

The gap between the supply and demand
in the financial intermediation and insurance activities sector

Executive Summary

2013

The number of establishment in the financial intermediation and insurance activities sector(289) facility, They employ about (26,093) employees of both sex, divided by (85%) in the Central Region, and about (11%) in northern region, and (4%) in the Southern region.

The majority of establishments in this sector are partnerships representing (44%), then the single ownership or sole proper ships (19%), and about (16%) of limited liability establishment.

Establishments in the financial intermediation and insurance activities sector are classified into three major groups which are: small-sized establishment (1-5 employees) representing (46%), followed by large-sized establishment (11 employees and more) representing (30%), and medium-sized establishment (6-10 employees) representing (24%). It should be noted that (31%) establishment working in this sector showed high demand for their products and services in the year 2013,in addition the expected increase in demand for their products and services during the years (2013-2015).

Distribution of employees according to gender is as follows: (67%) are males (33%) female. We find that the male employees educational level is as follows (63%) earned bachelor degree, followed by earned intermediate diploma (12%), in comparison, we find that female employees educational level is as follows: (70%) earned Bachelor and about (18%) earned Intermediate Diploma. On the other hand, the percentage of (99%) of employees in this sector are Jordanian citizen, vs. only (1%) of the non-

Jordanians, the non-Jordanians are present only in the Central Region of the kingdom.

The study showed that the different job titles in financial services such as loan officers letters of credit officers and cashiers are the most employable positions in the financial intermediation and insurance activities sector, This situation prevails in the central region of the kingdom, while in the Northern region , the cashiers and foreign exchange cashiers are the most popular in the sector. As well as in the southern region, the cashiers and foreign exchange cashiers are the most occupied positions.

In general, there is a demand for the years (2014-2016) on the cashiers foreign exchangers, foreign exchange cashiers , insurance representatives, loan officers and administrative policies specialist. It should be noted the arising need for new employees due to future business expansion, this matter calls for being optimistic that an increase in the demand size for workers in the years 2014-2016 is a result of business expansion ranging between (83% - 100%) rather than just job rotation.

The study showed that most demand skills required among occupations in this sector are: supervision and follow-up skills, financial analysis skill, analysis of revenue and expenses skill, cash received and dispense operations skills ,auditing and reviewing of accounts skills, knowledge of all types of insurance skills, and sales and marketing skills.

The results of the analysis data in this study indicates that a large employment segment in this sector is occupied by females reaching not less than (33%) in the following occupation: accounting, administrative policies specialists, and financial supervisors. On the other hand, the number of employees with disabilities are (9) employees working exclusively in the Central Region of the kingdom, who are working in seven different occupations in the sector which are: insurance business

manager, branch manager of financial and insurance services, account auditor, and the representative of commercial sales.

The study results indicates that the percentage of (80%) of the establishments do not face any difficulties in recruitment, while (20%) of establishment facing difficulties in recruitment, these difficulties are caused by the shortage of employees who mainly possess demanded skills, in addition to shortage of labor which possess value and positive attitudes towards work. As to the methods of recruitment, the study showed that the direct recruitment through personal contacts is the most widely used by (61%), followed by appointment through newspapers advertisement, websites ads by (28%), finally recruiting through employment agencies by (6%).

The number of training programs specially geared for this sector reached (30) training programs, The number of graduates reached (9938) graduates during the years (2011-2013). The largest percentage of them have graduated from Bookkeeper / Account recorder program by (52.1%), then the financial market broker program by (12.1%), then the Account recorder / auditor of financial payables presenting (10.3%).

On the other hand, the number of males graduates from training programs specially geared for this sector were (4,752) graduates during the years (2011-2013). A large percentage of them graduated from the following training programs: Account recorder/ general Bookkeeping program with (49.6%), then Account recorder / auditor of financial payables program by (7.8%), followed by the financial market broker program by (6.7%), and the Accountant General / income and expenditure and the rate of (5.7 %). In contrast, the number of Female graduates of training programs in financial intermediation and insurance sector for nearly (5186) graduate during the years (2011-2013). A large percentage of them graduated from Account recorder/ general Bookkeeping

program by (54.4%), then the financial market broker program by (17.1%), then an Account recorder/ auditor of financial payables program by (12.5%).

