

TRAILS

Enabling Data Analytics for Actions
Tackling Skills Shortages & Mismatch



Policy brief #5 EDUCATIONAL MISMATCH IN EUROPE AND THE ROLE OF REMOTE WORKING

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WHY IT MATTERS

A well-functioning labour market relies on **matching workers' skills with job requirements**. Educational mismatch—overeducation or undereducation—can reduce job satisfaction, lower wages, and hinder productivity. Understanding the drivers of mismatch is essential to improve labour market efficiency and support inclusive employment.

WHAT DATA SHOWS

TRAILS draws on research by **Redmond et al. (2024)** and the European Skills and Jobs Survey to examine **educational mismatch trends**, drivers, and the role of **remote working** in addressing these gaps.

KEY FINDINGS

- **Declining mismatch:** Overeducation fell from 28% (2014) to 21% (2021); undereducation from 15% to 10%.
- **Higher educational attainment:** More tertiary graduates reduced undereducation; labour markets have absorbed these graduates, lowering overeducation.
- **Remote working impact:** COVID-19 accelerated remote work, helping reduce geographic barriers. Increased remote work is associated with an **8 percentage-point drop in overeducation**, rising to 10 points for employees who changed jobs during the pandemic.
- **Country variation:** Ireland, Netherlands, and Sweden saw the largest increases in remote work; Czechia, Poland, and Slovakia the smallest.



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POLICY IMPLICATIONS & RECOMMENDATIONS

- **Support hybrid and remote work:** Governments and employers can invest in digital infrastructure, management training, and clear regulations (e.g., Ireland's Work-Life Balance Act 2023).
- **Address regional digital gaps:** Broadband access and local digital skills programmes are crucial to ensure equitable opportunities.
- **Monitor ongoing trends:** Policymakers should track whether overeducation rises again as hybrid work patterns stabilise.

LOOKING AHEAD

Remote work presents a powerful tool to improve the geographic matching of skills and jobs, helping reduce overeducation while supporting more flexible, inclusive labour markets across Europe.

RESOURCES AND LINKS

- Full deliverables: D6.3 and TRAILS reports
- For more information, please visit the TRAILS website(<https://www.trails-project.eu/>) and social media channels.

