Mutual Learning Programme

DG Employment, Social Affairs and Inclusion

Key messages from the Peer Review on "Competence Assessment System: MyCompetence"

28-29 November 2019, Sofia (Bulgaria)

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1   Introduction

The Peer Review focused on competence assessment systems to address skills mismatches in the labour market. It provided an opportunity to exchange experiences and best practices related to the development of competence frameworks and professional standards, as well as to the links between labour market and the education and training sector. The starting point of the Peer Review was the presentation of the Labour Force Competence Assessment System used in Bulgaria – My Competence – an online information system that provides information, tools and specialised services for assessing the competences of the labour force.

The Peer Review was hosted by the Bulgarian Ministry of Labour and Social Policy. It brought together government representatives and experts from the host country (Bulgaria) and eight peer countries (Belgium, Croatia, France, Greece, Italy, Malta, Slovenia and Spain). Representatives of the European Commission also participated.

1.1   Background and purpose of the Peer Review

Across the EU it is often challenging for employers to find applicants with the right skills to fill their vacancies. Among the participating countries, this problem is considered particularly important in Bulgaria, especially in the construction and manufacturing industries where the share of employers who struggle to fill their vacancies has increased by 34 and 25 percentage points respectively over the last six years. Similarly, for the retail and services sectors the share of employers who declare that they cannot fill their vacancies has increased by 21 and 19 percentage points respectively. Jobseekers are frequently either over- or under-qualified, or do not have the right skills and competencies for the job[1].

The employers' responses relate to both quantitative shortages and mismatches between supplied and demanded skills of the available labour force.

Moreover, the digital transformation of the economy is re-shaping the way people work. As a result of the dynamically changing requirements of the modern economy, many workers need to acquire new and higher-level skills to match the requirement of the job market.[2]

The issue of skills mismatches needs to be tackled both from the supply and the demand sides. From the supply side, the number of workers with post-secondary academic or vocational qualifications should be increased and access to upskilling and reskilling in non-formal and informal contexts should be promoted. It is also important for the general education and the VET systems to regularly receive feedback on demanded professions (and competences) in order to support the development of curricula accordingly. From the demand side, it is essential to understand the skills required by the labour market and to adopt smart skills management strategies leading to sustainable employment relations, effective deployment of the workforce and optimal utilisation of workers' competences in the workplace.

The host country uses the Workforce Competence Assessment System: MyCompetence, an online system that provides information, tools and specialised services for assessing the competences of the labour force. MyCompetence includes 370 competence models of key job positions in 25 economic sectors and provides self-assessment tools for the identification of skills gaps and an e-learning platform for upskilling. A National Competence Assessment Network, which involves employers, managers, advisors, consultants, experts from governmental bodies and other institutions, oversees the development and update of the competence models.

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[1]   Skills mismatch experimental indicators Methodological note. https://ec.europa.eu/eurostat/documents/7894008/9596077/Methodological_note.pdf
[2] https://ec.europa.eu/social/main.jsp?catId=1223

1.2   The EU and international policy context

Working together to strengthen human capital, employability and competitiveness in Europe is a key priority on the European policy agenda. In the EU, 40% of employers are struggling to find people with the skills needed to fill their vacancies[3]. Overqualification (vertical skills mismatch) is a very common situation, as well as job mismatch by field of education (horizontal skills mismatch). Skills mismatches hinder productivity and growth and affect Member States' resilience to economic shocks[4].

The Skills Agenda for Europe[5], adopted in 2016, launched ten actions to:

*   improve the quality and relevance of training and other ways of acquiring skills;

*   make skills more visible and comparable; and

*   improve information and understanding of trends and patterns in demands for skills and jobs (skills intelligence) to enable people make better career choices, find quality jobs and improve their life chances.

This includes various activities that focus on competence models and skills assessment, for instance the Upskilling Pathways initiative, and the EU Skills Profile Tool for Third-Country Nationals. The Skills Agenda for Europe will be updated in 2020.

To tackle skills mismatches, the European Commission has developed various instruments and tools to enhance the transparency, visibility and understanding of skills across Europe, including:

*   The European multilingual classification of Skills, Competences, Qualifications and Occupations (ESCO) establishes a common reference terminology across Europe to identify, describe and classify professional occupations, skills, and qualifications relevant for the EU labour market as well as education and training.

*   Europass is an EU service that helps people communicate their skills, qualifications and experience in most European countries, using standardised documents that are available in 27 languages. Europass will be renewed next year to include a tool for self-assessing skills.

*   The European Qualification Framework (EQF) is a comparability tool in form of a common reference framework whose purpose is to make qualifications more readable and understandable across different countries and systems.

