



1975-2015

What do we (not) know about skill mismatch?

Pascaline DESCY

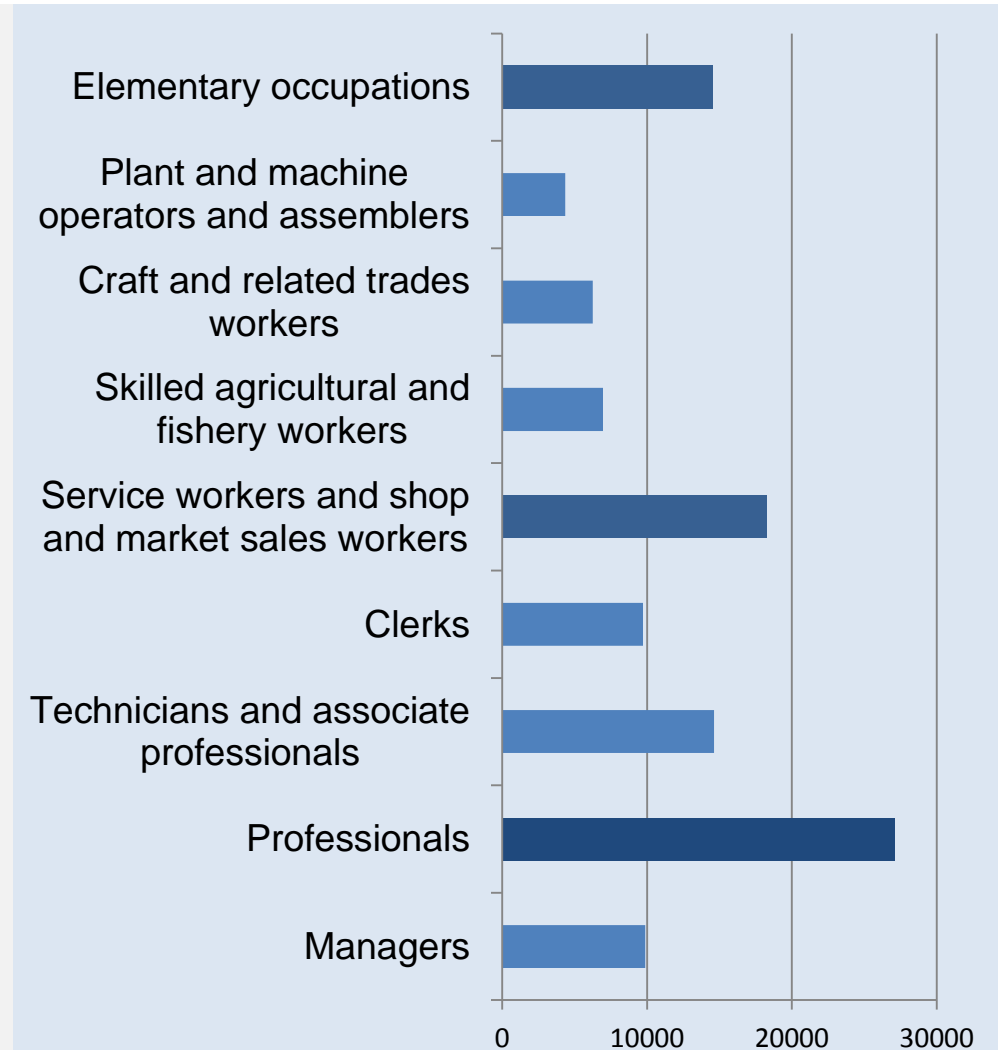
