

## How to guide

# Support low-skilled workers in training to cover the need of the industry

Author: Matteo Sgarzi, Centre d'études et de recherche sur les qualifications (France)

### WHY READ THIS?

The current and expected changes in work and employment (as a result of energy, digital, demographic or so-called "tertiary revolution" transitions) lead to qualitative and quantitative reallocations of sectoral employment and to a risk of weakening of certain groups of people in the labor market, in particular the less qualified. This guide focuses on sensitive activities, sectors and professions, where low-skilled employment is threatened. In order to explore a variety of cases we have chosen to investigate two specific sectors (metallurgy and logistics) which present different characteristics and different approaches towards the low skilled workers.

Metallurgy sector deals with a bad image in society. Its occupations are perceived as dangerous and physically demanding, in addition the industry is perceived at high risk of restructuring, closure or delocalization which does not provide great motivation to youth to enter the sector, especially in economic uncertainty times. Nevertheless, salary and contract conditions for the newcomers are more interesting than in other sectors. Metallurgy workers are stable, weakly exposed to turnover and with good career development perspectives; job rotation and professional growth allow a substantial mobility of workers inside the sector.

The logistics sector is always in demand of short terms flexible contracts often supplied by private interim companies. Logistics workers are generally low qualified and exposed to high turnover rates. The sector is subject to seasonal workload waves leading to almost double the workforce. The volatility of logistics jobs doesn't mean a lack of specialization. Logistics workers progressively increase their competences by performing tasks on the workplace; in addition some forms of continuing training are provided in France by the FAF.TT a training fund financed by interim companies. Workers usually remain in the availability of interim agencies that provide them with job posts on a quite regular basis. Longer contracts are possible for those workers that show to be particularly competent, reliable and resilient but always after a long sequence of interim contracts.

## CHALLENGES AND NEEDS ADDRESSED BY THIS GUIDE

### How to improve integration of young (low skilled) newcomers

The analyses show that three different components appearing together on the labour market : the rise of the average qualification level among active population, the permanence of some jobs that still are covered by low-skilled, and the need to rapidly increase the qualifications of those job seekers that could join the industry but who do not have exactly the required competences to enter. Metallurgy is an example of a sector where low skilled are no longer over represented. Out of some specific “niches” the main trend is for a gradual replacement of low qualified with upper qualified workers in many traditional jobs (manufacturing lines, mechanics, machining, welding, foundry, forging, maintenance). Nevertheless, a huge need in human resources persists. This industry is facing à significant lack of attraction, they will be hardly capable to renounce to the so-called low-skilled population. Nevertheless there is an issue of rise these categories of workers in competences and skills. In the logistics sector, it lays a strong demand of low qualified workers and many companies report having difficulty in covering their recruitment needs. Jobs are in tension with always more offers for even few candidates. The labor market is also quite tense during seasonality peaks (i.e. preparation for Christmas orders). The main common job is “logistic operator” that require a great versatility and it includes different varied tasks (forklift driver, storekeepers, merchandise reception, order pickers, etc.). These workers have to hold a CACES license (Certificate of Fitness to Safety Driving) in order to safely use the forklift and other similar machinery but in general there is no other qualification requested or expected. There is very little interest to check diplomas, even if qualifications exist at EQF level 3, 4 and 5.

### How to improve adult learning against low skilled workers exclusion

The metallurgy sector is characterized by high internal job mobility; employees are involved in vertical mobility (ascending careers) or horizontal mobility (passing from a small-medium subcontracting company to bigger firms). Ascending mobility is supported by companies’ continuing training offered to low-skilled high-experienced workers. As a result, many companies find themselves with significant seniority of their workforce and important internal mobility (examples of career progressions from blue-collar position to medium-level manager of the same company is quite common). Nevertheless, as we have seen above, this type of upward mobility does not help to create opportunities for low-qualified new-comers. Logistics jobs are considered recovering jobs as often they are not a first choice. Recruiters seek people capable to be immediately operational on demand following seasonal peaks. Logistics workers often come from other kinds of jobs (like sells agents, catering sector, construction industry, etc.) They show heterogeneous trajectories sometimes marked by unemployment breaks. Logistics assures a quick recruitment for a



short term flexible occupation that not always turns to be a permanent full time job. However, there are exceptions. Some big companies managing their own logistics infrastructures prefers to implement a sound HR strategy promoting competences and professional empowerment of their workers. As a matter of fact the logistics sector is composed by a variety of company settings, some big groups manage by themselves their logistics infrastructure, many others work are externalizing logistics to big sharing platforms (hubs) working for a number of manufacturing companies (often at proximity of ports and aero facilities).

## RECOMMENDATIONS

There are many successful strategies that are being adopted to tackle this problem. Below we have identified some of them being adopted in Provence-Alps-Côte d'Azur (PACA) Region

1

The sector skills councils or economic branches organizations have to work actively with high school students to **promote jobs in the sector and opportunities for career development**: they have to communicate more about the main technical developments (digitalisation, predictive maintenance based of big data analysis, virtual and augmented reality, cobotics, robotics, mechanization, etc. ) providing the feeling that the jobs of the sectors have completely changed and touched by innovation. In addition, they have to communicate on the career opportunity quickly leading to stable professions (particularly in metallurgy) and progression opportunity. In the case of logistics some specific aspects can be stressed like the development of digital competences in warehouse jobs or the internationalization of merchandise exchanges network.

Many received ideas describe youngsters as lacking of basic know-how, maturity and (of course) experience. It is necessary to **break the assumption "the higher the diploma the better maturity and experience"**, it is a simplistic idea which has to be reconsidered. It is necessary to identify recruiting practices capable to bring out the potential personal development of the less qualified individuals. This will help generate additional human resources for the industry.

