The Disruption Council
A partnership for the future of Denmark

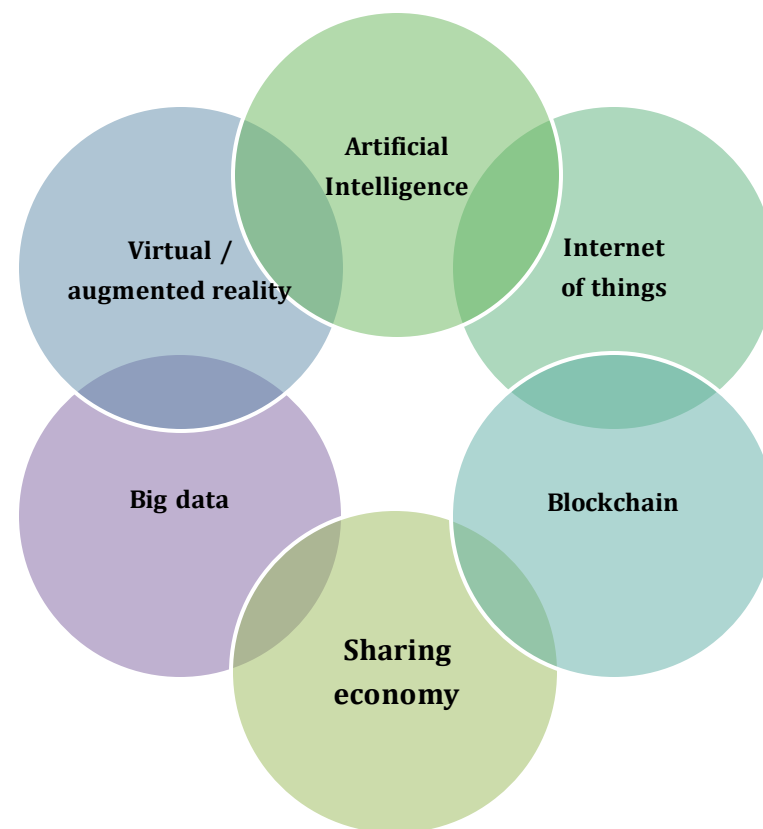By Karen Thormann
The Danish Ministry of Employment

DISRUPTIONRÅDET
Partnerskab for Danmarks fremtid

The concept of disruption

- Disruptive innovation, a term of art coined by professor Clayton Christensen, describes "*a process by which a product or service takes root initially in simple applications at the bottom of a market and then relentlessly moves up market, eventually displacing established competitors.*"

- Why is everyone suddenly talking about disruption?
  → new technology

What's new?

- New technology and globalization changes our everyday life

    - *Consumers* get new products and services (e.g. platform based companies and sharing economy)
    - *Citizen's* interaction with the public sector is getting more digital (e.g. via apps, interactive data)
    - *Workers* conduct work in new ways using new technology (e.g. AI, automatization)
    - *Companies* engage in new markets and business models

- New technology, development and disruption are not new phenomena
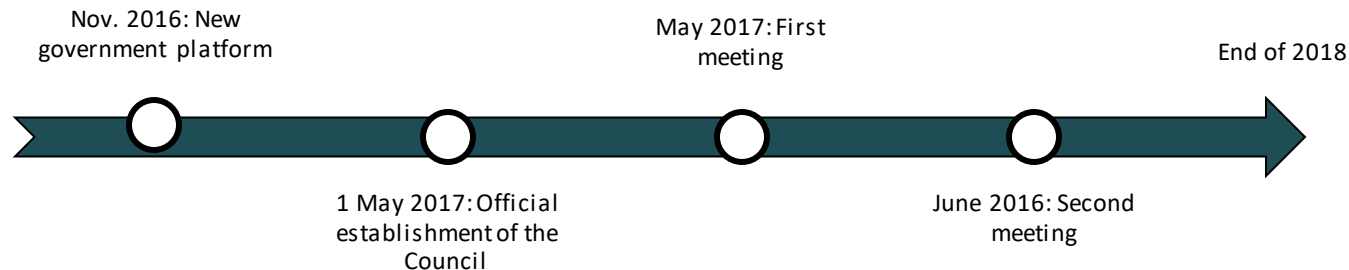

- … But the pace of change seems faster

The Disruption Council – Members & timeframe

- 8 ministers and 32 permanent members including social partners, business representatives / CEOs from major Danish companies, experts and entrepreneurs

- The Danish Prime Minister Lars Løkke Rasmussen chairs the Council

- Timeframe from May 2017 to the end of 2018.

