ADULT LEARNING: LESSONS FROM THE OECD APPLICABLE TO DEVELOPING COUNTRIES

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Part 1
Setting the scene: changing skill needs in the context of ageing societies
Rapid population ageing is widespread

Median age of the total population (in years), 2018 and 2050

Key drivers of changes in skill demands

1. Technology is changing the workplace
   The robots are coming:
   Global stock of industrial robots (millions)

2. The world has become more integrated
   One in four business sector jobs in OECD area depend on foreign consumers

3. Populations are ageing
   Old-age dependency ratio 65+/20-64, OECD average

4. The green transition will change jobs and skills

5. The COVID-19 pandemic has changed where and how we work
Population ageing affects both demand and supply of skills

SUPPLY
- Skills obsolescence
- Physical intensity of tasks
- Motivation to train

DEMAND
- Consumer preferences by age
- Healthcare pressures in ageing societies

The interaction between ageing and technology is complex
Artificial Intelligence has broadened the set of skills and abilities that can be replicated by technology

More susceptible to automation

Source: OECD SEM WP What skills and abilities can automation technologies replicate and what does it mean for workers? (Lassebie and Quintini, 2022)

Bottlenecks to automation
Share of jobs involving a large share of highly automatable tasks by age

Source: OECD SEM WP

What skills and abilities can automation technologies replicate and what does it mean for workers? (Lassebie and Quintini, 2022)
Most jobs in shortage occupations are high-skilled

Source: www.oecdskillsforjobsdatabase.org
How prepared are older adults? Skill proficiency declines with age

Source: OECD Skills Studies, Additional results from the survey of adult skills (2018)
Share of adults with low basic skills

Source: OECD Skills Studies, Additional results from the survey of adult skills (2018)
The cost of inaction is high

For individuals

- Lower wages
- Lower job satisfaction
- Risk of jobs loss and skills obsolescence

For employers

- Lower productivity
- Vacancies remain unfilled for too long
- Delays in technology adoption
- Higher turnover and re-training costs

For countries

- Less competitiveness
- Lower aggregate productivity
- Sunk costs in the skill system
Part 2
Challenges to lifelong learning systems
Fact 1: Adult learning is crucial to adapt to changing skill needs but many adults do not train…

Participation and willingness to train across countries, % of adults

- Did not participate and did not want to
- Did not participate, but wanted to

Survey of adult skills, PIAAC
Informal learning is by far the most common form of learning at work but older workers benefit less.

Participation in training, by type of training and country

Participation in training, by type of training and age

Survey of adult skills, PIAAC
Fact 2: The disadvantaged train even less

Participation gaps of disadvantaged groups, % of adult participating in training

Source: Survey of Adult Skills (PIAAC) (2012 and 2015)
Fact 3: Most adults say that they do not have time to train

Barriers to participation, OECD average

- Lack of time - work related: 30%
- Inconvenient place or time: 10%
- Lack of employer support: 5%
- Lack of time - family related: 10%
- Lack of financial resources: 15%
- Lack of prerequisites: 5%
- Unexpected event: 5%
- Other: 10%

Lack of time - work related is the most common barrier, followed by lack of financial resources and lack of prerequisites.
Barriers reported by firms also point to cost, time and attitudes towards training.

Reasons for not providing training or limiting training provision, by firm size, EU 28

- Difficulty assessing needs
- High costs
- High workload of staff
- No suitable courses
- Major training previous year
- Recruitment preferred
Fact 4: Training is not always aligned with labour market needs

Workers in occupations at high risk of automation train less than their counterparts

Other indicators of training alignment

<table>
<thead>
<tr>
<th></th>
<th>EU average</th>
<th>Germany</th>
<th>France</th>
<th>Italy</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of training hours outside compulsory training</td>
<td>79.6</td>
<td>79.6</td>
<td>74.3</td>
<td>67.2</td>
</tr>
<tr>
<td>% of enterprises (10+) that assess their future skill needs</td>
<td>68.3</td>
<td>62.8</td>
<td>68.4</td>
<td>81.2</td>
</tr>
<tr>
<td>Overlap between firms’ development priorities and their training activities (0-3)</td>
<td>1.4</td>
<td>1.3</td>
<td>1.2</td>
<td>1.0</td>
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</tbody>
</table>
Part 3
A policy framework for future-ready adult learning systems?
## Are countries ready?

