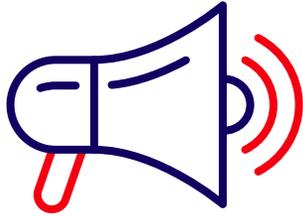


APAC TVET Forum 2022

Ms Akustina Morni, IOE Senior Adviser

14 September 2022

What we do – Expertise. Advocacy. Service.



- **Promote** and **defend** business interests at the United Nations, the International Labour Organization, G20, B20 and more

- Our vision is to **create a sustainable economic environment around the world**, promoting free enterprise that is fair and beneficial to both business and society



We are a powerful voice

1920

Established for over one hundred years...

150 +

We have more than 150 employer and business organisation members...

140 +

in more than 140 countries spanning the globe...

50 million +

We represent the interests of more than 50 million companies...

100s of millions

that employ hundreds of millions of workers...

1

We are one global employer community...

Expanding influence: engaging with a larger number of stakeholders



Some of our partners



International
Labour
Organization



WORLD TRADE
ORGANIZATION



United Nations
Human Rights

OFFICE OF THE HIGH COMMISSIONER FOR HUMAN RIGHTS



World Health
Organization



European
Commission



EPIC

Equal Pay International Coalition

EQUAL PAY FOR WORK OF EQUAL VALUE



IOM • OIM



GENERAL ASSEMBLY



B20
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THE GLOBAL COMPACT
UNITED NATIONS
GLOBAL
COMPACT



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Shaping Workforces
of the Future



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra
Swiss Agency for Development
and Cooperation SDC



unicef



OECD



Global Forum on
MIGRATION & DEVELOPMENT



WORLD BANK GROUP



BUSINESSEUROPE



UNDESA



ALLIANCE



ISO



amfori
Trade with purpose



BAPA+40
UNITED NATIONS CONFERENCE
ON SOUTH-SOUTH COOPERATION



wbcsd

Presentation

- 1. ILO Apprenticeship Standard-Setting process:
Recommendation on Quality Apprenticeships**
- 2. General perspectives of employers on TVET
systems**
 - **Challenges & common concerns**
 - **Policy recommendations**



Future of Work

- Technology and digital transformation
- Changing demographics
- Climate change
- Globalization
- Shortage of skills

How are these Future of Work megatrends changing the landscape of the private sector?...

