

SOFT SKILLS DEMANDED BY LABOUR MARKET

Erasmus+ KA2
"EntEE - Entrepreneurship Education in Europe"
No. 2017-3-IT03-KA205-012570

Co-funded by the
Erasmus+ Programme
of the European Union

Co-funded by the
Erasmus+ Programme
of the European Union

SOFT SKILLS DEMANDED BY LABOUR MARKET

Analysis of results of surveys conducted in January-March 2019 in Italy, Spain, Latvia, Portugal and Bulgaria

Prepared by Regional Cluster "Northeast" within the framework of Project "EntEE - Entrepreneurship Education in Europe", No. 2017-3-IT03-KA205-012570, Co-funded by the Erasmus+ Programme of the European Union

Dr. Boyko Doychinov

Yoanna Ivanova

Table of Contents

Introduction 4

Partnership 5

Methodology 7

Results and Analysis 8

Italy 9

Spain 12

Latvia 15

Portugal 18

Bulgaria 21

Comparative analysis 24

Conclusions 28

Appendix A: The survey instrument 29

Introduction

To remain competitive and productive in the global marketplace, it is crucial to employ a highly skilled workforce. The importance of **soft skills** is often undervalued and there is far less training provided to workers than technical skills. It is often assumed that workers know how to behave on the job which sometimes leads to frustration.

Unemployment, particularly youth unemployment, is one of the greatest challenges of contemporary Europe in a constantly changing labor market: statistical data say that in Europe, seventy million people do not have adequate basic and transversal skills. These people are exposed to serious risks of unemployment, poverty and marginalization; in fact, more than half of the twelve million people in Europe who have been unemployed for more than twelve months (the so-called long-term unemployed or NEET) are workers who have a low level of skills and who are unlikely to find job opportunities.

On the other hand, in Europe there is a strong imbalance between demand and supply of skills: on one hand, many people perform tasks not corresponding to their talent, on the other hand, 40% of European employers find difficulties to find people with the skills they need to be able to innovate and grow. In particular, the team working skills, creative thinking and problem solving skills, adaptability, flexibility, initiative, in a word "entrepreneurship".

It is one of the 8 key competences, which turns out to be the most requested skill in the labor market, it guarantees a wider margin of employability among young people and that needs to be developed at an early age as recommended by the European Commission in June 2016 adopted the "Agenda for Skills for Europe" ("A New Skills Agenda for Europe" COM 2016 381/12). The Agenda aims to indicate to all stakeholders the strategies and actions necessary to provide EU citizens with a set of skills, in particular cross-cutting ones, to improve their employability, competitiveness and growth and better address the skills towards the challenges that Europe is facing.

To address this concern, "EntEE - Entrepreneurship Education in Europe", with the support of Erasmus+ Programme of the European Union conduct a soft skills survey in the following countries: Italy, Spain, Latvia, Portugal and Bulgaria.

Partnership

Polaris s.r.l.s.

www.polarisformazione.it

Polaris S.r.l.s. is a training institution accredited by the Abruzzo Region for lifelong learning, higher education and job orientation. It deals with the design and implementation of training activities that have as main objective the qualification, redevelopment and updating of unemployed subjects, NEETs, unemployed young people and all those users who want to deepen or integrate their skills.

AIDEJOVEN

http://aidesarrollo.org/

AIDEJOVEN was established as an NGO to promote equality among young people, developing projects and programs aimed at preventing discrimination for any reason: birth, race, gender religion or personal and social status as well as the implementation of cooperation projects and programs international and community development.

Socialas Inovacijas Centrs

www.socialinnovation.lv/LV

Social Innovation Center (SIC), non-governmental organization, established in 2010 is dedicated to resolving social challenges, increasing knowledge in social innovation and social well-being in Latvia, as well as facilitating and promoting best practices, knowledge and experience gained internationally.

C4G – Consulting and Training Network, LDA

www.c4g.pt

C4G is a Portuguese SME dealing both with training and consultancy projects. It is specialized in entrepreneurship areas having worked in the business start up scene in Portugal over the last 10 years.

Regional Cluster North-East

http://rcne.ngobg.info/index.html

Regional Cluster "North - East" was established in 2012 as a Public-Private Partnership and Umbrella organization. Members of The Cluster are municipalities, institutes, universities and colleges, schools and training centers, research institutes. Members of RCNE are also NGOs, companies operating in the fields of industry, trade, tourism, etc.

Methodology

A questionnaire was developed in the autumn of 2018 to collect data about soft skills demanded by Labour Market. An anonymous questionnaire contains 20 questions. (Appendix A)

Between January and March 2019, the study was conducted in all participating countries - Italy, Spain, Latvia, Portugal and Bulgaria. Each organization gathered at least 40 replies from local business representatives.

The studied skills are:

- Personal qualities
  - ✓ Motivation
  - ✓ Perseverance
  - ✓ Puntuality
  - ✓ Open mind
  - ✓ Creativity
  - ✓ Empathy

- Soft skills
  - ✓ Adaptability
  - ✓ Team working
  - ✓ Leadership
  - ✓ Resistence to the stress
  - ✓ Problem solving/Critical thinking
  - ✓ Sense of initiative and entrepreneurship
  - ✓ Social and civic

- Professional skills
  - ✓ Focused on target
  - ✓ Digital competences
  - ✓ Negotiation
  - ✓ Linguistic skills
  - ✓ Mobility
  - ✓ Learning to learn
  - ✓ Communication Skills

Also, in order to ensure comparability between the participating countries, specific data obtained through the questionnaires will be analyzed, namely: the sector in which the respondents operate, number of employers, activity level, age structure of staff, test/approach/specific method to measure the skills/competences, tools/method for improving the skills, investment attitude for training and qualification of staff.

Results and Analysis

There is wide agreement that "soft" skills are among the skills essential to employment across sectors. Employers report a "skills gap" and generally do not feel graduates possess sufficient "soft" skills to perform effectively. There are significant differences in the expectations and perceptions of employers and the perceptions of educators and graduates regarding the level of soft skills graduates possess.

Technological growth, the expansion of a global communication and IT infrastructure, the ageing labour force, and the growth of the knowledge economy have prompted demand for workers with new skill sets.

Due to increased competitive pressure, employers across sectors have identified a strong need for non-technical skills, including problem solving skills, teamwork skills, communication skills, time management, and cultural adaptability.

