

ADAPT Conference  
Bergamo – 23 November 2022

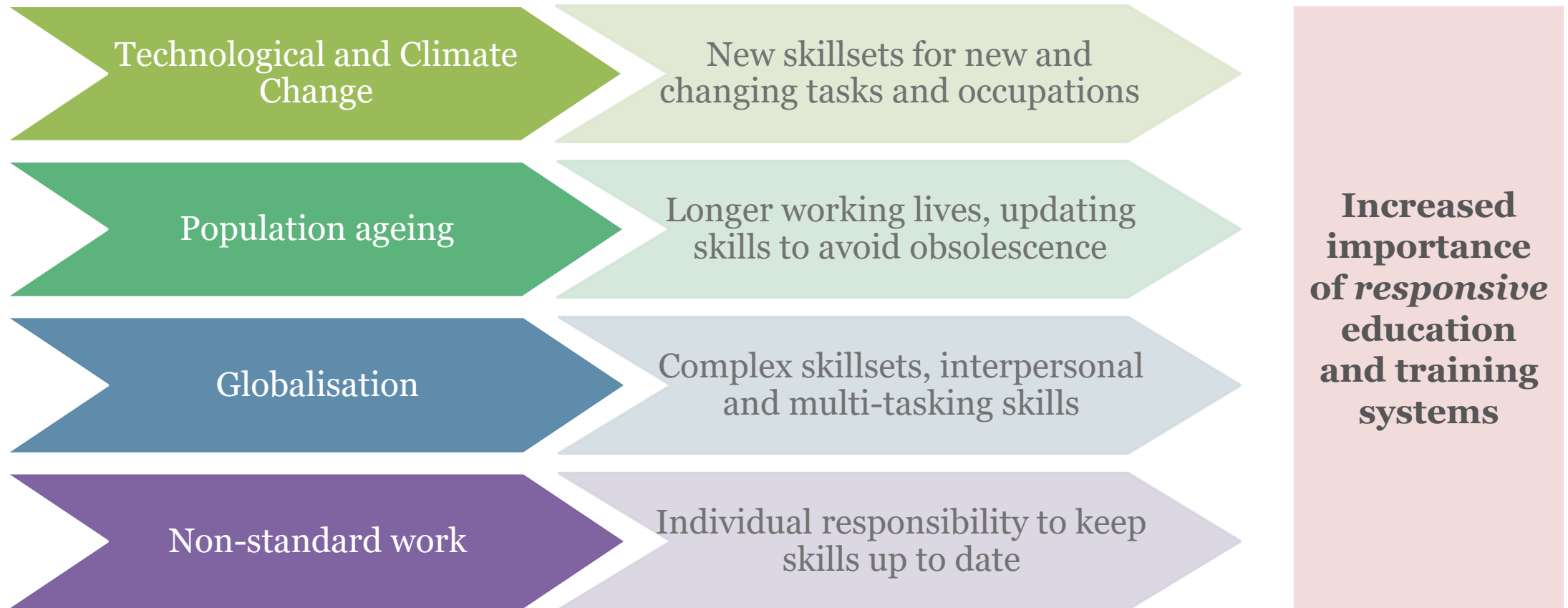


# Policy challenges in addressing skill needs emerging from the twin transitions

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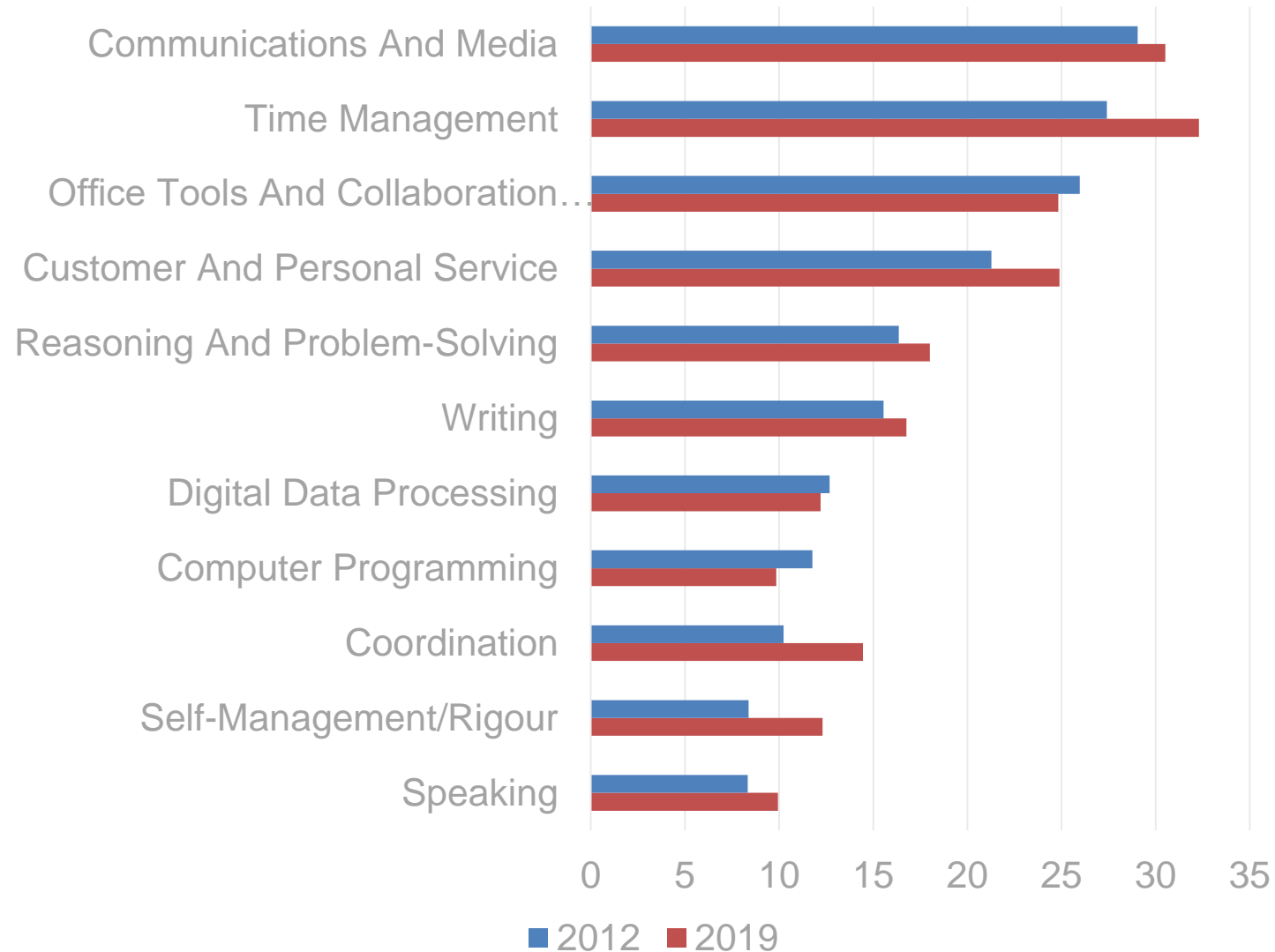


