
Employability and skills anticipation: competences and market demands

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Abstract

Requirements of labour market and external environment are a competitive force asking for new competence of employee – ability to align with national and international labour market requirements. Overall, jobs are becoming more skilled in all categories. Routine tasks are progressively being replaced by technology therefore it is expected than in the nearest future there will be a greater need for skills, such as independent problem-solving, planning, organisation and communication, even in basic occupations.

The aim of this research is to analyse the identified current and near future competences and qualification needs (core skills) and their recognition from companies and labour market. The survey has been done within the Lifelong Learning Programme Transfer of Innovation, Multilateral Projects, Leonardo Da Vinci project “Employability and Skills Anticipation Policies: a Social ROI Approach”, with the participation of five partner countries.

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1. Introduction

In the context of employability and skills anticipation human competences have become more significant that are considered in the way of different models depending on their use. Every professionally active human may be evaluated by defining his promotion, strengths or which competences are dominant to reach adequate results in his /

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her career. Thus, it is possible to define whether a person is oriented on professionalism, knowledge, communication, on activities and management or on the development of his/her personality.

The aim of this research is to analyse the identified current and near future competences and qualification needs (core skills) and their recognition from companies and labour market in the Czech Republic, Latvia, Portugal, Spain, and the United Kingdom.

Several authors argue that knowledge has become a direct competitive advantage for companies, or that it is certainly the best resource and the only sustainable competitive advantage (Armstrong, 2006; Ishak, Eze & Ling, 2010; Sumi, 2011; Ulrich, 1998). Knowledge is defined as the ability to sustain the coordinated deployment of assets and capabilities in a way that helps the firm achieve its goals (Soliman, 2000). To the organization, knowledge is defined as what people know about customers, products, processes, mistakes and success (Bollinger & Smith, 2001; Ishak, Eze & Ling, 2010).

If an individual performing a job has the required education, knowledge and relevant skills, he/she may be considered a qualified person. If an individual demonstrates an ability to achieve the desired results he/she may be considered to be competent. Thus, knowledgeable, qualified and competent are not synonyms. Qualified and knowledgeable personnel sometimes may be unable to deliver the results required for a job as he/she may have the necessary knowledge and skills, but not apply them properly. Based on this, competency should be understood as a proven ability to apply knowledge and skills in practice.

McClelland (1973) believed that traditional examinations and test results cannot adequately predict whether a person is able to perform their job well; he believed that there are several other ways of how to define competencies ensuring job achievements. He used the concept “competency” to replace a narrower term “skill”, including in it the behavioural aspects and technical abilities.

There is no unequivocal agreement about what a competency is or is not. Klemp (1980) defined the job competency as qualities of a person that manifest as effective or outstanding performance. He also indicated that competencies are features which are causally related to effective or outstanding work performance (Klemp, 1980; Dubois & Rothwell, 2004).

Extending this definition Spencer and Spencer (1993) described competency as traits inherent to an individual that are linked by causative reasoning with effective or outstanding job performance or other situations and may be characterized by certain criteria. They explained that competencies include motives, character traits, self-image, knowledge and skills.

The concept of competence has been developed further by many prominent scientists and researchers, entrepreneurs and representatives of public organisations. Thus, for example, Mulder (2007) analysed competence development in organisations and compared over 40 definitions of the concept of competence, distinguishing differences on a number of dimensions.

The notion of competence is rather new in Latvia; thus it is still rather difficult to define its structure and practical significance. In fact, human abilities, knowledge and skills are all called competencies. One of the most widely used definitions of the concept of competence in the scientific literature published in Latvia states that competence is a set of knowledge, skills and attitudes that qualifies for completion of a task of a particular kind or level (Rauhvargers, 2007).

The competence model is a set of responsibilities and tasks that forms a part of work process including standards required for this process. In various sources of literature competencies are grouped and structured, creating different competence models appropriate for each situation. The competence model consists of multiple competences groups, each of which contains numerous competencies – individual skills and abilities. For example, Lapina and Aramina (2011) have organized competencies into four basic groups, each encompassing qualities defined in greater detail: professional competencies; social and communication competencies; personal and responsibility competencies; innovative, learning and leadership competencies.

Having summarized the above considerations, the authors come to conclusion that the principles for assessing competencies and employee “professionalism” or “qualification” have considerably changed. If formerly it was assessed on the basis of the specific education and qualification level that encompassed mostly technological knowledge and skills related to a particular speciality, then currently competence is treated as an ability and skills to solve all issues arising in production or commercial activities, not dealing only with technological issues.
2. Method

The analysis of the feedback received from the companies and educational organizations interviewed by the G(LOCAL)-Return partnership within the scope of their activity is done. The main questionnaire answers groups are:
- how the future skills of employees and entrepreneurs need to be upgraded;
- which tools entrepreneurs are using;
- how companies are investing in people in terms of training (formal, informal and non-formal learning scenarios).

