

Country reports about anticipating and matching: A first synthesis

Lorenz Lassnigg

(lassnigg@ihs.ac.at; www.equi.at)

Input to 2nd meeting of the experts' network :

“Anticipating and matching demand and supply of skills in ETF partner countries”

Workshop on 24-25 October 2011, ETF, Turin

Agenda

- Session 1: Overview about concepts and results
 - Matching, skills, anticipation
 - Mapping of main issues
 - Situational analysis
 - Data availability
 - Methods of anticipating skill demands
 - Policy analysis

- Session 2-3: Topics for further discussion
 - 1. Institutional separation/cooperation Education – Economy
 - 2. Notice/observation/meanings of mismatch: informal-communicative vs. evidence
 - 3. Different main issues in education in different countries: ‘too much’ (overeducation) vs. ‘not enough’ (increase basic education); higher education vs. intermediate VET education/training
 - 4. Consideration of demand issues in provision of education (approaches of ‘matching’ at policy level)
 - 5. Role and approaches of ‘anticipation’
 - 6. Policy approaches of combining matching and anticipation

CONCEPTS: Matching

Levels, individual and aggregate

Systems

Institutions

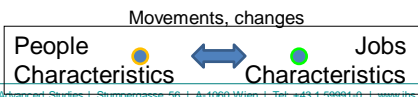
Aggregate

Individual

At the core of matching: individual characteristics and job characteristics



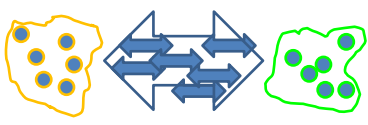
Individual



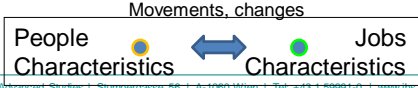
,Good Match'

Aggregate: complex influences on individuals' and jobs' characteristics

Aggregate



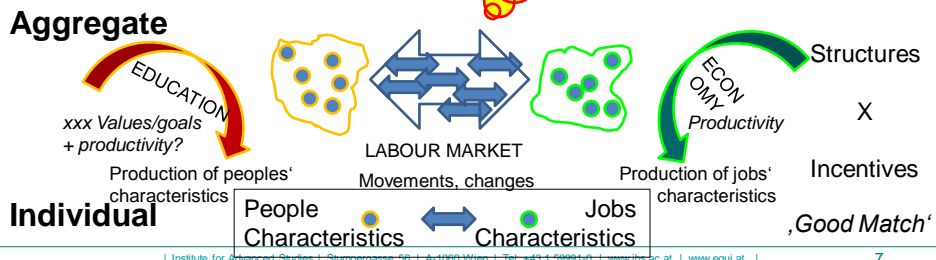
Individual



,Good Match'

Aggregate: complex influences on individuals' and jobs' characteristics

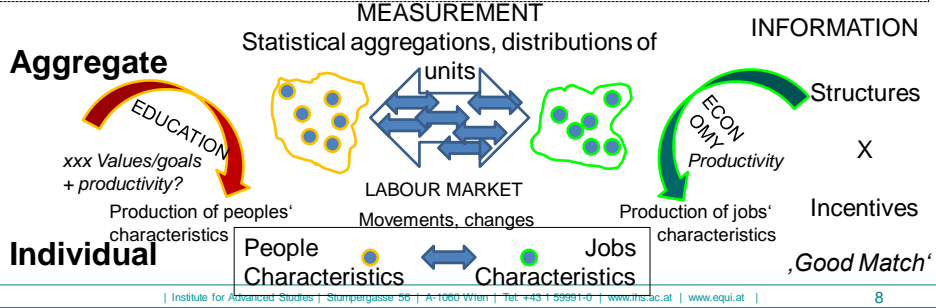
Policies must take into account complex interrelations between structures and micro-behaviour

