

International scientific conference

# **SUSTAINABLE GROWTH IN SMALL OPEN ECONOMIES**

**Skills and sustainable employment in Serbia \***  
(preliminary work)

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# Outline

- Motivation and goal of research
- Conceptual framework
- Overview of preliminary research results
- Conclusions and implications

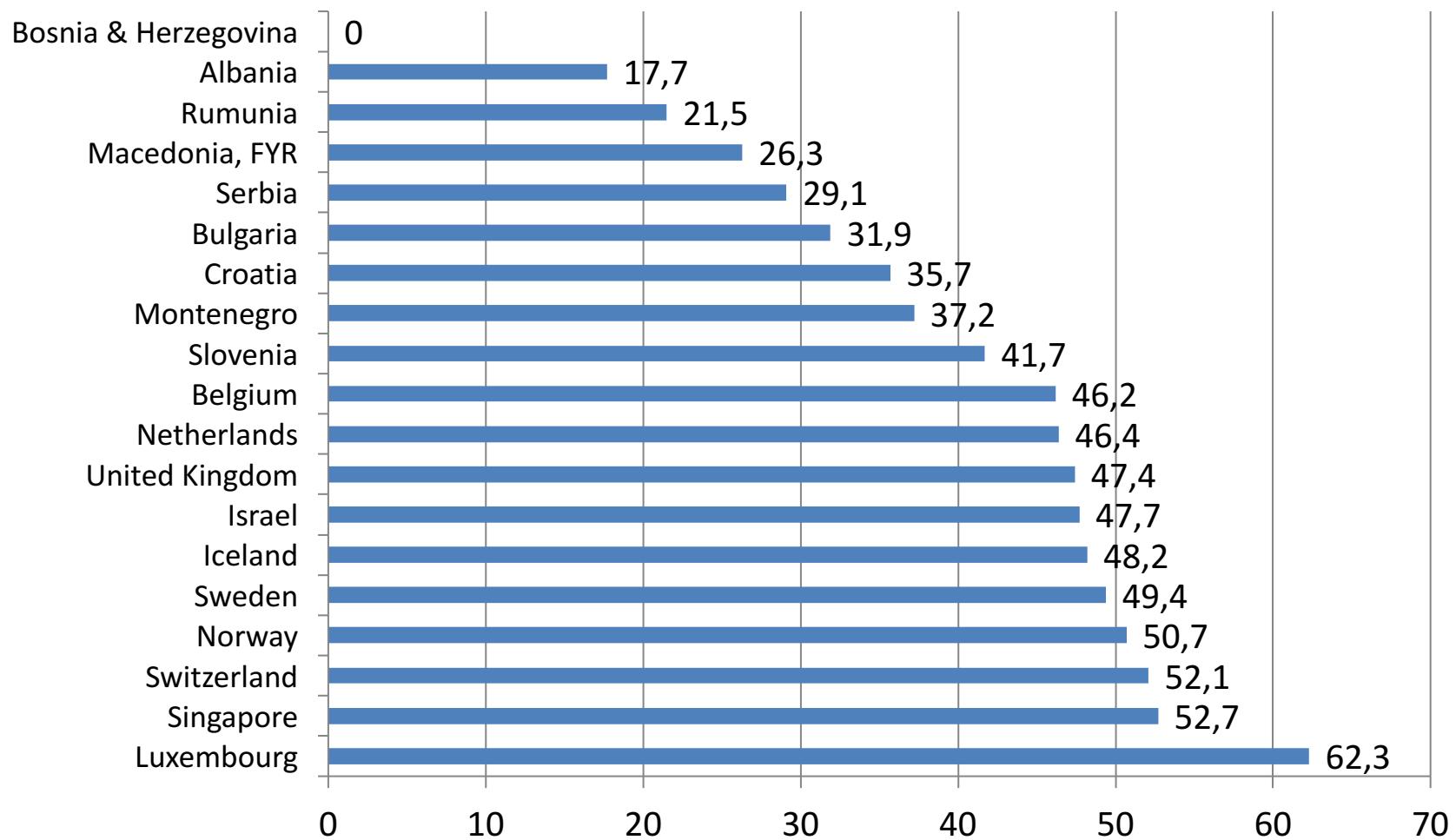
# Motivation and goal of research

- The objective of this paper is to assess the process of matching the skills available by the workforce and the skills demanded by the employers.

