

PREPARING THE RIGHT MIX: COMBINING SOCIOEMOTIONAL SKILLS WITH TECHNICAL SKILLS FOR THE LABOR MARKET

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Is there another dimension to look at in developing human capital? What are the skills that drive better labor market outcomes?

WEAVING TOGETHER WHAT IS KNOWN

The continuous evolving of the labor market has implications on the means of measuring human capital—which wields a central role in economic growth. In empirical growth models, the standard proxy for human capital is educational attainment, but this is an indirect and very imperfect measure of labor skills. Educational attainment is also a skill measure that is not comparable across nations (or over time) due to variation in educational qualityⁱ. With this, researchers have studied the role of socioemotional skills in addressing this issue. Unlike traditional academic, cognitive, and technical skills, socioemotional skills—also known as soft skills, non-cognitive skills, or behavioral skills—reflect the worker's personality, attitude, and mindsetⁱⁱ.

To begin with, parents, teachers and employers know that children who are talented, motivated, goal-driven and collegial are more likely to weather the storms of life, perform well in the labor market and consequently achieve lifetime successⁱⁱⁱ. However, global consensus on what these skills are, how they should be acquired and the manner they are to be taught has not been reached.

In its attempt to create a model in developing socioemotional skills for the labor market, the World Bank came up with the PRACTICE model, which is a base list of socioemotional skills, that employers value. Said model stands for the subgroups of Problem solving, Resilience, Achievement motivation, Control, Teamwork, Initiative, Confidence, Ethics.

Another gap that found was on the integration aspect of earlier findings to practical policies and programs^{iv}.

ZEROING IN ON THE PHILIPPINE CASE^v

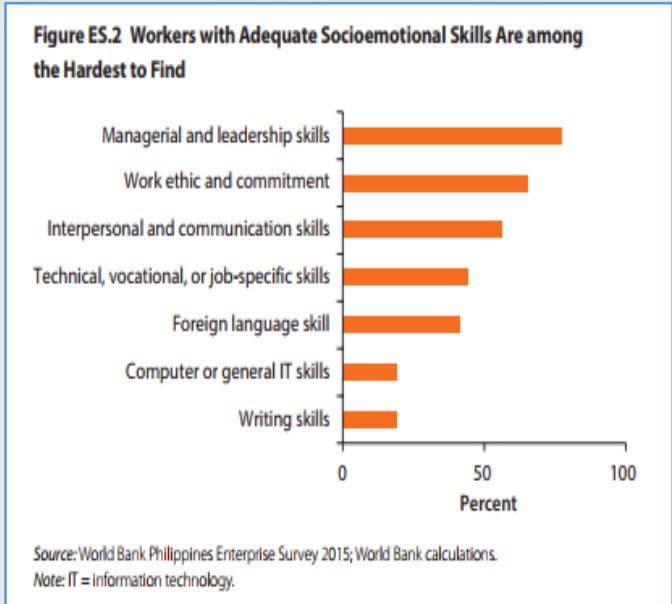
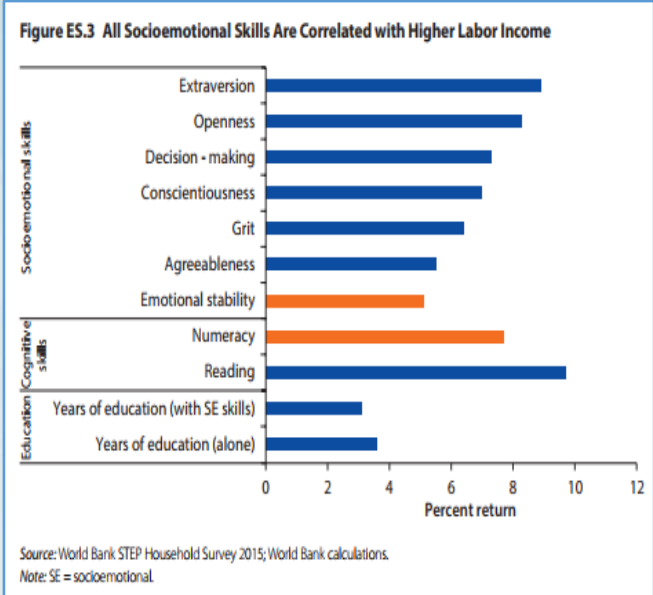
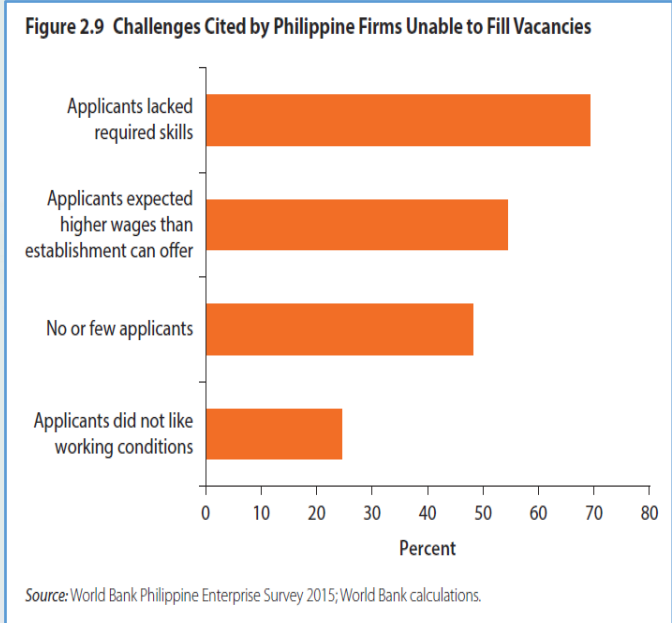
Opportunely, World Bank released a 2017 study entitled *Developing Socioemotional Skills for the Philippines' Labor Market* which could aid policymakers in coping with the above-mentioned gaps.

