ETF: SKILLS MISMATCH MEASUREMENT
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Measurement of qualifications and skills mismatches – methodological implications and challenges for ILO constituents

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OVERVIEW

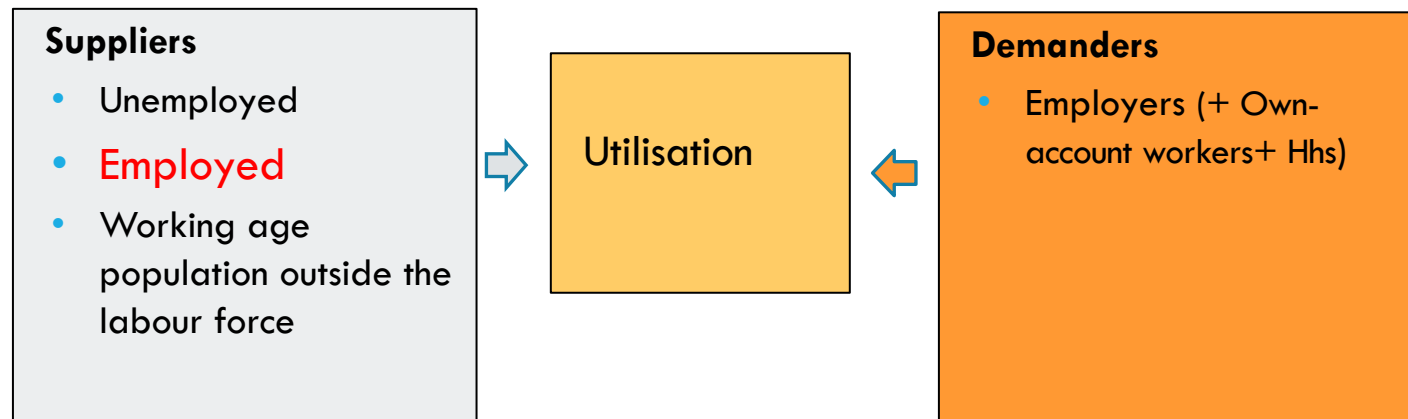What is mismatch

Complexity of measurement

ICLS guidelines -measurement

ILO skills mismatch module

What is mismatch?

- used to describe various types of imbalances between skills and qualifications available on the labour market and those required in jobs.

Supply and demand of skills and qualifications

Suppliers		Demanders
Suppliers • Unemployed • Employed • Working age population outside the labour force	Utilisation	**Demanders** • Employers (+ Own-account workers+ Hhs)

COMPLEXITY OF MEASURING SKILLS MISMATCH

Variety od concepts

Variety of skills types and taxonomies

Variety of measurement approaches

Variety of sources

Luck of good statistics

⇨ Need to unpack the issue of skills mismatch

Guidelines on qualification and skill mismatches, adopted by 20th ICLS, 2018*

Purpose

To provide standards for defining and measuring the qualification and skill mismatches of **persons in employment**

To provide guidelines of best practice in the measurement of various types of mismatches at national level and **complement the existing measures of labour underutilization**; and

To provide the basis for the production of internationally comparable statistics on the topic.

