



# A MULTIPLICITY OF SKILLS IS NEEDED TO SUCCEED

*Smart skills investments are essential for inclusive growth today and for being prepared for a future of rapid change.*

## WHY IT MATTERS

A skilled workforce is crucial to countries' economic transformation. It enables firms to move up the value chain, adapt to economic changes, and adopt and spur innovation, while allowing workers to move out of low-productivity activities—and earn more in their jobs. The demand for skills is rapidly changing. Digital technologies are leading to automation of routine tasks and transforming or destroying jobs focused on routine and manual tasks. To accelerate economic transformation, countries need to make smart investments in skills development aimed at three policy goals: productivity growth, inclusion, and adaptability of both individuals and economies.

## OUR APPROACH

A multiplicity of skills is critical to success in fast-changing labor markets and integrated economies. These are: cognitive skills that include foundational literacy and numeracy as well as higher-order problem solving and creative thinking skills; social-emotional skills such as self-control, grit, empathy, and curiosity; and technical skills including acquired knowledge and expertise specific to certain jobs. The World Bank works with governments to ensure that individuals have access to quality education and training opportunities for skills development. We support employers in their efforts to locate and invest in the skills they need. We use the Skills Toward Employment and Productivity (STEP) framework to analyze and build approaches for skills development strategies in low- and middle-income countries.



About one-third of the working-age population in low- and middle-income countries lack the foundational skills required to get quality jobs, leaving them unable to achieve their full productive potential and limiting economic investment and growth.

## OUR PRIORITIES:

### 1 Ensuring relevance of pre-employment technical education and training programs

Building job-relevant skills is central to the World Bank's current support for workforce development policies. We promote the adoption of effective approaches for encouraging employers to provide more on-the-job training or to partner with technical training providers so that job training reflects employers' needs. This ensures that employers have a say in the curricula and delivery of technical and vocational education.

### 2 Supporting adult learning

Rapidly changing demand for skills requires continuous upskilling and reskilling of the workforce. In addition to shoring up the important foundational cognitive and social-emotional skills lacking in the current workforce, the World Bank supports efforts to create conditions for a market for lifelong education and training services. These include reforms to ensure that course offerings, curricula, and pedagogy meet the demand for modular competencies and are more responsive to the diverse age and experience profiles of workers as they shift careers through their working lives.

### 3 Remedying basic skills gaps

Many young people leave school without acquiring basic literacy and numeracy skills, making them unable to compete in the job market, acquire new skills, and realize their full potential in life. The World Bank is ramping up its efforts to develop cost-effective adult literacy programs that incorporate the latest science on how adults can best learn. The design and delivery of such programs should consider the specific needs, opportunity costs, and motivation of adult learners.

### 4 Facilitating skills assessments

There are severe gaps in data on the skills of the working-age population. Since 2010, the World Bank, in collaboration with the OECD and academic experts, has been pioneering efforts across the developing world to measure and analyze the impact of cognitive, social-emotional, and technical skills on social-economic success within the working-age population. These skills assessments, conducted through the STEP Skills Measurement Program, have been effective in informing the design of skills strategies and programs tailored to the diverse needs of the working-age population.

