

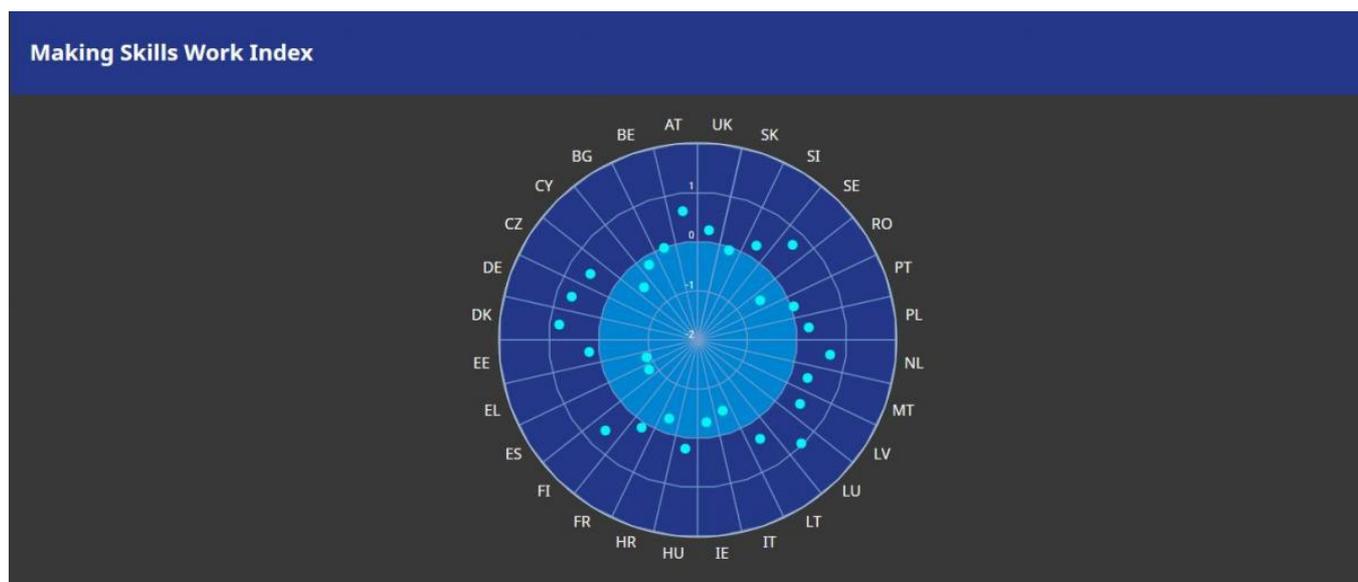
## Stay tuned for the European Skills Index!

08/06/2017  [Research](#), [European Skills Index](#), [European Skills Index](#), [People and Skills](#), [Matching Skills and Jobs](#), [Future Jobs](#), [Labour Market Context](#), [EU](#)

Since 2013, at Cedefop we have been working on constructing a **skills index**. We decided that it should consider three dimensions; namely: a) skills development, b) skills activation, and c) skills matching. These are distinct areas but, all together, they capture three different stages of the route of skills from cultivation to utilisation in the labour market and at work. In particular, **skills development** represents the training and education activities that take place in a country, and their immediate outputs in terms of skills developed and attained, **skills activation** assesses the transition from education to employment, while **skills matching** captures the extent that skills are effectively used at work and the labour market in general.

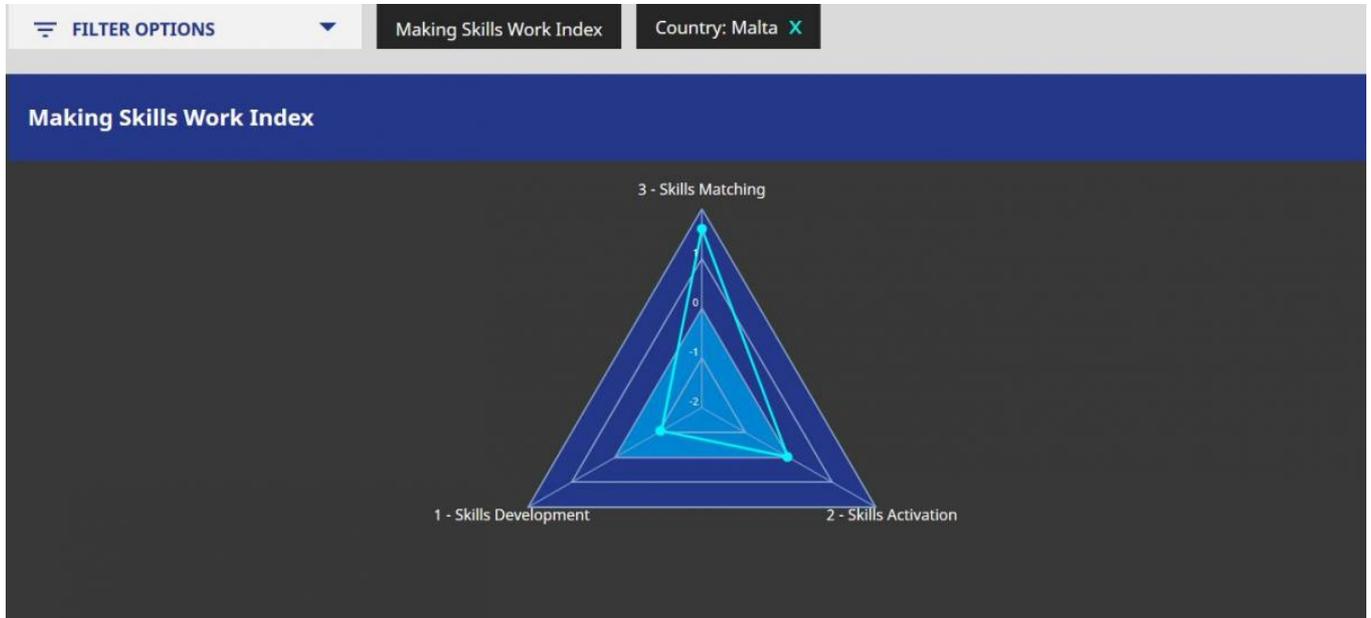
The **European Skills Index - Making Skills Work** - measures the comparative performance of the skills formation and matching system of each EU country and can be consulted through the [Skills Panorama](#).