* https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms_648557.pdf
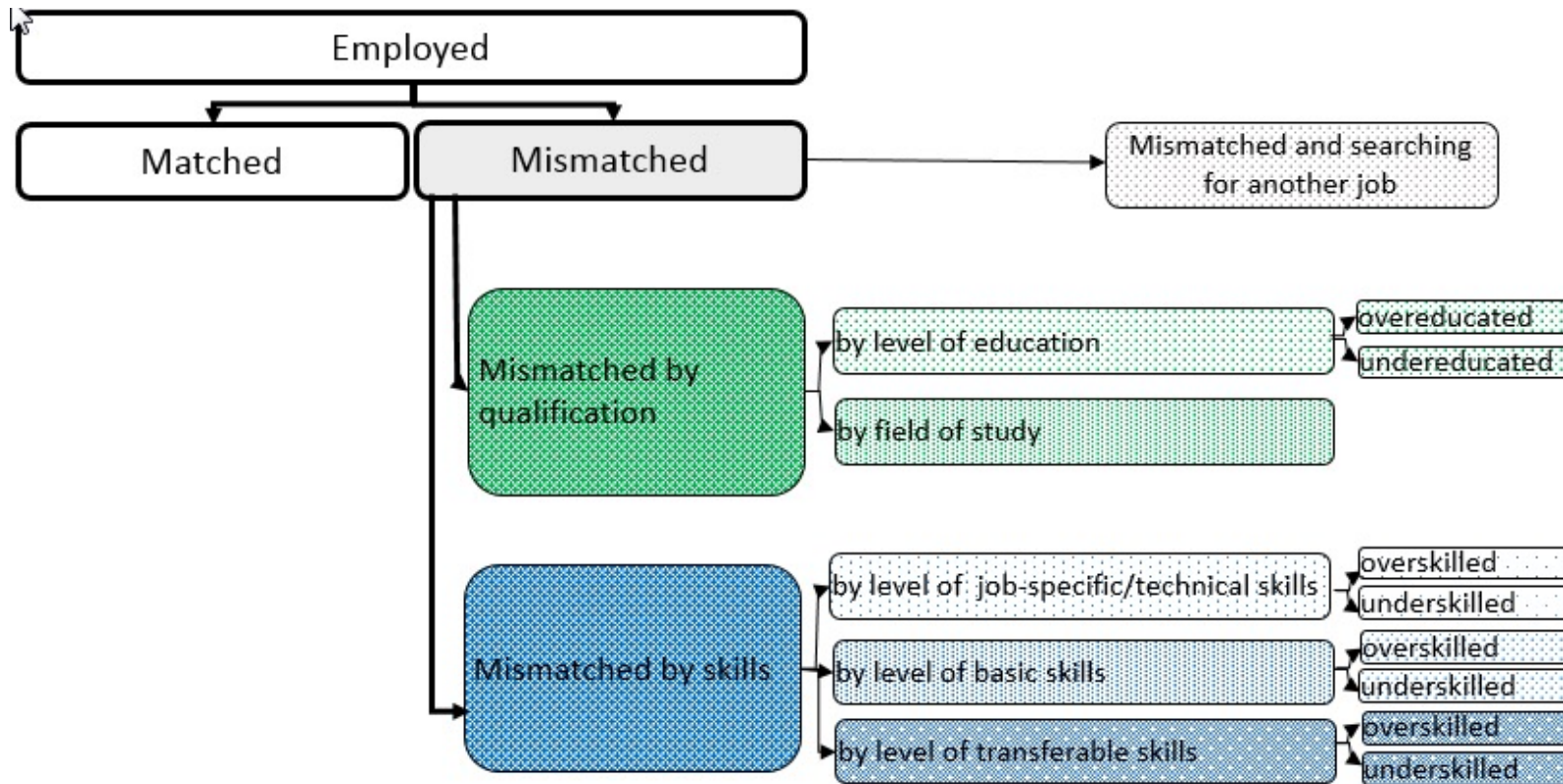
DEFINITIONS

