

LESSONS LEARNED FROM OECD SKILLS STRATEGY PROJECTS

Andrew Bell Team Leader, National Skills Strategy Projects

OECD Centre for Skills Education and Skills Directorate





WHAT DO WE MEAN BY SKILLS?

COGNITIVE & META COGNITIVE SKILLS

TECHNICAL, PROFESSIONAL, SECTOR-SPECIFIC SKILLS

SOCIO-EMOTIONAL SKILLS

OECD SKILLS STRATEGY FRAMEWORK





THE SKILLS STRATEGY HAS BEEN TESTED IN 13 COUNTRIES





MEGATRENDS ARE SHAPING THE SKILLS PRIORITIES OF COUNTRIES

GLOBALISATION

More integrated world economy than ever

Expansion of global value chains, offshoring and outsourcing

Increased vulnerability of some workers

TECHNOLOGICAL CHANGE

Rapid development of new technologies

Emergence of new forms of work

Expansion of sources of learning, especially online

DEMOGRAPHIC CHANGE

Large expected decline in workingage population

Ageing population

Growing number of immigrants



MEGATRENDS ARE CONTRIBUTING TO POLARISATION

Job polarisation in the past two decades

%-point change share of total employment, 1995-2015





AUTOMATION IS TRANSFORMING WORKPLACE

Jobs at risk of Automation Share of jobs at HIGH RISK (>70%) of automation and at SIGNIFICANT RISK (50-70%) %70 60 50 40 27% 32% 30 20 26% '4% 10 0 Finland 400404



Source: Nedelkoska and Quintini (2018)

DIGITALISATION RAISES NEED FOR TRAINING

Workers reporting needing further training for their job by education level Share of total workers, 2012/2015



BETTER POLICIES FOR BETTER LIVES

Source: Survey of Adult Skills (2012, 2015)

ALL WITH IMPORTANT IMPLICATIONS FOR FOR TALENT MANAGEMENT





DEVELOPING RELEVANT SKILLS ACROSS THE LIFECOURSE



OECD countries have sizeable shares of workers with low-levels of basic skills

Adults with low literacy and/or numeracy proficiency Share of population 25-65 year-olds





Source: OECD calculations based on OECD (2017), OECD Survey of Adult Skills database (PIAAC) (2012, 2015), OECD, Paris, www.oecd.org/skills/piaac/ (accessed March 2017).

Relative performance in skills development for youth and adults





Note: The figure is based on indicators from the Skills Strategy Dashboard, using normalised scores of the following aggregated indictors: "how skilled are youth", based on PISA scores 2015, and "how strong are foundational skills of adults", based on PIAAC scores. Source: OECD (2015), Programme for International Student Assessment (PISA), 2015; and OECD (2018), OECD calculations based on Survey of Adult Skills, 2012/2015.

CHILDREN DO NOT ALL BENFIT FROM THE SAME OPPORTUNITES TO LEARN

Early exposure to computers

% of students who first used a computer when they were 6 years or younger



THERE IS NO TRADE-OFF BETWEEN EXCELLENCE AND EQUITY

Relative performance and equity in skills development, youth and adults



Note: Figure is based on indicators from the Skills Strategy Dashboard. Performance in skills development is defined as the average of the normalised scores of aggregates 'how skilled are youth' (based on PISA scores 2015), 'how skilled are young tertiary educated adults' and 'how strong are foundational skills of adults' (both based on PIAAC scores). For the equity in skills development, the indicator is based on the aggregates 'are skills of youth being developed inclusively' (PISA ESCS parity index), 'how inclusive is tertiary education', and 'are skills of adults being developed inclusively' (tertiary attainment and skills respectively by education level parents, PIAAC).

Source: OECD (2015), Programme for International Student Assessment (PISA), 2015; and OECD (2018), OECD Survey on adult skills, 2012/2016

ACCESS TO ECEC MAKES A DIFFERENCE ESPECIALLY FOR DISADVANTAGED BACKGROUNDS

Score-point difference in science performance between 15-year-old students who attended early childhood education (ISCED 0) for two years or more and those who attended for less than two years (PISA 2015)



BETTER POLICIES FOR BETTER LIVES

Note: statistically insignificant values are indicated with a lighter color. Source: OECD (2017), Starting Strong 2017: Key OECD Indicators on Early Childhood Education and Care.

IT IS NOT ONLY ABOUT MONEY IT IS ALSO ABOUT HOW WE SPEND IT

Spending per student from the age of 6 to 15 and science performance



IT'S NOT ABOUT HOW MUCH TIME WE SPEND BUT ABOUT HOW WE USE THE TIME

Learning time and science performance



TERTIARY EDUCATION CAN HELP BUILD STRONG SKILLS, BUT IT IS NO GUARANTEE

Mean literacy score of adults by educational attainment, 25-65 year-olds





Source: OECD calculations based on OECD (2017), Survey of Adult Skills database (PIAAC) (2012, 2015), www.oecd.org/skills/piaac/ (accessed March 2017).

