



THE OECD – PIAAC IN ITALY

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Unione europea
Fondo sociale europeo



*Ministero del Lavoro
e delle Politiche Sociali*

DIREZIONE GENERALE PER LE POLITICHE ATTIVE,
I SERVIZI PER IL LAVORO E LA FORMAZIONE

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per la formazione e l'occupazione

CONTENTS



BACKGROUND

THE OECD PIAAC in ITALY

THE SURVEY DESIGN

RESULTS

CONCLUSION – IMPLICATIONS FOR POLICIES

ISFOL: A BRIEF INTRODUCTION

The Institute for the Development of Vocational Training for Workers ISFOL (**from the 1st of December it will become INAPP- National Institute for the Public Policies Analysis**) :

- is a national research institute with a specific focus on vocational education and training (VET), employment and social policies;
- reports to the Ministry of Labour and Social Policy and provides support to the central government and local authorities. It acts as in-house agency for the Ministry.
- since the 1990s, it has been providing technical assistance (TA) to EU-funded programmes and initiatives (PETRA; ADAPT, EQUAL, etc.)
- At present, Isfol is a National Agency Erasmus-Plus VET, and Europass National Centre and it is member of the following European networks:
 - National Reference Point for Quality
 - National Coordination Point for EQF
 - National Coordination Point for Europass
 - Co-ordinator of the ReferNet National Consortium.

BACKGROUND



ISFOL - Institute for the Development of Vocational Training for Workers

The Organization Learning Competences (OLC) PROJECT:

- 2004/2006: the “Employees Survey” (3,650 completed interviews via CAPI)
- 2007/2008: the “Employers Survey” (1,820 completed interviews via CAPI)

To day
FOCUS

2011-2012: PIAAC–OECD (Round 1) in Italy: 4,621 respondents

2013: OLC-PA: 2,000 civil servants in all government levels and sectors interviewed via CAPI (Department for Public Administration of the Italian Prime Minister’s Office with FormezPA and ISFOL)

2014: PIAAC–ITALY: 2,000 respondents yet interviewed in the «PIAAC OECD», re-interviewed without tests, but with a new BQ

2015: 53 interviews via CAPI to Italian employers on generic, work and foundation skills

PIAAC COMPETENCE DOMAINS

“Key information-processing skills” 21st century skills

ISFOL

LITERACY

The ability to...

Understand, evaluate, use and engage with written texts to participate in society

NUMERACY

The ability to...

Access, use, interpret and communicate mathematical information and ideas

OPTIONAL MODULES

Problem solving in TRE

The ability to...

Use digital technology communication tools and networks to acquire and evaluate information, communicate with others and perform practical tasks

These skills are necessary for fully integrating and participating in the labour market, education and training, and social and civic life; highly transferable, in that they are relevant to many social contexts and work situations; and “learnable” and, therefore, subject to the influence of policy” (OECD 2013b, p. 18).

OECD PIAAC SURVEY: 1° CYCLE 3 ROUNDS

1 ROUND (2011-12) 24 Countries

Australia, Austria, Belgium (Flanders), Canada, Cyprus, the Czech Republic, Denmark, Estonia, England and Finland, France, Germany, Ireland, **Italy**, Japan, Korea, the Netherlands, Northern Ireland, Norway, Poland, the Russian Federation, the Slovak Republic, Spain, Sweden and the United States.

2 ROUND (2014-2015) 9 Countries

Chile, Greece, Indonesia (Jakarta), Israel, Lithuania, New Zealand, Singapore, Slovenia and **Turkey**

3 ROUND (2017-2018) 6 Countries

Ecuador, Hungary, Kazakhstan, Perù, Mexico, United States

THE OECD PIAAC IN ITALY – THE SURVEY DESIGN

IN ITALY the OECD PIAAC survey was promoted by the Ministry of Labor and conducted by ISFOL - the Italian Institute for the Development of Vocational Training for Workers **(from December the 1st INAPP)**

4621 computer assisted personal interviews (CAPI) collected in the period September 2011 – April 2012

*Target population
- 260 municipalities
11592 families
(9011 eligible
2581 not eligible)
Respondentes
(16-65 years old)*

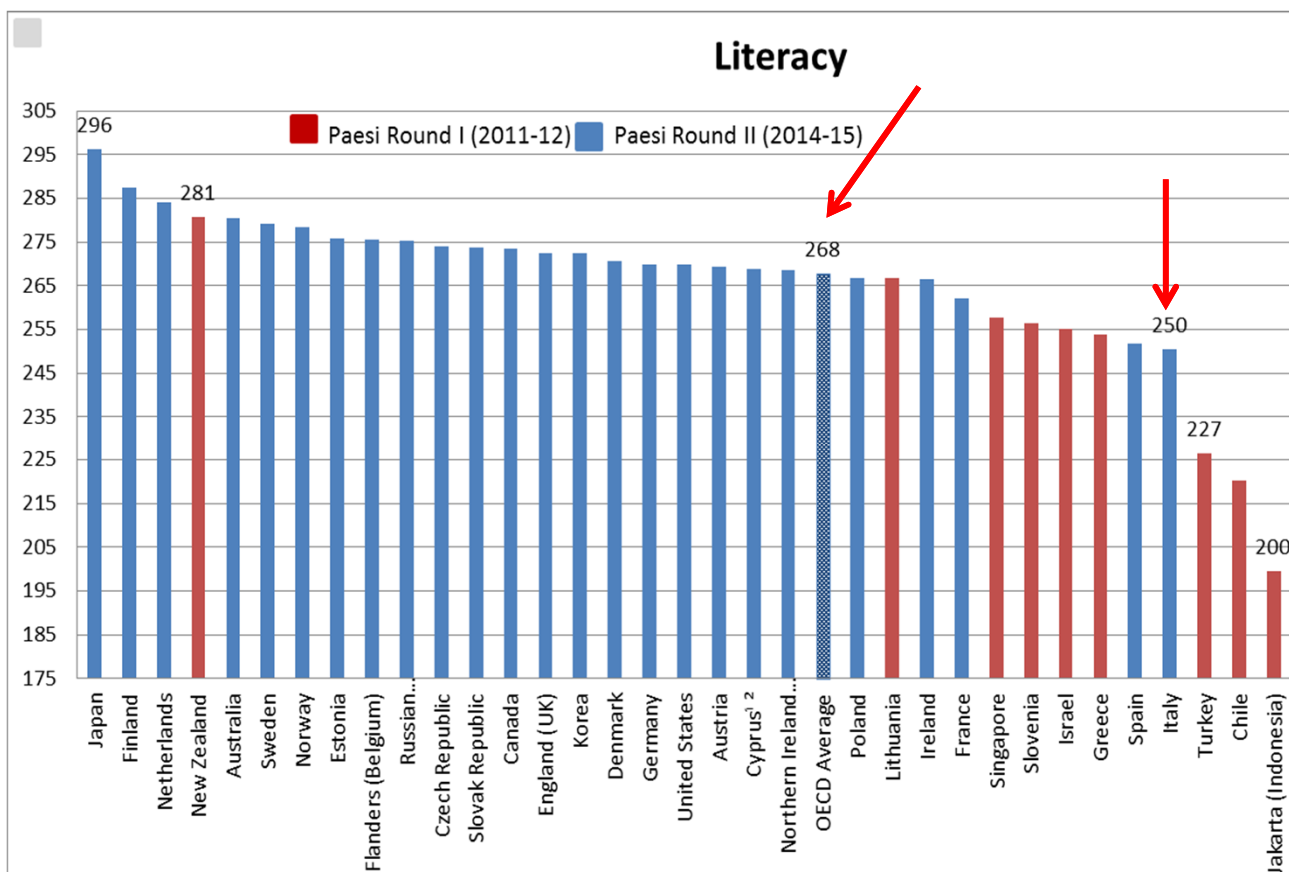
*A representative sample at national level

