# **SUMMARY**

28 June 2022 (9am EDT / 2pm BST / 3pm CEST)
Online

OECD Local Development Forum Workshop Series

# New tools to support skills identification, recognition and transferability







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#### ■ What's the issue?

The story is the same everywhere: on the one hand employers complain that they can't find the staff and skills they are seeking, while on the other hand many people struggle to gain a foothold in the labour market. Many vacancies remain unfilled, as employers shy away from costly job search, turnover and retention problems, and dissatisfied staff. Is this an "information problem"? Where jobseekers cannot demonstrate their skills to employers, while employers actually seek the skills jobseekers have? When do matches not come about, because there are some (small) skill gaps jobseekers have? These issues arise for many low- and middle-skill jobs, when skills are developed by workers as they go about their jobs and much of the learning is informal and remains unrecognised. What tools and systems are available to overcome these information problems to support matches where they should happen? How can small skill gaps be identified and filled in a fast and efficient manner to support the next match?

Systems and solutions that address all these issues will require a shared language of skills, which is accepted and "spoken" by individuals, employers, as well as educators and training providers. This requires

- Enabling individuals to articulate their skills and make them transferable across employers, sectors, over time and places.
- Supporting employers to find the right talent and address skills gaps through responsive learning.
- Developing training solutions that are geared towards filling skills gaps rather than fully-fledged training programmes and degrees.

With these benefits in mind, different public and private initiatives across the OECD aim to create new tools that benefit all stakeholders involved. However, many challenges remain in creating systems and solutions that work. For individuals, solutions are needed that enable the verification and documentation of their skills, especially for informally acquired skills. Employers' minds need to shift to accept skill-based hiring over focussing only on formally acquired qualifications and degrees. Moreover, while many innovative solutions already exist, the vast majority remain of small scale and pathways to scale them up are often missing.

#### About the workshop

In this <u>OECD Local Development Forum</u> workshop, organised in partnership with the <u>Strada Education Network</u> we brought together researchers, policy makers and practitioners to discuss new tools that support skills identification, recognition and transferability. With us in the workshop were <u>MYSKILLS</u> of Germany, <u>Passport for Work</u> of the Netherlands, and the work of the <u>Cambridgeshire and Peterborough Region of Learning</u> in the UK together with <u>Navigatr</u>.

#### ■ Main take-aways from the workshop

#### Identifying talent by looking beyond formal diplomas and work experience

As labour markets across the OECD are tightening, many employers struggle to fill vacancies. **Karen Maguire** opened the webinar asking wither skills-based matching can be part of the solution? Employers hiring from the pool of jobseekers available locally may not find the staff they are seeking, if narrowly focussing on qualifications, degrees and work experience in the same sector. Skills-based job matching may open new opportunities to both jobseekers and employers: Jobseekers may apply for jobs without attaining industry-specific degrees and work experience and employers can tap into a wider pool of applicants to fill their vacancies.

#### New digital tools allow for skills identification and open up new pathways

In order to facilitate skills-based job matching, jobseekers' skills need to be assessed objectively in a first step. The MYSKILLS tool, developed by the Bertelsmann Foundation in cooperation with the German Federal Employment Agency, focusses on occupations that typically require formal vocational qualifications. Martina Schwenk highlighted, how MYSKILLS assesses jobseekers' skills by confronting them with images of work situations they would face on the job and asking detailed questions about these. The tool developed by the Passport for Work project developed in Eindhoven (the Netherlands) and presented by Ronald Lievens and Alec Serlie also identifies jobseekers' skills. It uses a gamified approach where jobseekers participate in video games that test for a wide range of competences. Both skills identification tools identify skills already acquired, as well as skills gaps that people might have to access certain occupations. In order to support the development of "pathways", digital badges provide a record of skills and past non-formal learning which can be used to connect jobseekers to new learning and job opportunities. Work on digital badges by the Cambridgeshire and Peterborough Region of Learning in the UK together with Navigatr, which is part of the RSA's Cities of Learning project was presented by Tim Riches and Michelle Lord.

As acknowledged by **Dave Clayton**, all three projects aim to make labour markets and workforce development more inclusive through targeting learners and jobseekers who struggle to build their individual pathways. Target groups include those who i) lack formal qualifications; ii) re-enter the labour market after longer breaks due to unemployment and inactivity; iii) enter labour markets outside their home countries such as migrants and refugees; or iv) are young and still have to gain foothold in the labour market. With the emphasis on what people can do and what skills they have – rather than a "deficit-based" approach – all three projects contribute to increasing individuals' self-confidence/ self-efficacy and giving them means to show their skills and competences. Different evaluations of the projects are currently under way, for example, with the impact on jobseekers and employers of Passport for Work being tested in a randomized control trial. In Cambridge, a research data platform is being developed, integrating real time learning data with existing local authority data. This will enable to address different research questions such as the impact of learning and skills development upon the likelihood of needing to access social care services and other factors that determine social or economic mobility.

