



# **Mutual Learning Programme**

DG Employment, Social Affairs and Inclusion

**Peer Country Comments Paper - Croatia**

## **A holistic approach to align competences to labour market needs in Croatia?**

**Peer Review on "Competence Assessment System:  
MyCompetence"**

**Sofia (Bulgaria), 28-29 November 2019**



**EUROPEAN COMMISSION**

Directorate-General for Employment, Social Affairs and Inclusion

Unit A1

Contact: Kim Henriksson

E-mail: [EMPL-A1-UNIT@ec.europa.eu](mailto:EMPL-A1-UNIT@ec.europa.eu)

Web site: <http://ec.europa.eu/social/mlp>

European Commission

B-1049 Brussels

# **Mutual Learning Programme**

DG Employment, Social Affairs and Inclusion

Directorate-General for Employment, Social Affairs and Inclusion  
Peer Review on "Competence Assessment System: MyCompetence"  
Sofia (Bulgaria), 28-29 November 2019

**Europe Direct is a service to help you find answers  
to your questions about the European Union.**

**Freephone number (\*):**

**00 800 6 7 8 9 10 11**

(\*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

#### **LEGAL NOTICE**

The information contained in this publication does not necessarily reflect the official position of the European Commission

This document has received financial support from the European Union Programme for Employment and Social Innovation "EaSI" (2014-2020). For further information please consult: <http://ec.europa.eu/social/easi>

© European Union, **2020**

Reproduction is authorised provided the source is acknowledged.

## **Table of Contents**

1	Introduction .....	1
2	Situation in the peer country .....	1
3	National policies and measures .....	3
3.1	Description of the policies/measures .....	3
3.2	Analysis of the policies/measures .....	4
4	Assessment of success factors and transferability .....	6
5	Questions .....	6
6	List of references .....	7
	Annex 1 Summary table .....	8
	Annex 2 Example of relevant practice.....	10

## 1 Introduction

This paper has been prepared for the Peer Review on "Competence Assessment System: MyCompetence" within the framework of the Mutual Learning Programme. It provides a comparative assessment of the policy example of the host country and the situation in Croatia. For information on the host country policy example, please refer to the Host Country Discussion Paper<sup>1</sup>.

## 2 Situation in the peer country

The employment rate in Croatia in 2018 was 60.7%, which is a value approaching the national 2020 target<sup>2</sup> (62.9%). Compared to 2017, the number of employed persons has increased by 1.8% whereas the number of unemployed decreased by 25.4%, while the active population was reduced by 1.3%. More precisely, the employment rate grew from 56.9% in 2016 to 58.9% in 2017<sup>3</sup> and to 60.7% in 2018. The general trend of decrease in registered unemployment continues for the fifth year in row<sup>4</sup>. Registered unemployment rate (on a yearly basis) was 14.8% in 2016; 12.1% in 2017, compared to 9.7% in 2018<sup>5</sup>.

According to Eurostat experimental data<sup>6</sup>, in 2018 the vertical mismatches, or the over-qualification rate<sup>7</sup>, was 14.3%, which is significantly lower compared to Bulgaria (23.6%) and to the EU-28 average (22.7%). The change from 2008 to 2018 was an increase of 3.0 percentage points. The highest mismatches in 2018 were observed in wholesale (32.8%), transport (26.1%), construction (25.4%), and professional sectors (12.1%). Over-qualification figures are useful for labour market analyses, as businesses having difficulties in recruiting staff will scale down their requirements in terms of qualifications. The reverse also applies: businesses that have no difficulties in filling a post might increase the required level of qualification. Therefore, over-qualification can signal an excess of labour supply of workers with high qualifications or, on the contrary, labour demand shortages (EUROSTAT 2019). In the case of Croatia, it seems that there is a better match between individuals with higher education qualifications and employers' requirements in terms of qualifications, than in the case of Bulgaria. The level of horizontal skills mismatches<sup>8</sup> by field of education for employed persons, in 2018 was 34.7% for age group 15-34 with ISCED level 3-8 and 24.2% for age group 25-34 with ISCED level 5-8. In the 25-34 age group, the share of persons in employment who have attained tertiary education and who do not work in their area of expertise is highest in humanities, languages, arts (39.5%); engineering (39.3%); agriculture (40.7%); and services (62.9%). In the age group 15-34 for persons in employment who have attained at least secondary education and who do not work in their area of expertise it is highest in agriculture (66.1%); humanities, languages, arts (57.0%); science, mathematics, ICT (51.4%), engineering (40.8%); and services (40.3%).