Estimates produced referring to ISTAT Multiscopo survey*

*Italian response rate
56%*

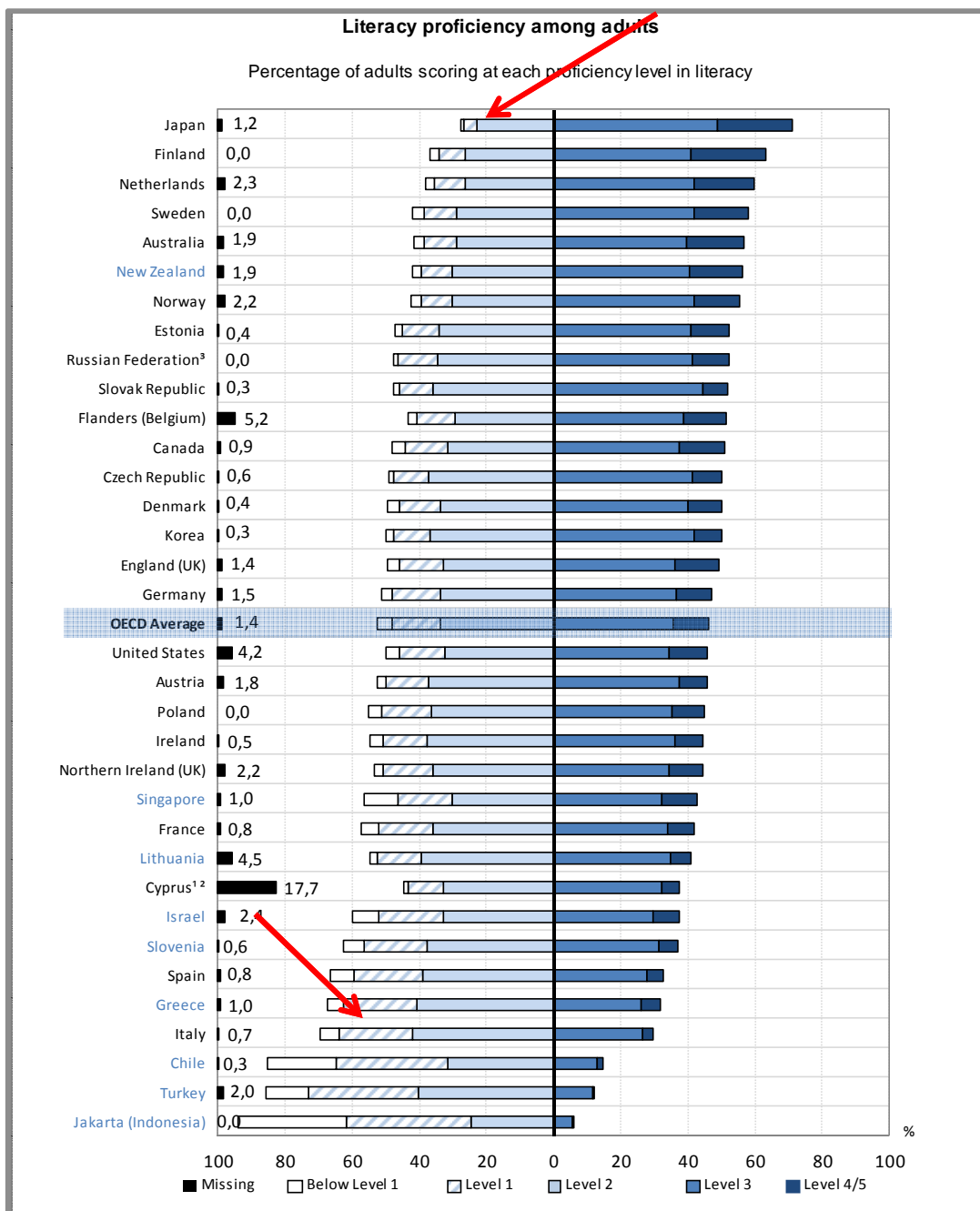
OECD PIAAC IN ITALY - MAIN RESULTS - INTERNATIONAL COMPARISON

Based on international comparisons, Italians have a sub-optimal level of skills and stay at the bottom of the ranking (250 proficiency scores in literacy and 247 in numeracy)



Source: Survey of Adult Skills (PIAAC)(2012,2015)

1. Note by Turkey:
The information with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Turkey shall preserve its position concerning the "Cyprus issue".
2. Note by all the European Union Member States of the OECD and the European Union: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Turkey. The information relates to the area under the effective control of the Government of the Republic of Cyprus.
3. The sample for the Russian Federation does not include the population of the Moscow municipal area

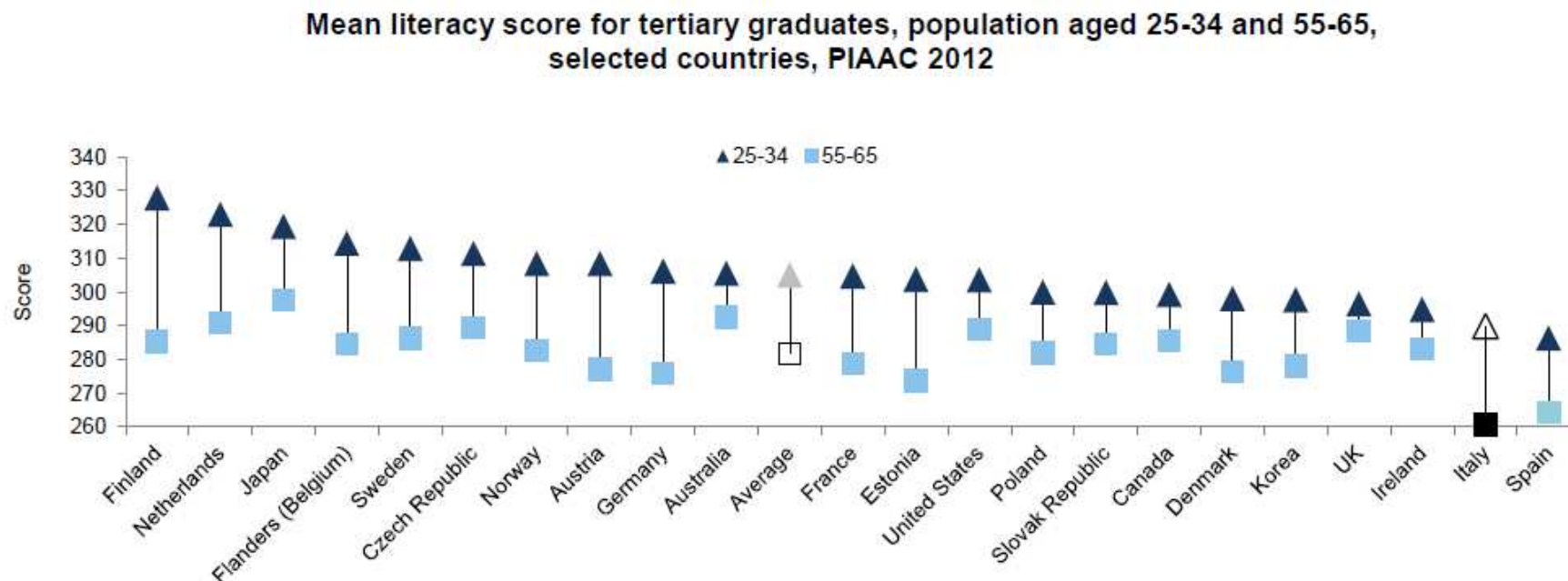


The PIAAC survey has revealed a very high share of low-skilled adults in Italy - 28% of adults at level 1 or below (in Japan is less than 5%) and 70% of adults below level 3

Notes: Countries are ranked in descending order of the combined percentages of adults scoring at Level 3 and at Level 4/5.