*   Validation of non-formal and informal learning: People develop skills through work, volunteering activities, leisure, life experience, self-learning, online learning, non-institutional courses and more. Validation makes such skills visible to others, including potential employers.

1.3   The Peer Review: key messages and policy implications

The key learning messages from the Peer Review are summarised below:

The development of competence models or sector specific standards is not uniform across Europe.

*   The development of competence models or sector specific standards differs across the participating countries. Some countries have very mature, well-introduced standards, while others are just starting. Some countries have various sector- or target group-specific models and systems, which entails a risk of fragmentation.

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[3] European Commission (2016). A New Skills Agenda for Europe. Available at: https://ec.europa.eu/social/BlobServlet?docId=15621&langId=en
[4] Ibidem
[5] Communication on a Skills Agenda for Europe working together to strengthen human capital, employability and competitiveness (2016). Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52016DC0381

More emphasis on integrated sectoral models would be valuable, also regarding aligning sectoral standards with curricula in the educational and training system and career pathways within a sector.

- The understanding of 'skills and competences' and the terminology used is not uniform across Europe. Participating countries highlighted the need of a shared 'language' across Europe. MyCompetence offers a good practice and an example for other countries: for instance, the competence description and the terminology are aligned to ESCO and users' profiles are linked to Europass.

- Labour markets evolve constantly, therefore skills forecasting systems and a constant update of competence models are essential to keep the systems on track. An active involvement of labour market actors in the forecasting system is crucial to get insights on skills needs and future jobs. However, skills forecasting is challenging especially in smaller countries with a more volatile labour market.

Sectoral competence models benefit from alignment with education and training standards.

- Bridging education and training systems with labour market needs is a key aspect to improve the employability of learners and workers and develop tailored lifelong learning opportunities. Countries participating in the Peer Review highlighted that it is vital for labour market actors to be involved in the discussion about education and training standards and the content of curricula.

- Vocational Education and Training (VET) systems could benefit from competence models. This could contribute to the attractiveness and modernisation of VET systems and adult education.

- Most countries find it challenging to engage labour market actors in this process and participants agreed that an effort should be made to increase this participation. The most popular approach to facilitate better collaboration and alignment is to invite employers to participate and provide their inputs in working groups or skills councils/committees.

- Education and training standards are often written in a very specific language/terminology, which is not well understood by employers. Some countries have overcome this obstacle by working closely with employers with the purpose of having a joint understanding of key skills and competences and the use of terms. Aligning competence models to the terminology of European initiatives, such as ESCO, could also potentially be helpful to establish a common understanding.

- In countries where governance responsibilities in education and employment are split between different bodies at national and/or regional level, this alignment process appears more laborious and time-consuming.

Sector Skills Councils /Sector Skills Committees (SSC) can play a useful role in the establishment and governance of integrated systems.

- The need for enhanced collaboration between different sectors and bodies can result in the need for a new body that formalises the collaboration between the parties involved. Participating countries agree on the potential key role of Sector Skills Councils or Committees.

- Usually, the role of Sector Skills Councils and Sectors Skills Committees is to support the development of competence models as well as occupational standards. SSC are potentially key in supporting education and training systems to develop curricula content in line with occupational standards. SSC can also be useful in highlighting sectoral skills needs and supporting education and training systems in developing tailored training. In some countries, Sector Skills Councils or Sector Skills Committees also support skills forecasting systems and provide insights concerning future jobs and skills requirements.

- Sector Skills Councils could also potentially oversee the validation process. Validation of non-formal and informal learning (VNFIL) is suggested as an extension /next stage to competence models, in order to validate the assessments of competences and skills the individuals have reported.

- The structure of Sector Skills Councils differs from country to country. Employers, trade unions and representatives of education and training sectors are usually part of such Councils or Committees.

- Different approaches reflect specific traditions and legislative frameworks in the Member States. Not all participating countries have Sector Skills Councils or Sector Skills Committees in place but work with flexible, temporary working groups.

Key competences are an important part of competence assessment systems. This understanding should be reflected in the curricula of the education and training system.

- Key competences are valued by employers. Thus, competence models should be able to identify a broad range of skills: Basic skills, professional skills personal skills and transversal competences relevant for the different job positions.

- MyCompetence offers a good example of how professional skills and key competences can be integrated into the same competence system. In MC, each job position is described in terms of technical competences and qualifications, as well as soft skills and behavioural attitudes essential for relevant job positions. The tool provides the opportunity of self-assessment of key competences and offers online training opportunities to further develop them.

- The education and training system should seek to integrate key competences transversally in curricula. Key competences help European citizens to develop '21$_{st}$ century skills' (IT skills, entrepreneurial attitudes, critical thinking, etc.) and become more resilient to the evolving nature of the labour market. To this end, 'learning to learn' is considered one of the most relevant key competences.

