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The **Skills Research Digest** monitors recently published skills and labour market research relevant to the work of the Department for the Economy and to the strategic and policy issues that we face in Northern Ireland.

In each case, we provide a short summary of the key points and web links to the full article or report\*. A full list of sources can be found at the end of the publication.

### Highlights this quarter include:

- The green skills, apprenticeships, jobs and careers needed to tackle climate change and to support the net zero transition.
- The growth of microcredentials, their use in upskilling and lifelong learning, and the need for a wider understanding of their value and an international consensus on their definition.
- The continuing dilemma for employers and workers posed by flexible working, and its impact on careers, relationships, pay and conditions.

\* Links are correct at the time of publication, however it is likely that some will break over time. The list of sources has more general links, which should help the reader to track down the original report.

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## SCIENCE, TECHNOLOGY, ENGINEERING & MATHS (STEM)

EngineeringUK published its latest [Engineering Brand Monitor](#), for the first time linking the responses from 4,317 7–19 year-olds across the UK with those of their parents.

- **Capability:**
  - Young people who thought they were good at and enjoyed maths and science subjects at school were more likely to: say they know what engineers do in their jobs; have a more positive image of engineering; report that being an engineer fits with who they are; and say they are interested in pursuing a career in engineering in the future.
- **Opportunity:**
  - 55% (61% of boys, 48% of girls) said they know about the different types of things engineers can do in their jobs compared with 63% who said the same of scientists and 64% of those working in technology.
  - 40% said they know what subjects or qualifications they would need to take next to become an engineer.
  - Over 25% said they were not knowledgeable at all about the different apprenticeship options available to them and 66% didn't know what T levels were.
  - Those who had attended a careers event with an employer in the last 12 months were much more likely to report: knowledge of what engineers do (75% vs 53%); feeling engineering fits well with who they are (67% vs 41%); an interest in pursuing a career in the profession (71% vs 48%).
- **Motivation:**
  - 52% think engineering would be a suitable career for them; 44% (53% of boys, 35% of girls) said being an engineer fits well with who they are; 75% said if they wanted to, they could become an engineer.
  - Aspirations relating to engineering careers were generally high, with 51% saying they were interested/very interested in pursuing a career in engineering (63% of boys, 39% of girls); 21% said they were not/not at all interested.
  - 34% (40% of boys, 27% of girls) agreed/strongly agreed that boys would make better engineers.
- **Parental influences:**
  - 55% of parents agreed it was important to them that their child engages with STEM activities outside of school.
  - 36% said they and their child regularly did STEM activities together; 78% of their children said they were interested in a career in engineering.
  - 39% said they were confident giving their child advice about careers in engineering; 90% of this group's children said they were interested in a career in engineering.
  - Young people with at least one parent who worked in a STEM field had more positive responses for all outcomes compared to those who did not.

The Institute of Labor Economics (IZA) published [Gender Differences in STEM Persistence after Graduation](#), using the UK quarterly Labour Force Survey data.

- Women are consistently more likely to exit STEM than men throughout their careers.
  - Among holders of STEM undergraduate degrees, women are over 4ppt less likely to obtain a STEM master's degree.
  - There is a gradual outflow of females during the first 15 years post-graduation: in the first year, the gender gap in STEM is about 10ppt; this slowly increases to about 25ppt after 15 years.
- Gender gaps differ by STEM field of study:
  - There are large immediate gaps for technology and maths but not for sciences or engineering.
  - However, after 15 years the gender gap is 20+ppt in every STEM field except life sciences.
- Females who leave STEM are more likely to enter education and health sectors; males are more likely to enter the more lucrative business sector – this partly explains the gender pay gap for STEM graduates.

- Policies that help to attract women to high-paying occupations may also help to mitigate the gender gap in earnings.
- The gender gap in working in STEM is even larger for those with children.
- Policies that aim to increase the proportion of females studying STEM in school and beyond may have less effect than expected due to the lower attachment of females to STEM after graduation.
  - These policies may need to be augmented: if females are leaving STEM jobs due to lack of female role models or discrimination, then increasing the supply of female graduates may help to prevent the outflow of female graduates.