Adults in the missing category were not able to provide enough background information to impute proficiency scores because of language difficulties, or learning or mental disabilities (referred to as literacy-related non-response).

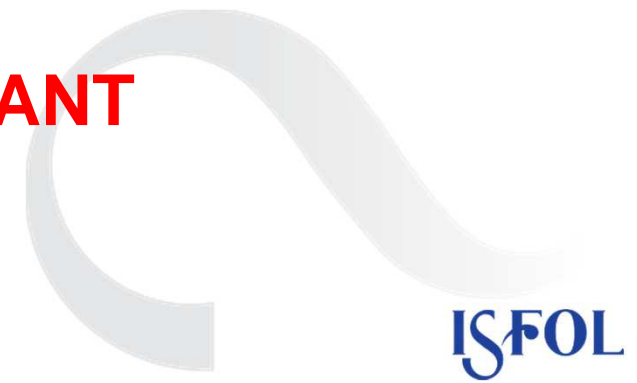
Source: Survey of Adult Skills (PIAAC) (2012,2015)



Source: OECD calculation based on the 2012 Survey of Adult Skills (PIAAC).

- The performance of Italian tertiary graduates (aged 25-34) is no higher than upper secondary graduates from the best performing European countries, such as Finland and the Netherlands
- A 55-year-old's experience in formal education is likely to have less of a direct influence on proficiency than that of a 26-year-old.

THE ITALIAN RESULTS MASK IMPORTANT INEQUALITIES



- **Performance gap is wide between regions: North Eastern and Central Italy with scores around OECD average and Southern Italy much below the average**
- **The quality of education may also have changed considerable over the decades within the same country, so that individuals with ostensibly the same qualifications or level of attainment may have had very different educational experiences**
- **Italian education system is based on knowledge rather than competences and educational qualifications will typically encompass a much wider range of competencies than literacy or numeracy skills**

...IN ADDITION

- **Italian population is not used to confront tests**
- **A low level of social mobility**
- **Many adults do not have the opportunity to improve their foundation skills later in life (especially unemployed and inactive adults)**
- **In access to training, people with higher levels of education and skills and different socio economic background are more likely to participate in adult education and training than their less skilled counterparts**

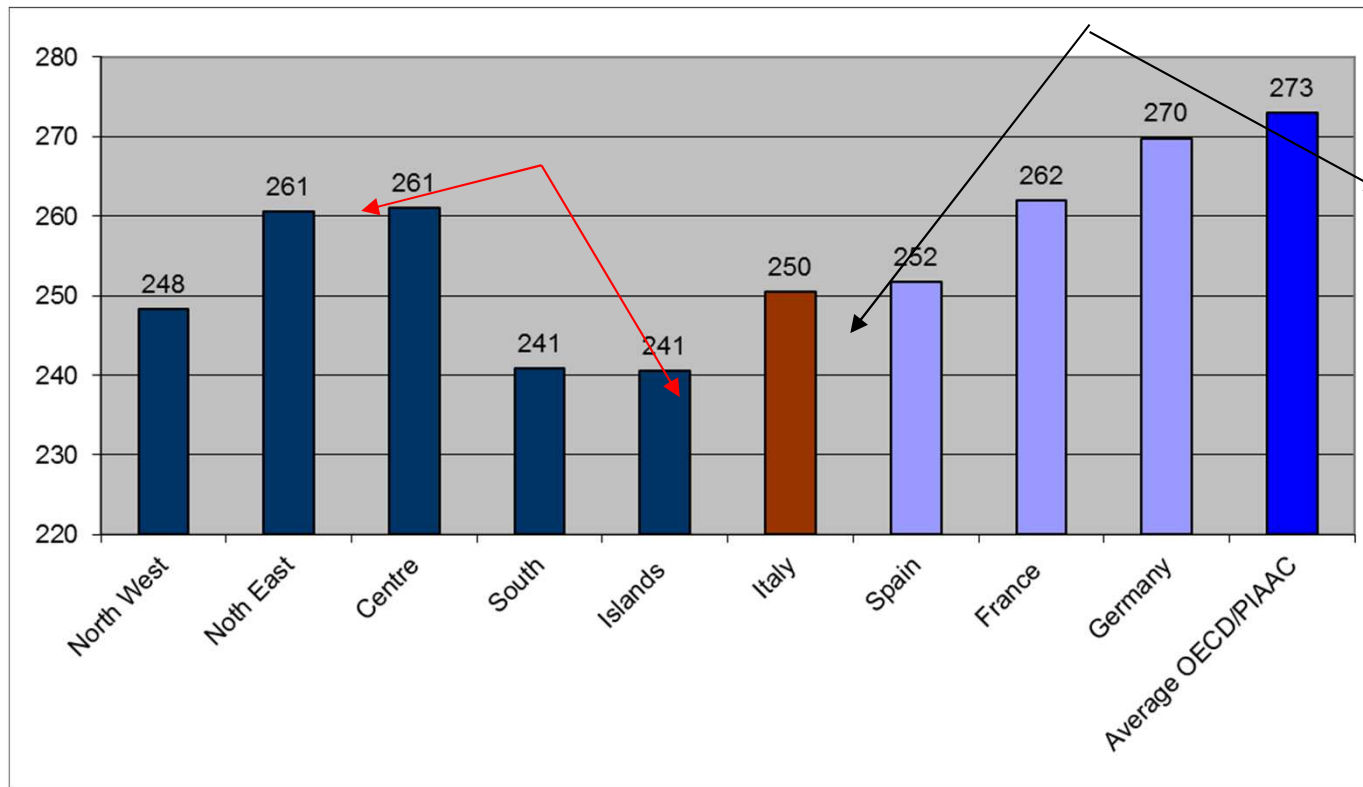
OECD PIAAC IN ITALY MAIN RESULTS

WE NEED TO GET A BETTER LOOK TO:

ISFOL



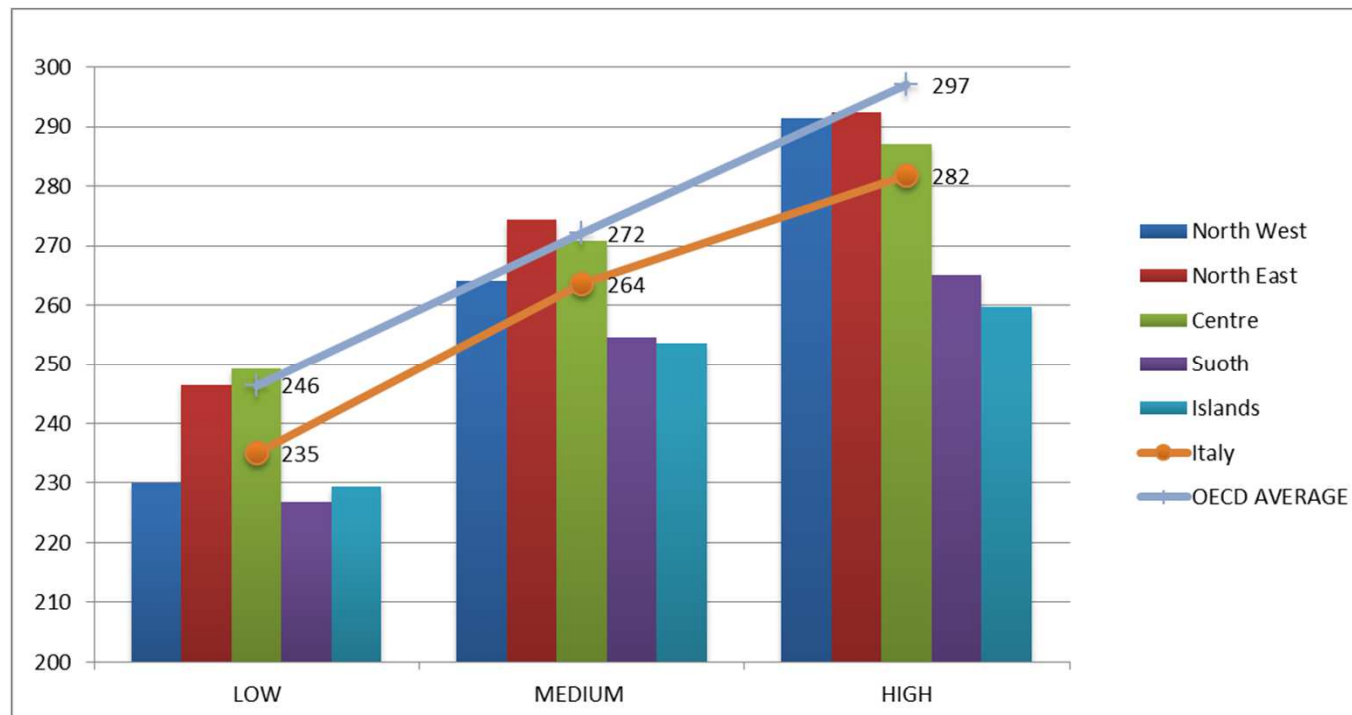
LITERACY PROFICIENCY SCORES IN THE ITALIAN REGIONS



