



1975-2015

Reforming VET and encouraging work-based learning to match labour market needs

Trends and challenges in the European Union

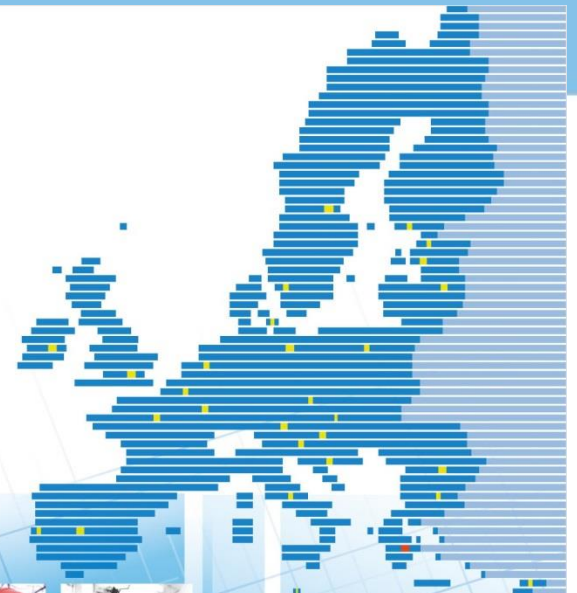
Dr. Jasper van Loo

Québec, November 2nd 2015



CEDEFOP

Ευρωπαϊκό Κέντρο για την Ανάπτυξη
της Επαγγελματικής Κατάρτισης



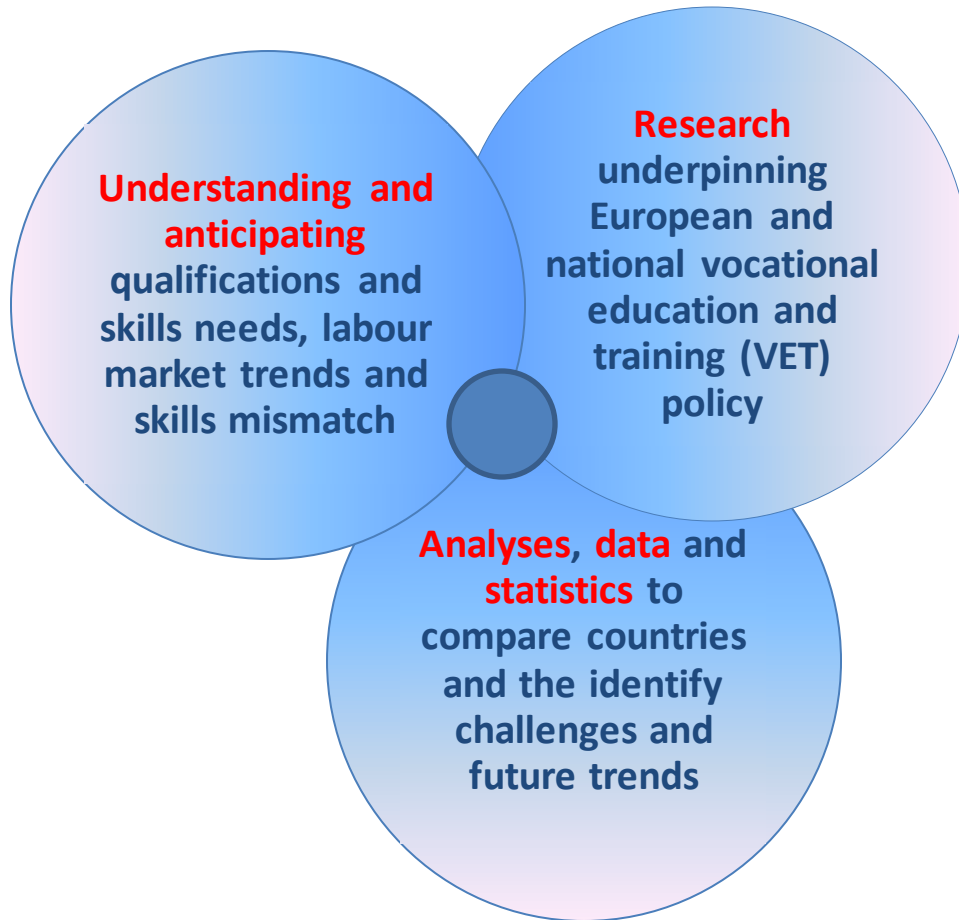
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Linking more closely the worlds of education and work...



- Cedefop advises the European Commission, European Parliament, Member States and European social partners on issues linked to vocational education and training.
- The Centre also operates as a forum, bringing together different stakeholders to share ideas and to debate the best ways to improve vocational education and training in Europe.



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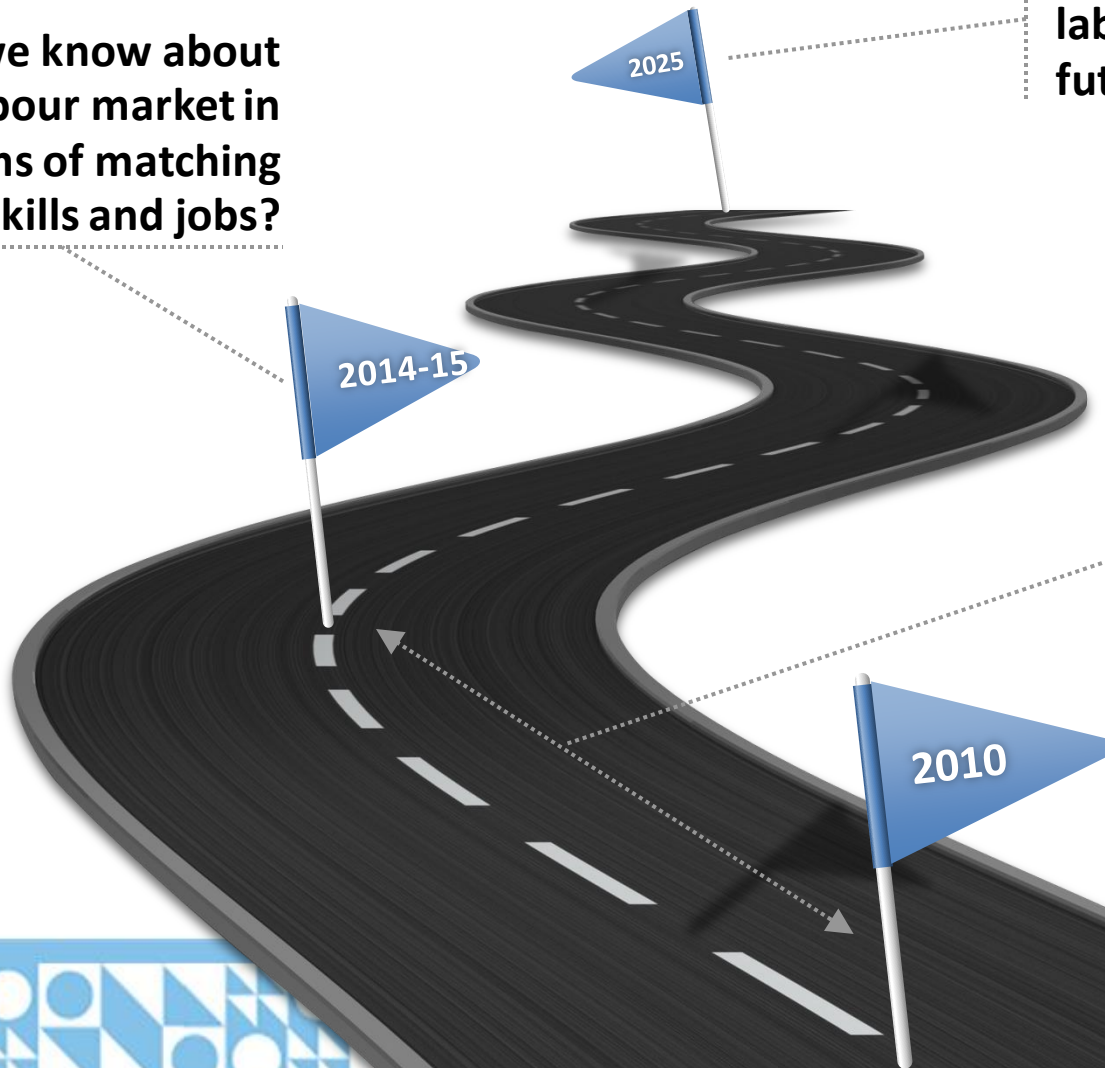
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The past, the present and the future

What do we know about the EU labour market in terms of matching people's skills and jobs?

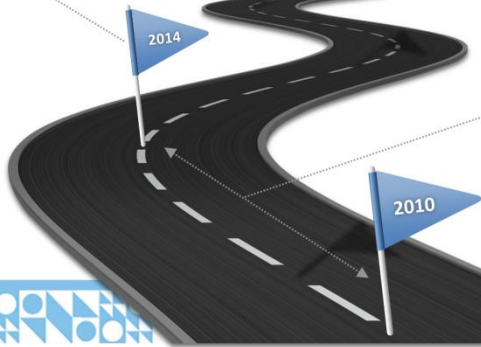
What does the EU labour market of the future look like?

What policy measures have countries taken in the period 2010-2014 to make their VET systems stronger?



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The 2010 Bruges Communiqué set new priorities for VET



What has been achieved?

