

Jobs of tomorrow: what educational skills do we need?

7 June 2017

REPORT

On 7 June 2017 ACCA (the Association of Chartered Certified Accountants), and PwC organised a conference, hosted by **Martina Dlabajova, MEP** and **Momchil Nekov, MEP**, called “**Jobs of tomorrow: what educational skills do we need?**” to discuss what has been achieved since the publication of the [new Skills Agenda for Europe](#) and what are the next steps.



Co-rapporteurs on the new skills agenda for Europe report **Martina Dlabajova, MEP** and **Momchil Nekov, MEP** opened the debate with keynote speeches. The panel discussion was moderated by **Maggie McGhee**, Director of Professional Insights, ACCA, and comprised of **Vasiliki Kokkori**, Member of Cabinet of Marianne Thyssen, Employment, Social Affairs, Skills and Labour Mobility Commissioner, **Jo Lopes**, head of Technical Excellence, Jaguar Land Rover, **Bart Vandewaetere**, Head of Relations with EU Institutions, Nestlé, **Peter Norriss**, 'Senior Manager, PwC (involved in the Sheffield City Skills bank), and **Caroline Jenner**, CEO, JAEurope.

The debate revealed that the focus has shifted towards matching people’s skills with jobs and anticipating the future needs of business together with labour market reforms.

In order to enhance people’s employability there is an urgent need for more focus on entrepreneurship education and work-based learning as well as promoting the importance of labour mobility that will help in the flow of skills across the borders in Europe. A number of speakers called for an estimate of the future skills that will be needed, in particular for certain sectors like the ICT sector and the evolving digitalisation of business.

To achieve these goals the views of the panellists was that we must act immediately as every change we make in education now will not be seen for over a decade. We also need enhanced cooperation between education systems, businesses and policy makers. Employers need to be involved in the development of educational programmes of the future, and skills development must be a shared responsibility between formal education providers and employers.

Main highlights

Martina Dlabajova, MEP

- The European Parliament is currently working on its response on the published New Skills agenda.
- Skills mismatch can be a concern, however, we have to closely look at different aspects when it comes to skills, especially at the future employability of people, in particular of young people.
- We have to ask ourselves various questions - are we giving our citizens the right skills for the future jobs? Are we giving them the skills that employers look for? Do we combine enough theoretical skills with practical ones? Are we giving them the opportunity to learn, for example, how to set up and run their own businesses, how to be an entrepreneur?
- The issues that will be of particular importance in EP's draft report are: the need of enhancing employability of people; the need for entrepreneurial skills, more work-based learning; the importance of EU-wide labour mobility; promoting VET as an education; as well as estimation of future skills needs, in particular for certain sectors, like the ICT sector and the evolving digital environment.
- In order to achieve these goals, there has to be an enhance cooperation between labour market stakeholders, the employers need to be involved in the development of educational programmes of the future.
- Entrepreneurial skills encourage a can-do-attitude, the attitude to create something, to take initiative, to be motivated that it can work out. Of course, sometimes initial funding is needed – so it would be useful to see programmes that can help young people on this occasion.
- Labour mobility helps the flow of skills across borders in Europe. We should avoid any measures that try to decrease it and look more into facilitation of movement of certain students – like VET students.
- As regards to estimation of future skills' needs, some countries have in place elaborate systems where they estimate how many jobs they need for the future in certain sectors – it is a very useful tool. It would be great to do the same across Europe. For example, jobs in ICT sector and the demand of digital skills is exponentially increasing. This must not be ignored, and we should try to adapt to this demand in schools and universities or ultimately think from where we could find these people from outside our countries or EU.
- Skills are extremely important for the future of Europe. The right skills can help creating the right Europe. This is a priority for all the EU institutions.
- The focus has shifted towards matching skills with jobs and anticipating future needs together with labour market reforms.
- We need to ensure that current education and skills are always linked to the labour market.
- Apprenticeships and traineeships need to be supported because they are the main instrument to fight youth unemployment. Projects for seniors are not less important.
- We need to promote entrepreneurship education. It is about attitude at work, courage to try new things and take advantage of opportunities.
- In order to foster entrepreneurial mind-set, young people need to be mentored and motivated. They need to listen to real success and failure stories and find out how the real world is working.
- If we want to see results in our labour market, we must act immediately. Every change we make in education now will be seen only after 10-15 years.

