



# PROMOTING WORKPLACE INNOVATION TO FOSTER LEARNING AT WORK

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## Demand for jobs and skills is changing.

Technological change

Population ageing

Globalisation



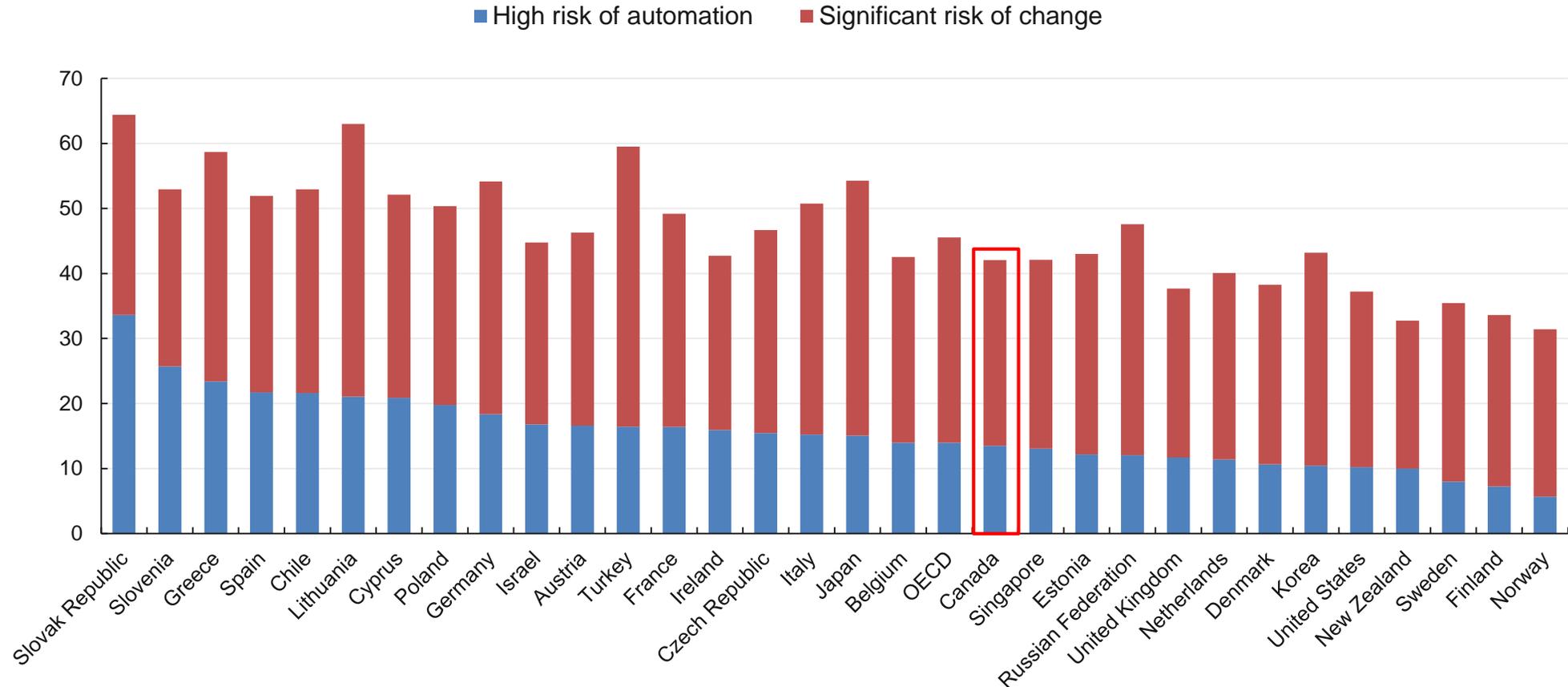
Changing skill demand

Increased need for up-  
and reskilling



# The impact of technology on jobs is sometimes exaggerated, but many jobs will change.

Share of jobs with **significant (50-70%)** and **high risk (>70%)** of automation

