Talent for Growth Task Force

EU-US Trade and Technology Council

Talent for Growth Task Force Statement
4 April 2024

The Talent for Growth Task Force was launched in April 2023 as part of the EU-U.S. Trade and Technology Council to exchange best practices, and to serve as a catalyst for innovative skills approaches that promote economic growth and create opportunities for workers. The technology sector, in particular, faces pressing skills shortages that hamper competitiveness and prevent individuals from matching their aspirations with job opportunities.

Pooling the experience and expertise from both sides of the Atlantic, the Task Force brought together leaders from government, business, labour unions and organisations that support training from the EU and the U.S. In-depth discussions in this high-level group have confirmed the critical role that the talent plays for the sustainable growth of our economies and the well-being of our societies. The Task Force has also provided insights on the challenges and solutions available to fill skills shortages in in-demand technology jobs and catalysed action by individual members. The Task Force identified four critical topics around which exchanges took place:

- Training workers to meet business needs;
- Including women and underrepresented groups in technical jobs;
- Skills-based hiring; and
- Credentials, including micro-credentials.

The Task Force immediately recognised that expanding the skilled workforce is an urgent priority for business, as well as labour and educators. Businesses increasingly understand that they need to expand the opportunities for incumbent workers to gain skills as technology changes jobs, as well as collaborate with training providers to develop relevant programs for current and potential workers.

While evident differences between the EU and U.S. exist, the Task Force members agreed that artificial intelligence transforms the way we live and do business at a faster pace than traditional education and training can match. On both sides of the Atlantic, companies are struggling to find workers trained in various aspects of AI, including the skills to implement AI applications across business processes. At the same time, AI will increasingly impact and transform many aspects of jobs, impacting the type of skills needed. Similarly, in cybersecurity there is a global shortage of workers trained to protect our ICT infrastructure, software, data, and information. This leads to a clear need for urgent and targeted reskilling and upskilling, and clear guidance to link changing skills needs to relevant training. It is important to note that these training, upskilling and reskilling program prioritise the human in control principle that emphasise the importance of anticipating and adapting to the technological change. The Task Force's discussions have included a number of companies, educators, labour representatives and

others engaged in addressing these transformative needs in the labour market. And these discussions have catalysed action by some in the private sector to launch a consortium to continue beyond the Task Force to uncover insights on the impact AI is having on jobs in the ICT industry. The consortium will also identify training that can provide new skills to workers.

Given the dramatic need for talent in technology sectors and the importance of broad participation in the opportunities these sectors provide and the need to ensure creation and retention of quality jobs, the Task Force also agreed that the untapped potential of women, youth and historically underserved communities including ethnic minorities, and immigrants, must be addressed. The technology sector, both in the EU and U.S., struggles with a significant underrepresentation of these groups. Among the barriers discussed by the Task Force were gender differences in aspirations which widen with age due to external discouragement, a lack of role models that dissuades certain socio-demographic groups from choosing careers in technology, and higher barriers to entry for certain groups to participate in adult learning. A lack of time and support was also identified as a barrier to participate in training, particularly for women who have other care responsibilities. The Task Force exchanged proposals on innovative ways and tools to attract these groups to the ICT sector on both sides of the Atlantic. The Task Force engaged with a broad set of organisations developing innovative and effective solutions for the challenge of underrepresentation of a variety of groups in the technology sector. For example, the Task Force held a discussion with community college leaders from across the U.S. to share best practices on greater participation by women and underserved communities in training for careers in technology.

Task Force Members also identified skills-first approaches as another powerful way to access relevant hidden talent. Whilst recognising the importance and the need to preserve formal qualifications, skills-first hiring focuses on assessing whether a candidate has the right skills for the job, looking beyond and complementing formal qualifications. The Task Force explored how skills-first approaches can extend the talent pool to individuals formerly left outside the potential workforce, with some roles still requiring formal qualifications. Against this background, the validation of learning outcomes, namely knowledge, skills and competences acquired through non-formal and informal learning can play an important role. For many firms, a greater focus on skills goes beyond recruitment, also covering career development, performance and progression. A stronger focus on skills of employees, can play an important role in the context of both the green and digital transitions, incentivising organisations to assess and anticipate their skill needs, identifying skill gaps, and invest more in training their workers. During the European Year of Skills (May 2023-May 2024), the EU is putting the spotlight on up- and reskilling to reach the EU's target of 60% of adults in training each year by 2030. The Year has contributed to awareness-raising with 2000 dedicated events and activities across the EU and fostering cooperation between labour and education and training organisations and social partners. In the frame of the Task Force, Members engaged with a broad set of organisations working towards a skills-first culture, including private companies pioneering skills-first approaches throughout their organisational practices, as well as NGOs providing targeted training, and public employment services.

Another increasingly popular practice discussed by the Task Force is the development of modular credentials, including micro-credentials, which can play a valuable role in keeping up with the rapid pace of change in skills needs, particularly in fast advancing technology sector. Well-designed credentials, based on quality assurance, can enable learners to re-train and up-skill quickly and efficiently, in complementarity with existing learning opportunities. Members discussed the potential of credentials, including micro-credentials, and how they are already being used across countries and by different stakeholders to foster adult learning and address skill shortages, as well as remaining challenges to their development and issuing. For example, the Task Force exchanged with companies and organisations providing credentials both in the EU and the US, as well as EU countries

implementing micro-credentials in their qualification's frameworks, which brings added transparency and value. European providers of Vocational Education and Training have shared their current work on developing a global alliance on micro-credentials for practitioners in micro-credentials, in cooperation also with partners from the US and other regions of the world, to exchange best practices, design an ecosystem and identify implementable solutions for micro-credentials.

Throughout and beyond the mandate of the Task Force, businesses, labour, educators and non-profits were encouraged to join peer-learning workshops and act on the Task Force's findings. Based on these discussions, implementable models and ideas for the EU and the U.S. were mapped, documented and disseminated.

The Organisation for Economic Co-operation and Development (OECD) provided analytical support in particular on the topics of attracting underrepresented groups in technology jobs, adapting skills-first approaches and developing and issuing micro-credentials.

Further, many of the catalysed actions, stemming from the discussions and exchanges that took place, will continue or will be officially launched after the end of its mandate. This is thanks to the platform for exchange that the Task Force established, bringing together relevant stakeholders for skills and talent development, building strong relationships for collaboration that will last beyond the Task Force's work.

Members of the Task Force:

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