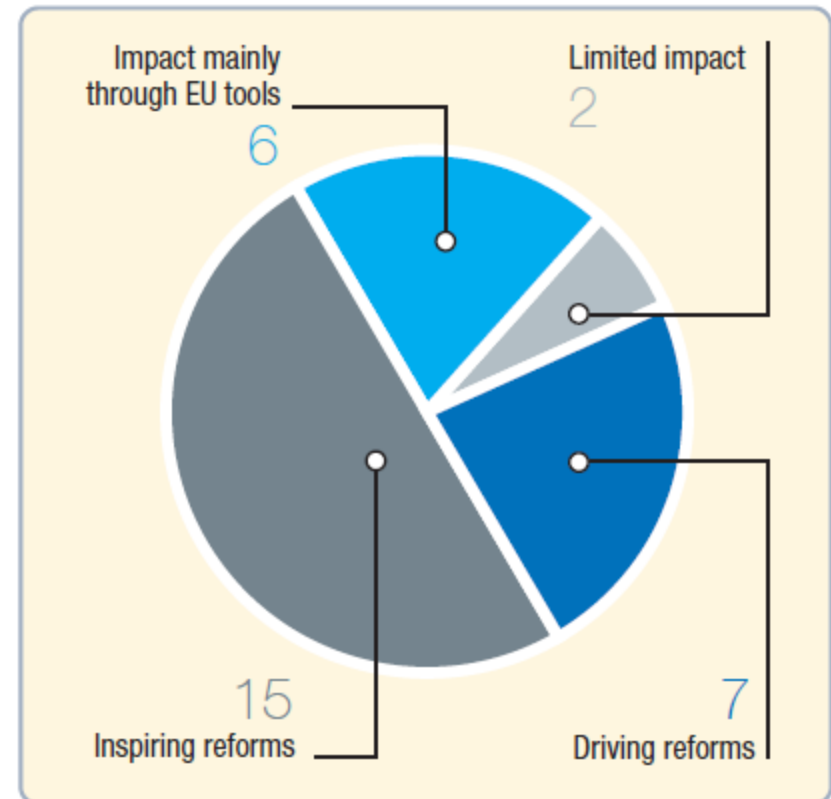
The Bruges process has shaped VET reforms in the EU

VET more prominent,
Bruges as inspiration

Increasing role of social
partners – still mostly
consulting

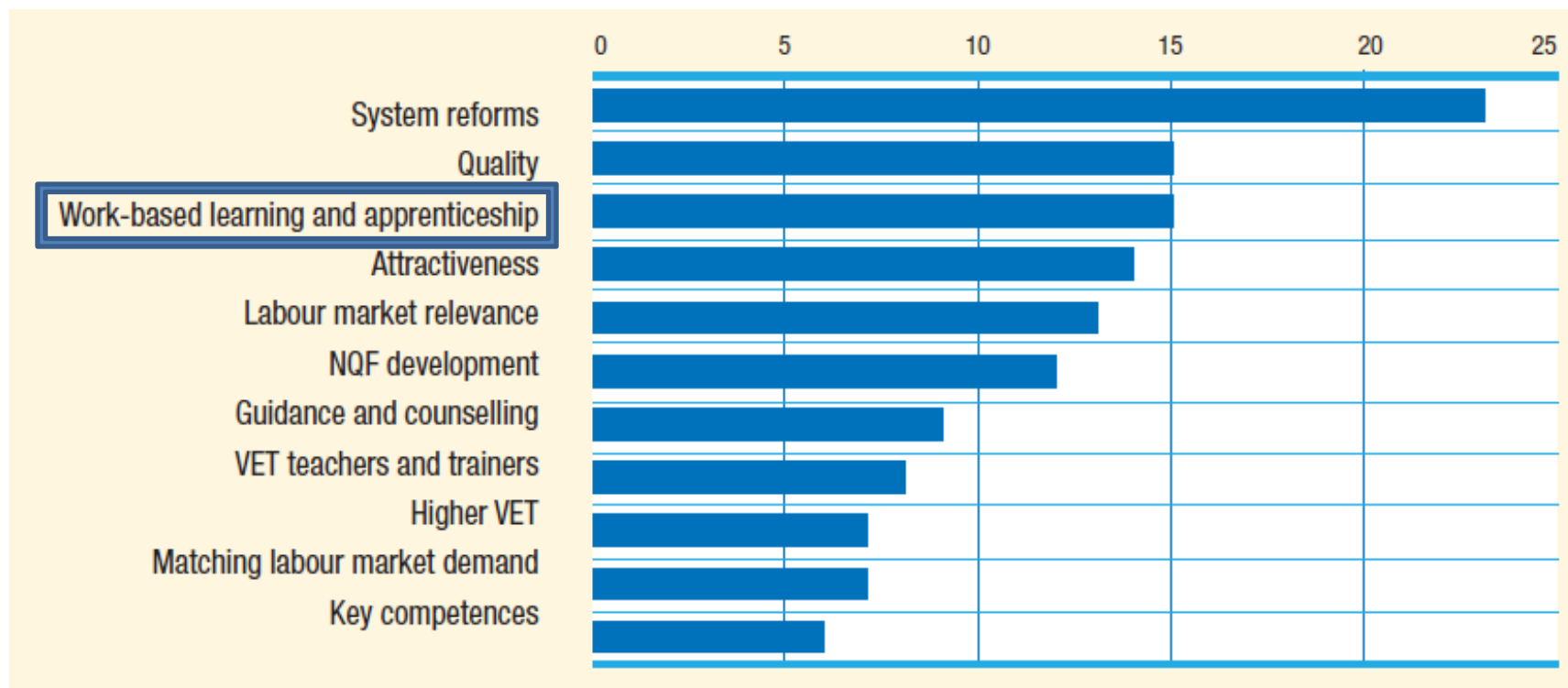
More focus on
labour market relevance than
on learning for creativity,
innovation & entrepreneurship

More focus on initial VET
than on continuing VET



Source: Cedefop interviews with DGVT, 2013-14.

VET strategies: focus since 2010



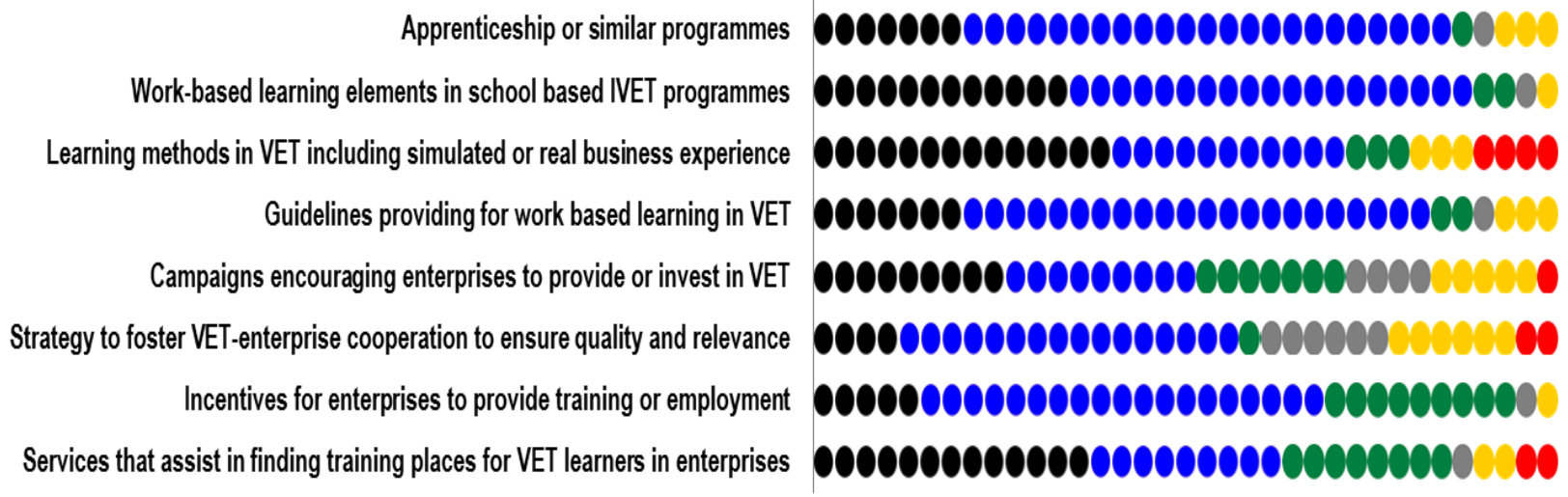
Note: Number of countries. Data refers to highlights, other initiatives also mentioned

Source: Cedefop, 2015

VET trends in 2010-2014

Work-based learning developing dynamically

Since 2012 trend to adjust existing policies/measures



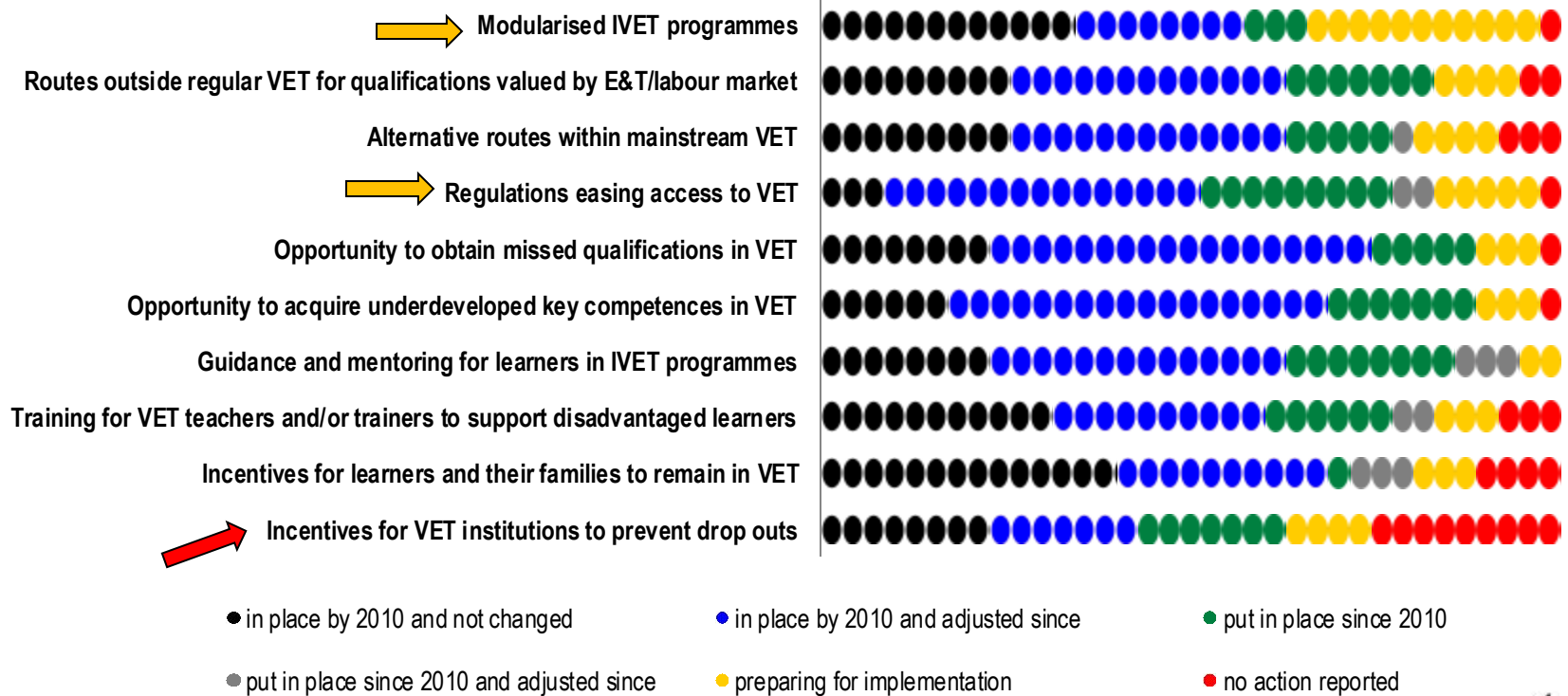
- in place by 2010 and not changed
- in place by 2010 and adjusted since
- put in place since 2010
- put in place since 2010 and adjusted since
- preparing for implementation
- no action reported

Source: Cedefop, 2014

Work-based learning (WBL): highlights

- ✓ Work-based learning in **higher VET** (e.g. French Belgium and Italy)
- ✓ **Dual programmes** for low skilled piloted in Spanish regions
- ✓ New **support measures for companies** hiring apprentices (employer bonus in Austria, tax exemptions in the Czech Republic)
- ✓ France has a **bonus-malus scheme** for apprentice employees
- ✓ The Netherlands uses **social media and apps** to help learners find training places
- ✓ Sweden offers **extra financial support** to companies with trainers completing training.