Assessment methods tend to be most effective when they integrate guidance and counselling, self-assessment and third-party assessment.

- Participating countries have different tools in place to carry out self-assessment and assessment of skills and competences. Usually, tools are either online or face-to-face, and have different features, such as assessment of technical, soft skills and key competences as well as personality traits.

- Competence assessments may need to include an assessment of professional skills and competences in form of a practical test.

- Online tools are easily accessible and attractive to many. Yet individuals with low digital literacy and no access to a computer are excluded from the use of such tools. An effort should be made to make such competence assessments more inclusive. Ad-hoc training to low-skilled to raise their digital skills level would be an option. In that case, reported barriers for low-skilled to use these kinds of systems could be removed.

- Public Employment Services (PES) are one of the key users of skills assessment and self-assessment tools are largely used within the PES to identify skills gaps and training needs as well as to match career opportunities.

- Guidance offered by professional counsellors (e.g. from the PES) in assisting the individuals during the (self-) assessment is essential. This should improve self-awareness of the users and the effectivity of the whole process.

- Some participating countries are looking at artificial intelligence and big data analysis as tools to support visualisation of skills and matching of career

opportunities. Belgium (Flanders) is a forerunner of using these tools to support the work of the PES.

- Large companies, with an HR department, are likely to have their own assessment and self-assessment tools used for hiring and identification of skills and training needs among their employees. However, this is not the case for small and medium-sized enterprises (SMEs) for which self-assessment tools, such as those offered by MyCompetence, could offer support.

Success factors and weaknesses of competence assessments

- Competence assessment is a useful instrument to make skills and competences visible. This can support individuals' self-esteem and awareness of their own strengths. This aspect is relevant especially for disadvantaged groups, such as those in long-term unemployment, to boost their self-confidence.

- To avoid fragmentation, assessment and self-assessment tools and the assessment process should be part of a framework that is agreed and recognised by all stakeholders. Employers, employees, jobseekers and education and training providers should be 'on the same page' and have a clear understanding of the terminology, standards and methods used. Integration of the different systems available is the keyword to bridge the labour market with the educational system.

- Some countries have tools and processes for competence assessment in place, but they are not very well known. Important target groups – such as people in employment - are often unaware of the opportunities they offer. This is also the case for MyCompetence. It has proven its effectiveness, but by increasing awareness the number of users could be further expanded. Enhanced effort to communicate the benefits of competence assessments is needed.

- Competence assessment processes are generally not linked with validation and recognition of non-formal and informal learning (VNFIL). Practices concerning validation of prior learning are very different across the countries, depending on the different national legislations. Generally, if an individual wants to have his/her own prior learning validated and recognised towards the awarding of a qualification, they need to access the formal validation and recognition process for learning acquired in formal and non-formal learning contexts. This can entail a duplication of efforts with the competence assessment that already took place. An integration of the two processes would therefore be beneficial for all parties involved.

2   Host country practice: MyCompetence

2.1   MyCompetence

MyCompetence aims at improving the balance between demand and labour supply in terms of skills, knowledge and competences of the Bulgarian workforce. It provides tools to make the skills of Bulgarian jobseekers and workers more transparent and visible. As part of the initiative, sector competences models for key positions in 25 industrial sectors were developed, including detailed job descriptions and assessment tools ready for use by PES and training providers. Tailored e-learning opportunities are also available to close some skills gaps.

MyCompetence was initiated by the Bulgarian Industrial Association (BIA), with contributions from representatives of trade unions, the Ministry of Labour and Social Policy and the Employment Agency during the early stages of the development of the system. Other institutions, including the Ministry of Education and Science and the National Agency for VET, were also consulted. ESF funding contributed to the development of MyCompetence: a first ESF project was implemented in the period 2009-2014 and a second in 2015-2019. From September 2019, the Ministry of Labour and Social Policies took over the ownership of MyCompetence.

MyCompetence offers several services through an online platform:

- **Models of sector competences**: This section of the platform includes detailed descriptions of knowledge, skills and competencies for 'key job positions', namely job positions considered key and crucial for a specific sector and the success of enterprises. Key job positions are described in terms of competences, including knowledge, skills, attitudes and behaviours; skills, intended as the "ability to apply knowledge while carrying out a task and solving problems"; while knowledge is referring to the theoretical background as well as the certifications needed. Job positions are aligned with the Bulgarian NQF and ESCO. Competence models are developed for 25 sectors, namely: automotive, building, cannery, dairy and chemical industries; construction, Cosmetics, electric vehicles, electrical engineering, electronics, energy, facility management, furniture, machine building, meat processing, mechatronics and automation, metallurgy, mining and quarrying, retail, security and safety, soft drinks, software industry, tourism, transportation, and wholesale .