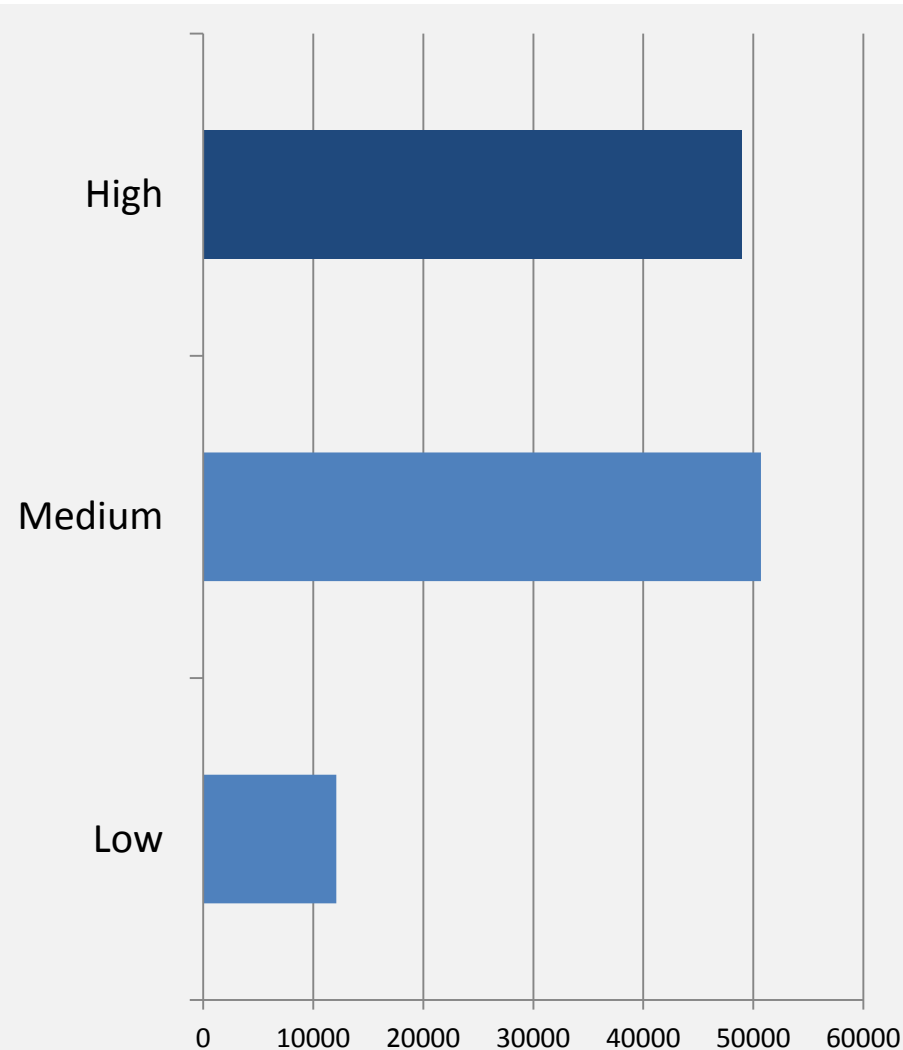
Head of Department for Skills and Labour Markets, CEDEFOP