Momchil Nekov, MEP

- Equipping people with a minimum set of skills is not helping them to find sustainable jobs. It is crucial to make sure that every individual is encouraged to acquire advanced skills and competences in order to better adapt to the future. We need to put in place a progressive Skills Agenda, which guarantees learning and training opportunities for everyone.
- Skills development must be a shared responsibility between education providers and employers. In reality, employers want soft skills such as team working, resilience, leadership and sense of initiative, while in the same time only 25% of them offer apprenticeships. To expect a change of any kind, we should first change our mentalities.
- Recruiters don't look for diplomas anymore. They look for individuals having the so called horizontal skills. It means the capacity of adaptation in a dynamic working environment, the ability to cope with challenging workload, as well as attitudes such as entrepreneurial spirit and self-confidence.
- Do we really learn those skills in the classroom? We tend to learn much more outside the formal education system. Participating in voluntary activities, work-based learning or being an activist in NGO might foster a multitude of skills, needed for meaningful participation in the labour market.
- Employers and formal education providers need to recognise the value and relevance of non-formal and informal learning. The Skills Agenda needs to refocus on the role of non-formal education, which is key those who are low-competent and with limited opportunities to access to formal education.
- Teachers and educators are the pillar of our education systems. We have to keep in mind that digital revolution is very challenging for them. Students expect to learn digital skills at school, and their teachers need to be capable of not just using new technologies, but also of teaching with and about them. We need digitally confident teachers in order to have digitally competent young people able to use new technologies in critical and creative way.
- Investing and supporting the professional development of educators is therefore crucial in achieving good results in terms of education and skills development. We should be aware that the upskilling of all teachers would be the prerequisite for the successful delivery of the Skills Agenda.
- We should learn lessons from the implementation of the Youth Guarantee. With no EU investment behind it, there is no guarantee that the initiative will make a real difference.

Maggie McGhee, Director, Professional Insights, ACCA

- Recent alarming data shows that 40% of European employers cannot find people with the right skills to grow and innovate and 77% of Global CEOs are concerned that a shortage of key skills could impair their company's growth. We live in a rapidly evolving world where skills required by employers are changing. It is vital that the jobs of tomorrow are fit for purpose. We live in an interconnected world, we need digital skills. Apprenticeships and traineeships need to be supported because they are the main instrument to fight youth unemployment. Projects for seniors are not less important. We need to work together to see what we can do to support the workplace for tomorrow.

Vasiliki Kokkori, Cabinet of Marianne Thyssen, Employment, Social Affairs, Skills and Labour Mobility Commissioner

- The Parliament has been very active and has presented numerous initiatives on the topic of skills in the last few years. Skills are a top priority for this Commission. Almost one year ago the EC published the New Skills Agenda for Europe, calling on Member States, social partners, businesses, civil society, and individuals themselves to join forces to address the most pressing challenges.
- More recently, the European Pillar of Social Rights reaffirmed the strong focus on Skills, with its first principle stressing the importance of education, training and lifelong learning. This is not a mere coincidence. It is a political choice as in a fast-changing, digitalised global economy, skills are key.
- With the right skills, our companies can thrive, invest and innovate – contributing to the virtuous circle of job creation and growth. Skills are also a lever for social mobility, equipping people for quality jobs and helping them fulfil their potential. But 40% of employers in the European Union have difficulty finding people with the right skills. And young people and the low-skilled are most affected by unemployment and face particular challenges getting into good jobs.
- The Commission has already launched 8 of its 10 New Skills Agenda Actions. Already 2 of the key proposals have been agreed by Ministers. The first is the Upskilling Pathways initiative, which was adopted at record speed; its objective is to help the many people who struggle with poor basic skills by getting them back into learning.
- The second one is an updated European Qualifications Framework which helps to make qualifications across Europe and beyond more comparable.
- To coincide with World Refugee Day on 20 June, the Commission will present a “**Skills Profile Tool for Third Country Nationals**”. One of the biggest obstacles in integrating third country nationals in the labour market is the lack of knowledge on what skills and experience migrants bring. The Skills Tools will allow to tackle this problem.
- Later this year, the EC will present proposals on ‘**Key Competences for Lifelong Learning**’, with a special focus on promoting entrepreneurship, and building a good skills foundation at school. Discussions are also ongoing in the Council and Parliament on the proposal for a new **Europass Decision**.
- Europass has served as a tool for sharing information on skills and qualifications across the EU for over 12 years now. The Commission wants to modernise it to better help people make informed career and skills choices. This entails exploiting cutting-edge techniques, such as Big Data, to provide better and timely information on vacancies and trends.
- ESCO, the classification of European Skills, Competences, Qualifications and Occupations, is key in this exercise; It has been piloted in EURES and its full version will be ready soon. ESCO will enable the EUROPASS Big Data tool to work in all EU languages.
- European funds also help, with more than EUR 27 billion in the period 2014-2020. Effective partnerships among all stakeholders are crucial to bring positive change on the ground. The business community has an important role to play in this context.
- Boosting the availability and quality of work-based learning, including apprenticeships is one of the main priorities of the Skills Agenda. The European Alliance for Apprenticeships is bringing together 35 countries and over 200