# Megatrends affect the world of work



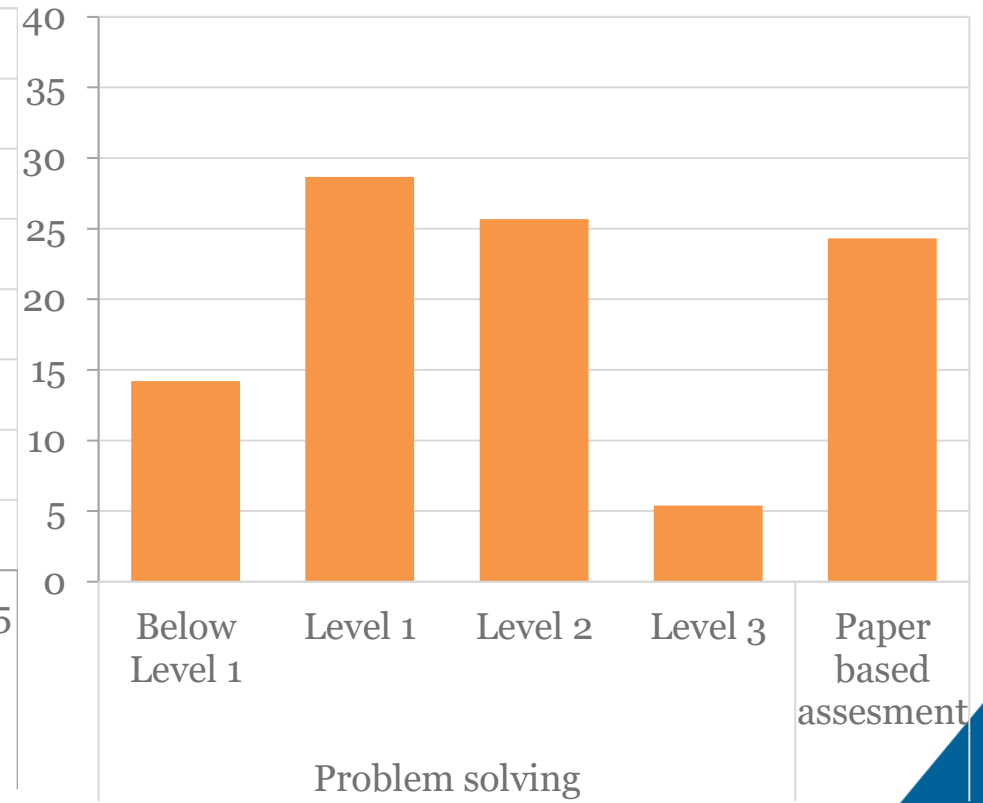
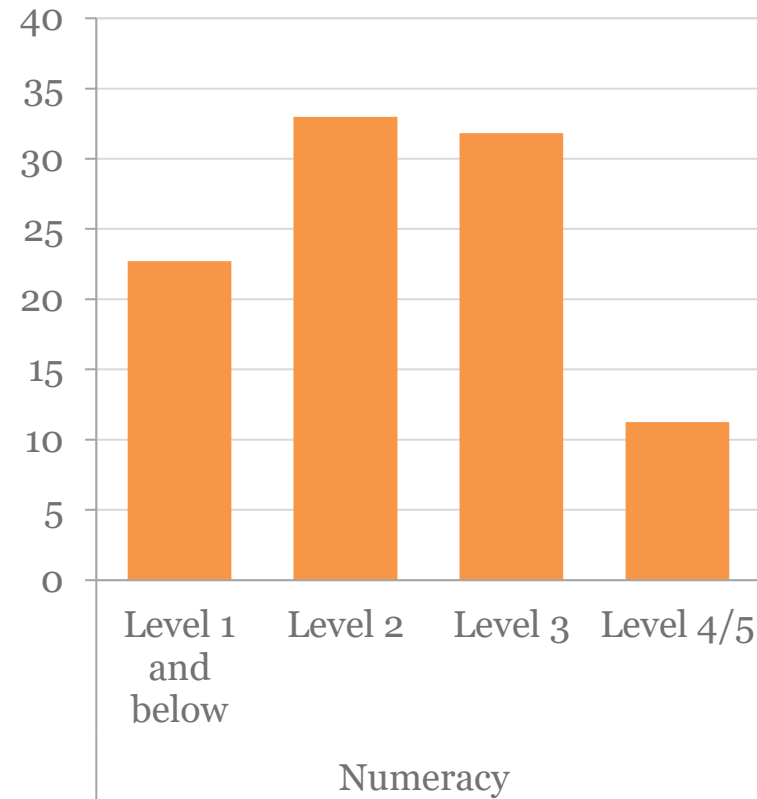
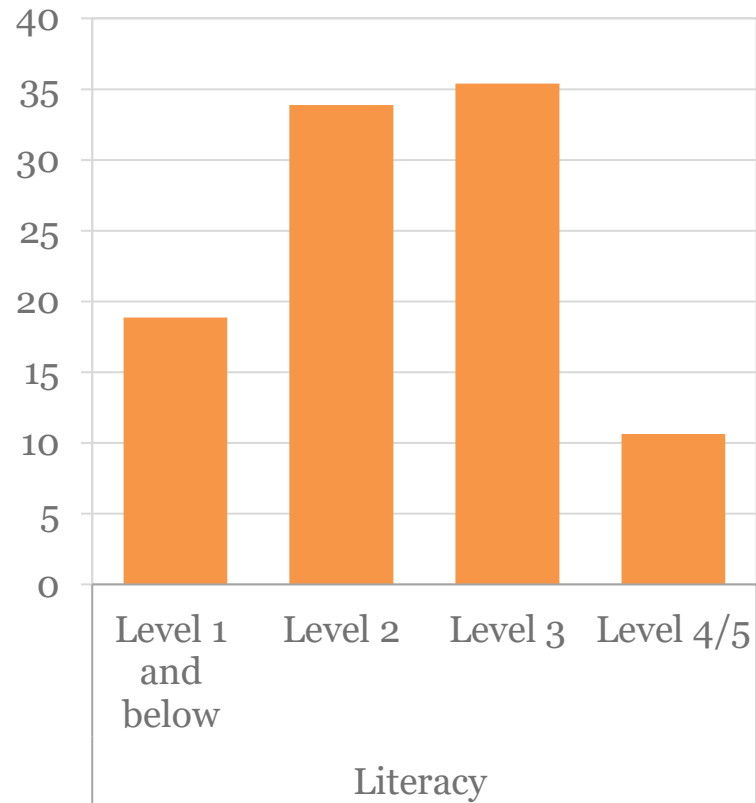