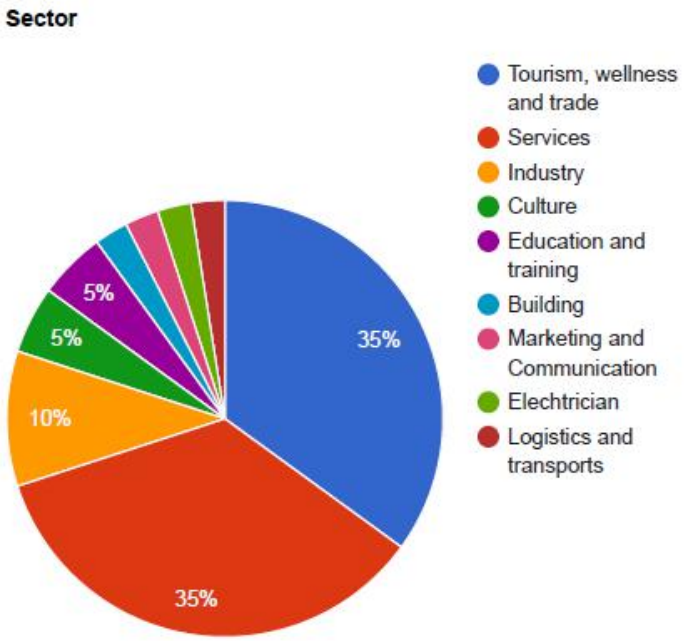
Interpersonal and communication skills, including listening skills, are particularly highlighted with respect to the hiring and promotion of employees in a variety of industries, suggesting that these skills are highly valued by employers.

Often soft skills can be difficult to assess. Generally speaking, standard achievement or IQ tests cannot capture proficiency in soft skills. Instruments such as the employment readiness scale measure soft skills to a certain extent, using psychometric questioning to do so, though these kinds of instruments tend to focus on self-efficacy, goal setting, social skills, and past performance over other soft skills such as communication skills or time management.

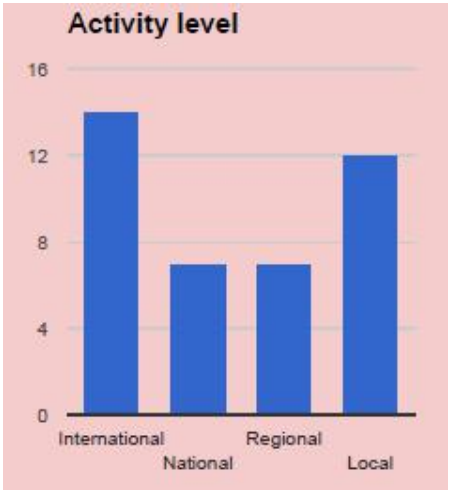
Italy

Between January and March 2019 the questionnaire was distributed in Italy by the lead partner Polaris s.r.l.s. 40 responses were received.

14 of the respondent organizations are from the tourism, wellness and trade sectors. 14 organizations represent the service sector. 10% of the respondents are industrial enterprises. Among the respondents there are organizations working in the construction, marketing and communications, logistics and transport, education and training and cultural sectors.



Only 20% of the represented enterprises are small or medium, while 80% belong to the micro enterprise group.



14 of the enterprises are working on international level, 7 on national and 7 on regional level. 30% of the respondents work on local level.

It is noticeable that in 26 of the enterprises the employees under 30 are less than 25% of the total employed. The majority of employees in all respondents are between 30 and 50 years of age. In 30% of the enterprises represented more than 25% of the employed are over 50, while in 20% of the respondents this group is more than half of the employed.

In regard to test/approach/specific method applied to measure the skills/competences more than 50% (22 respondents) use job interview. 15 of the enterprises do not use any specific method, and only 3 are using written test or focus group as a method.

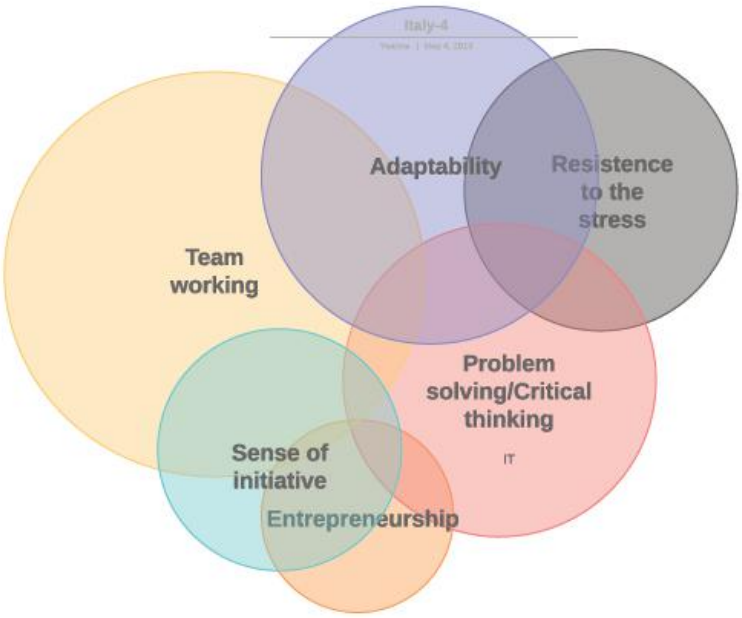


According to respondents, the most preferred tools/method for improving the skills are training course (formal training) and practice/job shadowing in company (informal training).

Asked if they would invest in training and qualification of staff 90% (36) of the enterprises answer positively.

In regard to personal qualities of the staff most of the respondents indicated motivation and open mindnest. Creativity is also one of the preferred personal qualities.

The most preferred by employers soft skills are team working, adaptability and problem solving/Critical thinking. But many also point out that resistence to the stress and sense of initiative and entrepreneurship are very important in the work process as well.

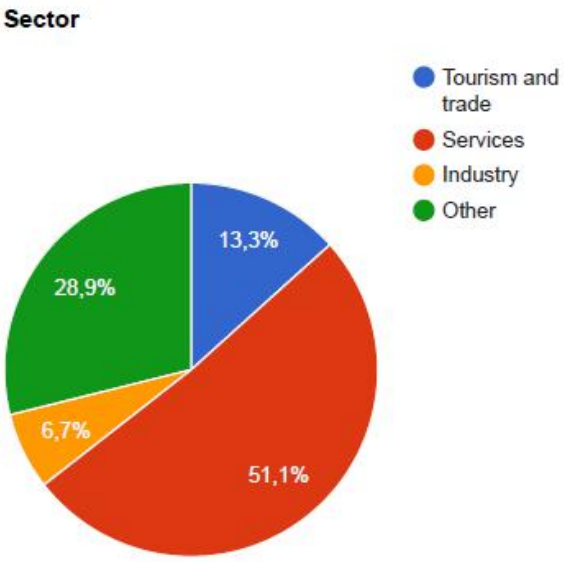


As most important professional skills most of the respondents point out communication skills and to be focused on target. It is interesting to note that digital and linguistic competences are ranked afterwards.