Qualifications and Skills
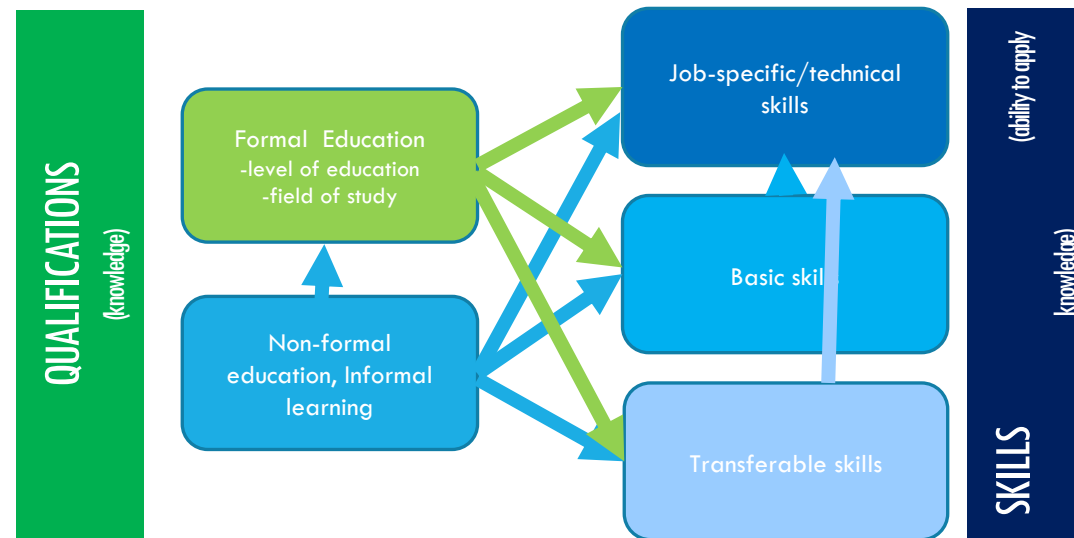
CONCEPTS

MISMATCH OF PERSONS IN EMPLOYMENT*

*Based on requirements of the main job
(where relevant, on the basis of requirements of other jobs)

Qualification mismatch - Measurement

(a) Mismatch by level of education (based on level of education, occupation, relevance of different levels of education to each occupation or occupational group).

- ❖ **Normative approach -** educational requirements set for specific occupations or occupational groups *(recommended)*
- ❖ **Statistical approach -** modal level of education of all persons in employment in an occupation or occupational group (or years of schooling)