# These trends result in a growing and more generalised demand for transversal and digital skills



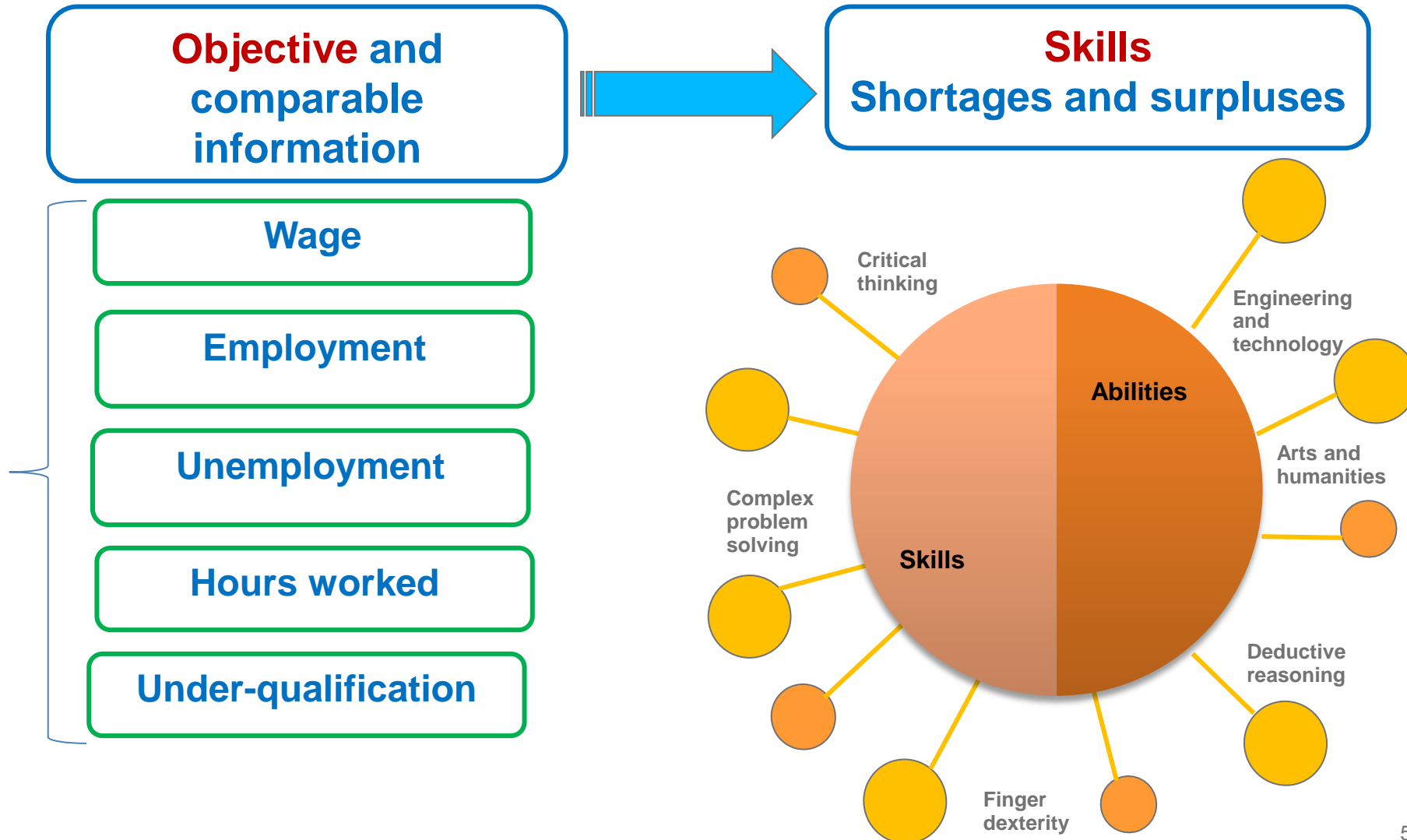


# Many adults lack the high-level skills required in today's labour market





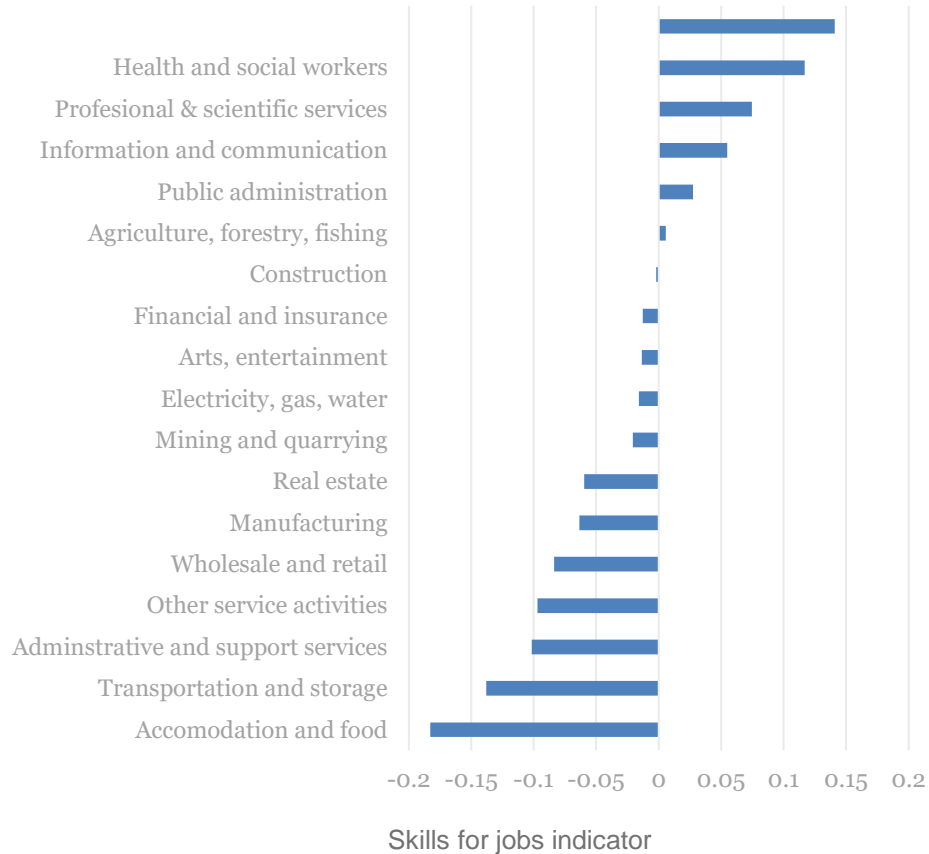
# How we measure existing shortages and the changes ahead: the [www.OECDSkillsforJobsdatabase.org](http://www.OECDSkillsforJobsdatabase.org)



