Skills in the changing world of work

Brigita Vončina
The world of work is changing

The labour market in the EU, like in all other parts of the world, is being transformed, and often challenged by numerous drivers such as:

- **technological change**
  (digitalisation, automatisation, robotisation)

- **globalisation**, 

- **migration**, 

- **climate change**, 

- **demographic change, notably ageing.**
Flexible Work Is Becoming the Norm!
The future of work is NOW

Changes on the labour market are happening now and they are irreversible.

Potential implications associated with 4th industrial revolution:

- Employment, skills and job quality
- New forms of employment (may require a new type of social system)
New forms of employment
(Eurofound, 2016, 2018)

Types of employment that have begun to feature more strongly in the European labour market since about 2000:

- Strategic employee sharing
- Job sharing
- Interim management
- Casual work
- ICT-based mobile work
- Voucher-based work
- Portfolio work
- Platform work
- Collaborative self-employment
Workers’ and employers’ drivers for engaging in new forms of employment

Source: Eurofound, 2018
Assessment of implications of new forms of employment for working conditions and labour market

Source: Eurofound, 2018
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Source: Eurofound, 2016
Skills and jobs

- Changes in the demand for and supply of skills on the labour market are creating skills imbalances, including shortages, surpluses and mismatches.
- In the context of changing skill need, developing the right skills that respond to labour-market needs and ensuring that these skills are fully utilised by individuals and employers becomes increasingly important.
- The European Skills Index (ESI) is Cedefop’s composite indicator measuring the performance of EU skills systems. The ESI measures countries’ “distance to the ideal” performance.
The EU Skills Index

Three pillars of the EU Skills Index:

- Skills development
- Skills activation
- Skills matching
ESI overall scores

Source: Cedefop (2018 European skills index).
Skills Development

Compulsory education
- Pre-primary pupil-to-teacher ratio
- Upper secondary attainment (aged 15-64)
- Reading, maths & science scores (aged 15)

Training and tertiary education
- Recent training
- VET students
- High computer skills
EU Skills Index; Skills Development

Source: Cedefop (2018 European skills index).
Skills Development - Trend

Source: Cedefop (2018 European skills index).
Skills Activation

Transition to work
- Early leavers from training
- Recent graduates in employment

Labour market participation
- Activity rate (aged 25-54)
- Activity rate (aged 20-24)
EU Skills Index; Skills Activation

Source: Cedefop (2018 European skills index).
Skills Activation - Trend

Source: Cedefop (2018 European skills index).
Skills Matching Pillar

Unemployment
  - Long-term unemployment
  - Underemployed part-time workers

Skills mismatch
  - Over-qualification rate
  - ISCED 5-8 proportion of low wage earners
  - Qualification mismatch
EU Skills Index; Skills Matching

Source: Cedefop (2018 European skills index).
Skills Matching - Trend

Source: Cedefop (2018 European skills index).
Mostly positive changes over time in ESI, but more can be achieved

Source: Cedefop (2018 European skills index).
IVET spending is linked to better skill systems

Source: Cedefop (2018 European skills index).
Better skills systems have less NEETs

Source: Cedefop (2018 European skills index)
Better skills systems have higher employment rates

Source: Cedefop (2018 European skills index).
Impacts to peoples lives

- EU Pillar of Social Rights
- New Skills Agenda for Europe
What to do in the future

What impact does the changing world of work have to career counsellors’ work?

What can career counsellors do?

What is our role as career counsellors in the changing world of work, skills and labour market?
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