### Employer involvement and a common skills language are key to make skills-based job matching a success

All panellists agreed that the ultimate success metric their initiatives have to be evaluated on is employers' ability to fill open vacancies more easily. Crucially, this depends on translating skills into a common "skills language" shared by learners and jobseekers, employers and training providers alike. Navigatr uses big data sources such as online job vacancies to identify the language used by employers for specific skills and then translate jobseeker skills using the same vocabulary. A similar lesson was learnt by the Passport for Work project, which had to go through many iterations regarding their skills language in order to obtain buy-in from local employers. Their first prototype included over 100 skills, which was perceived as an information overload by employers. After clustering skills into subgroups recognised by local employers, these became increasingly engaged. Ensuring a psychometric validation of the gamified assessment has also been key for the Passport for Work project. This involved thoroughly testing all the neurogames and other assessment forms in the platform in adherence with psychometric principles.

## Bottom-up or top-down: What role for local/regional governments in co-ordinating and advancing skills-based job matching?

While the starting point of the three projects had been quite different, **Kristine Langenbucher** asked what connects them all nevertheless. Developed together with Germany's Federal Public Employment Service started as on the national initiative. More recently the project developed a more regional approach to the roll-out and distribution, for example, focussing on the specific needs of regions and sectors such as the automotive sector in Germany's Stuttgart region. In contrast, Passport for Work and the Cambridgeshire and Peterborough Region of Learning are developing more bottom-up as "local innovations". The panellists stressed the dependence on engagement of local employers, educators, policy makers and learners. The example presented from the UK regions of Cambridgeshire and Peterborough exemplifies this: After an online core competencies assessment, learners are connected to local education providers that provide training for occupations that experience shortages locally. Since labour demand varies widely across places, such systems necessarily need to be tailored to the local labour market. Local government are best place to take on a coordination role by bringing together

all different local actors and by ensuring that local learning opportunities are constantly updated to match locally required training needs.

The local innovations presented in the webinar, are set to expand beyond their local and regional labour markets. Passport for Work is involving both the Dutch Public Employment Service and the Ministry of Labour to grow beyond the City of Eindhoven and the province of North Brabant. With respect to the system of digital badges in the Cambridgeshire and Peterborough Region of Learning another aspect to scaling up is important: the long-term sustainability and viability of the badges. Through using the open standard protocol by IMS Global, the aim is to develop digital credentials that can be integrated and are transferable within and across institutions, non-traditional learning opportunities, and employment centres. Through the open standards, individuals (for whom the use is free of charge) have ownership of their own skills data which they move to another platform if required.

#### ■ Meet our speakers



Karen Maguire

Head of the Local Employment, Skills and Social Innovation Division,

OECD Centre for Entrepreneurship, SMEs, Regions and Cities



Dave Clayton
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Strada Education Network



Martina Schwenk
Project Manager, Education and
Next Generation,
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Ronald Lievens
Researcher, Tilburg Law School,
Public Law & Governance,
Tilburg University



Alec W. Serlie
Executive & Career Coach at
Alexander King Consultancy
and
Assistant Professor for Work
& Organizational Psychology,
Erasmus University
Rotterdam



Tim Riches Co-founder, Navigatr



Michelle Lord
XP and Cambridgeshire and
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Skills and Opportunity Manager



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The OECD Local Development Forum is a network of thousands of individuals worldwide, united by their shared commitment to making their communities more resilient, inclusive and sustainable. It counts members from over 70 countries, representing city, regional and national governments, education, employment and training agencies, chambers of commerce, social innovators, startups, businesses and NGOs in the fields of local economic development, employment, skills, entrepreneurship and social innovation. It is a unique setting for the private and public sector to challenge assumptions, learn from each, and work together to forge practical solutions to today's economic and social challenges.

The Local Development Forum is part of the OECD's Local Employment and Economic Development programme (LEED). LEED provides practical solutions for how to create good jobs in great places. It was launched in 1982, when OECD governments were struggling to provide solutions to the jobs crisis of the day and saw a need for an international forum to share innovative approaches to local job creation, social inclusion and economic development. Since then, it has continued to bring together policy makers and practitioners from around the world to identify, evaluate and disseminate promising approaches to local development.

The work of the Local Development Forum is supported by the following Partners:





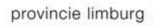














































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