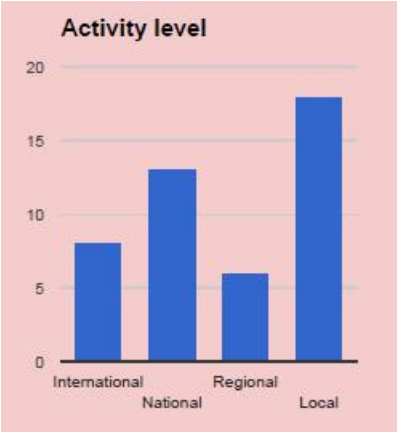
Spain

From January till March 2019 AIDEJOVEN distributed the questionnaire in Spain. By the end of the deadline 45 responses were received.

Of the 45 enterprises represented, 23 or more than 50% work in the service sector. The tourism and trade sector is represented by 6 enterprises and industry sector by 3. At the same time, 13 respondents have identified another sector as a response.

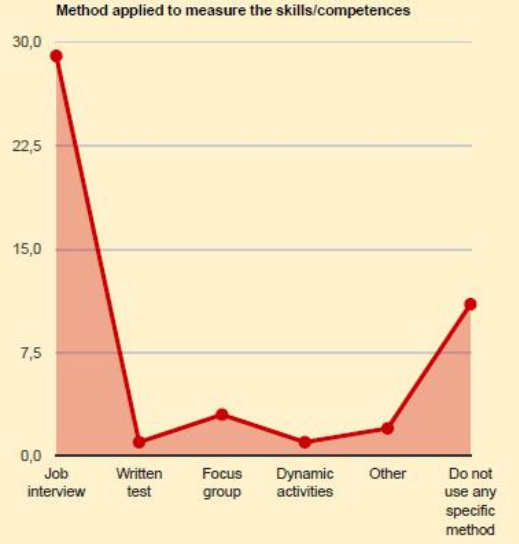


Only 4 of the represented enterprises are large, 9 enterprises are defined as small and medium, while 32 belong to the micro enterprise group.



8 of the enterprises or almost 20% are working on international level, 13 on national and 6 on regional level. 18 of the respondents work on local level.

In nearly half of the companies represented the staff is under 30 years of age. The group of workers aged between 30 and 50 is evenly distributed by sector and activity level. It should be noted that in only 4 enterprises, or less than 10%, the staff is over 50 years old.



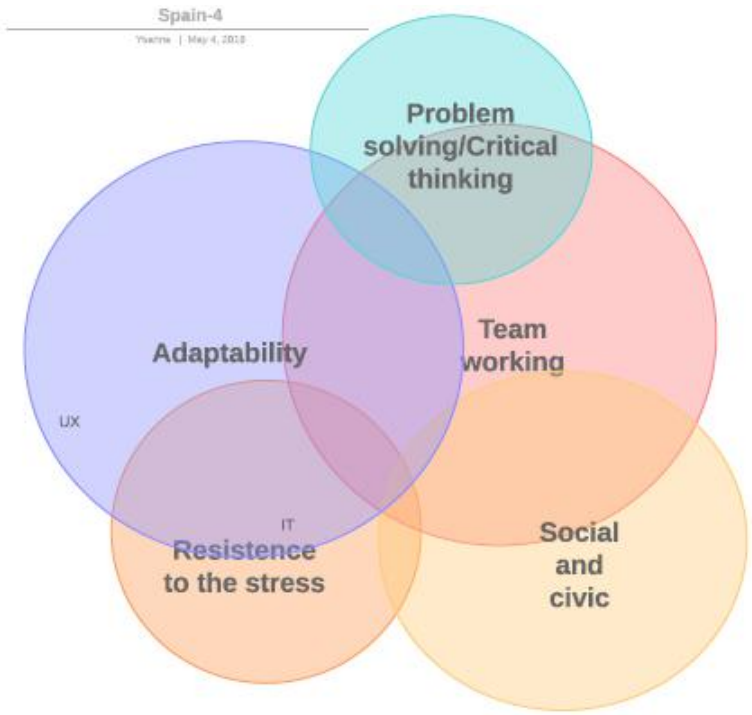
29 respondents use only job interview or job interview in combination with another method to measure the skills/competences. 11 of the enterprises do not use any specific method or use other methods. Only 3 are using focus group, Dynamic activities (role plays, team solution) or written test as a method.

The most preferred tools/method for improving the skills is team building followed by practice/job shadowing in company (informal training).

28 of the participating organizations said they would invest in the training and qualification of their employees. 12 respondents are unsure, until 5 (more than 10%) say they would not make such an investment.

The most important personal qualities of the staff according to the respondents are motivation, creativity and empathy, followed by open mind.

The respondents state as more important the following soft skills: adaptability and team working. Social and civic, resistence to the stress and problem solving/Critical thinking are important for the participating organization as well.

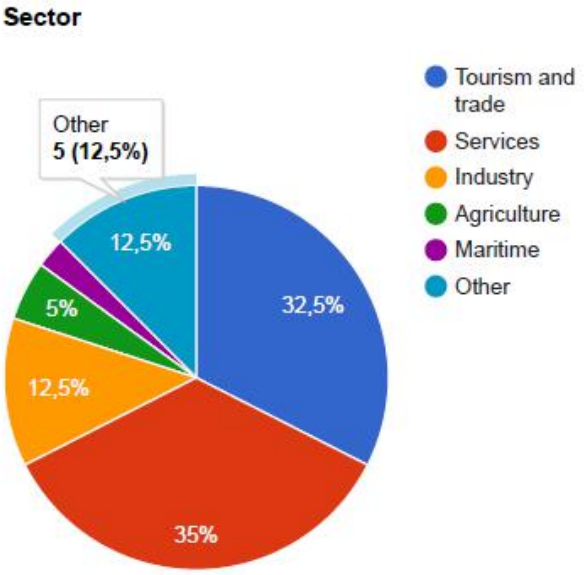


As most preferred professional skills most of the respondents point out focused on target and communication skills. Digital and linguistic competences are also referred to as important professional skills.

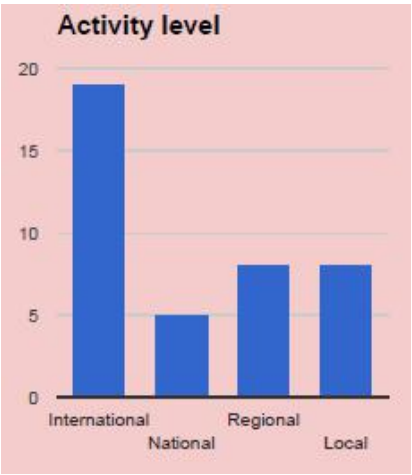
Latvia

Social Innovation Center (SIC) conducted the survey in Latvia between January and March 2019. 40 responses were received.

14 of the respondent organizations represent the service sector. 13 organizations are working in the tourism and trade sectors. More than 10% of the respondents (5 organizations) are industrial enterprises. Also represented are agriculture and maritime sectors. 5 Respondents have indicated as "other".