Nov. 2016: New government platform

May 2017: First meeting

End of 2018

1 May 2017: Official establishment of the Council

June 2016: Second meeting

The Disruption Council - meetings

- 8 meetings each with a different focus and new analysis decided by the Council, e.g.
  - the implications of digitilization and automatization
  - the existing education system and tomorrows demand for new skills
  - the sharing economy and its consequences for the labour market regulation

- The meetings will be held in all parts of Denmark
  - To visit companies all over the country
  - To encourage and facilitate a broad public debate all over Denmark

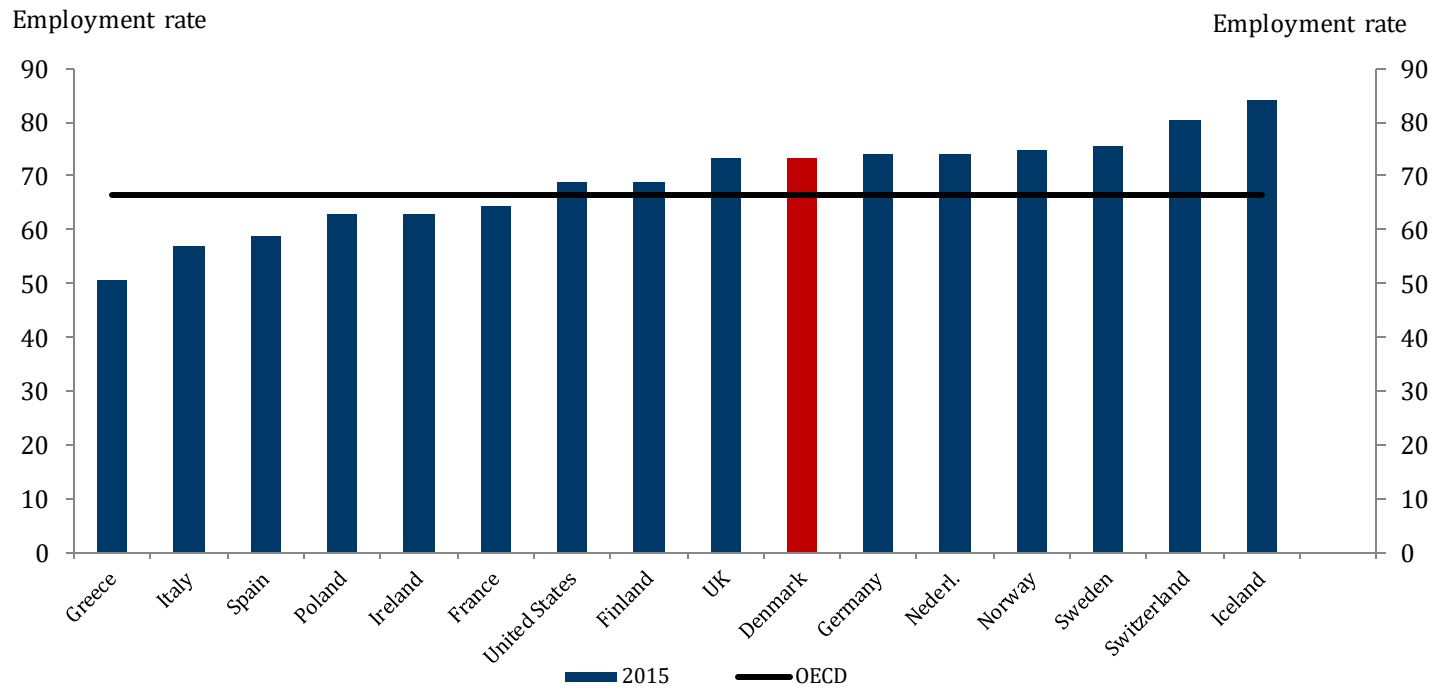- Continuesly incorporate results of efforts in other fora or projects

Meeting 4

Meeting 8

Meeting 1

Meeting 5

Meeting 7

Meeting 6

Meeting 2

Meeting 3

NORDJYLL

MIDTJYLLAND

HOVEDSTADEN

SYDDANMARK

SJÆLLAND

Purpose and ambition

■ **The Government's ambition** is to seize the opportunities and address the challenges that arise in an ever-changing and evolving world.

