

# Training and identification of re-skilling programs design and implementation to avoid skills mismatch and promote efficient HR use

Ana-Maria Zamfir,  
National Scientific Research Institute for Labour  
and Social Protection

# Introduction

- Authorities and companies need to have a clear picture not only of how labour markets and economies are changing, but also of the extent to which their citizens / employees are equipped with the **skills** demanded

- For fostering the *decision making process*:

- The need of having comparable statistics in the field of vocational training
- The need of having relevant statistics on:
  - skill needs
  - skills proficiency
  - skills use
  - skill mismatch



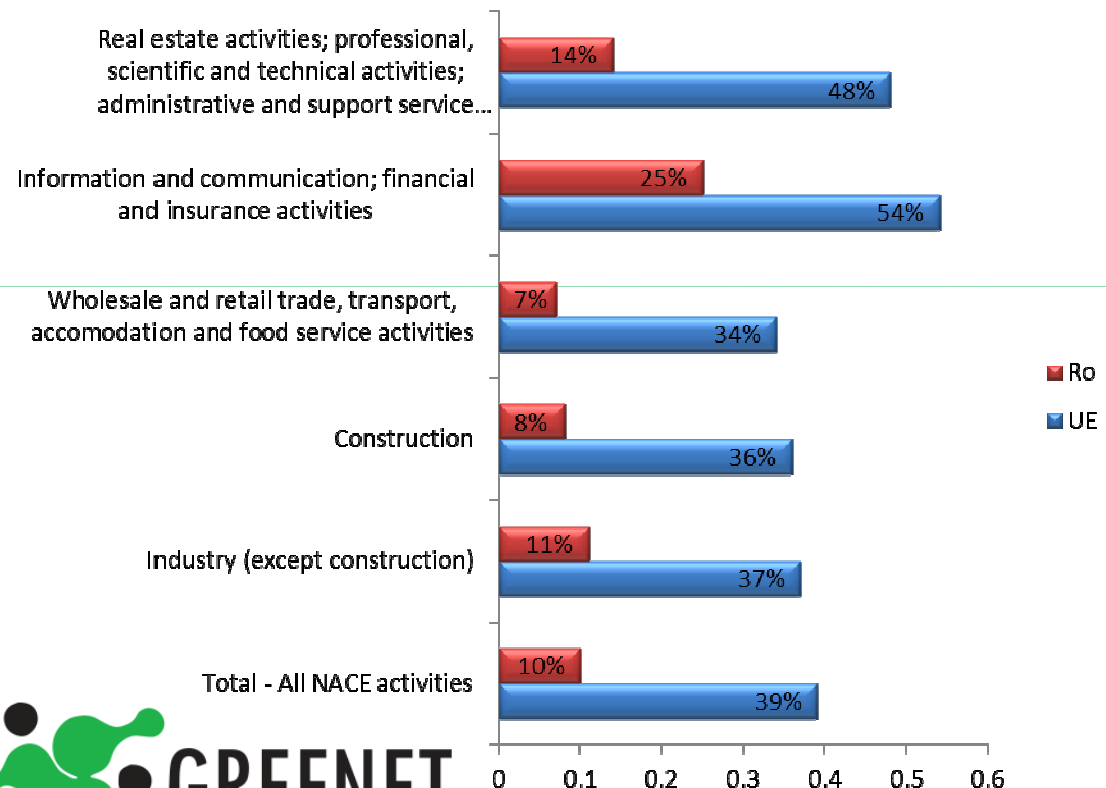
## Participation in education and training by labour status % in 2012, (source: Labour Force Survey)

- The gap between Romania and EU regarding the participation in education and training peaks among employed population

	European Union (28 countries)	Romania
Active persons	11.8	1.4
Employed persons	11.8	1.2
Unemployed persons	11.9	3.1
Inactive persons	23.8	19.6

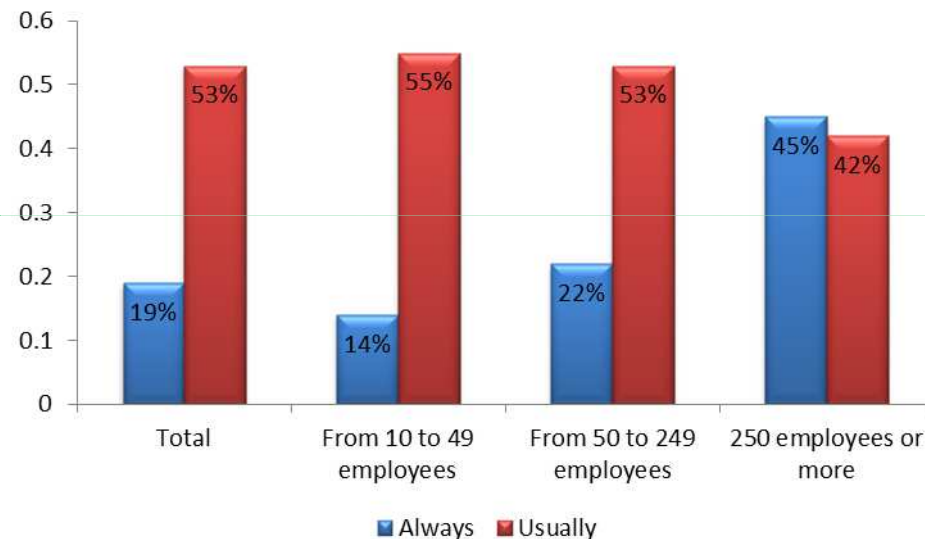
## Percentage of enterprises having a training plan and/or dedicated budget in 2010, by NACE (source: Continuing vocational training survey (CVTS) in enterprises)

