

The Skills Perspective: How to detect new skills and improve learning arrangements

Trends and developments on the labor market

- 1 External challenges: Trends & developments**
- 2 How to be prepared for external challenges**

Agenda

About WifOR

Worldwide presence



 In 5 countries and 6 locations: Germany (Berlin, Darmstadt), Greece, Ireland, Latin America, and the USA

 Active projects in 35 countries - global, regional, and national analyses

Facts & Figures

- ▶ Economic research institute
- ▶ Spin-off from Department of Public Economics & Economic Policy at Technical University of Darmstadt, Germany
- ▶ 55 Employees
- ▶ Over 385 successful projects for companies, associations, and ministries
- ▶ Research areas: Health Economics, Impact Analysis, International Social Policy

Labor market	Health
Sustainability	Social policy
Value	Digitalisation
Innovation, Research & Development	Sports
Education	

1

External challenges: Trends & developments

Current and future challenges for the labor market

Globalization

- » In- and outsourcing
- » Migration
- » Competition
- » ...



Digitalization

- » Industry 4.0 / Economy 4.0
- » New jobs
- » Work 4.0
- » ...



Demographic change

- » Aging society
- » Declining labor force
- » ...



Diversity and Inclusion (D&I)

- » Increasing importance of D&I in the corporate context
- » Positive effects of D&I on economic performance
- » ...



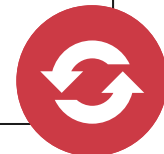
Business Activity

- » Foreign trade (e.g. Brexit)
- » Pricing levels
- » External shocks (e.g. Corona)
- » ...



Structural change

- » Mismatch
- » Education Inflation
- » Training preferences
- » ...



Deep dive demographic change in Europe: 25% reduction in labor force in Germany until 2060 | Ireland and France still growing



Deep dive digitalization: Through digitalization high demand for professionals and high skilled workers in Germany until 2030

Bottleneck and spillover situation for different qualification levels in 2030

2030	Without Digitalization Effect		With Digitalization Effect
Professionals	1,300,000	↑	3,300,000
High skilled workers	1,300,000	↑	1,400,000
Skilled workers	1,400,000	↓	-2,600,000
Low skilled workers	-81,000	↓	-1,300,000

Aprox. 500,000

Increase of labor demand for high professionals in 2030.

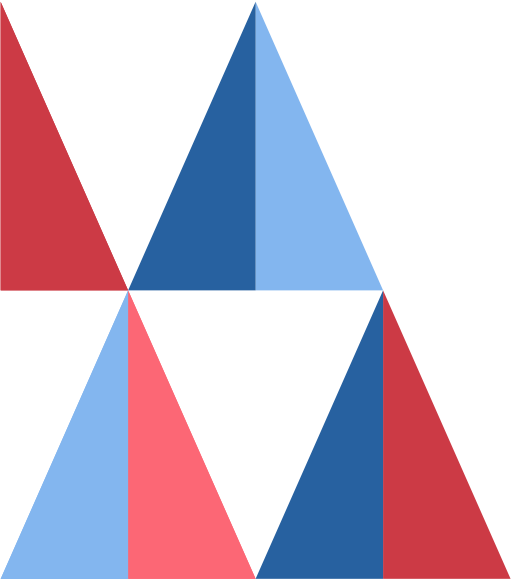
Aprox. 250,000

Reduction of bottleneck through digitalization effect in the Personal Care sector.

Importance of further education

Low skilled workers have to be educated and further trained quickly and well, so they would be able to provide the qualifications required by digitalisation.

2



How to be prepared for external challenges



Strategic labor market analysis: From where in Europe can I source skilled workers to meet the needs at my sites?



Starting Point

- Skilled labor analysis for the job profiles different countries
- The analysis provides well-founded comparative figures on the current and future availability of workers in selected job profiles
- This means that internal personnel planning can be drawn up and aligned based on valid external labor market data.