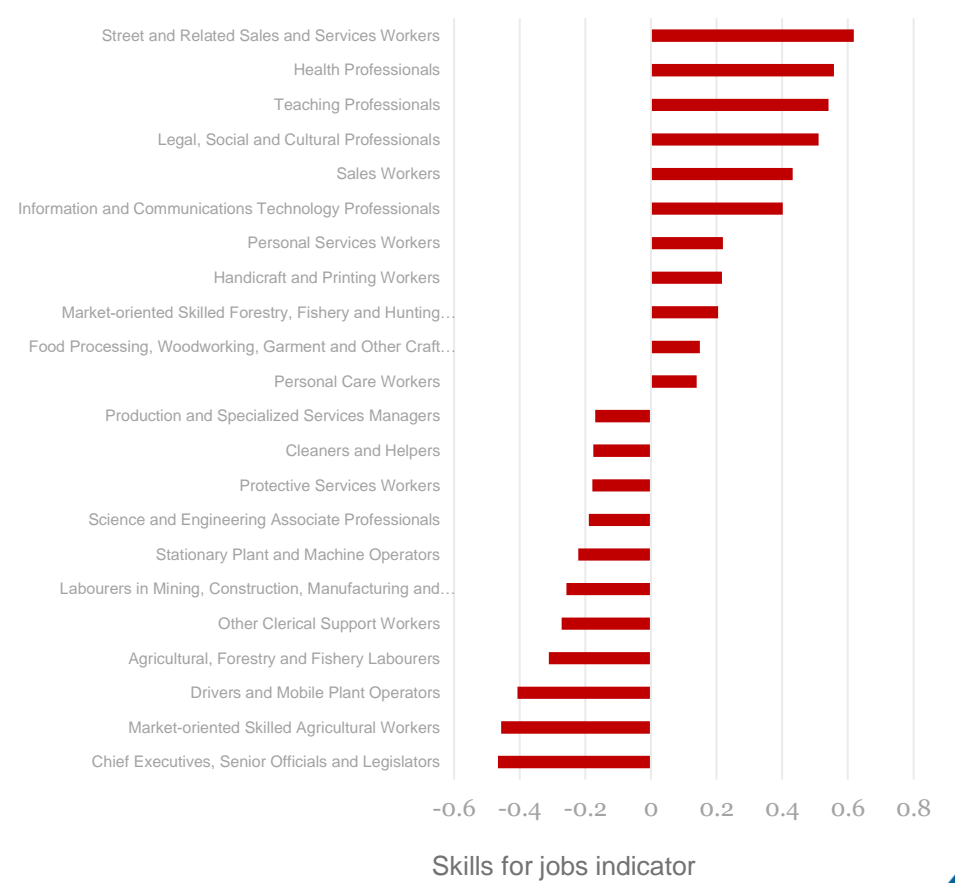


# Shortages and surpluses vary across sectors and occupations (OECD average)

## Shortages and surpluses by sector of activity



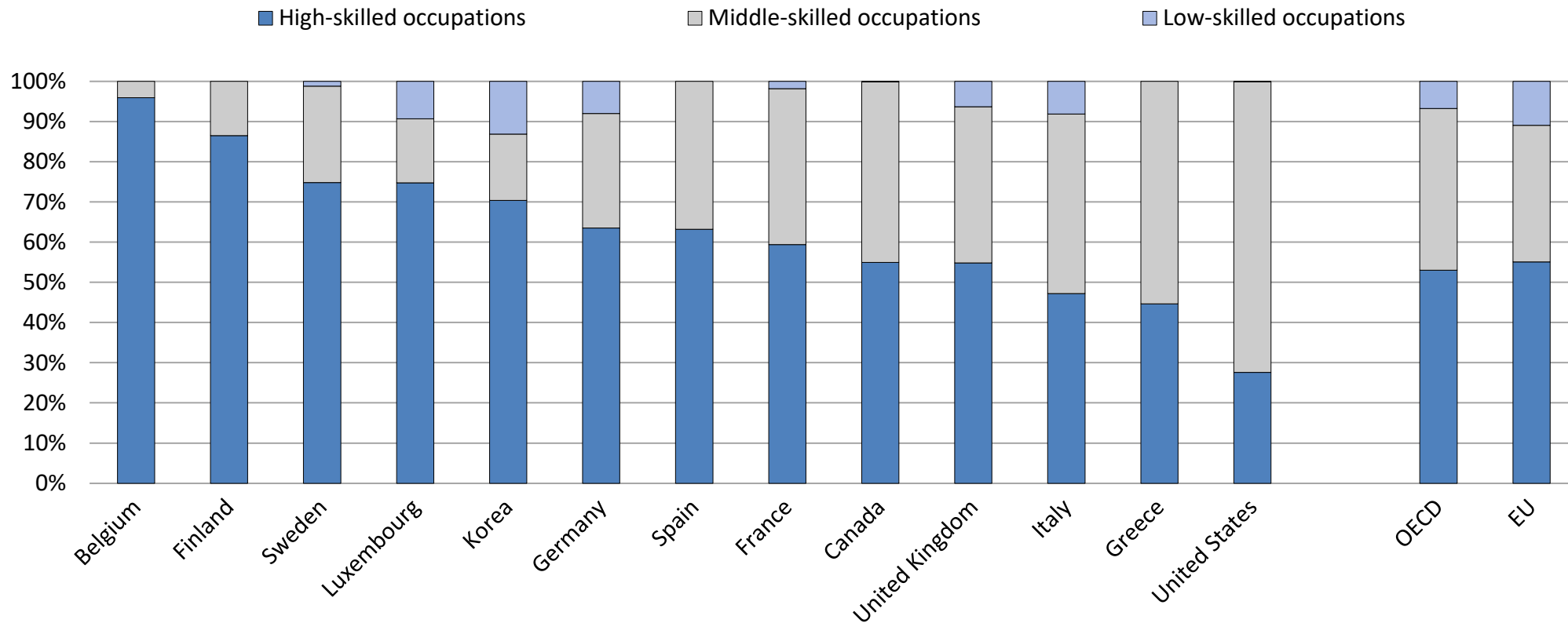
## Shortages and surpluses by occupation





