

THE JOB AND TALENT MISMATCH AS NEW CHALLENGES

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ABSTRACT

In the new competitive world of work, labour market is changing. Managers and specialists from business, economics and education know that skills and talents are critical to innovation and competition in knowledge-intensive economies. Skill and talent mismatch become one of the new milestones of modern companies because in the future, success seems to be "a talent battle". At national level, the shortage of well qualified workforce and competence mismatches emphasizes the imbalance. In companies, employers' difficulties consist of both finding and keeping skilled employees, and more in identifying, attracting and developing talented young people who can fill the competitive gap. In this paper we intend to design the actual international competition for talent and high-skilled workers versus Romania's experience and contributing factors. While, in Romania, many young people are determined to study abroad and build a career in foreign companies, companies are facing a lack of skilled workforce and talent shortage and looking for new alternatives, organizing trainings inside their organizations, or recruiting talent among students and graduates. This work meant to be a warning to Romania's managers and decision-makers for strengthening the human development, lifelong learning framework and for attracting young well-trained graduates and high-skilled workers that can lead Romanian companies to a competitive advantage.

KEYWORDS: *high-skilled workers, talent shortage, competition*

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1. NEW COMPETITION FOR HIGH-SKILLED WORKERS AND TALENTS

The European smart, sustainable and inclusive growth relies on a highly qualified labour force in all countries. Developing the knowledge-and-innovation based economy means that there is a greater need for high-skilled workers who are able to access global knowledge, new development opportunities and use modern technologies. On the other side, in actual international high competitive environment, companies are looking for well-educated persons, high-skilled workers and talented individuals as vectors for competitiveness. The most valuable resource for corporate success over the next twenty years would be intelligent and educated people.

„Skills are new currency” being critical for innovation and competitive advantage in knowledge-intensive organizations (COM, 2016). High-skilled workers are in very high demand. Knowledge economy, technological changes and boosting skills make the issue of skill mismatch more prominent and more difficult for finding the right people for the right jobs process. Better understanding of matching skills and jobs is crucial to offer solutions and measures for a better human resources management and to increase productivity in Europe.

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2. MATCHING SKILLS WITH JOBS AND DEVELOP TALENTS

The mismatch is a situation of imbalance in which the characteristics of employees, i.e. level or type of skills, competences, education does not correspond to work requirements. Job mismatch can be a surplus of knowledge or a lack of knowledge, abilities and competences and can be manifested at individual level, or at company or national economy level.

The economical debate on job mismatch is at the heart of preoccupations of specialists from companies, future predictions on workforce as well as policies on education, training and employment in the European Union (EU). As demand for labour and needs for qualifications or skills change rapidly, a better allocation of work resources is critical for companies to ensure human resources, talents and feed their source of creativity and innovation they need to raise performance and be competitive.

In this circumstance, we need to know how high-skilled workers and jobs match. We have to analyse how job requirements are changing and how it will evolve the future need for competences, also what are the knowledge, skills and competences of persons and which future mix of skill companies need to develop. Modern workplaces require more knowledge and more skills, but not any skills. It is obvious there is a need for permanent investment in education and training. On future labour market this information are essential. In fact, the worldwide competition for skilled and high-educated workforce or talented youth is exacerbated.

European Centre for the Development of Vocational Training (Cedefop) assists the Member States by providing regular skill supply and demand projections and shows the background for future trends. The Report „Skills and demand in Europe” (Cedefop, 2010) affirm that „Europe is on its way to an economy where services and knowledge and skill intensive occupations will prevail. But even in occupations that are decreasing, substantial employment opportunities will remain as older generations leave the labour market and need to be replaced. It is evident from the forecast that Europe not only needs to step up investment in education and training, but also encourage employers to use better the skills and talents of their staff.”

Matching skills and jobs is more important and more actual, referring not only full employment but the match between the right person to the right job, in terms of educational level or domain, qualifications or skills of workforce relative to job requirements. It seems to be a lack of equilibrium between individuals searching for a job and work-places, but also too more job requirements and responsibilities.

2.1. Competition for talent

The international competition of well-educated workers and talent youth is not a new phenomenon, always employees was attracted to move between organisations for better conditions for payment, career development and working. More recently, the globalization of economic activity, the digitalization of work and education did the movement of people intensified. Talent mobility is about both meeting demand for payment reasons as well as for building a professional career and lifelong learning.

This „war for talent” would become increasingly competitive as the demand for talent rose and the supply of talented individuals decreased. As such, competition for the ‘best and brightest’ would become a „constant and costly battle” (Chambers, 1998). Authors used the talent definition as „the sum of a person’s abilities, his or her intrinsic gifts, skills, knowledge, experience, intelligence, judgement, attitude, character and drive”.