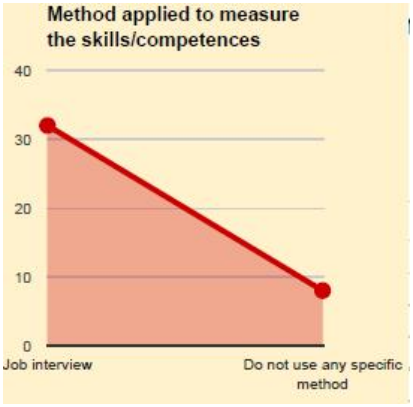
1 enterprise is defined as large and 18 of the represented enterprises are small or medium. 21 of the respondents belong to the micro enterprise group.



Almost 50% of the respondents (19 enterprises) are working on international level, 5 on national and 8 (20%) on regional level. 20% of the enterprises (8 respondents) work on local level.

The distribution of staff by age is even, with the largest number of respondents reporting in the group 30-50 years.

Almost 80% of respondents apply job interview or job interview in combination with another method to measure the skills/competences. 20% (8 respondents) of the enterprises do not use any specific method.

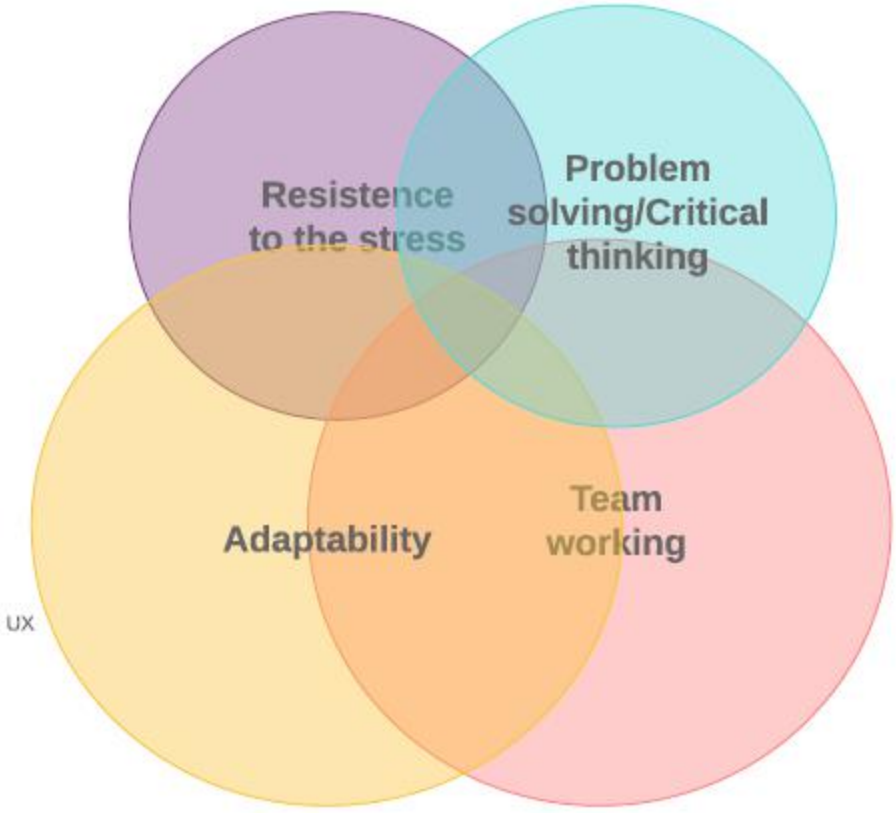


The most preferred tools/method for improving the skills according to respondents are training course (formal training) and practice/job shadowing in company (informal training).

26 of the respondents would invest in training and qualification of staff, 12 do not know and 5% (2 enterprises) say they would not.

In regard to personal qualities of the staff most of the respondents indicated motivation, puntuality and Perseverance as more important. Creativity and open mind are also one of the preferred personal qualities.

The most preferred soft skills are adaptability and team working. Many of the respondents also point out that resistence to the stress and problem solving/Critical thinking are very important as well.

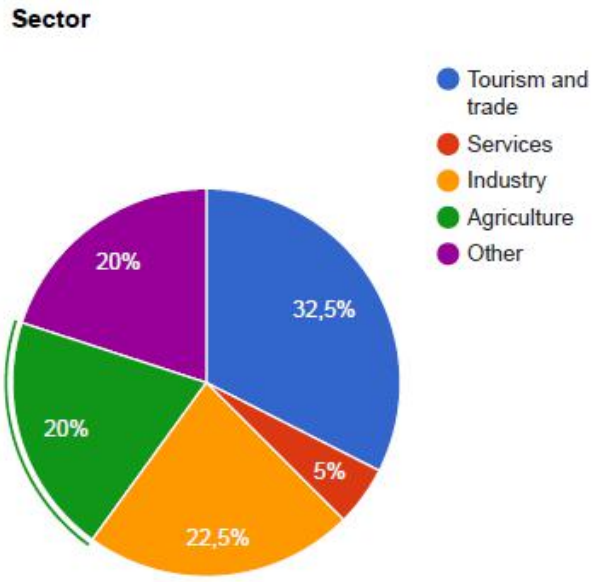


The most important professional skills are focused on target and learning to learn. Digital competences and negotiation are following.

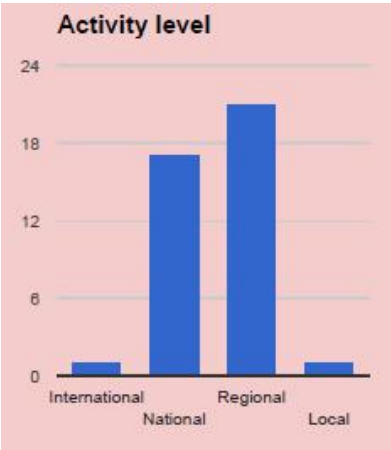
Portugal

Between January and March 2019 the questionnaire was distributed in Portugal by C4G – Consulting and Training Network, LDA. 40 responses were received.

Of the 40 enterprises represented 8 or 20% work in agricultural sector. The tourism and trade sector is represented by 13 enterprises, industry sector by 9 and services by 2. At the same time, 8 respondents (20%) have identified another sector as a response.



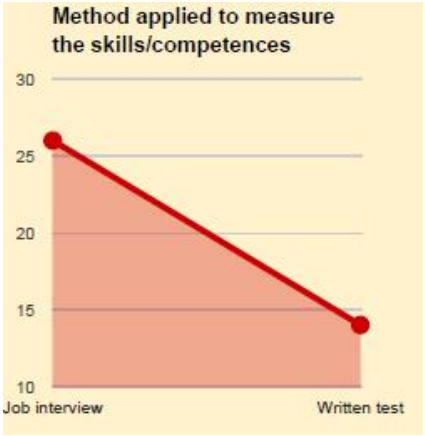
13 of the represented enterprises are micro, while 27 are defined as small and medium-sized enterprises.