---

<sup>1</sup> Loukanova, P. (2019) Workforce Competence Assessment -in retrospect and in perspective, Host Country Discussion Paper – Bulgaria. Peer Review on "Competence Assessment System; MyCompetence", Sofia (Bulgaria), 28-29 November 2019. European Commission, DG Employment, Social Affairs and Inclusion.

<sup>2</sup> [http://ec.europa.eu/eurostat/documents/4411192/4411431/Europe\\_2020\\_Targets.pdf](http://ec.europa.eu/eurostat/documents/4411192/4411431/Europe_2020_Targets.pdf)

<sup>3</sup> Croatian Employment Service (2016) Godisnjak, 2017 (Yearbook 2017), [http://www.hzz.hr/UserDocsImages/YEARBOOK\\_2017.pdf](http://www.hzz.hr/UserDocsImages/YEARBOOK_2017.pdf)

<sup>4</sup> Croatian Employment Service (2019) Godisnjak 2018 (Yearbook 2018), <http://www.hzz.hr/content/stats/Godisnjak-2018-HZZ.pdf>

<sup>5</sup> Ibid.

<sup>6</sup> <https://ec.europa.eu/eurostat/web/experimental-statistics/skills>

<sup>7</sup> Overqualified workers are defined as employed persons who have attained tertiary education (ISCED 2011 level 5-8) and who work in occupations for which a tertiary education level is not required; equivalent to the major groups 4 to 9 of the ISCO 2008 classification.

<sup>8</sup> The rate of skills mismatch by field of education is defined as the discrepancy between a person's current occupation and their field of education related to the highest level of education attained (EUROSTAT, 2019).

A recent analysis of labour market needs based on Survey of employers<sup>9</sup>, carried out by the Croatian Employment Service (CES) in cooperation with the Croatian Chamber of Commerce, shows that the most common occupations for which employers encountered difficulties in finding suitable candidates were the following: scientists/engineers and experts; administrative employees; services and trade; occupations in craft and different industries; truck drivers; and elementary occupations<sup>10</sup>. To some extent, the results of the survey coincide with the results of Eurostat experimental horizontal skills mismatches because the qualified candidates are available on the labour market within the pool of active labour force, but are not working in their fields of expertise based on the qualification attained. The Survey of Employers is the most comprehensive survey of labour market demand that is conducted annually. As this study examines trends in employment in the previous years and provides forecasts for the current years, it can be said that the results provide adequate insight into changes in the labour market - entry into employment, exit from employment, needs for workers and potential information on surplus of workers.

These mismatches on the labour market and the problems encountered by all players on the labour market resulted in different actions/projects implemented by CES in order to address assessment of competences and better matching of employed/unemployed qualifications and labour market needs. The e-tools for the assessment of competences developed by CES are: the E-Guidance<sup>11</sup> Portal (composed of "My Choice" - Self-assessment questionnaire on interest and competences for individuals above the age of 13; Self-assessment questionnaire on personality traits associated with work; Traits sought by employers). Further to that, the CISOK Centres (centres for information and career guidance - managed by CES) offer the following well-structured information and data sets that can be used when assessing the needs of the labour market: Labour Market Information System (LMIS)<sup>12</sup>; statistics online<sup>13</sup>; and an additional tool for career development next to the My Choice self-assessment questionnaire: the "My Choice" - catalogue of occupations. All these will be further described and compared with the Bulgarian "My Competence" system in the following sections of the report.

