



GLOBAL HR FORUM 2023

YOUTH EMPLOYMENT AND YOUTH ENTREPRENEURSHIP IN THE ERA OF BIG BLUR

SKILLS AND CAREER DEVELOPMENT THROUGH YOUTH WORK

Dr. Konstantinos Stergiou

Head of Europe Direct, Western Macedonia, Greece
Vice President, Association of Active Youths (OENEF)

Skills in the era of the big blur

- In the midst of an unprecedented era of digital disruption, which is characterized by the blurring of boundaries between traditional industries creating a foundation for **companies** to **harvest synergies** that would previously have been out of reach.
- Digitisation and improvements in technologies, the ongoing **green and digital transitions** of the global industry and the related labor market needs require investment in developing strong educational and VET systems, promoting problem-solving skills and competences for new technologies.



Skills in the era of the big blur

- The World Economic Forum in a 2023 report states that the two first and most basic skills that companies will demand by 2027 are cognitive skills, and more specifically analytical thinking and creative thinking, while artificial intelligence follows in third place.



The skills mismatch – a global challenge

- With this emergence of the Big Blur, the issue of **youth unemployment** is on the rise, while young people are facing challenges regarding their careers and employment.
- Young people around the world are more educated than ever before, however, too many individuals are finding that they do not have the right skills to take up the jobs available today and even less the skills that will be needed in the future.
- **Meanwhile, many companies are struggling to hire the talent they require to operate, innovate, and grow their business.** This mismatch between the skills people acquire on their learning journeys and the skills required to find and succeed in work is widening and affects people all across the globe (UNICEF & WBCSD Report, 2021)



The skills mismatch – a global challenge

- More than **57 out of 108 countries** have a skills mismatch rate of over **50%** in their workforce, meaning that **over half of current employees in these countries have jobs that do not match their educational level**, with the majority (72%) being undereducated, highlighting the global scale of this challenge (ILOSTAT, 2020).
- Across the European Union, **77% of EU companies report difficulties in finding workers with the necessary skills**. Businesses, large and small, need skilled people to innovate and grow, but yet, mismatches and shortages in skills are increasing, while a large number of people are at risk of unemployment (EU, 2022)
- Around the world, many employers who already are struggling to fill job vacancies cast a wary eye toward the future. The existing mismatch between youth skills and employer needs threatens to become even wider as **Industry 4.0 transforms business and jobs faster than workers can adapt**. **Two-thirds of today's five-year-olds will, in about 15 years, find themselves in jobs that don't exist today**. And the jobs that do exist won't necessarily be located where the job seekers live (Deloitte Global, The Global Business Coalition for Education, 2018).

2023 - *The European Year of Skills*



- The European Year of Youth 2022 emphasised the importance of skills in order to find good quality employment for young people and to expand their employment opportunities.
- The European Union declared 2023 as the European Year of Skills with the aim of strengthening the education, training and upgrading of European citizens' skills and also **strengthening the relevance of skills to the requirements and opportunities in the labour market in order to address labour shortages by closing gaps and skills mismatches** for an empowered workforce and society, able to seize the opportunities of the green and digital transitions.
- The European Year of Skills also emphasises the need to facilitate the recognition of skills and qualifications developed in **both formal and non-formal** and informal learning processes.

The Pact for Skills



An initiative of the European Commission

- The Pact for Skills promotes joint action to maximise the impact of investing in improving existing skills (upskilling) and training in new skills (reskilling). It calls on industry, employers, social partners, chambers of commerce, public authorities, education and training providers, youth workers and employment agencies to work together and make a clear commitment to invest in training for all working age people across the Union.
- A **skilled workforce** is crucial to ensuring socially fair and just green and digital transitions, and to strengthening the European Union's sustainable competitiveness and resilience in an era when the **boundaries between industries are blurred as the transition to the digital economy accelerates.**