Source: ISFOL calculations – Survey of Adult Skills (PIAAC) (2012)

- There are 20 proficiency scores of difference between North East and Centre Regions and South Regions
- It is the same difference between the Italy average and OECD average in literacy
- But even more worrying: in the North and Centre Regions the percentages of adults at level 3/4 are roughly double those in the South/Islands Regions as well as the South Regions have the double percentages at level 1 or below.

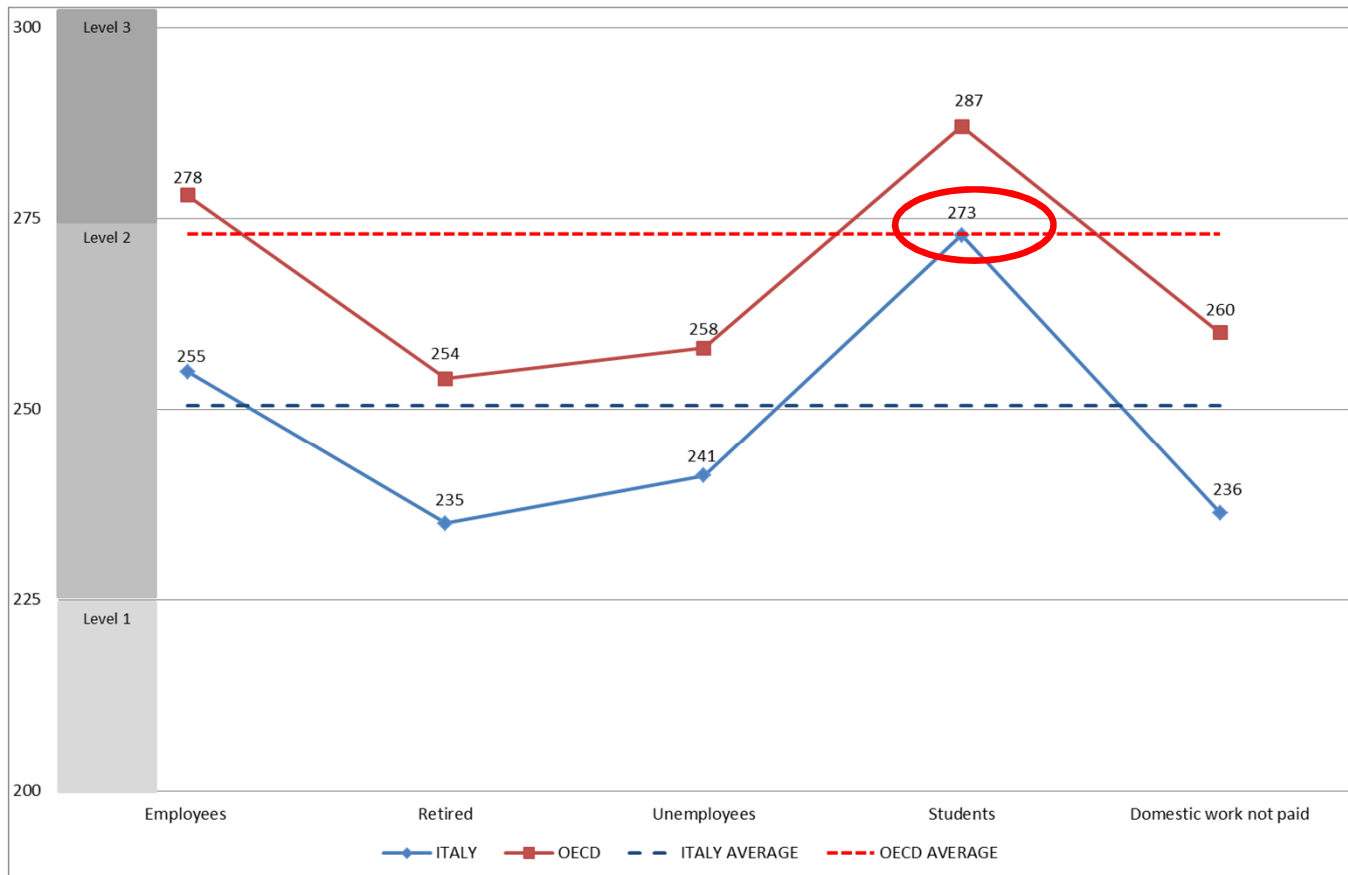
LITERACY AND EDUCATION LEVELS BY REGIONS



Source: ISFOL calculations based on the Survey of Adult Skills (PIAAC) (2012)

- Also OECD PISA (2012) shows that 15-years old italian students have improved their skill but consistently rank below the OECD average in reading, mathematics and science.
- BUT there are significant variations in school performance with students in North East performing in line with their peers in the best performing OECD countries such as Finland or Korea.
- AND in the three education levels there are respectively 54%, 34% and 12% of the italian adult population of 16-65 years olds, compared to the 27%, 43% and 29% of the OECD PIAAC Average

LITERACY by OCCUPATIONAL STATUS

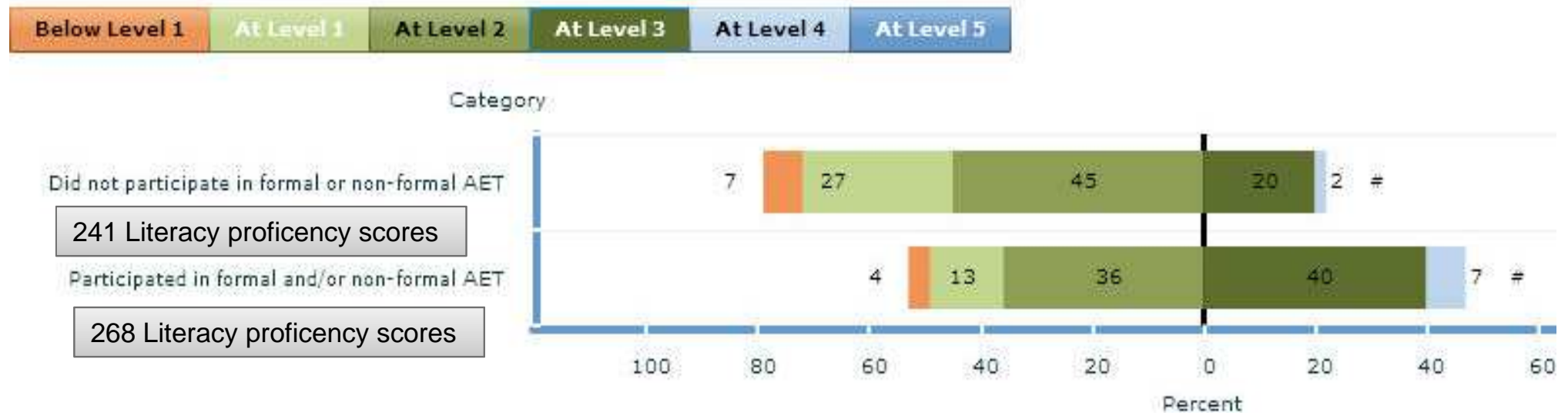


Source: ISFOL calculations based on the Survey of Adult Skills (PIAAC) (2012)