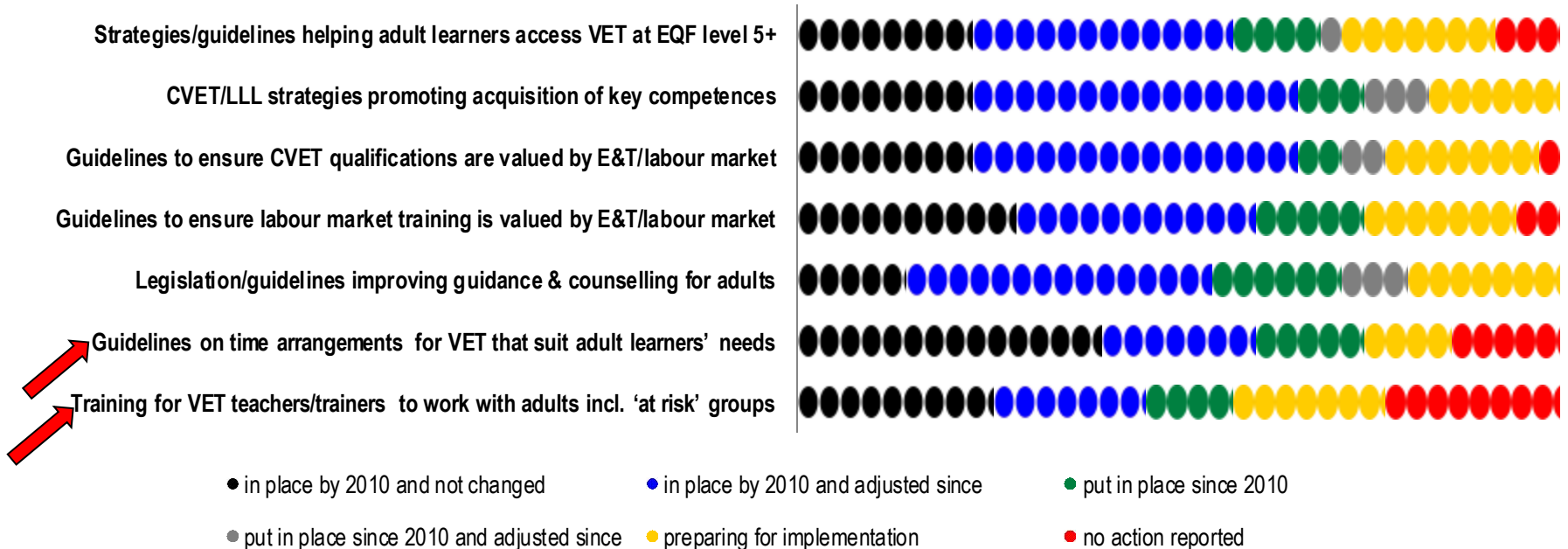
Moving to implementation and new initiatives to prevent and remedy early leaving



Reducing early school leaving (ESL): highlights

- ✓ **More attractive and shorter** VET programmes in the Netherlands
- ✓ **21 new basic VET programmes** part of Spanish measures
- ✓ New legislation **reduces unemployment benefits** for young people to motivate them to stay in education or training in Denmark
- ✓ Luxembourg piloted **involving mentors from the business world** on a voluntary basis
- ✓ Part-time courses to **obtain missed qualifications** in Malta
- ✓ Few countries have incentives for VET providers to prevent ESL through **performance-based funding** (e.g. Ireland, UK, Netherlands)

Changes and new initiatives to adjust CVET to adults' needs

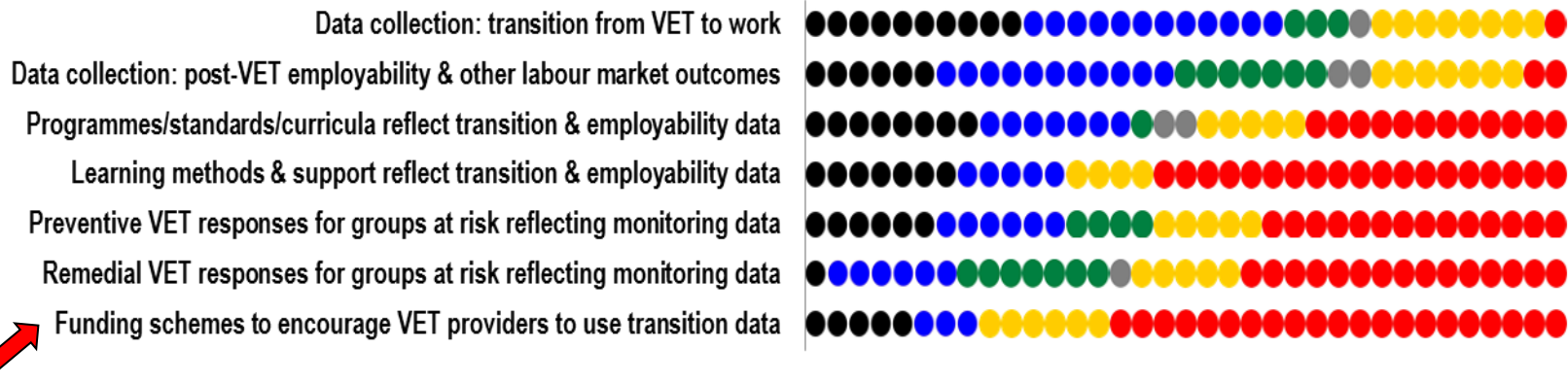


Helping adults learn: highlights

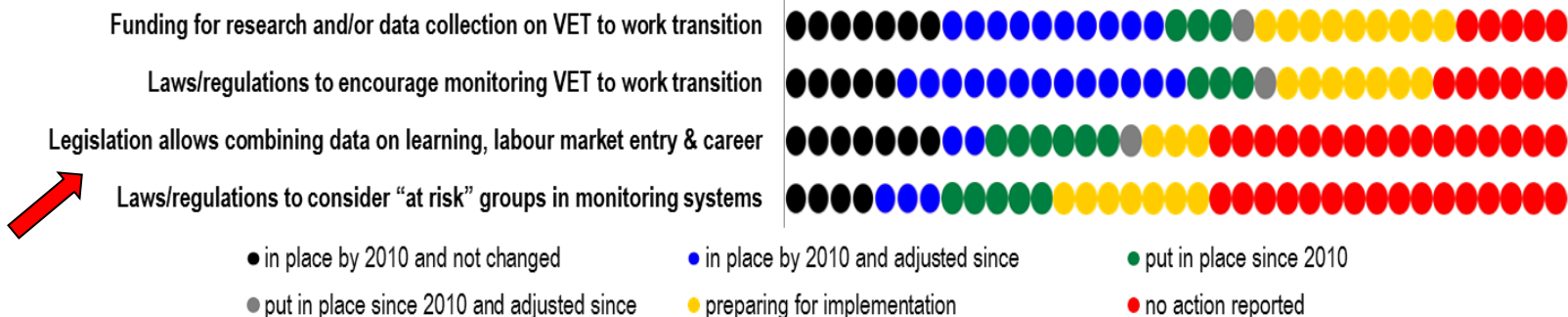
- ✓ Legal rights to **training leave** (e.g. Luxembourg, Portugal)
- ✓ **New LLL strategies** (e.g. Croatia)
- ✓ Poland created the **legal basis for distance learning** and prepared regulations on learning/teaching methods
- ✓ **Agriculture skills training** for jobseekers in France based on a government-social partner agreement
- ✓ Programmes for VET trainers in Slovakia and Malta help them **support vulnerable learners**

Innovation and entrepreneurship: highlights

- ✓ Slovenian intercompany training centres act as **knowledge platforms**
- ✓ Romania set up **16 sectoral clusters** that involve VET schools
- ✓ New **innovation contests** were launched in the Czech Republic, Latvia and the UK (Wales)
- ✓ The 2013 Dutch technology pact includes **enterprises investing in joint study programmes**
- ✓ The action plan of France's business creation agency **coordinates better information and support** for entrepreneurs
- ✓ More **funding for language/management training** in French Belgium is part of the 2011 small business act



Still the weakest links: use of outcomes to inform provision



Monitoring VET outcomes: highlights

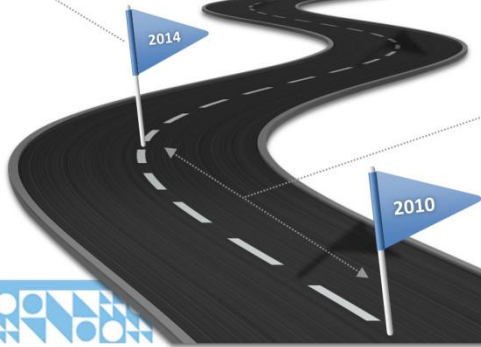
- ✓ Regulations enabling **combining data sources** (e.g. Bulgaria, UK)
- ✓ Quality improvement funds (Wales) and performance based funding in Finland encourage VET providers **to use VET graduate employability information**
- ✓ The Danish national VET council **monitors groups at risk** in the VET system
- ✓ A **study formed the basis** for a new programme on workplace-oriented literacy and basic skills offered by Ministry of education and social partners in Germany

In summary...