## EMPLOYABILITY & CAREERS

**The Social Market Foundation published [Fulfilling its potential? How well does the careers information, advice and guidance \[IAG\] serve the people it's meant to support in England?](#).**

- Findings include:
  - People value IAG that is personalised and feel more comfortable accessing help if they have a sustained relationship with an adviser; but the offer varies substantially, ranging from infrequent and optional group sessions to mandatory, regular, personalised support.
  - Despite legislation to put vocational options on an equal footing, university often remains the default option, with such bias institutionalised in some schools.
  - People interviewed had confidence in knowledge gleaned from conversations and visits, but hardly any used the Government's 'Discover Uni' website; in contrast, many used apps such as Unifrog and resources found through internet searches.
  - Careers professionals see IAG as a deep, holistic process of building general skills and self-knowledge; young people tend to see it in more pragmatic, functional terms – they just want help with the next step.
  - Few adult focus group members had heard of the National Careers Service; those who were aware of it tended not to use it due to negative childhood experiences with such services and stigma that they are designed for those who are 'directionless and unemployed'.
- Six recommendations for policymakers include:
  - Give every school leaver an entitlement to three one-to-one sessions of personalised careers IAG
  - Add careers provision to the four 'key judgements' in school inspection
  - Aim to ensure all apprenticeship opportunities are listed on the UCAS system
  - Partner with trusted apps and websites to ensure easy access to government data and information
  - Engage in a large-scale outreach programme promoting adult education and careers services.

**Teach First published [Rethinking careers education: Investing in our country's future](#), featuring findings from a Teacher Tapp poll of 1,500 teachers and a YouGov poll of 500 human resources (HR) departments in England.**

- The top three factors that businesses consider when recruiting young people are broader soft skills (69%), literacy and numeracy (54%) and digital and IT skills (48%).
  - 72% of businesses said that they were fairly or very concerned about this cohort's soft skills, 68% about literacy and numeracy and digital and 52% about IT skills.
  - 79% of teachers said their students were not as ready to start work as they had been in previous years.
- Recommendations include:
  - The Government should develop a teaching qualification for careers education leadership
  - All large employers should offer inclusive, blended work experience programmes for young people from disadvantaged backgrounds
  - The Government should fully fund all 16–18 year-old apprentices and remove them from the apprenticeship levy.

**The Organisation for Economic Cooperation & Development (OECD) published [Meet the Future: How employers gain from helping young people get career ready](#), a summary of data on how career guidance from employers and workers can help students make better career decisions.**

- Employers partnering with schools on career-readiness activities for students strengthens job market signalling and improves students' employment outcomes later in life.
  - Longitudinal data from ten countries show that students who interacted with employers in career-readiness activities at school experienced lower levels of unemployment, had wages typically 5–10% higher than comparable peers and greater job satisfaction.
- Career guidance activities seen to make a difference include many that can only be delivered in partnership: job fairs, workplace visits, job shadowing and career talks.
  - However, OECD PISA data show that few students have opportunities to connect regularly with employers at school.

*The report includes a feature on Education & Employers' [Inspiring the Future](#) programme that connects schools and colleges with volunteers from a range of sectors and professions.*

**Non-partisan think tank EDSK published [Finding a NEET solution: How to prevent young people from falling out of our education system](#), sponsored by the Youth Futures Foundation.**

- At the end of 2021 there were over 700k 16–24 year-olds classified as not in education, employment or training (NEET) in England, equivalent to 10%.
  - Despite initiatives and interventions from successive governments, the proportion NEET after leaving school/college is 12.6%, just 0.4% lower than in 2016 and 0.7% lower than two decades earlier.
  - The current trajectory suggests it will take over 150 years to eradicate the problem.
- 60% of those recorded as NEET are 'economically inactive', e.g. long-term or temporarily sick or looking after family.
  - In ~66% of cases, a young person's overall labour market trajectory can be predicted correctly, based on four main 'risk factors' at age 16: low educational attainment; low self-confidence/self-esteem; early pregnancy; a disadvantaged family background.
- Three major shifts in policy thinking are proposed:
  - A greater emphasis on prevention – too often, government waits until a young person has fallen through the cracks before spending considerable sums trying to bring them back into the fold.
  - The enduring bias towards studying academic subjects in a classroom must end; there is compelling evidence that making pupils concentrate almost exclusively on academic subjects can undermine their motivation, aspirations and confidence; vocational courses have been repeatedly shown to increase pupils' attainment and self-esteem.
  - The various government initiatives and programmes that strive to offer better support, advice and options need to be better coordinated; an enormous amount of expertise and goodwill is not yet being fully utilised to help those young people at greatest risk of being left behind.
- 14 recommendations include:
  - Create a single service for all 14–24 year-olds: in England, a new 'CareersLink' should combine the Careers & Enterprise Company, the National Careers Service and 'Youth Hubs'.
  - Introduce a new baccalaureate for the final years of secondary education allowing learners to select courses across three pathways: academic, applied and technical.
  - Make 'core English' and 'core maths' compulsory for young people up to age 18 until they achieve at least a pass at Level 3 (L3) in both subjects.