A group of seven Member States (Luxembourg, Denmark, Sweden, the Netherlands, Germany, Austria and Finland) perform notably better than the EU28 average on the European Skills Index. They are represented by dots in the dark blue area (in the pale blue area are those Member States with a performance lower than the EU average).

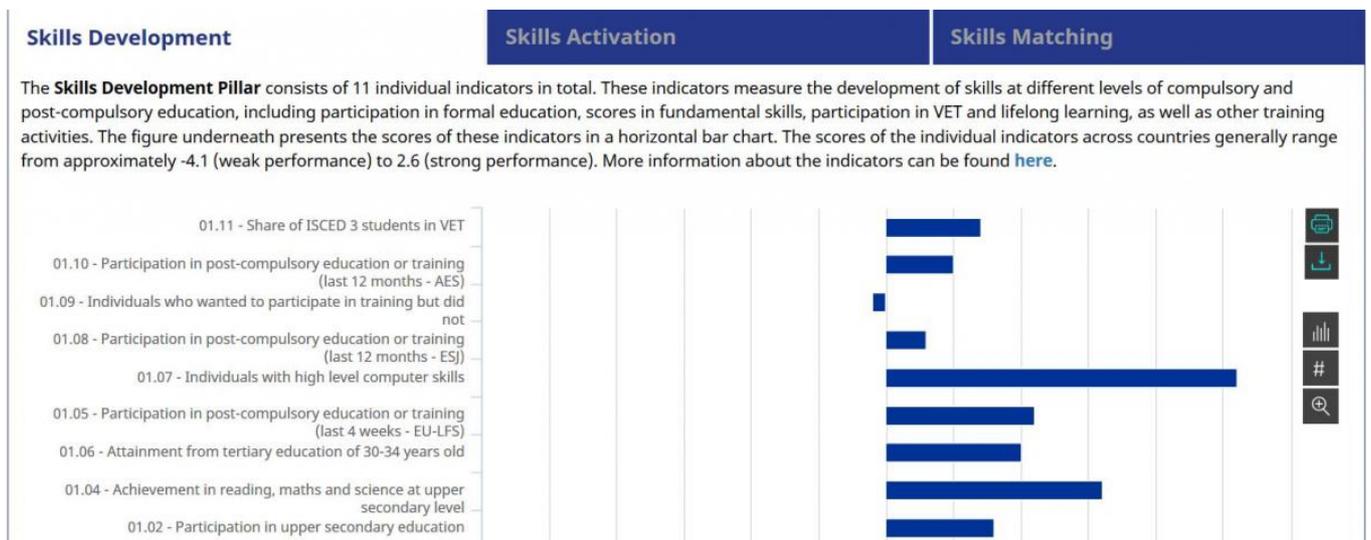


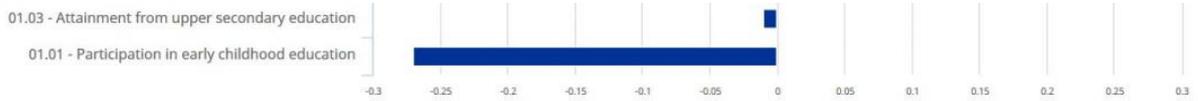
Even though the index score shows the overall performance, one has to delve into the three dimensions

(activation, utilisation, matching) in order to better understand what lies beneath the surface. For instance, even though Malta seems to have an average performance, while looking into the three dimensions (simply by filtering by country) one can observe that skills development is notably under-performing, skills activation is just average, but skills matching is outstanding (see Figure below).



Once the three dimensions are examined separately, a deeper investigation into the comprising indicators (within each dimension) can reveal the ones that have the largest impact, either positive or negative. For example, Finland (ranked 7th overall on the Index) does best in the skills development pillar: the country has the highest of all Member States' scores in reading, maths and science (15-year-olds) and the highest proportion of the population with high computer skills. However, Finland has the oldest starting age for compulsory education and in consequence the lowest participation rate in pre-primary education (see Figure below).





The European Skills Index thus provides useful information to multiple recipients interested in different aspects of the 'skills eco-system' while at the same time providing a snapshot on countries' 'skills performance'. The index aims to serve as inspiration for countries and stakeholders that want to improve certain areas, understand what is driving their results and would like to know more about other countries' performance.

Methodologically-speaking, the index is a composite indicator. It groups a large number of variables into different dimensions and eventually into a single measurement (the overall index score). Another example of a composite indicator is the GDP, which measures the economic performance of each country using a single figure while, in fact, it relies a large number of indicators.

For the purposes of its Skills Index, Cedefop has benefited from the methodology and inputs of **JRC's Competence Centre on Composite Indicators and Scoreboards**. Furthermore, in May 2017, experts and policy-makers met in Rome to discuss further refinement and promote the use of the index. They highlighted the potential of the index and its relevance. They consider that the **European Skills Index** can inform both policy makers and researchers who have an interest in the area of skills and the labour market. At the same time, participants offered ideas for refining, displaying and promoting the index.

Cedefop will carry out further work accordingly and a new version of the European Skills Index will be launched early 2018. Stay tuned to the [Skills Panorama!](#)

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