



Leveraging external labor market information to address talent concerns

Organizations planning to grow their footprint in Asia will need to leverage not only internal HR data, but also external labor market information, in order to manage their talent and enhance their workforce decisions. There are many ways to leverage external labor market information. One example is to consider the demand and supply of skilled labor within a region to better understand the talent market.

Skilled labor demand and supply in advanced and emerging economies in Asia.

	Skill demand	Skill supply	
	Technology intensity	Broadband connections per person	Proportion of Internet users
Singapore	6.0	1.8	82.0%
Japan	5.7	1.5	90.6
Hong Kong	5.6	1.4	74.6
Korea	5.2	1.5	84.3
Malaysia	5.6	0.7	67.5
Indonesia	4.8	0.4	17.1
Thailand	4.8	0.9	34.9
Philippines	4.8	0.5	39.7
China	4.5	0.6	49.3
Pakistan	4.4	0.1	13.8
Cambodia	4.3	0.2	9.0
India	4.1	0.1	18.0
Vietnam	4.0	0.4	48.3
Bangladesh	4.0	0.1	9.6
Nepal	3.7	0.2	15.4
Myanmar	3.1	0.2	2.1

Notes: For skill demand, technology intensity is used as a proxy for the intensity of the demand for skilled workers. It measures the availability of latest technologies, firm-level technology absorption, FDI and technology transfer (ranging from 1 to 7, with 7 being the best). For skill supply, broadband connections and internet users are used as a proxy for the supply of skilled workers. It provides an indication of the capacity of populations to use modern technologies.

Source: Gad Levanon and Abdul Erumban with Ben Cheng, Eric Hayek, Brian Schaitkin, Frank Steemers and Eliza Winger, *Help Wanted: What Looming Labor Shortages Mean for Your Business*, The Conference Board, Research Report R-1601-16-RR, 2016.

Skilled workers are in demand across Asia. When compared to emerging economies, advanced economies such as Singapore and Japan tend to require a larger proportion of skilled labor and have a higher supply of skilled labor. In contrast, the supply of skilled labor falls below demand in emerging economies such as Pakistan and Indonesia. Within these economies there is also substantial variation across labor market conditions. For instance, India and Indonesia face a larger shortage of skilled workers relative to Malaysia or Thailand.

By examining external labor market information, organizations can identify gaps between talent demand and supply, and develop strategic talent policies for tight labor markets.

Aside from labor market information, organizations can use data such as government labor statistics and vendor-provided information to learn of talent trends across industries and roles and further refine their talent strategies.

For further insights on using workforce analytics to address talent concerns, refer to our latest 2016 research report [Deciphering Labor and Skill Shortages in Asia with Workforce Analytics](#)

Strengthen your knowledge of using analytics to understand labor markets in Asia with our [Executive Briefing](#) series taking place from August to September, 2016. Registration is complimentary for members of The Workforce Analytics Institute and The Conference Board in Asia. For the full program details and to register online please [Click Here](#)

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