The role of youth work in addressing the skills mismatch among youth

- Youth must take ownership and responsibility for their own professional development, leveraging existing support systems to identify career paths and unlock their full potential.
- It is important that youth representatives and youth organizations advocate jointly with youth for the public and private sector to take action across the following areas:
 - **Closer linkages** between education, youth, and employment
 - Timely and **better-quality information, advice, and guidance** on opportunities to secure a positive school to work transition as well as on labour rights and representation
 - Multiple, flexible, and alternative **education and training pathways** that build on the individual strengths of every young person
 - **Free and easily accessible skills development platforms**, which can be made available online, particularly for disadvantaged youth
 - **Paid internships and apprenticeship schemes**, contributing to a better transition from education to employment
 - Opportunities to engage with and inject a youth perspective into **dialogues with the governing bodies of schools and training centres, unions, business associations and chambers of commerce**
 - Tailored programs and offers for **disadvantaged** groups to ensure that **opportunities are available for everyone**

The entrepreneurial mindset as a response to youth unemployment

- The important role of education in promoting more entrepreneurial attitudes and behaviors, starting even at primary school, is now widely recognized (Mitra, 2008). However, **entrepreneurial learning may take place in many different settings**, i.e. in the formal education system, in non-formal learning outside the education system, for example in the work place, or, **in youth work settings** (European Commission, Directorate-General Education, Youth, Sport and Culture, 2017).
- NOT everyone needs to become an entrepreneur, but that **all members of our society need to become more entrepreneurial**. This is echoed in what entrepreneurs write and say about their own understanding of entrepreneurship (British Council, 2017). In a broad sense, entrepreneurship should be considered as a general attitude that can be usefully applied in all working activities and in everyday life, such as creativity and innovation (Sarri, Bakouros, & Petridou, 2010).
- **Entrepreneurship** should be viewed as a new basic competence, not just as a tool to create more businesses - thus contributing to economic growth and to job creation - but also as a way to **stimulate the development of personal qualities** that will help fulfill the potential of the individual (Tsakiridou & Stergiou, 2012).

The entrepreneurial mindset as a response to youth unemployment

- **EntreComp: The Entrepreneurship Competence Framework (2016b)** proposes a shared definition of entrepreneurship as a competence, and aims at reaching a consensus among stakeholders and establishing **a bridge between the worlds of education and work.**
- In general, EntreComp is considered as a tool for lifelong learning, aiming to place a focus on the transversal **skills needed to be entrepreneurial citizens creating social, cultural, and economic value for others through their actions.**



The entrepreneurial mindset as a response to youth unemployment

- EntreComp community, consisting of practitioners and organisations exploring how to inspire and be inspired to implement EntreComp through strategies and activities in their work and across their communities. These communities are working in a variety of domains: lifelong learning, **youthwork**, schools, universities, employment support organizations, employers, businesses and with entrepreneurs to build skills for life (EntreComp Europe, 2020) **developing more resilient young people** with the capacity to foster **entrepreneurial initiatives** under the 4IR which creates new opportunities for entrepreneurship.
- Due to the rapid changes rapid technological advancement in the 21st century and to innovations in work, **entrepreneurship** will likely provide a unique opportunity for youth across the globe to **bypass barriers to entry into traditional employment**.
- Some young people will move between formal and informal work; entrepreneurial skills could help them better navigate these changes, and could better position them for future job opportunities (Deloitte Global, The Global Business Coalition for Education, 2018).

Youth work and entrepreneurial learning

- There is a growing realisation that **entrepreneurial attitudes** and values are often achieved outside the formal education system **through youth work** (including self-organised projects by young people). In this sense, youth work presents itself as a promising opportunity for combining traditional approaches to the promotion of innovation and entrepreneurship with work targeting disadvantaged groups of young people and aiming at social activation and inclusion. In other words, youth work appears to offer untapped potentials for developing the resources of NEETs through activities conducted by youth workers in a supportive setting (Arnkil, 2015).
- The economic crisis of 2008 and Covid-19 pandemic highlighted the **important role of youth work in providing young people with spaces and opportunities to develop competencies relevant to the labour market or becoming active citizens**.
- **Youth Work has a significant potential for contributing to the development of entrepreneurial competences** (Kiilakoski, 2014) because it supports development by helping to transform young people's potential, creativity, talents, initiative and social responsibility through the acquisition of related knowledge, skills, attitudes and values (Bamber & Crowther, 2012)