# Conceptual framework

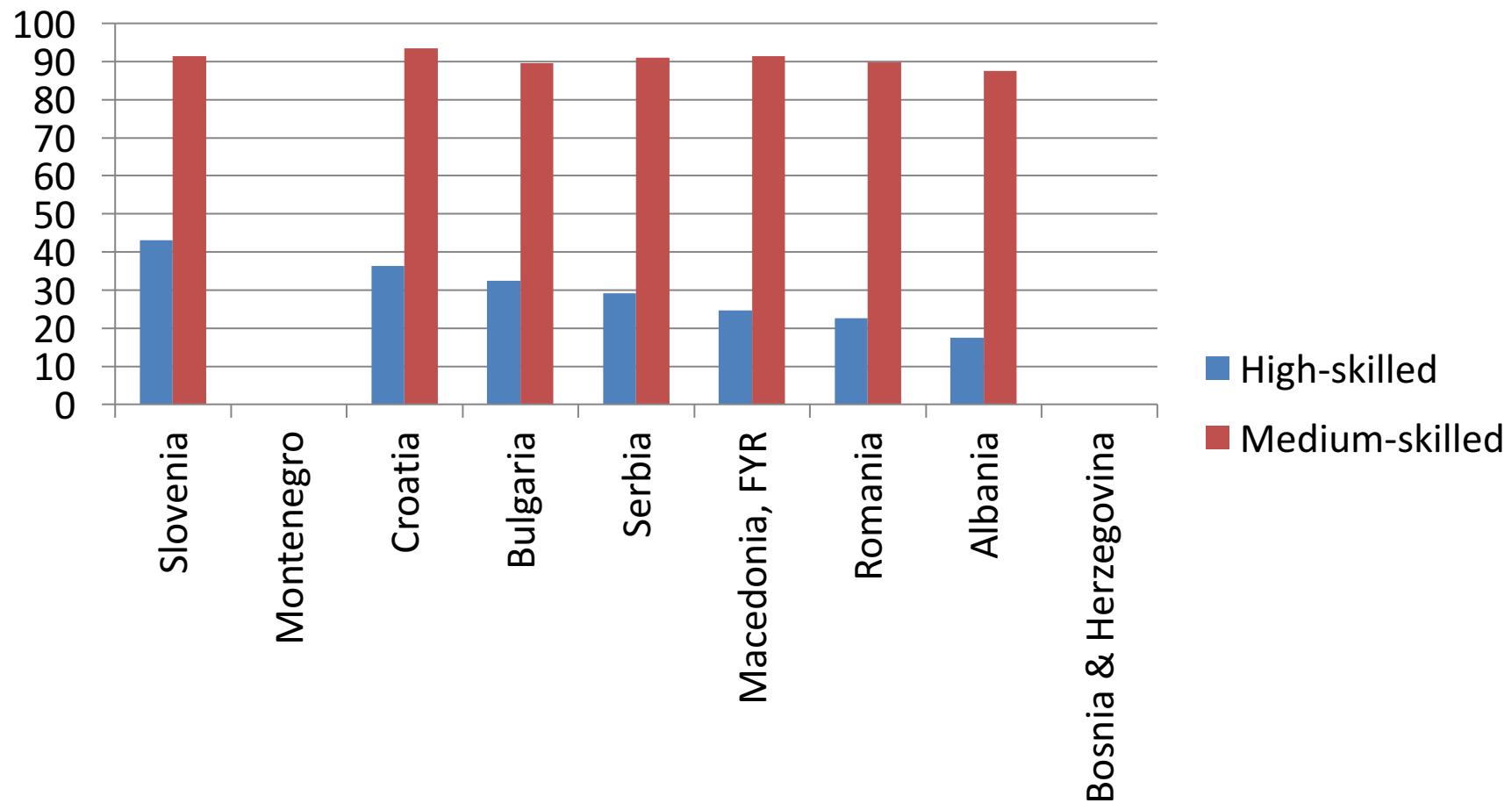
- Why the skills are important:
  - Skills are a measure of our ability to respond to tasks required in the workplace.
  - Competencies are a measure of how well we respond to job requirements or perform our tasks.
- Two common forms of skill-related issues are known as:
  - Skills gap when job seekers do not possess the skills required in the labour market and / or educational system does not provide graduates with adequate skills and / or skills of job applicants and companies' employees are obsolete, etc.
  - Skills shortages occur when there is no adequate supply of job applicants whose skills are related to particular occupations (i.e. occupational shortages).