- **Students are the best performers and obtain the same literacy score of OECD average (273).**
- **But at 17% in 2013, Italy 's early school leaving rate is one of the highest in OECD countries (Eurostat 2014). Here too, regional rates vary considerably - from 10% in the Veneto region (North) to up to 20% or more in Campania and Sicily (South).**
- **Youth who leave school early are the greater risk of becoming unemployed.**

A POSITIVE RELATIONSHIP BETWEEN COMPETENCE AND EDUCATION AND TRAINING

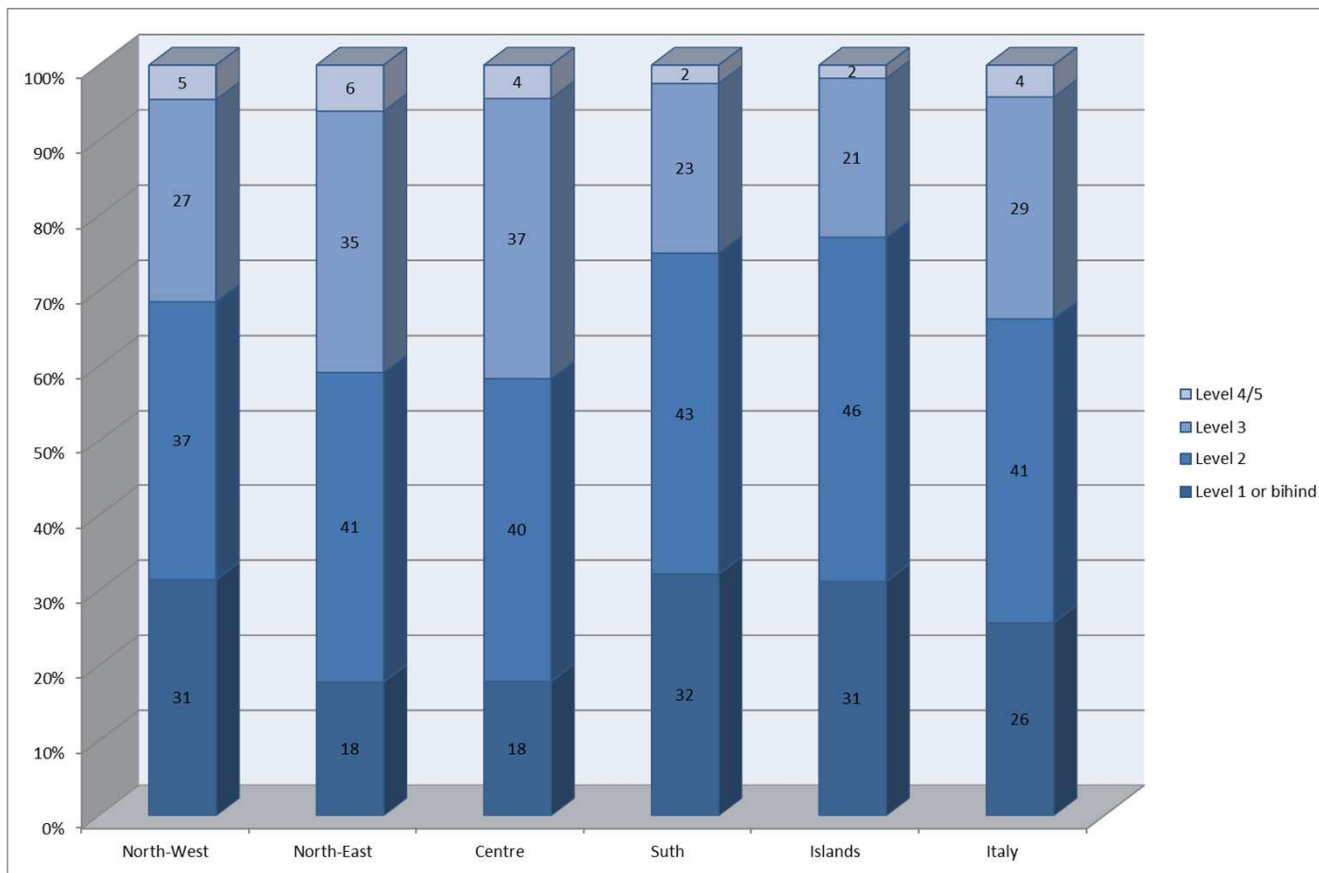
ISFOL



Source: ISFOL calculations based on the Survey of Adult Skills (PIAAC) (2012)

- **BUT Adults in Italy are less likely to participate in adult education and training than their peers in other OECD countries. According to PIAAC, only 24% of adult Italians participate in education or training, compared with 52% on average in OECD countries.**