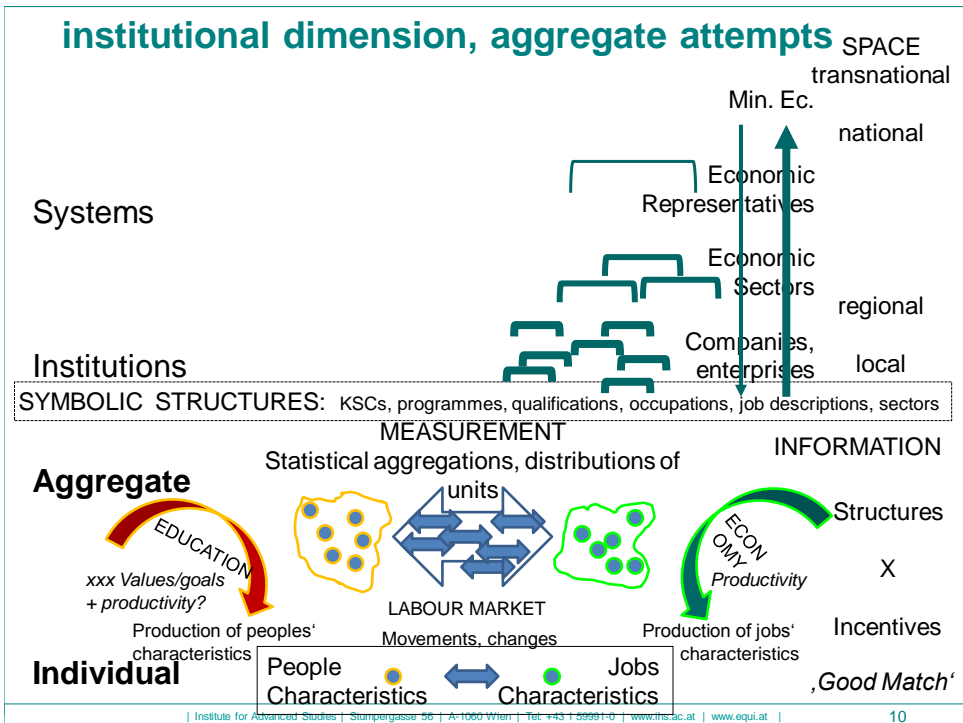
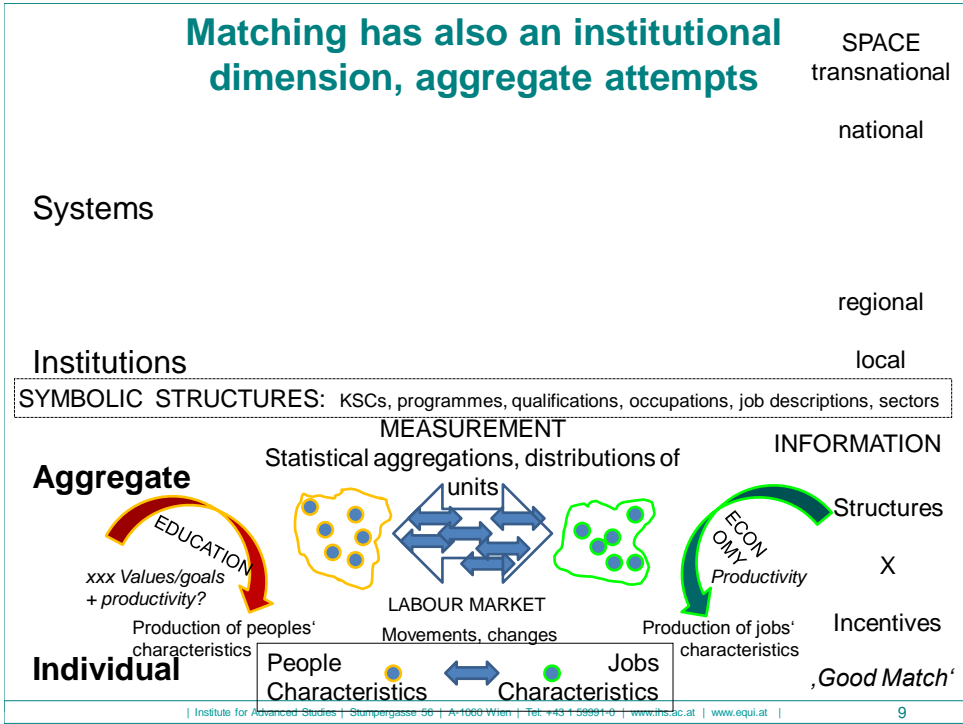