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stakeholders. Since it began 4 years ago it has mobilised over 700,000 training and job opportunities.

- Also, with the first European Vocational Skills Week last year, nearly 1000 events across Europe were held involving 800,000 people.
- With the Blueprint for Sectoral Cooperation on Skills, the Commission wants to help business, trade unions and education and training institutions develop sectoral skills strategies and address skills mismatches.
- The European Commission will be presenting a European framework for quality and effective apprenticeships. The Commission will also be launching ErasmusPro that will allow young people to have long-term apprenticeship opportunities abroad. The EC is planning to set up support services for apprenticeships.
- There is a deep appreciation in society for a profound change that has already taken place, however, there's a big part of society that has not caught up with this change. We also need to re-think traditional work relationships and the way we work. Focus on emerging business models is key.

José Lopes, Head of Technical Excellence, Jaguar Land Rover Limited

- Automotive industry impacts employment, exports, investment and tax contribution to the EU. The industry across the EU directly or indirectly employs over 12 mln people. It is also the largest sector in terms of research and development. The economic benefit, therefore, is quite significant.
- As regards to skills, the automotive sector is experiencing the greatest technological transformation in its history. Technology is enabling us to move from ownership to sharing, and resulting in ever greater safety, connectivity and mobility.
- Development of electric vehicles and digitalisation of the manufacturing environment is where we are unavoidably heading. Mechanising of jobs needs to be seen as a great opportunity.
- The skills required for the future need to be transferable across sectors and across all levels. There is a huge opportunity for Europe to take leadership in this area. However, Europe is falling short of talent. This significant problem must be addressed.
- We need to develop solutions on an industry lead partnership basis. It is imperative that industries take a lead. More holistic approach is needed; we cannot just focus on qualifications.
- The Commission lead GEAR 2030 activity to boost competitiveness and growth in the automotive sector is extremely welcome.
- 80% of Jaguar Land Rover workforce will still be there in 5 years, therefore upskilling is imperative. Jaguar Land Rover Academy was created several years ago. It invests over 120 mln euros per year in Life-Long Learning.
- When we talk about digitisation, we should not forget that many skills will be relevant for many years in the future. Some of the mechanical skills are very important and one of the biggest issues here is the demographic change – people with those skills are retiring.
- Governments play an important role in this process – they must provide the right framework. Things work well where there is a partnership between industries and governments.
- What gets measured gets done. We need to closely measure how the schools and industries succeed by collaboration, and governments can facilitate that.

Bart Vandewaetere, Assistant Vice President, Head of Relations with European Institutions, Nestlé Zone Europe, Middle East & North Africa

- The food industry is the biggest manufacturing industry in Europe. It is a number one employer and exporter, as well as number one in terms of turnover. With that come responsibilities.
- Sustainability and the food system is a big discussion and it requires a lot of investment in people and skills. Food industry is also facing digitalisation challenges and upskilling of employees is a part of the answer to that.
- Nestlé has a long tradition of hiring young people directly from schools or universities and training them throughout their career. In 2013, Nestlé launched “Nestlé needs YOUth” to fight youth unemployment in Europe. One of the main reasons for this programme was to improve the employability of young people and ensure they develop the right skills.. Nestlé translated the needs of the industry in the programme and committed to provide 20,000 jobs and training opportunities. This goal was overachieved with the creation of 20,000 jobs and 12,500 apprenticeships and traineeships by 2016.
- Nestlé has a strong commitment to dual learning. The company has set up apprenticeship schemes in 20 countries in Europe. In order to make a real difference, Nestlé has teamed up with more than 200 companies (mostly its suppliers) and launched the “Alliance for YOUth” in 2014.. The Alliance was established to help young people be better prepared to enter the professional world. All together, the participating companies have already set up 620 new dual learning schemes. The Alliance has created around 115,000 jobs and training opportunities since 2014 and is committed to provide 230,000 new opportunities by 2020.
- Together with the partners, Nestlé is also engaging with governments and education sector to further promote apprenticeships across Europe. Communicating, explaining and opening the doors of our company to people is essential if we want to improve the attractiveness of apprenticeship and make it a first choice. Apprenticeships can also lead to interesting careers and well-paid jobs but sometimes, young people are not aware of all the opportunities. Business-education collaboration is equally important for teachers as it allows them to keep their knowledge up-to-date. It is also encouraging for them to see that through this collaboration their students will find a job more easily.
- The youth programme has allowed Nestlé to change its recruitment process for young people to go beyond qualifications and also take the skills into consideration while reviewing the application.