- The Bruges process has had considerable impact on VET policies in European countries
- A strong focus on developing and implementing work-based learning and apprenticeships
- Reducing early school leaving and ensuring LLL participation for all have also been high on national policy agendas
- Areas with less progress
 - professional development for VET teachers and trainers
 - Partnerships for creativity and innovation
 - Support for aspiring entrepreneurs
 - Monitoring and feedback loops to VET provision

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2014 European Skills and Jobs survey



*Information on the match between skills and jobs
of 49 000 adult workers in the European Union*

- What is the impact of the **economic crisis** on skill mismatch?
- Is **VET & WBL** effective in reducing skill mismatch?
- Do EU workers improve their **skills in their jobs**? What role for CVET? Does **job design** affect skill formation?
- What can **policy** do to tackle skill mismatch?

The crisis has undermined the long-term potential of the EU's skilled workforce

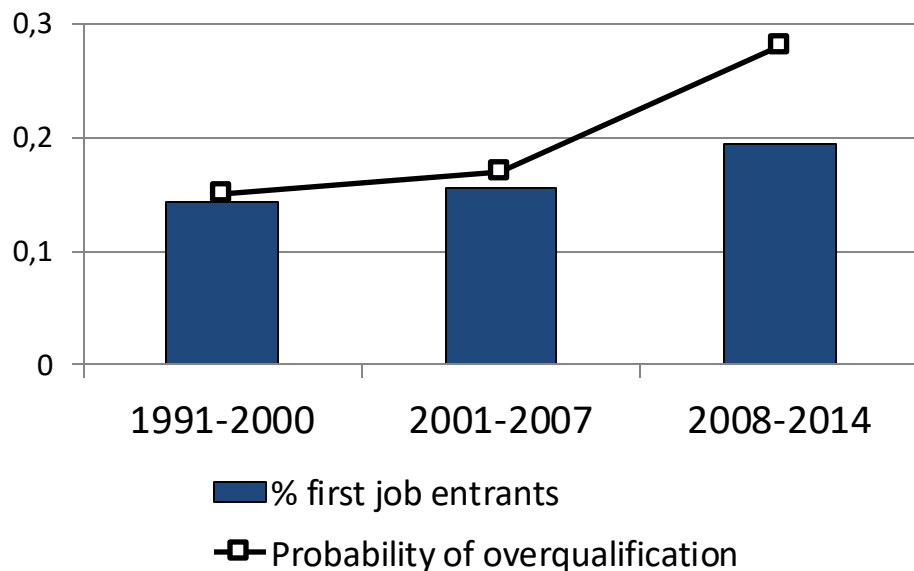
Post 2008

↑ overqualification of graduates

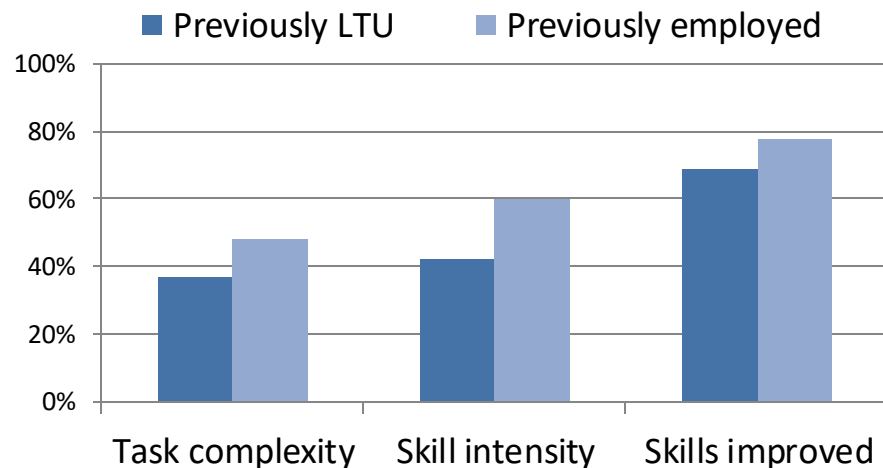
↓ underskilling of LM entrants

➤ The unemployed re-enter the LM in less skill-intensive jobs → continued disadvantage

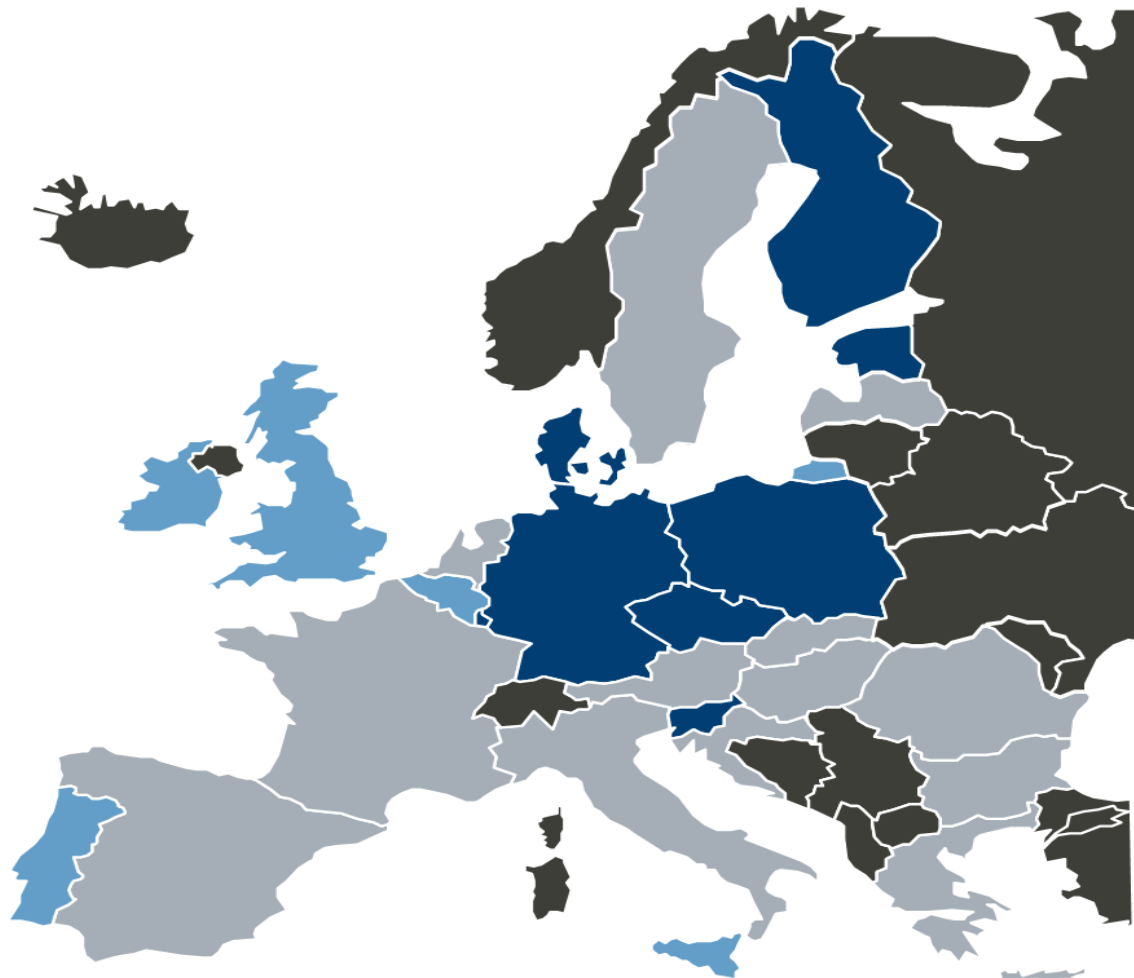
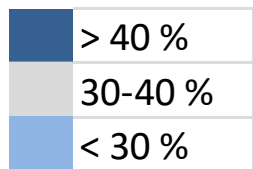
Overqualification of first job entrants by graduation cohort, EU28, 2014



Difference in skill formation and skill needs of current jobs by prior labour market status, EU28, 2014



WBL in the European Union

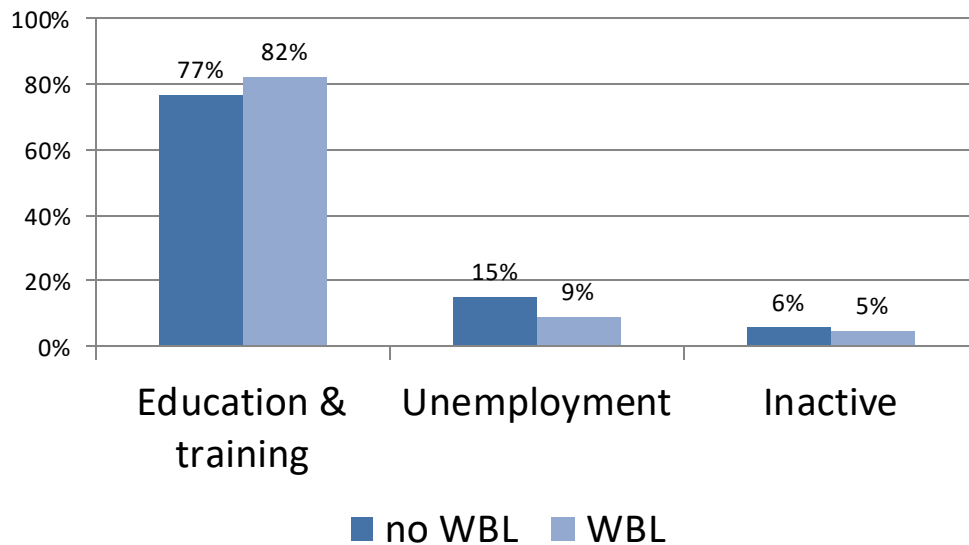


WBL is an effective tool in fighting skill mismatch

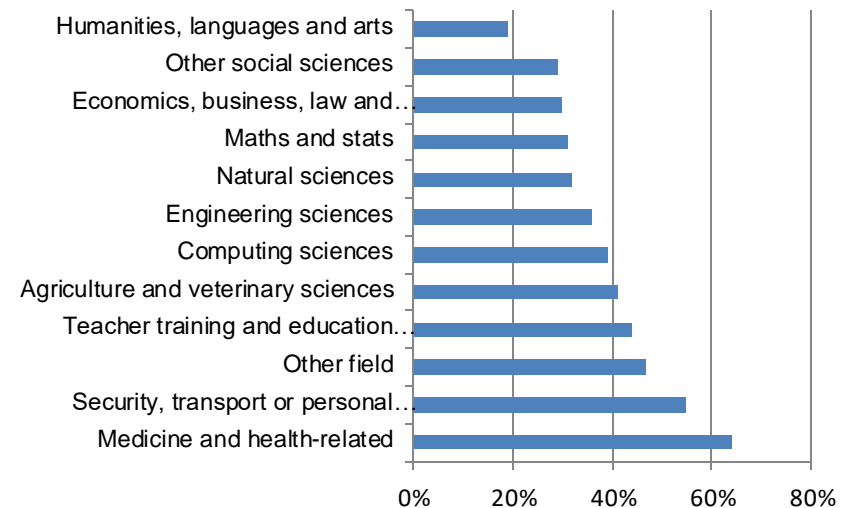
- WBL = faster transitions to the LM
- Entry into more skill-intensive jobs