- ❖ **Self-assessment approach -** based on person's self-perceived match between his/her level of education and the level required by the job

(b) Mismatch by field of study (based on field of study, occupation, relevance of different fields of study to each occupation or occupational group).

- ❖ **Normative approach**
- ❖ **Statistical approach**
- ❖ **Self-assessment approach**

Qualification mismatch - Measurement

(a) Mismatch by level of education

(b) Mismatch by field of study

- ❖ **Normative approach -** More accurate as based on expertise but expensive to keep it up-to-date
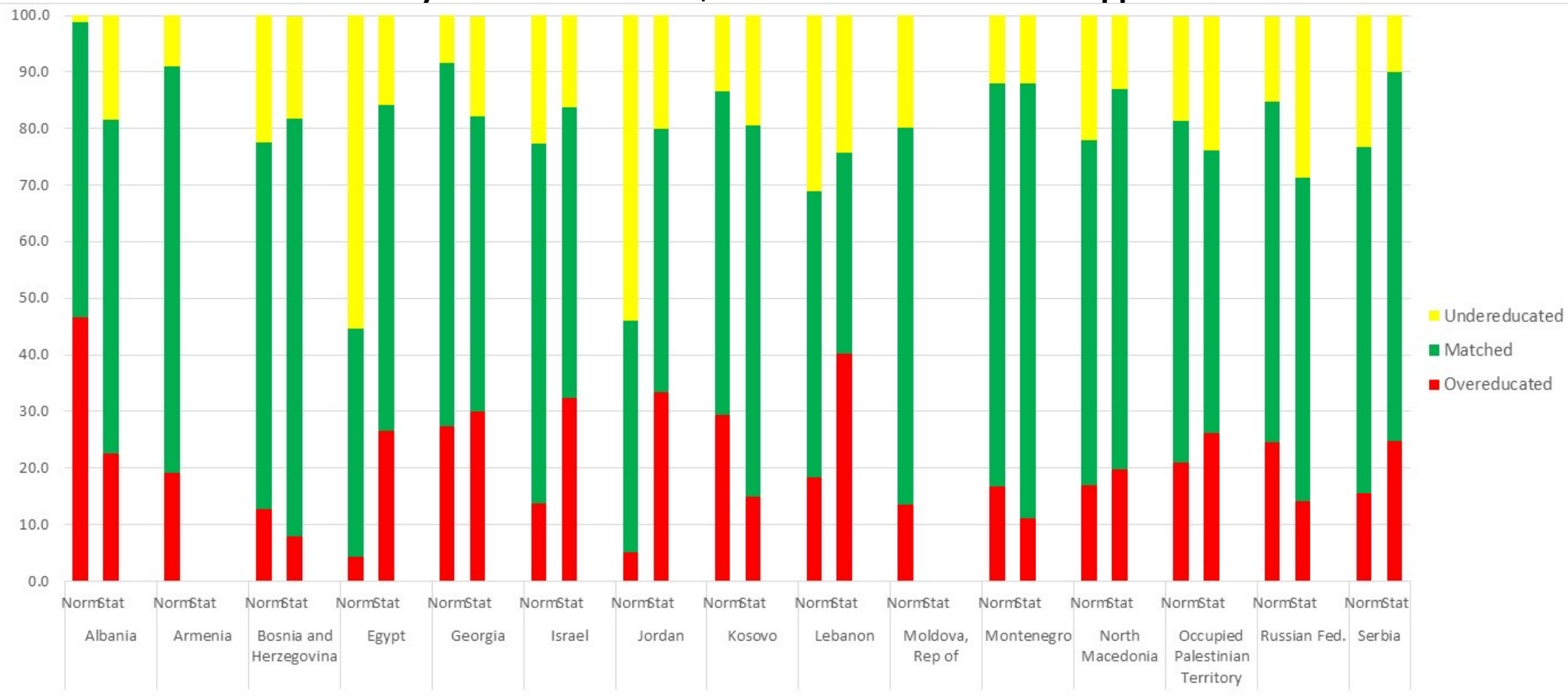
- ❖ **Statistical approach -** Easy to apply, no additional questions required but sensitive to the general educational attainment level