- Romania displays very low share of companies that have a training plan or a dedicated budget for training
- The lowest gap in comparison with the European average is recorded for the companies in the “information and communications, financial and insurance activities” sectors



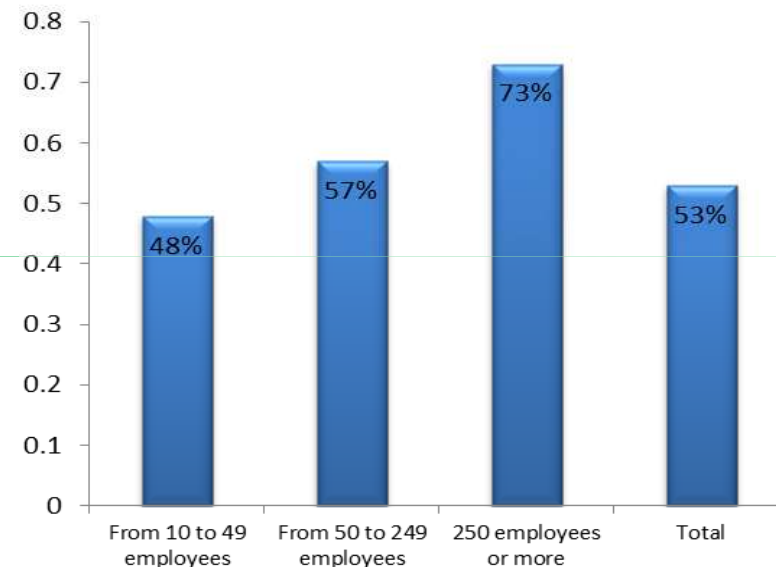
## Enterprises which assess the future skills needs of the enterprise as a % of training enterprises by size class in 2010 in Romania, by size (source: Continuing vocational training survey (CVTS) in enterprises)

- Large companies that provide training to their employees seem to be very preoccupied to assess their future skill needs
- Companies providing training that belong to the SMEs category are less aware of their future skill needs



## Enterprises evaluating the effect of CVT courses as a % of training enterprises by size class in 2010 in Romania, by size (source: Continuing vocational training survey (CVTS) in enterprises)

- About half (53%) of enterprises providing training evaluate the results of CVT (in terms of improving knowledge / skills of the participants)
- This percentage is higher by 20 percentage points for large firms



# Anticipating skill needs via firms' surveys

- INCSMPS: 1st study among companies with the aim to anticipate skill needs was in 2005 – Phare VET for CNDIPT,
- It was followed by several ad-hoc firms' surveys, taking advantage of different funding programs: national research funds, World Bank, sectoral programs, structural funds.
- Methodological approach responded to specific demands of different beneficiaries (Ministry of Education, Ministry of Labour, World Bank or CNDIPT)
- The need to have an yearly survey among firms (or at least once in 2 years) in order to develop a regular monitoring and evaluation instrument