Peter Norriss, Senior Manager, PwC (involved in the Sheffield City Skills bank)

- The Sheffield City Skills bank was created to tackle some of the major issues around the levels of employment, the numbers of skilled jobs and skilled people that were available. This programme is a partnership with the private sector and was designed by employers and is being delivered by employers.
- There is a definite focus on helping young people as well as people who are already in the workforce. One of the big challenges is that there are many people in entry-level jobs that are not getting the support they need to step up into higher level jobs. The Sheffield City Skills bank tries to maximise people’s experiences and create new opportunities for people to step up in their careers.



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- The big focus of this programme is around driving growth and providing further opportunities for people. The programme has been part funded by the European Social Fund and it would not be able to achieve the success it has with only traditional national funding.
- The programme has created an online market place that brings together employers and training providers. It is about going to employers and asking what training assistance they want as most job recruiters are moving away from looking at conventional educational qualifications. We do need to look at the skill system and whether qualifications are the thing that we should be measuring. There is no doubt that qualification helps when starting a career but later on employers want to see experience, skills and competence.
- This is what we need from our skills system – to help people getting employed and moving forward in their careers. This is what helps companies grow and creates prosperity within the region.
- Having the right skills systems helps attract more investment and it is about funding things in a different way and creating connections between buyers and sellers. We need to look at skills as a part of the wider business ecosystem – it is important that skilled people can move across different sectors.
- As regards to lowering unemployment levels, it is important to create entry-level jobs. The problem across Europe is that often people get stuck in these jobs. It is crucial to help people step up and increase mobility within organisations.
- The way of how we work is changing and it requires acquiring new skills as well as knowing how to use these skills in a slightly different way. Employers need to understand how to employ skills effectively and a shift in mind set might also be necessary, especially in time and personal responsibility management.
- We believe that the Sheffield Skills Bank model could be applied elsewhere across Europe with a similar level of benefit for employers and employees.

Caroline Jenner, CEO, JA Europe, Global Head of Regional Growth and Development, JA Worldwide

- JA Europe and its network are focused on equipping young people with the skills they need to succeed in the global economy. Our core impact areas are entrepreneurship, work readiness and financial literacy.
- Programme implementation is done through a partnership between the business community and schools and through a blend of formal and informal learning. We have to work closely with school systems. Business-education partnerships are key in delivering this blended learning. It is fascinating how many stakeholders are helping to facilitate these partnerships.
- This skill set is something which must be integrated in to curricula from ABC to PhD. Teacher training is essential, just as interaction with the business community. (min 100h of practical entrepreneurship education, 4-5 business interactions). Deep dive is key in order for these competences to sink in.
- There are no negatives. If we follow this recipe we will see higher employability; higher incomes; higher career satisfaction, higher levels of entrepreneurship. However, in Europe, in average only 1 in 10 young people have access to this kind of education and we need to do better in order to reap the long term economic dividends.
- 40% of businesses cannot find people with the right skills. Young people are often unaware of available opportunities. There are many systemic barriers preventing the implementation of new educational programmes.



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- Even bigger problem is that 75% of teachers feel they are not encouraged to include innovation in the classroom. We need to create the right conditions for teacher training – comprehensive national strategies are needed and a good teacher training needs to follow that.
- Providing more impact research to policy makers can make a real difference to increasing uptake of EE. It is about the stakeholder collaboration.
- JA Europe is launching the Centre for Entrepreneurial Learning (the EE-HUB = [Entrepreneurship Education Hub](#) on 12 July). This is a network of experts--businesses, teachers, researchers and policy makers We've been campaigning about this for the last 2 months. Learn more: www.switchoneurope.org