



in short 6 | February 2018

# Skill transfer in "Arbeit 4.0"/ the future of work

#### Work has always been transforming

Everyone is talking about the digitalisation of work: Germans say "Arbeit 4.0", Anglo Saxons "future of work". There seems to be consent on the growing complexity of work and the need for new skills. Qualifications are of increasing relevance, lifelong learning is proclaimed. These are no groundbreaking insights, however. Although these findings are correct, they are not new. They have applied since the beginning of the industrial age.

## Jobs are changing, not disappearing

Which tasks constitute so-called "simple tasks" constantly written off? What did these "simple tasks" look like 50 years ago? Take agriculture, for example. Farmers with hay forks and milking pails? Long gone! Today, farmers are chemists, businessmen and industrial mechanics all at once. Yet farmers still exist. Work continuously transforms, its transformation has to be shaped. Fearmongering is inappropriate.¹

## **Today's regulation matters**

Work 4.0 and future of work are no future scenarios. Digitalisation is a fact. Creative jobs without digital support are inconceivable. The mobile office is part of everyday life. Even the industrial assistant is available around the clock; he digitally documents work results and works in digitally optimized or controlled environments. Today's regulation matters.<sup>2</sup>

## Knowledge and qualifications have a half-life

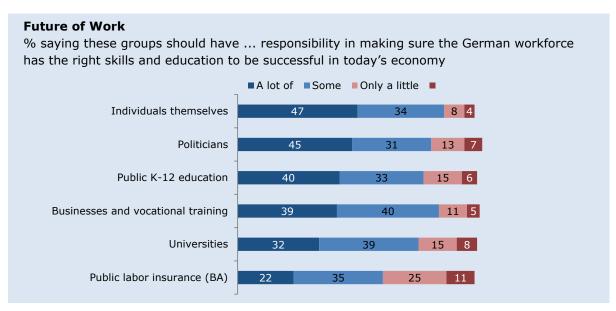
Particularly the speed of transformation has changed. Knowledge and qualifications have a half-life. Professional skills have a new standing, making employees feel insecure. This phenomenon is global. Americans understand that simple know-how is losing importance. Social skills like communication and analytical skills are becoming ever more important. All this has tremendous effects on education and regulation.

## Who is responsible?

Who should make sure that the workforce acquires these skills? The American response is clear: individuals themselves (72 percent). This stems from their cultural logic: everyone is the architect of his own fortune. Americans think that the state is less responsible (40 percent) than the education system (60 percent) and employers (49 per cent). We have asked the same question in Germany: 47 percent of Germans agree that individuals themselves are most responsible. Yet the difference to their American peers is obvious (73 to 47 percent). The cultural difference becomes even more apparent on the role of the state. Whilst Germans hold the state the second most responsible, Americans regard the state as least responsible.<sup>3</sup>

#### **Employment insurance is not the way forward**

Germans object to a stronger role for the Federal Employment Agency. The organisation is the least popular option. Only few seem to trust a government agency to find the right answers to an increasingly dynamic working environment. It is striking that Germans put more confidence into secondary school (40 percent) and vocational education and training (39 percent) than into academia (32 percent). This reveals another cultural difference: the German education and training system is not well-known to Americans.



Source: Representative survey by EMNID on behalf of Konrad-Adenauer-Stiftung (2017)

# **The Social Market Economy succeeds**

The case for turning the Federal Employment Agency into employment insurance or a Federal Qualification and Advanced Training Agency is not convincing. The Federal Employment Agency is first and foremost an unemployment insurance financed via contributions. There hardly is evidence for its ability to predict the skills in future demand or the need for advanced training. Employers and employees should take joint responsibility. They are closer to issues of vocational training and labour market regulation. Subsidiarity is a central pillar of the Social Market Economy. The Social Market Economy succeeds in Work 4.0.4

- 1| Köster/Kuzev (2017): Zukunft der Arbeit: Wahrheit oder Fiktion?, in: Hays-Blog zur Arbeitswelt [blog.hays.de/zu-kunft-der-arbeit-wahrheit-oder-fiktion].
- 2| Köster/Lenz (2016): Kein Paternalismus am Arbeitsmarkt, in: ÖkonomenBlog [www.insm-oekonomenblog. de/13855-kein-paternalismus-am-arbeitsmarkt-2].
- 3| Pew Research Center (2016): The State of American Jobs [www.pewsocialtrends.org/2016/10/06/the-state-of-american-jobs].
- 4| Schäfer (2017): Beschäftigungsfähigkeit, In: Köster (2017): Arbeit 4.1 Ordnungspolitische Kommentierungen der Weißbuch-Empfehlungen.

#### Konrad-Adenauer-Stiftung e. V.

#### **Thomas Köster**

Coordinator Labor and Social Policy Politics and Consulting

Thomas.Koester@kas.de

#### **CC BY-SA 4.0**

The text of this publication is published under a Creative Commons license: "Creative Commons Attribution-Share Alike 4.0 international" (CC BY-SA 4.0), https://creativecommons.org/licens-

https://creativecommons.org/licenses/by-sa/4.0/legalcode