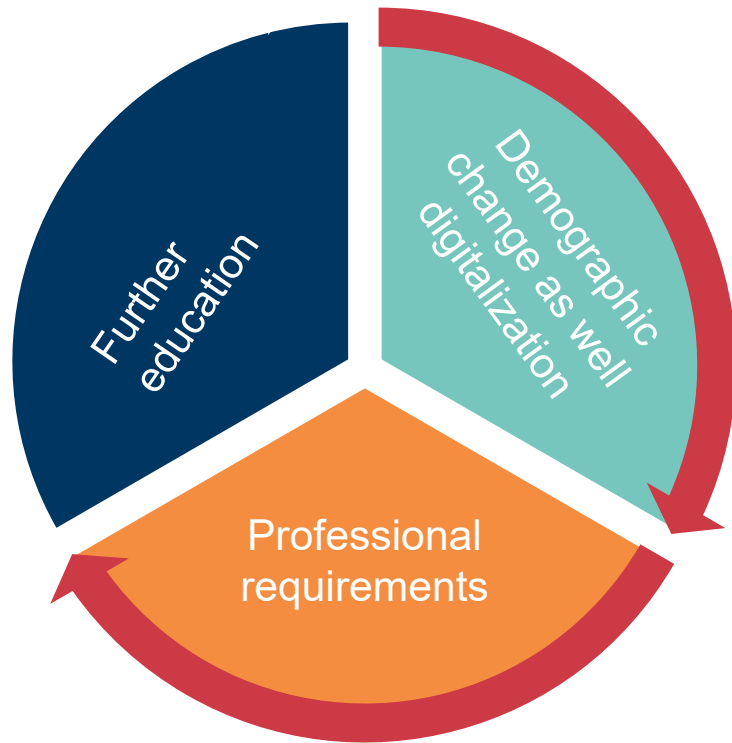


Questions

- What is the current labor market situation for selected countries in Europe for selected job profiles?
- How will the supply and demand situation change by 2030?
- What can the results of the skilled worker analysis be used for at the operational level?



Digitalization is changing the world of work, which therefore increases the need for further training



Starting Point

- Changing supply structure due to demographic change
- Increasing implementation and use of digital solutions
- Professional requirements are changing at an ever-faster pace
- Competence development determines the scientific discussion



Questions

- What are the specific job requirements?
- What influence do transition potentials have?
- Which employees can be retrained for which new jobs?

Attractiveness analysis: What are the employee requirements within my industry and how to be an attractive employer?



Starting Point

- In the wake of the shortage of skilled workers and the resources that companies will lose in the future due to structural change, positioning the company as an attractive employer is essential for increasing employee loyalty and acquiring skilled workers.
- As part of the analysis, the main focus is on the perspective of employees and their expectations of the company.
- By evaluating employer rating portals, using artificial intelligence, on employee satisfaction, the perception of the work situation and company culture in the eyes of employees is analyzed.



Questions

- Which employer criteria are particularly important for my employees?
- What makes an employer particularly attractive for potential junior staff?
- How will the shortage for a certain profession develop in the next 5 years?

Competencies: What competencies will be needed in the future and how can they be taught?

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Requirements model



Key Skills



Digital Skills



Activities



Qualifications



Experience

The requirements model can be adapted and expanded as required.



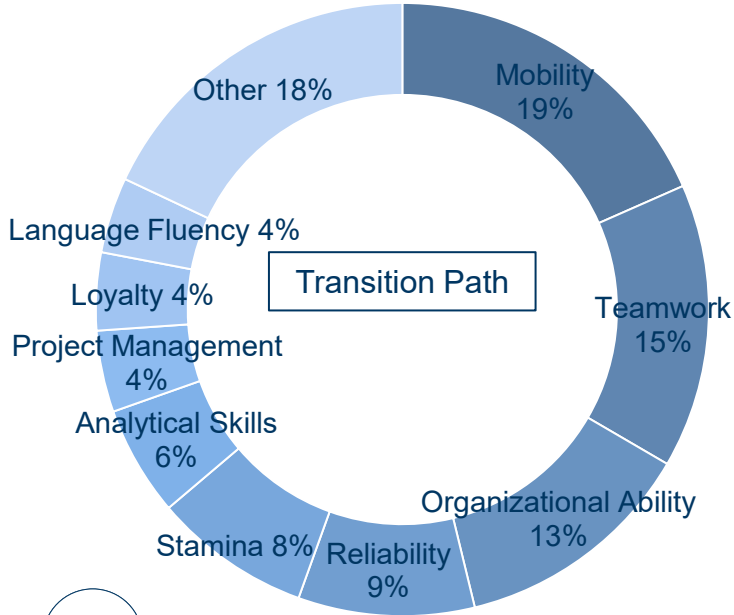
Our competency profiles show the most relevant competencies in different professions.