- **Competence assessment:** The platform includes online tests that allow users to check their skills and knowledge as well as to identify gaps to be filled. The assessment generates a report with a comprehensive feedback, which highlights if the person is suitable or not for the job position and includes recommendation for training needs.

- **E-learning:** MyCompetence is integrated with 42 online training courses to further develop key competences. It provides learning materials and provides information about certificates and training providers. Once that an online training is completed, users obtain a certificate that can be included in their Europass CV. Furthermore, MyCompetence includes also an online library for competence development and assessment as well as statistical data about the 25 economic sectors covered.

MyCompetence can be used by workers and jobseekers directly as well as by labour market stakeholders, such as Public Employment Services (PES), employers, HR managers, competence assessors, education institutions, recruitment agencies and training providers. Users can complete a personal profile, linked with Europass. This means that users can automatically generate an Europass CV from the information included in the personal profile.

2.2   Challenges and success factors

Experience with MyCompetence in Bulgaria show that the tool is valued by its users for a number of reasons:

- **MyCompetence supports jobseekers and employees offering a number of integrated services in a single platform**. In order to have access, users need to register with an UserID and a password. Users can develop their own profile and based on their data, a Europass CV is automatically created. The platform also provides the opportunity to take an assessment and identify training needs against a specific job profile. This helps jobseekers to get a deeper understanding of how well they are prepared to meet the labour market's needs. Through the assessment, strengths as well as weaknesses are made visible. This can have a positive impact to boost individual's self-esteem.

- **The Bulgarian PES use MyCompetence as a supporting tool for the identification of skills,knowledge and training needs of the clients.** The platform offers the possibility for PES counsellors (PES 'brokers') to better understand clients' assets, address training needs and match offers-demand.

- **MyCompetence supports Bulgarian SMEs[6]** in providing detailed information about the skills related to key job positions. Usually, SMEs do not have a Human Resources department, therefore the competence models developed can serve as a reference point to describe skills related to job vacancies or identify training needs among their employees.

- **My Competence uses a common reference terminology.**

- **MyCompetence is aligned to European initiatives**, such as ESCO and the European Qualification Framework recommendation. Key job positions are comparable to the ESCO classifications and are linked to the NQF. Furthermore, MyCompetence uses ESCO terminology.

User experience also shows that the evolving nature of the labour market creates challenges for MyCompetence, including:

- **The need for flexibility to tackle labour market changes.** MyCompetence should reflect the future of work: what is required in a job position today, might change tomorrow. In the near future, there might be new jobs that do not exist at the moment. Therefore, MyCompetence should be flexible and able to adapt to changes concerning the requirements of the job positions themselves as well as the broad labour market. Furthermore, MyCompetence should be expanded to include further economic sectors.

- **The need to target users with low digital skills and be more user-friendly:** offering the services through an online platform can hinder low skilled individuals in gaining access. Solutions should be sought that are more inclusive. Moreover, the platform should gradually improve its attractiveness to become more intuitive and more user-friendly.

- **The integration of MyCompetence with skills forecasting systems.** Skills forecasting system are still at early stages in Bulgaria. When setting up such systems, stakeholders should work towards an integrated set of tools. The sectoral competence models and job descriptions can serve as a useful reference point for skills forecasting systems.

- **The integration of MyCompetence with the VET system.** MyCompetence could support the VET system providing useful insights for the design and review of VET curricula and education standards. Equally, MyCompetence could inform the process of validation and recognition non-formal and informal learning.

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[6] Usually, 7-8 companies out of 10 are SMEs in Bulgaria (source: peer review)

3   Key Peer Review discussion outcomes

3.1   The development of competence models or sector specific standards across Europe.

The Bulgarian 'Models of sector competences' serve as a framework to define and classify the skills and knowledge related to specific jobs and/or qualifications. Most European countries use similar forms of skills classifications to define job-related and sector-specific standards and requirements and enable job profiling (see example from **Belgium-Flanders** in Box 1 below).

Box 1: Competent and qualifications database in Belgium-Flanders

In Belgium-Flanders, there are two databases that specify the competences related to specific job profiles: *Competent* and *Kwalificatiedatabank* (qualifications database)

- *Competent* is deployed by VDAB (Flemish PES) and aims to establish a common language among employers, jobseekers and the employment service to ensure proper matching of demand and supply on the labour market. *Competent* includes a database of 624 occupational profiles, covering the whole labour market. The occupational profiles are presented in the format of the French ROME v3-sheets[7] used by *Pôle Emploi* (the French PES). Each occupational profile consists of a title (i.e. the most common name for the profession), a definition, a short description of the job context referring to specific aspects like regulation and legislation, an overview of the relevant certifications and how they are embedded in one of the fourteen sectors, as well the description of how the profile relates to similar positions. *Competent* is the basis for several services: it helps jobseekers to self-assess their competences against occupational profiles, and it enables VDAB to process job offers based on competences and better match job seekers profiles with vacancies.

