

An aerial view of a meeting room with several people and chairs. A central white box contains the title and icons. The background is a light, neutral color.

## Education–Labour Market Relations After COVID: Adaptation, Mismatch or Transformation?



2<sup>nd</sup> NEXT-UP Living Lab  
Initial findings from WP1



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## KEY STRUCTURAL CHANGES

### EDUCATION

- Neoliberal marketisation and massification: Universities repositioned as service providers. Employability becomes a formal – but often symbolic – policy goal.
- Policy-driven reforms in EU: Bologna & Lisbon reforms harmonized higher education, yet implementation remains fragmented and uneven across institutions.
- Digitalisation and technological change: Demands new digital curricula – but education systems adapt slowly, hampered by staff competency gaps and infrastructure limits.

Consequences: pressure on curricula, autonomy, and university purpose

### LABOUR MARKET

- Digitalisation & automation : Hybrid profiles required – digital literacy combined with communication and cognitive flexibility.
- Migration & demographic change → new groups, new barriers
- Globalisation & internationalisation → cross-border credentials, local filters
- Crises (2008, 2013/2014): Exposed fragility of traditional education-to-employment pathways. Employers shifted toward short-term, functional competencies.
- COVID-19) → stress-test school-to-work pathways

## Comparative Insights: Divergent Global Practices



### EU: Policy-Driven Hybrid Model

Bologna Process reforms embed employability, but implementation is fragmented, creating substantive gaps.



### Anglophone: Marketization Logic

Universities treated as service providers, intensifying competition and a transactional exchange.



### East Asian: Cultural Gatekeeping

Credentials and prestige hierarchies prioritize local experience, reinforcing structural inequality.



### Global South: Institutional Fragility

Weak governance and volatile markets create precarious transitions and exposure to shocks.



### Cross-Regional Common Thread

Despite divergent models, symbolic alignment often takes precedence over substantive reform, with ad-hoc cooperation.



### Implications for NEXT-UP Contexts

No single transferable model; context-sensitive, institutionalized dialogue platforms are essential for alignment.

## Comparative insights: Contrast between employers and educators

### Agreement

- Both sides value transversal or soft skills
- Practical experience as crucial
- Lifelong learning is necessary.
- Skill mismatches exist: contrast on responsibility outdated curricula or institutional/systemic barriers

### Contrast

- Skills & competencies: functional/short-term vs contextual/developmental
- Employability: performance metric vs reflexive, long-term learning capacity
- Adaptation pace: labour market changes fast, institutions change slowly
- Inclusion/gatekeeping: employers emphasise “fitness”, educators emphasise structure & support

IMPLICATIONS FOR YOUTH TRANSITIONS

# Risks & Opportunities

## RISKS

### Increased Precarity

Youth without social capital face uncertain, fragmented pathways

### Ineffective Skill Development

Short-term employability skills become quickly outdated

### Systemic Failures Individualised

Structural problems reframed as institutional or individual failure'

### Reinforced Inequalities

Employer gatekeeping disadvantages diverse backgrounds



## ↑ OPPORTUNITIES

### Systemic Cooperation as bridge for transition

Employers co-designing curricula through stable institutional platforms

### Reflexive Learning Models

Teaching adaptability and self-direction for dynamic markets

### Challenging Hiring Biases

Scrutinising "cultural fit" logic to enable fairer recruitment

### Technology and Innovation in Education

Practice-oriented pathways bridging education and employment

## POLICY & MODELLING

# Preliminary Implications for Modelling and Policy



Moving beyond individual attributes — towards relational, systemic, and structurally informed interventions\*

### 01 Treat Employability as Relational

Models of youth transition should treat employability as relational and mediated, not just as individual capital

### 02 Prioritise Quality of Coordination

Move from ad-hoc collaborations to institutionalised, sustained platforms for dialogue and co-design

### 03 Replace Symbolic Agendas

Establish genuine stakeholder spaces — policymakers, educators, employers, and youth — for shared co-creation

### 04 Address Institutional Barriers on Both Sides

Target rigid curricula and funding models in education; challenge hiring biases and limited openness in labour markets

### 05 Question Employer Hiring Practices

Critically examine “cultural fit” biases and informal recruitment channels; incentivise inclusive, competence-based hiring

# Conclusion & Next Steps

## KEY TAKEAWAYS

Adaptation, not transformation – post-COVID adjustments remain largely superficial

Entrenched misalignments persist between education's outputs and employer expectations

Systemic fragmentation – cooperation relies on individuals, not institutions

Gatekeeping dynamics – cultural fit filters reinforce existing inequalities

Narrowing purpose – employability pressure risks eroding higher education's civic mission

## WHAT COMES NEXT



### Qualitative Interviews

Findings inform interview guides for in-depth employer and educator research



### Cross-Sectoral Analysis

Identifying commonalities and divergences across industries and educational fields



### Agent-Based Modelling

Simulating policy interventions and the impacts on youth transition pathways

*From identifying problems to co-creating future-oriented, inclusive solutions for young people across Europe.*





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## Questions for the discussion on the Living Lab Workshop:

- Looking at the past few years, has the connection between education and work truly transformed, or are we just using new labels for the same old problems?
- Please name and describe **one thing** employers don't understand about the modern classroom, and **one thing** educators don't understand about the modern workplace?
- Our research suggests that 'cultural fit' can act as a barrier to diverse talent. How can recruitment practices evolve to be more inclusive while still meeting business needs?