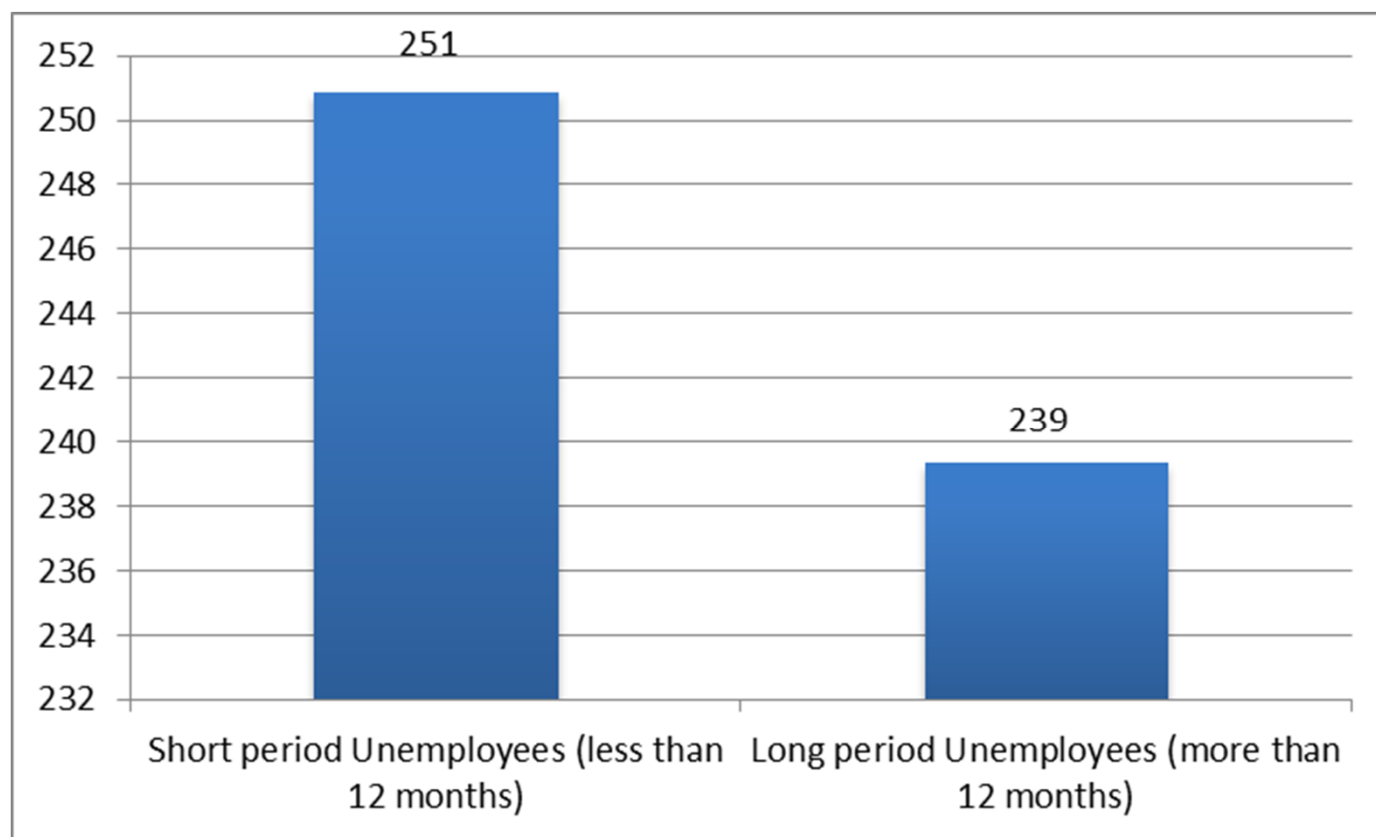
WORKERS are the second best performers



Source: ISFOL calculations based on the Survey of Adult Skills (PIAAC) (2012)

- The Italian employment rate (49,4%) has been raising since the first quarter of 2015 but it remains the third lowest among OECD countries after Greece and Turkey (Employment Outlook, 2016)
- In addition compared with the OECD average, a large number of skilled Italians do not participate in the labour market (for example highly-educated women)

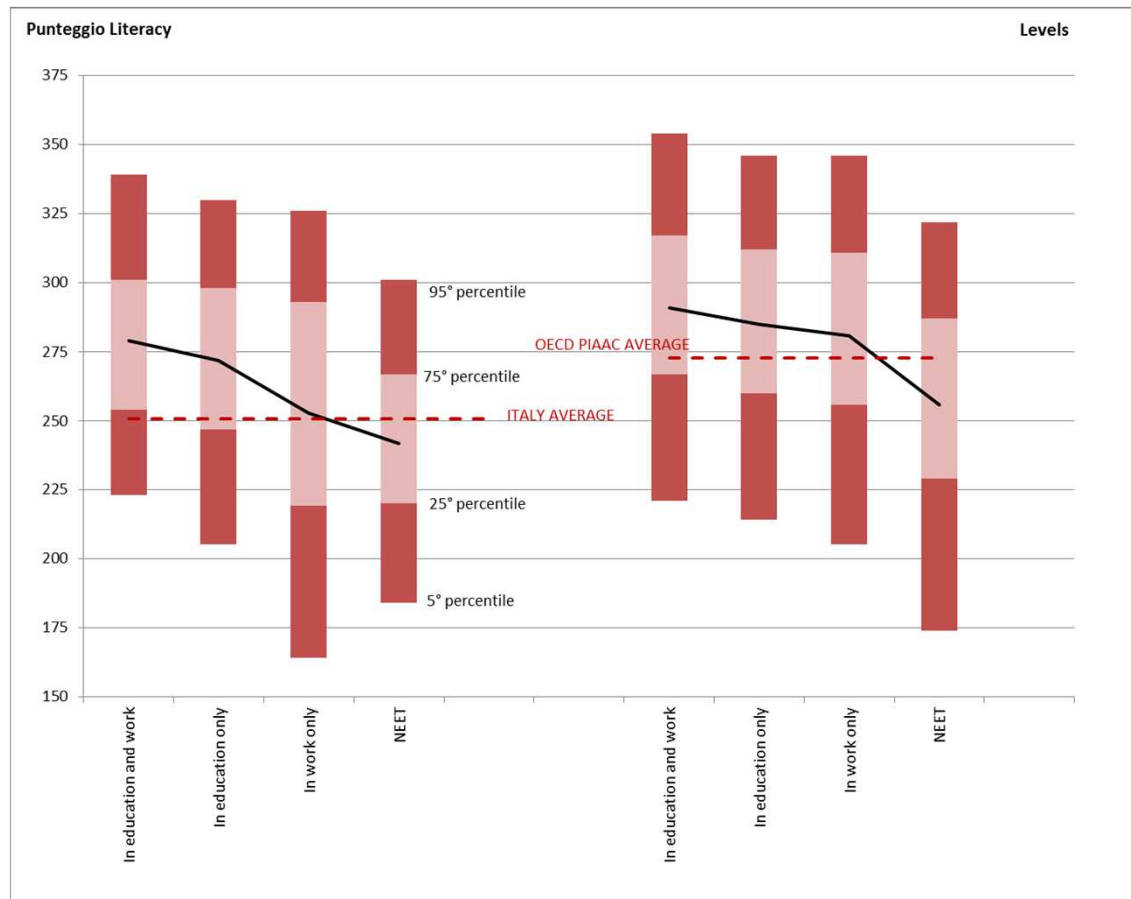
THE LONG TERM VS SHORT TERM UNEMPLOYMENT STATUS



Source: ISFOL calculations based on the Survey of Adult Skills (PIAAC) (2012)

In ITALY the incidence of long-term unemployment is one of the highest within the OECD (58.7% on the Percentage of total unemployment), even though it is now 3.5 percentage point below its 2014 peak (Employment Outlook, 2016)

The NEET category represents the «worst» performer (242 scores) but it is also the weakest one

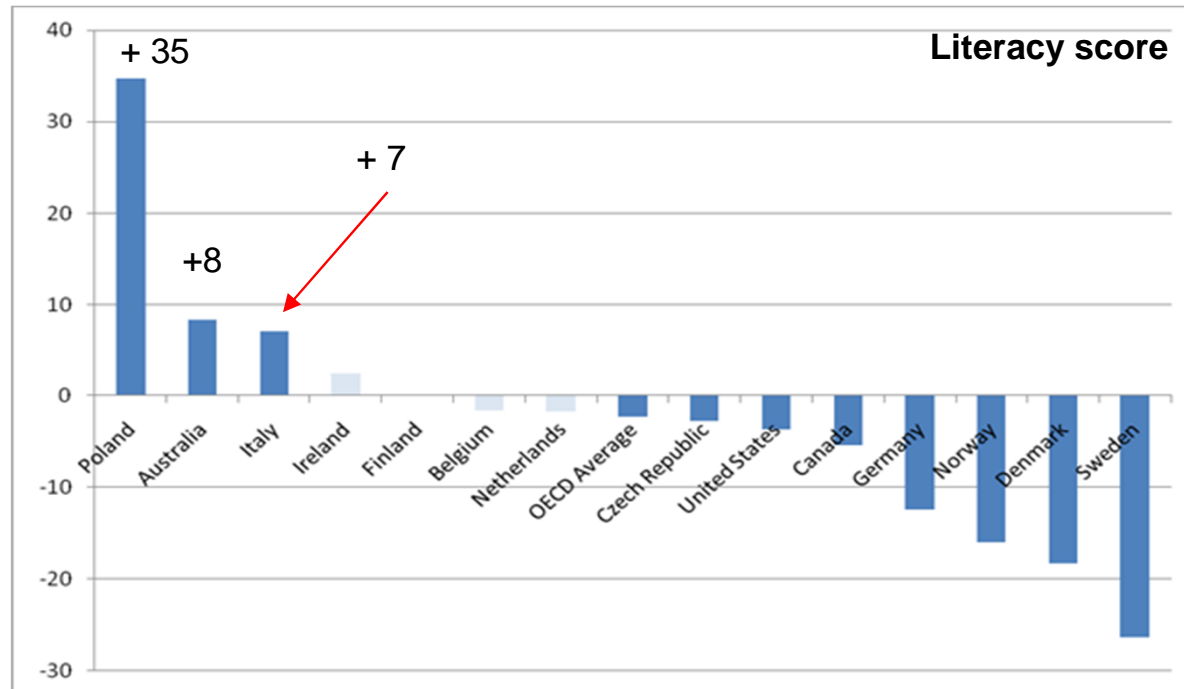


ISFOL

Source: ISFOL calculations based on the Survey of Adult Skills (PIAAC) (2012)