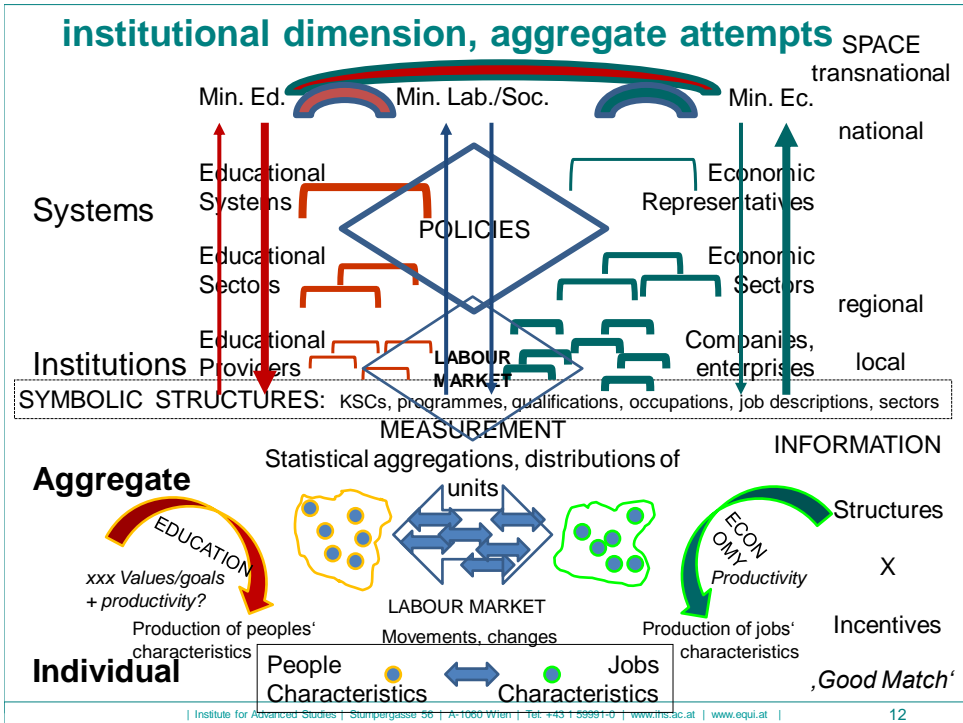
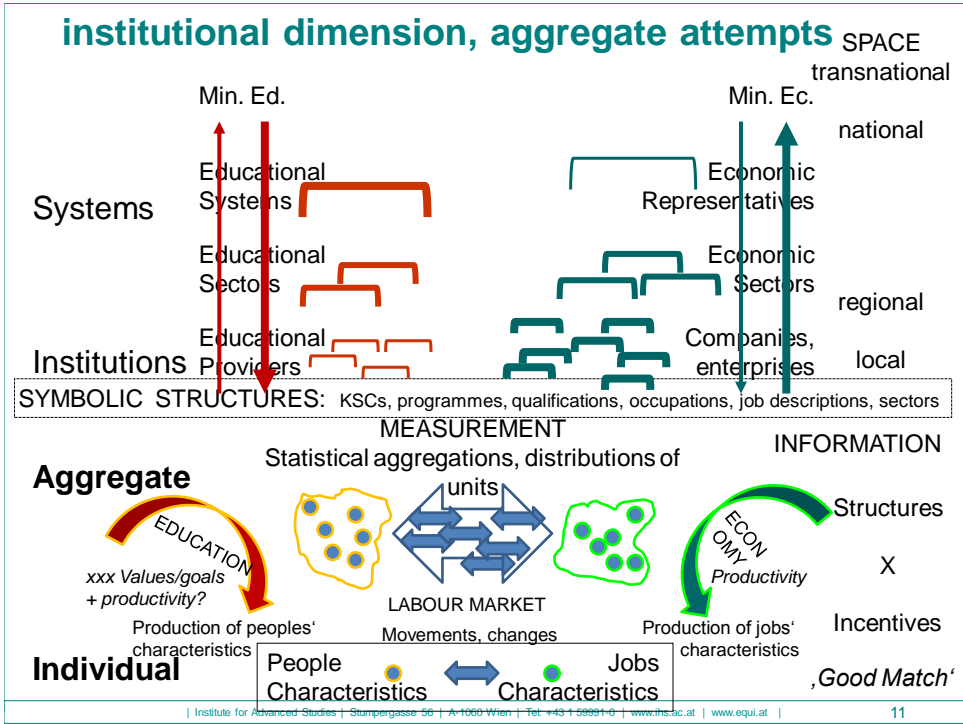
Key aspect at aggregate level: Information represented by symbolic structures

...information is much more than 'facts'

SYMBOLIC STRUCTURES: KSCs, programmes, qualifications, occupations, job descriptions, sectors



