

SURVEY OF OCCUPATIONAL AND SKILLS SHORTAGES

*In top business enterprises in Metro Manila
(First of a four-part series)*

Background

This issue of LABSTAT Updates is the first of a four-part series based on statistics culled from the results of the Survey on Occupational and Skills Shortages conducted by the Bureau of Labor and Employment Statistics (BLES) from April to July 2008 covering large business enterprises based in Metro Manila. A total of 667 enterprises participated in this survey out of the 829 initial samples selected or a response rate of 80.5%. The samples were drawn through stratified simple random sampling from the 2007 List of Top 5,000 Corporations in the Philippines as compiled by the Securities and Exchange Commission (SEC). The survey reference period was 2007.

This issue presents statistics on the profile of the survey respondents and the top "hard-to-fill" occupations categorized by major occupation group. It also discusses the reasons why "hard-to-fill" occupations prevail.



50 to 199 workers (40.5%) and large-sized enterprises with 200 or more workers (30.3%).

- The rest were classified as small-sized enterprises with 20 to 49 workers (18.1%) and micro-enterprises with less than 20 workers (11.1%).

SURVEY HIGHLIGHTS

Respondents' Profile

- Majority (68.2% or 455) of the respondents were engaged in service-producing activities mostly in wholesale and retail trade (24.4%) and real estate, insurance, renting and business activities (10.6%).
- The industry sector comprised 30.0% of the total respondents - most of them in manufacturing (16.3%) - while only a small fraction (1.8%) were involved in activities related to agriculture, fishery and forestry.
- By employment size, the respondents were dominated by medium-sized enterprises with

Job Vacancies

- More than half (57.1%) of the respondents reported the existence of job openings or vacancies in their firms in 2007.
- Nearly four of every five respondents (79.3%) considered said vacancies as "hard-to-fill" or those that had presented them with "recruitment difficulties". This proportion was observed more pronounced in electricity, gas and water supply (90.9%), construction (89.5%), and health and social services (85.7%).

**TABLE 1 – Respondents’ Employment Profile,
Large Enterprises in Metro Manila: 2007**

Sector/Industry	Total Samples	With Vacancy				Without Vacancy	
		Total		Hard-to-Fill		No.	%
		No.	%	No.	%		
ALL SAMPLES	667	381	57.1	302	79.3	286	42.9
INDUSTRY							
Agriculture, Fishery & Forestry	12	7	58.3	4	57.1	5	41.7
Industry	200	87	43.5	72	82.8	113	56.5
Mining and Quarrying	21	11	52.4	8	72.7	10	47.6
Manufacturing	109	46	42.2	37	80.4	63	57.8
Electricity, Gas & Water Supply	23	11	47.8	10	90.9	12	52.2
Construction	47	19	40.4	17	89.5	28	59.6
Services	455	287	63.1	226	78.7	168	36.9
Wholesale & Retail Trade	163	85	52.1	69	81.2	78	47.9
Hotels & Restaurants	46	38	82.6	30	78.9	8	17.4
Transport, Storage & Communications	45	30	66.7	23	76.7	15	33.3
Financial Intermediation	53	41	77.4	33	80.5	12	22.6
Real Estate, Renting & Business Activities	71	40	56.3	31	77.5	31	43.7
Health & Social Services	19	14	73.7	12	85.7	5	26.3
Private Education	21	18	85.7	15	83.3	3	14.3
Other Community, Social & Personal Service Activities	37	21	56.8	13	61.9	16	43.2
EMPLOYMENT SIZE							
Less than 20 workers	74	16	21.6	13	81.3	58	78.4
20 – 49 workers	121	53	43.8	35	66.0	68	56.2
50 – 199 workers	270	162	60.0	124	76.5	108	40.0
200 or more workers	202	150	74.3	130	86.7	52	25.7

Source: Bureau of Labor and Employment Statistics, Survey on Occupational and Skills Shortages.