# Shortages are predominately found in high skilled occupations

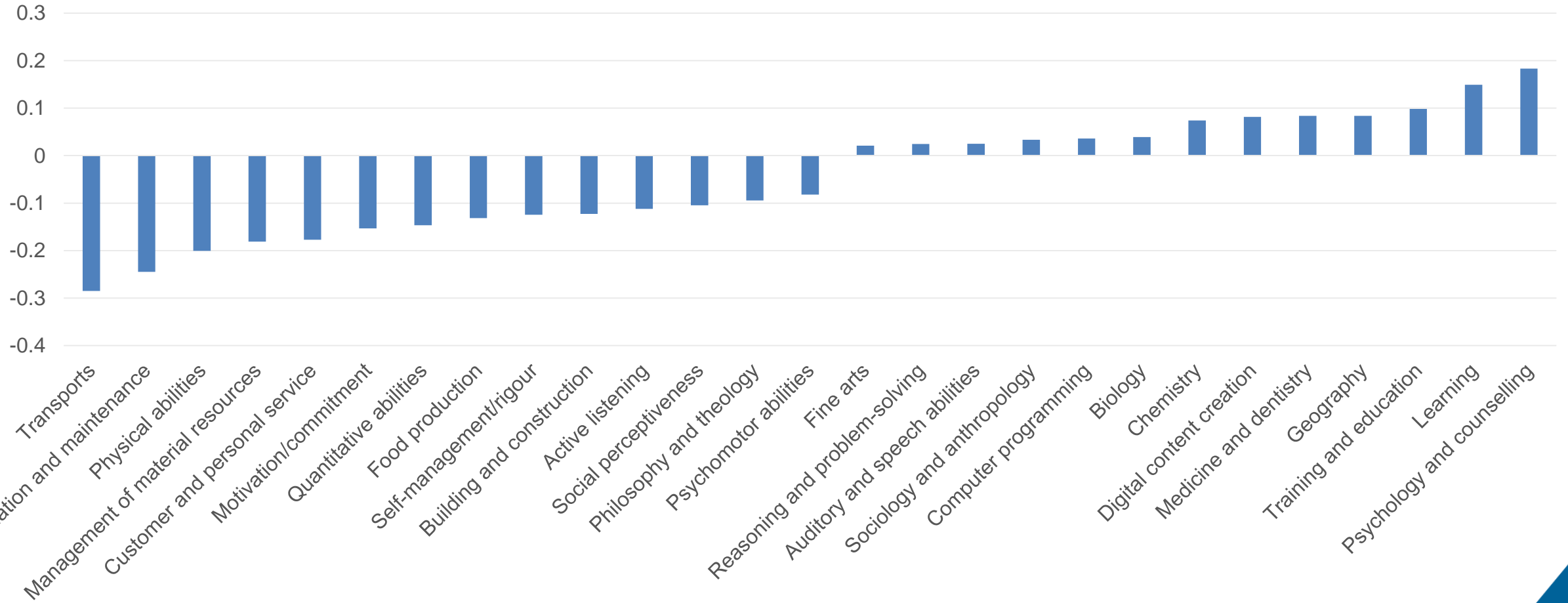
Share of employment in shortage occupations by skill level





