

Romania's Labour Market: Challenges and Opportunities for Businesses

Valuable insights into the Romanian job market, business and legal landscape, and tax system were offered at the webinar titled *Focus on Romania: Economic, Investment, and Recruitment Opportunities*.

Organised by CT Executive Search and STALFORT.Legal.Tax.Audit, and supported by AHK Romania, it shed more light on current business opportunities, HR Trends and status quo regarding the country's employment and tax laws.

Sebastian Metz, General Manager, <u>AHK Romania</u> gave an update on the German-Romanian economic relations, highlighting the current opportunities for German companies. He pointed out that German companies continue to expand their operations in the region.

Christian Tegethoff, Managing Director, <u>CT Executive Search</u> spoke about the <u>HR trends</u>, highlighting skills shortages, particularly in the IT sector, and the challenges of finding suitable candidates, weighing local versus expatriate managers. Quoting figures, he said that the average monthly salary in Romania is \leq 1,716, with IT professionals earning an average of \leq 3,100. He then pointed out that the shortage of skilled workers is fueled by migration, demographic decline, and the level of education.

"Finding the right executives can be challenging" – commented Mr. Tegethoff, who then recommended a targeted approach, preferably with the help of a reputable executive search company like CT Executive Search, rather than relying on job advertisements.

Christian Weident, Lawyer, Managing Partner Legal and **Adina Zdru**, Tax Advisor RO, Managing Partner Tax, <u>STALFORT Legal.Tax.Audit</u> then proceeded to give an overview of the recent developments in <u>employment</u> and <u>tax</u> laws. Mr. Weident spoke about the minimum wage, noting its significant increase, and the new legislation that aims to strengthen collective bargaining. Ms. Zdru then spoke at length about the significant changes to the tax code, affecting, among others the VAT rate and taxation of some legal entities.

All speakers said that Romania remains an attractive destination for businesses, with German companies being particularly popular employers.

"Given Romania's highly skilled workforce, strategic location, and favorable business conditions, it remains attractive to European companies. Romania's moderate tax environment and flexible labor laws further enhance its attractiveness as a hub for international business expansion and leadership talent acquisition. At CT Executive Search we continue to work closely with businesses to identify top management talent, while helping develop HR strategies that prioritize recruitment, retention, and talent development. We tailor HR solutions to meet each of our client's specific needs." – says Christian Tegethoff, Managing Director and Founder, CT Executive Search

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