17 of the enterprises are working on national level and 21 on regional level. 1 respondent is working on international level and 1 on local.

The age structure of the staff is evenly distributed, with groups of 40-50 years and over 50 years of age being least well represented.

26 respondents use only job interview or job interview in combination with another method to measure the skills/competences. 14 of the enterprises are using written test as a method.

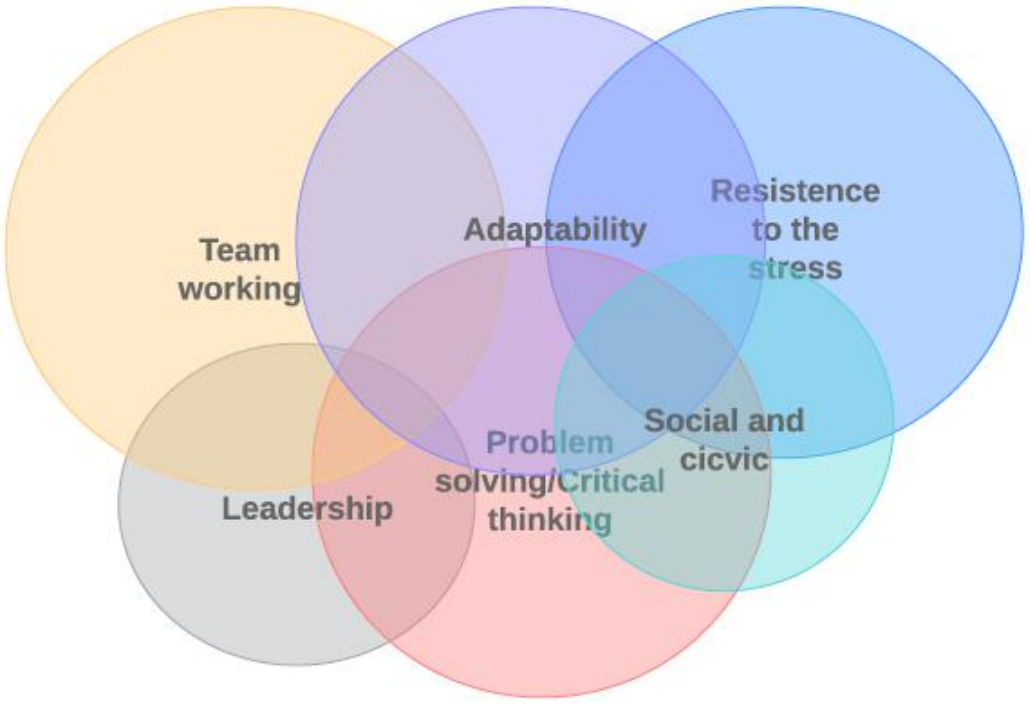


It should be noted that the participating companies consider that all methods for improving skills are important, but still prefer training course (formal training) and practice/job shadowing in company (informal training).

80% of the participating organizations or 32 respondents said they would invest in the training and qualification of their employees. 4 respondents (10%) are unsure and 4 (10%) say they would not make such an investment.

The most important personal qualities of the staff according to the respondents are motivation, perseverance, open mind and creativity. However, they consider puntuality and Empathy as important as well.

The respondents state as more important the following soft skills: adaptability, team working, resistence to the stress and problem solving/Critical thinking. Social and civic and leadership are important for the participating organization as well.

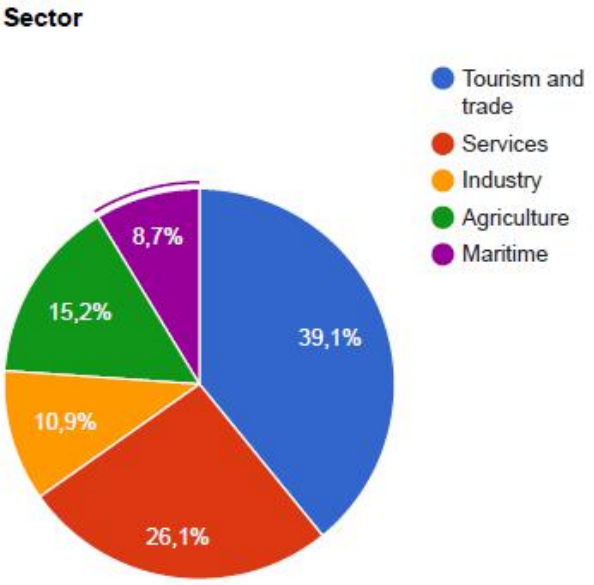


As most preferred professional skills most of the respondents point out digital competences and learning to learn. Mobility and communication Skills are also referred to as important professional skills.

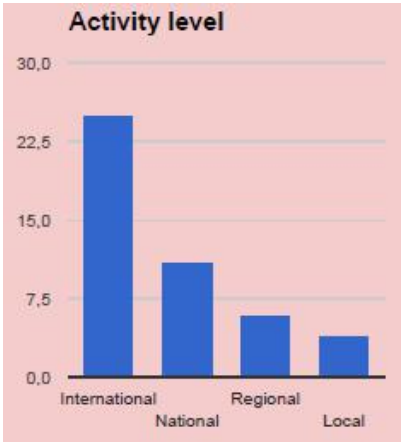
Bulgaria

From January till March 2019 Regional Cluster "North-East" distributed the questionnaire in Bulgaria. At the end of the period, 46 responses were received.

12 of the respondent organizations represent the service sector and 18 organizations are working in the tourism and trade sectors. Almost 10% of the respondents (5 organizations) are industrial enterprises. Also represented are agriculture (7 enterprises) and maritime sectors (4 respondents).



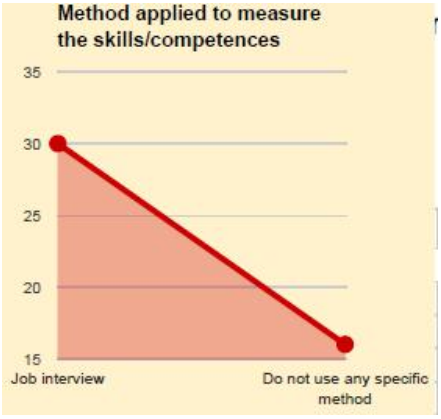
According to the answers 1 enterprise is large and 14 are small and medium enterprises. 31 or more than 50% of the respondents are defined as micro-enterprises.



More than 50% of the respondents (25 enterprises) are working on international level, 11 on national and 6 on regional level. Less than 10% of the enterprises (4 respondents) work on local level.