- *Kwalificatiedatabank* (qualifications database) is deployed by the Agency for Quality Assurance in Education and Training (AHOVOKS) in Flanders and serves as a reference for educational standards. The professional qualifications of the database describe expectations referring to level descriptors, introducing, besides knowledge and skills also context, autonomy and responsibility as key elements. The entirety of the qualifications in the *Kwalificatiedatabank* (qualification database) also represents the Flemish Qualification Structure (FQS), hence the National Qualifications Framework (NQF). The professional qualifications are the legal basis upon which qualifying trajectories in vocational education and training should by be build.

The main **strengths** of both these tools are the close involvement of social partners and key stakeholders in the development and update of profiles and qualifications; the data-based competence model, which enables the use of data across services and different tools; and the use of artificial intelligence (AI) to extract information from a text, such as a CV, a vacancy, a training description and convert it into the *Competent* standard language. Other AI-driven services under construction or planned for the future include the visualisation of possible career paths and the possibility to draw up interoperable portfolios.

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[7] The 'Répertoire Opérationnel des Métiers et des Emploi (ROME)' is the French national classification of occupations. The current version ROME v3 focuses on professional mobility, expressed in the easy transferability between job titles within the same occupational profile/ROME fiche, as well as between job titles from other occupational profiles. It has three levels of mobility: i) job titles within the same ROME sheet; ii) most similar jobs titles from other ROME sheets; and iii) job titles from other ROME sheets that become possible after some further training or competence development.

However, the development of competence models or sector specific standards differs across Europe. While some countries have well-established ones, other countries are just starting to introduce them.

Besides professional skills, competence models should include key competences[8], which are particularly valued by employers. In order to develop models that are comprehensive, it is important to establish a cooperation with all the key stakeholders, such as employers, social partners, Public Employment Services (PES), and relevant national agencies and involve them in the design of these models and standards. In addition, users, such as jobseekers or employees, can contribute to the development of competences models, for instance through the identification of the competences they need for a specific job.

The level of involvement of stakeholders in the development of the competence standards varies across Member States. For instance, in **Croatia** and **Slovenia**, employers are strongly involved in the development process of competence models. In **Croatia**, the methodology for the development of occupational standards, introduced by the Ministry of Labour and Pension System, includes coordination and cooperation with different partners, such as the Croatian Chamber of Commerce, the Croatian Chamber of Trades and Crafts, and the Croatian Employers' Association. In **Slovenia**, the main actors in the process are the Employment Services Slovenia (ESS), the Ministry of Labour, Family, Social Affairs and Equal Opportunities, the Ministry of Education, Science and Sport as well as the employers' representatives, most likely Chamber of Commerce.

The cooperation with a broad range of stakeholders also contributes to ensure the update of the competence models in a fast-changing labour market. Since labour markets evolve constantly, skills forecasting systems and a constant update of competence models are essential to keep the systems on track. An active involvement of labour market actors in the forecasting system is essential to get insights on skills needs and future jobs. Skills forecasting is considered particularly challenging in smaller countries with a more volatile labour market.

Some countries have developed sector-specific quality standards, which are requirements developed by a particular industry to address specific needs or requirements. In general, participants agreed that more emphasis on sectoral models would be valuable, also regarding the alignment of curriculum development in educational systems and actual career pathways within a sector.

A challenge highlighted by the participants is the accessibility to information on the competence models and on the sectoral standards for the general public. In general, competence models and sector specific standards should be made more visible, through specific dissemination initiatives. A greater awareness of competence models and sectoral standards would encourage jobseekers and employers to use these as a reference to orientate their choices.

Several countries have put in place incentives and links between the different systems and tools in place. In **France**, a free personalised Career Counselling Service significantly improved the access of individuals to competence assessment and orientation services.

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[8] The European Union has identified 8 Key Competences that enable every citizen to adapt to changes of society. They are important for the personal fulfillment and development, for the working life, for studying and learning new things. Everyone should possess them: young people in training to get ready for the adult life, adult and senior people for Lifelong Learning in order to continuously improve knowledge. The 8 Key Competences are the following: (1) Communication in mother tongue; (2) Communication in foreign language; (3) Mathematical competence and basic competences in science and technology; (4) Digital competence; (5) Learning to learn; (6) Social and civic competence; (7) Sense of initiative and entrepreneurship; (8) Cultural awareness and expression.