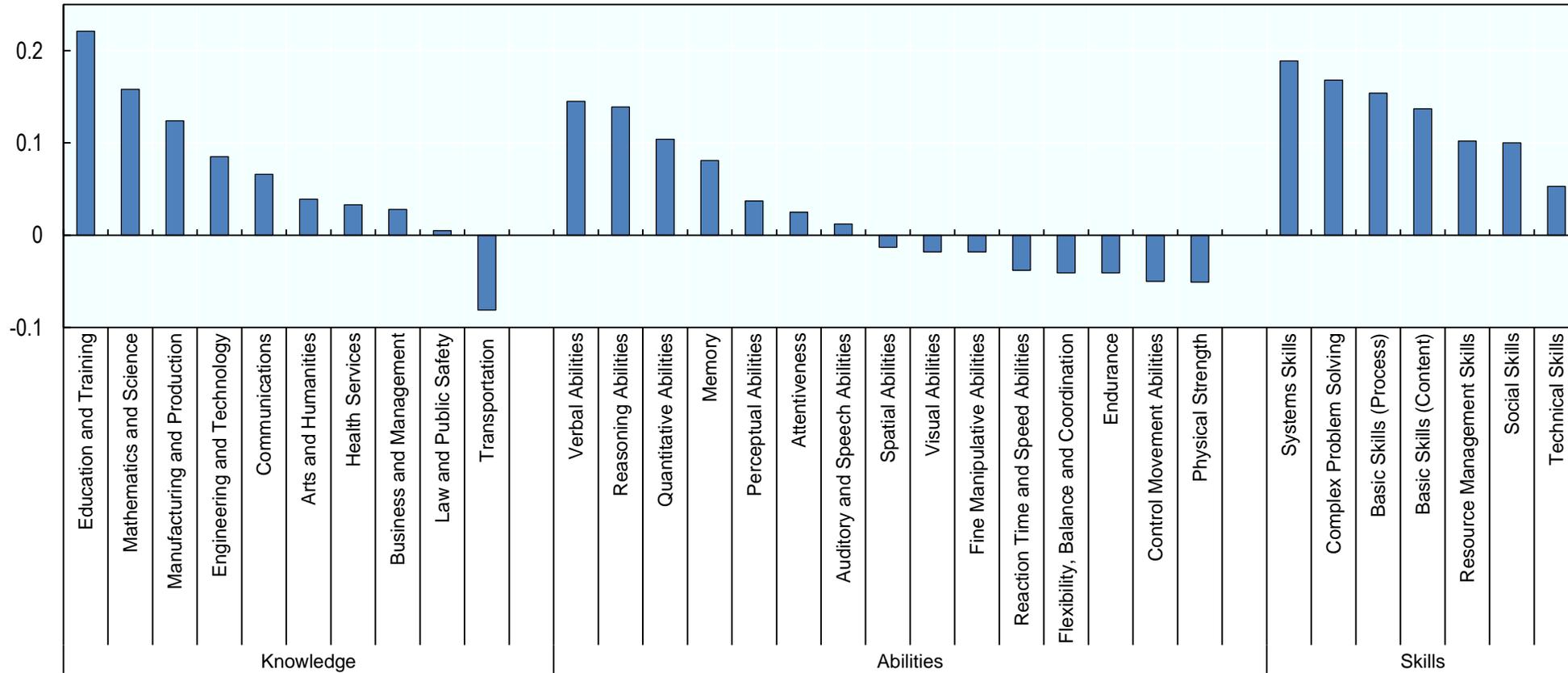


Source: Nedelkoska and Quintini (2018), Automation, Skills Use and Training, *OECD Social, Employment and Migration Working Papers*, No. 202; Data for 2015 or latest available



# Information-processing and problem solving skills are in shortage, while skills associated with manual and routine tasks are in surplus.

Skills in shortage and surplus, Canada, 2015



Source: OECD Skills for Jobs database.



## OECD Priorities for Adult Learning dashboard

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**Urgency** of investing in adult learning



High **coverage**



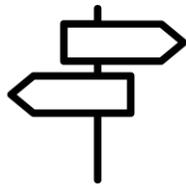
**Alignment** with labour market needs



**Inclusive** participation



Training that has the desired **impact**



**Flexibility & guidance**



Adequate **financing**



## Objectives of Canada adult learning review:

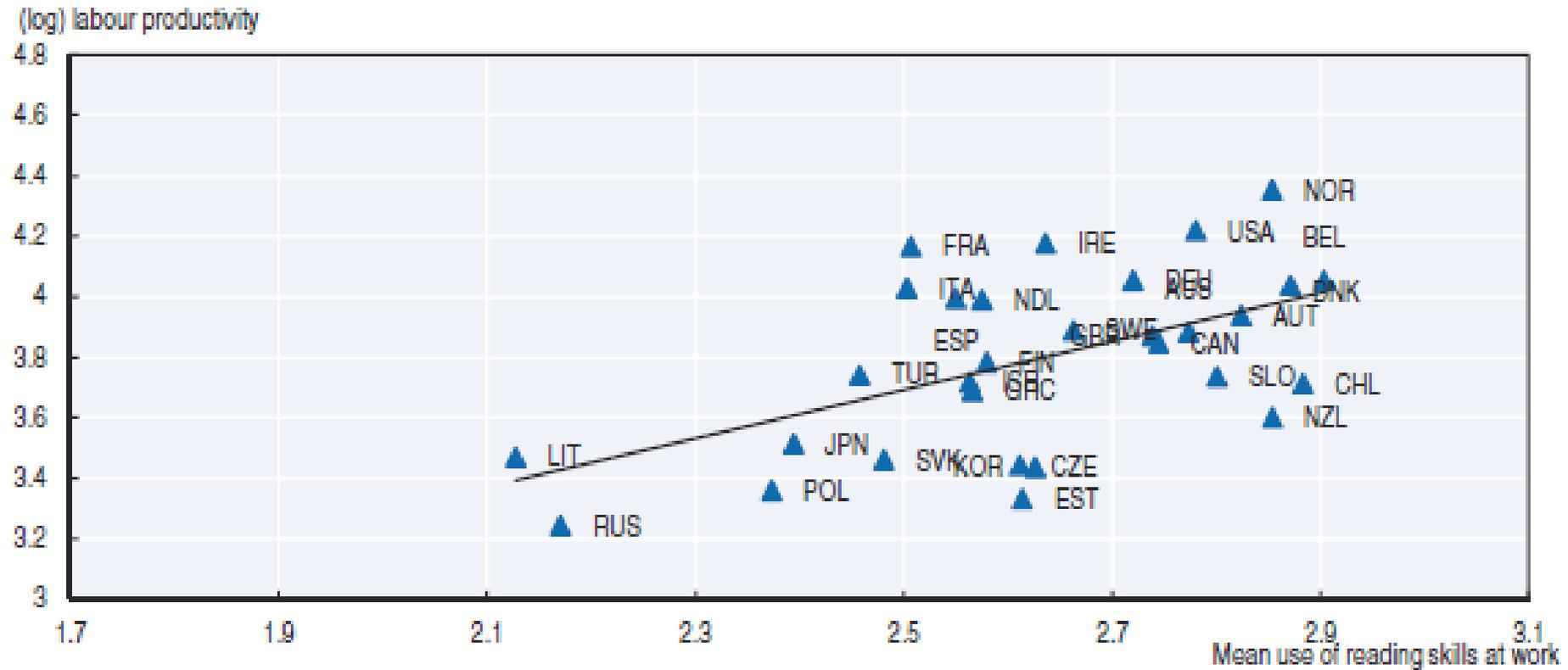
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- Assess how well skills are used in workplaces in Canada.
- Review and showcase initiatives by workforce development bodies to promote better skills use and learning in workplaces in Canada.
  - **Ontario:** Local Employment Planning Councils
  - **Newfoundland:** Workforce Innovation Centre
- Develop recommendations on how examples of international good practice could be adapted to Canada



## Skills use is associated with higher productivity.

Labour productivity and the use of reading skills at work (adjusted for literacy and numeracy proficiency)