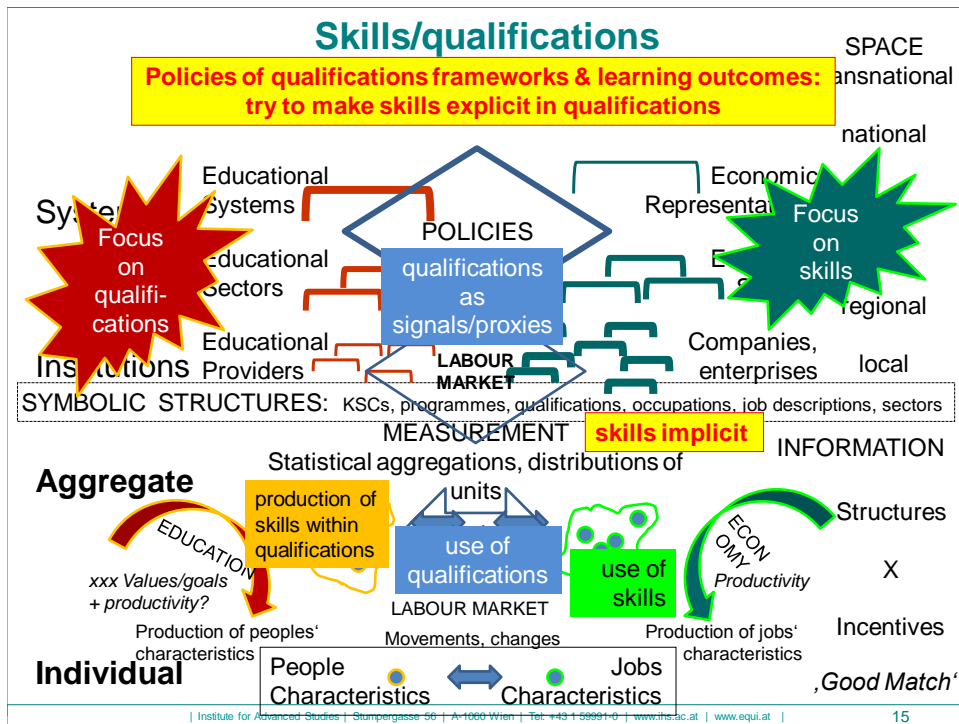




Matching/mismatch

- Matching of persons to jobs ultimately achieved at **individual level**, mediated through labour market; internal and external movements
- **'Good match'** includes **many characteristics** of persons and jobs, which are differently produced, different players may have **different criteria** (normative)
 - Economy: mainly productivity
 - Individuals: manifold
 - Education: complex
 - role and impact of education in production of persons' characteristics not so clear*
 - emphasis on productivity not selfevident (conflicts about goals and values)*
- **Key aspects in matching:** incentives, information, institutions/structures; the latter influence the former
- **Approaches** for improvement of matching on different aspects
 - Key point for policy: relationship between **information & institutions/structures**