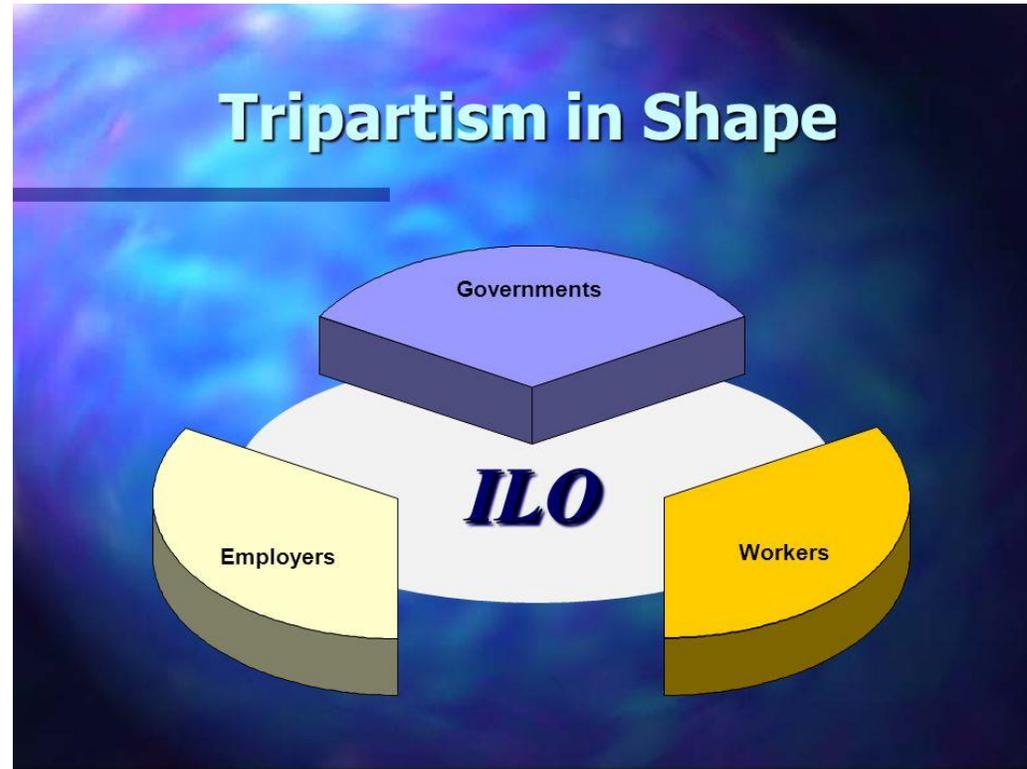
+ Pandemic exposed structural issues



Impact of megatrends in the world of work

- The way we organise our work (working time, location, who will do the work, remote work);
- The employment status of workers and the traditional definition of an employer – how these are linked to existing social protection models;
- The evolution and expansion of skills needed by industry (skills gap, shortages and mismatches);
- Employment – if digitalisation and automation will displace jobs;
- Gig/platform economy;
- The nature and dynamics of social dialogue between employers and workers and industrial relations;
- Existing education, healthcare and social protection systems... and more!

International Labour Organisation (ILO) and its constituents



ILO Standard Setting on Apprenticeships

- Standard Review Mechanism tripartite working group: identified regulatory gap
- Outdated: Vocational Training R117 (1962) superseded by HR Development R142 (1975) superseded by HR Development R195 (2004) – education, training and LLL
- 334th Governing Body (2018) – agreed to place this as standard setting item
- ‘Double discussion’ – June 2022 & June 2023
- Tripartite constituents to decide on either ‘Convention’, ‘Recommendation’ or ‘Convention supplemented by Recommendation’



Benefits

- **Apprentice:** identify future employers, 'earn while you learn', gain work experience and skills, earn nationally-recognised qualifications, enjoy compensation, no learning costs or debt, knows the company workflow and culture
- **Employer:** tap into talent, develop creativity, minimise liability costs through appropriate training, tax credits, lower HR admin costs
- **Govts:** Address skills gap/mismatches, youth employment

The total global number of unemployed youths is estimated to reach 73 million in 2022, a slight improvement from 2021 (75 million) but still six million above the pre-pandemic level of 2019 (ILO Aug 2022)



Critical issues for Employers

- Recommendation only – stand alone
- Regulatory approach vs promotional approach
- Scope: apprenticeships only, not traineeships/internships
- Rigid regulations: lack of flexibility (ratios), diverse learning pathways
- No incentives to employers, no guidance
- ‘Stigma’ – need to change positive narrative, prior to joining apprenticeship
- Inclusiveness: adults apprenticeships
- Lack of coordination among Ministries – *‘Apprenticeship Authorities’ + transfer between states/cantons/countries*
- No places available, too many rules, training expensive



Outcome



- Stand-alone autonomous ‘Recommendation’ (not Convention supplemented by Recommendation)
- Traineeships, internships removed
- Dependant on ‘national laws and circumstances’
- Stronger language on promotional approach
- Majority of negative references to employers removed
- Nuanced language on classification of apprentices (not automatically ‘employees’)
- Next year: incentives, especially for MSMEs
- Adopted text: https://ilo.org/ilc/ReportsavailableinGerman/WCMS_848121/lang-en/index.htm

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of the Future

Common challenges: TVET systems

- It is no secret that policy-makers are aware of the consequences and challenges of reforming education systems in efforts to meet labour market demands:
 - skills mismatches
 - skills shortages
 - challenges with talent mobility
 - underutilisation of skills
 - imbalances in labour supply and demand
 - government ministries working in parallel (rather than together)
 - lack of financial resources and investments
 - lack of qualified teachers and professionals
 - lack of political will and commitment of all relevant stakeholders
 - lack of strong leadership on policy development and implementation
 - lack of consultations with the private sector through employer organisations



Common challenges (con't)

- Policy-makers agree and understand that effective education policies result in a better equipped, skilled and future-ready workforce. Unfortunately, **many countries are not yet ready to reform** the existing education systems, policies and infrastructure in efforts to meet the needs of Industry. This creates challenges to all employers, workers and governments.
- **For employers**, there is real difficulty in attracting the right talent (this can be observed in all pay grades and all sectors). This creates barriers to productivity, competitiveness and sustainability, especially for micro, small and medium enterprises.
- **For governments**, this negatively impacts the economy and delays the attainment and achievement of sustainable development goals.
- **For workers**, it impacts employability and therefore their livelihoods.