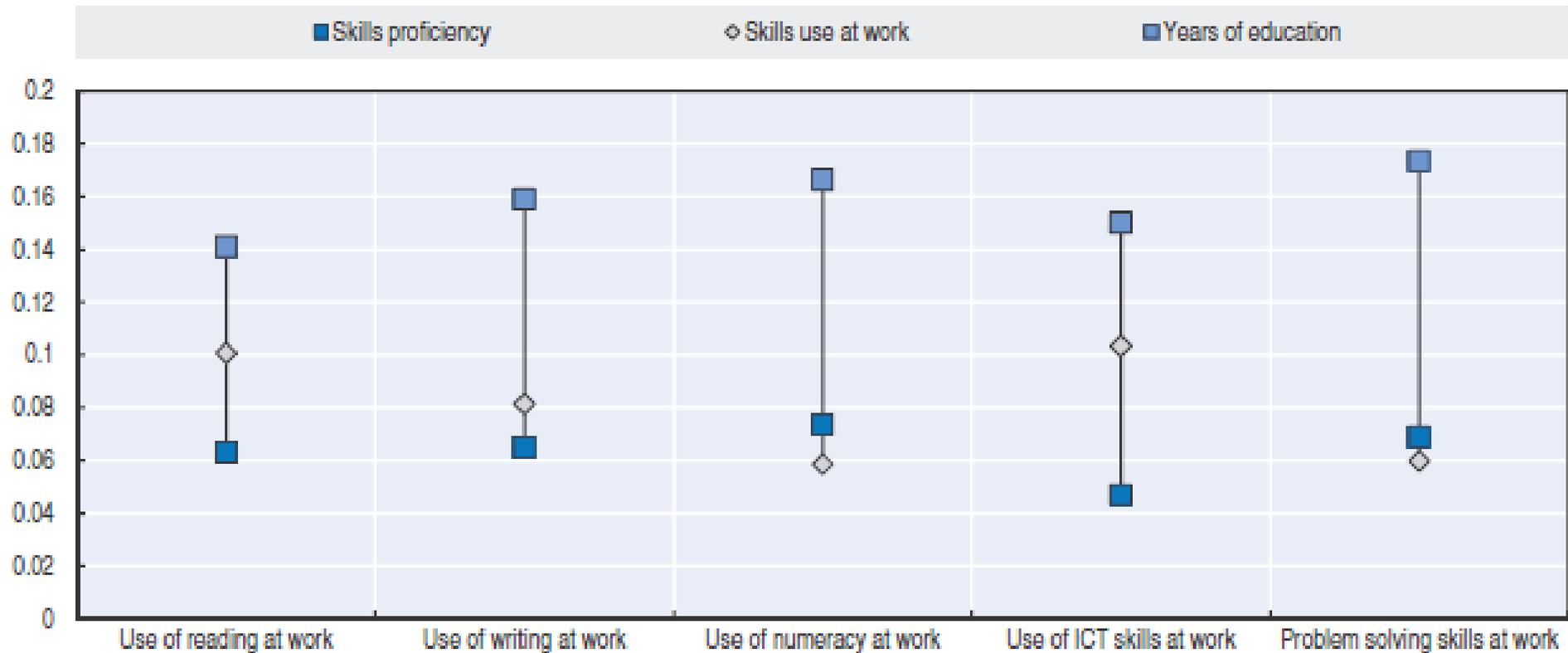




## ... higher wages,...

### Wage returns to education, skills proficiency and skills use

Percentage change in wages associated with a standard deviation increase in skills proficiency, skills use at work and years of education

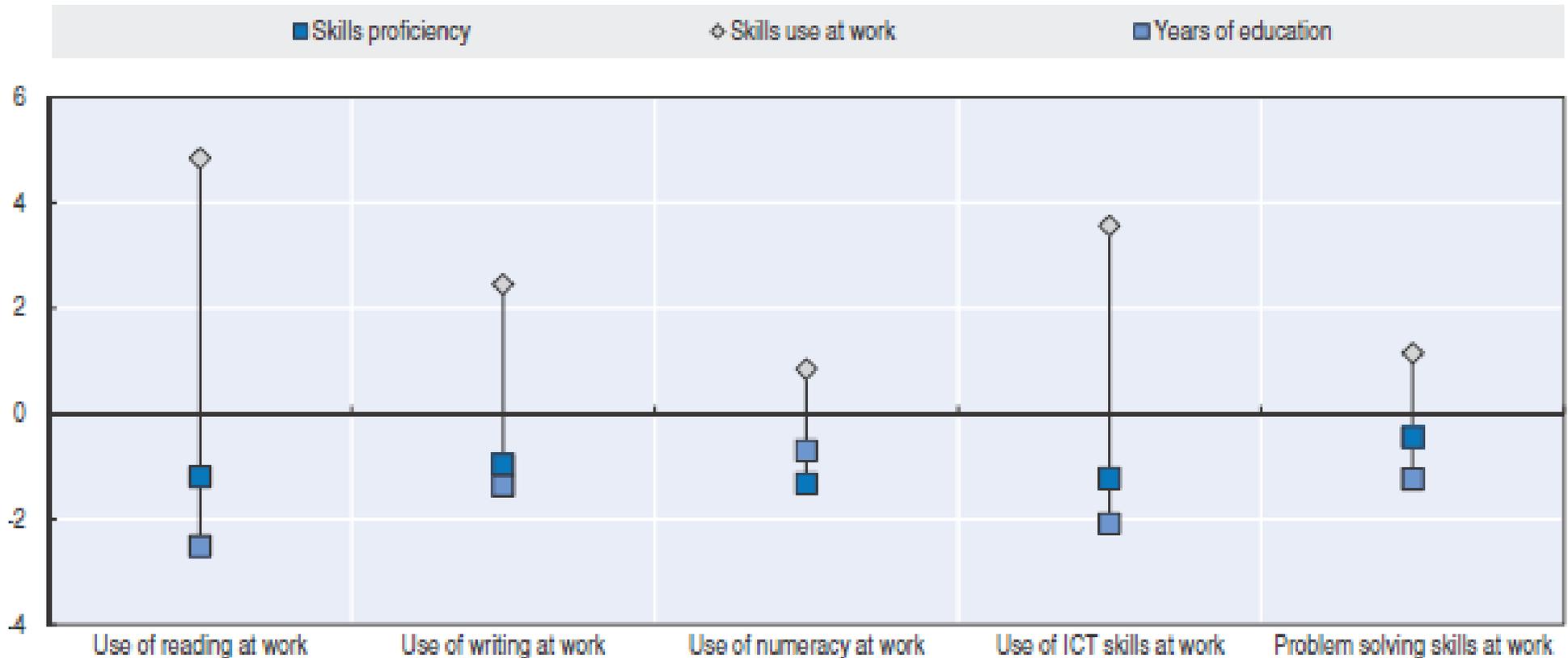




## ... and higher job satisfaction.

### How education, skills and skills use relate to job satisfaction

Percentage-point change in job satisfaction associated with a standard deviation increase in skills proficiency, skills use and work and years of education