The largest number of staff in the participating enterprises (almost 50%) is in the 30-40 and 40-50 age group. About 30% of staff are over 50 and less than 20% fall into the group for up to 30 years.

More than 60% of respondents apply job interview or job interview in combination with another method to measure the skills/competences. The other participants indicate that they do not use any specific method.

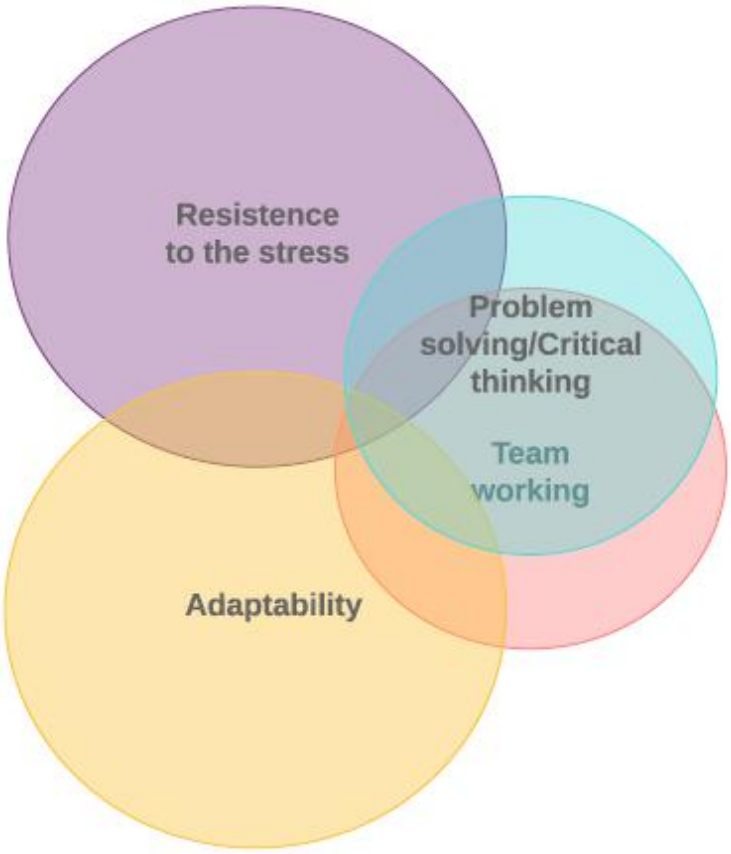


The most preferred tools/method for improving the skills according to respondents are training course (formal training), team building and self learning.

38 of the respondents would invest in training and qualification of staff, 7 do not know and only 1 say they would not.

In regard to personal qualities of the staff most of the respondents indicated motivation and creativity as most important. At the same time, the respondents determine open mind and puntuality are also one of the important personal qualities.

The most preferred soft skills according to Bulgarian respondents are adaptability and resistance to the stress. Many of the respondents also indicate team working and problem solving/Critical thinking as very important as well.

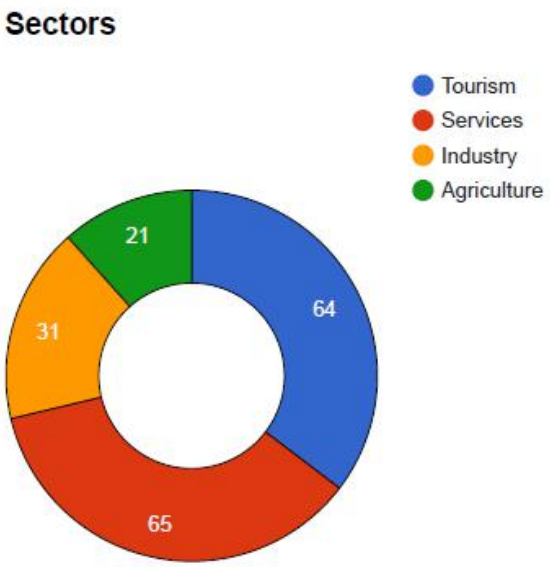


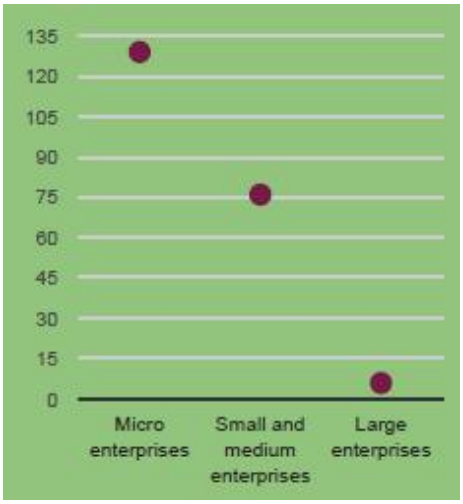
The most important professional skills are digital competences and linguistic skills. Mobility and Communication Skills are following.

Comparative analysis

Between January and March, a survey was conducted in 5 countries - Italy, Spain, Latvia, Portugal and Bulgaria, to collect data about soft skills demanded by Labour Market. A total of 211 respondents participated in the study.

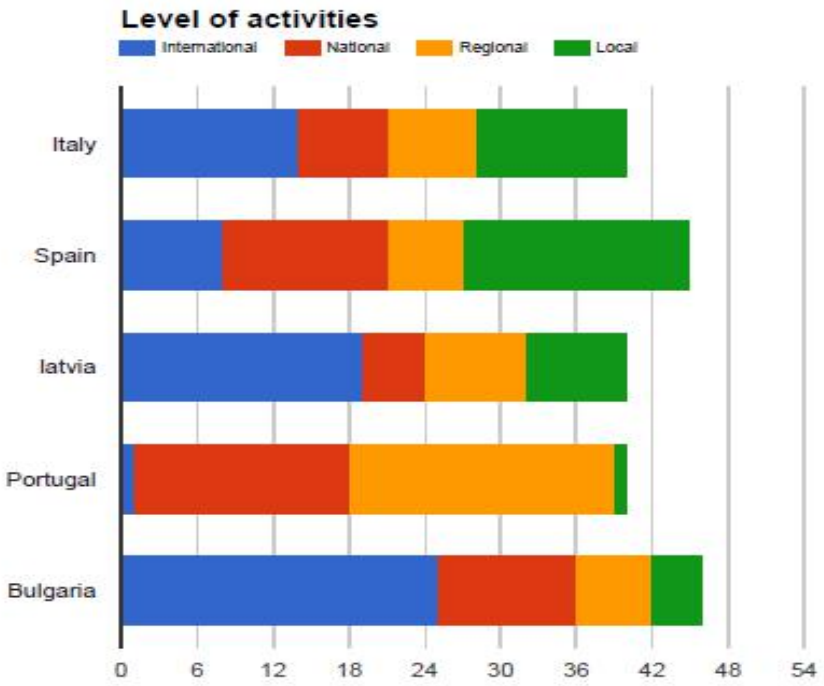
The survey presents 12 sectors - tourism, wellness, trade, services, industry, culture, education and training, building, marketing and communications, logistics and transport, agriculture and maritime sectors. With the largest participation in the survey are the sectors: tourism (64), services (65), industry (31), agriculture (21).





