



SKILLS FOR INNOVATION: THE MAGNITUDE OF THE CHALLENGE

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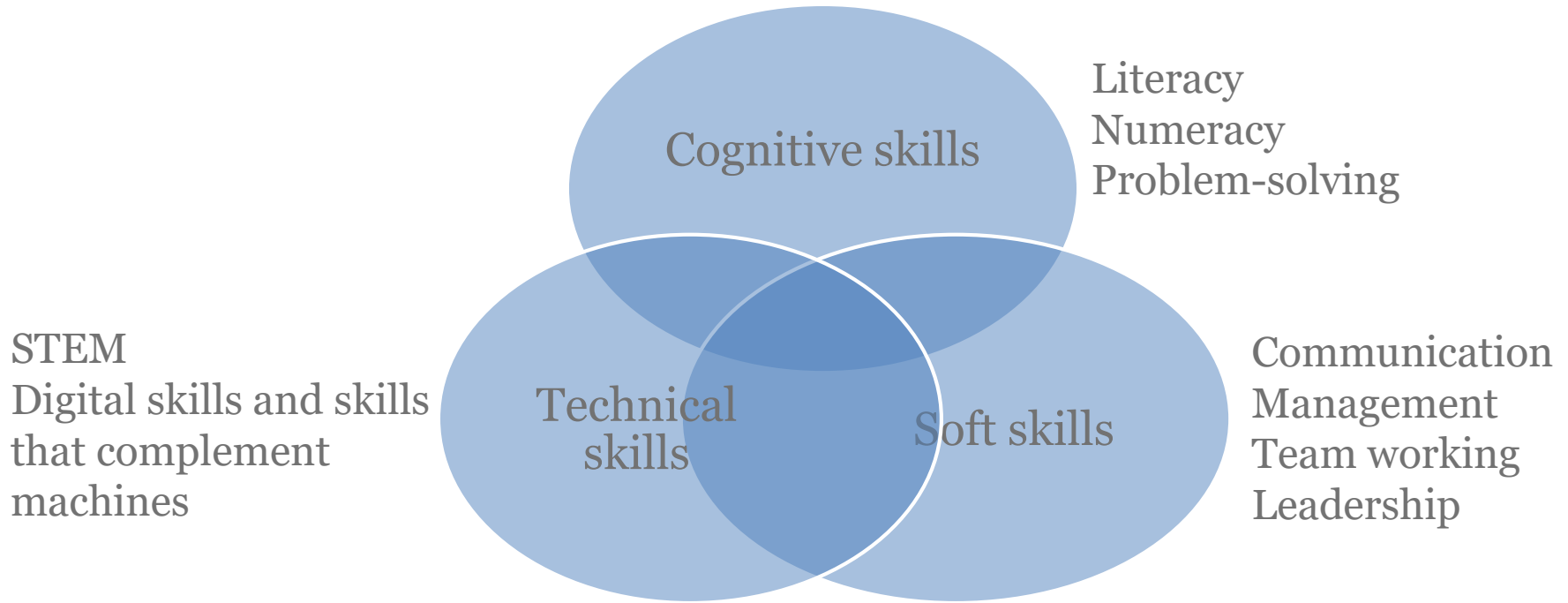
What do we need skills for?