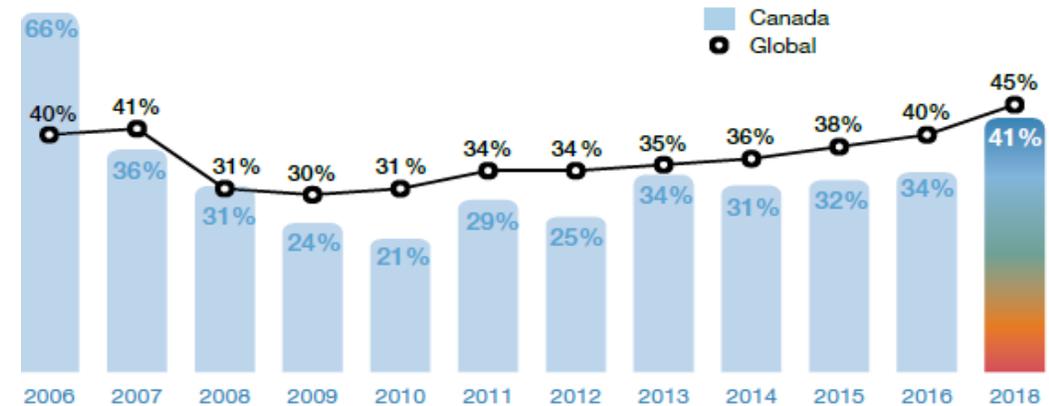




## A growing share of employers report difficulty filling vacancies, and many of them report that applicants lack required skills.

- Tight labour market, aggravated by population ageing
- Record high job vacancy rate (3.3%)