<table>
<thead>
<tr>
<th>Urgency</th>
<th>Coverage</th>
<th>Inclusiveness</th>
<th>Flexi-guidance</th>
<th>Alignment</th>
<th>Perceived impact</th>
<th>Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population ageing</td>
<td>Employers Individuals</td>
<td>Socio-demographic characteristics</td>
<td>Flexibility of training provision</td>
<td>Labour market imbalances</td>
<td>Usefulness and effectiveness</td>
<td>Government Employers Individuals</td>
</tr>
<tr>
<td>Automation &amp; structural change</td>
<td>Employment and contract status</td>
<td>Use of career guidance services</td>
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<td>Assessment of skill needs Training for future skills</td>
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<td>Adult skills</td>
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<td>Globalisation</td>
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</table>

Sources: Priorities for adult learning dashboard
How do countries compare?

<table>
<thead>
<tr>
<th>Country</th>
<th>Urgency, Index (0=least urgent; 1=most urgent), Total 1</th>
<th>Coverage, Index (0=lowest coverage; 1=highest coverage), Total 1</th>
<th>Inclusiveness, Index (0=least inclusive; 1=most inclusive), Total 1</th>
<th>Flexibility and Guidance, Index (0=least flexible; 1=most flexible), Total 1</th>
<th>Perceived Impact, Index (0=lowest impact; 1=highest impact), Total 1</th>
<th>Alignment, Index (0=worst alignment; 1=best alignment), Total 1</th>
<th>Financing, Index (0=worst funded; 1=best funded), Total 1</th>
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</thead>
<tbody>
<tr>
<td>Italy</td>
<td>0.52</td>
<td>0.59</td>
<td>0.59</td>
<td>0.45</td>
<td>0.54</td>
<td>0.56</td>
<td>0.41</td>
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<tr>
<td>Japan</td>
<td>0.48</td>
<td>0.43</td>
<td>0.44</td>
<td>0.1</td>
<td>0.24</td>
<td>0.15</td>
<td>0.78</td>
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<tr>
<td>Germany</td>
<td>0.42</td>
<td>0.48</td>
<td>0.38</td>
<td>0.31</td>
<td>0.38</td>
<td>0.42</td>
<td>0.47</td>
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<tr>
<td>France</td>
<td>0.38</td>
<td>0.47</td>
<td>0.55</td>
<td>0.51</td>
<td>0.43</td>
<td>0.68</td>
<td>0.47</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>0.32</td>
<td>0.49</td>
<td>0.48</td>
<td>0.49</td>
<td>0.59</td>
<td>0.7</td>
<td>0.4</td>
</tr>
<tr>
<td>Canada</td>
<td>0.26</td>
<td>0.73</td>
<td>0.45</td>
<td>0.43</td>
<td>0.53</td>
<td>0.67</td>
<td>0.57</td>
</tr>
<tr>
<td>United States</td>
<td>0.23</td>
<td>-</td>
<td>0.48</td>
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<td>0.49</td>
<td>0.56</td>
<td>0.52</td>
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</tbody>
</table>
Strengthen governance mechanisms to improve vertical and horizontal coordination between different actors involved in the adult learning system.

Put in place adequate and sustainable financing, including through public funding and incentives for employers and individuals to contribute.

Coverage and Inclusiveness
- Help adults make informed training choices
- Reduce barriers to training participation
  - Encourage employers to offer training

Alignment
- Collect and use skills assessment and anticipation information
- Support adults with a high risk of seeing their skills become obsolete

Impact
- Assess the quality of training providers and make the information on quality widely available
- Encourage the use of work organisation practices that raise returns to training

Key policy directions

Put in place adequate and sustainable financing, including through public funding and incentives for employers and individuals to contribute.
Increasing coverage and raising inclusiveness

- Enabling adults to make good choices
- Addressing barriers to participation
- Encouraging employers’ engagement

**Portugal**: Qualifica Centres provide services related to information, guidance, as well as recognition, of prior learning.

