

Better Labour Market Intelligence

THE SKILLS PANORAMA - ACHIEVING REGIONAL and LOCAL IMPACT

DEMAND FOR LABOUR MARKET INFORMATION AND INTELLIGENCE ON MEDIUM TERM FUTURE SKILLS REQUIREMENTS

December 2013

This research bulletin presents findings from an analysis of the 'demand' for anticipated skills requirements, and the availability and type of data used to support skills anticipation at the regional level in the Czech Republic, Germany, Italy, Sweden and the United Kingdom. The study aims to analyse how the Labour Market Information and Intelligence (LMI) infrastructure functions at a regional level, promote the use of the recently launched LMI "EU Skills Panorama" and consider how this tool can be improved.

RECOMMENDATIONS FOR POLICY-MAKERS

The potential role of the EU Skills Panorama

The EU Skills Panorama has the potential to play an important role in the LMI landscape. There are a large number of regional organisations which depend upon access to LMI yet have very limited capacity to gather, process and/or analyse LMI themselves. Data is often scattered across the different LMI bodies and may not reach potential users. The EU Skills Panorama can help pull useful LMI together for use by regional and national bodies.

Lack of awareness amongst stakeholders

However, the findings of this research highlight the lack of awareness of the EU Skills Panorama by regional stakeholders.

Areas for improvement

Having been introduced to the EU Skills Panorama most stakeholders gave positive feedback on it as a potentially useful resource. However, the EU Skills Panorama could be developed in order for it to become an important resource for the day to day activities of regional stakeholders: including regional level links, information and analysis; providing contextual information in order that trends can be interpreted in a more meaningful way; ensuring that links on the website are up to date and take users directly to reports; and providing detailed data which will adequately meet the needs of users.

The data available on the EU Skills Panorama could be developed to also include: regionally differentiated LMI; differentiated information on occupations; greater information on skills demand and supply; good practice examples of LMI; more comparative data; and links to different types of data.

RESEARCH METHODS

Research methods

Key regional stakeholders and social partners from organisations participating in research interviews had an interest in anticipating future skills requirements and adapting their policies or practices. The interviews to ascertain their past experience, future hopes and expectations and the support that they feel they would require in anticipating changes in employment and skills requirements within the medium term.

WHAT IS LABOUR MARKET INFORMATION?

What is LMI?

LMI is defined as:

- analysed, processed, directed, and/or regularly collected information and intelligence about the labour market, which is;
- provided by a source (internal or external) that is not temporary nor spontaneous in its provision of the information and;
- the providing organisation uses it to plan their activities in order to achieve its overall goal.

The format of LMI

LMI may:

- include published or internal reports, databases, industry councils or similar forms of structured meetings, structured networking and a variety of other forms of intervention to generate information and knowledge as defined above; and
- inform about the number of vacancies in one or more parts of the labour market, as well as the type of vacancies it concerns; about general trends in the labour market, or if activities are starting up or closing down within a particular field of analysis; about skills and qualifications that employers are looking for, and the skill levels and competencies that people have; demographic trends in the labour market, at national, regional or local level; and much more which satisfies the above restrictions in the definition.

The type of information presented

DEMAND AND SUPPLY OF LABOUR MARKET INFORMATION AND INTELLIGENCE

Who collects and uses LMI

The findings highlight that the LMI infrastructure is vast and complex. There are a large number of organisations which depend upon access to LMI yet have very limited capacity to gather, process and analyse LMI themselves. They are therefore reliant on external expertise. The LMI infrastructure at the regional level is often small, often centred on Primary Providers – typically public authorities or publicly funded organisations working at the regional level – who produce quantitative LMI and have analytical competence. National LMI providers also play a fundamental role in the regional LMI infrastructure.

Occupations and skills

In terms of the information available, the current LMI infrastructure is biased towards “occupations” rather than “skills” because of the way in which the LMI infrastructure developed. However, this does not reflect the demand for LMI at the regional level. Information on skills may only be generated internally within organisations. Long term forecasts are not usually present and rigorous evaluation is usually absent.