Maximising skills for jobs and jobs for skills

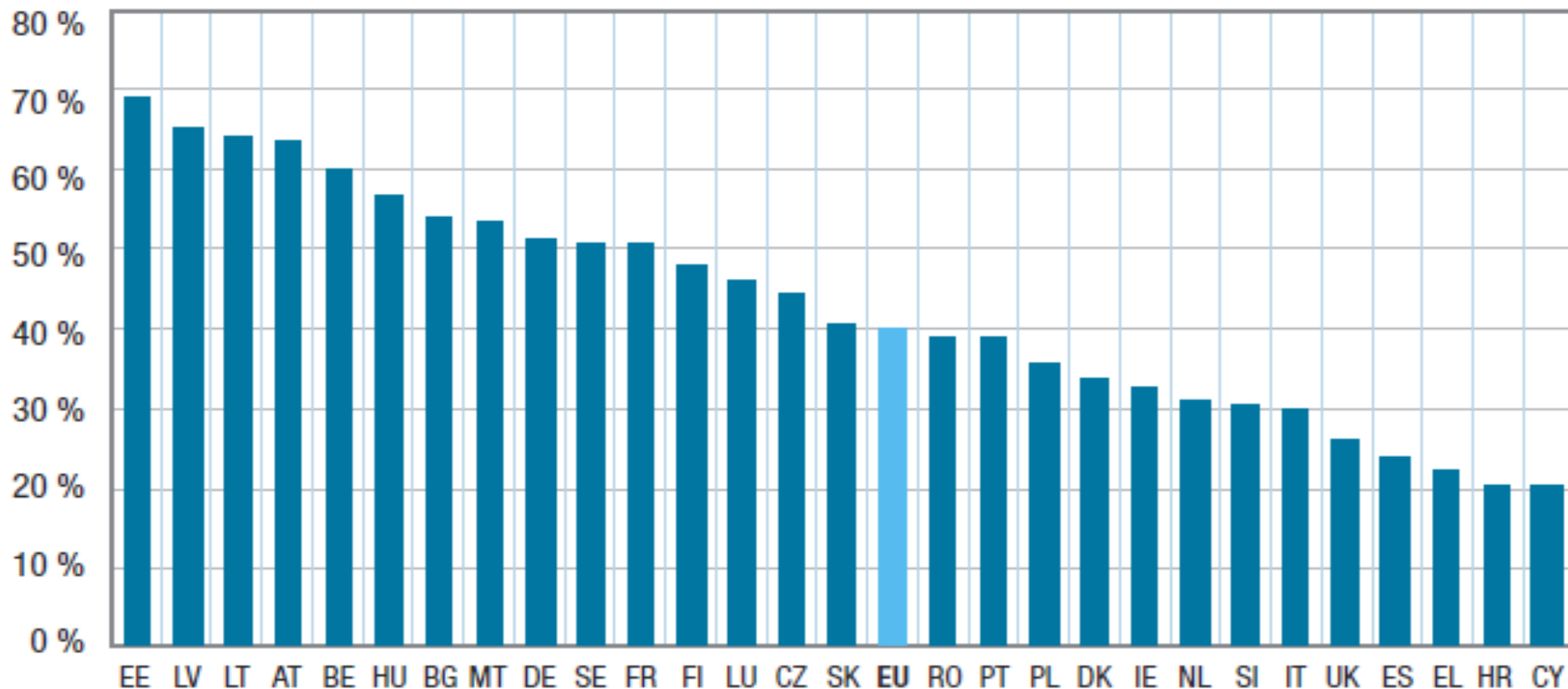
Thessaloniki, 7-8 Dec 2015



By 2025 44% of total job openings in EU28 will require high level qualifications



4 in 10 EU employers have difficulty finding staff with the right skills



NB: Proportion of establishments replying affirmatively to the question 'Did your establishment encounter difficulties in finding staff with the required skills?'

Source: Eurofound, ECS-2013.

Skill mismatch, lifelong



Underskilled



Overqualified



Overskilled



Skills obsolescence



Skill shortages



Skill deficits



Cedefop ESJ survey?

*Focus on the match between skills and jobs
49,000 adult workers in all EU28*

- What was the impact of the **economic crisis** on skill mismatch?
- How does skill mismatch **evolve** in adult workers' jobs?
- Which EU workers fail to improve their **skills in their jobs**?
- What role for **CVET and on-the-job learning**?
- Does **work complexity/organisation** affect skill formation and utilisation?

