



Editorial

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Dear colleagues,
Once again, we are happy to share with you some insights in our activities in the ESSC for Commerce.

A feature article looks into our last report, dedicated to good practices identified by participating Members to monitor skills needs and tackle the skills gap in their respective countries. One of our Spanish members also led us into an insightful tour of the current situation and perspectives for the Commerce sector in their country, which we are certain you will appreciate.

Across the issue, Interesting points of reflection have been offered on two “hot” topics – eCommerce and Digitalisation –, whose importance is on the rise and which are bound to affect the sector in future. Two noteworthy Deloitte studies are mentioned in our “Surfing the Net” section: *From bricks to clicks*, focusing on the increasing role of e-commerce in

successfully supporting strategic expansion of retailers into global markets, and *The New Digital Divide*, stressing the importance of developing digital strategies, as the “digital factor” is increasingly influencing global buying decisions.

In the meanwhile, the Council is getting ready for its Annual Conference, which marks the conclusion of the 2014 work programme, with the presentation of our reports and this year’s results. The Conference will be held the coming 21st November in Brussels – so save the date!

Finally, we welcome our freshest Members from the newest EU Member State: Croatia. Enjoy the reading!

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Europeans do it better (at work)

It has been stated several times that an area in which the Skills Councils provide great value added is the production of consistent, structured and reliable sectoral intelligence in the field of Employment and Training, while monitoring market changes and challenges in the Commerce sector.

The previous issues allowed readers to peak into preliminary findings of two of our scheduled reports: in this issue, the focus is on a third report, dedicated to Innovative tools, national and regional strategies, initiatives, methods to monitor skills needs and address skill mismatch and gaps.

The ESSC social partners have identified and exemplified a number of national best practices, addressing nine cross-cutting areas for potential action. These areas range from meeting skills needs to addressing and closing the skills gap,

through the recognition of prior learning, coordinating stakeholders and the development of new qualification. The increasing use of e-commerce and multi-channel retailing have also been identified as challenge areas to contend with. Finally, analysing the conditions for transferability and the criteria for successful strategies have been considered.

The report outlines the best practices presented in all these areas, and isolates the factors making them a success, as well as their benefits. Three ‘samples’ are provided here.

The **recognition of prior learning** is a long-standing issue of special relevance to the Commerce sector, and an increasingly crucial need considering that many people have nowadays a variety of knowledge, skills and competences that are not immediately recognised because they are not certified. Portugal, for instance – which in 2000 surveyed that 64.2

percent of its workforce did not possess a school-leaving certificate – developed a system to assess, recognise, validate and certify prior learning. The process is rigorously assessed, qualifications more readily exploitable and a reinforced cooperation has developed between VET and business stakeholders in the Commerce sector.

Dealing with the increasing use of e-commerce requires in-depth reconsideration of logistics: the current transition from face-to face sales models to an online model requires, for instance, adoption of different logistics strategies and increased training and awareness of e-related issues by logistics experts.

In this context, Spain has revised its training curriculum to take into account the changes needed to successfully exploit e-commerce both as an instrument in itself, and associated to bricks-and-mortar stores. This offers businesses highly valuable logistics professionals, capable of handling the implementation of renewed business models and distribution strategies, and some assurance in managing the inevitable transition.



The report also looks at best practices tackling the issue of **addressing and closing the skills gaps**, which is a fundamental objective across all sectors, even beyond Commerce.

In Denmark, reports gather up-to date intelligence on the latest developments in the retail sector in terms of labour market and training development every year, both on the business and VET sides. With their data and statistics, these reports provide the necessary evidence to support proposals for change in training provision so as to close the skills gaps. Recently introduced training in the retail sector, for instance, include multichannel retailing, retail leadership, innovation and entrepreneurship.

The full report, alongside the two reports illustrated in the last issue and the Recommendations of the Commerce European Sector Skills Council will be presented during the Annual Conference 2014, foreseen in Brussels for the end of the month.

Dobrodošli: Croatia joins in!

A new member has recently joined our initiative: welcome Croatia! Two new organisations, long-term social partners at national level, respectively the Croatian Employers' Association (CEA) and the Commercial trade union of Croatia (CTUC) are now involved: a testament to the value of the work carried out in the context of the Council and a welcome extension of the reach of the current ESSC for Commerce network.

...continuously focus on quality youth employment...



CEA
Croatian Employers' Association

In joining the ESSC for Commerce, CEA and CTUC are well aware of the challenges ahead: “for years now—they have declared—the CEA and trade unions have been pointing out [...] the need and importance of aligning education system with labour market needs.” They remark how, at national level, “the reform of vocational education is [now] achieved”, but also how “continuity” is needed

to better employment policy and keep the pace of new technologies, market trends and keep the “focus on quality youth employment”, in a sector with a young workforce and which often acts as the gateway to work for many young Croatians.

Their ambitions for the participation to the Commerce Skills Council network reflect their satisfaction in joining their European counterparts, “to highlight the role and importance of small countries that care for quality jobs and human resources in the trade sector”, but also to be in a better position to “reach state administration on the domestic market”, as the change they initiate “requires much more [stakeholders’] engagement and support” and to “learn and take advantage of the best practice [...] to transfer them to the Croatian reality.”

