

Companies struggle to find the talent they need. Why?

A whopping 72 percent of large firms working in Spain say they have a tough time filling positions despite the country's high unemployment rate. That's according to an eye-opening study by IESE's María Luisa Blázquez, Roger Masclans and Jordi Canals.



February 5, 2019

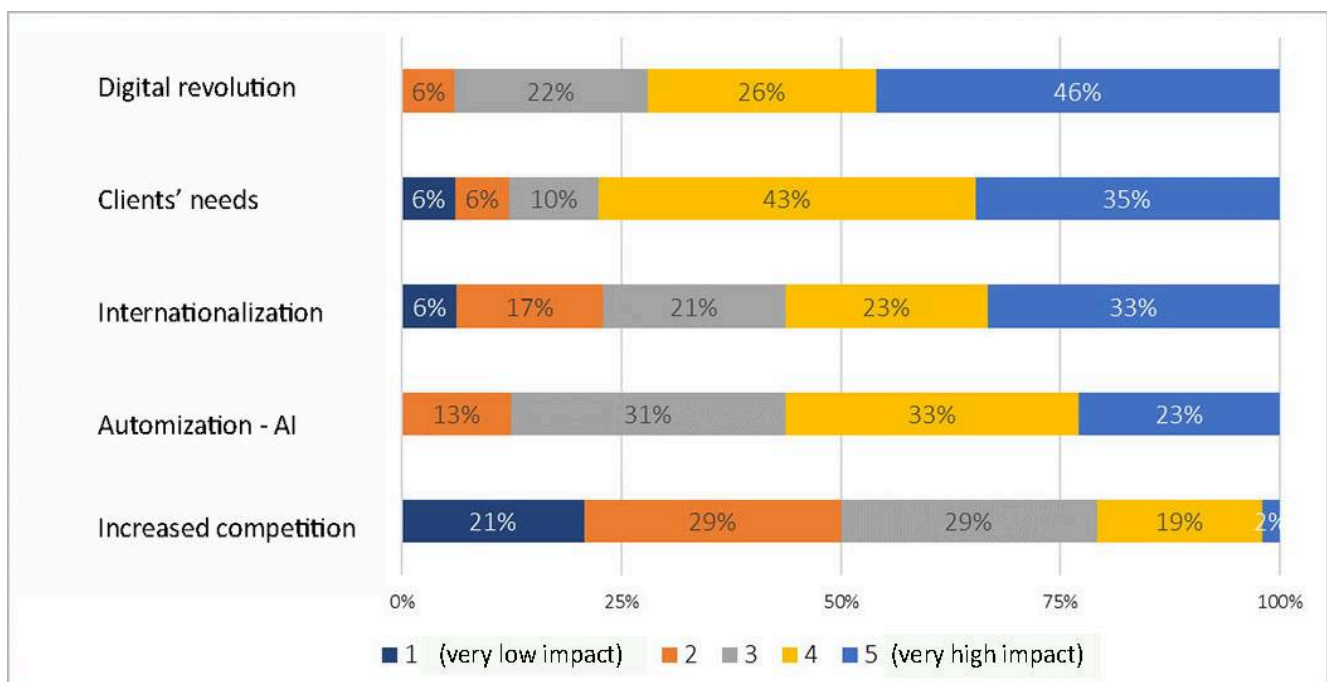
Nearly three out of four Spanish companies have difficulty filling their job vacancies, a new survey of 53 major firms reveals.

Companies said they struggled with finding candidates both for specific knowledge areas and those with more general professional skills and attitudes. IESE's María Luisa Blázquez, Roger

Masclans and [Jordi Canals](#) paint a picture of a working and educational culture in need of reform.

Firms were worried about a decline in necessary skills and competencies, and widening skills gaps in a context of increased automation and digitalization. Seventy-two percent of companies surveyed said the digital revolution has had a high or very high impact on the profile of workers they needed, while 56 percent believed that the impact of automation was high or very high.

Causes of profile changes: level of impact



The widening gap

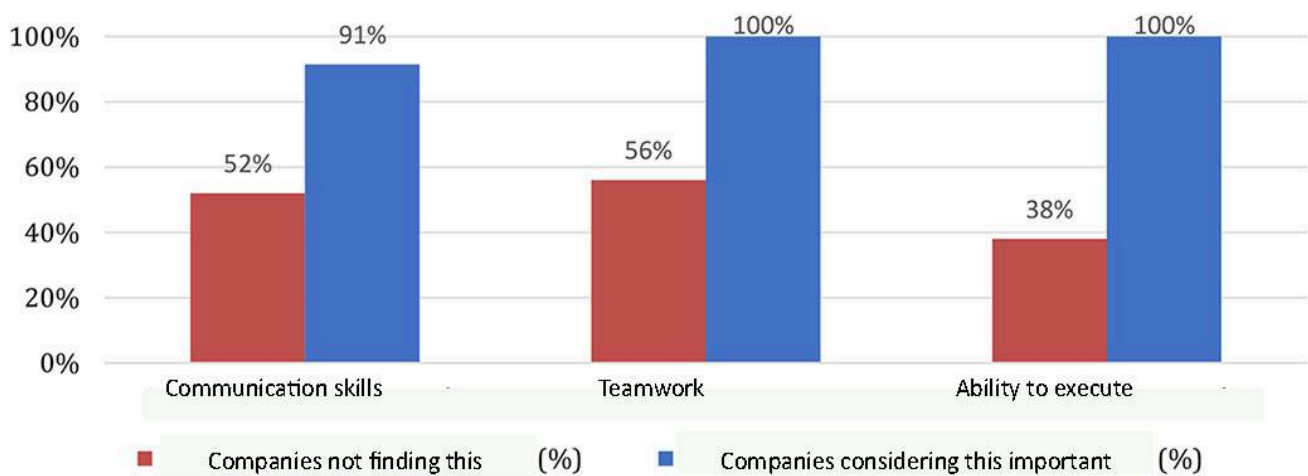
Companies are evolving toward more horizontal workplace structures, with new ways of working that include project-based work and design thinking. These trends require different knowledge and skills, with greater emphasis on teamwork, communication, leadership, negotiation and entrepreneurial spirit.