- Incidence still low in small private firms
- Need to expand in non-traditional areas

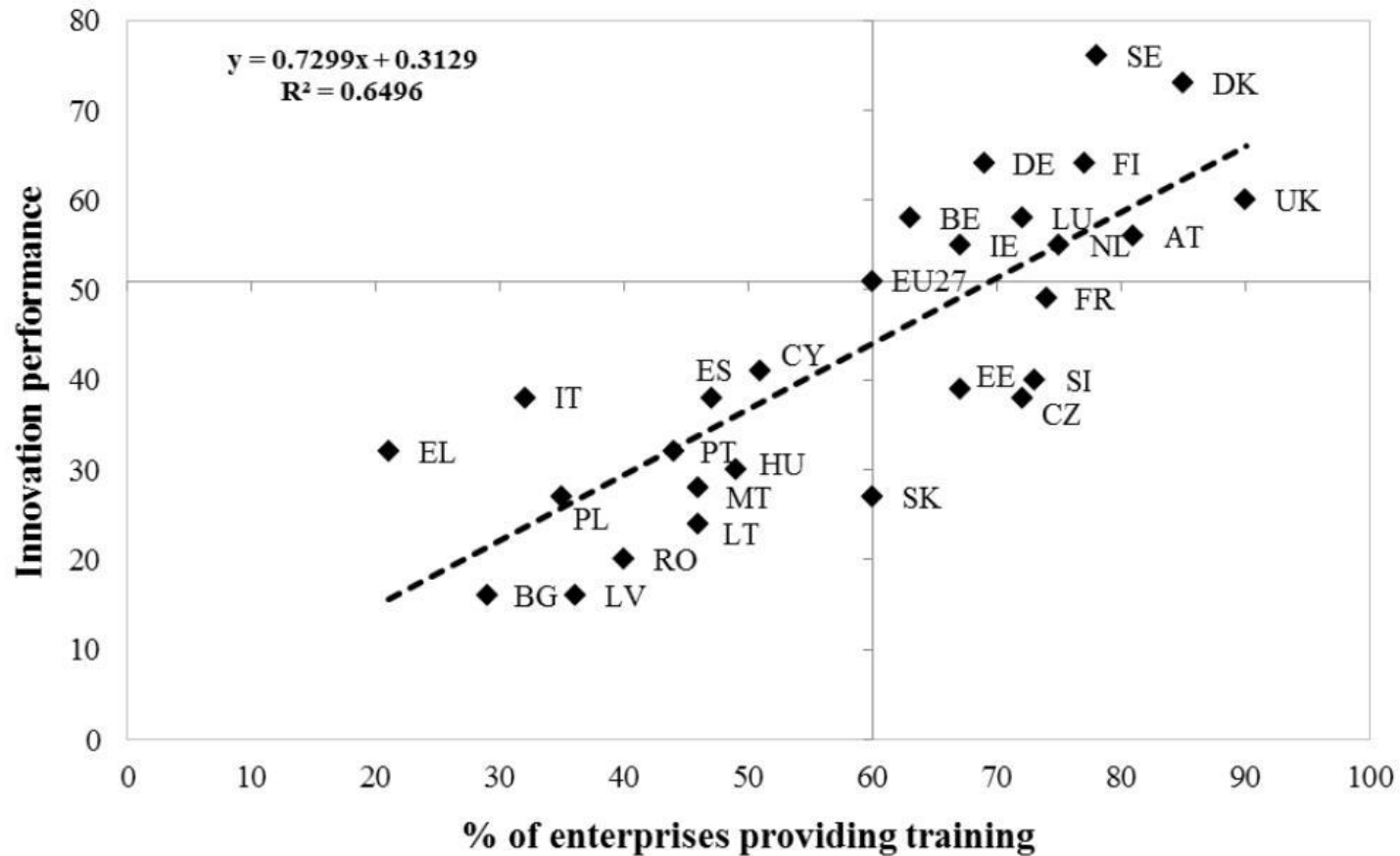
Transitions to first job by WBL and past LM status, 2014, EU28



Difference in incidence of WBL by field of study, 2014, EU28

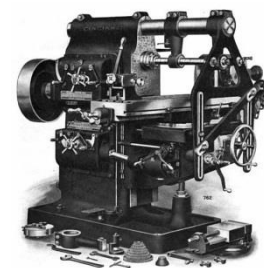
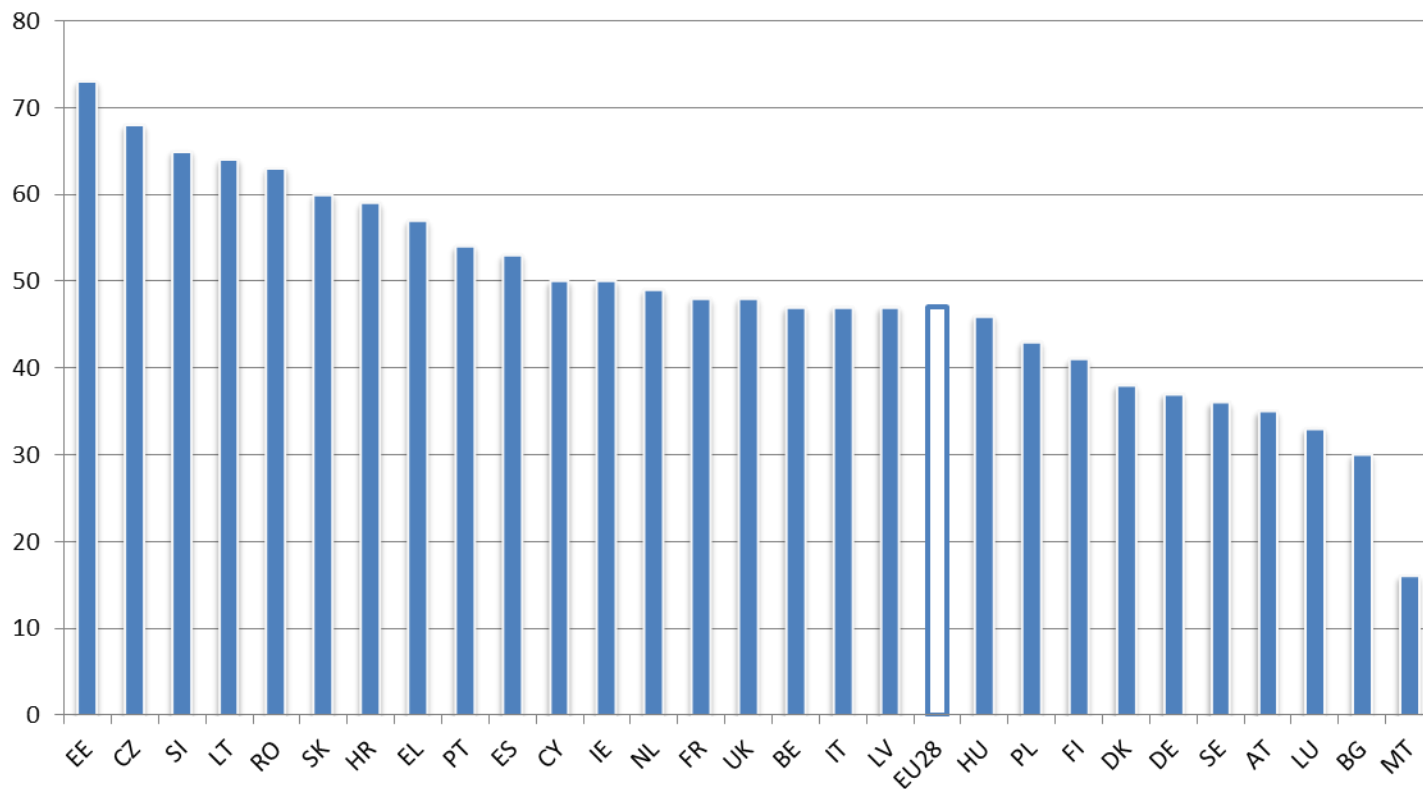


Continuing training is a driver for innovation



Skills have an expiration date...