Box 2: France: assessing skills needs and individual competences

Several systems are available in France to assess skills needs at a company level and competences at an individual level.

- At the company or sector level, the development of a **forecast management agreement for jobs and skills** (Gestion Prévisionnelle des Emplois et Compétences) represents the most common way (since 2006) to evaluate existing skills and anticipate for future needs.

- At the individual level, a **legal framework to support the availability of competence assessment** (*'bilan de compétences'*) was developed in the 1990s. The *'bilan de compétences'* is a tool to analyse professional and personal competences, as well as aptitudes and motivations to build a professional development project. The assessment is performed by accredited providers, known as *'Centre de bilans de compétences'*.

In 2014 a reform established free personalised Career Counselling Service (*Conseil en évolution professionnelle*) open to anyone who is employed (entrepreneur, employee etc.) or actively looking for a job (student, jobseeker etc.). It includes:

- an individual interview;

- a career counselling to elaborate a professional project; and

- individual support during the implementation phase of the project.

The reform reinforced the link between the different existing tools to increase the levels of qualification and to better match the actual skills needs on the labour market; Moreover it improved the access to orientation services and empowered individuals to decide on their professional trajectory, working on a strategic career plan. This new service contributes to develop a more global approach to career orientation and evolution.

3.2 Alignment and collaboration with the education and training sector

One of the main challenges for the education and training sector is to provide the labour market with a workforce that possess the skills that correspond to the needs required by the employers. Moreover, to ensure individuals are prepared to cope with the demands of the labour market of the future throughout their entire career, the education and training system should seek to integrate key competences transversally in curricula. Key competences help European citizens to develop '21st century skills' (IT skills, entrepreneurial attitudes, critical thinking, etc.) and become more resilient to the evolving nature of the labour market. To this end, 'learning to learn' is considered one of the most relevant key competences.

Aligning education and training systems with labour market needs is a key aspect to improve the employability of learners and workers and develop tailored lifelong learning opportunities. In order to reach this alignment, the education and training sector needs to adequately forecast the skills that will be required in the labour market in the future and to design curricula and training programmes accordingly. An interesting example is the *Labour Market Diagnosis System* (LMDS) in **Greece.** The LMDS is used to set up Active Labour Market Policies (ALMPs) capable to bridge the gap between skills demand and supply through re-skilling and up-skilling the labour force. Using LMDS data, the education system and, particularly VET, can adapt to the needs of the labour market and improve the transition from school to work. The LMDS is governed by a multitude of stakeholders, including three Ministries the social partners and several data collecting bodies.

Involving different labour market stakeholders in the discussion about education and training standards and the content of curricula can be very useful. In some Member States, such as **Slovenia**, a strong link exists between the secondary/vocational education and business. In this case the needs of employers are identified and can lead to the modification of existing programmes or to the establishment of new programmes. In addition, the Job Atlas in **Italy** is the result of an extensive collaboration with different stakeholders. It is used by training providers for the design and update of the curricula.

Another important element is the establishment of a common language between the labour market's actors and the education and training sector. Education and training standards are often written in a very specific language/terminology, which often is not well understood by employers. Once again, a collaboration between the education and training sector and employers, for instance through regular consultations, can contribute to develop a joint understanding of key skills and competences and of the use of terms.

Moreover, the understanding of 'skills and competences' and the terminology used is not uniform across Europe. This might make it more difficult to compare competences and skills and to recognise competences of foreigners. Participating countries highlighted the need to establish common definitions of skills and competences and a shared 'language' across Europe, in order to make the system more efficient. The alignment of competence description and terminology with ESCO, as established by MyCompetences, is a good strategy of standardisation.

The most popular approach followed in the Member States to facilitate a better collaboration and alignment is to invite employers to participate and provide their inputs in working groups or skills councils/committees. However, in many countries it is considered challenging to engage employers in this process. A viable solution can be to use the chambers of commerce as intermediaries. For instance, chambers of commerce can get in contact with the employers and train them to identify the competences they need and contribute to the development of a common vocabulary among the stakeholders.

Competence models can contribute to the attractiveness and modernisation of Vocational Education and Training (VET) systems. For instance, in **Belgium** the *Competence* system (see box 1) already represents a starting point for designing curricula and in the case of VET it even represents a legal basis.