# We can express imbalances in terms of skills and abilities (OECD average)

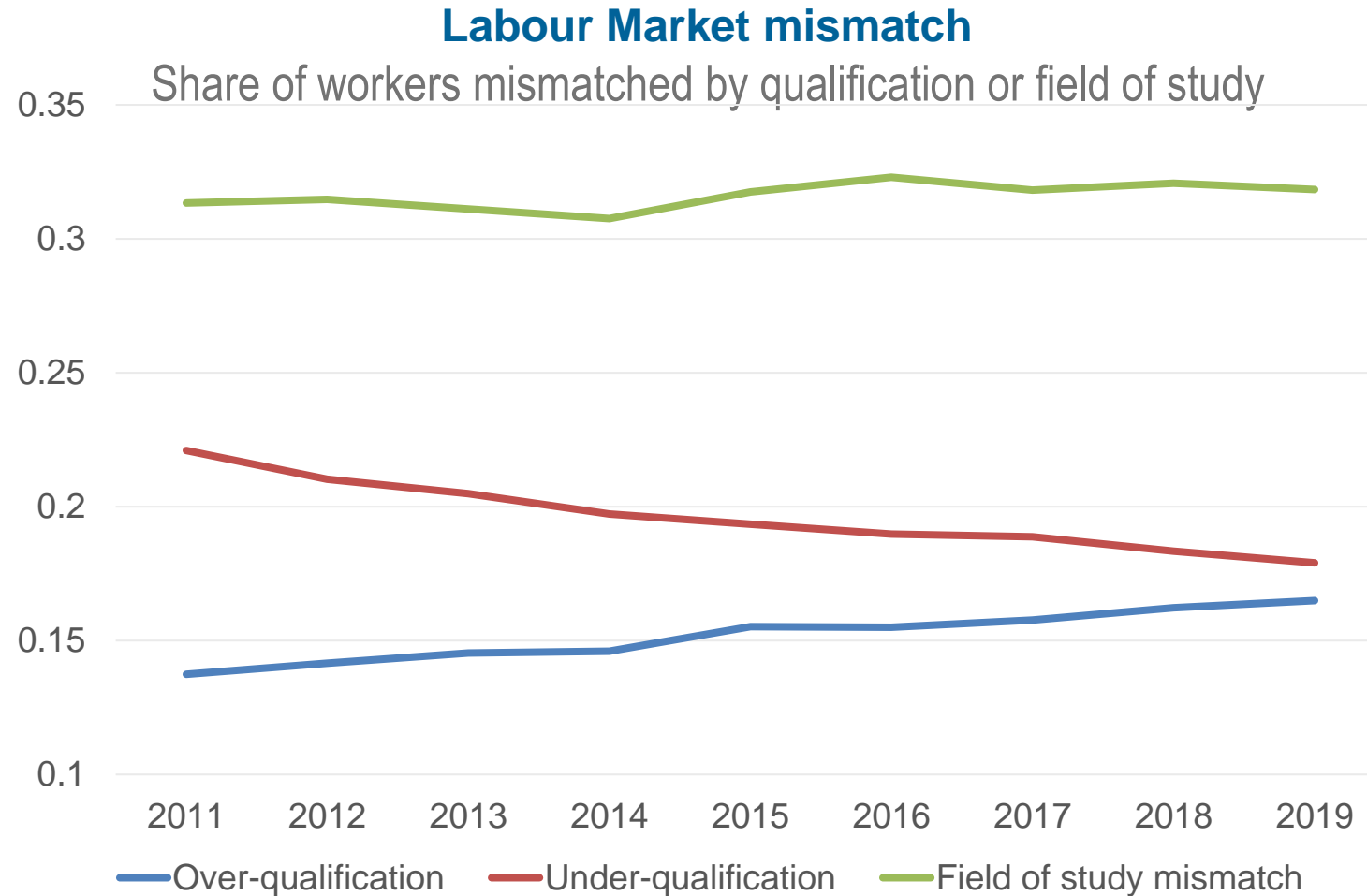
Skills for jobs indicator







# Skill imbalances also show up in on-the-job mismatch (OECD countries)



# The cost of inaction is high

For individuals



**Lower wages**

**Lower job satisfaction**

**Risk of jobs loss and skills obsolescence**

For employers



**Lower productivity**



**Vacancies remain unfilled for too long**



**Delays in technology adoption**



**Higher turnover and re-training costs**

For countries



**Less competitiveness**

**Lower aggregate productivity**

**Sunk costs in the skill system**

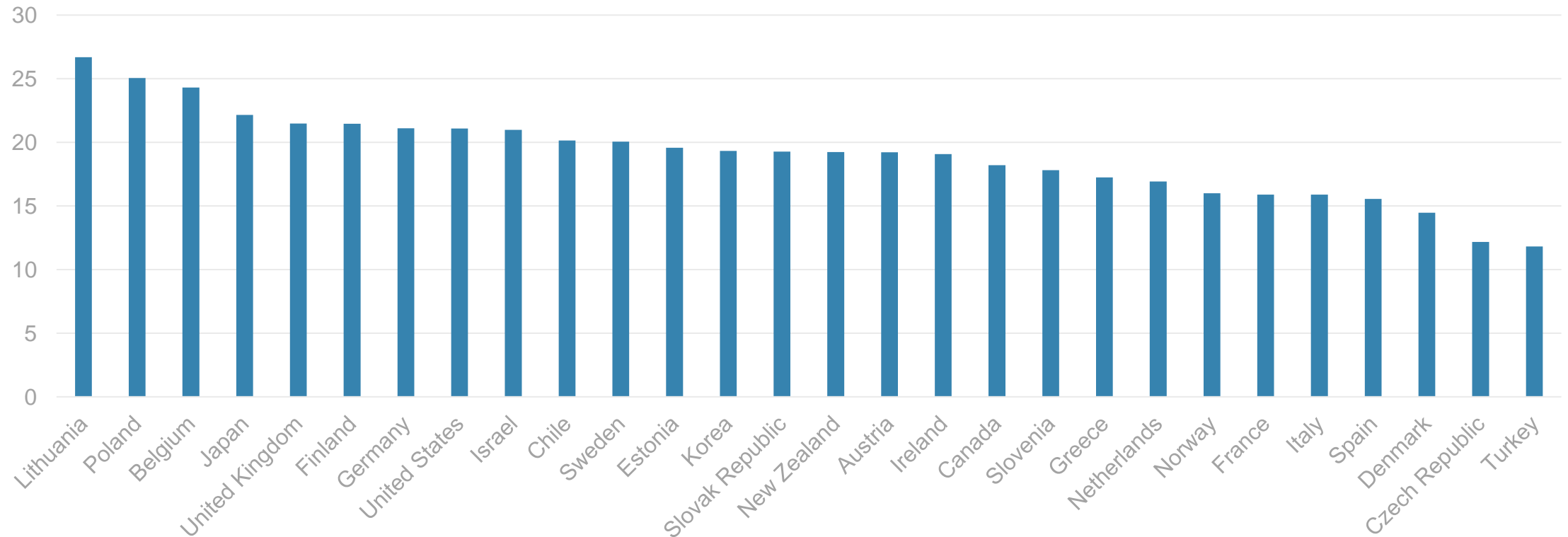


**Alignment to skill needs is a major issue in adult learning**



# Workers in jobs at high risk of automation train less than their counterparts

Percentage point difference in participation between workers in jobs with significant risk of automation and low risk of automation

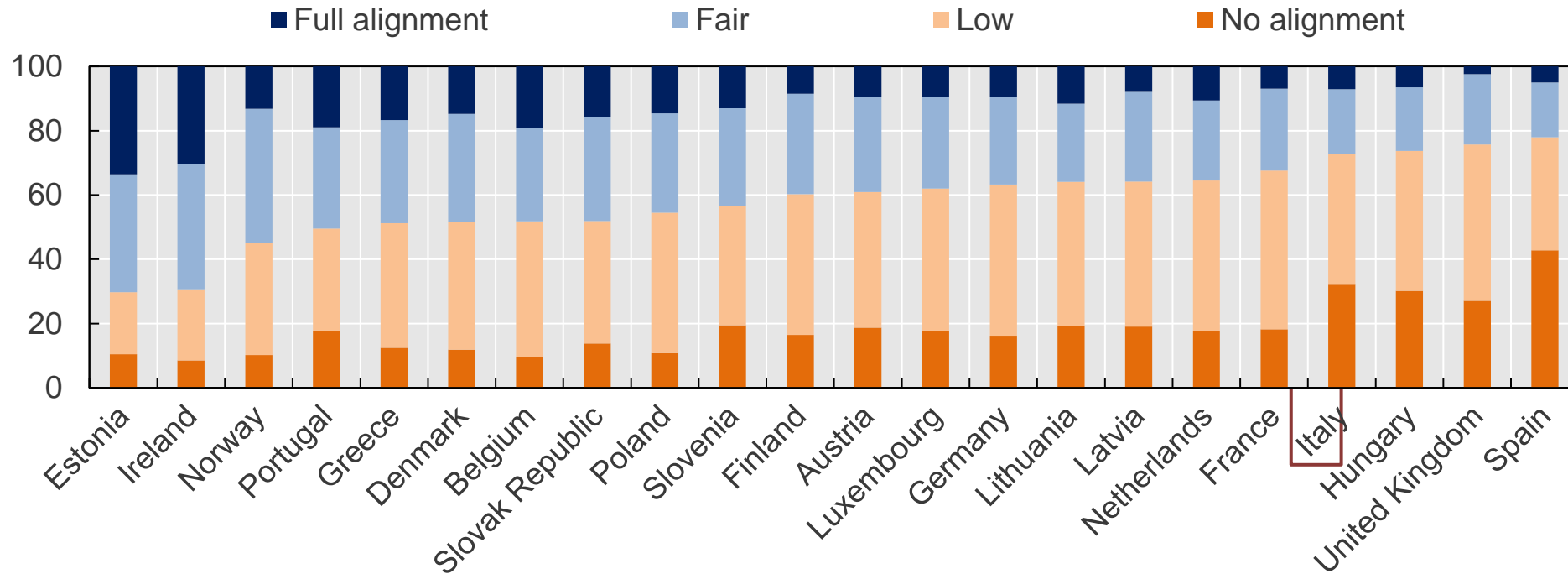




# Even training provided by firms is not always aligned with future skills needs

Source: EU CVTS

Overlap between skills priorities and training activities,  
% of firms at different degrees of alignment, 2015