**Korea**: the CHAMP programme facilitates collaboration between SMEs and large companies in providing training.

**Netherlands**: Guidance activities (Ontwikkeladvies) for workers aged 45+.

**United Kingdom**: Unionlearn supports trade unions to help workers acquire skills to improve their employability.
Better aligning training with skill needs

- Collecting and using high quality skills assessment and anticipation information
- Designing targeted programmes for adults whose skills will become obsolete
- Put in place training programmes for adults to be able to access and understand new forms of work (e.g. platform economy)

**Estonia**: Employers can receive a *Recruitment Training Grant* when hiring and training job-seekers for certain occupations that are in shortage and of growing importance in the labour market.

**Australia**: *Structural Adjustment Packages* assist employees in areas with low future employment prospects.

**California (USA)**: Pilot programme “*Self-Employment Pathways in the Gig Economy*” in community colleges.
Increasing the impact of training participation

- Guiding training providers on how to deliver quality programmes
- Certifying and awarding quality labels to providers
- Sharing information on quality of programmes and providers
- Putting skills to use through high performance work practices

**Japan:** Workshops for training providers to get familiar with and better understand the new quality guidelines.

**Denmark:** A self-evaluation tool (VisKvalitet) helps measure participants’ satisfaction and learning outcomes, as well as the satisfaction of employers.

**Finland:** The Liideri programme funds projects within companies to renew their operations through developing management principles and forms of working and actively utilising skills and competencies of their personnel.
Creating an enabling environment for effective adult learning policies

**Adequate financing arrangements**

**England:** Advanced Learner **Loans** are available for adults to upskill and re-skill.

**Norway:** **Subsidies** are available for employers who are providing training (**Bedriftsintern opplæring**).

**Strong coordination between different stakeholders**

**Poland:** An **Inter-Departmental Team for Lifelong Learning**, led by the Ministry of Education and composed of 10 other ministries and the Prime Minister office.

**Ireland:** A dedicated budget was allocated to the **Further Education and Training Strategy 2014 – 2019**, and progress in the implementation of strategy is overseen through mid-term reviews.
Systemic changes are emerging

Empowering adults to train

Increasing flexibility

Individual learning accounts

E.g. France, Singapore, EU recommendation

E.g. Spain, Nordics

- Modular training
- Micro certification
- Skill gap assessment
- Recognition of prior learning
Common success factors

- Link provision to high-quality Skills Assessment and Anticipation (SAA) exercises
  - Involves key stakeholders
  - Combines qualitative and quantitative methods
  - Format is aligned to end-users needs and capacity
- Involve employers
  - In SAA
  - As main providers of job-related training (incentives, financial and not)
  - Foster links between the education system and (local) employers
  - Encourage universities and VET schools to hire teachers with a broader background
- Provide quality Career Guidance and Advice to adults
  - Based on skills profiling
  - Provided by qualified career guidance counsellors
  - Draws a personalised career pathway
  - Connects directly to training and employment opportunities
Lessons learnt – open questions

Empowering adults to train

Increasing flexibility

Engaging with low-skilled adults
Restricting training to in-shortage occupations (?)

Link to National qualification frameworks
Develop micro-credentials to certify modules
Training markets vary so models need to be adapted

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Key considerations</th>
</tr>
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<tbody>
<tr>
<td>Type of education and training providers</td>
<td>Public vs. private providers; Profit vs. non-profit providers; Specialised adult learning providers vs. general education providers</td>
</tr>
<tr>
<td>Number and geographical concentration of providers</td>
<td>Large number of smaller providers vs. markets dominated by large providers; geographic distribution of providers</td>
</tr>
<tr>
<td>Funding sources of providers</td>
<td>Main funding sources: public vs. enterprise vs. individual funding; grant funding vs. performance-based funding</td>
</tr>
<tr>
<td>Regulation of providers</td>
<td>Existence of regulation for some or all providers; existence of certification or other quality assurance mechanisms for providers</td>
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Thank you

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