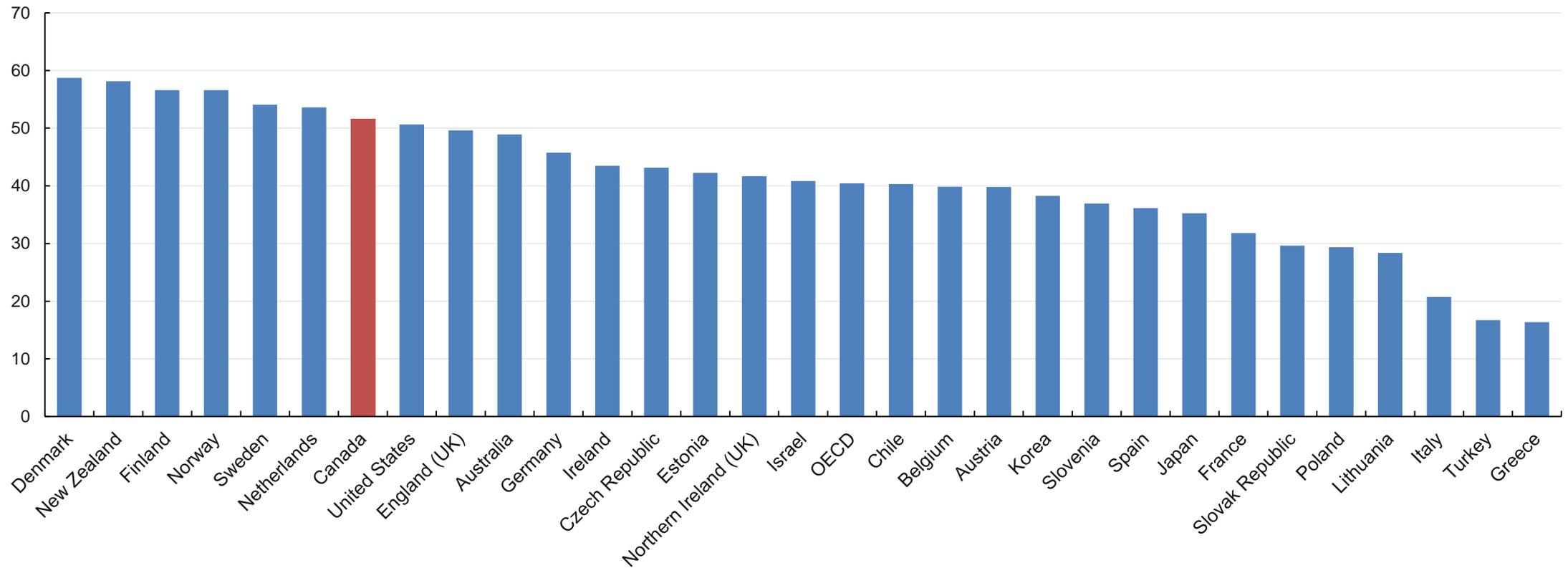
Manpower Talent Shortage Survey, 2018





## About 52% of adult workers train annually, which is high by international standards.

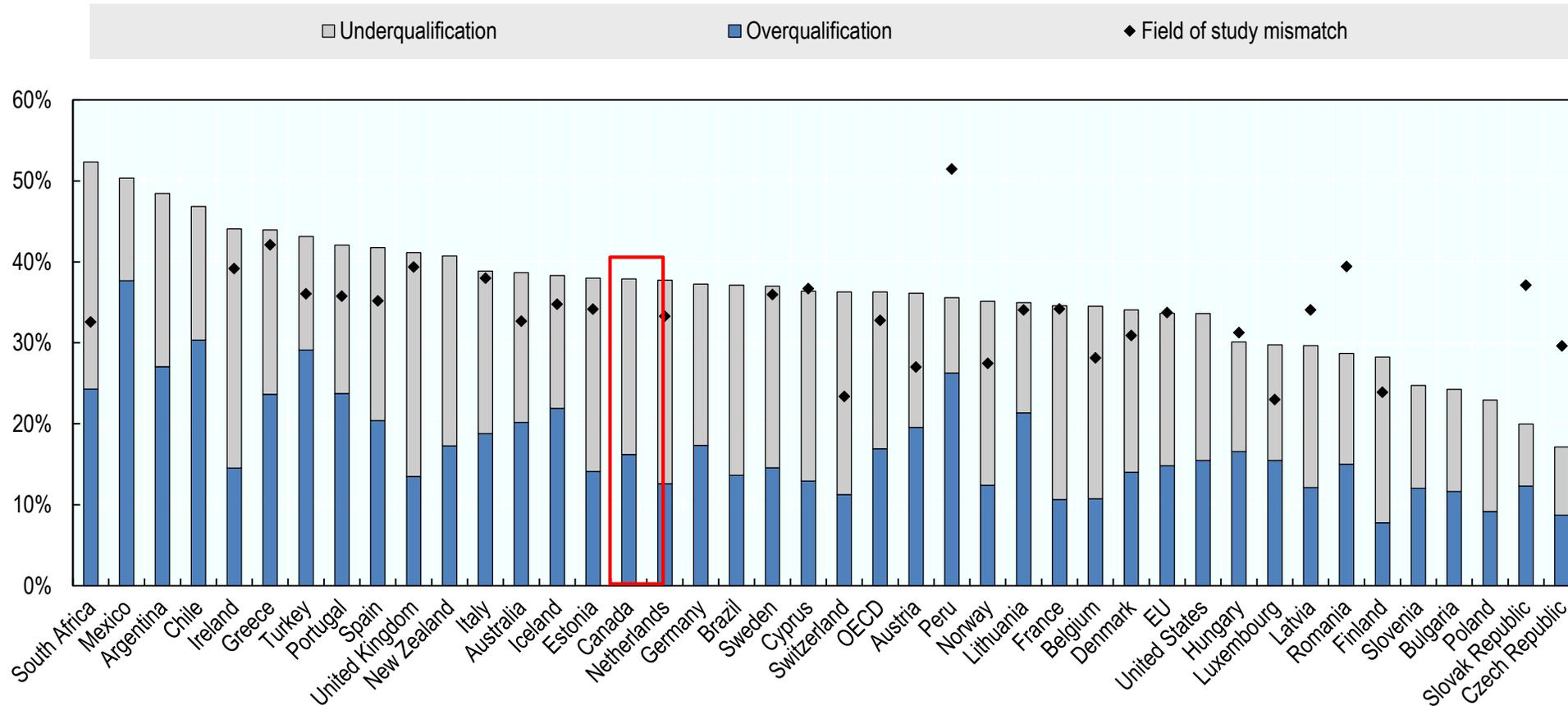
Participation in formal or non-formal job-related learning, adults age 25-64, OECD countries, 2012





# Canada also has the most highly educated labour force among OECD countries, but 38% of workers are over- or under-qualified for their jobs.

Share of adults aged 25-64 who are mismatched to their jobs



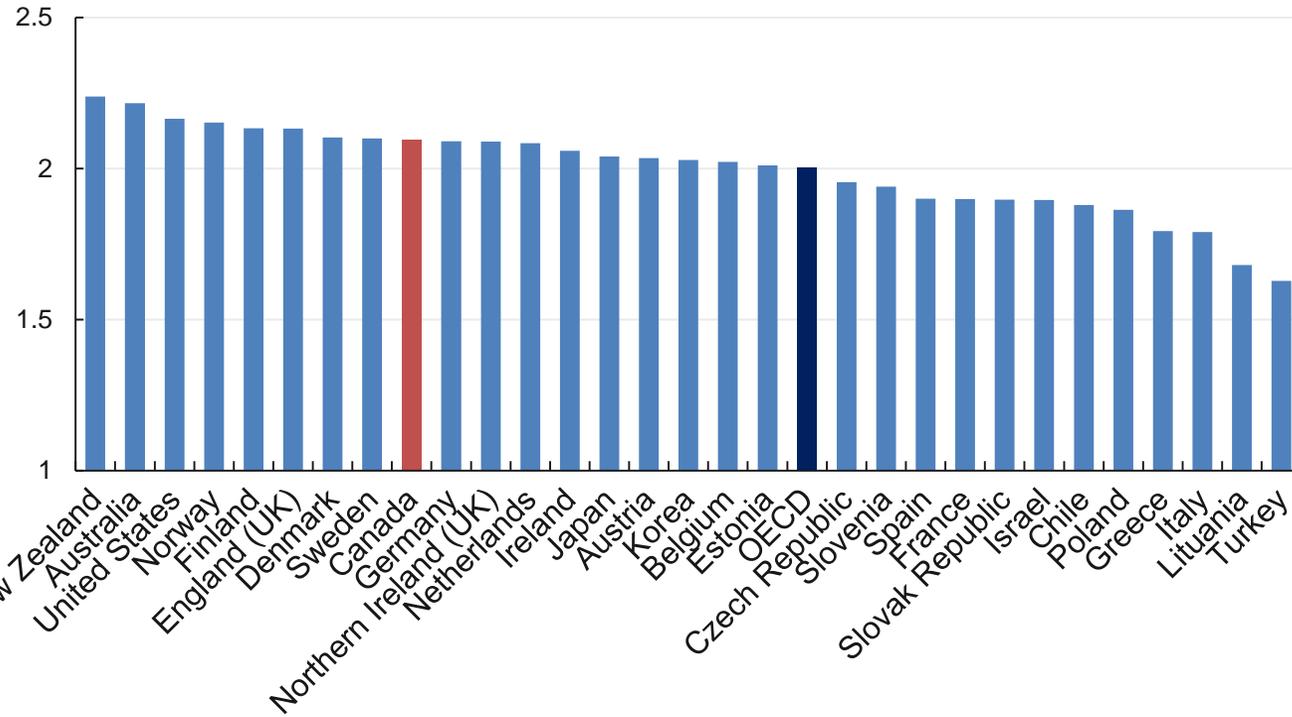
Source: Survey of Adult Skills (PIAAC) (2012, 2015)



