Skills-First Approaches for Skills Shortages

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Background

- A recent report on skills-first policy and practice
- The barriers to implementation
- The roles of stakeholders
- Implications for the education and training providers

Defining the Skills-First Approach

| Model | Defining Feature |
|-----------------------|---|
| Qualification-Centric | Formal qualifications dominate employability criteria. |
| Skills-Based Hybrid | Qualifications remain central, but skills and competencies are integrated (e.g., modular pathways, RPL, micro-credentials). |
| Skills-First | Recognisable skills and demonstrable proficiency are prioritised. Qualifications support rather than gatekeep. Requires coordination and culture shift. |

The Benefits of Skills-first

- It may unlock a untapped pool of skilled people whose remain invisible to employers because they may not have the generally expected credentials (e.g., a degree).
- Proponents of skills-first argue that skills-first is essentially agile in nature, and therefore useful for enhancing mobility and employability needs.
- Skills-first responds directly to labour market needs
- Skills-first may advance diversity and equity in employment

Importance of Skills-First in Education & Training

- To improve alignment between education and training with labour market needs
- To improve the agility and lifelong learning outcomes
- To enhance the sector's role in addressing skills shortages
- To empower individuals through clearer, transferable recognition

Barrier 1: Signalling Failures

- Relative few reliable, portable tools to communicate skills
- There appears a lack strong incentives for education and training institutions to signal skills clearly
- Result: poor communication between education and employment systems and employers regularly falling back to using formal education credentials.

Barrier 2: Coordination Deficits

- Fragmented communication/coordination between education, employers, and policymakers
- Lack of common skills language and taxonomies
- Disconnected efforts across sectors and regions
- Result: System inefficiency and wasted effort

Barrier 3: Cultural Resistance

- Formal qualifications hold deep cultural and social value
- Skills seen as secondary, informal, or low-status
- Education institutions shaped by credential-based models
- Result: Slow mindset shift despite noticeable progress

Key Takeaways for Educators & Policymakers

- Develop collaborative ecosystems
- Embrace dual roles of skills and qualifications
- Continue to make reforms in learning and credentialing systems

Concluding Messages

- Skills-first is not a rejection of qualifications it's more about prioritising the visibility, the portability and the currency of skills
- A substantial paradigm shift will be required
- Educators and lifelong learning leaders are pivotal to supporting and participating in this transition

Q&A

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