Reasons Why Occupations Were Hard to Fill

- Table 2 provides an understanding of why these occupations were perceived as “hard to fill”. The shortage of applicants with the right competencies for the job was cited as the foremost challenge (45.0%) followed by the lack of applicant’s work experience (21.5%) and expectation of high salary (16.4%).
- Other reasons cited were: competition from overseas employment (4.8%); lack of professional license/TESDA certification (2.8%); and location or work schedule problems (2.1%).
- In extreme cases (3.1%), hard-to-fill occupations simply mean the actual absence of job applicant.

**TABLE 2 - Reasons Why Occupations Were Hard to Fill,
Large Enterprises in Metro Manila: 2007**

Reason	Number	Percent Share (%)
ALL REASONS	958*	100.0
Lack of competency	431	45.0
Lack of work experience	206	21.5
High asking salary	157	16.4
Qualified applicants' preference for overseas jobs	46	4.8
Lack professional license/TESDA certification	27	2.8
Job location/Work schedule problem	20	2.1
No applicant for the job	30	3.1
Other reasons/No response	41	4.3

* The figure refers to the total number of occupation titles identified/listed by respondents as hard to fill.

Source: Bureau of Labor and Employment Statistics, Survey on Occupational and Skills Shortages.

"HARD-TO-FILL" OCCUPATIONS AND SKILLS

- A total of 132 unit groups of occupations (4-digit PSOC) were listed in this survey as "hard-to-fill" for the reasons cited above. This figure corresponds to a total of 5,837 vacant positions the details of which are shown in Lists 1 to 4 to be made available at BLES website <http://www.bles.dole.gov.ph/LAB/STAT/Lists1-4.pdf>
- The lists were dominated by three major occupation groups, namely: managers, managing proprietors and supervisors (23.5%), professionals (24.2%), and technical and associate professionals (21.2%).
- The rest were classified as clerks (9.1%), service workers (3.0%), trades and related workers (10.6%), plant and machine operators and assemblers (6.8%), and laborers and unskilled workers (1.5%).
- To compare the degree of recruitment difficulties within and across unit groups of occupations, each of the four lists were sorted in descending order according to the following criteria: (1) volume of vacancies; (2) volume of applicants; (3) median duration of recruitment; and (4) number of applicants per 10 vacancies. From the four listings, the top unit groups of occupations from each major occupation group were extracted. These include occupations that consistently appeared at the top 20 in all of the four lists.

Managers, Managing Proprietors and Supervisors

- One clear message from the survey is the importance of managers and supervisors to the success of any organization. Today, many employers viewed managers with a broader base of skills such as planning in anticipating changing consumer tastes, knowledge of products and consumer behavior, social skills and inter-personal communications and human relations skills for effective staff management.
- Survey findings indicate that managers and supervisors received the second highest mention among major occupation groups in the list of hard-to-fill

occupations. In particular, difficulties were encountered in recruiting managers with qualifications and strong

background on sales and marketing, financial administration and research and development as can be gleaned from Table 3.

TABLE 3 - Top 5 Hard-to-Fill Occupations for Managers, Managing Proprietors and Supervisors in Large Enterprises in Metro Manila: 2007

Occupation Title	Number of Vacancies	Number of Applicants	Median Duration of Recruitment (in months)	Number of Applicants Per 10 Vacancies
1. Sales and marketing managers	138	484	9.0	35
2. Finance and administration managers	81	445	6.5	55
3. Sales supervisors wholesale trade	42	467	10.0	111
4. Production supervisors and general foremen	39	235	7.0	60
5. Research and development managers	18	71	12.5	39

Source: Bureau of Labor and Employment Statistics, Survey of Occupational and Skills Shortages.

