

IDA Ireland, LinkedIn and Microsoft have partnered to bring you quarterly updates on Ireland's employment dynamics using LinkedIn's high frequency labour market insights.

## LinkedIn's insights data covers two million members in Ireland.

This comprehensive coverage of labour force working across a range of companies and businesses in Ireland, provides near-real time insights into how the pandemic is impacting employment in Ireland.

### LinkedIn Hiring Rate - Feb 2020 - Jan 2021



Source: LinkedIn

### Labour market trends

The Covid-19 crisis continued to have a significant impact on the labour market in Ireland into 2021. The standard measure of Monthly Unemployment was 5.8% in January 2021, with the Covid adjusted rate at 25%.

The LinkedIn Hiring Rate<sup>1</sup> picked up from October through November and the hiring rate matched 2019 levels and in some cases, exceeded them. Hiring was lower in December as new Government restrictions were put in place, but seasonal patterns in hiring in January saw a brief spike in hiring despite ongoing level 5 restrictions before falling back to similar levels of growth seen in Oct / Nov.<sup>2</sup>

<sup>1</sup> There are two million members on LinkedIn in Ireland. This compares against an Irish labour force of 2.4M, according to the CSO. A paper, published with the World Bank, provides a good example of how LinkedIn data has been validated by a global organisation (World Bank & LinkedIn (2018) Data Insights: Jobs, Skills and Migration Trends Methodology & Validation Results). The LinkedIn Hiring Rate (LHR) is the number of LinkedIn members who added a new employer to their profile in the same month the new job began, divided by the total number of LinkedIn members in that country.  
<sup>2</sup> The spike we are seeing between January 4th-11th 2021 is due to the day of the week effect coinciding with big back to work dates i.e., January 4th, 2021 being a Monday of the new year vs January 4th, 2020 being a Saturday. This effect is mirrored in hiring patterns in other European countries.

### Employment opportunities in growing sectors

Looking at the overall set of job postings advertised on LinkedIn, during the quarter Oct-Dec 2020, compared with Oct-Dec 2019, we observe that there is a significant shift in sectoral mix of jobs advertised; there was a 28% increase in the share of Manufacturing jobs advertised. The equivalent figure for Corporate & Business Services was 22% and 17% for Health Care, which covers the health service and the Life Science Sector. This figure was 42% for Consumer Goods.

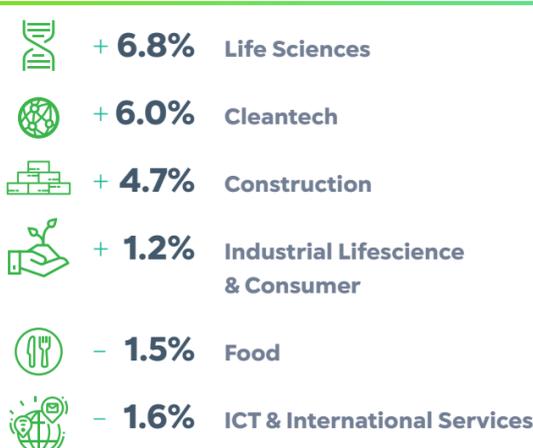
This pattern is reflected in the employment data collected by the enterprise agencies on the exporting sector for 2020. Life Sciences and Computer Services experienced the strongest employment growth in 2020. There was significant churn in Business Services with some activity growing strongly (online retail) which masked pressures in other activities severely impacted by the Covid-19 containment measures (Tourism & Travel).

### Total Employment in IDA client companies by Sector\*



\*Annualised figures 2020

### Enterprise Ireland Employment by Sector\*



Note: Enterprise Ireland is the government organisation responsible for the development and growth of Irish enterprises in world markets.

There is evidence in the MNC base that the pandemic is accelerating emerging trends with the potential to re-shape business models, such as automation and technology adoption, robotics and AI, and this is reflected in the fall in employment in Other Manufacturing. That said, there was a notable increase in employment in the MNC Computer, electronic and optical products sector

following four years of decline and, the sector employs more people today than at any point in the past 10 years. Similarly, Irish cleantech companies and the Irish construction sector grew substantially in the year and are well placed to leverage the opportunities of a green recovery.

The impacts of the pandemic in labour intensive tourism, hospitality & retail sectors are well established. This is evident when we examine the job seeking behaviour of those working in sectors affected by the Covid-19 restrictions. LinkedIn insights measure the likelihood that a member in a certain sector has applied for a job in a sector different to their own. In December 2020, members working in Recreation & Travel and Retail are almost two times more likely, compared to last year, to apply for jobs in other sectors than their own. This demonstrates the pressure on these sectors.

### Likelihood of applying for job in different sector Dec 2020 v Dec 2019



### Upskilling and lifelong learning in technical and interpersonal skills

Members of the workforce are responding to the pandemic in terms of upskilling and lifelong learning. Over the past twelve months, LinkedIn insights show the skills which have been added most frequently over the past year. As of December 2020, those which were added most frequently were a mix of technical skills and interpersonal competences including SQL, digital marketing, Python, critical thinking and project management.

The growth in technical skills is very much in line with the ongoing growth in Data Analytics and Data Science activity in Ireland and points to encouraging levels of upskilling to match opportunities in the jobs market. The growth in soft skills development is also interesting and points to a maturing of the skills mix in Ireland, where technical and soft skills combine, and is more generally in line with a global trend for people to focus on personal development opportunities during Covid-19.

In late June last year Microsoft and LinkedIn announced an ambitious Global Skills Initiative to target 25 million people globally for upskilling as part of the company's response to the evolving Covid-19 crisis. The key platform to provide those new skills is the LinkedIn Learning platform.

### The top 3 courses in Ireland during that first surge in interest included:

- Digital marketing specialist
- Software developer
- Data analyst

### IDA companies and the local suppliers they work with are central to Ireland's economic recovery and future growth.



IDA Ireland client companies employ over **257,394** people across the country, accounting directly for 12% of the workforce, and with annual payroll of **€15.1bn** at the end of 2019. Eight jobs are created in the economy for every ten created by IDA client companies, amounting to total indirect employment of **205,915** in Irish businesses in multiple sectors. FDI expenditure in the Irish economy includes **€10.1bn** in annual expenditure on Irish materials and services and **€7.4bn** of capital investment on new buildings, machinery and equipment.