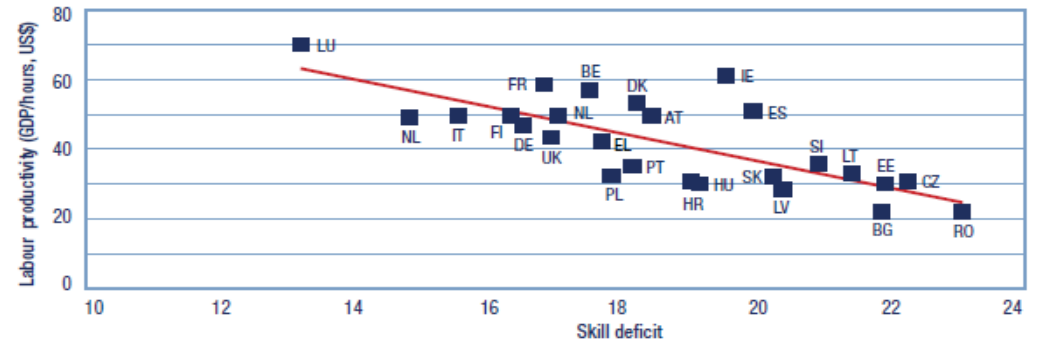
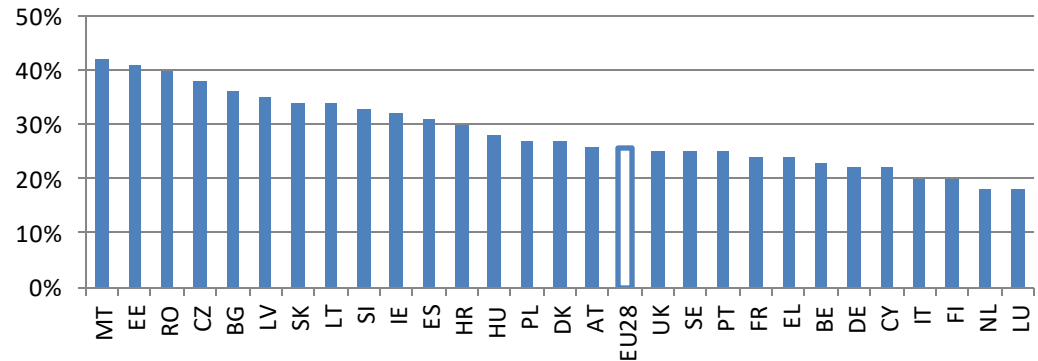
Likelihood of skills becoming outdated in next five years, EU28, 2014



The need for VET is strong and durable

- 1 in 5 EU workers do not improve their skills in jobs
- 26% of EU adult workers have significant skill deficits
- This has negative impacts on labour productivity

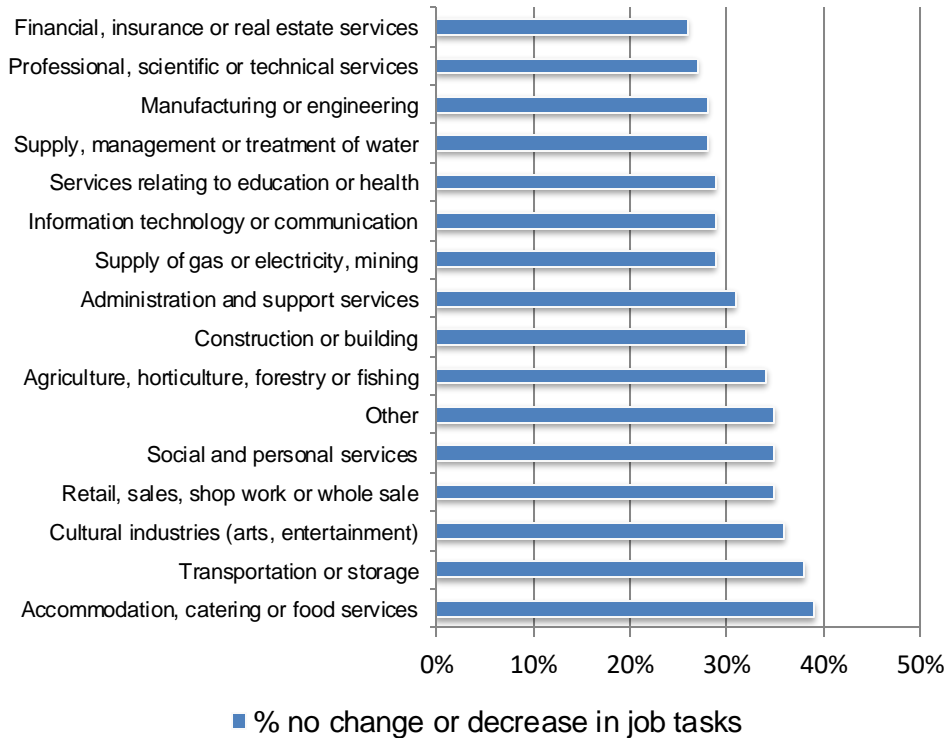
Share (%) of adult workers with significant skill deficits, EU28, 2014



Source: Cedefop European skills and jobs (ESJ) survey, 2014.

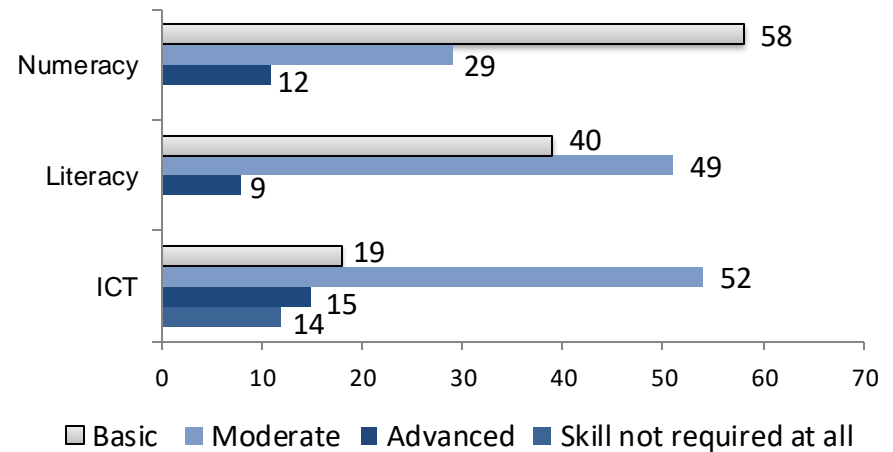
But, at the same time many EU jobs have low skill needs undermining LLL

Share of EU jobs with stable or decelerating job complexity by economic sector, EU28, 2014

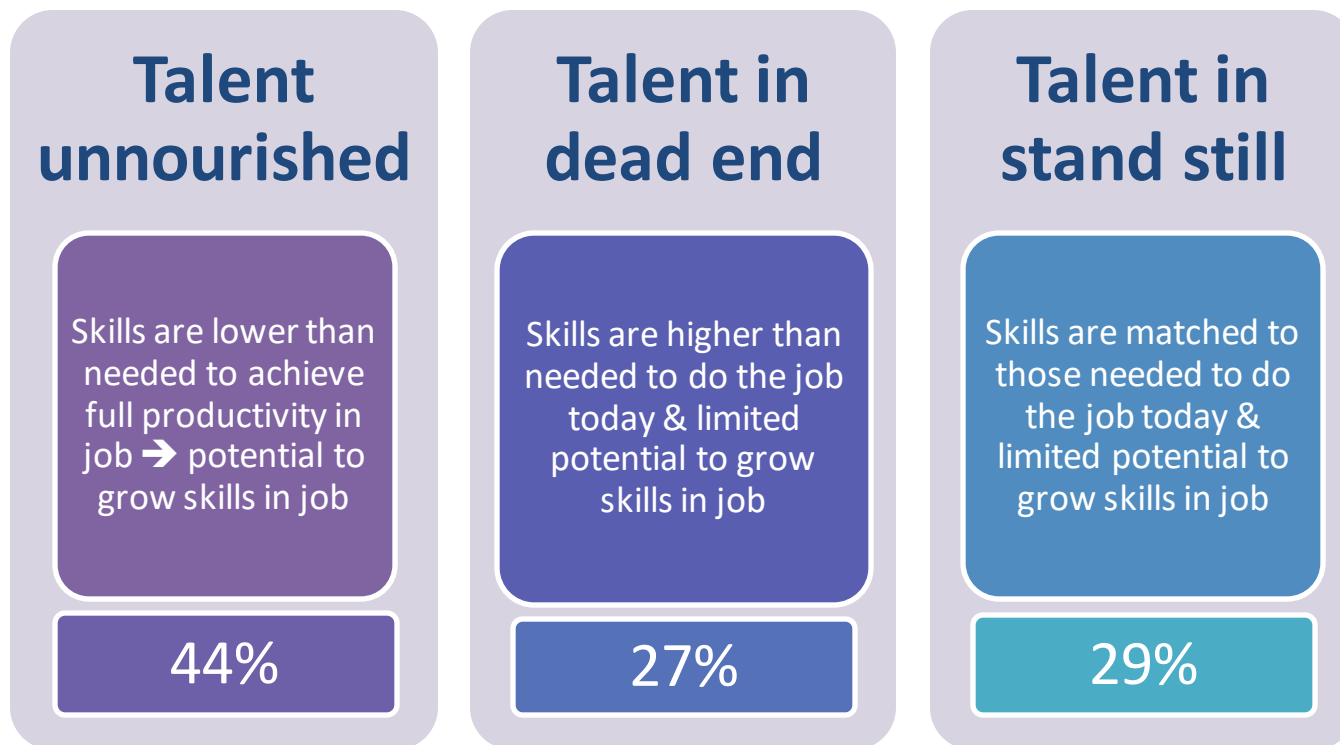


- In some sectors >30% of jobs have stagnant skill needs
- Many jobs only need basic cognitive or digital skills

Importance of cognitive and digital skills for EU jobs, adult employees, EU28, 2014



Three groups of workers





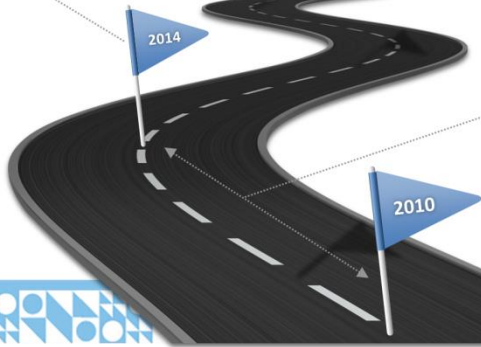
Implications

- ✓ Expand **work-based learning** in more education programmes and industries; continue the work but **think outside of the box**
- ✓ Continue efforts to integrate **key competences** in curricula
- ✓ Combat mismatch over the career with **guidance** for better labour market transitions
- ✓ Help the unemployed into '**a right job**', not any job
- ✓ Stimulate **skill demand** via investment in product market strategies and removal of barriers to job creation
- ✓ Support enterprises in designing **better quality and stable jobs**