In this regard, 68 percent of the companies surveyed noted an important knowledge gap in technology and digitalization among university graduates and 48 percent saw it in vocational training graduates.

Meanwhile, survey respondents believed the gap in areas such as big data, digital marketing, artificial intelligence and blockchain would widen further within five years, adding to the challenge.

But technological know-how is not the only weak link. Fifty-six percent of the companies surveyed felt university graduates lacked key teamwork skills. Forty-eight percent noted the same lack in vocational training graduates. And when it comes to essential communication skills, 52 percent of companies said they were unsatisfactory in both groups.

A capacity gap: higher education



There is also a considerable gap in terms of professional and personal attitudes. Seventy-two percent and 52 percent of companies pointed to a lack of adaptability and resilience among college and vocational graduates, respectively.

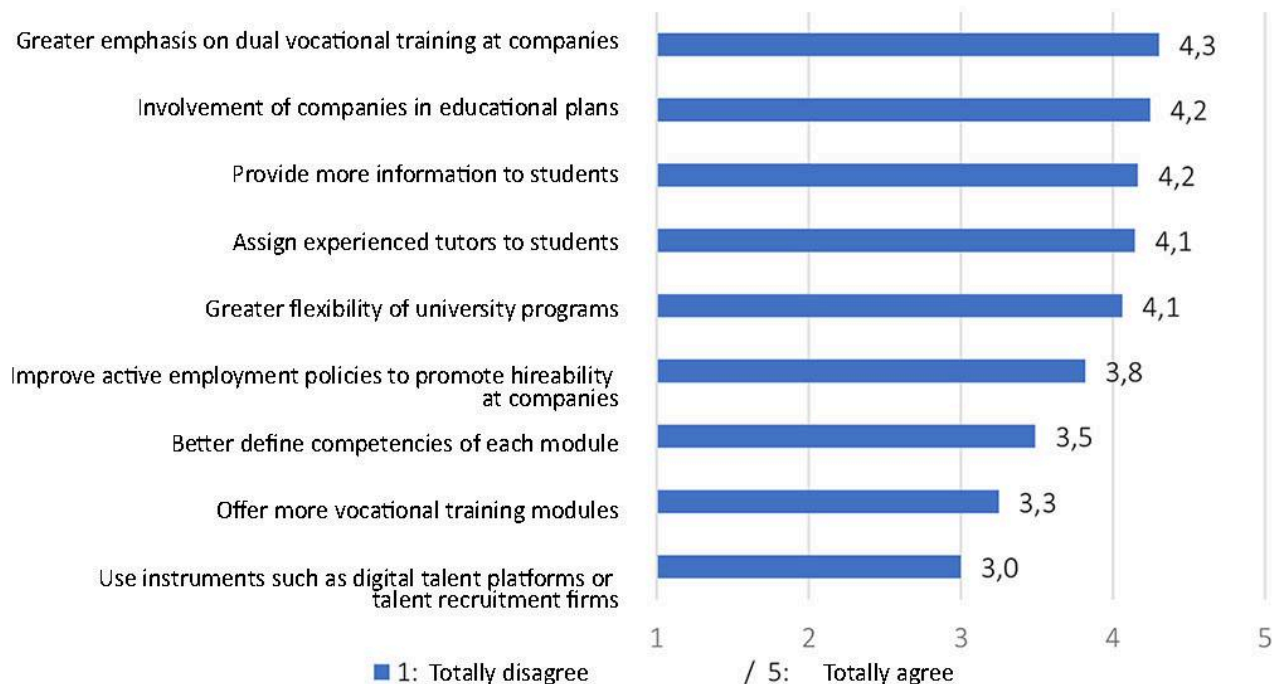
Vocational training: still lagging

In Spain, just 24 percent of young people have done vocational training, well below the EU average (36 percent), according to OECD data for 2016.

Although 67 percent of total jobs at the companies surveyed, and 57 percent of those posted in the last twelve months, are occupied by people with higher education, there is an increase in positions filled by candidates with vocational training, who represent 21 percent of hirings in the last twelve months.

The report shows that organizations require more complete, holistic and practical training, with emphasis on the knowledge, skills and attitudes needed in the coming years. Thus, 87 percent are calling for a more active role in the process of defining what's needed.

Evaluating possible initiatives



Modern and flexible

Companies believe the answer lies in education. They consider that the government needs to prioritize a more flexible education system, that can respond to the real needs of the labor market.

This would require greater adaptability of program and module content to facilitate collaboration among companies and offering new degrees and certifications.

The report highlights combinations involving work-study programs or internships around the end of a training program or degree as the most effective cure for unemployment and the best impetus for creating a satisfactory career path.

As such, the government should strengthen internship contracts. These need proper regulation to ensure basic social protections, but unnecessary costs or inflexibility should be minimized.

Methodology, very briefly

This study surveyed 53 large companies currently operating in Spain, which as of December 2017 employed nearly half a million people in Spain and nearly three million worldwide.

The report is part of the Education for Jobs Initiative, a multidisciplinary undertaking at IESE aimed at identifying the professional skills that companies will require in the coming years.

www.iese.edu/insight