



Labour Market Square

Työmarkkinatori



Finland

1 DESCRIPTION

Timespan May 2017 - present

Stage PILOT

Focus area



MATCHING SKILLS FOR TODAY'S JOB MARKET

2 FOUNDATIONS

Policy Area



EMPLOYMENT POLICY

Labour Market Square is a new platform for making it easier for employers and job seekers to find each other.

Policy Goal

The policy goal is to make it faster and easier to match job seekers to open jobs and increase productivity of employment services. It should also help educational institutions to plan their curriculum better to meet the needs of the labour market. Employment services have the role of matching unemployed people to open vacancies. The rationale is to use digital tools to increase the effectiveness, so that each job seeker gets improved job offers that better match their qualifications. A common problem has been that: unemployed people are frequently sent job offers that don't match their qualifications; and employers complain that reading application from unqualified persons is waste of their time. The Labour Market Square may (it has not yet been decided) have a control function to track if the unemployed are making genuine applications.

Mismatch

PART OF BROAD POLICY MEASURE OF WHICH SKILL MISMATCH IS ONLY A MINOR PART

The employment services are working widely to match unemployed persons to open jobs. Overcoming mismatch problems is part of those efforts.

Aim of policy instrument



MATCH SKILLS OF YOUNG GRADUATES



UPSKILL AND MATCH SKILLS OF UNEMPLOYED



FACILITATE JOB/CAREER TRANSITIONS

Legal basis

MINISTERIAL ORDER

Administrative level

NATIONAL

Main responsible body

Ministry of Economic Affairs and Employment

Stakeholders



GOVERNMENT (CENTRAL & REGIONAL)



TRAINING PROVIDERS (PUBLIC/PRIVATE)



OTHER

Stakeholders include private companies, labour market organisations and educational institutions. Private companies may use the platform to seek employees and advertise their open vacancies. Educational institute receive insight into the labour demand and can market their products. Different labour market organizations get real time information on the trends. The project is the governments spearhead project and is funded by government. The responsible ministry is the Ministry of Economic Affairs and Employment, which will also evaluate the outcomes in the future. The Finnish employment services is going through a reform and in the future, regional authorities will be more responsible for employment services, but so far it is not fully clear how the administration of Labour Market Square will be organized.

Funding

The total budget for digitalisation of employment services was €10 million in 2016 and €10 million in 2017. This budget includes other ICT-projects, so Labour Market Square takes only a fraction of that funding. In the future, the funding will come from employment services' general budget, but no details are yet available.

Intended beneficiaries

All the job seekers. The job seeker may be unemployed, a student looking for an internship or an employed person willing to change the job. Employers benefit from the digital platform, which helps estimate how well someone's skills fit the open positions. That makes the process faster and easier to manage. The educational institutions get insight into the needs of the labour markets.

3 PROCESSES

Use of labour market intelligence

● ● ● OTHER

The system itself collects insights into current labour market trends and required skills. So far it has not been decided how this LMSI will be utilised. The explicit goal of the project is to provide better information for all actors, job seekers, companies, educational institutes etc.

Financial schemes

The labour market square is funded by government funding. The idea is that the matchmaking is free for both the job seekers and employers.

Development

The project is in the piloting phase. Adjustments are likely to be made, but it is too early to assess what these will be.

Barriers

There are two major barriers. The first is to ensure the engagement of private actors to use the platform. The value of the platform will depend on the extent to which private actors engage with the platform and build in their own services to create an active 'ecosystem'. The second barrier is the security of confidential data. The platform handles personal data and that requires careful management to ensure data security.

Success factors

To achieve a successful 'ecosystem' of users will benefit all the actors and create new models to tackle skill mismatch and other labour market issues. Digitalisation and artificial intelligence may increase productivity and create value-added for all actors in the service and so reach a critical mass of users.

Monitoring

Monitoring data is not yet available, but the outcomes likely to be monitored include how many jobs, applications and matches are created in the system. The system has the potential ideally to help monitor the effectiveness of other labour market instruments as well.

Innovativeness

SLIGHTLY INNOVATIVE

The innovativeness is based on using the newest technology. The idea is that the platform will deliver the framework for companies and other stakeholder to create and integrate innovative services.

4 SUSTAINABILITY

Evidence of effectiveness

There is no evidence so far.

Engagement of stakeholders

Engagement of users is the crucial question. The platform is only valuable if both job-seekers and employers use it. To engage employers, they must be confident that the platform will help them find suitably qualified labour. Stakeholder have been included in the planning phase to ensure that the platform will meet their needs.

Transferability

NOT EASILY TRANSFERABLE

Finnish employment services are quite centrally-led and for that reason the unemployed, at least, will be expected to use official job seeking channels. The engagement of companies is voluntary. Increasing digitalisation and use of artificial intelligence is available to any country, but the success of public sector to create, and get sufficient engagement with a platform for labour market actors will depend on the role of employment services in each country.

Sustainability

The platform is now in development phase and in the future, it is likely that it will replace existing systems.