- ❖ **Self-assessment approach -** Easy to apply but subjective (?)

Comparison of methods, LFS
Mismatch by level of education, Normative and Statistical approach
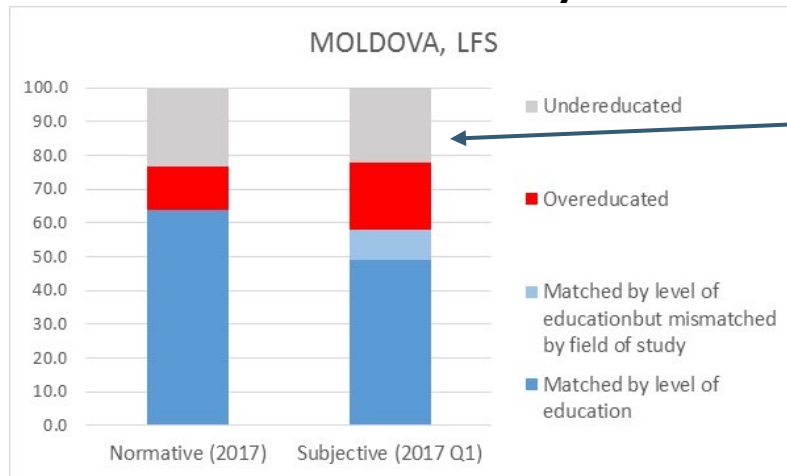
Matched: 59%
Overeduc: 19%
Undereduc: 22%

Normative approach: Thresholds- ISCO educational requirements by 1-digit ISCO code
Statistical approach: Thresholds- Modal level of education by 2-digit ISCO code

Matched: 58%
Overeduc: 23%
Undereduc: 18%

Comparison of methods

Mismatch by level of education

MOLDOVA, LFS

- Undereducated
- Overeducated
- Matched by level of education but mismatched by field of study
- Matched by level of education

Normative (2017) Subjective (2017 Q1)

Self-assessment (direct approach)

ARMENIA, LFS

- Undereducated
- Overeducated
- Matched by level of education

Normative (2016) Subjective (2014)