- Italy has one of the highest shares (26%) of young people that are not in education, employment or training (NEET) in the OECD, after Greece and Turkey (Employment Outlook, 2016)
- This risk is especially high for the low-skilled NEETs (10% vs 5,8 % OECD Average)

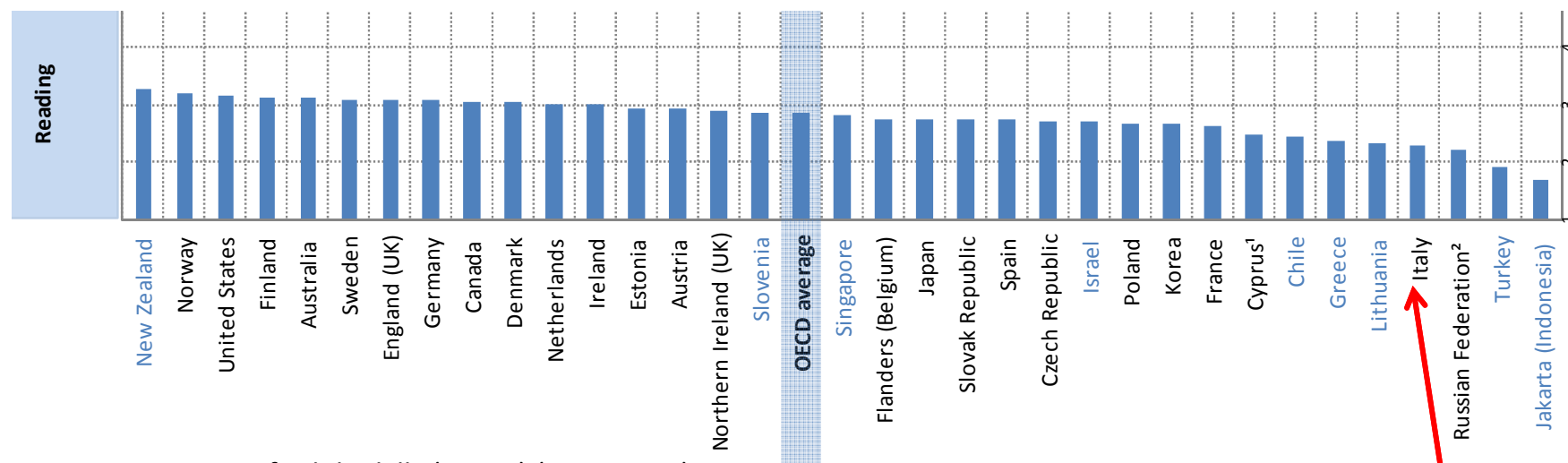
A POSITIVE TREND: IALS (94-98) AND PIAAC (2012)



Source: ISFOL calculations Survey of Adult Skills (PIAAC) (2012)

- In addition, PIAAC data for Italy show that, unlike in most other OECD countries, men and women present the same level of literacy skills, and the gap in numeracy skills in favour of men is small, compared with other OECD countries.
- However, a lack of family-friendly policies and an unfavourable tax treatment of second earners may hinder women's full participation in the labour market (OECD 2016 – Getting Skills Right).

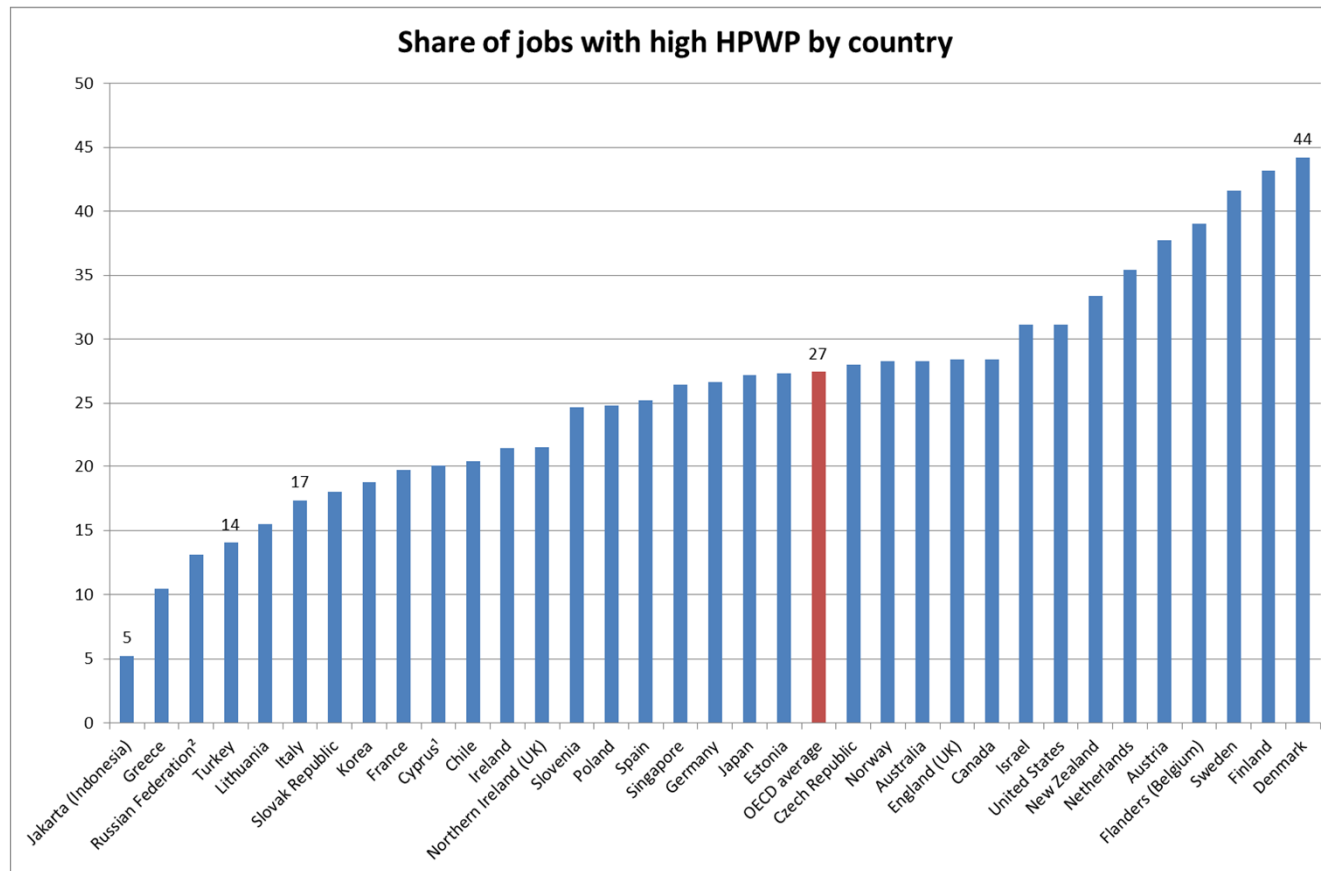
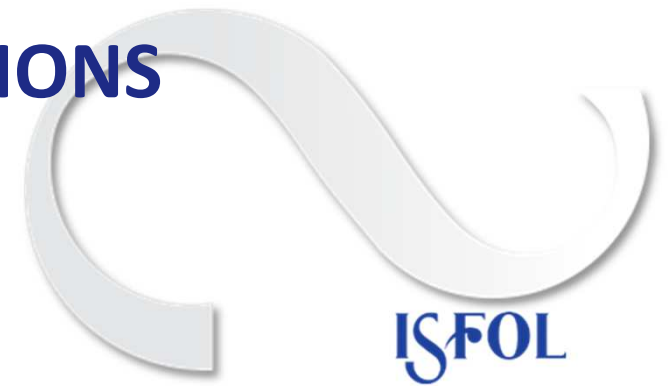
COMPETENCE USED in THE WORKPLACES