Practical examples of challenges

Important life and work skills such as metacognition (thinking about a particular goal, or to solve a problem and manage their mental processes) is not being taught at school. Students are made to believe that there is only one or two ways to solve a problem. ([link](#))

Outdated curriculum prioritise memorisation and repetition over creativity. The teacher is an authority figure. The problem with listening and memorisation is that learners cannot think critically. Passive learning settings do not encourage collaboration with others or help when it is time to solve complex problems in the real world ([link](#))

Poverty as a barrier to education. Some families cannot afford tuition fees, uniforms, books, etc. And in some countries, higher education is unaffordable.

Lack of access to computers and digital learning

Educational process should encourage the child's natural potential and curiosity, by offering simulated real-life obstacles and conditioning the child through experience rather than mere intellectual instruction

Children absorb new language skills more easily and quickly when they are young. Schools need to promote that.

Practical examples of challenges

There are **no monitoring and evaluation measures on low-performing teachers** and there are no incentives to reward high-performers

There is a need to understand the **root causes of absenteeism rates and drop-outs** and to take corrective measures

The need to tackle the 'learning crisis'. WB study: 53% of students in low and middle-income countries cannot read and understand a simple story by the end of primary school. [\(link\)](#)

Classic education curriculums focused on concrete details like "Who?", "What?", "When?", "Where?". It neglects asking the theoretical "Why?" and "Which?" questions that can be discussed in smaller groups.

Improving the state of the schools (building, furniture and equipment)

Schools are overcrowded. The smaller the class, the better the individual learning experience. In the US for example, 14% of schools exceed capacity. This makes it difficult for students to learn and difficult for teachers to be effective [\(link\)](#).

IOE/ILO report findings

[2019 ILO/IOE survey](#) of 500 companies in all regions found that:

- The challenge of locating, hiring, and retaining skilled workers is felt across borders, sectors and pay grades
- It is inherently becoming more difficult to recruit people with the skills needed - Bolivia (60%), Haiti (53%), China (47%), South Africa (51%) and Malaysia (63%)
- 78% indicate that updating the school and education curriculum to match the economy's needs would provide them with the skilled employees they need
- 72% welcome changes to make it easier for them to play a more active role in developing skills by influencing educational systems

... pandemic exacerbated these challenges

2021 ILO Resolution concerning Skills and LLL

The Employers' Group is pleased that the Resolution highlights the following important points:

- Strong engagement to enable the ILO to be a **global leader on skills development and lifelong learning**, with an explicit reference to the ILO Programme and Budget, and a request to the Director-General to develop a strategy and action plan on skills and lifelong learning to strengthen the ILO's work in this area. Constituents agreed on the need for the ILO to **allocate sufficient resources to** not only traditional areas such as standard setting **but also skills policies**.
- A call for strengthening lifelong learning systems so that they can become more relevant, inclusive, resilient, and responsive to the changes in the world of work.
- Acknowledgement of **shared** (and differentiated) **responsibilities**, also by workers in skills development.
- Recognition of the role of private education, and private employment services on lifelong career counselling, vocational guidance, and post-training support.
- Recognition of the role of **public-private partnerships** on digitalisation strategies.
- Promote an enabling environment and **openness to learning** and identify and address discriminatory, time, cost, and motivational barriers, among others (this is the first ILO conclusion of this kind).
- Text: https://www.ilo.org/ilc/ILCSessions/109/WCMS_831531/lang--en/index.htm

2019 ILO Centenary Declaration for the Future of Work (Building Block III)

The Conference calls upon all Members, taking into account national circumstances, to work individually and collectively, on the basis of tripartism and social dialogue, and with the support of the ILO, to further develop its human-centred approach to the future of work by:

- A. Strengthening the capacities of all people to benefit from the opportunities of a changing world of work through:
- (i) the effective realization of gender equality in opportunities and treatment;
 - (ii) effective lifelong learning and quality education for all;
 - (iii) universal access to comprehensive and sustainable social protection; and
 - (iv) effective measures to support people through the transitions they will face throughout their working lives.

What is Lifelong Learning?

- Ongoing, voluntary, and self-motivated pursuit of knowledge
- Learning for personal or professional reasons ('cradle to grave')
- Enhances social inclusion, active citizenship, personal development -self-sustainability, competitiveness, employability



Why is Lifelong Learning important?