MANY PEOPLE GRADUATE WITHOUT THE SKILLS THAT ARE DEMANDED IN THE LABOUR MARKET



A LARGE SHARE OF ADULTS SEES NO NEED TO CONTINUE LEARNING

Willingness to participate in formal and/or non-formal education





Source: OECD calculations based on OECD (2017), OECD Survey of Adult Skills database (PIAAC) (2012, 2015), OECD, Paris, <u>www.oecd.org/skills/piaac/</u>

BARRIERS TO ADULT LEARNING ARE NUMEROUS

Reasons preventing participation in (more) formal and/or non-formal education Share of total, 2012/2015



Paris, www.oecd.org/skills/piaac/

Survey of Adult Skills database (P

ADULTS WITH THE LOWEST SKILLS ARE LESS LIKELY TO PARTICIPATE IN TRAINING

Participation of adults in education and training by skill level Share of adults (25-65 year-olds) participating in formal and/or nonformal education and training by literacy level, 2012 or 2015 % Level 0/1 \triangle Level 4/5 100 90 80 70 60 50 40 30 20 10 0 Sto Republic 510^{v04} Republic Hothern Heldro (1)4) United States AUSTROIIO Germony Estonio conodo Hetherlands Newleoland 2010nd Belgium AUSTIO spoin overoge reland Froland WY 5reder Denmont TUREY eronce HOH. Source: Survey of Adult Skills (2012, 2015)



ATTACHMENT TO THE LABOUR MARKET MATTERS FOR ACCESS TO TRAINING

Share of students having participated in open/distance education in last 21 months prior to survey, by employment status



KEY AREAS FOR ACTION TO IMPROVE SKILLS DEVELOPMENT

- Developing a culture of lifelong learning: raising aspirations and supporting informed learning choices
- Preparing lifelong learners: Building a strong foundation in early learning and compulsory school
- Making lifelong learning sustainable and rewarding in adulthood: strengthening financing arrangements for lifelong learning
- Making lifelong learning visible: strengthening systems of skills validation and certification
- Making lifelong learning accessible and relevant: encouraging the development of education and training markets that are more responsive to the needs of adults

EXAMPLES OF GOOD PRACTICES

Norway: Committee on Skills Needs coordinates the work of ministries and

stakeholders in the area of skills needs assessment and responses

Germany: MYSKILLS

is a test that helps jobseekers without formal vocational qualifications to demonstrate their vocational skills Denmark: Adult and Continuing education (ACE) system is a flexible adult education system that is completely parallel to regular education system

Japan: "whole child education" develops a broad range of skills by applying various approaches and activating teachers



USING SKILLS EFFECTIVELY IN WORK AND LIFE



EDUCATION AND SKILLS PROFICIENCY ARE KEY TO ACTIVATING SKILLS

Effect of education and literacy proficiency on the likelihood of being employed Marginal effects (as percentage point change) of a one standard deviation increase in years education and literacy on the likelihood of being employed among adults not in formal education





Notes: The reference category is «unemployed». Results are adjusted for gender, age, marital and foreign-born status. One standard deviation in proficiency in literacy for the working population is 48 score points. One standard deviation in years of education is 3.2 years for the working population. Statistically significant values (at the 10% level) are shown in a darker tone. Source: Survey of Adult Skills (PIAAC) (2012, 2015).

EDUCATION AND SKILLS PROFICIENCY ARE KEY TO USING SKILLS INTENSIVELY





Note: The figure is based on indicators from the Skills Strategy Dashboard, using normalised scores of the following aggregated indicators: 'How strong are foundational skills of adults?' and 'Do workplaces make intensive use of skills?' both based on PIAAC scores. Source: OECD (2018), OECD calculations based on Survey of Adult Skills, 2012/2015.

THE INTENSITY OF SKILLS USE VARIES CONSIDERABLY ACROSS COUNTRIES

Use of reading skills at work and literacy proficiency





Source: OECD calculations based on OECD (2017), OECD Survey of Adult Skills database (PIAAC) (2012, 2015). Note: Skills use indicators are scales between 1 "Never" and 5 "Every day". Proficiency scores range from 0 to 500



HIGH-PERFORMANCE WORK PRACTICES HELP DRIVE SKILLS USE

Skills use at work and High Performance Workplace Practices, PIAAC 2012,2015





HIGH PERFORMANCE WORKPLACE PRACTICES MATTER MORE THAN MANY OTHER FACTORS

The contribution of factors to the variance of skills use at work Share of the variance in skills use explained by each factor





SMES IN PARTICULAR COULD BENEFIT FROM THE INCREASED ADOPTION OF HPWP



BETTER POLICIES FOR BETTER LIVES

Source: OECD calculations based on OECD (2017), OECD Survey of Adult Skills database (PIAAC) (2012, 2015), OECD, Paris, www.oecd.org/skills/piaac/ (accessed March 2017).