Source: Survey of Adult Skills (PIAAC) (2012,2015)

- Among workers, those making more frequent use of their skills at work earn higher wages and are more satisfied with their jobs. Competence using is also a key element for the productivity growth
- BUT the use of reading skills at work in Italy is among the lowest in OECD countries, even lower than predicted by its low level of skills proficiency

HIGH PERFORMANCE WORK ORGANIZATIONS



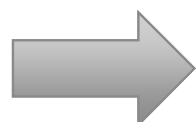
Source: Survey of Adult Skills (PIAAC) (2012-2015)

- **The intensity with which workers use information-processing skills is closely and positively related to the presence of management practices and forms of work organisation that can be described as High-Performance Work Practices (HPWP)**
- **BUT Workers in Italy are less likely than in most other OECD to be working in jobs that involve High Performance Work Practices which promote more skills use (17%)**

CONCLUSION – IMPLICATION FOR POLICIES



In Italy, the mean proficiency scores of 16-65 year-olds in literacy (250) and in numeracy (247) are significantly below the average of the OECD countries participating in the Survey of Adult Skills (PIAAC).



In Italy (like in all participating countries) literacy and numeracy performances show a strong relationship with education levels

BUT there are other many factors that we have to take in consideration to explain these unsatisfying results and to implement the future policies

COMPETENCES IMPACT FACTORS



IMPLICATION FOR POLICIES: The HIGH LEVEL EXPERT GROUP (2014)



INPUT: THE OECD SURVEY RESULTS

OECD PIAAC evidences as a prerequisite for setting up consistent strategies and skills policies

THROUGHPUT: AN EXPERT GROUP

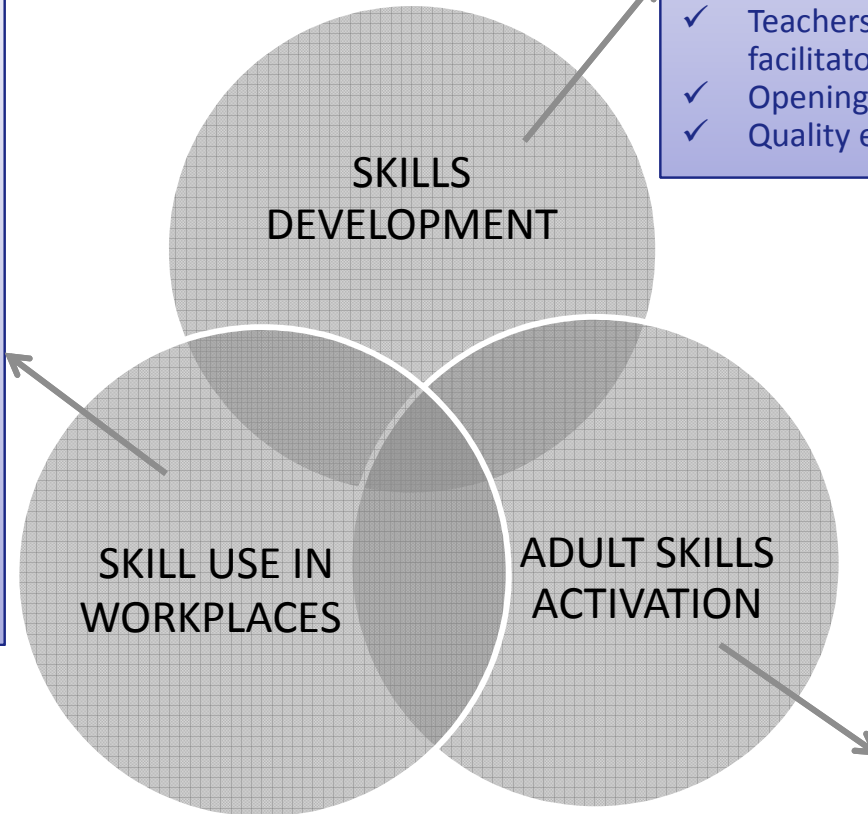
As a consequence of the evidences provided by PIAAC survey, **Ministers of Education and Labour and Social Policies set a High level expert group** to make proposals and give advice to the Government on setting up an “adult skills strategy” and policies

OUTPUT – A REPORT FOR POLICY MAKERS

A **report** to improve the Italian population competences “**Migliorare le competenze degli adulti italiani**” was made public on the web-sites of the two Ministries in 2014.

THE MAIN SKILLS POLICIES SUGGESTED by THE EXPERTS GROUP

- ✓ Incentives to firms to invest in research and development also in partnership with universities, ICT and technologically advanced equipments, recruiting researchers and high skilled workers, innovative start up.
- ✓ Promote social dialogue on HRM practices that can make the best use of skills and further develop skills for innovation (integrated bundle of HRM practices that include training, work organization, performance pay)
- ✓ Implement innovative work organization and HRM in the public sector



- ✓ Foundation skills in compulsory education
- ✓ Permeability between Regional VET and diplomas
- ✓ Partnerships between education and work
- ✓ Higher Technical Schools
- ✓ Learning in the workplace
- ✓ Distant learning and open education resources
- ✓ Effective pedagogies strategies
- ✓ Teachers role as active knowledge facilitators
- ✓ Opening up universities to adult learning
- ✓ Quality evaluation of teaching and learning

- ✓ Second chances learning in VET, Adult learning
- ✓ Mobilize all actors (public and private employment services, non-profit organizations...) for skills development and use
- ✓ Opening schools to the community
- ✓ Communication campaign to motivate people and institutions to engage in adult learning
- ✓ Use of the current online tools for guidance and Employment
- ✓ Incentives to recruit on a permanent contract the low qualified and long term unemployed
- ✓ Career guidance and counseling

CONCLUSION – TOWARDS AN ITALIAN SKILL STRATEGY

The recent reforms seek to address Italy's key challenges considering skills as a key driver for citizenship, employability, inclusion and well being.

ISFOL

- ✓ **The reform of the national education system "La buona scuola"** reinforces the school-work relationship and improving of digital skills. For example to improve dialogue between the education system and world of work and to boost competence-based didactics, schools can create 'local laboratories for employability' (multilateral organisations, involving public and private bodies, chambers of commerce, universities, employers' associations and trade unions, VET providers and companies) https://labuonascuola.gov.it/index_en/ (in English).
- ✓ **For the labour market policies, "Jobs Act" reform (2014) (+ the Youth Guarantee implementation)** includes for example incentives to permanent contracts and a process of reorganization of public employment services (PES). This process includes the creation of a National Agency to coordinate Active Labour Market Policies in Italy, shifting to the central level some of the competences that were allocated to regions and local governments. (<https://www.jobsact.gov.it/> (in Italian)).
- ✓ **The recent launch of an Italian Skills Strategy in cooperation with the OECD** for the diagnostic phase (Inter-ministerial partnership coordinated by the Ministry of Economy widened to key stakeholders Cutting across all sets of policies that have an impact on skills (<http://www.dt.tesoro.en> (in English)).

THANK YOU FOR YOUR ATTENTION

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Links:

<http://www.isfol.it/piaac>

<http://www.oecd.org/skills/piaac>