- It is no longer optional
- Need more than one time degrees or education attainment certifications
- 'Job for life' more scarce, business lifecycle 17-18 years, same for govt/UN jobs
- The need to mitigate widening skills gap (employers globally having difficulty in filling positions)
- Governments, employers and workers to take action



'Hard skills' vs 'Soft skills'

- Early references to soft skills go back to the 1970s (US Army)
- Hard skills to read a map
- Soft skills to make a decision after reading the map
- Both skills are needed to effectively execute a task or job



-> prefer referring these skills as human and social skills

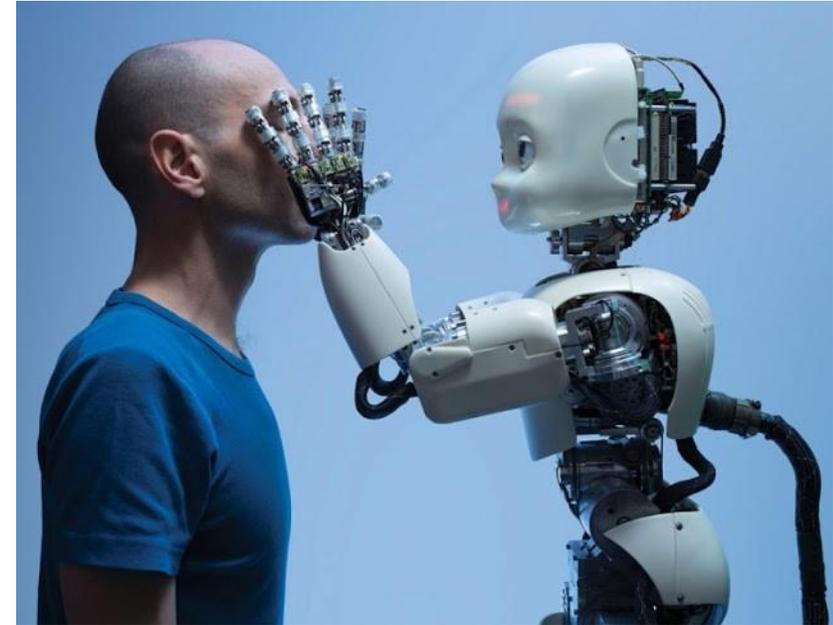
Why are human & social skills so important?

- Constantly changing working environment
- Life skills is an essential part of being able to meet the challenges of everyday life
- To cope with the increasing pace and change of modern life (FOW)
- Global workforce needs to be up to date with the right skills through formal and informal LLL



Social skills are more valuable than before

- WB, OECD reports – soft skills are precisely the type of skills which cannot be codified or automated by robotics and AI
- Complex problem solving, critical thinking, creativity, people management, emotional intelligence, decision-making and negotiation will be the most difficult skills to automate
- Invest time and effort to learn new soft skills throughout life



Evolution of skills needed at the workplace

1972

In the workplace "soft skills" were centered around being a good dutiful employee;

- Deliver excellent Customer Service
- Adapt to your workplace
- Please your manager
- Learn and know the skills of your job

(Fry & Whitmore, 1972)

To anticipate the challenges and opportunities both companies and employees will face in the near future, the WEF listed a list of 10 future workspace skills that will be highly in demand by the time we reach 2025.

Top 10 skills of the future:

1. Analytical thinking and innovation
2. Active learning and learning strategies
3. Complex problem-solving
4. Critical thinking and analysis
5. Creativity, originality and initiative
6. Leadership and social influence
7. Technology use, monitoring and control
8. Technology design and programming
9. Resilience, stress tolerance and flexibility
10. Reasoning, problem-solving and ideation



LinkedIn: Top skills needed at the workplace

- 1 Resilience and adaptability
- 2 Technology skills/
digital fluency
- 3 Communication across
remote or distributed teams
- 4 Emotional intelligence
- 5 Cross-functional
collaboration
- 6 Leading through change
- 7 Change management
- 8 Dealing with stress/
being more mindful
- 9 Time management
- 10 Creativity



Skills for jobs in the green economy

- ILO: transition to green economies and actions to limit greenhouse gas emissions could create 24 million jobs by 2030
- ILO/UNEP: *least half the global workforce* - the equivalent of 1.5 billion people – would be affected by the transition to a greener economy.
- Upskilling and reskilling will be needed by ‘*all sectors and at all levels* in the workforce’. **Skills are one of the drivers to achieve a just transition to a green economy**
- Green Economy Coalition: **few countries have yet reoriented their skills systems in line with their green ambitions.**



Skills for jobs in the green economy

- LinkedIn: **Demand for 'green talent' will soon outpace supply.** For example, in the last five years, the number of Renewables & Environment jobs in the U.S. has increased by 237%, in stark contrast to the 19% increase for Oil & Gas jobs. At this pace, the Renewables & Environment sector will outnumber Oil & Gas in total jobs by 2023. The findings of its research include information on the fastest-growing green skills, which are in:

- Ecosystem Management
- Environmental Policy
- Pollution Prevention

Green skills intensity across sectors shows that corporate services, manufacturing, energy and mining, public administration, and construction are the sectors that use the highest number of green skills across the globe.