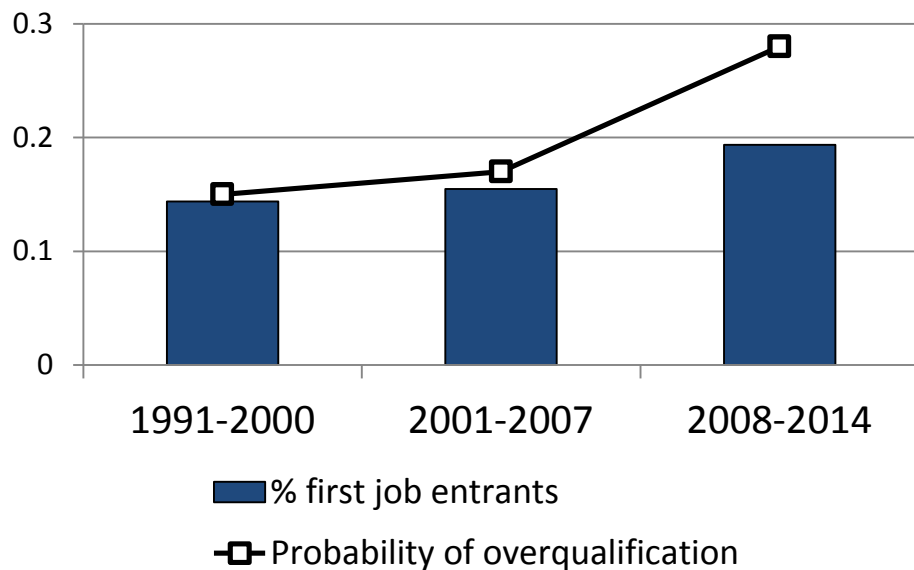
The crisis has undermined the long-term potential of the EU's skilled workforce

Post 2008

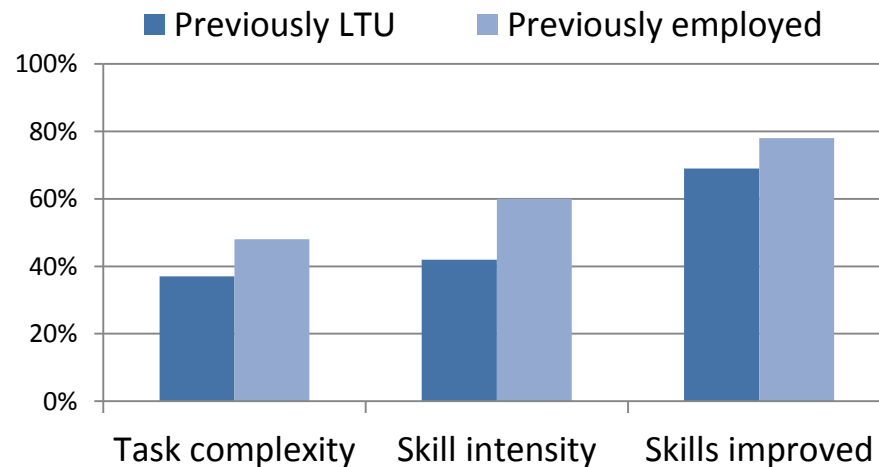
↑ overqualification of graduates
↓ underskilling of LM entrants

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

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



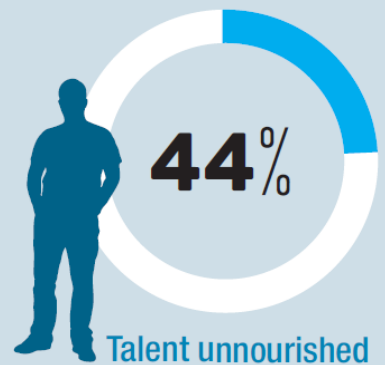
Difference in skill formation and skill needs of current jobs by prior labour market status, EU28, 2014



Unexploited workforce potential is compromising EU efficiency



Employees whose skills are higher than needed to do the job today and have limited potential to grow in the job



Employees whose skills are lower than needed to achieve full productivity in the job and have potential to grow in the job