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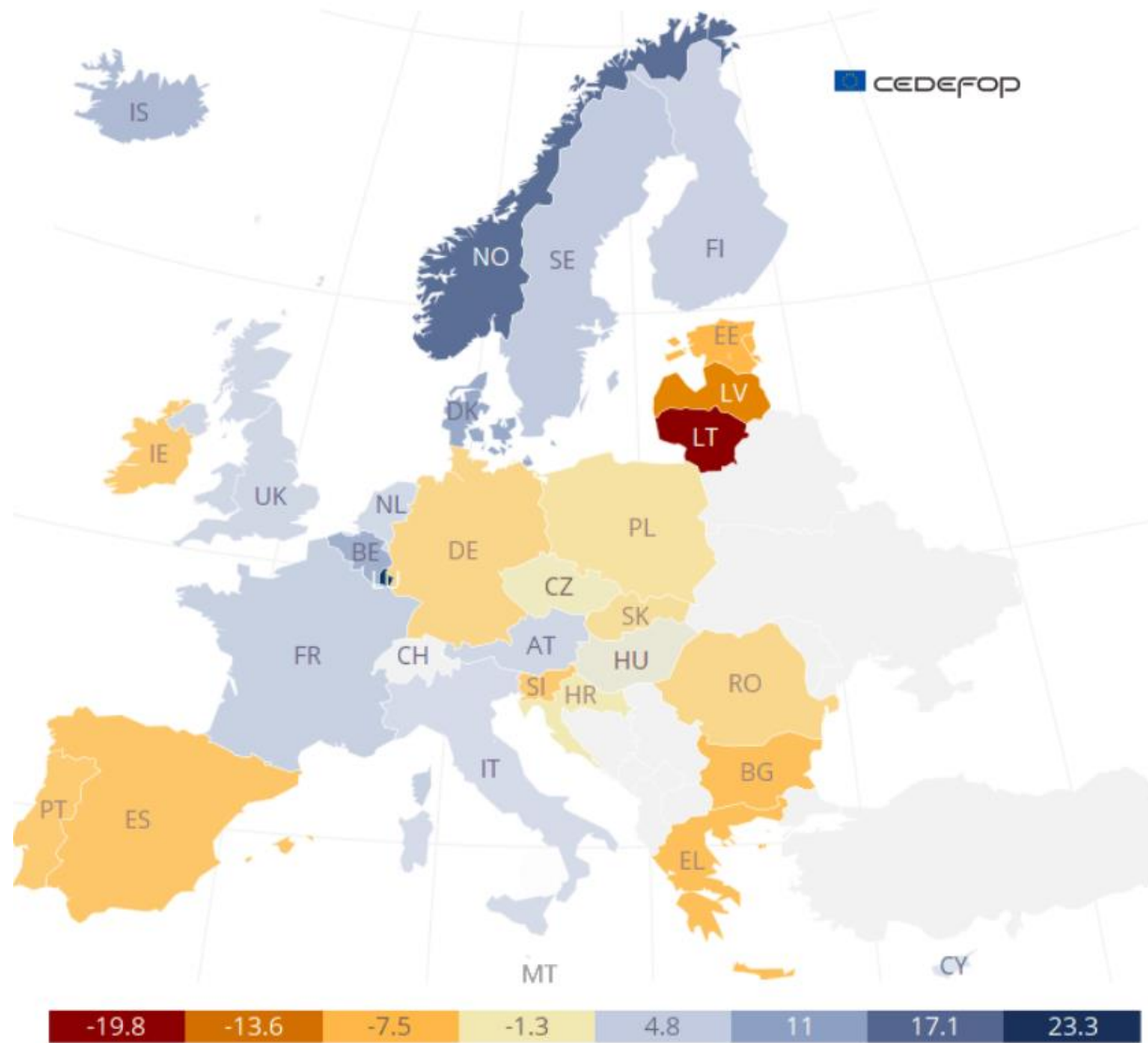


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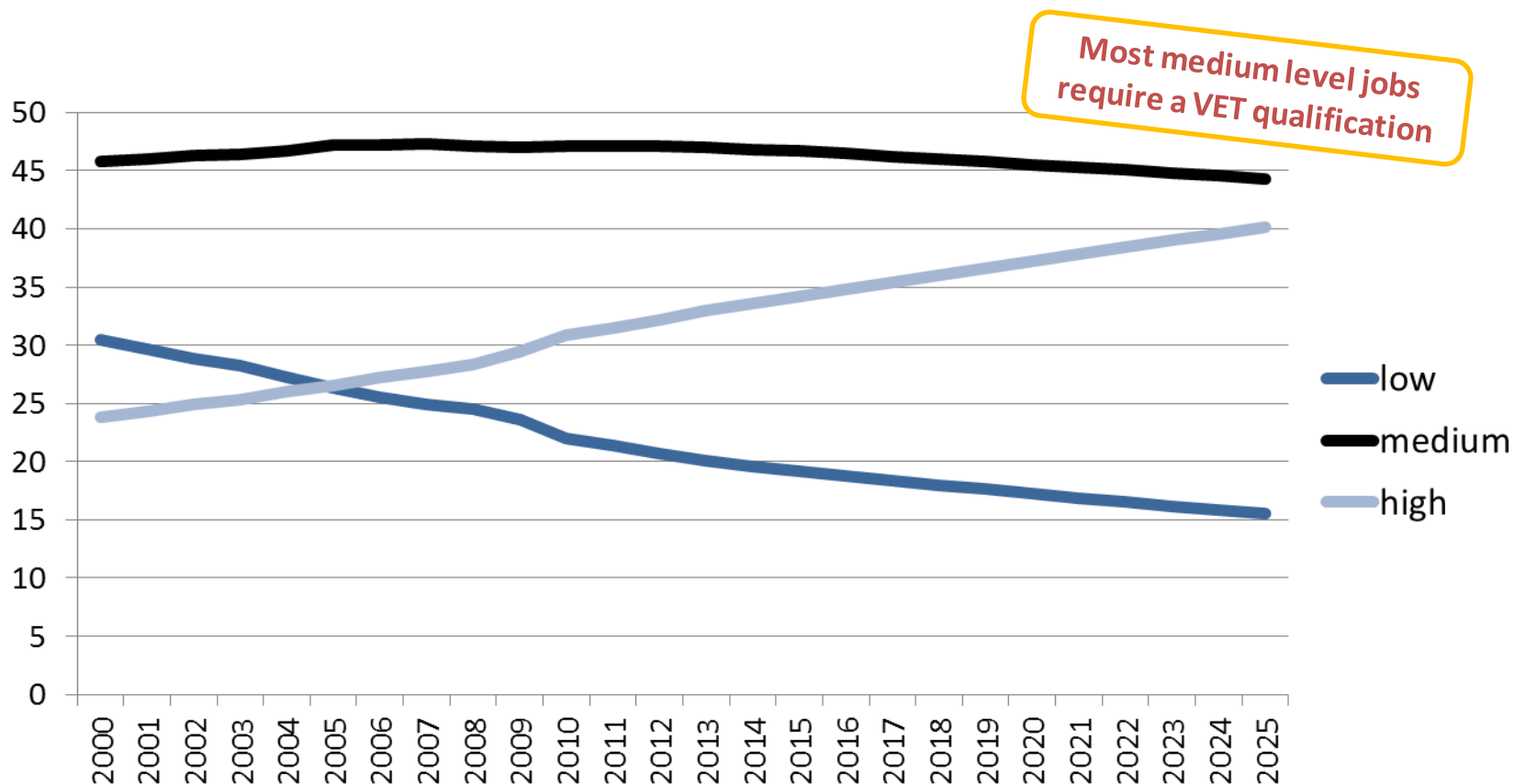


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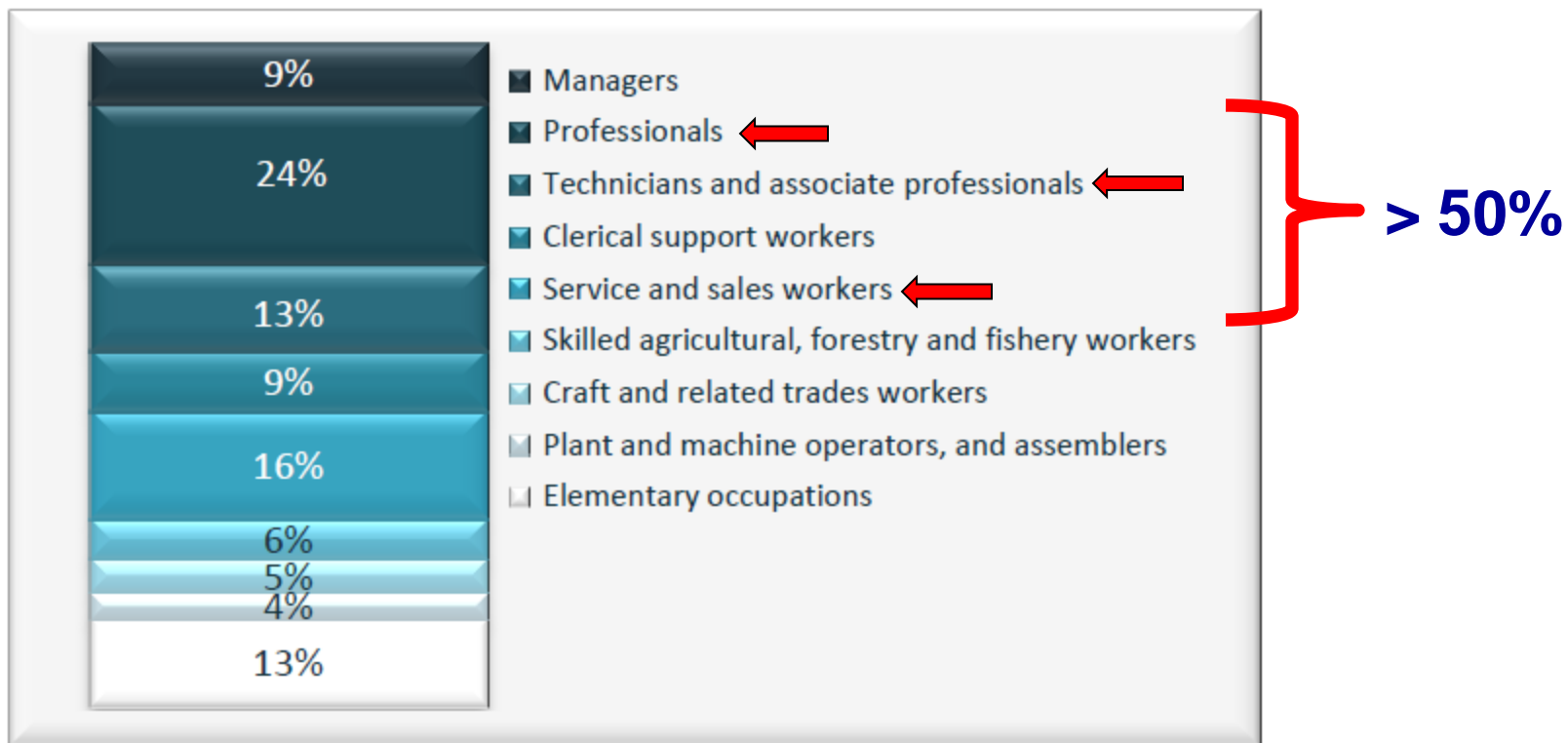