- *Denmark should still be one of the richest countries in the world in the future.*
- *All Danes should be winners of the future, we must avoid a division between those who benefit from development and those who loose.*

■ **The purpose of the Disruption Council** is to analyse, discuss and offer suggestions for how we can:

- *Create a strong Denmark where we can optimally seize technological opportunities in a way that benefits all Danes.*
- *Maintain and expand a labour market characterised by dynamism, well-regulated conditions and an absence of social dumping.*
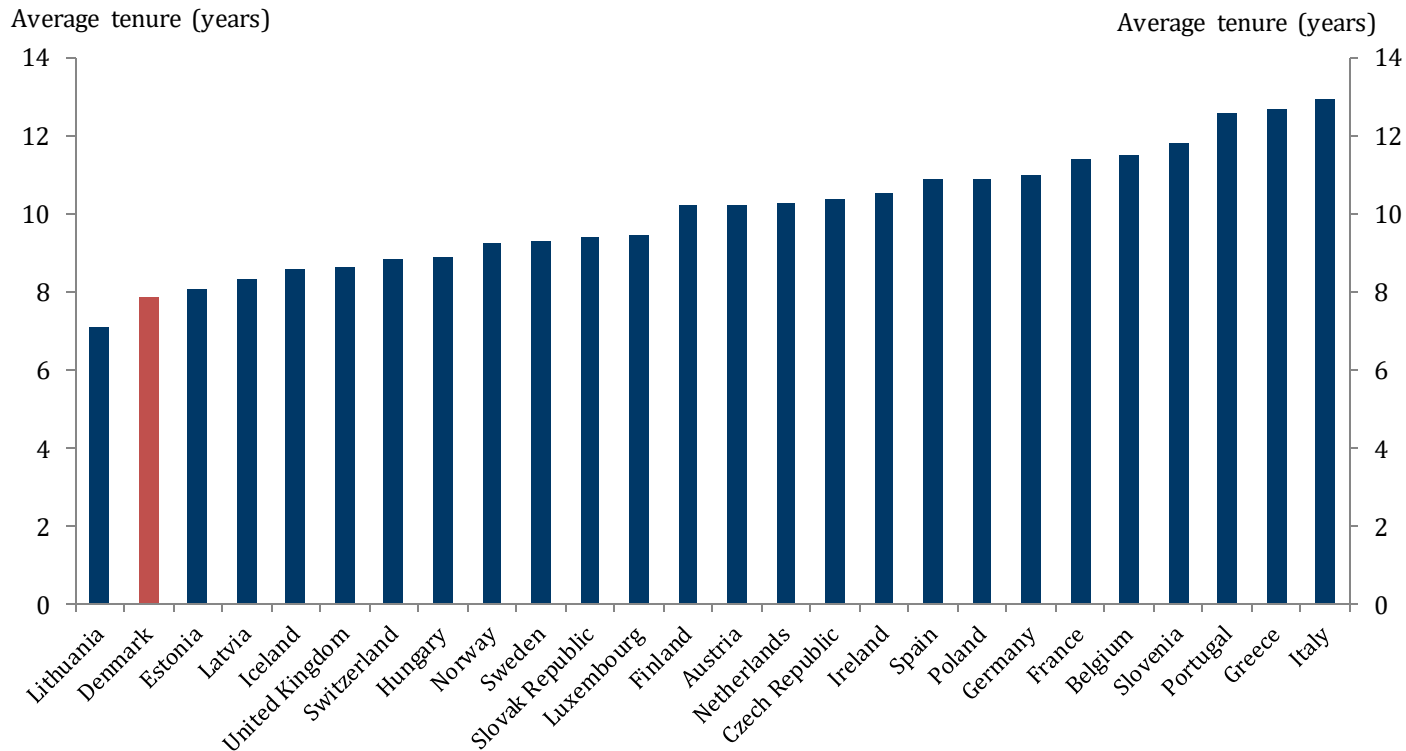
Denmark has a fine point of departure I