Normative: ISCO educational requirements by ISCO 1-digit code
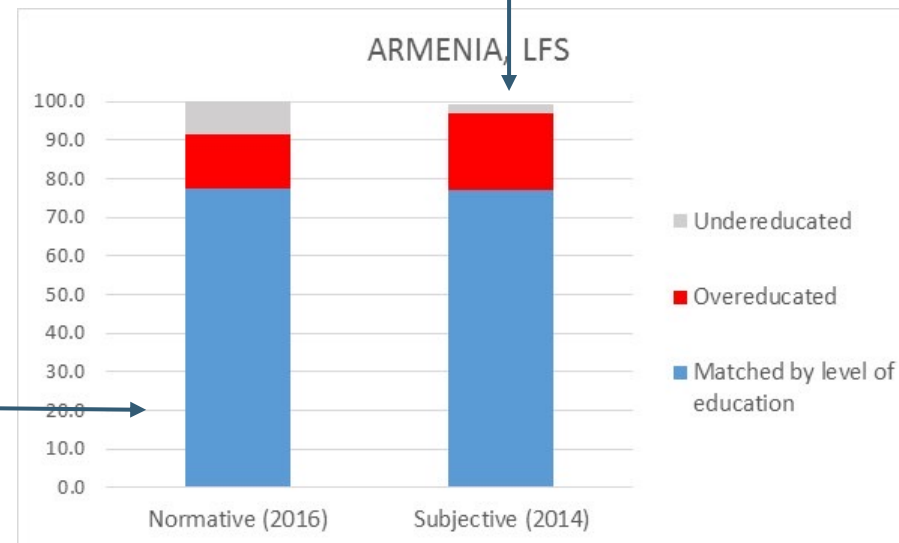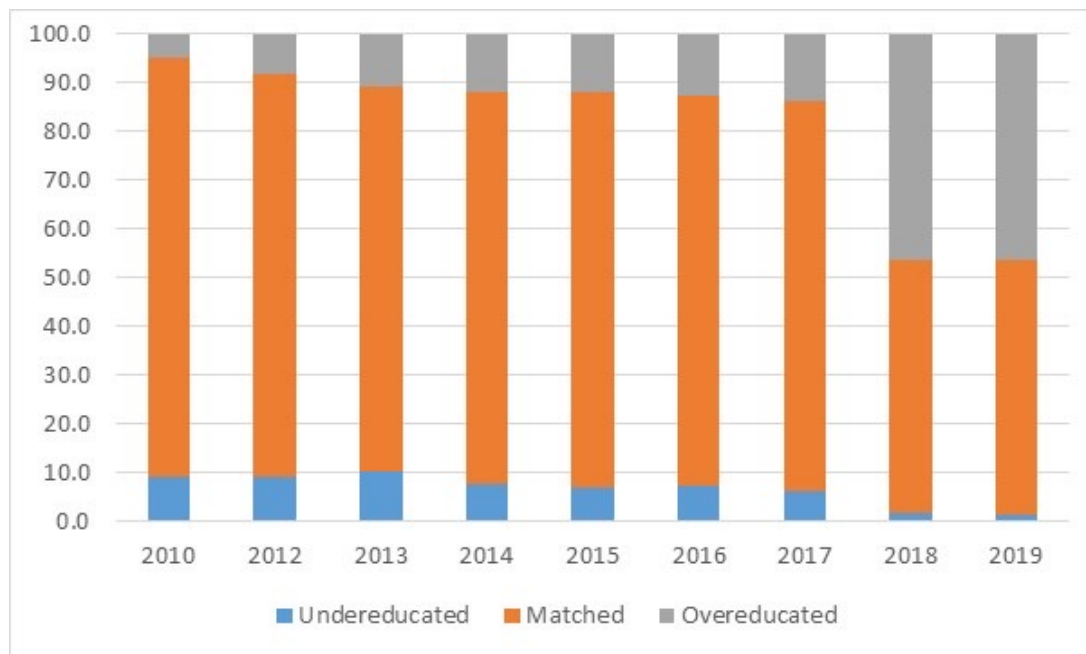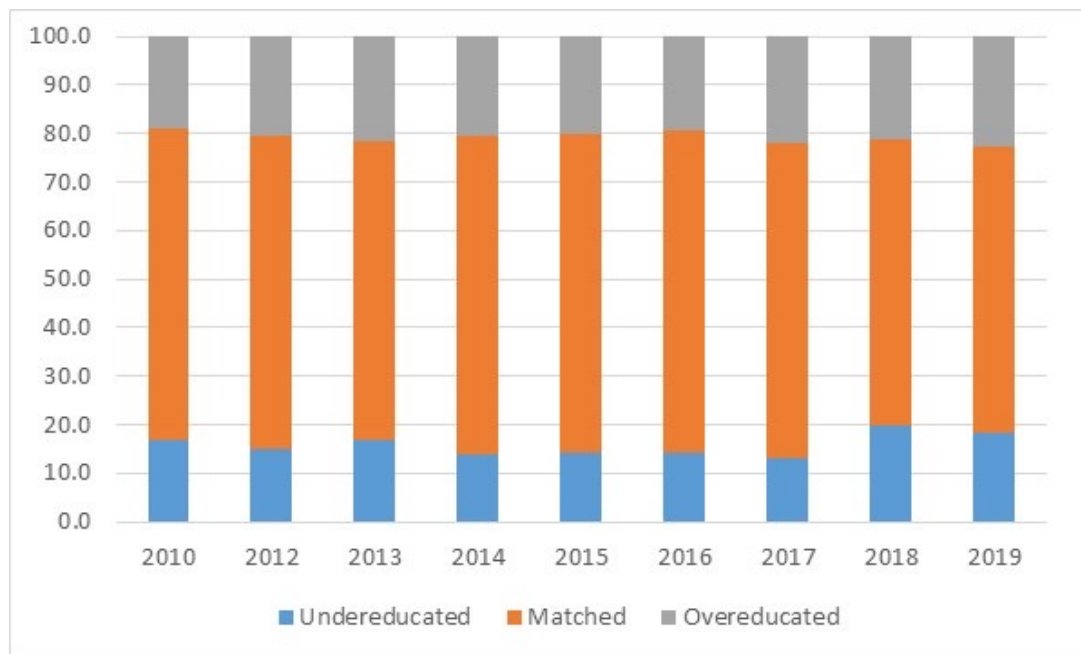
Comparison of methods
Mismatch by level of education over time

