study, this first version can be improved through iteration. One last limitation can be connected to the lack of literature review on the topic, there are several highlighting the innovation mindset in companies but not related to the skills and competence of young people.
The topic of innovation mindset is quite extensive to cover. This research contributed to the topic scratching the surface about youth in Romania, regarding skills and involvement in the business environment.

Future directions of research: iteration of similar research, analysis of skills acquired depending on the non-formal learning, decision making barriers for innovative mindset and potential comparison between organisational culture in different existent industries in Romania.

References

EU (2022), Young people in Europe a statistical summary 2022. (n.d.), https://doi.org/10.2785/684958
OECD (2023), Youth not in employment, education or training (NEET) (indicator). doi: 10.1787/72d1033a-en (Accessed on 01 April 2023)
OECD (2023), Young self-employed (indicator). doi: 10.1787/5a1c49a1-en (Accessed on 01 April 2023)