Higher skill deficits correlate with lower productivity

Fig 1 Skill deficits in EU adult workforce and labour productivity, 2014, EU28

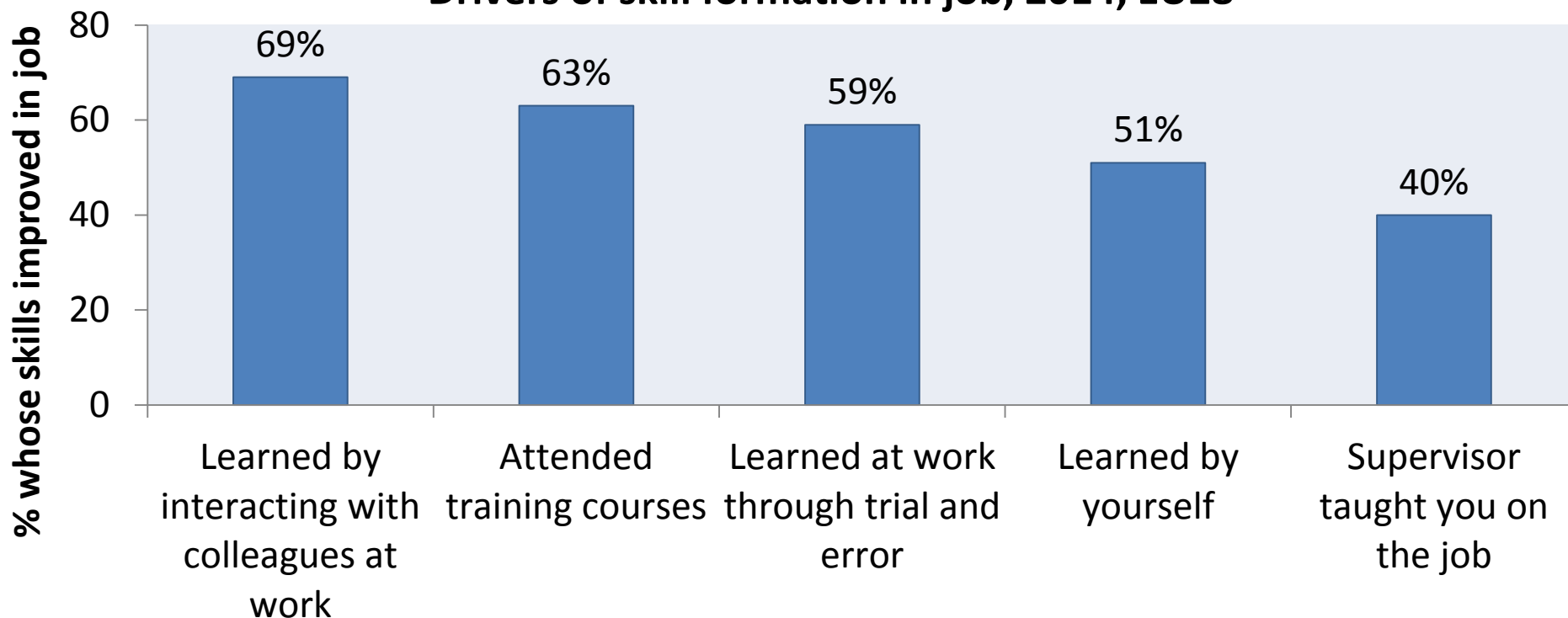


Continuous skills formation and training takes place on the job

22% of EU adult workers have not developed their skills further in their jobs

Those who improved skills combined formal training with informal on-the-job learning