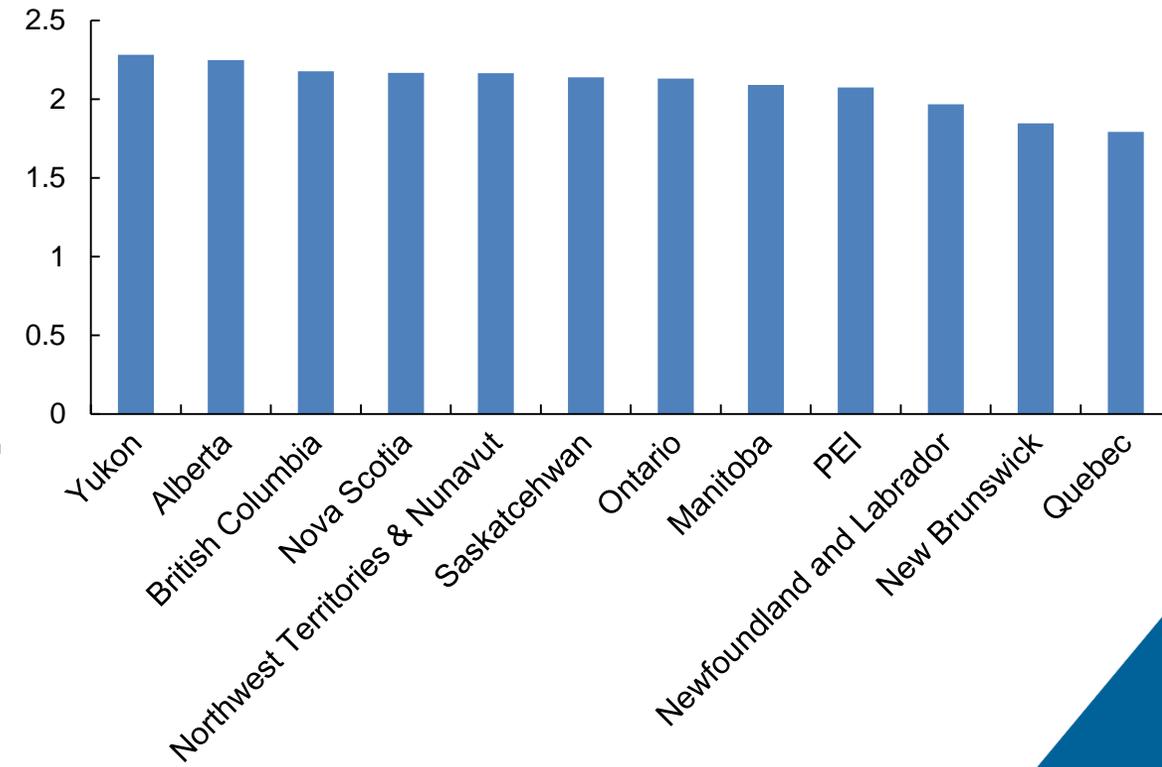
# Adults also need opportunities to use their skills in the workplace.

## Use of reading skills at work, 2012

OECD PIAAC countries



Canadian provinces and territories





# How work is organised, jobs are designed and people are managed matters for skills use

## High Performance Workplace Practices (HPWP)

### Work organisation and job design:

- Teamwork
- Autonomy
- Task discretion
- Mentoring
- Job rotation
- Applying new learning

### Management practices:

- Employee participation
- Incentive pay
- Training practices
- Flexibility in working hours