It is necessary to implement more accurate screening processes having the goal to check soft skills that persons would be able to mobilize in a process of professional and personal development within the industry. Companies' RH manager should collaborate with local public and private recruiting agencies in order to develop innovative screening tools

2

3

Rethink or strengthen **corporate HR policies** aiming to recognize the potential of workers (both young and adult workers). Provide a certain horizon of career progression (limit precarious contracts). Put the staff in condition of acquiring specific and transversal complementary skills, promote tasks rotation, company or sector internal mobility, work based learning, promote branch/sector partial qualifications, and limit the use of interim workers and short-term contracts.

In the logistics sector promote the training value of the company, develop more consolidated HR strategies able to support employees beyond the seasonal cycles and production needs repeated frantically without leaving space for a reflection the human component, training guidance and tutoring.

Generate additional human resources for the industry by **promoting inter-sector mobility** of jobseekers and professional reconversion. Move towards a greater modularization of training standards based on the so-called “skill blocs” or “modules” combined with processes of validation of prior learning. Improve the permeability between economic sectors. Identify potentially transferable skills in neighboring economic sectors (e.g. from chemistry for metallurgy industry or even more distant branches: from the catering sector to logistics).

4

5

**Sharing of technical platforms.** Strengthen exchanges between training institutions and companies to create circularity of learning for the benefit of all stakeholders. Train VET students on updated technical platform in line with the evolution of the industry. Train the trainers to the most innovative methods implemented. Train employees in training centres sharing technical platform with the industry.

Between the social demand of **disadvantaged job seekers** and the companies’ businesses goals where we put the cursor? It is evident that logistics sector is capable to absorb large number of low-skilled labor force and offer opportunities to young or adults workers in disadvantaged conditions (e.g. the logistic branch has developed training courses reserved for public with learning problems or cognitive difficulties). Nevertheless, the entrepreneurial logic must prevail and this has an impact on the hiring conditions and HRM policies. The right balance has to be found with the joint involvement of public welfare services and private actors.

6

## BEST PRACTICES AND USEFUL LINKS

- **Promote jobs in the sector and opportunities for career development.**

In metallurgy: the French branch organisation (UIMM) is strongly mobilized to revitalize the image of the sector. The **UIMM Paca Training Center** brings together employment and training actors in the regions to meet the challenges of technological change, the development of collaborative projects and securing career paths by the improvement of work-based learning.

Website: <http://www.formation-industries-paca.fr/>

In logistics: **Trans'portail**, the web portal for transport and logistics jobs in Bouche du Rhone (south of France) area. Aggregator of links to several services: consultation job offers, Training offers, skills assessment, job descriptions, guidance for professional reconversion.

Website: <https://transportail.fr/portail/particuliers-formation/infos>

- **Break the assumption "the higher the diploma the better maturity and experience"**

The **Simulation Recruitment Method (MRS)** is a way of screening candidates focusing on the capabilities required for the proposed work position. It goes beyond the usual recruitment criteria of experience and diploma. This method does not train the candidates, but identifies people who can match in terms of aptitude and transversal and potential skills. Complementary training (or retraining) actions will be developed after the selection in order to fully fit the candidate with the required specific skills corresponding to the job position.

Website: <https://www.pole-emploi.fr/region/occitanie/actualites/la-mrs-quezaco--@/region/occitanie/article.jspz?id=32309>

- **Corporate HR policies**

Virtuous examples of corporate HR management can be observed in the context of larger companies that have made the choice to internalize logistics services. Interesting in this respect is **Decathlon Company** having some specificity. The use of temporary work is limited. The company privileges direct recruitment and retention of the employees based on the internal development of tasks and skills. Consequently turnover is also more limited. Some support in continuing education is also put in place, including the promotion of training and certificated which can be also obtained by recognition of prior learning.

Website: <https://decathlon-careers.it/>

- **Sharing of Technical Platforms**

Good practices: **Henri Fabre project** in public-private initiative developing models of collaboration between the metallurgy industries of all sizes, research institutes and training actors, around advanced studies on materials and innovative industrial



processes.

Website: <http://www.projet-henri-fabre.com/>

- **How to cope with disadvantaged job seekers social demand**

The **ETAPS Programme** (Territorial Access to Early Knowledge) provided general and French language skills as well as knowledge of the social, economic and institutional environment. It was adapted to the needs of the unskilled and unemployed aging from 16 to 25 year old but also for adult jobseekers. The programme ended in 2014 (not financed anymore by the PACA region). Many local ONGs are pleading for its reintroduction.

Website: <http://www.orientationpaca.fr/Aide/Detail/100>

## BACKGROUND

This guide looks at how policymakers can work to encourage the recruitment of low skilled and disadvantaged groups into sectors anticipated to have considerable growth potential. This topic is one which has a profound local or regional dimension and will necessitate partnership working between the triple helix of employers, policymakers and educators and sometimes the inclusion of third sector/support organisations (quadruple helix). It inevitably impacts on economic development and education/skills policy and the closer that these are aligned (in policy terms) the better.

This 'How To Guide' includes information from the REPLAY-VET Erasmus+ Strategic Partnership activities and reports and combines this with information sourced via literature reviews and from the experience of the author, including his authoring of the Handbook: Tackling Long-Term Unemployment amongst Vulnerable Groups, which he (Dean, A. (2013), "Tackling Long-Term Unemployment Amongst Vulnerable Groups", OECD Local Economic and Employment Development (LEED) Working Papers, 2013/11, OECD Publishing, Paris.) produced for the OECD in 2013.

*The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.*