

ABSTRACT

Looking for high potentials!?

For some time now, the South Tyrolean labour market has been close to full employment. However, this particularly positive economic phase has also highlighted that the shortage of skilled labour could become one of the main brakes on our economy's growth. Due to demographic changes it is expected that finding the best workers will become more difficult and requires companies to adjust their HR strategy. To evaluate the current situation in South Tyrolean companies, the IER – Institute for Economic Research of the Chamber of Commerce of Bolzano – asked around 1,700 companies to assess their situation regarding the availability of skilled workers. The survey results show that not all companies are affected by a shortage of skilled workers.

About one third of all companies state that the shortage of skilled workers poses a threat to them. Looking at Austria and Germany, this is a comparatively low figure (ibw 2018). In Germany for instance about half of the companies report having problems filling vacancies (DIHK 2018). The IER-survey has shown that the shortage of skilled workers is by no means widespread: the economic sectors most affected are the hospitality industry, agricultural cooperatives and the construction industry. Small structures sectors such as the service sector are less affected by the shortage of skilled workers. In terms of company size, companies with 10 to 49 employees feel the shortage of skilled workers the most. Larger enterprises perceive the shortage of skilled workers to a lesser extent but they expect problems resulting from an increasing skills shortage in the future. Enterprises in sectors where seasonal work predominates are particularly vulnerable to the phenomenon of skills shortages. A

possible solution could be to stabilise skilled workers by replacing, where possible, seasonal jobs with year-round jobs.

According to the "Excelsior" company survey, companies intend to hire mostly applicants with a vocational diploma or secondary school leaving certificate. Companies search less frequently for candidates with a university degree, however finding them is more difficult. Asked about the causes of the shortage of skilled labour, half of the companies with a shortage of skilled labour claim that the candidates do not have the required knowledge. Secondly, they simply do not receive enough answers on job announcements. As a result, the burden on the already employed workforce increases, orders must be rejected and the quality of the services offered drops.

How do companies counter the shortage of skilled workers? To recruit personnel, South Tyrolean companies rely mainly on personal contacts and advertisements in newspapers and thus use channels with a limited range of coverage. However, the larger the company, the more professional the recruitment process. Many companies hope to see more interest in craft trades among youngsters but are rarely present in schools or at career fairs to advertise their own apprenticeship opportunities to pupils. Many companies would like their applicants to have already gained some work experience but only few offer internships to establish contacts with potential future employees. In order to alleviate the shortage of skilled labour, companies believe that a) the content of school education should be geared towards the needs of companies and that b) the image of training and craft

occupations needs improvement. However, a cross-country strategy to enhance the public image of craft trades could be supported by more initiative on the part of companies themselves.

Many South Tyrolean companies have much to offer but they still have some catching up to do when it comes to staff management. When asked about internal solution strategies, the companies' answers reveal a sobering picture: Only a few companies offer their employees long-term perspectives for professional development, flexible schedules or additional company benefits. In view of the working population's development, efforts to find and retain employees must be intensified. Above all, companies with up to 50 employees, which on the one hand are dearly in need of skilled workers but on the other hand have less resources to attract them, need support in finding and retaining employees.

The labour potential of foreign skilled workers or graduates is currently seen less as an opportunity to counter the shortage of skilled workers. In view of an increasingly mobile work force, raising awareness of foreign workers' needs will be crucial in future.