- The Danish employment rate is high

Employment rate

Employment rate

Legend: 2015 | OECD

Denmark has a fine point of departure II

- **The Danish labour market is flexible** with a relatively short average duration of employment and almost 800.000 job changes per year
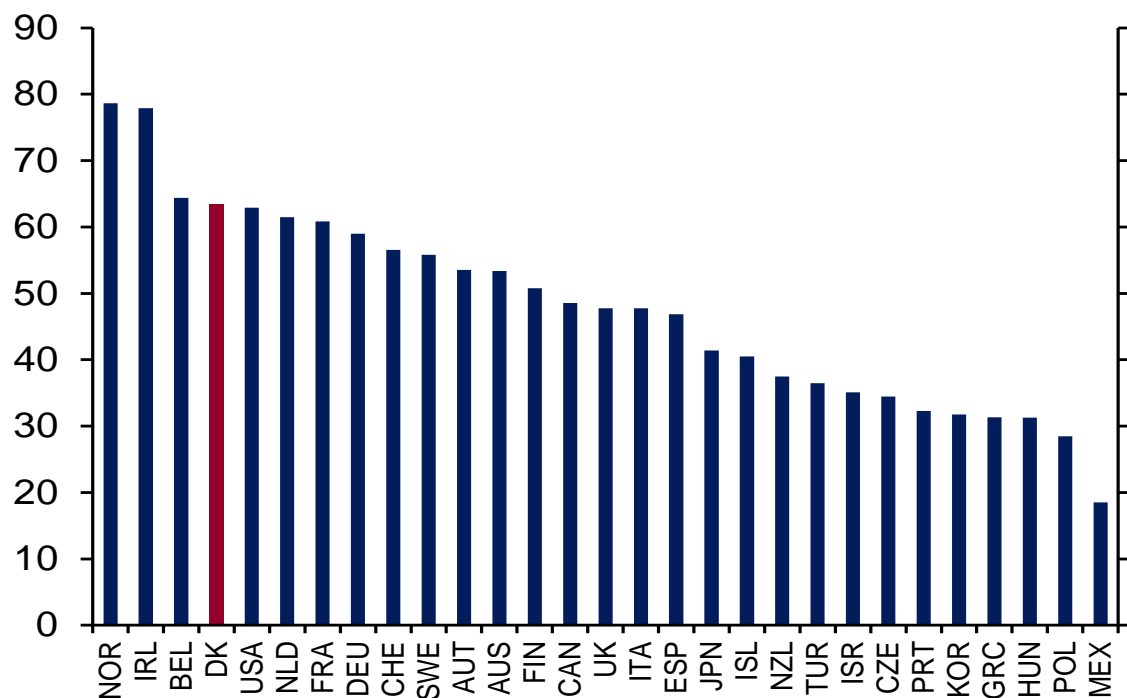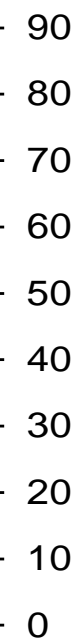

Average tenure (years)

Denmark has a fine point of departure III

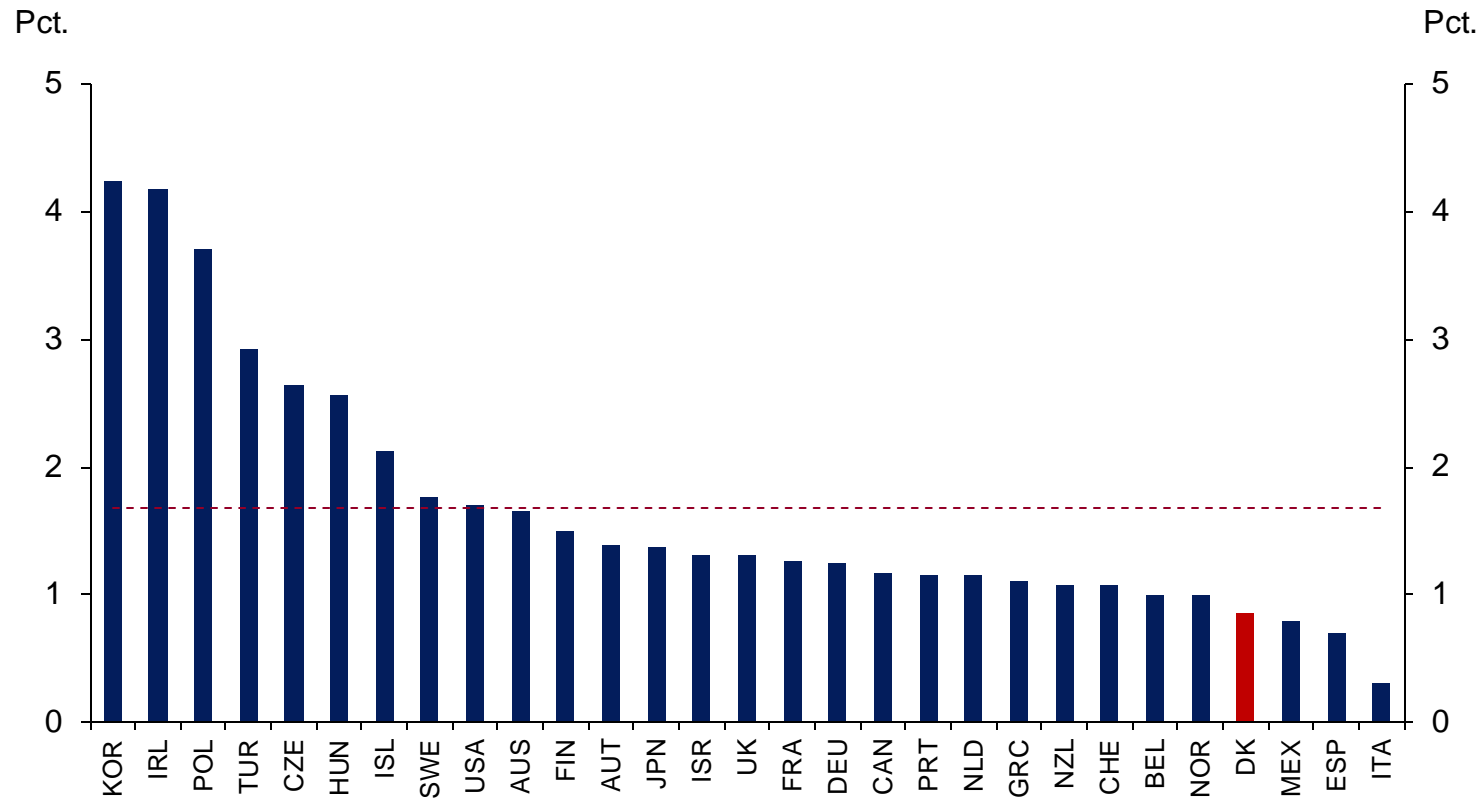- **The Danish level of productivity** is among the highest in the world

