

Reflecting on good skills anticipation and matching policy

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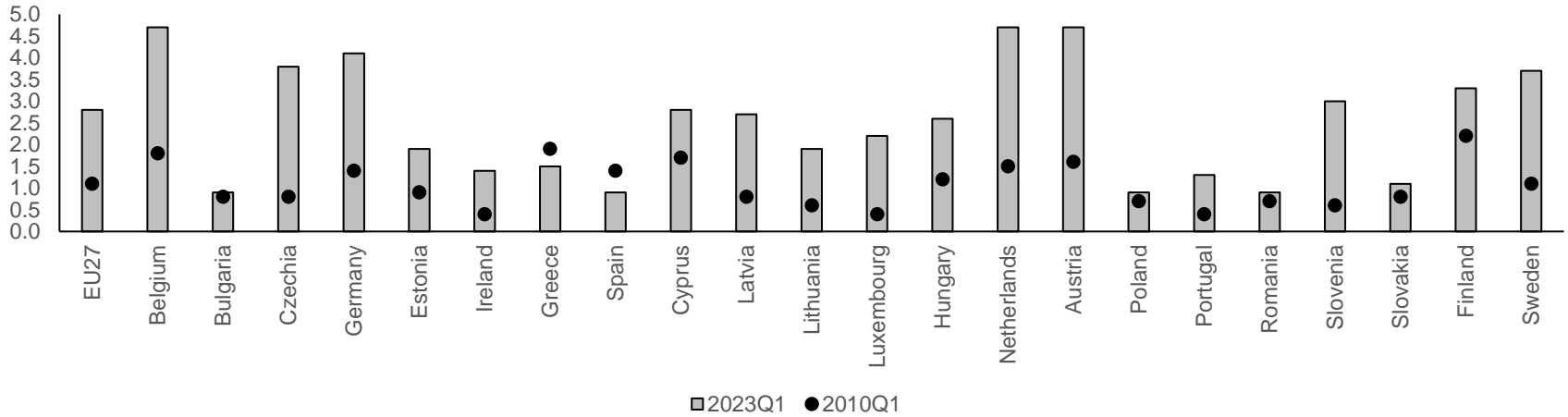
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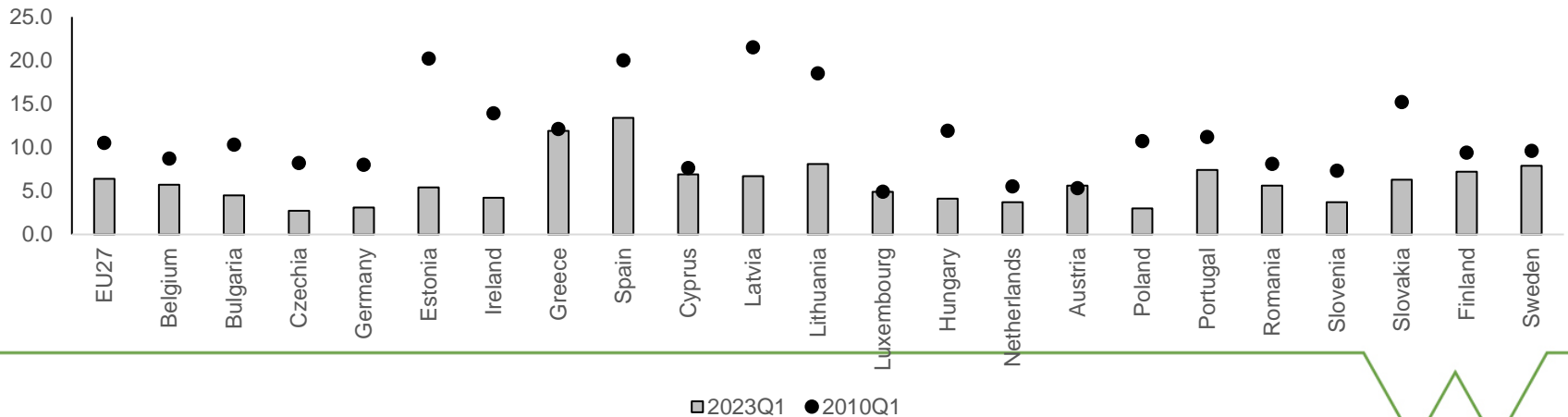


2023 - European Year of Labour or Skill Shortages?

Vacancy Rate



Unemployment Rate



What does the future promise?

The impact of digitalisation and AI

- 47% of jobs in the US are at high risk of being automated within 10 to 20 years (Frey and Osborne)
- AI could expose the equivalent of 300 million full-time jobs to automation (Briggs and Kodnani)
- By 2030 up to 30 percent of hours currently worked across the US economy could be automated—a trend accelerated by generative AI (McKinsey)
- 80% of jobs could be impacted by AI (Open AI)

Does the world change that fast?

- Technological change tends to be incremental (employers tend to be risk averse)
- Even so, impact on job change can be substantial. First European Skills and Job Survey (2014) revealed 8-14% of jobs at risk of automation in the EU (typically those whose incumbents do not have access to training) (Pouliakis)
- Second European Skills and Jobs Survey (2021) revealed that educational requirements increasing. Around 12% of workers feel under-qualified (28% over-qualified)
- European Company Survey (2019) found that three quarters of employers found it difficult to recruit staff with the skills needed
- There is a problem to solve!



Effective Anticipation: Governance

Cedefop's Skills Governance Framework

	Organisation	Resources	Stakeholders	Use of information
Foundations	Legal and institutional framework	Funding and human resources	Cooperation arrangements	Feedback mechanisms
Processes	Management and control	Data, methods and expertise	Feedback and validation	Customisation and dissemination
Sustainability	Vision and strategy	Stability	Integration of stakeholder needs	Reputation



Effective Anticipation: Methods

What is ideally needed

- Future orientation (need time in which to act)
- Timely / up to date information needed
- Indications of scale
- Granularity of data
- Focus on skills or jobs?
- Local labour market information
- Multiple perspectives (employers, workers, experts)
- Easy access to information (the importance of skills intelligence)

What works best: A synthesis of multiple methods

- Quantitative and qualitative insights
- Survey data
- Administrative data
- Skill projections
- Skills foresight
- Big data (not just analysis of online job vacancies but looking at emerging technologies and skill needs)



A summary

- Labour shortages likely to resolve over the medium-term
- Skills shortages more persistent – lots of evidence of sticky shortages which may be exacerbated in the future
- Lots of good practice on skills anticipation (what works in different national / local contexts)
- Emphasis on producing labour market skills intelligence that effectively communicates data to a variety of target users
- Innovation is still required to improve the transmission of skills intelligence (for example, who communicates the information). Cedefop's skills matching database provides food for thought



Thank you

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