CONCEPTS: Skills, qualifications

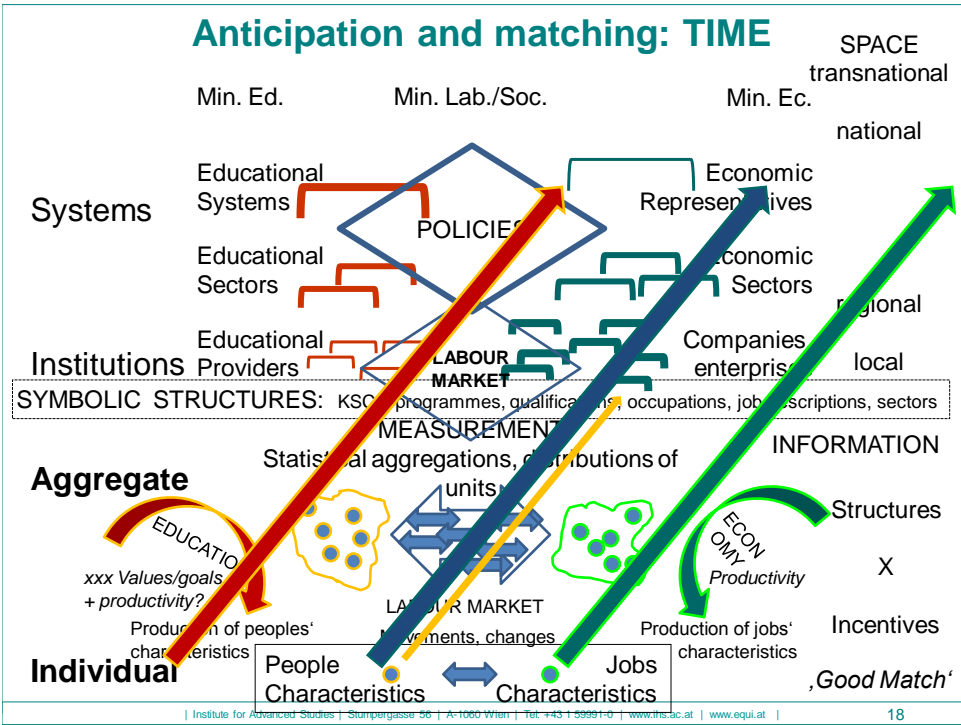


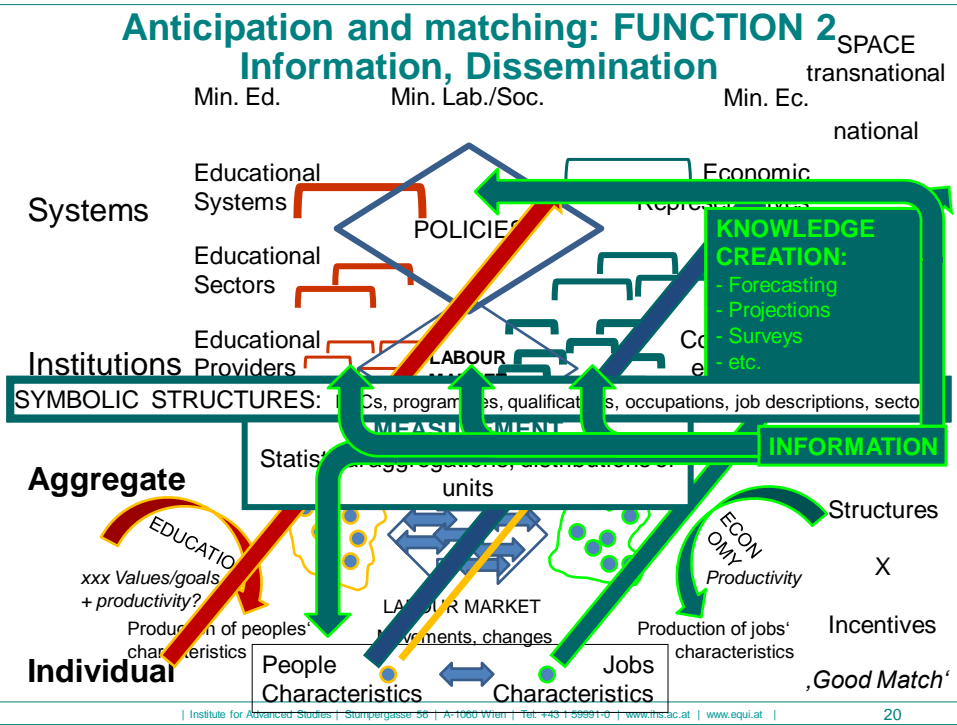
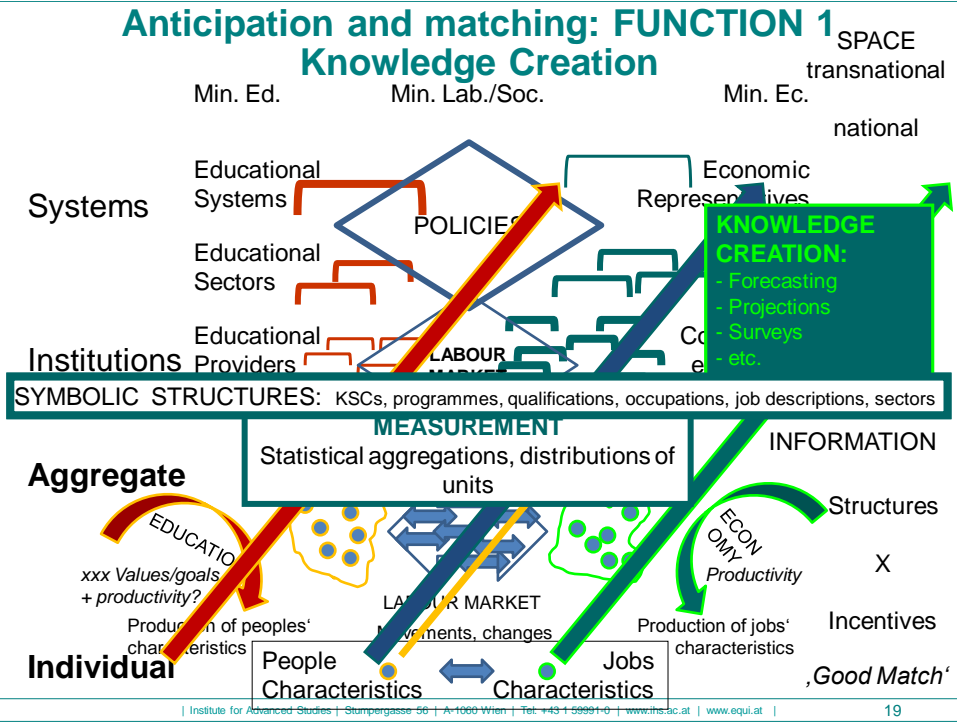
Skills/qualifications