SKILLS USE MATTERS FOR SUCCESS IN SOCIETY

The effect of the use of skills on positive social outcomes

%-point increase in likelihood of positive outcomes when reading skills are used intensively at work and home, beyond the effect of literacy proficiency





Note: Regression controlling for literacy proficiency, educational attainment, gender, parental educational attainment and age. Only adults aged 25-64 included in regression, and employed for regressions on the use of reading skills at work. For the social indicators, the following definitions have been used: high trust is reflected in (strongly) disagreeing with the statement of trusting only few people, regular volunteerism is defined as participating in voluntary work at least once per month, and political efficacy is reflected in (strongly) disagreeing with the statement of feeling of no influence.

Source: OECD calculations based on OECD (2012, 2015) Survey of Adult Skills (PIAAC) (database), http://www.oecd.org/skills/piaac/.



KEY AREAS FOR ACTION TO IMPROVE SKILLS USE

- Promoting labour market participation: reducing barriers to work and activating displaced workers
- Making more intensive use of skills in the economy: Improving work organisation and management practices and involving social partners in the modernisation of work organisations
- ✓ Using skills strategically to foster innovation and growth: Stimulating demand for higher-level skills and developing managerial and entrepreneurship capabilities
- Using skills to strengthen social cohesion: promoting, facilitating and incentivising the use of skills in society
- Expanding the pool of available talent: attracting the right skills from abroad, improving transparency of skills and providing language training

EXAMPLES OF GOOD PRACTICES

UK's investment fund programmes

-- employers submit funding proposals to tackle particular skill challenges, while working in partnership with their employees, trade unions and training providers

Italy's Industria 4.0 is a set of industrial policies that support using skills to transition the economy towards higher technology intensity New Zealand has a number of policies to promote awareness about High Performance Work Practices (HPWP) and their benefits for employees and employers

Finnish Workplace Development

supported 1800 projects in workplaces to disseminate good practices for work organisation and management



STRENGTHENING GOVERNANCE OF SKILLS SYSTEMS



THE POLICY HEADACHE: ISOLATED SECTORAL POLICIES CAN HAVE UNINTENDED OUTCOMES



A RANGE OF POLICIES IS NEEDED TO MAKE THE MOST OUT OF THE DIGITAL TRANSFORMATION

Education policies

to develop the right skills and better harness potential of technology Labour market policies to ensure flexibility and adaptability Industrial policies to foster competitiveness & adopt digital innovations Housing & transport policies to ensure mobility of workers

Innovation policies to adopt and invent new technologies Migration policies to influence supply of skills and support knowledge spillovers Tax policies to create incentives for employees and employers to invest in skills

Social policies to ensure social protection for non-standard work contracts & unemployed





Helps to ensure policies are coherent and mutually reinforcing



COLLABORATION IS KEY TO SUCCESSFUL REFORMS



KEY AREAS FOR ACTION TO IMPROVE GOVERNANCE

COLLABORATING ACROSS GOVERNMENT

ENGAGING STAKEHOLDERS

BUILDING INTEGRATED INFORMATION SYSTEMS

ALIGNING AND COORDINATING STOCORDINATING STOCORDINA

EXAMPLES OF GOOD PRACTICES

Portugal: General Council for Professional Training (CGFP) advises government on the ongoing improvement of professional training in the civil service, including the skills needed to support engagement

Illinois Longitudinal Data System (ILDS) links education and labour market data to support research and analysis by government and qualified third parties, while establishing strong protocols to preserve privacy and security.

U.S. Next Generation Sector Partnerships

supports public partners from local workforce development, economic development, education to work with stakeholders to respond to skills challenges identified by those stakeholders

Ireland Skillnets

supports groups of private businesses in the same sector and/or region come together to fund training that may not have been possible if each firm acted on its own.



The OECD Skills Strategy is being updated to better respond to countries' needs for strong skills policies in the digital age

Lessons learned from experience working on national skills strategies with 11 countries New evidence on how digitalisation and other mega trends:

Demand higher & new bundles of skills

Require **developing skills throughout life**

Require strong governance and financing of skills systems.

Analytical insights on policies that work learned in the past five years



THANK YOU!

Andrew Bell,

Team Leader, OECD Skills Strategy Projects OECD Centre for Skills

To learn more about the OECD's work on skills visit: www.oecd.org/skills/