Watch for this space: IOE white paper on skills in the green economy COP27!

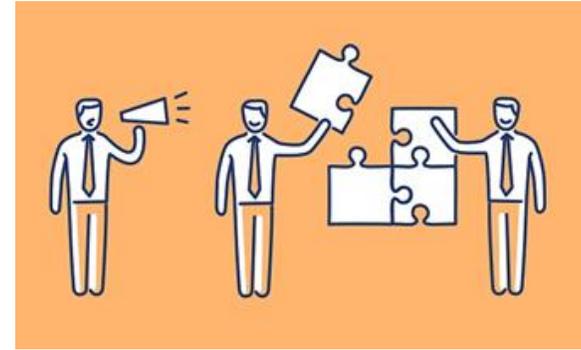
Singapore case – Lifelong Learning

- Most 'Future Ready' country (WEF)
- Personal learning accounts regardless of contractual arrangement, simply being Singaporean entitles one to access this account (SGD 500)
- Ageing population (Sapphire project)
- Tripartism at the core
- Structural and mindset changes



Other examples of best practices

- WorldSkills Forum
- Adecco launched the Adecco Group Executive MBA
- Accenture – New Skills project
- Microsoft – Imagine Academy
- SMEs – apprenticeships, GAN (led by Ms Nazrene Mannie)
- UNESCO Institute for Lifelong Learning
- Added value of informal learning
- ILO has a key role to provide policy guidance to member states



Policy recommendation: Importance in anticipating future skills

- The skills of today will need to meet the needs of tomorrow
- Anticipating the skills needed in the near future can be difficult for some companies, MSMEs (Limited HR capacity limited in evaluating skills assessments)
- Opportunity to review EBMO's services – advocacy activities, lobbying Govts, training and capacity development opportunities, forums for dialogue - as added value
- How EBMOs, recruitment agencies, public/private employment services and national data centres can provide info on skills



2020 IOE/Deloitte/EU/Qatar report Future Skills Assessment ([link](#))

The competitive business advantage of anticipating future skills



be prepared and adapt faster to the fast changing business landscape



invest in reskilling employees so they have the right skills and attitude in line with what customers expect



influence government policy makers to invest in the right sectors and formulate effective LLL policies



support mobility and job rotation of employees



adjust HR policies to effectively retain a skilled workforce and enhance productivity, loyalty and competitiveness



have the ability to collaborate and mobilise resources with other like-minded companies across industries

Policy Recommendation: Ensure Skills Governance



- Role of governments, role of civil society, role of employers and other stakeholders
- Coordination across government institutions, labour market information systems, employment services and performance reviews of training/educational institutions
- An opportunity to tackle the skills mismatch, widening skills gap and youth unemployment (global/regional trends)
- Social dialogue models (formal/informal/bipartite/tripartite)

Skills Governance (Con't)

- Build strong generation of entrepreneurs
- Review of TVET and apprenticeships systems
- Understanding the problems of establishing a common skills recognition framework
- Encouraging the government to invest in STEM and digital skills, including for women
- Setting the right attitudes in embracing technology and innovation



Policy Recommendation: engage Employer & Business Membership Organisations (EBMOs)

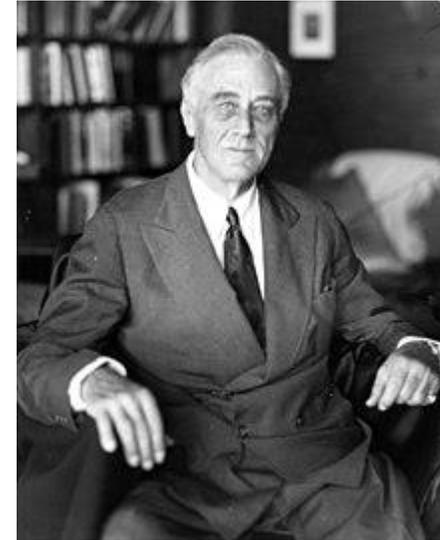
- Closest to the labour market, good understanding of challenges faced by sectors and companies
- Can help anticipate future skills needs and help governments connect workers to jobs
- Data on skills evolution
- Engagement in policy making
- Email: morni@ioe-emp.com (for contact details of EBMOs in your country)



Thank you



When you learn, teach. When you get, give (Maya Angelou)



We cannot always build the future for our youth, but we can build our youth for the future (Franklin D. Roosevelt)



A powerful
and balanced
voice for business