Normative: ISCO educational requirements by ISCO 1-digit code

Statistical: Modal ISCED level of education by ISCO 2-digit code

Albania, LFS

Skill mismatch – Measurement
- overall skills
- specific types of skills

Worker measure: person's self-perceived match between his/her level and/or type of skills and the skills required by the job.

Is the job fit for the worker's skills?

Employer measure: employer's assessment of skills available (and used on the job) against the skills required.

Is the worker's skills fit for the job?

Direct measure (assessment): Level of proficiency of selected types of skills is assessed (e.g. literacy, numeracy and ICT tests)

Qualification and Skills mismatches: WORKER MEASURE

Burkina Faso, SWTS 2019, age 15-29
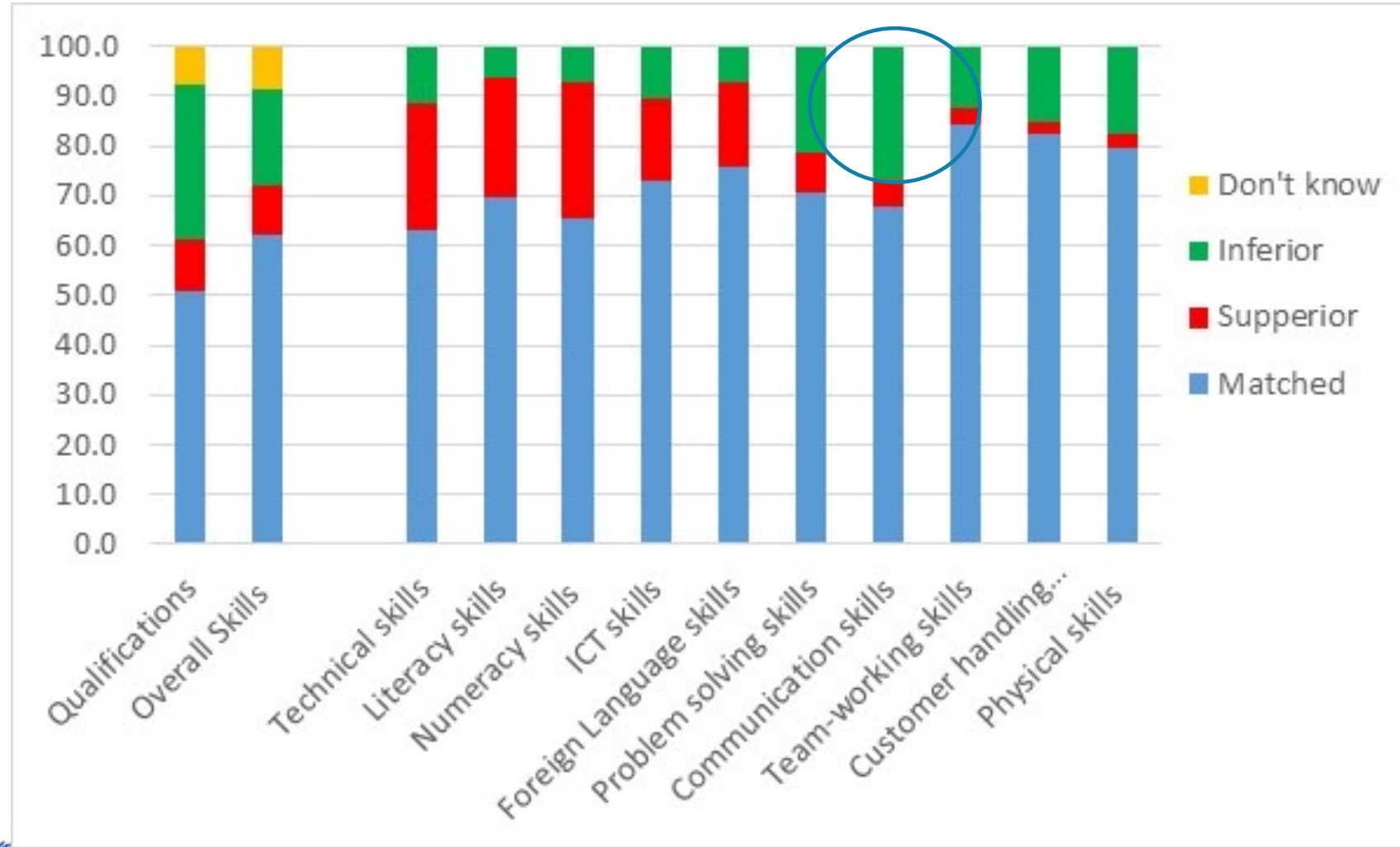
INDICATORS: Subgroups special interest

- formal/informal sector

- employees

- public/private sector

- occupational groups that require higher levels of education or in which the matching is low or supply is short

- specific age cohorts (e.g. age 15-29, elderly, those entering employment in the preceding 5 years)


INDICATORS: Disaggregation

- By demographic, social and economic characteristics (gender, age, economic activity, sector, occupation, level of education, status in employment, job-tenure, temporary or permanent jobs, migrant vs non-migrant workers, etc.)

  - *Considerations for need for confidentiality and statistical significance*

Disaggregation by ISCO groups

Incidence of mismatch by level of education and field of study, by occupation, %
Moldova, LFS 2017 Q1 (subjective + normative approach)

Most heterogeneous group. Lowest matching.