The regional Distribution of Graduates from training programs provided by training institution in the financial intermediation and insurance activities sector is as follows: (7,143) participants in the Central Region of the kingdom these graduated were participant in different training programs the main programs were: Account recorder/ general Bookkeeper, then the financial market broker program, followed by Account recorder/ auditor of financial payables program. In comparison the number of graduates of the training programs provided by institutions during the years (2011-2013) in the north region around (2249) graduates were divided between a : Account recorder/ general Bookkeeper and financial market broker. In the southern region the number of graduates has reached (546), most of them graduates of the program Account recorder/ general Bookkeeper , and then Account recorder/ auditor of financial payables .

With regard to people with disabilities and the role of institutions providing training in training them and raise their capability, the study result indicates there are no training programs for the people with disabilities, and this matter is worthy of being studied and reconsidered. In addition we Asked training providers for future training opportunities for this group of society, we have found that the community colleges (junior colleges) in the Balqa Applied University is ready to provide financial market broker training programs (4) trainees, and another (4) trainees in Account recorder/ general Bookkeeping programs.

Programs geared to increase capability and the efficiency provided by the institutions providing training are diversified, and in general the programs which are demanded most and popular are: money laundering with (96) trainees for the years (2011-2012), followed by risk management courses

and Basel accords with (64) trainees for the years (2011 -2012), then governance and compliance training program with (16) trainees. As to the future training programs, it is worth mentioning that the Institute of Banking and financial Studies will provide financial vocational programs to train (75) trainees on the three training programs: first is financial managers program with (25) trainees, the second program is for credit manager with (25) trainees, the third training program is for certified public accountants with (25) trainees.

From the above we conclude that a large numerical gap exist estimated to be (7,147) excess supply, this means that the market is able to absorb what amount to only (8.2%) of the size of supply.

However the remaining (91.8%) will be unemployed , it is worth mentioning that the actual gap and further the real size of the unemployed is less than what it appears to be, the reason for this is existing vocations which does not satisfy this sector alone, and they are absorbed and in large number in other similar sectors.

With regard to the technical skills which business owners insisted on the necessity of its presence in employees currently at work and in those who will be potentially recruited these skills are not incorporated in provided training programs. For this and in the light of the results of this study it should be recommended for the necessity to provide training programs that provide the required demanded technical skills, which can be summarized as follows: receipts and disbursements operations , knowledge of all types of insurance, preparing reports, financial analysis, calculating skills and currency inspection of amounts exchange and the equivalent value of demand currency and finally risk resulting from vehicle accidents.

And it can meet the existing demand through continuous training programs and courses to increase capability and efficiency, which are considered more specialized and specific on a large scale. The study insist on the necessity of institutions providing training to consider this demand. These institutions should be able and willing to provide the demanded training programs by business owners and in every region of the kingdom. These programs can be merged with existing training programs or executing them as courses / programs to increase the technical efficiency of the trainees.

Analysis of the gap between supply and demand for females indicates that there is a future demand for females to work in this sector estimated to be (364) employment opportunity during the years (2014-2016), distributed among different occupations. In addition, we find that there exists supply of females , shown by survey data which indicates that 52% of graduates from different institutions providing training which are included in the study survey are female. Here we notice the large numerical gap between the number of graduates and the number of employment opportunities available for females, hence demand does not exist to absorb(4,822) females in the financial intermediation and insurance activities sector.

As for the gap between supply and demand for people with disabilities, the study showed that there are (9) employees with disabilities working in the sector of original (26,093) employees, as they are working in seven different occupations in the sector. Survey results also indicate that there are(13)establishments operating in the financial intermediation and insurance activities sector are willing to provide (17) employment opportunities. There is no special training programs for people with disabilities which are planned to held in the future.