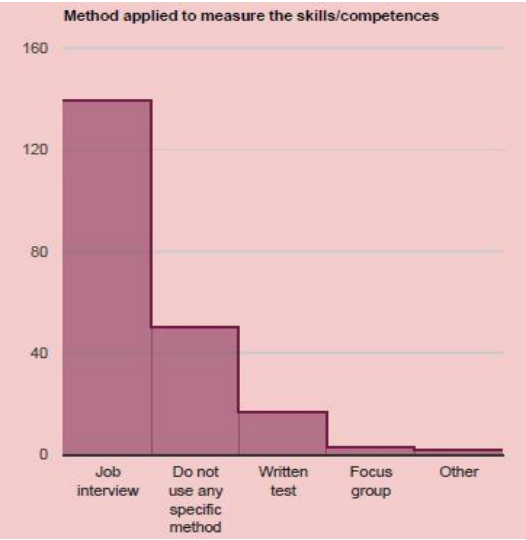
Micro enterprises (129) were best represented in the survey, followed by small and medium-sized enterprises (76). Largest businesses are the least affected, with only 6 respondents identified as a large enterprise.

The majority of respondents - 67 organizations are working on international level, followed by nationally represented enterprises - 53. The groups of organizations working at regional and local level are almost equally represented - respectively 48 and 43 enterprises.

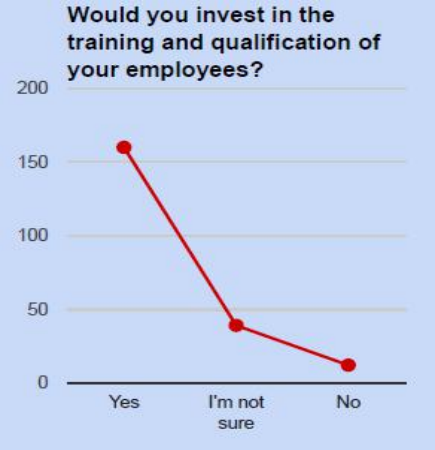


Interesting conclusions are drawn from the comparative analysis of the age structure of employees in different countries. While in Italy, Latvia and Bulgaria the largest group of employees is between 30 and 50, in Spain almost half of the respondents indicate as the largest group of employees under 30. In Portugal, employees are relatively evenly distributed by age.

In regard to test/approach/specific method applied to measure the skills/competences most of the respondents (139) use job interview or job interview in combination with another method. 50 of the enterprises do not use any specific method. 17 are using written test and only 3 are using focus group as a method. A negligible part (2 enterprises) responded that they are using another method.

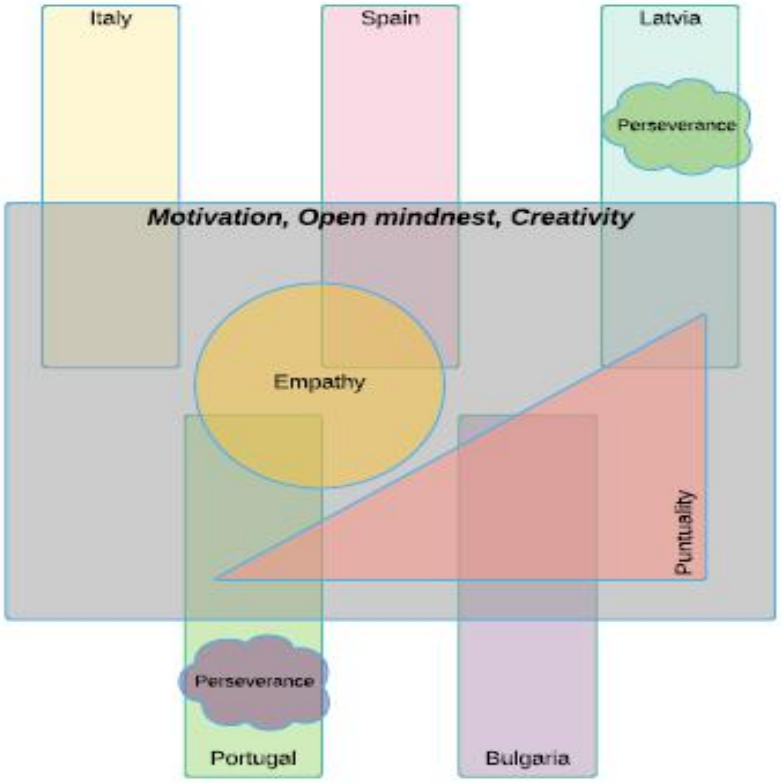


The most preferred tools/method for improving the skills according to respondents are ranked as follows: training course (formal training), practice/job shadowing in company (informal training), team building and self-learning.



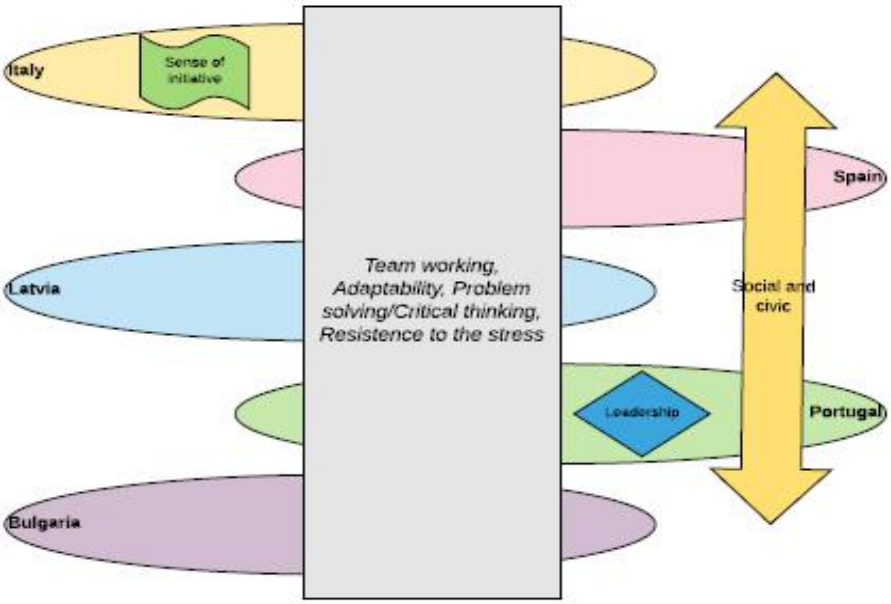
160 respondents said they would invest in the training and qualification of their employees. 39 respondents are unsure and only 12 say they would not make such an investment.