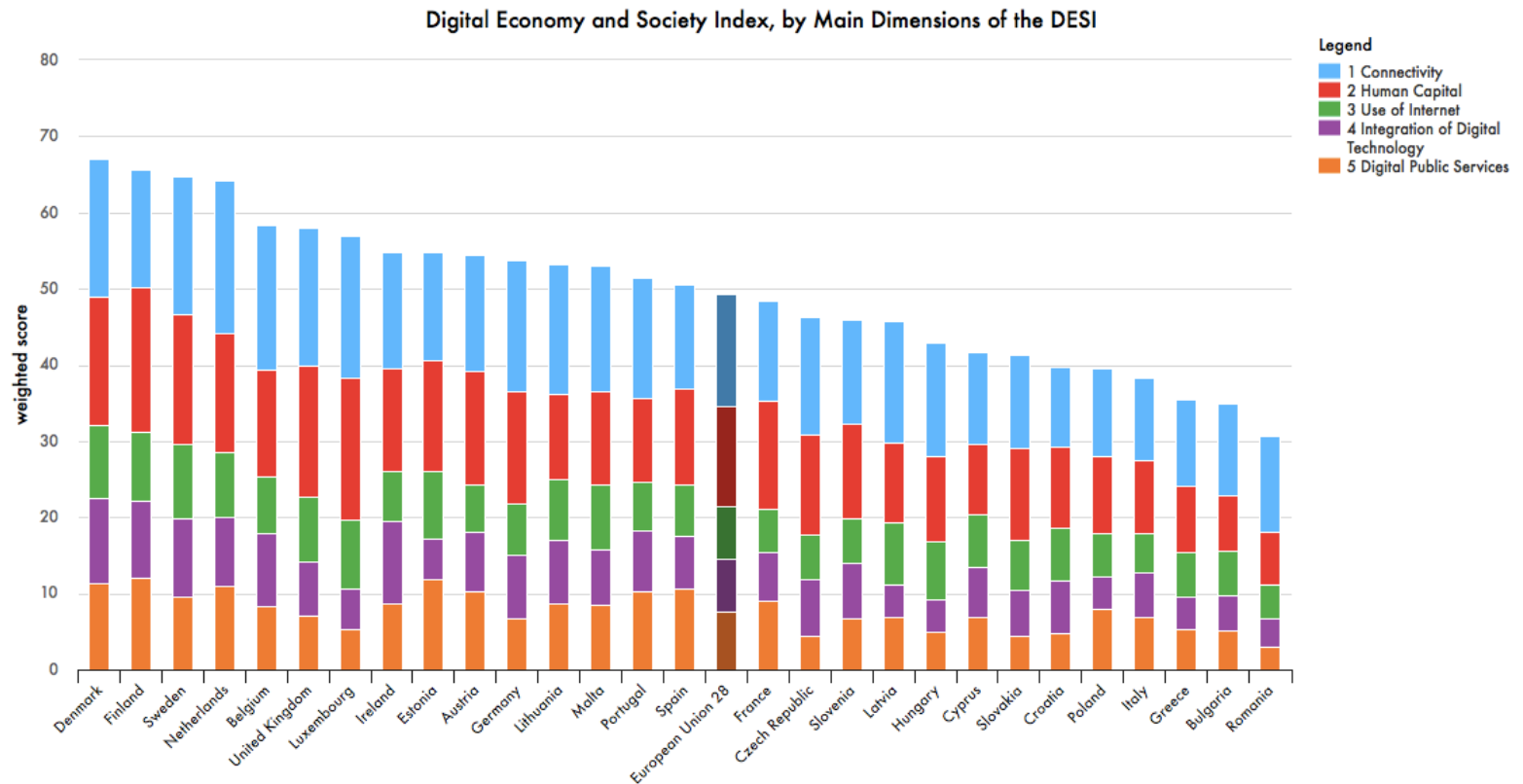GDP per hour worked

GDP per hour worked

Denmark has a fine point of departure VI

- … But the growth in productivity is low.

Pct.
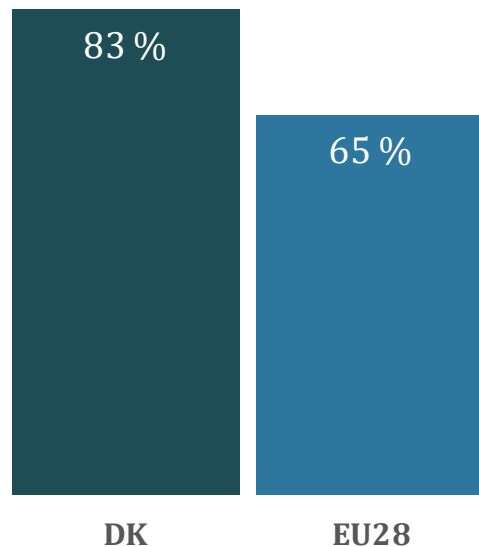
Pct.

Denmark has a fine point of departure IV

- **Denmark is the most digital country in Europe** according to the European Commission digital scoreboard (2016)

Digital Economy and Society Index, by Main Dimensions of the DESI

Legend
- 1 Connectivity
- 2 Human Capital
- 3 Use of Internet
- 4 Integration of Digital Technology
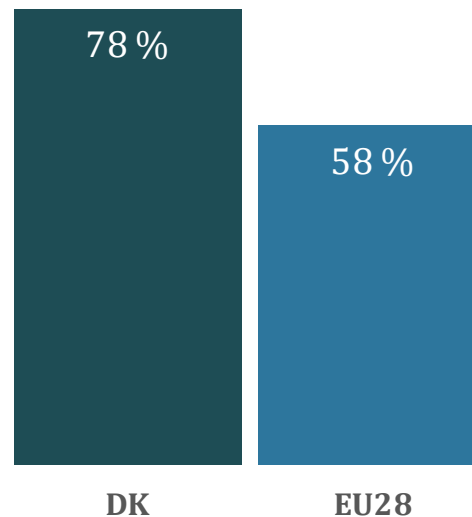- 5 Digital Public Services

Denmark has a fine point of departure V

- The Danes are positive about the future.

"I have confidence in the future"

"Globalization offers possibilities for economic growth"

83 %	65 %	78 %	58 %
DK	EU28	DK	EU28

European CommissionEurobarometer November 2016

SLIDE 12

Challenges & possibilities

Challenges

- We are educating people to work in a future we don't know

- New qualifications and lifelong learning will be needed due to new technology

- When technology, production and business structures change faster, public regulation has to be faster, too

- Growth requires investment

- With further digitalisation the question of data security becomes more important

Possibilities

- With a flexible labour market Denmark is adaptable.

- New technology can create new jobs and replace hard, manual labour

- Denmark is the most digitalised country in Europe – digitalisation and robotisation can strengthen Denmark as a production country, if we manage to maintain a leading position

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Partnerskab for Danmarks fremtid