...opportunity to learn and take advantage of best practice examples...





Q: Introduce us to your Organisation.

■ The Services Federation of CCOO is the result of the merger FECOHT - COMFIA and its scope are most companies in the services sector.

It is a useful tool for people: 4.500.000 people working in 1.500.000 companies; one third of the people employed in Spain, 60% of the companies.

Services CCOO works in the fields of hospitality industry, tourism and gaming; wholesale and retail; financial services; technical services; administrative services and others.

Q: How is your involvement in the ESSC benefiting your Organisation and, more generally, your work in the Comisión Paritaria ?

■ The ESSC enables a European framework for sharing negotiation skills needs for workers in the commercial sector. Allows us to know the reality of other countries and how different practices and solutions are addressed in them for better training and qualifications.

Q: The European crisis: Who has been most affected - negatively or positively - in the Commerce sector in Spain?

■ The economic crisis in Spain has a strong sectoral component and has a negative effect on effective demand. So that Commerce, which ultimately lives from the consumption and depends on the economic cycle, is one of the most affected sectors.

In terms of employment, the sector has lost 12.6% of its workers, including self and wage workers since 2008. The retail trade has lost in 2013 (added to losses from previous years) 3.9% in sales, although unevenly distributed.

In this framework, those occupations with low skill requirements are those that have suffered more job losses. However, qualification is not the sole factor, because work in one or another subsector must also be considered. For example, companies specialising in home furnishing products have been twice affected: by the general fall in consumption and by the decline in real estate, to whose activities are linked. Here, medium and high skilled jobs have not been avoiding the effects of the companies' crisis, although these workers have better future employability options.

While reliable statistics for specific occupations are difficult to find, generally less skilled occupations with

lower educational requirements, linked to lower productivity jobs, most affected by the labor market segmentation (temporary, part-time, youth, etc.) have been the most vulnerable, both in terms of employment and working conditions.

By contrast, high qualified and expert jobs, as those required for trade in luxury goods and last-generation electronic products, have been less affected by the crisis – as specialised shop assistants in perishables (meat, fish, fruit and vegetables), especially those with proven expertise, and some jobs in opportunistic niches (second-hand markets), that require staff able to value a wide range of products for resale.

In short, occupations with negative trend in employment are those with low skill requirements and lower productivity, usually also the most affected by seasonality and more vulnerable to business settings. On the other hand, occupations with medium and high skill requirements and higher productivity, that often are those with higher training or experience levels, hold better.

Q: How are training and education contributing to address its consequences in your country?

■ A partial answer has already been provided in the previous question. Higher levels of skills and training provide more possibilities to confront employment adjustments or job seeking. Low level of training and qualifications often entail more difficulties to find a job and a higher likelihood to suffer business adjustments.

However, especially among youths, phenomena such as over-qualification exist, whereby people with qualifications and training much higher than those required for their jobs, underuse their knowledge and skills.

This mismatch highlights how qualification not always equates education. In Spain, unlike other countries of the EU, there are more university graduates than professional training degree holders. This situation exasperates the mismatch between the skills level required to perform a job and the training level of the workers.

Q: E-commerce and digitalisation: what is the outlook in Spain?

■ An answer to this question requires a look into trends in electronic commerce. The Annual Survey on e-commerce B2C 2012 (2013 edition), elaborated by the National Observatory of Telecommunications, as well as forecasts by other agents, points to a



sustained sales increase in the coming years (subject to the level of growth). This clearly implies an increase of operators on the market and, therefore, of employment numbers.



Q: In your view, what are the most effective tools available to Spanish workers and companies to narrow the skills gap in the Commerce sector? What new tools are required?

- It will require strengthening and improving the quality of vocational training based on collective bargaining, in particular, the definition of professional ranks, with special attention to promotion and career development.

This must be accompanied by a connection to the educational system of vocational training, an appropriate system of information and professional guidance for the unemployed and enough public funding.

Contrary to government practice in Spain, the role of social partners through collective bargaining is essential, thus ensuring the link between the real needs of the sector and the training and qualifications system in Commerce, anticipating changes and taking the appropriate measures.

The role of a renewed Commerce *Comisión Paritaria*, adjusted by experience and with the necessary changes dictated by the future legal framework, might be key in this regard.

Surfing the Net – Links & Resources

Mapping and Analysing Bottleneck Vacancies in EU Labour Markets

A study on the identification of the top-20 bottleneck occupations on the EU labour market.

> from the [European Commission, DG EMPL website](#).

The Erasmus Impact Study. Effects of mobility on the skills and employability of students and the internationalisation of higher education institutions.

The study analyses the effects of both Erasmus student mobility and the Erasmus teaching assignment/staff training.

> from the [European Commission, DG EAC website](#).

The New Digital Report Divide: Retailers, Shoppers and the Digital Influence Factor

A gateway to all the opportunities and funding to improve Vocational Education and Training across Europe.

> from the [Deloitte Research website](#).

From bricks to clicks: Generating global growth through eCommerce expansion

The study analyses critical points for retailers who want to adopt an eCommerce strategy expansion

> from the [Deloitte Research website](#).

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