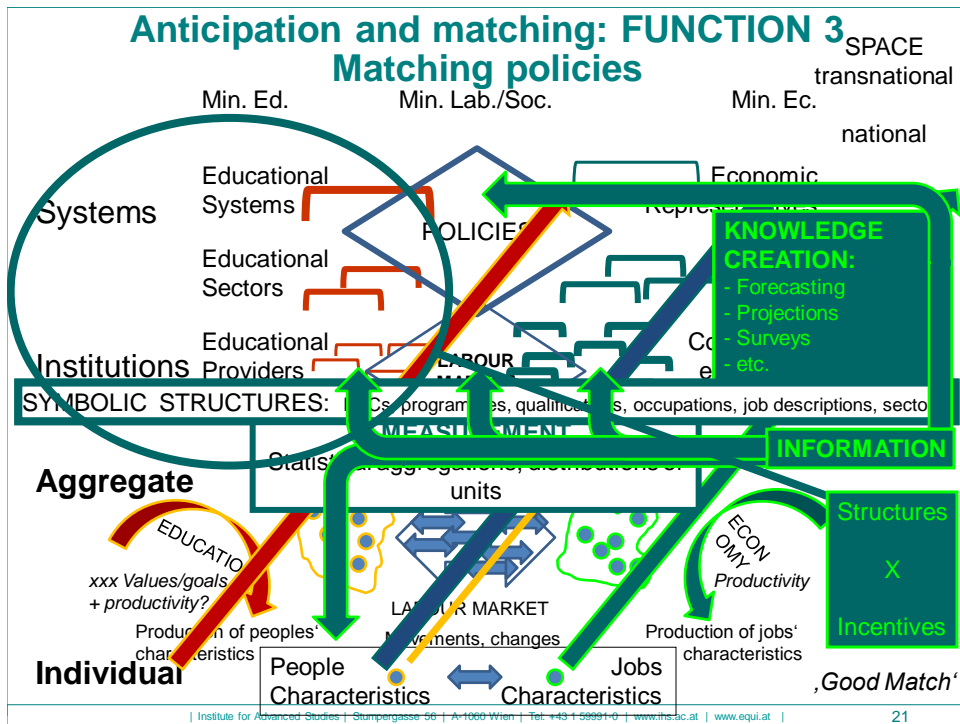
- Skills are a **key element** in matching persons to jobs...
- ...meaning of 'skills' includes many aspects, concept used differently
 - often **general expression of capabilities** of people at/for work (economics), often not separated from qualification
 - KSC: **technically specific** aspect of capabilities, separated from knowledge (declarative) and competences (social, personal)
 - technical/operational aspect of immediate practical performance of work tasks*
 - specifically in relation to qualifications: **content aspect** (skill) vs. credential aspect (qualification means certificate)
 - Key issue: which skills are represented by a certificate/qualification*
- Matching with respect to skills used in different meanings that are often merged and confused
 - **content/qualitative** meaning: do people have the right skills to perform a job?
 - **formal/quantitative**: do the qualifications of people correspond to their job?
- The different meanings have strong consequences for measurement

CONCEPTS: Anticipation

Anticipation and matching: TIME







21

Anticipation and matching

- brings **time** into matching by focusing on future demands...
- ...however, future has already been in implicitly before by different **expectations** of actors and their acting towards them
 - individuals expectations are strongly influenced by their origin and past experience („social capital“)
 - educational actors have traditionally a long term perspective (life-time education)
 - economic actors bring in the short term development of the market
- Key questions of anticipation are
 - (1) **knowledge**: how actors can know more about the future and
 - (2) **implementation**: how to bring this knowledge into practice...
- Activities, functions that might improve matching:
 - improvement of knowledge (baseline): ‚evidence‘ – observation // communication
 - influence/change expectations/practices by better information
 - influence/change incentives, institutions, structures based on better information

22

Generalised highlights from country reports

- Main issues
- Situational analysis
- Data
- Anticipation
- Policy analysis

Mapping of main issues

- Understandings
 - Skills
*mostly **diffuse** understanding of the term; often technical/professional skills*
 - Matching/mismatch
*mostly **weak evidence**; rather narrative-communicative beliefs; mostly current often vacancies/unemployed by occupations; overeducation, wrong specialisations, public-private; difference qualifications – practical skills (quantity-quality); regions*
 - Anticipation
*commonly **gap** between demand for anticipation and practices of anticipation
most interest/involvement by employment service; most practices employers' surveys;
available approaches not much used (paradox?)*
- Main problems of mismatch / future demand
 - **quantity-quality problem, gap education – economy and labour market, gap public – private**
 - **complexity**: mixture of aspects (migration, wage-differentials, traditions, etc.)
 - more focus on **current problems** than future demand (vacancies-unemployed); labour market training; future fragile (structural change; crisis-recovery)
 - rather vague ideas than concrete problems, use of supply from higher education

Situational analysis

- **Actors**
 - public: commonly at least **three ministries** involved (education, labour, economy); in large states also regions
 - **employment service/office** commonly most involved/interested in matching and anticipation
 - **employers** voice strongly noticed, however, weakly organised/involved (surveys)
 - **educational institutions**: mostly higher education, VET centres, strong state influence
 - also important: **statistical offices** (data), international organisations (support, advice)
 - emerging: **intermediate actors** (councils, observatories, etc.)
- **Overall patterns of demand and supply**
 - Common: structural change; low employment rate + informal economy, mostly young population (except SERB), modest ageing, hit by crisis
 - Some: strong outward migration (MOL, KYR, SER)
- **Specific mismatches and requirements**
 - **Complaints** quality (EGY, MOL, UKR, KYR); soft skills (EGY, TUR); occupations

