

# SUPPORTING BUSINESS SPONSORED RESKILLING AND UPSKILLING

Europe is facing an unprecedented shortage of skills. As the technological transition changes the way we work we need to adapt the skill sets of the current workforce to meet new demands. The traditional path of education and training, work and retirement, is outdated, and career paths require flexibility and new approaches to labour market transitions. Business has a key role to play in upskilling and reskilling its workforce and public institutions should support these efforts through the appropriate incentives.

**40% of European employers** experience difficulty finding people with the skills they need to grow and innovate.

**Half of EU citizens** lack basic digital skills.



## STRATEGIC RECOMMENDATIONS

**EU**

- In the context of the future Multiannual Financial Framework, examine what role the EU financial instruments can play in supporting, testing and scaling-up effective business sponsored models for reskilling and upskilling.

**MEMBER STATES**

- Incentivise individuals to pursue lifelong learning, including through the use of individual training accounts in partnership with education and training providers.
- Support employers who provide ongoing learning opportunities for their staff, as well as innovative job-to-job transition approaches.

**EMPLOYERS**

- Encourage employees to engage in lifelong learning and re-education.
- Support on-the-job learning through individual training modules in partnership with education and training providers.
- Make better use of new data-driven and artificial intelligence (AI)-enabled online learning tools.

# INDUSTRY EXAMPLES



## AT&T - FUTURE READY

AT&T is in the midst of a massive reskilling effort to bring its workforce along as it undergoes one of the most significant transformations in its history - evolving from a telephone company, to a mobility company, to an integrated media and communications company. As AT&T evolves, it is critical that the company transforms its current workforce, inspires a culture of continuous learning and identifies a talent pipeline to stay aligned with the changing needs of its business. Rather than the wholesale hiring of new talent from the outside the company is providing its employees with multiple options to reskill themselves. Fortune magazine described this effort as 'what may be the most ambitious program for retraining workers in the history of American business' and 'a model for other companies.' AT&T delivers its flagship training programme through its corporate university, which is recognised as among the best in the country.

## IBM - JOB-2-JOB TRANSITION APPROACH

IBM's job-2-job transition approach is based on a shared responsibility between the employer and employee to work on skills and careers. It aims to assist the employee with career moves inside the company or IBM ecosystem, to another company or to train for a new career or start a business.

In Europe, the approach was initially implemented in Belgium, France, Germany, Italy, the Netherlands, Spain and a recent variety of this approach was also introduced in the UK. The job-2-job transition options are often facilitated by paid leave of absence solutions that provide employees with a level of financial security or a right to return that encourages employees to take up new opportunities. The concrete measures differ between countries but all of them have the same supporting mechanisms, including an internal career transition centre, ongoing manager enablement, a performance evaluation system, a cognitive learning platform with personalised training recommendations and a career coach app to help IBMers navigate their career.

Annual investment: about **\$200 million** in trained employees, about 16 million training hours, nearly **\$24 million** in tuition aid.

Over **2,000 employees** whose career would have otherwise stagnated have found internal and external solutions since the start of the programme about two years ago.