# Chart 1: Knowledge-intensive jobs as % of workforce, a comparison



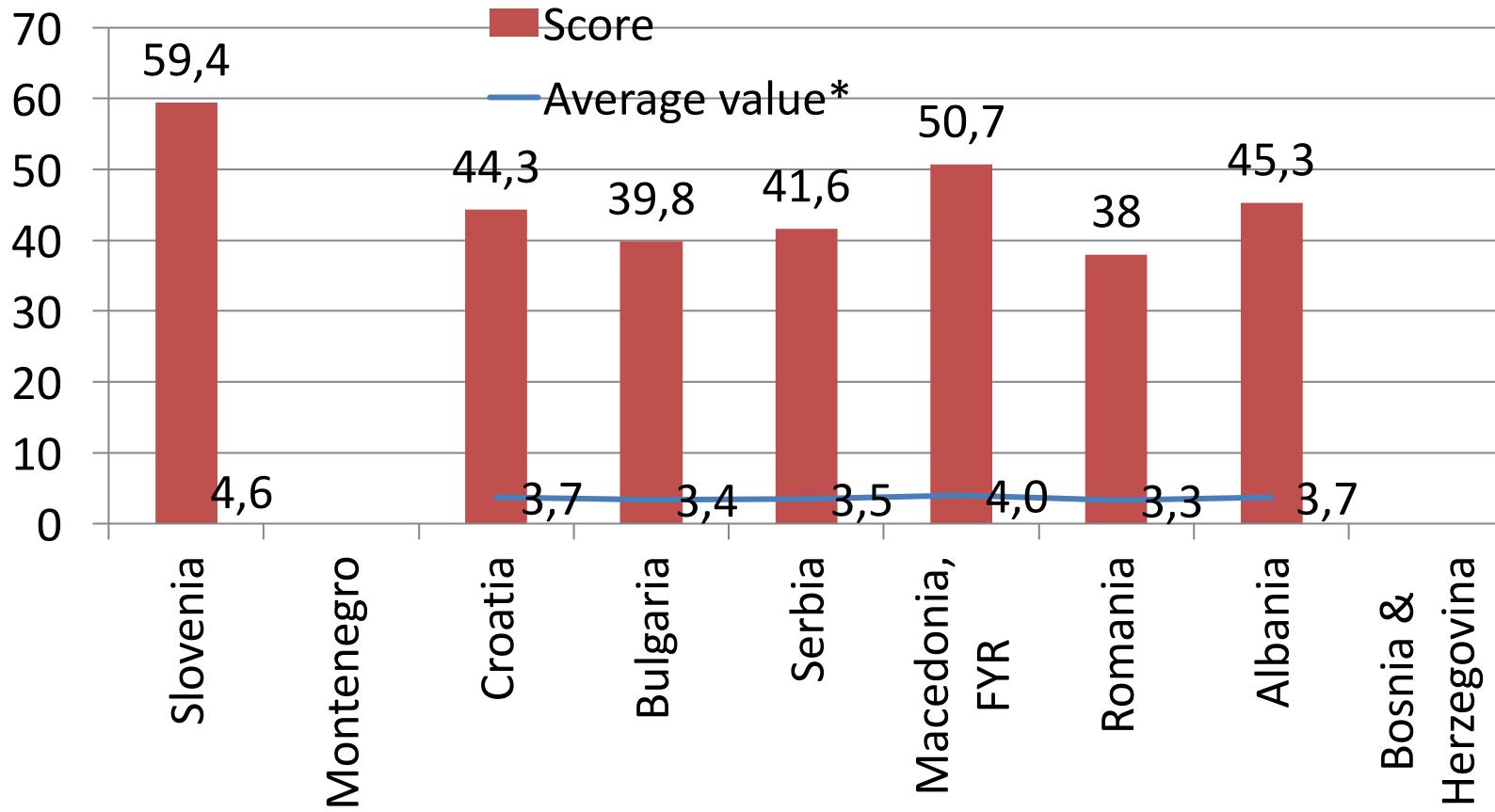
Source: WEF, GITR 2016

# Chart 2: High- vs medium-skilled employment share, in selected SEE countries (%)



Source: WEF, GHCR 2017

# Chart 3: Availability of skilled employees, in selected SEE countries (%)



\* Survey response on a 1–7 scale (1 = worst score, 7 = best score)