Highest matching

Highest field of study mismatch
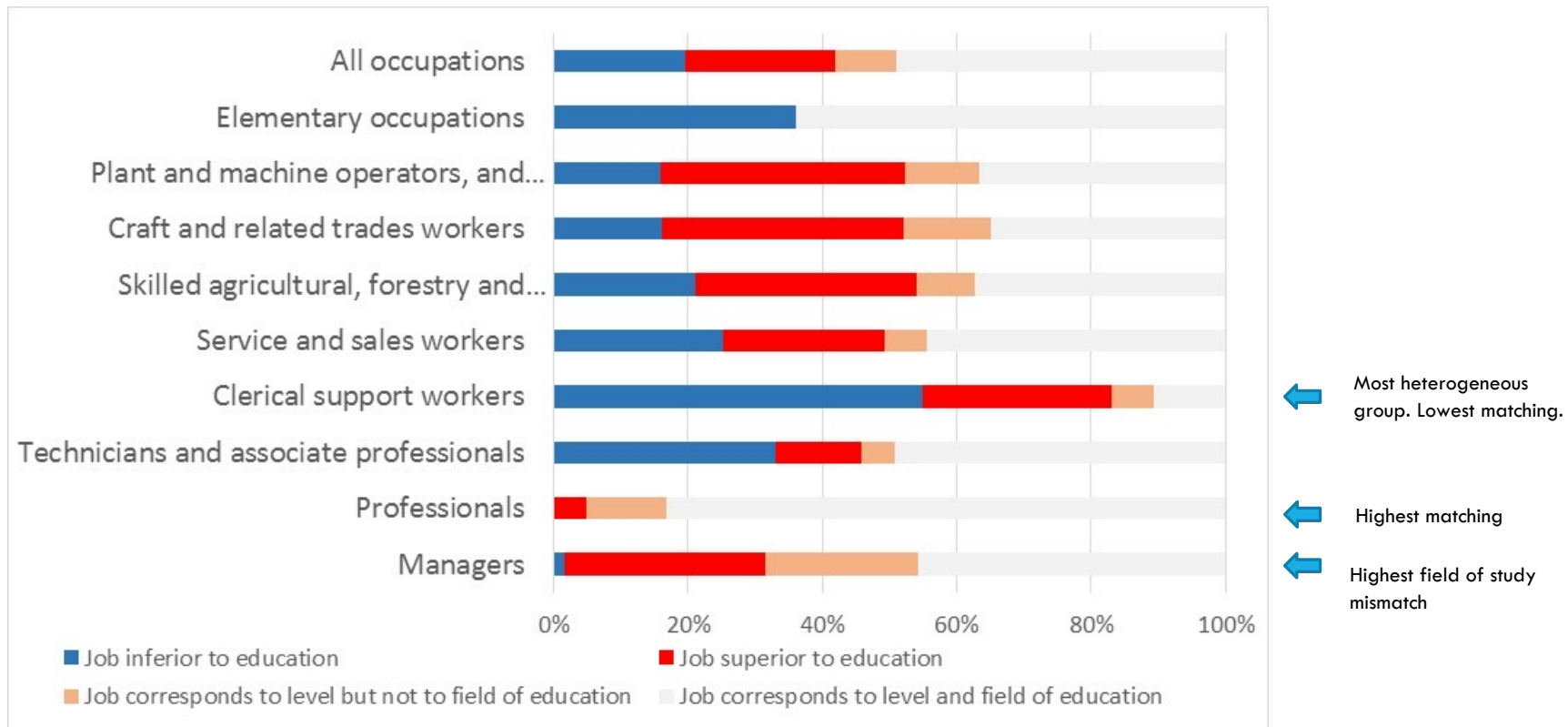
LFS MODULE ON MISMATCHES

Purpose: collect information about qualifications, work experience and skills needed and the extent to which they correspond to respondent's own qualifications, work experience and skills.

Age coverage: All household members of working age that are employed (main job/business)

Structure

❖ Formal qualifications (optional)
- Level of education needed
- Specific field of study needed

❖ Work experience/on-the-job-training (optional)
- ❖ Minimum length of work experience/on-the-job training needed
- Length of work experience/on-the-job training possessed

❖ SKILLS
- Skills possessed to carry out tasks and duties
- Skills needed
- Importance of various skills needed (optional)
- Level of various skills needed
- Level of various skills possessed
- Adequacy of various skills possessed (transferable skills)

THANK YOU FOR YOUR ATTENTION!