Part of the complexity of the LMI infrastructure is a result of: LMI organisations not

**Complexity in
the LMI
infrastructure**

having the resources to verify, analyse and disseminate the information they may have; data being scattered across the LMI infrastructure and may not reach potential consumers; analysis often requiring the consideration of several explanatory variables; and analysis often involving the consideration of non-measurable explanatory variables.

Despite these limitations, a number of interesting examples of good practice have been identified and provide insights into how LMI could be improved:

Good practice

- LMI is managed and administrated by a primary provider who has adequate resources and capacity;
- Regional stakeholders provide feedback and there is an element of evaluation;
- The LMI is comprehensive and is broadly targeted to a range of users.

CURRENT AND POTENTIAL USE OF THE EU SKILLS PANORAMA

**What is the EU
Skills
Panorama?**

The EU Skills Panorama seeks to improve transparency for jobseekers, workers, companies and/or public institutions by forecasting skills supply and labour market needs. It brings together different sources from EU Member States and sectors on current and future skills needs.

The EU Skills Panorama public website:

- Acts as a central access point providing data, information and intelligence on skills trends in occupations and sectors at the national and EU level
- Provides a European perspective on trends in labour supply, demand and mismatches
- Signposts users to national sources with skills information
- Signposts users to the methods used to generate skills anticipation information

**Current use of
the EU Skills
Panorama**

The findings of this research highlight the lack of awareness of the EU Skills Panorama by regional stakeholders prior to participating in this research. Having been introduced to the EU Skills Panorama most stakeholders were positive about it as a central access point providing data, information and intelligence on skills trends in occupations and sectors at the national and EU level. They felt that the website was well-structured, clear and easy to understand.

**Areas for
improvement**

However, the stakeholders highlighted areas where the EU Skills Panorama could be developed in order for it to become a resource central to the day to day activities of regional stakeholders:

- Include regional level links, information and analysis
- Provide contextual information in order that trends can be interpreted in a meaningful way
- Ensure that links on the website are up to date and take users directly to reports
- Provide detailed data which will adequately meet the needs of users
- The data available on the website could be developed to also include: regionally differentiated LMI; differentiated information on occupations; greater information on skills demand and supply; good practice examples of LMI; more comparative data; and links to different types of data.

ABOUT THE 'SKILLS PANORAMA - ACHIEVING NATIONAL AND REGIONAL IMPACT' (ARLI) PROJECT

The contribution of the ARLI project

ARLI's goal is to inter-relate the existing regional and local labour market intelligence with the EU Skills Panorama development. The project will support and improve the usage of the EU Skills Panorama by exploring how regional and local labour market observatories (and their equivalents) can embrace it and build it into their own policy development mechanisms and into their systems for informing their stakeholders, social partners, citizens and employers about their labour markets. This will be done through mutual learning and developing a best practice approach to inter-relation. The insights will be disseminated through the European Network on Regional Labour Market Monitoring (EN RLMM), which brings together the (regional and local) labour market intelligence expertise across the EU. Thus, it is the perfect vehicle to facilitate this action. The project addresses a great number of organisations and institutions within following categories:

The audience of the ARLI project

- The EU Skills Panorama team and its audience
- Skills forecasting and labour market analysis organisations (such as observatories) at national, regional and local level
- Stakeholder organisations, including political parties, trade unions, employers' representatives, regional and local governments, NGOs, training providers and citizens' groups, etc.

PROJECT PARTNERS

ARLI has seven partners from across the European Union. Each partner is expert in using labour market information and intelligence for forecasting skills and employment strategies.

- University of Exeter (UK) (lead partner)
- IWAK at the Goethe-University, Frankfurt/Main (DE)
- Employment Research Institute, Edinburgh Napier University (UK)
- University of Milano - Interuniversity Research Centre on Public Services (CRISP) (IT)
- National Observatory for Employment and Training at National Training Fund (CZ)
- KWIZ (NL)
- Arbetsförmedlingen Analysavdelningen (SE)

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