3.2.1 Development of effective collaboration structures

As mentioned in the previous paragraphs, the development of effective collaboration structures among the labour market actors and the education and training sector can positively contribute to the alignment. These collaboration structures vary across Member States. In some countries, such as **Croatia**, the collaboration is quite established and regular meetings and workshops, involving the relevant Ministries, PES, national agencies, employers' associations, trade unions, educational institution and relevant experts is carried out through regular meeting and workshops. This collaboration feeds the process of the development of competences models and qualification standards.

Other countries have forms of cooperation that involve an even broader range of stakeholders, such as research institutes, regional authorities, statistical authorities (**Greece**) and educational umbrella organisations (**Belgium**). In **Italy**, a State-regions National Committee includes representatives from all the regions and competent ministries.

A good example of effective collaboration between education and training and labour market stakeholders can be found in the construction sector in **Spain**. The Labour Construction Foundation (*Fundación Laboral de la Construcción*)[9] is an important cluster of institutions that brings together the Spanish Confederation of Construction and the

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[9] https://www.fundacionlaboral.org/ [Accessed 30 October 2019].

two main trade unions of Spain. The collaboration aims at developing and update the occupations in this sector according to the international standards. Another good practice example of collaboration is that between the Chambers of Commerce and national and regional administrations to analyse and review the labour market conditions and their adjustment to the international evolution of productivity rules and new technologies.

3.2.2 The role of Sector Skills Councils / Committees

The need for enhanced collaboration between different sectors and bodies can result in the need for new bodies, such as Sector Skills Councils/Committees, that formalise the collaboration between the parties involved.

The structure of Sector Skills Councils/Committees differs from country to country. Usually they include the main labour market actors, such as the employers, trade unions and representatives of education and training sectors. In some cases, they are divided in further subgroups or sub-committees.

Not all the participating countries have Sector Skills Councils or Sector Skills Committees in place. Some countries, for instance **Greece**, work with rather flexible, temporary working groups.

Usually, the main roles of Sector Skills Councils and Sectors Skills Committees (SSC) are to:

- Support the development of competence models as well as sectoral standards. SSC are potentially key in supporting education and training systems to develop curricula content in line with these standards (for instance, in initial vocational training -IVET). They can also suggest curricula changes and propose new qualifications.

- SSC can also be useful in highlighting sectoral skills needs and supporting education and training systems in developing tailored training for continuous VET (CVET).

- In some countries, Sector Skills Councils or Sector Skills Committees also support skills forecasting systems and provide insights concerning future jobs and skills requirements.

- Get involved in the validation process. Validation of non-formal and informal learning (VNFIL) is suggested as an extension /next stage to competence models, in order to validate the assessments of competences and skills the individuals have reported. SSC can play an important role in making sure validation is carried out against sectoral standards and competence models.

3.3   Methods and tools to carry out the skills assessment

Different tools and methods are used in the participating countries to carry out skills assessment of employees or jobseekers. These include

- online platforms as well as face-to-face guidance sessions,

- 'self-assessment' questionnaires on interests and competences (such as the 'My choice' test in Croatia) or third-party assessments;

- tools assessing technical/professional skills and competences (in the form of a practical test) or soft skills and key competences;

- profiling tools and personality traits test associated with work, based on the personality traits searched by employers;

- tools assessing the competences of the users in view of a 'target job' chosen by the user; and more.

These tools usually result in a description of the competences that the user needs in order to be able to perform the target job. Belgium-Flanders uses automatic detection systems based on artificial intelligence. The system is able to extract information from

a text, such as a CV, a vacancy, a training description to convert it into the *Competent* standard language; face-to-face guidance and counselling.

Usually competence assessment processes are not directly linked with validation and recognition of non-formal and informal learning (VNFIL). This means that beneficiaries need to re-access the formal validation and recognition process for learning acquired in formal and non-formal learning contexts. This can entail a duplication of efforts with the competence assessment that already took place. Participants agreed that an integration of the two processes would therefore be beneficial for all parties involved.

Currently, most of the tools used for skills assessment are online tools, which have the advantage to be easily accessible. However, it would be important to provide some support for users with lower skills or people with disabilities, who might have difficulties. Moreover, it is important to keep in mind that face-to-face counselling and practical tests of work-related skills can be a better option in certain situations and for some categories of users.

3.4 The use of the outcomes of the assessment: strengths and weaknesses

Competence assessment tools are useful to make skills and competences visible, both for the users and for employers. Skills assessment tools are frequently used by human resources departments, PES or labour agencies.

The outcomes of competence assessment can boost individuals' self-esteem by improving their awareness of their own strengths. This aspect is relevant especially for disadvantaged groups, such as low-qualified individuals or those in long-term unemployment. Competence assessments can also lead to the elaboration of a step-by-step individual development plan and guide the user's pathway towards entering the labour market. The outcomes of competence assessments can also be used to decide on the right training to acquire the necessary competences and skills to bridge the gap between their current job and the job they want to be able to perform. For instance, in **Malta** the public employment service JOBPLUS provides a website[10] that offers to users the possibility to register and develop their profile based on their competences. It also provides a job matching function, career guidance as well as links to specific training opportunities.