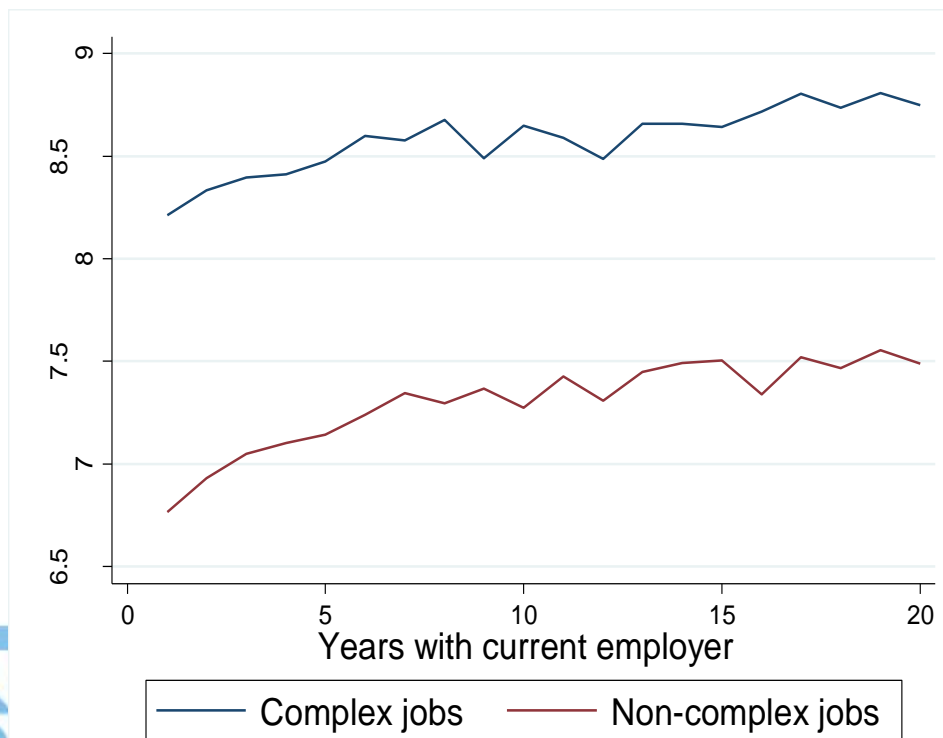
Drivers of skill formation in job, 2014, EU28



Complex jobs reinforce skill formation and are markers of job quality

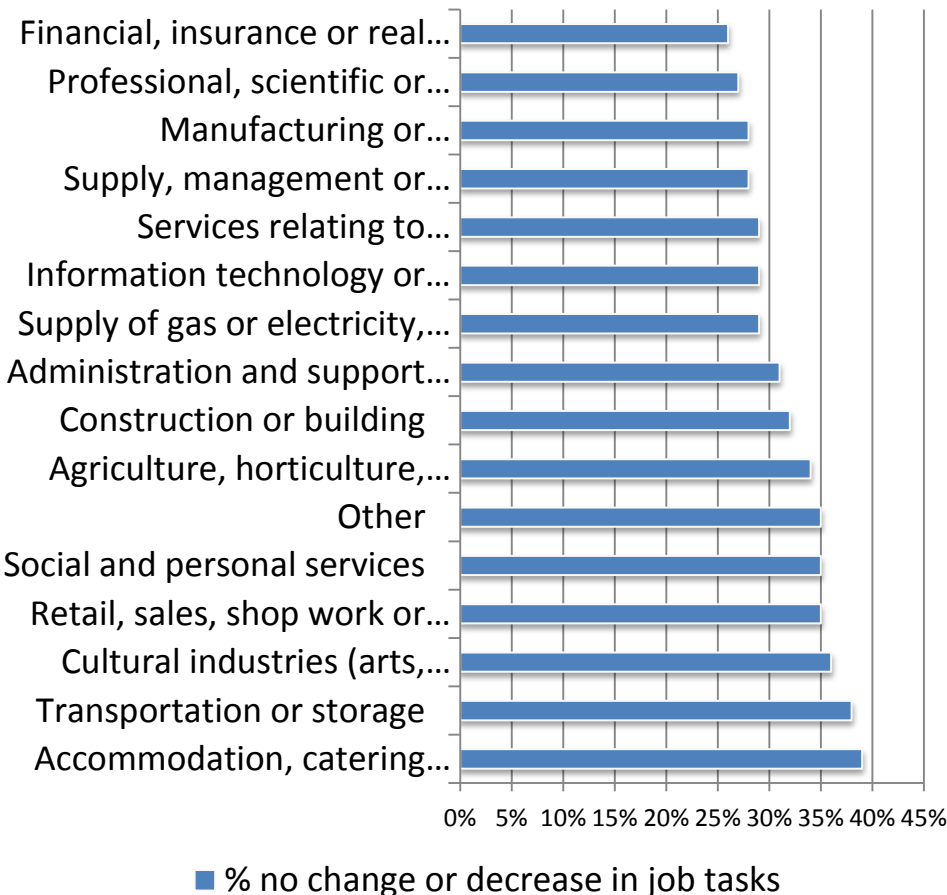
Within occupations, more complex jobs are positively correlated with skills growth