The survey period: May 2013–July 2013. The methodology combined desk research and survey based on questionnaires. About 175 fulfilled questionnaires were received in all areas where the survey was carried out. Information was gathered regarding the entrepreneurial context in the partner countries. The questionnaire included 47 questions, designed for identifying the abilities, skills and knowledge that are essential for the employees, that is, the most important transversal competences for companies and the identification of training needs. It should be clarified that data analysis does not follow a rigorous statistical processing due to their diverse origin: production sector, size of the company and different size of sample in each country.

Furthermore, it should be taken into account that the questionnaires were not answered completely, especially the section “Needs in terms of training, which demanded” a more detailed and descriptive answer.

3. Results

The companies involved in the survey can be described as follows:
- considering all answers in total, 69 % of them belong to the tertiary sector or service companies while the rest, i.e. 31 %, came from the secondary sector (manufacturing);
- by size of the company, the majority of answers came from the SMEs (71%), whereas medium or large companies accounted for 29 %;
- 69 % of the companies declare to have a specific training budget allocation but 63 % of them stated that this budget is lower than 1 %.

The companies were asked about the abilities, skills and knowledge considered essential for the development of the current and future predictable jobs. They rated the importance of the proposed skills from 1 (not important) to 4 (very important). The results are:

Personal qualities/attributes: in general, almost all qualities proposed in the questionnaire were valued as important or very important. Responsibility, willingness, desire to work and to learn were identified as the most appreciated. This reflects the fact that other attributes may be acquired during the work performance or they may be less important for the jobs assessed.

Communication skills: all proposed communication skills (communication in foreign languages; ability listen to others; communicate own ideas; agreement and disagreement; written and oral expression and understanding) are rated as important for the activity development. No significant differences among them can be noted.

Human relations and interpersonal skills: almost all competences proposed were valued as important. The most outstanding skill is quality and the capability to satisfy the customer needs – dealing with complaints and receiving feedback. Just influence and interaction with people of different cultural background – fighting discrimination falls lightly, but not enough for finding an explanation. These competencies are probably naturally manifested.

Research and planning skills: were rated as important for relevant jobs and the highest-ranked positions are for those related to quality and market demands: respecting deadlines, problem solving, and focused on outcomes.

Leadership and management skills: were very highly valued, all of them are important, especially flexibility, overcoming difficulties, strategic thinking and decision making.

Education level: there is a higher demand for the upper educational levels – tertiary and secondary education. It is explained by the fact that higher level education is required in more specialized jobs.

Work experience: 27 % require one year of work experience. More experience is required for further specialization. No data of non-contractual experience.
The answers show that 56% prefer formal training as more useful as opposed to non-formal or informal learning. Nevertheless, in the case of 69%, training activities are not recognized by the labour market. 77% state that training has been provided within the last 18 months.

Although the survey was limited to the fields of activities of the project partners in their regions, it can be stated that the main conclusions obtained by them are aligned with European trends regarding forecasting skill demands and job openings:
- identification of higher and medium qualification needs. This is proven by the most demanded specialized training activities. According to the European Centre for the Development of Vocational Training (CEDEFOP, 2013) studies – jobs openings for the period 2010–2020 (replacement plus vacancies) will be focusing on the highest levels of education (ISCED 2-3 and ISCED 5-6);
- by sectors, the most job openings are concentrated in business and other services, distribution and transport and non-marketed services;
- by occupation: the forecasts show that the highest demand is expected for technicians and associate professionals, professionals, elementary occupations and legislators, senior officials and managers.

4. Conclusion

Labour market demands a quality and certain level of competence as well as recognition of the qualifications across borders, which is important not just in the common European space, but across the globe. This brings quality, conformity with labour market needs as well as need for common or comparable standards and international recognition of qualifications to the forefront of employability. Labour market as one of the driving forces of the content and quality of education attributes high value to international recognition of qualifications and education. Since labour market uses and applies the learning outcomes in real life, quality of education and training policy cannot exist separately from it. This is especially important with the free movement of labour in the open European space.

The results of various studies show that large organizations have changed their shapes dramatically, reducing layers of hierarchy, dispersing authority and decision making, and adopting a variety of practices associated with knowledge sharing, quality improvement and information technology. In companies a competence model may be used to analyse the individual achievements of an employee including those in different development levels that help to efficiently use and employ the existing human resources. The fact, that an individual has good education, experience and possibilities to implement his/her skills, does not necessarily mean that his/her potential will indeed be realized. The realization depends on the motivation of the person, as well as the values the person cherishes and the wish to cooperate with other individuals. The social context is essential too, or likewise what competences or skills are demanded in the particular stage of development of society.

Since any process analysis takes into consideration different aspects and uses various scientific methods, the tendency of integration and synthesis of basic and additional knowledge has become the dominant feature in employability and competence development in the contemporary world. In the development of human capital the tendency of integration, the synthesis of basic and additional knowledge, dominates, because every process is explored from many sides applying methods of different sciences, i.e., many-sided vision of the process is essential, as well as getting acquainted with the surrounding „natural” and „artificial” environment.

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