Ideally, assessment and self-assessment tools and the assessment process should be part of a framework that is agreed and recognised by all stakeholders. Employers, employees, jobseekers and education and training providers should be 'on the same page' and have a clear understanding of the terminology, standards and methods used. Integration of the different systems available is key to bridge the labour market with the educational system. For instance, in **Italy**, skills audits are part of a subsequent specialised and individualised guidance activity aimed at verifying the adequacy of the individual profile to the local, national and European labour market needs.

Competence assessment processes and validation and recognition of non-formal and informal learning (VNFIL) are currently insufficiently linked, hence, in most countries, individuals cannot use the outcomes of competence assessments directly for validation. Hence, 'Upskilling Pathways'[11], that link skills assessment, tailored training and validation seamlessly are currently not available on a broad scale in the countries participating in the Peer Review.

Practices concerning validation of prior learning are very different across the countries, depending on the different national legislations. Generally, if an individual wants to have his/her own prior learning validated and recognised towards the awarding of a qualification, they need to access the formal validation and recognition process for learning acquired in formal and non-formal learning contexts. This can entail a

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[10] JOBSPLUS Website, available at: https://jobsplus.gov.mt
[11] https://ec.europa.eu/social/main.jsp?catId=1224

duplication of efforts with the competence assessment that already took place. An integration of the two processes would therefore be beneficial for all parties involved. In **Italy**, skills and competences coming from previous experiences in terms of education, training and previous jobs are traced back and entered into a 'Transparence Document' (Documento di trasparenza*)* which also keep tracks of any documentary evidence supporting and proving the acquisition of competences. This phase is based on individual interviews carried out by specialised professionals (counsellors). All gathered information is made available through existing information systems having a high degree of interoperability of already existing and regulated instrument such as, for example the 'Citizen's Training Booklet' (Libretto Formativo del Cittadino) [12].

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[12] The Citizen's Training Booklet is a tool developed following a Ministerial Decree of the 10th of October 2005: its format and aims can be compared to the European skill portfolio, but, in the case of Italy it is managed through a public skills audit support service (at regional level). This means that it is not a self-compiling tool but depends by a reconstructive process supported by expert operators. The Booklet is not even a skill certification tool. In the Booklet information on the skills already certified in training are presented; at the same time the Booklet summaries non-formal and informal learning to enhance them preparing the conditions for their subsequent validation / certification.

4. Conclusions and next steps

The following conclusions and priorities for next steps emerged from the Peer Review:

- Competence models need to be constantly updated in order to reflect changes in the labour market, and enable the forecasting of skills needed in the future. Labour market actors should be involved in this process and provide insights.

- The alignment of education and training systems with labour market needs is a key element to improve the employability of learners and workers and develop tailored lifelong learning opportunities. Conversely, labour market actors should participate in the discussion about education and training standards and the content of curricula. Sector Skills Councils and Sectors Skills Committees can play a key role in the facilitation of this collaboration.

- The education and training system should seek to integrate transversal skills, soft skills and digital skills key in curricula. To this end, 'learning to learn' is considered one of the most relevant key competences.

- It is important to support the development of a common language and common terminologies on skills and competences, shared by all the labour market actors and by the education and training sector. The use of European tools (EQF, ESCO) can help in that regard.

- Validation of non-formal and informal learning (VNFIL) is suggested as an extension /next stage to the development of competence models, in order to validate the assessments of competences and skills the individuals have reported. Sector Skills Councils could potentially play a role in the validation process. The integration of the process of competence assessment and the recognition of non-formal and informal learning (VNFIL) could avoid duplications of efforts.

- To avoid fragmentation, assessment and self-assessment tools and the assessment process should be part of a framework that is agreed and recognised by all stakeholders. Employers, employees, jobseekers and education and training providers should be 'on the same page' and have a clear understanding of the terminology, standards and methods used. Integration of the different systems available is key to bridge the labour market with the educational system.

- In some countries the tools and processes for competence assessment are not very well known, and important target groups are often unaware of the opportunities they offer. Enhanced effort to communicate the benefits of competence assessments is needed in order to expand the number of users.

- While online tools to carry out skills assessments are easily accessible to many, individuals with low digital literacy and no access to a computer might be excluded from the use of such tools. Ad-hoc training to raise digital skills levels or support in the use of these tools could be an option to remove barriers for low-skilled individuals to use these kinds of systems.