In regard to personal qualities of the staff most of the respondents from all countries indicated motivation, creativity and open mindnest as very important. Perseverance is mentioned as the most preferred personal quality by the respondents in Latvia and Portugal. Empathy is an important personal quality for businesses in Spain and Portugal. Puntuality is also one of the preferred personal qualities in Latvia, Portugal and Bulgaria.

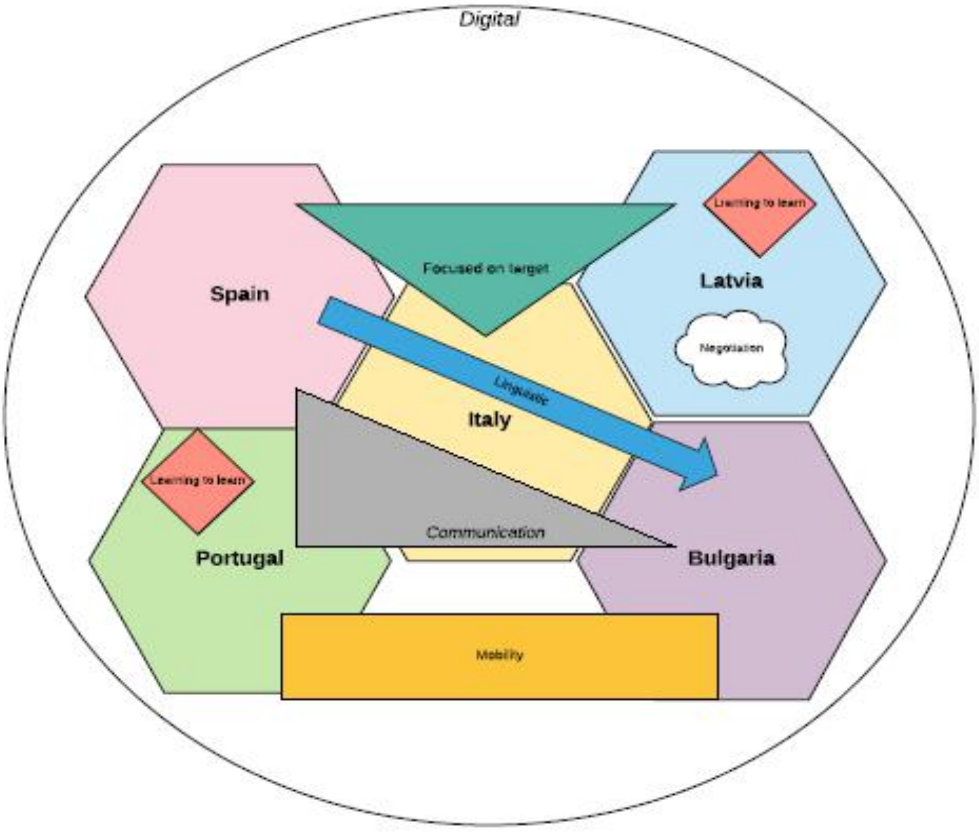


The most preferred by employers from all participating countries soft skills are team working, and adaptability. Most of the respondents also state problem solving/critical thinking and resistance to the stress as very important. Businesses from Spain and Portugal point social and civic as an important soft skill, while sense of initiative

refers only to Italian companies. Only respondents in Portugal point out leadership as an important soft skill.



As most important professional skills most of the respondents point out digital skills, followed by communication, to be focused on target and linguistic. Mobility and learning to learn skills are also referred to as important. Negotiation skills have indicated only respondents in Latvia as one of the important professional skills.



Conclusions

Employers report that they want employees to possess a diverse skill set, including a wide variety of soft skills even in highly technical fields.They also report that there is a gap between what they need and what current graduates possess.

Soft skills are difficult to objectively assess. Generally speaking, standard achievement or IQ tests cannot capture proficiency in soft skills, although they can assess aspects such as writing skills and reasoning.

Even in fields where some communication skills, verbal and written communication skills, and presentation skills are taught, consideration should be given to introducing listening skills and interpersonal/intercultural awareness into the curriculum. These proficiencies tend to be overlooked in all but a handful of sectors, but are broadly applicable in the modern global organization. Of course, private training and professional development organizations can also play a role. Since some soft skills are difficult to teach in a formal setting, on-the-job training and development or coaching can help fill in the gaps.

Generally speaking, given the importance of soft skills in the private sector, it is vital to continue engaging business leaders so that we can understand their needs and keep ahead of any changes. Since access to employees with the right skills is a key driver of economic growth and job creation, attention should be directed to ensuring businesses have access to individuals with wellrounded skill sets.

Appendix A

Questionnaire

1. When was the enterprise established?

2. In which sector do you operate?

Industry
Trade
Agriculture
Tourism
Maritime
Other

3. Number of employers

< 10 (Micro)
< 50 (Small)
< 250 (Medium)
> 250 (Large)

4. Activity level

Local
Regional
National
International

5. Age structure of staff at the moment

18-30
30-40
40-50
Over 50

6. Gender balance of staff at the moment

7. Do you expect growth in your business over the next 3 years?

8. Do you plan to hire new employees?

9. More relevant Personal qualities (with a range from 1- "not important" to 5 - "very important")

Motivation
Perseverance
Puntuality
Open mind
Creativity
Empathy

10. More relevant Soft skills (with a range from 1- "not important" to 5 - "very important")

Adaptability
Team working
Leadership
Resistence to the stress
Problem solving/Critical thinking
Sense of initiative and entrepreneurship
Social and civic

11. Professional skills (with a range from 1- "not important" to 5 - "very important")

Focused on target
Digital competences
Negotiation
Linguistic skills
Mobility
Learning to learn
Communication Skills

12. Do you have a test/approach/specific method to measure the above mentioned skills/competences? If yes which ones do you use?

Work interview
Focus group
Written Test
Dynamic activities (role plays, team solution)
Other

13. More effective tools/method to improve this skills (with a range from 1- "not important" to 5 - "very important")

Training course (formal training)
Practice/job shadowing in company (informal training)
Internship/voluntary service abroad



Self learning
Team building

14. How do you evaluate the previuos self-entrpreneurial paths in the candidate's background?

Negative
Not relevant
Relevant
Very relevant

15. Would you invest in the training and qualification of your employees?

16. Do you have a qualification center within your organization or you use external services?

17. Do you have a policy for accepting apprentices and interns?

18. Do you apply a policy of equal opportunities in hiring new employees?

19. Would you hire people from the following disadvantaged groups?

From third countries
Refugees / minorities
Without qualification or previous experience
People with disabilities
Young people with fewer opportunities
Lone parents
Other

20. What specific skills do you think your future employees should have?

Is the use of technical tools required?
Is Multiculturalism required?
Specific skills in your sector