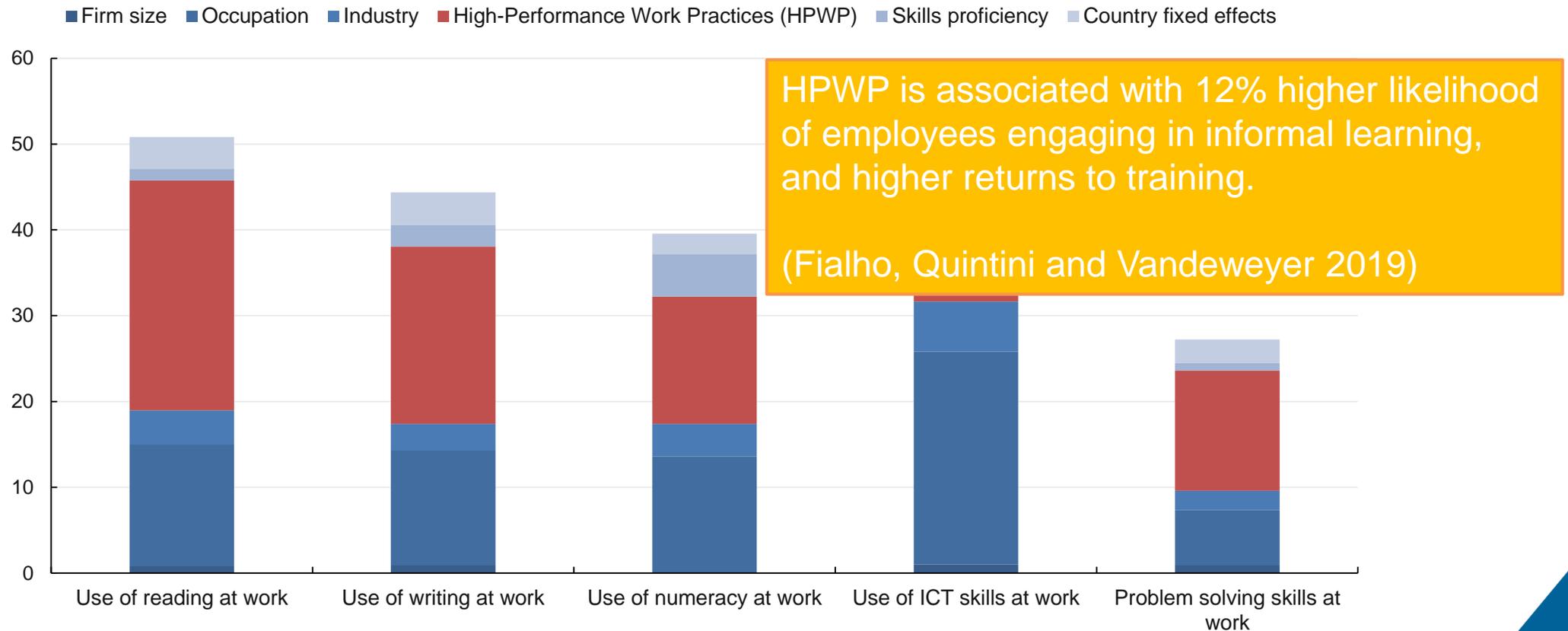


Without exception, workers who benefit from any degree of HPWP make greater use of numeracy, writing, reading, ICT and problem-solving skills than those who do not.



# HPWP explain a large portion of variance in skills use across individuals

## Contribution of High-Performance Work Practices and other factors to the variance of skills use at work



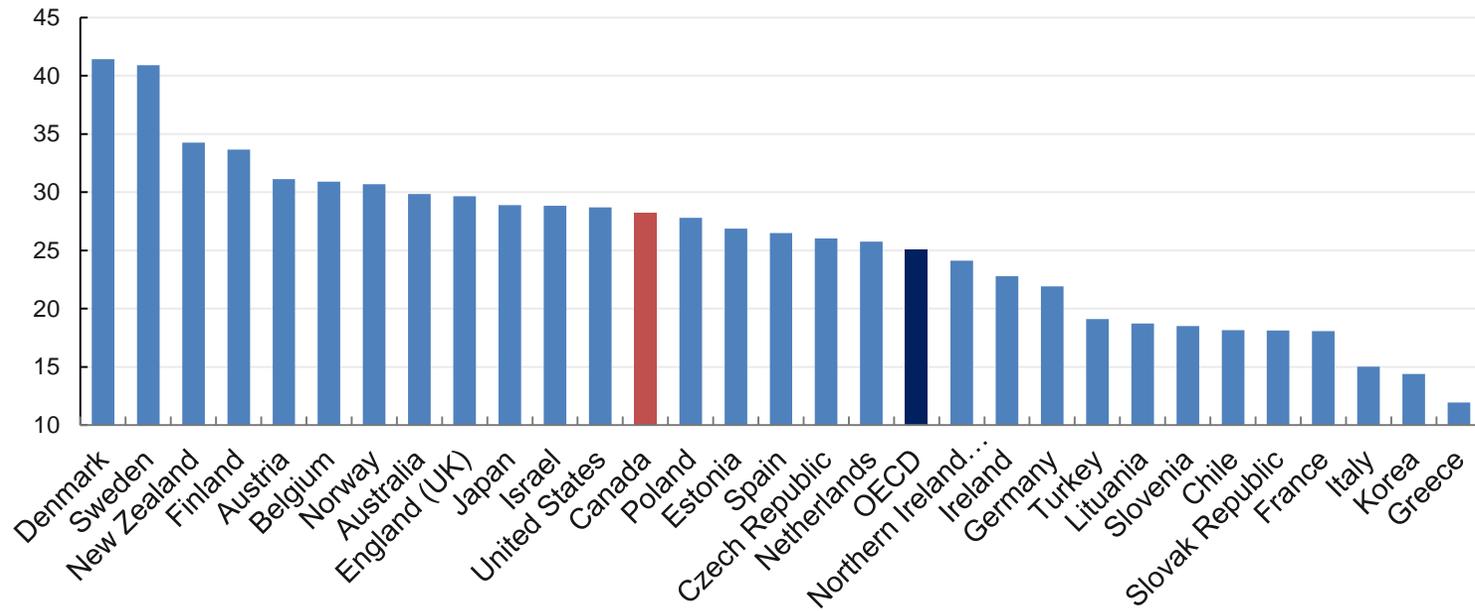
Source: Survey of Adult Skills (PIAAC) (2012, 2015)



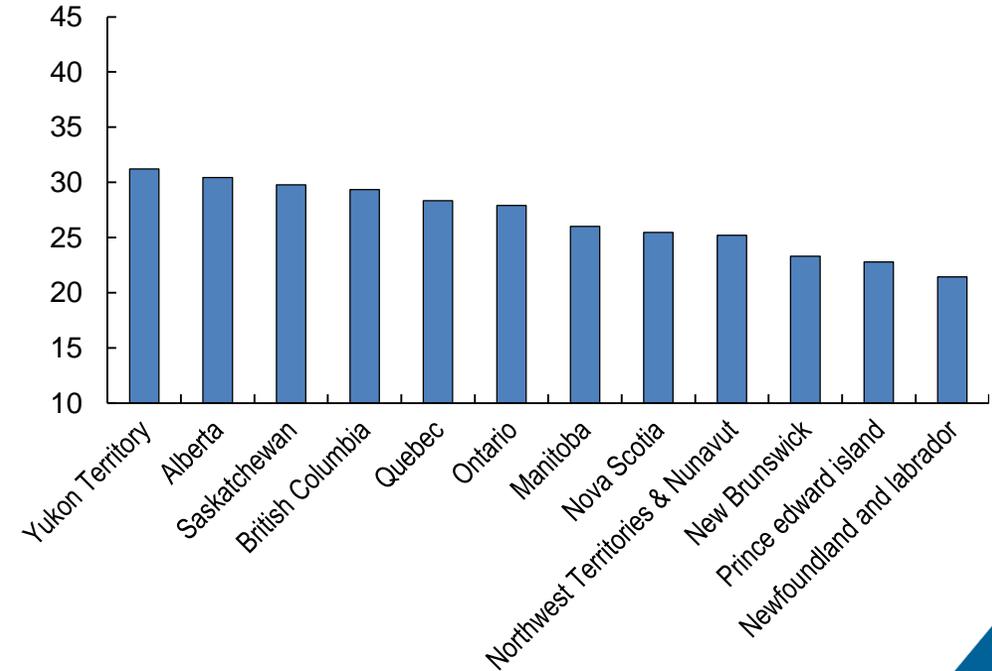
# Some 28% of firms in Canada employ HPWP at least once a week, with variation across provinces and territories.