Youth work and entrepreneurial learning

- While the purpose of youth work is not to provide jobs for young people, **non-formal learning has an important role to play in responding to youth unemployment.** On the basis of the evidence identified from existing research, successful youth work practice can also result in a range of positive outcomes for young people which enable them to, strengthen their network and social capital and cultivate, creativity, innovation and risk-taking skills and empower the sense of initiative and entrepreneurship (European Commission, 2016).
- Youth work engages young people in the wide variety of personal and social development activities, helping them to develop the knowledge, skills, and attitudes that are frequently said to be needed in the labor market. These include teamwork, communication, leadership, flexibility and responsiveness. They also include creativity and innovation, which involve defining problems, coming up with ways of dealing with them, and sticking to a chosen course of action. In this way **youth work contributes to closing the gap between the competences acquired by young people and the needs of the labour market.**

Youth work and entrepreneurial learning

- One of the most effective ways to promote youth entrepreneurship over a medium to long term period is to reform or **upgrade the formal and non-formal education learning approaches** (European Union, Committee of the Regions, 2017).
- Non formal learning approaches, like youth work, in order to have an effective entrepreneurship education should consist of **capacity building activities** (e.g. local researches, partnership building activities) and **learning mobility activities** (e.g. seminars, training courses, study visits and job shadowing).
- Through implementation of local or international activities youth work aims to tackle various aspects of youth entrepreneurship and social entrepreneurship and develop competencies of all involved actors. These youth work activities, are based on a variety of methods and techniques of **non-formal education and they support the active role of the participants**. The activities often target various groups including young people and youth leaders, youth workers, program managers and project coordinators, representatives of institutions and local authorities.

Youth work and entrepreneurial learning

- Cross-sectorial cooperation, is one of the key elements for development of supportive entrepreneurship environment in participants living areas. The value of non-formal learning in entrepreneurship is not widely understood outside the youth sector, and should be better promoted to other stakeholders (Bamber J. , 2012).
- Given the complex environments in which young entrepreneurs have to work, youth organizations need to acknowledge that they can only support young people to a limited extent. **Youth work organizations need to be aware of the need for more consolidated expertise when providing entrepreneurial learning.** EntreComp can help youth organizations to understand entrepreneurship competences and form a basis for entrepreneurial learning (Youth@Work Strategic Partnership on Youth Employability and Entrepreneurship, 2019).



Strategic Partnership on Youth
Employability and Entrepreneurship of
ERASMUS+ NATIONAL AGENCIES

Conclusion

- Many young people today are facing challenges with their economic situation, their social life and their transition to autonomy. Evidence based research and practices from all around Europe prove that **non-formal learning and youth work have an important role to play in responding to youth unemployment**, to social exclusion and to closing the gap between the competences acquired by young people and the needs of the labor market.
- In the context of continuous economic and social crises, **youth work can facilitate young people's participation in the economy and in the society** by creating a safe and inclusive learning environment for them. In this non-formal learning environment young people are able to develop their knowledge, skills, attitudes and talents, to **enhance their social responsibility, to develop further their entrepreneurial skills**, and to learn and experiment with new ideas, methods and tools bringing them closer to innovative initiatives that could potentially turn to **innovative youth entrepreneurial actions**.

Conclusion

- As mentioned, the majority of literature advocating entrepreneurship in education is based on the premise, **not that everyone needs to become an entrepreneur, but that all members of our society need to become more entrepreneurial.**
- Youth work has an important role to play in the development of this **entrepreneurial mindset so young people can be more resilient, resourceful, and solutions oriented**, even when the conditions say otherwise.
- Young people with this entrepreneurial mindset are becoming more active lifelong knowledge seekers who are curious and creative, and they are critical thinkers.



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