# Anticipating skill needs via firms' surveys

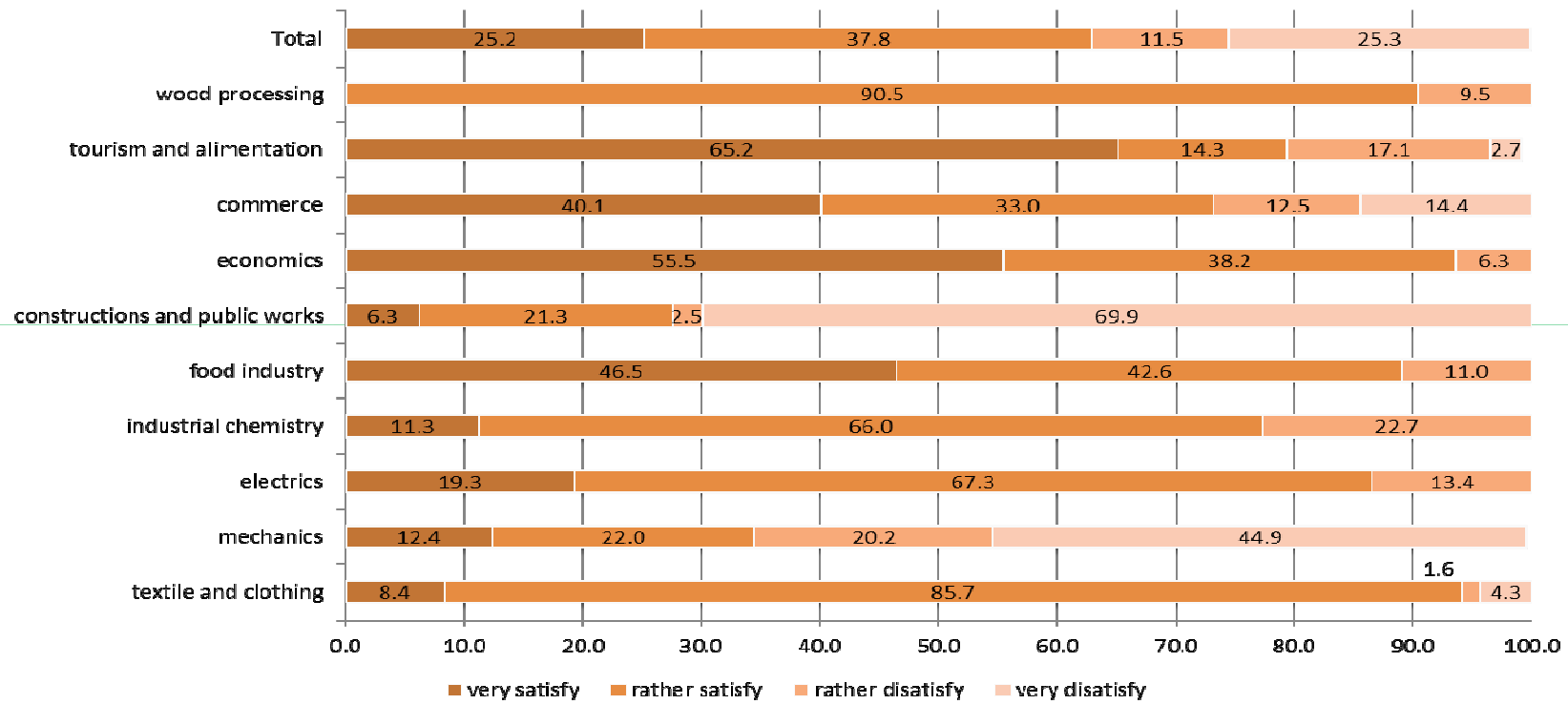
- 2011 survey carried out for CNDIPT:
- Proxies for skill needs:
  - flows of employees during the last 3 years,
  - structure of employment by level of education and 4 digits-occupations
  - current vacancies, hard-to-fill vacancies, skills required when recruiting,
  - newly graduates recruited during the last year by level of education
  - skill gap
  - expected inflows and outflows for the next 6 months.



# Anticipating skill needs via firms' surveys

- Probabilistic multistage stratified sample, extraction: PPS systematic
- Firms with at least 5 employees, active at the end of 2010
- Face-to-face questionnaires with managers
- 3836 surveyed companies covering all regions, areas of residence, NACE rev.2
- Error:  $\pm 1.56\%$  at national level and  $\pm 4.4\%$  at NUTS 2 level
- Data were analyzed by regions, NACE rev.2, 1-dig. occupation, size classes, level of education, VET profile (required by CNDIPT and post-coded according to their guidelines)

## Example of result - Firms' satisfaction recruiting newly graduates of VET with respect to their professional qualification, by VET profile (%)



# Monograph approach - INCSMPS

- World Bank funded project for the Ministry of Labour: 2005
- inspired by the O\*NET approach
- In-depth description of occupations
- Analytic sample of **105 6-digits occupations** covering all occupational groups and structured in three classes: dominant, piercing (new) and changing occupations,
- Knowledge, competences and abilities required to practice a specific occupation, initial and vocational training needed and working conditions were in-depth investigated,
- A special focus on drivers of change and their influence on the required skills

# Data on skills proficiency and skill use

- Very few sources of data on skills proficiency
- Programme for the International Assessment of Adult Competencies (PIAAC):
  - The survey provides a rich source of data on adults' proficiency in literacy, numeracy and problem solving in technology-rich environments – the key information-processing skills that are invaluable in 21st-century economies – and in various “generic” skills, such as co-operation, communication, and organizing one's time
  - The results of the analysis aim to help countries understand more about how to invest in skills in ways that will transform lives and drive economies
  - First round coverage: 20 OECD countries and 2 non-members (Cyprus and Russian Federation)
  - The new round (2014) covered 9 additional countries: Chile, Greece, Indonesia, Israel, Lithuania, New Zealand, Singapore, Slovenia and Turkey.

# Conclusions

- Education and training have multiple beneficiaries (individuals, companies, economy, society).
- Statistics show that both the rate and the impact of training **do not** reach the expected level
- Public authorities have to strengthen the cost-sharing mechanisms designed for vocational training costs, but having in view the need of reducing skill gap and mismatches
- Decision making at national and company level in the field of human capital development needs to be better informed and substantiated by statistics and results of the research studies

**Thank you!**

[anazamfir@incsmmps.ro](mailto:anazamfir@incsmmps.ro)