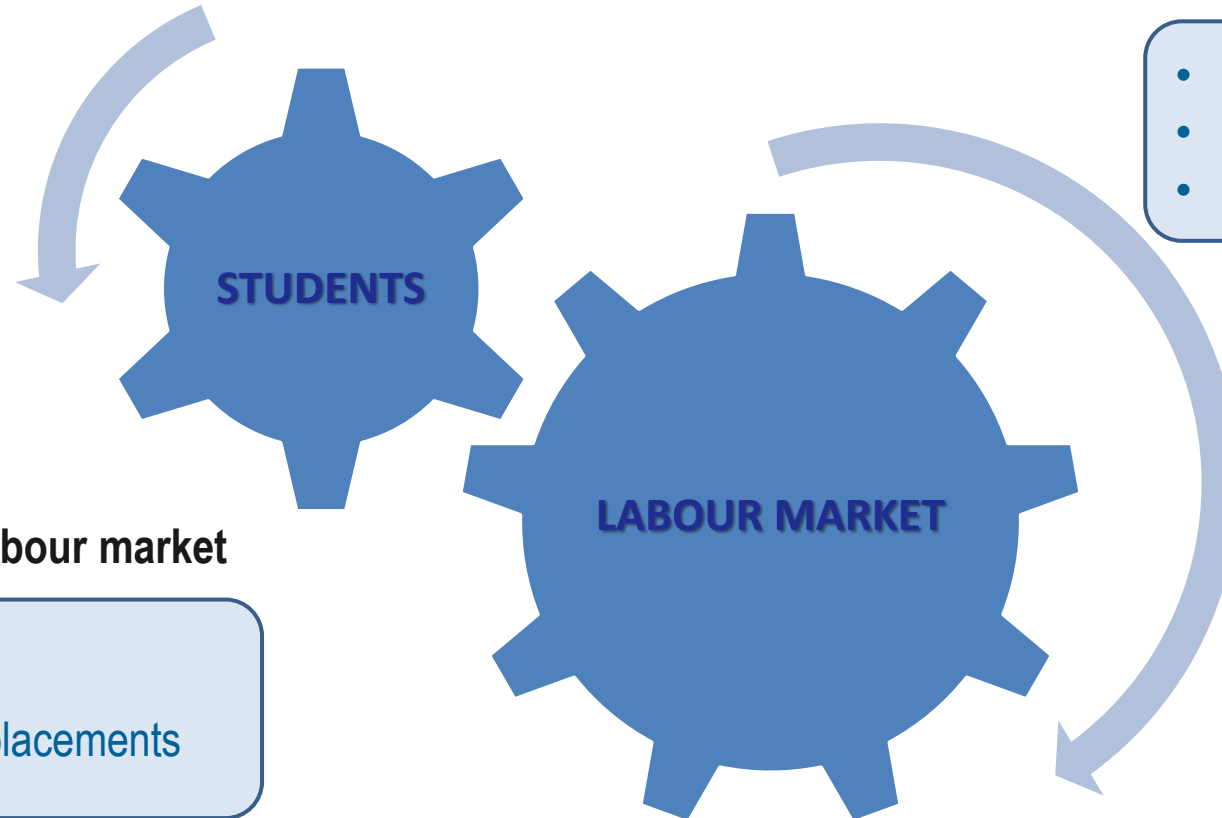
	EU average	Germany	France	Italy
% of enterprises (10+) that do not assess their future skill needs	31.7	37.2	31.6	18.8
% of training hours in compulsory training	20.4	20.4	25.7	32.8



**How can learning systems ensure that their provision matches the needs of the labour market?**



# Education and training providers must work with employers to align learning to labour market needs



## Bringing the labour market to students

- Invite speakers from the world of work
- Organise seminars and job fairs
- Prepare mock job interviews