Change in skills growth over job tenure by degree of job complexity, 2014, EU28



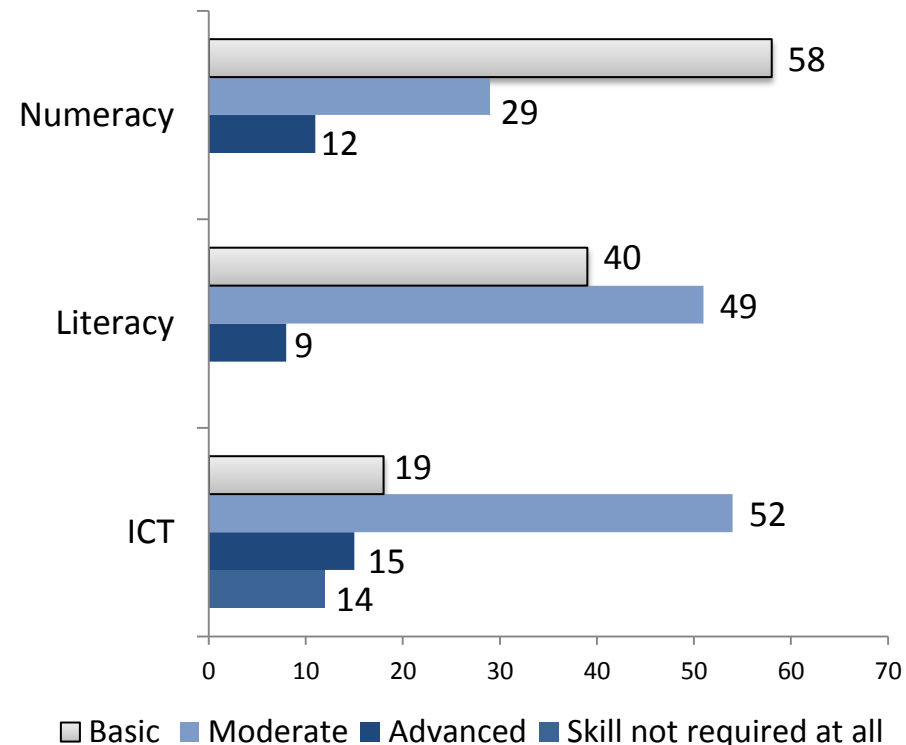
A high share of EU jobs have low skill needs undermining lifelong learning

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 or need basic skills

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



Lessons for policy

- ✓ Combat mismatch over the career with **guidance** for better LM transitions
- ✓ Continue efforts to integrate digital skills and **key competences** in curricula
- ✓ Expand **WBL** in more educational programmes and industries
- ✓ 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**



What do we not know?

- *What are effective skill mismatch policy interventions?*
- *What partnership-based approaches can help tackle mismatch in a lifelong perspective?*
- *How can policy facilitate partnerships when social partners are at the driving seat?*
- *How can better synergies be achieved between education, employment, industrial and innovation policies?*





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Skill shortages and gaps in European enterprises

ANALYSING SKILL MISMATCH & POLICY IMPLICATIONS

STRIKING A BALANCE BETWEEN VOCATIONAL EDUCATION AND TRAINING AND THE LABOUR MARKET

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the skill matching challenge

ANALYSING SKILL MISMATCH & POLICY IMPLICATIONS

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Skills, qualifications and jobs in the EU: the making of a perfect match?

EVIDENCE FROM CEDEFOP'S EUROPEAN SKILLS AND JOBS SURVEY

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Meeting Skills and Labour Market Needs through Social Partnerships for Better and Better Jobs

Council on Employment

WORLD ECONOMIC FORUM

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Matching skills and jobs in Europe
Insights from Cedefop's European skills and jobs survey

European skills & jobs survey