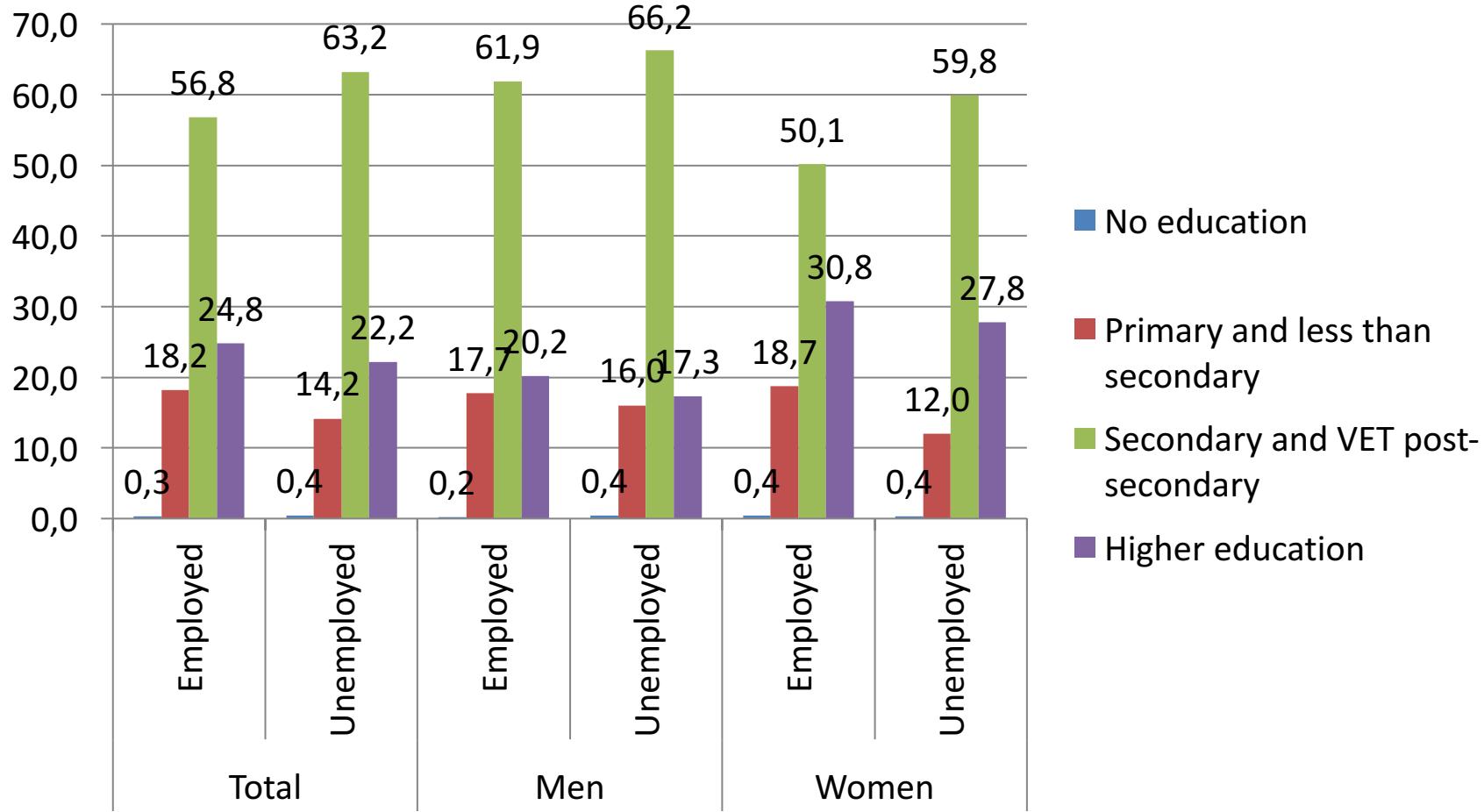
Source: WEF, GHCR 2017

# Chart 4: Connection between occupational groups and skills

<b>Skills level</b>	<b>ISCED level</b>	<b>Occupational group</b>
3 and 4	level 5-6 (7-8 not included)	Managers; Professionals; Technicians;
2	level 2-4	Clerical, service and sales workers; Skilled agricultural and trades workers; Plant and machine operators and assemblers;
1	level 1	Elementary occupations