---

<sup>9</sup> [http://www.hzz.hr/UserDocsImages/Anketa\\_poslodavaca\\_2017\\_HZZ.pdf](http://www.hzz.hr/UserDocsImages/Anketa_poslodavaca_2017_HZZ.pdf)

<sup>10</sup> Elementary occupations are defined by ESCO as occupations which involve the performance of simple and routine tasks which may require the use of hand-held tools and considerable physical effort. Most occupations in this major group require skills at the first ISCO skill level. More information is available at: <https://ec.europa.eu/esco/portal/occupation?uri=http%3A%2F%2Fdata.europa.eu%2Fesco%2Fisco%2FC9&conceptLanguage=en&full=false#&uri=http://data.europa.eu/esco/isco/C9>

<sup>11</sup> <https://e-usmjervanje.hzz.hr/>

<sup>12</sup> <http://trzisterada.hzz.hr/>

<sup>13</sup> <https://www.cisok.hr/usluge-u-cisok-centrima/informacije-o-trzistu-rada/statistika-on-line/>

### **3 National policies and measures**

#### **3.1 Description of the policies/measures**

The E-Guidance Portal was developed by CES in 2015. The idea behind E-Guidance Portal was to gather all information relevant for making a choice about educational programmes, career planning, job finding, setting and accomplishing career goals, in one place and make them easily accessible. The web portal addresses the needs of all target groups, whether they are pupils, students, unemployed persons or employed persons looking for a career change. The portal follows the so-called Career compass, a tool which enables search of information and services by target group profile<sup>14</sup>.

Pupils can find information on high schools and colleges in order to facilitate their choice of further career path, as well as other information that can be of assistance, such as description of occupations and corresponding educational programmes, accommodation in pupils' dorms, high school jobs, information on where professional career guidance for pupils can be obtained, and the overview of 'Recommendations for educational policies'<sup>15</sup>, which contain information about occupations identified in each of the 21 Croatian counties for which scholarships are offered and for which better employment opportunities exist on the labour market (it is easier to find a job with an occupation identified on the list). Students can find information on study programmes, scholarships in Croatia and abroad, advices for further steps after the completion of their studies, students' jobs, volunteering opportunities, etc. Content for unemployed and employed persons looking for a career change includes information on available job openings in Croatia, employment measures and employment possibilities in other EU countries. The portal also offers information on self-employment and advices for increasing employability and competitiveness in the labour market.

"My choice" is a self-assessment questionnaire on interests and competences for individuals who are making a choice about their future profession or for those who are in the midst of changing their profession, as well as those who want to learn more about more than 250 specific occupations (brief description, required skills, working conditions, related occupations, job opportunities, etc.)

The 'Self-Assessment Questionnaire on personality traits associated with work' is a tool for self-assessment of personality and was developed under the project IPA EU-funded project 'CES Services to clients: Improving Lifelong Career Guidance and ICT Support'. It is intended to determine the characteristics of an individual that are important for adaptation to different positions in various business situations, providing an approximate estimate of individuals' personality traits.

'Traits sought by employers' is a self-assessment questionnaire which aims to provide an analysis of the traits of an individual in the context of different working environments.

Overall, the E-Guidance Portal also provides information on available education programmes, prequalification opportunities, description of services offered by CES and partner organisations, including information on various labour market measures and incentives. In 2018, there were 302 416 users of the E-Guidance Portal and 261 958 users of CISOK portal.

'The catalogue of occupation' provides a detailed description of occupations, including: job description, education required; knowledge, skills and desirable traits; working conditions; related occupations; employment opportunities.

'The Labour Market Information System' combines and displays information on employment, unemployment and wage rates in Croatia. It gives overviews of the labour market for individual activities at both national and county level, and offers

---

<sup>14</sup> Information obtained from Ministry of Labour and Pension System

<sup>15</sup> <https://e-usmjeravanje.hzz.hr/preporuke-za-obrazovnu-upisnu-politiku>



comparisons of certain occupations or activities. The information is based on statistics of several institutions, such as the CES (data on unemployed and about employment trends) and the Croatian Bureau of Statistics (data on active population, i.e. employment according to employer type, national classification of occupations, wages according to sectors, etc.).

'Statistics online' is a tool aimed at improving and modernising public access to data on registered unemployment and employment. Datasets are available in the range of years and months, and can be filtered according to different criteria, such as gender, age, education level, economic activity, occupational groups, etc.

The Ministry of Labour and Pension System (MLPS) introduced the 'methodology for the development of occupational standards'<sup>16</sup>, which is based on the 'Survey on the occupational standards'<sup>17</sup>, with the main objective to identify the knowledge and skills that employers require their future employees to possess. Two hundred occupational standards are being developed<sup>18</sup> in coordination and cooperation with different partners: the Croatian Chamber of Commerce, the Croatian Chamber of Trades and Crafts, the Croatian Employers' Association, the MLPS. Additional 107 occupational standards will be developed within the ESF funded project<sup>19</sup> "Modernisation of VET system" managed by Agency for VET and Adult Education.