Share of jobs that employ some type of HPWP on a weekly basis, 2012

OECD PIAAC countries



Canadian provinces and territories





## Firms face various challenges to implementing HPWP

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- **Low awareness** among employers of innovative practices and their benefits
- **Poor access to evidence-based methods and resources** capable of supporting organizational learning and innovation
- **Time and cost** limitations
- **Managerial skills gaps**



## International examples: Raising awareness about benefits of HPWP and building the evidence base

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- Support research to develop the evidence base around workplace innovation
- Showcase benefits via online databases, learning platforms and diagnostic surveys
- Offer seminars and conferences for employers

Finland: The **Liideri Programme** funds development and research projects focused on employee-driven innovation, new forms of work organization and management practices.

Europe: The **European Workplace Innovation Network (EUWIN)** is a Europe-wide network that disseminates evidence-based reports on the benefits of workplace innovation via online tools and platforms, regional workshops and social media.



## International examples: Funding projects within firms

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- Provide tailored consulting services to individual firms
- Provide consulting services to networks of employers (e.g. in the same sector or supply chain)
- Target support where most needed or where most potential for uptake

Australia: The **Partners at Work Grants Programme** offers competitive grants to firms to fund consultancy services to support workplace change and training programmes.

Scotland: **Scottish Enterprise** recruits a network of ten firms and equips them with expert consultants who guide them through a process of workplace change from diagnosis to implementation.

Singapore: Under **Enterprise Training Scheme**, firms apply for public subsidies to support consultancy projects to improve skills utilization.



## International examples: Role of social partners

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- Instrumental in building support for HPWP initiatives
- Collaboration between employers and unions in promoting HPWP is often voluntary but sometimes mandated in legislation

Denmark: The **Danish Confederation of Trade Unions (LO)** compiled a report of best workplace practices that support employee-driven innovation as a source of inspiration for companies and political decision makers.

New Zealand: The **Workplace Productivity Reference Group** which consists of representatives from unions and employer groups was set up to advise government on workplace productivity issues and to help implement its HPW strategy.



## Questions

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- What **challenges** do employers face in creating positive learning environments within workplaces?
- **How does the NLWIC support employers** in overcoming these challenges? What do you see as the strengths of the NLWIC?
- To what degree are employers, government, education and training institutions **working together** to promote learning and skills use in workplaces?
- Do employers participate in **networks** to provide collective training solutions or to share best practices?



# Thank you

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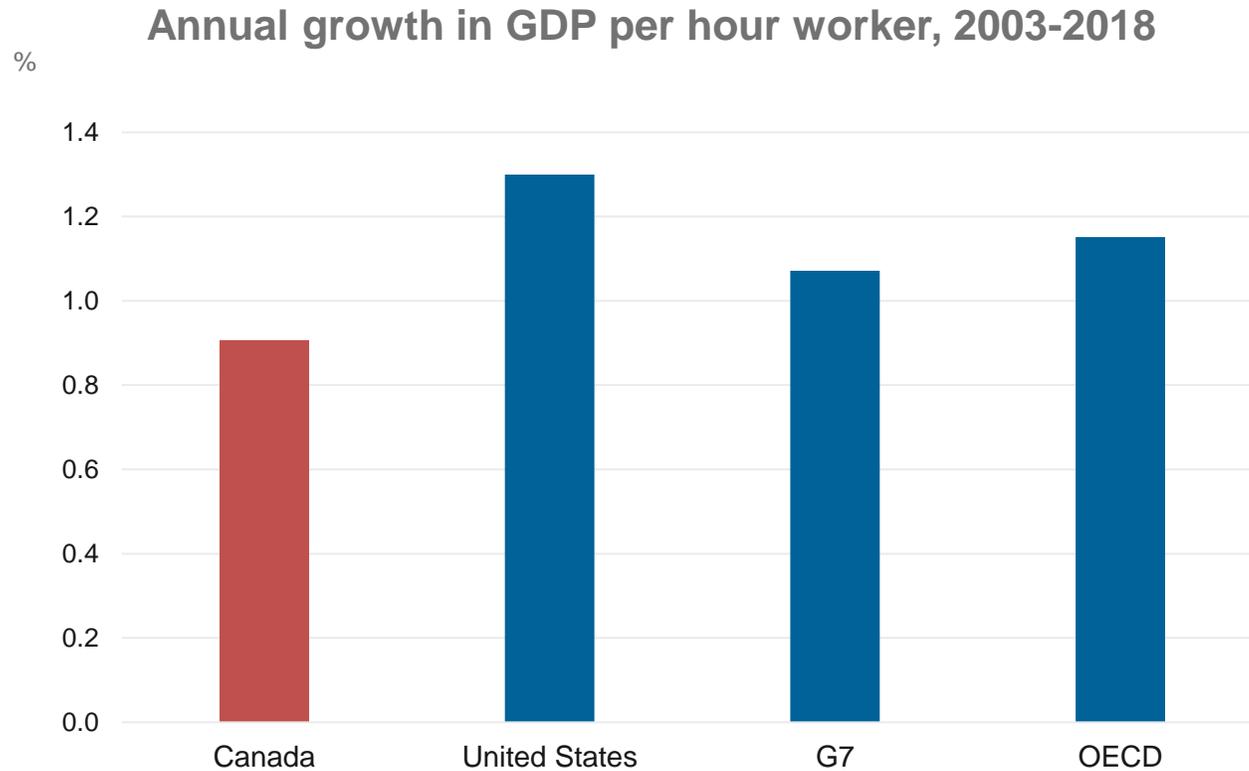
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# Productivity growth in Canada lags behind competitor countries



Source: OECD Statistics; OECD Productivity Database