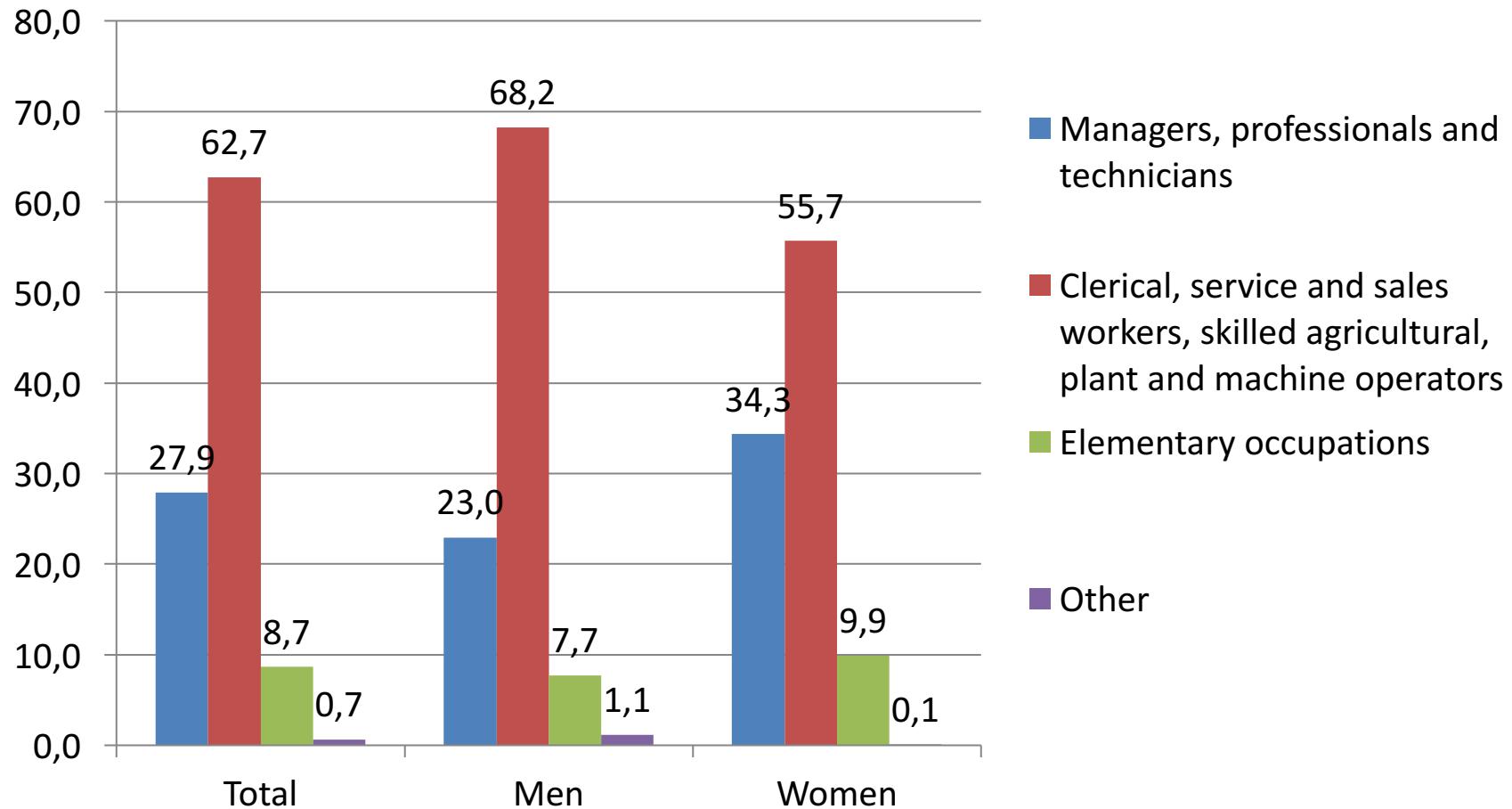
Source: WEF, GHCR 2017

# Chart 5: Workforce by educational attainment (%)



Source: SORS, LFS 2016

# Chart 6: Employees by occupation (%)



Source: SORS, LFS 2016

# Table 1: An example–matching skills to jobs in Serbian labour market

	Unemployed			First-job seekers			Job matching		
	2015	2016	Diff. (%)	2015	2016	Diff. (%)	2015	2016	Diff. (%)
Total	724.096	700.947	-3,2	245.341	232.945	-5,1	19.647	32.866	67,3
Men	352.123	340.070	-3,4	105.390	100.024	-5,1	8.984	14.820	65,0
Women	371.973	360.877	-3,0	139.951	132.921	-5,0	10.663	18.046	69,2
Level of education									
ISCED 1	227319	222585	-2,1	99610	97974	-1,6	5092	10624	108,6
ISCED 2-4	392798	374578	-4,6	110268	101430	-8,0	11671	17244	47,8
ISCED 5-8	103979	103784	-0,2	35463	33541	-5,4	2884	4998	73,3

Source: NES, Bulletin XII 2016

# Conclusions and implications

- In terms of international comparison, Serbia fits among those countries of the region with the average share of knowledge-intensive jobs—no significant improvement in productivity and innovation-led competitiveness can be expected in the short-term.
- Most challenges are related to the imbalances in the workforce of the middle level of education, implying that skills gaps are mainly identified among generic and technical skills in accordance with job description—jobs matching policies of both those who are feeding the supply of skills and those searching for skilled workers should be focused on narrowing these gaps.