Data availability

- **Education**
 - **Education statistics**, quite detailed (enrolment, graduates)
 - **Labour market training**, VET centres not always clear
 - Some specific data in selected countries: accredited institutions, school management
- **Employment**
 - Common: **register data** unemployed, vacancies
 - Quite common: **Labour force survey** (LFS); less: **employers surveys**
 - Some countries: wages, migration
 - Some specific data in selected countries: longitudinal monitoring, outflow unemployment, specific business surveys, manufacturing, child labour
- **Transition**: most countries some specific information: some LFS (module), some specific occasional studies around 2006-08 (MOL).
- **Utilisation**: majority some information (wages, follow-up, surveys) (UKR), however, less comparable

Methods of anticipating skill demands

- **All reports quite critical**
- Quite common: **enterprise surveys**
 - mostly short-term (1 year),
 - increasingly established regularly (annual) by employment agencies; just started 2010, 2011
 - some occasional, more mid-term, some sectorial
- Formal statistical approaches: different categories
 - Demand side
 - quite common: current analysis of **registered unemployed / vacancies**, CRO: outflows frequently: assessment of current demand of public (+private) institutions*
 - seldom: demand-side forecasting or projections (EGY forecast; KYR survey+projection)*
 - Supply side
 - sometimes: analysis and short term projecting of supply side data*
- Some sectorial studies and communicative approaches
 - CRO sector studies; EGY observatory, prospect, enterprise training partnerships; (MOL, UKR, KYR) part of broader strategies

Policy analysis

- Basic question: bringing approaches together, **utilisation** of information
- **technical forecasting** established as strong priority in some countries...
 - MOL, UKR, KYR part of broader development strategies, already experience in EGY (employment), KYR (projections)
 - ...less or no priority in others (TUR), rather current monitoring (CRO, MON)
 - alternatives: focus on guidance (MON), labour market policy (monitoring), retraining (TUR, MON, CRO), cooperative training (TUR, EGY), institutional cooperation (MON)
- ...embedded in **communicative bodies** (EGY, KYR, MOL) or only cooperative strategies (CRO)
 - councils, sectorial committees
- problem: **implementation** of strategies (,bringing down to earth')

Agenda

- **Session 1: Overview about concepts and results**
 - Matching, skills, anticipation
 - Mapping of main issues
 - Situational analysis
 - Data availability
 - Methods of anticipating skill demands
 - Policy analysis

- **Session 2-3: Topics for further discussion**
 - 1. Institutional separation/cooperation Education – Economy
 - 2. Notice/observation/meanings of mismatch: informal-communicative vs. evidence
 - 3. Different main issues in education in different countries: 'too much' (overeducation) vs. 'not enough' (increase basic education); higher education vs. intermediate VET education/training
 - 4. Consideration of demand issues in provision of education (approaches of 'matching' at policy level)
 - 5. Role and approaches of 'anticipation'
 - 6. Policy approaches of combining matching and anticipation

SESSION 2: Important Aspects and cases

- Institutional separation/cooperation Education – Economy
CASE-presentation: MOLDOVA

- Notice/observation/meanings of mismatch: informal-communicative vs. evidence
CASE-presentation: CROATIA

- Different main issues in education in different countries: 'too much' (overeducation) vs. 'not enough' (increase basic education); higher education vs. intermediate VET education/training
CASE-presentation: TURKEY

1. Institutional separation/cooperation Education – Economy

- Commonly **three ministries** responsible for issues of matching and anticipation:
 - education (with science), complaints about hesitation, rigidity, slowness...
 - labour (with social affairs, migration),
 - economy (with technology), not so much info

- Most interest and activities with matching and anticipation: **employment agencies** (under responsibility of min.labour)
 - data analysis vacancies, unemployed
 - employer surveys (annually)
 - running also training institutions

- Cooperation/linkages
 - mostly with VET institutions, VET centres (related to labour market policies), more difficult: higher education
 - Partnerships, also with enterprises, international co-operation initiatives (small)

Questions 1 How to overcome the separation?

- Decentralisation, market strategies

- More emphasis on implementation issues/concrete action plans

- Involvement of actors in intermediate bodies (councils, observatories)

- Placing VET nearer to labour market authorities

- How to deal with non-economic and long-term objectives of education in relation to the short-term economic demands?

2. Notice/observation/meanings of mismatch: informal-communicative vs. evidence

- in **all countries notions of current mismatch**, more or less marked, various problems/phenomena
 - graduates do not find employment
too many; wrong subjects
 - credentialism, quantity-quality, costs of education
 - unfulfilled demand technical vocational qualifications
 - bottlenecks
- Rather **communicative judgement** than clear **evidence**, important source: employers surveys
- Evidence most commonly based on labour market register, vacancies vs. unemployed by occupations, current situation
- Youth transition many studies
- Big question: credibility of evidence, so that can be put into action

Questions 2 Does evidence really help?