For the development of occupational and qualification standards, key data will be made available through the portal of the Ministry of Labour and Pension System, which brings together relevant and up-to-date data on the Croatian labour market from various sources; provides an overview of trends in 25 CROQF (Croatian Qualification Framework) sectors by age, gender and regional origin; presents the demand for sectoral professions; and provides an overview of educational programmes. In addition, sectoral profiles are developed to present an estimation of demand and supply for sectoral knowledges and skills. The qualification standards are developed by the Ministry of Science and Education based on a specific methodology<sup>20</sup>.

Thanks to the ESF project<sup>21</sup>, it was possible to create the CROQF Register<sup>22</sup> and to develop methodologies for analysing and evaluating requests for inclusion in the CROQF Register. In October 2019, 17 occupational standards were evaluated and included in the CROQF Register (sub-Register on occupational standards) and 92 occupational standards are in validation process; there are no qualification standards validated yet (sub-Register on qualifications).

The current activities of MLPS are supported by a revision and an update of the National qualification of occupations by revising existing occupations and classifying new occupations – the process which resulted in refinement from 3 800 occupations to final 1 300 occupations. This revision will influence further developments and customisation of the MLPS portal under the ongoing ESF-funded project<sup>23</sup>.

### **3.2 Analysis of the policies/measures**

It can be noted that in both Bulgaria and Croatia the need to address labour market need and supply side emerged since employers, employed and unemployed

---

<sup>16</sup><http://www.kvalifikacije.hr/sites/default/files/documents-publications/2019-06/ Metodologija%20za%20izradu%20standarda%20zanimanja.pdf>

<sup>17</sup> Survey with employers is conducted by CES and MLPS

<sup>18</sup> MLPS ESF-funded project (2019 – 2023) "CROQF Implementation and tools development for linking education and labour market"

<http://www.esf.hr/donesena-odluka-o-financiranju-operacije-implementacija-hko-a-i-razvoj-alata-u-povezivanju-obrazovanja-i-trzista-rada/>

<sup>19</sup> <https://www.asoo.hr/default.aspx?id=1173#>

<sup>20</sup><http://www.kvalifikacije.hr/sites/default/files/documents-publications/2019-08/Smjernice%20za%20razvoj%20standarda%20kvalifikacija.pdf>

<sup>21</sup> "Support to the CROQF Sectoral Councils' work and other stakeholders involved in the process, <http://www.kvalifikacije.hr/pobavijest-o-provodenju-projekta-potpura-radu-hko>

<sup>22</sup> <https://hko.srce.hr/registar/>

<sup>23</sup> <https://e-usmjeravanje.hzz.hr/preporuke-za-obrazovnu-upisnu-politiku>

individuals, career counsellors, education providers and other actors recognised imbalances and rapid changes in labour markets, followed by development of ESCO and EQF on EU level and NQF on national levels. The competences and skills, commonly acknowledged as a modality to address the imbalances, needed to be clearly identified and specified for different occupations, thus both countries developed different tools and approaches to answer the need, in both cases the majority of activities was financed through European funds. One common element for both countries is the fact that the activities that were implemented during the development of tools, portals, methodologies, etc. led to strengthening the cooperation and coordination among different national stakeholders, which contributed to the development process and are at the same time the most frequent users. In Bulgaria the competency models were piloted in 400 enterprises whereas in Croatia SMEs and enterprises are involved in the annual Stakeholder survey (conducted by CES) and in the Survey on occupational standards, which demonstrates that also employers are actively participating in the process, which is of outmost importance if the demand side needs are to be addressed in the most appropriate way.