- 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

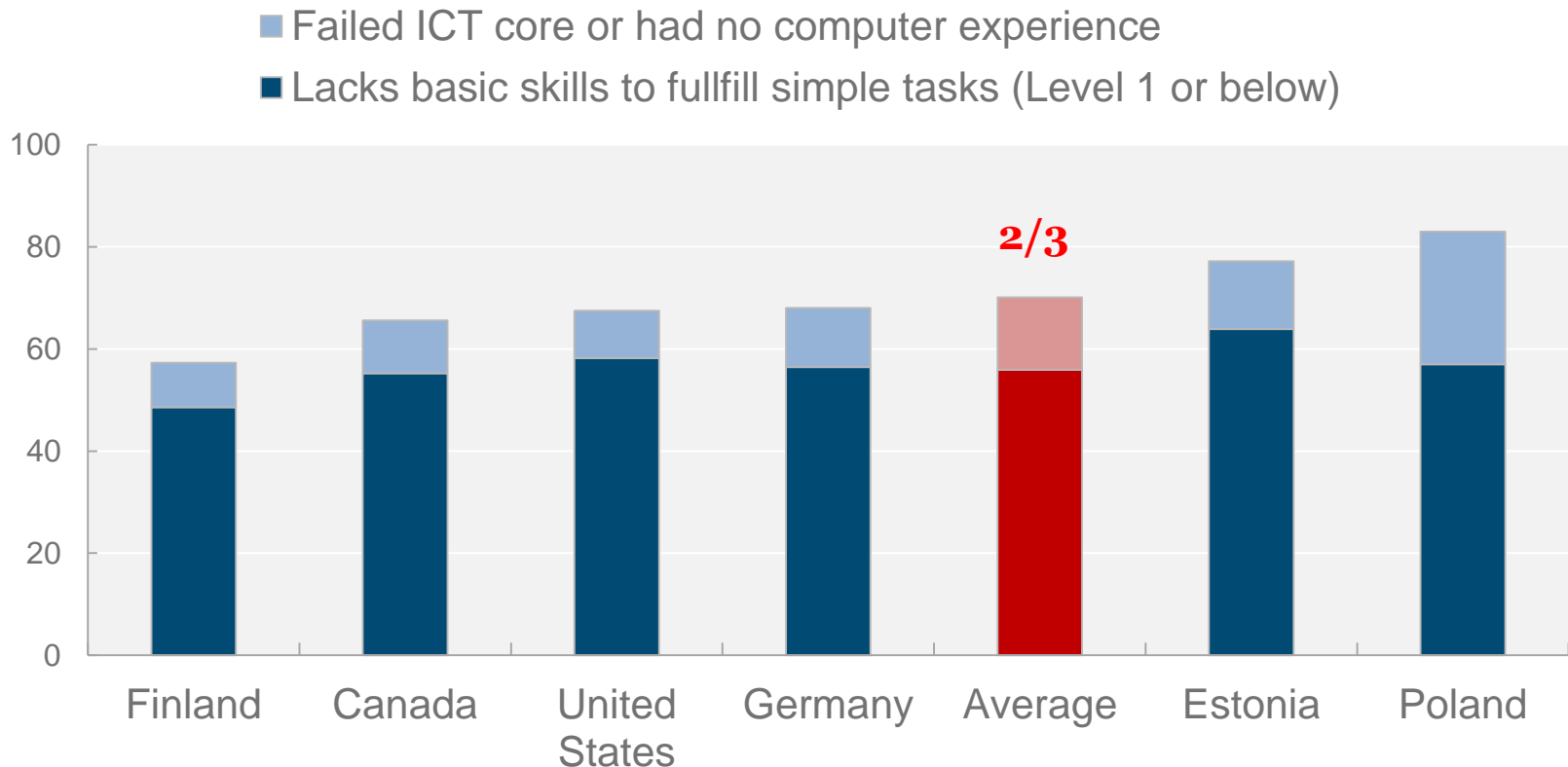
- **Generic skills** to support future learning
- **Digital skills and skills that complement machines**



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)



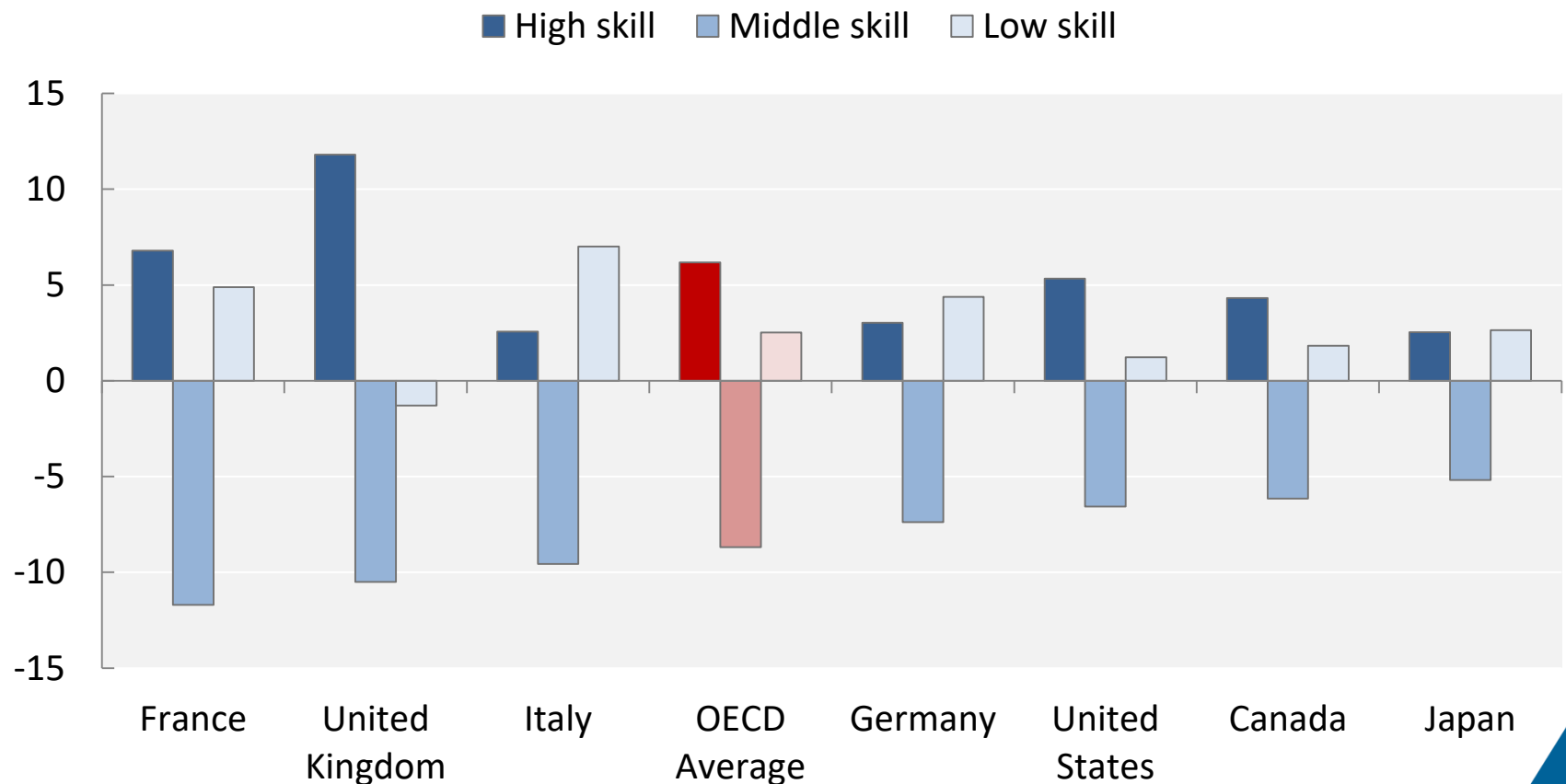
Source: OECD Survey of Adult Skills.