- Indications that 'evidence', if it exists, is not much utilised, why?
- What are the barriers to the use of evidence?
- How to relate evidence to communicative beliefs and appraisals?
- How to overcome uncertainty and to enhance credibility?

3. Different main issues in education in different countries

- 'too much' (overeducation) vs. 'not enough' (increase basic education)
 - all countries: strong tendency towards higher education, led by educational demand (particularly KYR, EGY)
 - quality problems related to lack of financing
 - credentialism /selectivity seems to aggravate problem (TUR, EGY), private tutoring
 - more basic education necessary, women (TUR, EGY)

- higher education vs. intermediate VET education/training
 - VET, technical education development: EGY, MON, TUR, KYR
 - combination to labour market policy, adult education development

Questions 3 How to change basic patterns?

- demand for education strong driver, how can it be influenced?
- role of evidence and information
- credibility of evidence
- influencing individuals vs. influencing policies

Agenda

- **Session 1: Overview about concepts and results**
 - Matching, skills, anticipation
 - Mapping of main issues
 - Situational analysis
 - Data availability
 - Methods of anticipating skill demands
 - Policy analysis

- **Session 2-3: Topics for further discussion**
 - 1. Institutional separation/cooperation Education – Economy
 - 2. Notice/observation/meanings of mismatch: informal-communicative vs. evidence
 - 3. Different main issues in education in different countries: 'too much' (overeducation) vs. 'not enough' (increase basic education); higher education vs. intermediate VET education/training
 - 4. Consideration of demand issues in provision of education (approaches of 'matching' at policy level)
 - 5. Role and approaches of 'anticipation'
 - 6. Policy approaches of combining matching and anticipation

SESSION 3: Important Aspects and cases

- 4. Consideration of demand issues in provision of education (approaches of 'matching' at policy level)
CASE-presentation: UKRAINE

- 5. Role and approaches of 'anticipation'
CASE-presentation: MONTENEGRO

- 6. Policy approaches of combining matching and anticipation
- CASE-presentation: EGYPT

4. Consideration of demand issues in provision of education ('matching' at policy level)

- Basic problem in matching: individuals can only choose education programmes that are available, and available programmes structure choices, therefore provision of feasible programmes is very important
- Mostly education authorities are responsible for provision, they have their own logic, and often heavy mechanisms are involved
 - some trade-off between decentralisation/marketization and common goals: education/training cumulative long-term process, later inputs depend on earlier inputs > how to draw distinctions between initial and further education?
 - choices also follow an educational logic with an inherent upward tendency within education: people will follow provision, if there is restriction/selection they will try harder (see TUR), incentives support upward tendency, even with 'overeducation' (returns become smaller, but are there)
 - information is necessary for enlightenment, but a weak instrument for influencing choice
- Big unanswered question: what is the real contribution of education to personal characteristics?

Questions 4

How can evidence improve matching?

- How much, and to which actors can information help?
- How to find a balance between decentralised decisions and planning ('aggregate decisions')?
- How to deal with established practices of (insufficient) planning?

5. Role and approaches of 'anticipation'

- First requirement of anticipation is **creation of knowledge** by data and communicative processes, problem with 'evidence' because there can be no proof
 - depending on time scale
 - 'self-destructing evidence'

- Role is **information** of the various actors, problem: should not end with knowledge creation, but with **knowledge use**
 - use for decisions **within** structures
 - use for decisions that **change** structures

- Much asked for, mostly low activity criticised, **examples** are
 - big trend towards employers' surveys, annually conducted (short-term)
 - KYR: survey combined with projections
 - CRO: ranking based on past flow indicators
 - CRO: sectors councils
 - EGY: observatory

Questions 5

How to bring anticipation into use?

- Can anticipation fulfil expectations and promises, if it is implemented?

- What are pre-conditions to be put into use?

6. Policy approaches of combining matching and anticipation

- Different aspects of policies
 - emphasis on current situation vs. future development
 - planning of supply vs. decentralisation & individual decisions
 - cooperative/communicative approaches (national, sectoral councils; local partnerships)
 - priority setting and embeddedness in broader strategies, legal status of initiatives
- Current mismatch: labour market policy
- Future: orientation and guidance
- Inflexibility of education
- Relation to standards and qualifications frameworks

Questions 6

Strategy and practice, top-down-bottom-up

- How to work at the different levels? Strategies without practice vs. practice without strategies...
- Which aspects must be covered by policies? Selective vs. comprehensive...
- How to combine technical and communicative aspects in policies?
- How to combine current needs with the future? Credibility of anticipation

The End



Material