MyCompetence has a governance structure that, amongst others, includes 25 Sector Skills Units, composed of Sector Skills Committees, sector referent and expert teams of leading managers, technologists, human resources managers, evaluators and analytical specialists. Their responsibility is to develop, validate and update sector competence models; to validate online training courses and assessment tools; assist in the development of national educational standards for VET; conduct surveys and sector analyses. There is a similarity in composition (members) and responsibilities in comparison to the Croatian 25 Sectoral Councils (developed as integrative part of the CROQF and defined in the CROQF Act) which act as advisory and professional bodies ensuring the development of human potential in line with labour market needs within respective sectors. Amongst others, the role of Sectoral Councils in relation to competences is to validate proposals for occupational standards and qualifications standards; analyse existing and required competences covered by a sector; provide recommendations to the ministry responsible for education about changes in qualifications standards based on changes detected in occupational standards; provide recommendations to the ministry responsible for labour about changes in the National Classification of Occupations. Sectoral Councils are composed of members from relevant ministries, CES, educational agencies and sectoral experts appointed after a public call from educational sector and unions representing the education sector and unions representing the economic sector, employers' associations and other civil society organisations which are active in the sector covered by the respective council<sup>24</sup>.

MyCompetence is composed of five main elements/modules: i) models of sector competences; ii) competence assessment; iii) economic sectors information; iv) e-learning; v) development resources. It is possible to find similarities between these elements and the Croatian practice, namely, i) the models of sector competences can be related to the CROQF Register; ii) the competence assessment can be related to E-Guidance and CISOK portal assessment tools; iii) the economic sectors information can be recognised in the CES tools: LMIS, online statistics. There are no actions in Croatia that would be similar to the fourth element of MyCompetence, the one on e-learning, other than provision of information on available educational programmes. The fifth element on Development resources can be partially identified in the E-Guidance Portal, CISOK portal, MLPS portal, and CROQF Portal, because all portals contain some relevant documentation, but there is currently no single place where all information or documents would be gathered, best practices presented, and assessment tools collected.

---

<sup>24</sup> <http://www.kvalifikacije.hr/en/sectoral-councils/about-sectoral-councils>

#### **4 Assessment of success factors and transferability**

The MyCompetence has an impact on enabling the transition of young people from education to employment; on enhancing lifelong learning and improving access to various forms of career guidance. All these dimensions are also tackled by the Croatian E-Guidance Portal and CISOK portal. The results of sector analysis and surveys which were conducted during the development of the MyCompetence platform provided a solid information for forecasting needs and targeting employment policies, which is also an aspiration of Croatian stakeholders involved in the processes and activities currently being developed in the framework of several ESF-funded projects.

The e-learning and assessment tools part of the MyCompetence portal provides an insight into how the online training courses in different topics and assessment tools of different aspects of competences could be integrated in one place and could be made accessible to different user profiles. Since this element is not yet developed in Croatia, the Bulgarian practice could be very valuable in demonstrating how the link to the first three elements could be established.

#### **5 Questions**

- In what ways was ESCO used to develop MyCompetence?
- Do e-learning courses participants obtain a certificate of participation or any other document that confirms their participation and successful completion?
- Are e-learning courses used by companies to train their employees?
- Are assessment tools under e-learning module used by human resources specialists/managers to assess competences of current and future employees?
- How often is the platform updated and to which stakeholders will the future responsibility of the platform be allocated?

## 6 List of references

Croatian Employment Service (2019) Godisnjak 2018 (Yearbook 2018), Available at: <http://www.hzz.hr/content/stats/Godisnjak-2018-HZZ.pdf>

Croatian Employment Service (2016) Godisnjak 2017 (Yearbook 2017), Available at: [http://www.hzz.hr/UserDocsImages/YEARBOOK\\_2017.pdf](http://www.hzz.hr/UserDocsImages/YEARBOOK_2017.pdf)

Croatian Employment Service (2017) Survey of employers (Anketa poslodavaca), Available at: [http://www.hzz.hr/UserDocsImages/Anketa\\_poslodavaca\\_2017\\_HZZ.pdf](http://www.hzz.hr/UserDocsImages/Anketa_poslodavaca_2017_HZZ.pdf)

Croatian Qualification Framework Act (CROQF Act), National Gazette 22/13, 41/16, 64/18, available at: <http://www.kvalifikacije.hr/sites/default/files/documents-publications/2018-08/Zakon%20o%20HKO-u%20s%20izmjenama%20i%20dopunama.pdf>