There are many factors that have influenced the global „war for talent”. One is our demographic changes, ageing populations and rising number of young people graduating tertiary education. Most European states consider labour migration as means to mitigate labour shortages (Cerna & Czaika, 2016). This impact on geographical mobility and integration on European market without boundaries and governments reducing barriers to international interaction. Globalisation changes the people

labour behaviour and leads to global work competition, as people have opportunity to relocate outside their home countries in more developed economies. This is particularly true for high-skilled workers who have emigrated at a larger rate than low-skilled or medium-skilled workers (Beechler S., Woodward I, 2009). The OECD (2009) report (The Global Competition for Talents) show that countries benefit from the inflow of students and scholars; benefits also occur when domestic students study abroad and gain knowledge and experience in another country. The number of students enrolled outside their country of citizenship has risen sharply from 0,5 million students in 1995 to 2,6 million in 2005, and the trend is accelerating.

2.2. Talent shortage in Europe

A recent report of Manpower Group (2016), namely „Talent Shortage Survey 2016 - 2017”, shows that „employers across the globe are facing the most acute talent shortage since the recession. From more than 42,000 employers surveyed worldwide, 40% have difficulties filling roles; the highest level since 2007”. By region, in Europe, the Middle East and Africa, a percent of 36% of employers report difficulties filling job vacancies. Employers in Romania (72%), Turkey (66%), Bulgaria (62%) and Greece (59%) face the most acute difficulties in 2016. Those reporting the least difficulty include Norway, the Netherlands, UK and Ireland. As need for talented workforce increase rapidly, employers are looking for solutions, training inside their organizations, or recruiting outside talent market, in national or international pool. A percent of 53% said they offer training and development own human resource, 36% recruit outside the talent pool, 28% explore alternative sourcing strategies so on. „Forty percent of employers globally report difficulties filling jobs due to lack of available talent” show Report of Manpower Group. They choose to fill gaps by training and developing their own people.

2.3. Talent mismatch in Romania: contributing factors

Talent mismatch is the situation of inadequacy between the skills that employers are looking for and the skilled-persons available in the labour market looking for a job. Certainly, if companies want to be competitive, they need to hire and retain talented and skilled people. Matching is a must.

There are many concerns describing the contributing factors of talent mismatch and shortage of high skills, linked to competition and economic context. We present a few contributing factors specific to Romanian market such us: international migration for study of young talented people, public spending for labour market policies in terms of wages and work opportunities, labour shortages in some occupations etc.

What we see more actually for Romania case, there is an increasing effort to explain and understand the expansion of the phenomenon of international migration of young talented people in the initial stage of mobility for studies. Students are also increasingly determinate to go abroad to continue studying and graduating. National studies on migration for study (Velciu, Grecu & Grigorescu, 2017) shows that the young people are very interested to go abroad for study and that is just first step for migration for work. Based on the results of research survey among young people who came to the education fair, one third of young respondents planning to go to study abroad during next school year 2017-2018 and rest of them intend to leave in the next.

Another factor is public policy for labour market, income and differentials in wages. Romanian researchers (Mocanu et al., 2012) show that public policy regarding public spending for labour market policies has a great deal of influence on the speed of school-to-work transition, a 1% increase as GDP share in the public spending for labour market policies leads to approximately twice quicker school-to-work transition. In countries where the labour market is highly regulated, the entry of a higher education graduate is delayed and negatively affected in terms of first job's adequacy. Youth, graduates and workers from less developed countries will accept any job, even lower-skilled job or filed of activity thus not utilising their key skills, in order to obtain better incomes, working and living conditions. This means that in terms of competition for talent, the attractiveness of a generous country in terms of wages and work opportunities offered is an important factor of attraction.

Skill and education mismatch are factors for labour shortages in some occupations.

Analysing the labour market in Romania in terms of skills required by the current job (Dimian, 2014) we see that even in a crisis period when unemployment is at high values, employers have difficulties in finding appropriate qualifications for some jobs, or the right candidate for the vacancies. Even current employees lack some important abilities or skills such as: motivation, loyalty or responsibility.

4. CONCLUSIONS

Creating the new performing workforce and keep talents requires to organizations and human resources managers to focus on the challenges, opportunities, and young's expectations. It is better to search for high-skilled workers and talented young people rather than just employ someone the job. New generation entering the workforce is different in key ways, open-minded, focused and performing, willing for the best match in order to success. So, it is essential to solve the skills gap and creating a learning and developing environment that will empowering employees and boost talents.

We have to better know how high-skilled workers and talented young match to their jobs. That could be possible only analysing, in a predictive manner, the changes in job requirements and future need for competences and the best mix of skill companies need to develop. Modern employees require more knowledge and more skills, continuously developing. In organizations is a need for permanent investment in education and training.

For the future, the Romanian competition for talent will expand as well as the workforce market will be more dynamic, with increasing the demand for high-educated and skilled workers, whilst demand for medium-skilled workers decreases (EU Skills Panorama, 2015) up to 2025.

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