Despite dramatic increases in the average educational level of the Philippine labor force over the past several decades, firms still report difficulty in finding workers with the specific types of skills they require.

As the Philippine labor market continues to evolve, the standard proxy for estimating human capital- year of formal education- becomes increasingly inadequate.

Among firms that report difficulty hiring workers, the most frequently cited reason is inadequate job skills, followed by high employee wage expectations and lack of applicants (figure 2.9). Evidently, a rising share of Philippine firms' report having difficulty finding workers with appropriate socioemotional skills (figure ES.2). Between 2009 and 2015, the share of such firms increased by about 30 percent.

Extraversion and openness to new experiences were the socioemotional skills most strongly correlated with increased earning. Greater socioemotional skills tend to correlate with higher earnings (figure ES.3). The STEP survey found that most socioemotional skills are related to labor earnings in a comparable way to that of traditional educational attainment.



Moreover, socioemotional skills are claimed to be most strongly related to higher wages among women and young workers and among workers with low educational levels. Aside from this, it was also pointed out that service-sector workers with strong socioemotional skills command a wage premium of about 10 percent. However, socioemotional skills have no significant correlation with wages in the agricultural or manufacturing sectors.

LOOKING AT THE IMPLICATIONS TO TVET

Realizing the outcomes of the reports discussed means enriching the already existing- under the tag of 21st Century Skills- component in TESDA training regulations. While integral changes should be made at the basic education level, since the most critical period for

developing socioemotional skills is between the ages of 6 and 11,^{vi} some interventions could still be made at the TVET level essentially because as an education agency, TESDA has role in equipping students with the necessary knowledge and skills as dictated by the labor market.

The World Bank report identified apprenticeship programs and other forms of vocational education as having the potential to promote socioemotional skills development, which need further study to determine its implications to the learners/trainees. It is also to be noted that in line with this, the Philippine TVET's roadmap stresses that the enterprise-based training be the dominant mode of training delivery in the Fourth Industrial Revolution scenario, and the suitable delivery in for the key employment generators.

Other than the 21st Century Skills, there are other skills associated with socioemotional skills. This include UNESCO's Transversal Skills and OECD's Global Competence. The specifics of these skills are seen in the table below. It can be observed that 21st Century Skills, Transversal Skills, and Global Competence mostly refer to cognitive skills, while socioemotional skills lean towards character skills.

Convergences can be found on the former skill type: communication, media, information, and technology literacy, critical thinking, and global citizenship. Offhand, except for global citizenship, all of these skills are currently included in the TESDA's training programs, which follows the 21st Century Skills Framework incorporated in the TESDA Basic Competency Standards of TVET Qualifications from Levels I to V of the Philippine Qualification Framework. More elaborately, the main themes being

followed by TESDA are: Learning and Innovation, Critical Thinking and Problem, Information and Technology, Entrepreneurship, Life and Career Skills, Environment Literacy, Occupational Health and Safety, Communication, and Teamwork and Collaboration.

Combining these skill types discussed is the best for any education level as it covers both the emotional quotient and intelligence quotient- which the 21st Century Skills has done. However, World Bank Socioemotional Skills covers character skills far more comprehensively and specifically; since its scope is the Philippines which includes the following skills:

Socioemotional Skills (World Bank)	• Extraversion
	• Emotional stability
	• Agreeableness
	• Grit
	• Conscientiousness
	• Decision – making
	• Openness

STEERING SOCIOEMOTIONAL SKILLS DEVELOPMENT IN TVET

Taking into account the World Bank report, as a first step, TESDA can look into the evaluation of the effects of socioemotional skills to TVET to be able to understand the matter at a more specific level. This would also equip TESDA in implementing grounded reforms which could propel our graduates to their maximum potentials.

Since the report made mention of the capability of apprenticeship programs in harnessing socioemotional skills, TESDA could maximize its enterprise based trainings like apprenticeship, learnership, and Dual Training System- the latter especially, because its effect

has been evaluated, and preliminary results indicate positive effects on participant earnings^{vii}. Such joint programs could foster in demand knowledge and awareness of the socioemotional skills required by the labor market.

For TESDA, the challenges in developing socioemotional skills does not end on its embedment to training regulations. Though this does not demand infrastructure development, it requires an intensive training of trainers for them to be able to take on the amplified role of a TVET teacher. The evaluation of socioemotional skills when it comes to the certification process- either institutional or national- also emerges as an issue the agency should ponder on.

ⁱ Lundburg, S. (2017). *Non-Cognitive Skills as Human Capital*.

ⁱⁱ Acosta, P. (2017). *Developing Socioemotional Skills in the Philippines' Labor Market*. World Bank.

ⁱⁱⁱ OECD. (2015). *Skills for Social Progress: The Power of Social and Emotional Skills*.

^{iv} Guerra, Modecki, & Cunningham (2014). *Developing Social-Emotional Skills for the Labor Market: The PRACTICE Model*. World Bank.

^v Acosta, P. (2017). *Developing Socioemotional Skills in the Philippines' Labor Market*. World Bank.

^{vi} Acosta, P. (2017). *Developing Socioemotional Skills in the Philippines' Labor Market*. World Bank.

^{vii} Yamauchi, et. al. (2017). World Bank. *The Impacts of On-the-Job Training on Labor Market Outcomes Dual Training System in the Philippines*.

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