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The weighted quantification of occupational similarity allows the identification of transition paths. The higher the similarity value between two occupations, the greater the match between their requirements.

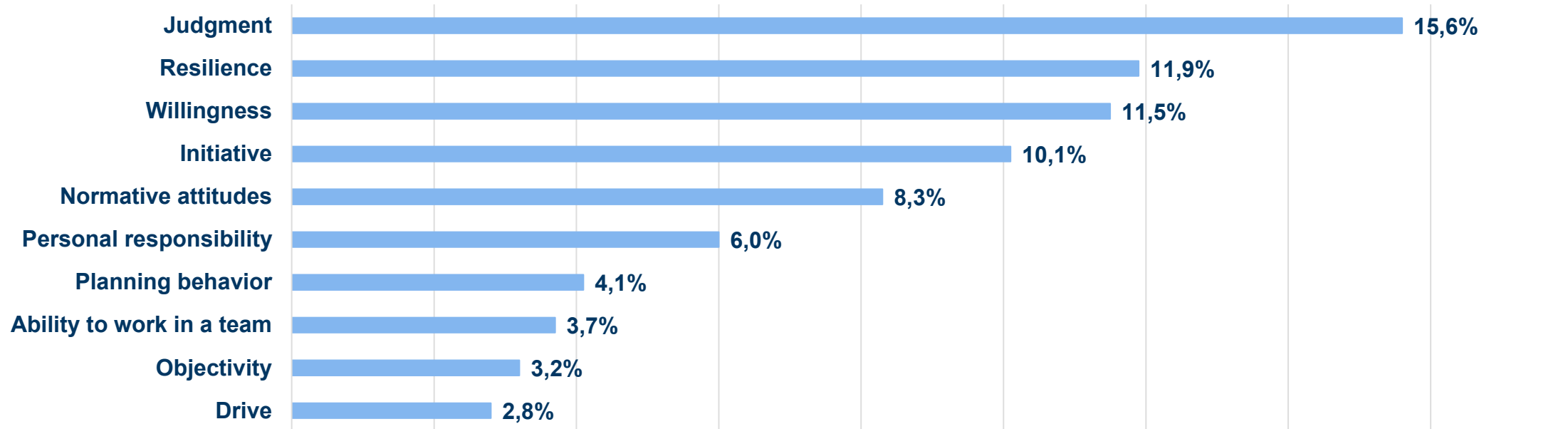
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Furthermore, it can be identified which competency skills should be imparted in order to be able to meet future cross-occupational needs in the company.



Top competencies are presented for selected professions and potential for change is identified (e.g. through digitalization)

Example: The 10 most important competency skills for metal worker



Analysis of the top skills of business-relevant professions



Analysis of future skills requirements through, e.g., digitalization (up to 2030)



What can internal training paths look like to prepare and develop your employees?

Conclusions and lessons learned: How to detect new skills and improve learning



QUALIFIED EMPLOYEES

1. Finding and 2. retaining qualified employees

- 1. Strategic workforce planning
- 2. Employer attractiveness



DIVERSITY AND INCLUSION

Increase diversity and inclusion in the company



COMPETENCIES

Identification of the competencies that will be relevant for the company in the future



TRAINING & EDUCATION

Imparting the relevant competencies by means of targeted training and further education

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