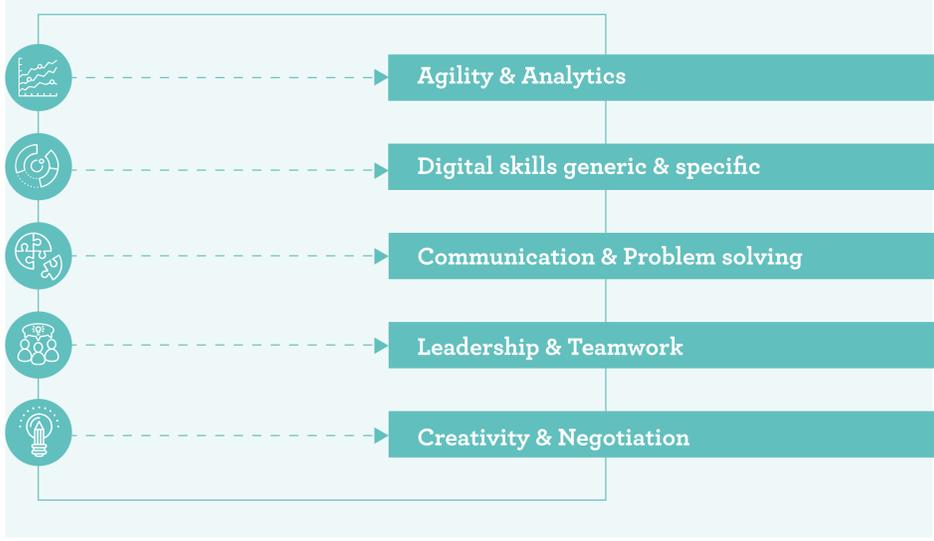


# Investing in Reskilling & Skill Development



## Top skills that could bring added value across sectors include:



## Reskilling & Training Models

### Model 1: Training Fund

<p><b>Description</b> Employers set up a separate fund exclusively for re-/upskilling. The employer and (potentially) the employee can contribute.</p>	<p><b>Accounting approach</b> Contribution to the fund by the employer are treated as an investment, which is amortized according to the difference between the total funds contributed and the total value of the fund at the year end. Payments for re-/upskilling are made by the fund, while retaining income from investment.</p>	<p><b>What needs to change</b> Contributions into a fund for re-/upskilling must be recognized as an investment.</p>
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### Model 2: Employability Account

<p><b>Description</b> Businesses contribute to each employee's personal, transferable training account, as established on the national level.</p>	<p><b>Accounting approach</b> N/A</p>	<p><b>What needs to change</b> Government-led, nationwide scheme. Minimum investment requirement for businesses.</p>
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### Model 3: Amortisation

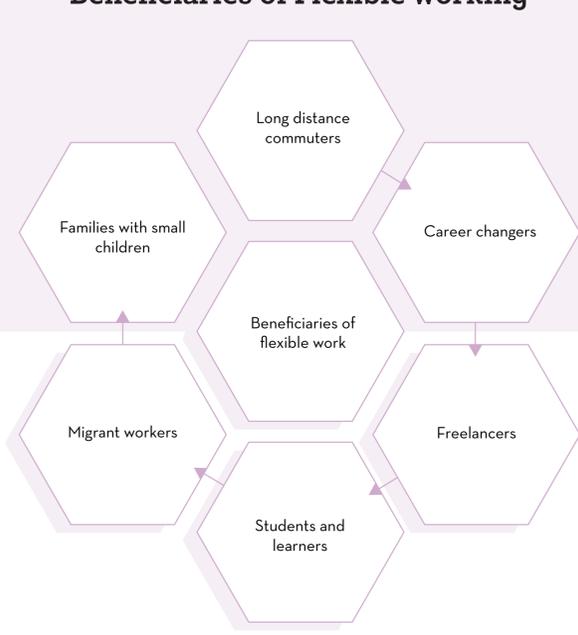
<p><b>Description</b> Employers pay for re-/upskilling during the term of employment, in return for which employees commit to that employer for a set period (or repay).</p>	<p><b>Accounting approach</b> The initial cost is capitalized as an asset and amortised over the benefit period. If the employee resigns, the remaining unamortised cost will be repaid.</p>	<p><b>What needs to change</b> Re-/upskilling must be recognized as an investment in an intangible asset.</p>
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## Why invest?

More skilled workers lead to better productivity, better individual incomes and more security in a flexible labour market.	Futureproofing the skills of workers reduces shocks caused by technological change and leads to pro-active adaptation.	Workforce skills are an asset for individual organizations, making investments in reskilling and upskilling rewarding in the long run.
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# Investing in Flexibility

## Beneficiaries of Flexible working



### 2020 Coronavirus pandemic & flexibility needs:

- An increased focus for working from home wherever possible
- Differentiated schedules aimed at avoiding rush hour crowding on public transport
- Special arrangements for workers with small children who have been left locked out of daycare or school
- Furlough or technical unemployment schemes aimed at ensuring incomes for workers rendered unemployed due to the crisis

### Why invest?

- Flexible working allows under-represented groups to better access the labour market, all while reducing the risk of long-term unemployment.
- Companies can create a strong competitive advantage by adding skill-sets during key periods.
- Many countries lag in adopting flexible working practices, but the post-pandemic recovery could include significant changes to the workplace.
- For true flexicurity, social security systems need to change and adapt to the new labour market.

# Investing in Lifelong Learning

Whilst technology is transforming the workplace, demographic shifts are changing societies in much of the world. A dynamic labour market often forces older adults to seek new qualifications, and this trend is likely to intensify as automation reduces or increases demand in various sectors.

The way in which lifelong learning takes place is increasingly diverse and can include many of the following:

- Company organized course aimed at gaining complex skills
- Limited duration courses aimed at gaining new qualifications or certifications, sanctioned and recognized by governments
- Online courses, including MOOCs, free open courses or certifications for micro-credentials offered online by either recognized or prestigious entities
- Full short-cycle or full-length degrees, including programmes using distance learning within universities
- Clubs and community activities, including peer and group learning and various types of apprenticeships

## Types of lifelong learning

Within a single career path	While shifting career paths
<ul style="list-style-type: none"> <li>Often centred on upskilling and gaining new competences useful in furthering a career.</li> <li>Motivated by the need to introduce new procedures or modes of operation within the workplace or initiated by the learner.</li> <li>Meeting legal requirements for career advancement or better pay.</li> </ul>	<ul style="list-style-type: none"> <li>Often centred on shifting careers or seeking new employment opportunities.</li> <li>Supported by governments when supporting learners to re-enter the labour market.</li> <li>Self-directed versions include new degrees or participation in online or offline courses.</li> </ul>



## Why invest?

Lifelong learning represents a broader form of upskilling and reskilling, often regulated as part of public policies.	Lifelong learning is needed in order to prepare societies for technological change and an ageing workforce.	Lifelong learning benefits all major stakeholders in the workplace, including employees, employers and public authorities.
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