Professionals

- As observed earlier, the recruitment process for professional workers was regarded by most respondents as the most difficult to manage. The survey listed a total of 32 unit groups of occupations under professional workers as "hard to fill" of which the top 15 are shown in Table 4.
- The list was dominated by IT professionals (systems analysts and designers, computer programmers, computer engineers); engineers (electrical, civil, mechanical, industrial); and health workers (medical doctors, pharmacists, medical technologists).
- The above findings highlight the increasing application of information technology in many areas of work not only in production but also in services. It also draws attention to the difficulties of recruiting qualified engineers as observed in a wide range of industries such as in utilities; construction; manufacturing; and transport, storage and communications.
- For health workers, the main concern is the shortage of applicants for pharmacists. Another concern is the low number of applicants for medical doctors because of applicant's expectation of higher salary.
- Recruitment difficulties likewise occurred in a diverse group of professionals that includes accountants and auditors; architects; geologists and geophysicists; HRD professionals; and authors, journalists and other writers.

TABLE 4 - Top 15 Hard-to-Fill Occupations for Professionals Group in Large Enterprises in Metro Manila: 2007

Occupation Title	Number of Vacancies	Number of Applicants	Median Duration of Recruitment (in months)	Number of Applicants Per 10 Vacancies
1. Systems analysts and designers	210	1,180	8.0	56
2. Accountants and auditors	164	928	8.0	57
3. Electrical engineers	147	1,338	9.5	91
4. Civil engineers	87	440	6.5	51
5. Mechanical engineers	84	232	6.5	28
6. Computer programmers	83	969	8.0	117
7. HRD professionals	75	369	5.0	49
8. Pharmacists	29	20	8.5	7
9. Medical technologists	30	134	7.0	45
10. Architects	22	265	2.0	120
11. Industrial engineers	21	195	5.0	93
12. Geologists and geophysicists	20	61	9.0	31
13. Authors, journalists and other writers	11	99	9.0	90
14. Medical doctors	8	9	10.0	11
15. Computer engineers and related professionals	7	45	9.0	64

Source: Bureau of Labor and Employment Statistics, Survey of Occupational and Skills Shortages.

Other Occupations

- The number of vacancies for “hard-to-fill” occupations for technical and associate professionals was relatively modest compared with managers and professional workers. The top 5 in the list were computer equipment operators; safety, health and quality inspectors; ship and aircraft controllers and technicians; computer assistants; and medical equipment operators.
- In contrast, numerically large vacancies were reported for call center agents in the business process outsourcing (BPO) industry. Recruitment difficulties occurred despite the large number of applicants for the job – an average of 46 applicants per 10 vacancies. The same can be noted for cashiers and ticket clerks.
- In the case of skill-based workers, recruitment difficulties were limited to a few occupations, namely: linemen, line installers and cable splicers; welders and flamecutters; heavy trucks and lorry drivers; and crane, hoist and related plant operators.

TABLE 5 - Top Hard-to-Fill Occupations for Technical and Associate Professionals, Clerks, Trades and Related Workers and Plant and Machine Operators and Assemblers in Large Enterprises in Metro Manila: 2007

Occupation Title	Number of Vacancies	Number of Applicants	Median Duration of Recruitment (in months)	Number of Applicants Per 10 Vacancies
Technical and Associate Professionals				
1. Computer equipment operators	66	161	3.0	24
2. Safety, health and quality inspectors	57	355	5.5	62
3. Ship and aircraft controllers and technicians	39	30	4.0	8
4. Computer assistants	34	173	4.0	51
5. Medical equipment operators	33	93	8.0	28
Clerks				
1. Call center agents	1,220	5,650	7.5	46
2. Cashiers and ticket clerks	568	2,095	4.0	37
Trades and Related Workers				
1. Linemen, line installers and cable splicers	304	1,002	9.5	33
2. Welders and flamecutters	85	122	6.5	14
Plant and Machine Operators and Assemblers				
1. Heavy truck and lorry drivers	42	47	2.5	11
2. Crane, hoist and related plant operators	5	11	4.0	22

Source: Bureau of Labor and Employment Statistics, Survey of Occupational and Skills Shortages.

FOR INQUIRIES:

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