EUROSTAT (2019) Skills mismatch experimental indicators – Methodological note, Brussels. Available at: [https://ec.europa.eu/eurostat/documents/7894008/9596077/Methodological\\_note.pdf](https://ec.europa.eu/eurostat/documents/7894008/9596077/Methodological_note.pdf)

Ministry of Labour and Pension System (2017) Methodology for development of occupational standards, available at: <http://www.kvalifikacije.hr/sites/default/files/documents-publications/2019-06/Methodologija%20za%20izradu%20standarda%20zanimanja.pdf>

Ministry of Science and Education (2019) Guidelines for the development of qualification standards, available at: <http://www.kvalifikacije.hr/sites/default/files/documents-publications/2019-08/Smjernice%20za%20razvoj%20standarda%20kvalifikacija.pdf>

## Annex 1 Summary table

The main points covered by the paper are summarised below.

### Situation in the peer country

- Employment rate in Croatia in 2018 was 60.7%, which is a value approaching the national 2020 target (62.9%).
- Compared to 2017, the number of employed persons has increased by 1.8% whereas the number of unemployed decreased by 25.4%, while the active population was reduced by 1.3%.
- Employment rate grew from 56.9% in 2016; 58.9% in 2017 to 60.7% in 2018.
- Registered unemployment rate (on a yearly basis) was 14.8% in 2016; 12.1% in 2017, compared to 9.7% in 2018.
- Based on the Eurostat experimental data, the over-qualification rate in 2018 was 14.3% which is significantly lower than for Bulgaria (23.6%) and compared with the EU-28 average (22.7%). The level of horizontal skills mismatches<sup>25</sup> in 2018 by field of education for employed persons, was 34.7% for age groups 15-34 with ISCED level 3-8 and 24.2% for age groups 25-34 with ISCED level 5-8.

### Assessment of the policy measure

- Common needs in both countries addressed by means of ESF funds.
- Tools, portals, methodologies developed demonstrate some similarities – in case of Bulgaria they are more comprehensive and to a greater extent the different kind of information is collected and presented on one portal – MyCompetence.
- Strengthened cooperation, communication and coordination among relevant stakeholders as developers and users of tools, portal and methodologies.
- Concrete involvement of employers in different stages of information gathering, conducting analysis, piloting, etc. in both countries.
- Similarities between Sector Skills Units (Bulgaria) and Sectoral Councils (Croatia) as one of the structures involved in development of occupational standards.

### Assessment of success factors and transferability

- Enabling the transition from education to employment; enhancing lifelong learning; improving access to various forms of career guidance and self-assessment tools.
- Out of five MyCompetence modules, three can partially be identified in Croatian practice as well (models of sector competences; competence assessment; economic sectors information).
- Possibility of integration of e-learning module and Development resources module in existing Croatian practice.

### Questions

- In what ways was ESCO used to develop MyCompetence?
- Do e-learning courses participants obtain a certificate of participation or any

<sup>25</sup> The rate of skills mismatch by field of education is defined as the discrepancy between a person's current occupation and their field of education related to the highest level of education attained (EUROSTAT 2019).

other document that confirms their participation and successful completion?

- Are e-learning courses used by companies to train their employees?
- Are assessment tools under e-learning module used by human resources specialists/managers to assess competences of current and future employees?
- Since MyCompetence is available in English, do you have any information whether the platform has been used in other countries?
- How often is the platform updated and to which stakeholders will the future responsibility of the platform be allocated?

## Annex 2 Example of relevant practice

Name of the practice:	E-Guidance Portal
Year of implementation:	Since 2015
Coordinating authority:	Croatian Employment Service
Objectives:	To put all relevant information on choosing educational programmes, better planning of career, job finding, setting and accomplishing career goals in one place and make them easily attainable. The E-Guidance Portal offers numerous information and advices that can help users in the development of their careers and successful decision-making. The portal addresses the needs of the following target groups: pupils, students, unemployed persons or employed persons looking for a career change.
Main activities:	<ul style="list-style-type: none"><li>• "My Choice" - Self-assessment questionnaire on interest and competences for individuals above age 13;</li><li>• Self-assessment questionnaire on personality traits associated with work;</li><li>• Self-analysis of traits sought by employers;</li><li>• Career plan development;</li><li>• Job search tips.</li></ul>
Results so far:	302 416 users in 2018