Labour force growth rate 2015-2025, EU28+ (%)

Employment by skill level, 2000-2025, EU28+ (%)



Job openings up to 2025



Replacement demand is 9 times higher than expansion demand

Policy implications

The three pillars of skills strategies

Skills development & activation

Reform E&T in partnerships (curricula, teachers-trainers, work-based learning, validation, quality assurance, tracing)

Untapped sources of talent (early leavers, NEETs, elderly, females, LTU)

Career guidance & counselling

Targeted ALMPs

Skills utilisation

High-skill product market strategies

High performance workplace practices (including recruitment and CVET)

High-skill & better quality jobs

Employer skills ownership/sharing of training costs

Institutional framework

Links between education/LM (apprenticeships, dual systems, NQFs)

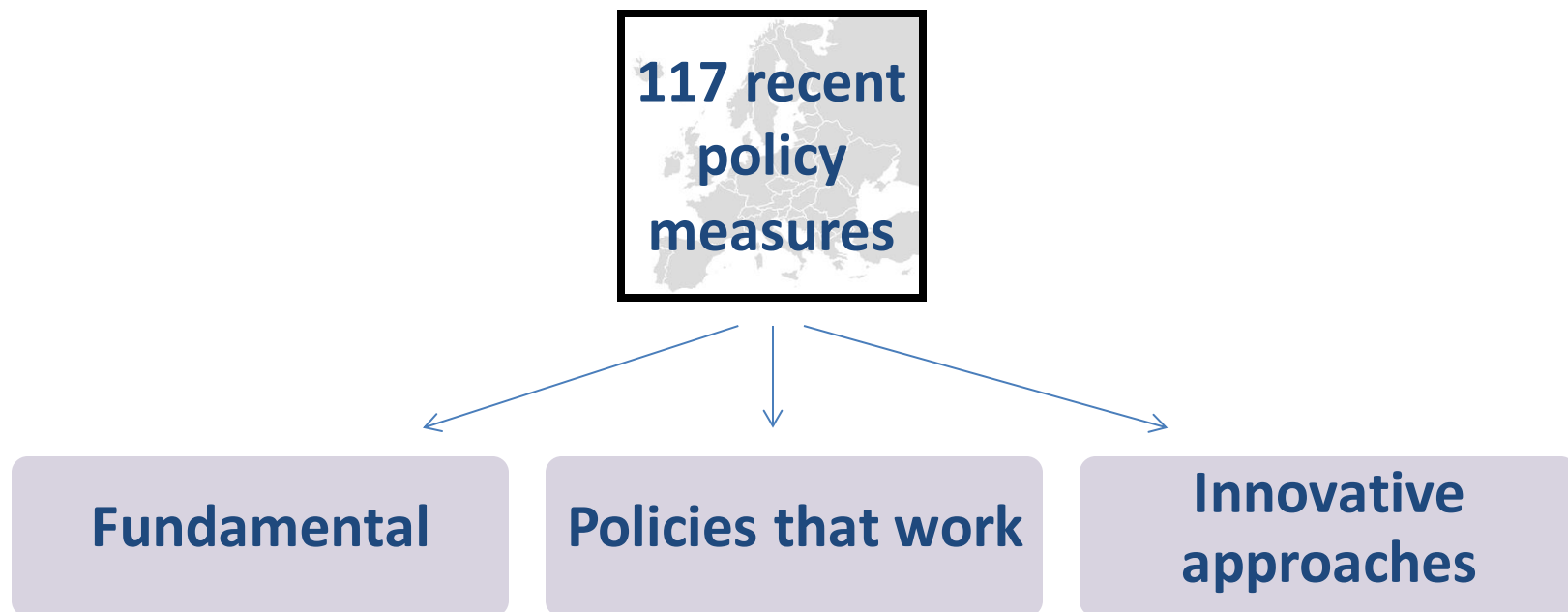
Skills institutions (sector councils, regional observatories)

LMI (anticipation)

PES (skills profiling)

Mobility instruments

To support policy learning, we need to know
Which VET and skills policies work best?



Policies targeting the employed

Fundamental

Raise employee skill level through training for labour market needs

Including employers in discussions on skill shortages

Creating a basic structure for training opportunities to prevent skills obsolescence

Policies that work

Link the regional/local training offer to regional/local labour market studies

Creating the right incentives to make training possible in economic booms and crises

Innovative approaches

Combine multiple training approaches (training, certification, guidance, etc)

Platforms to support networking of education and employers

Making employers problem owners and supporting their direct involvement in training

Policies targeting the unemployed

Fundamental

Analysis informs ALMP
WBL is part of training instruments
Subsidised jobs helps improve skills by job experience

Policies that work

Well-established links between skill needs anticipation and policies
Training in tailored generic skills
Workplace experience for highly educated
Career guidance using ICT tools with LM information
Voucher systems to help unemployed find the right training

Innovative approaches

Employers define curricula and learning outcomes
ALMP beneficiaries decide the skills they want to be trained in
ICT matching tools link people's skills to skill needs in enterprises
Strong links of ALMP to education (e.g. validation)

Policies targeting education and training

Fundamental

Self-service systems for student career guidance

Adapting curricula and qualification standards with social partner involvement

Policies that work

Combining self-service with personal counselling

Extra attention to early school leavers through personal guidance

Direct feedback of business to the education system

Networking of schools to define training offer serving regional/local needs

Innovative approaches

One-stop shop career centres for guidance

Networking by teachers with business so they know skill needs

Individual interviews to prevent early leaving

Considering skill shortages when attracting foreign companies

Creating a conducive policy environment

Fundamental

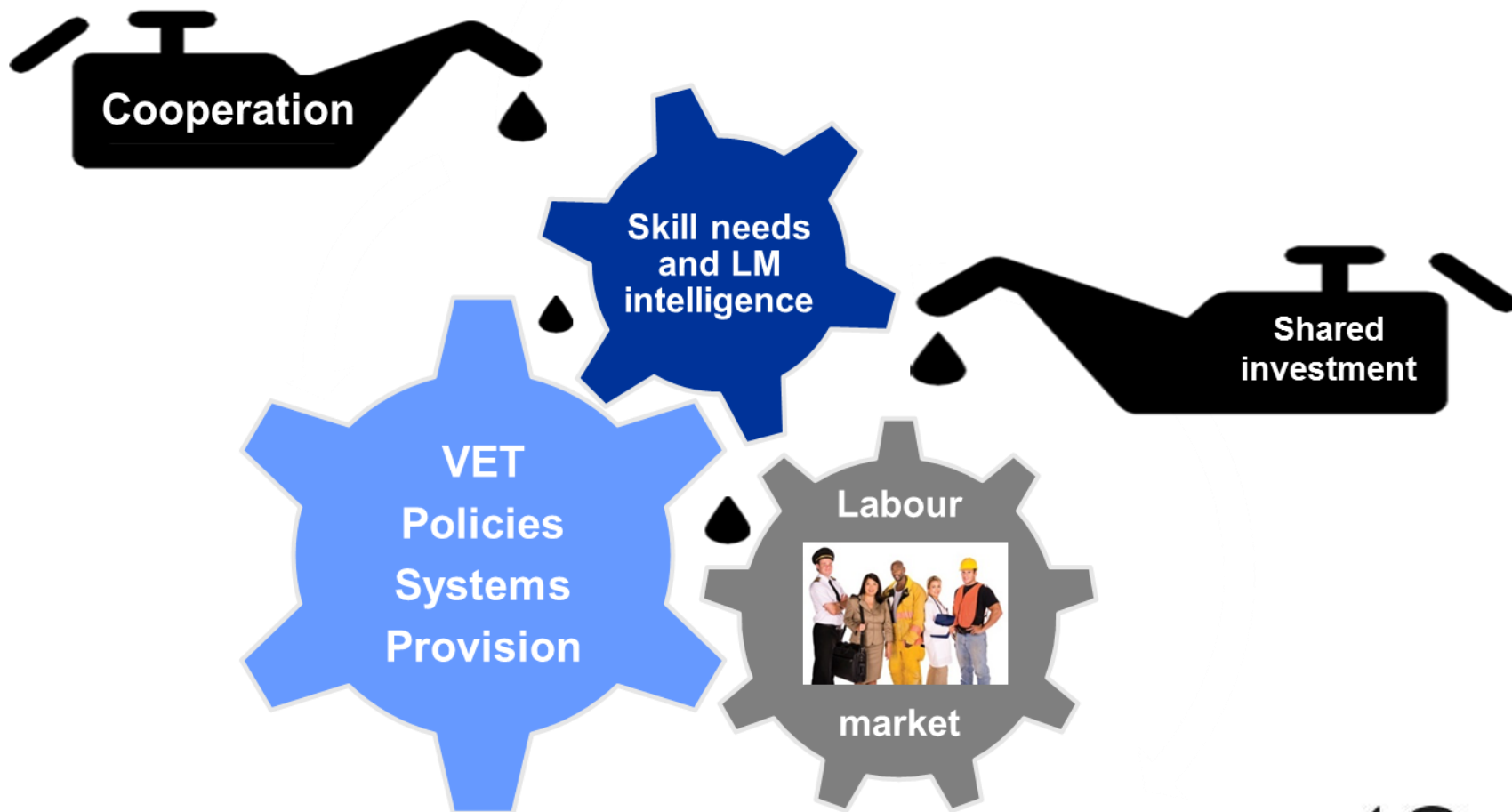
A loose set of skill matching instruments
Some stakeholder cooperation in the case of identified skill shortages

Policies that work

National skill (matching) strategies (or sectoral /field-specific skill (matching) strategies
Full involvement of stakeholders in combatting skill shortages

Innovative approaches

Social partners decide which skills will be trained for
Reducing administrative burdens for employers, e.g. by offering ICT solutions, increasing their involvement in training





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