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





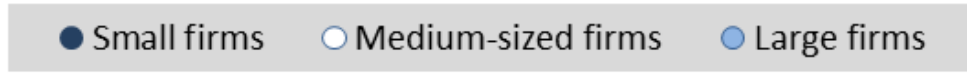
Skills are learnable but supply adjusts slowly

- **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) 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.**

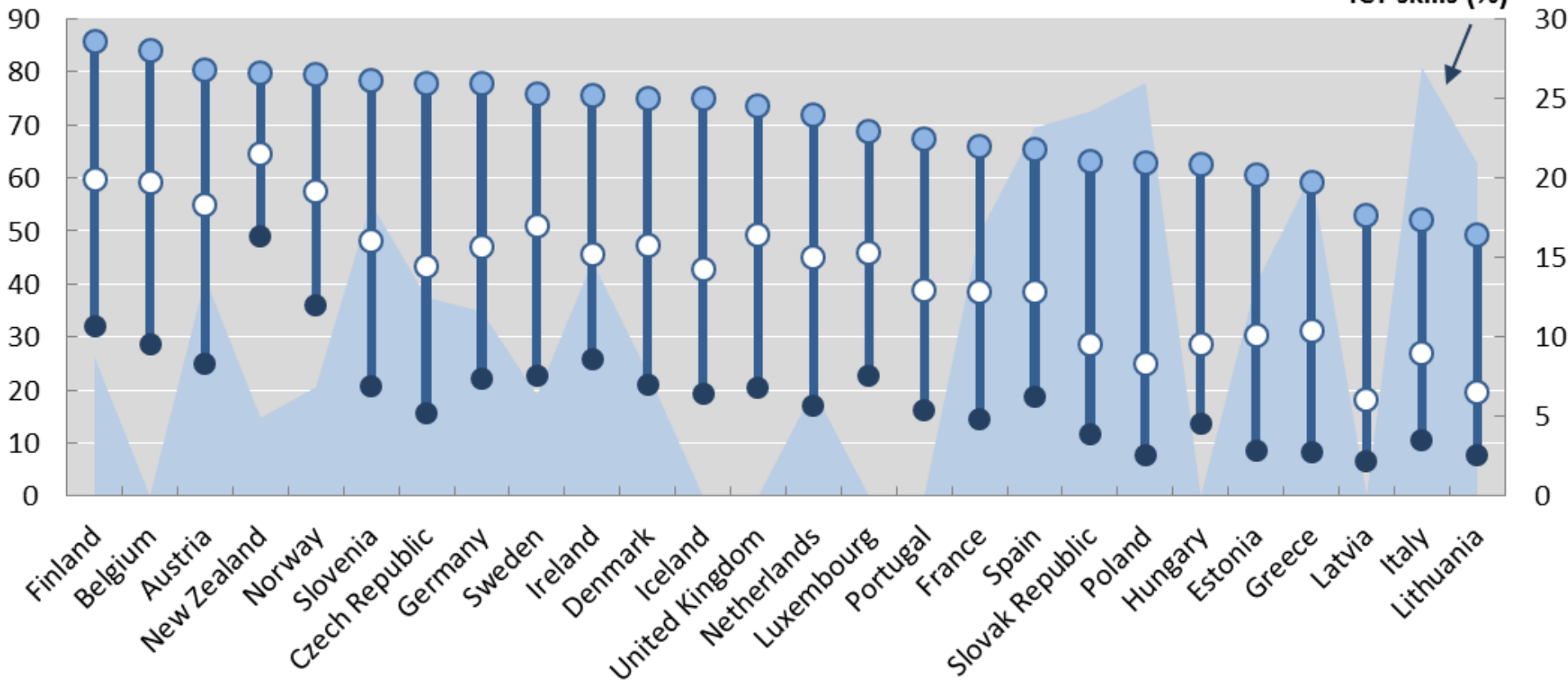


Engaging SMEs in training and education

ICT training
(% firms by size class)



Adults without core
ICT skills (%)



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



For further participation in innovation activities, skills are not enough ...

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/PRI and clusters
- **Unleashing the potential of SMEs and addressing the diffusion challenge in certain firms and sectors**



Thanks

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