SKILLS FOR INNOVATION: THE MAGNITUDE OF THE CHALLENGE

Innovation Growth Lab IGL 2018 Global Conference
12-14 June, Boston US

Sandrine KERGROACH
OECD Centre for Entrepreneurship, SMEs, Regions and Cities
What do we need skills for?

- Coping with the challenges of the digital transition
- Participating in GVCs and reducing risks of offshoring
- Participating in an inclusive and increasingly knowledge-based society
The skills we need? Not quite sure yet...

More skills, more diverse skills, more diverse skillset

- **Generic skills** to support future learning
- **Digital skills and skills that complement machines**
Many countries lack the right skills for the new jobs

Problem-solving skills in technology-rich environments

% of the working-age population (aged 15/16-64)

- Failed ICT core or had no computer experience
- Lacks basic skills to fulfill simple tasks (Level 1 or below)

Source: OECD Survey of Adult Skills.
The hollowing-out of middle-skill jobs raises the issue of reskilling.

Computers have started displacing labour.

Labour market polarisation, % point change in share of total employment, 1995-2015

Skills are learnable but supply adjusts slowly

- More transversal, interdisciplinary education.
- Innovative teaching and learning methods (e.g. problem-based learning, more customised, more fragmented cursus, teachers networks, etc.)
- Increased efforts dedicated to entrepreneurship education and stronger support to start-up action
  - **Entrecomp** a common entrepreneurship competence framework
  - **HEInnovate**, a joint EC/OECD initiative - on-line self-assessment platform ([www.heinnovate.eu](http://www.heinnovate.eu)) to support HEIs’ start-up support actions and reinforce entrepreneurship education and knowledge exchange mechanisms.
- Innovative responses to find within local employment and skills systems
- More interaction with industry.
Engaging SMEs in training and education

Source: OECD (forthcoming), SME and Entrepreneurship Outlook 2018, based on OECD ICT survey and OECD Survey of adults skills.
Incentives matter as well!

• Primarily emanating from market conditions and prospects

• Building supportive ecosystems,
  – Stable, favourable and predictable framework conditions
    (regulatory and institutional framework, competition, taxation),
  – Sound infrastructure (digital, R&D, logistics, energy etc.)
  – Cooperation networks, universities/PRIs and clusters

• Unleashing the potential of SMEs and addressing the diffusion challenge in certain firms and sectors
Contact:
Sandrine KERGROACH
Senior Economist,
OECD Centre for Entrepreneurship, SMEs, Regions and Cities
sandrine.kergroach@oecd.org

http://www.oecd.org/cfe/smes/ministerial/