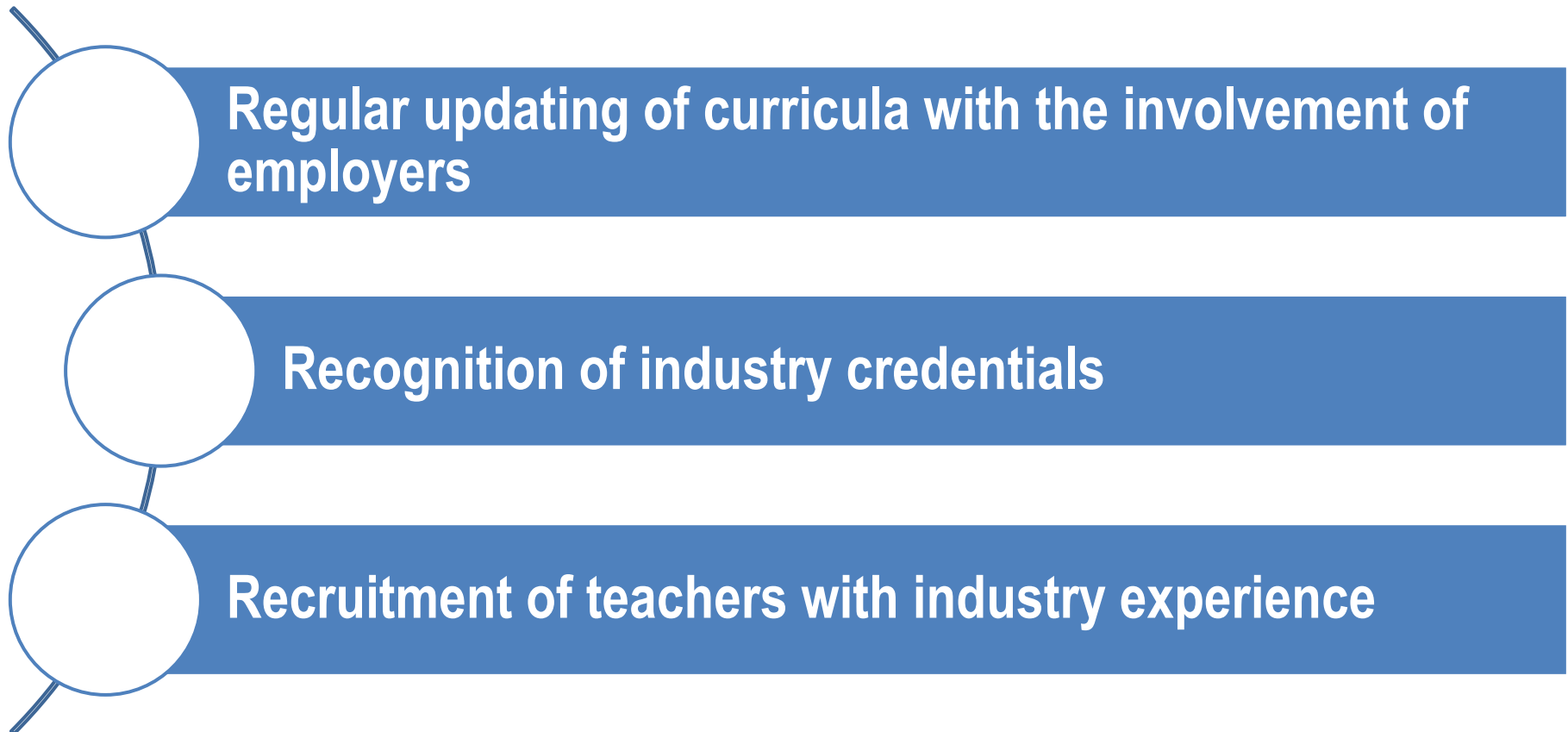
## Bringing students to the labour market

- Visit workplaces
- Internships and other placements



## Learning providers must work with employers to align learning to labour market needs

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# Employers should be involved in skills assessment and anticipation exercises

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Skills Assessment and Anticipation exercises allow tracking changes in occupational and skill needs over time

## The role of employers is key:

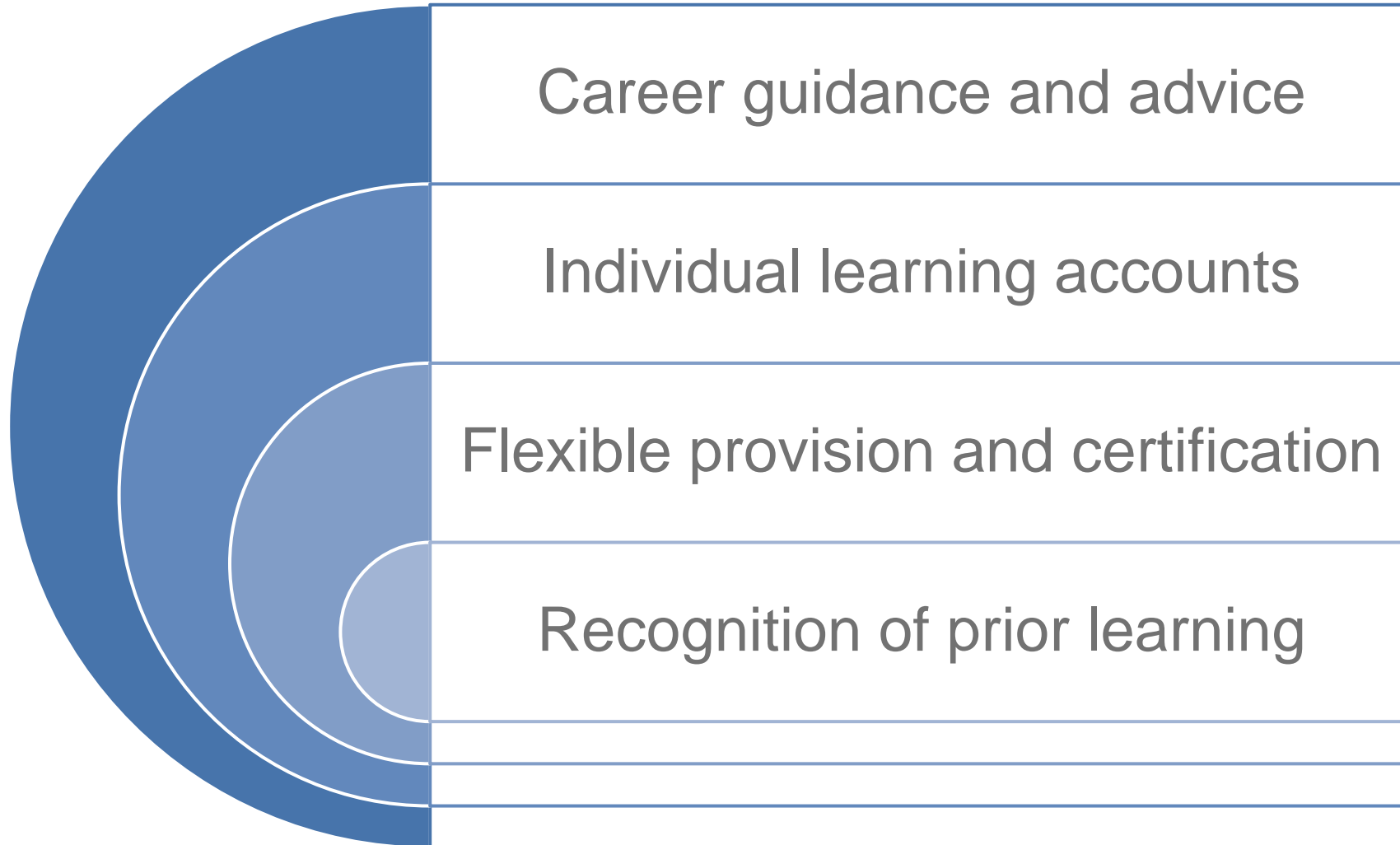
- In the **planning phase** to make sure that the format and granularity are useful and appropriate
- In the **data collection**, employers are well placed to track changes in job content in their sectors over time and have a strategic outlook of what might happen in the future
- In the **identification of gaps** between emerging skill needs and available training to be addressed through curriculum revisions, targeting and steering of training provision



**Innovative solutions for more  
flexible training provision that  
supports transitions**



# Innovations in delivery, certification and financing of adult learning





# Thank you

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