**Cedefop (European Centre for the Development of Vocational Training) published [Vocational education and training \[VET\] as a life jacket](#), outlining work to support the social inclusion of young people who are NEET.**

- In the EU, young people with no or low qualifications are, on average, three times more likely to be NEET than those with tertiary education and twice as likely as those with secondary education.
  - Other factors include: living in a low-income household; being raised by a single parent; living in a rural area; being born in a country outside the EU; or having a disability.
  - Young people who are NEET often suffer from poverty, social exclusion, insecurity or health problems.

- VET, offering young people practical opportunities to obtain skills and acquire a qualification, is a powerful shield against marginalisation.
  - Being closely tied to the labour market, it can react swiftly to new skill needs, e.g. digital skills.
  - It is also central to NEET policies, such as outreach, personal guidance and assessment/validation of existing formal/informal skills.
- Cedefop's [toolkit](#) for empowering those who are NEET proposes examples of good practice, tools, statistics and other resources and can be searched for specific solutions.
  - Three approaches foster change at system level: flexible and permeable education and training; easing transition into work; and skills development.
- Six profiles for young people who are NEET have been developed, with examples of successful interventions for each:
  - **Young people seeking work/education/training:** (re)entering the labour market; looking for a job for less than a year; looking for a job for more than a year.
  - **Young people not seeking work/education/training:** unavailable due to family responsibilities; have an illness or disability; discouraged and have given up.
- A low education level is the most critical risk factor; research has found that, in OECD countries, even basic skills and qualifications can prevent young people from becoming NEET.
  - Multidisciplinary approaches and active social policies are needed; for some, a focus on validating non-formal and informal learning can make a difference; learner-centred teaching methods can help change negative perceptions of education.

## YOUNG PEOPLE'S TRANSITIONS

### Covid-related research

**The Economic & Social Research Institute (ESRI) published [Disrupted transitions? Young adults and the COVID-19 pandemic](#), using Growing Up in Ireland Covid-19 survey data of 2,277 young adults – most aged 22 – in the Republic of Ireland (RoI) in December 2020.**

- The study examined the extent of disruption at a crucial time of transition for young people: the scale of the disruption and the impact on their mental health and wellbeing was extensive.
- Just before the pandemic, 63% were in full-time education or training and shifted to remote learning.
  - The vast majority had the electronic devices they needed and online lectures/classes were offered.
  - However, ~50% did not have access to adequate broadband or a quiet place to study, and only 30% received regular feedback on their work.
  - 57% found it difficult to study remotely and this was linked to a greater risk of depression; those who had more interaction with their institution and the resources they needed fared better.
- 57% of those working (either full-time or while studying) lost their job; only 16% started working remotely or increased the hours they worked from home.
  - Having higher Leaving Certificate grades and being in a professional/managerial job at age 20 appeared to act as some protection against job loss.
  - Losing a full-time job was linked to poorer mental health, especially for young men.
- Disruptions to employment, education and daily activities and social support were associated with depression.
  - 41% of men and 55% of women exceeded the threshold for clinically significant depression at age 22 – these mental health difficulties did not vary by social background.
  - Rates of depression were higher among men who lost their full-time job.
  - Loss of term-time employment was not associated with depression for either women or men.
  - Both men and women who said they had difficulties studying had much higher depression rates.
- The results highlight the importance of pandemic income support and general antipoverty measures, and the potential for the provision of mental health support through educational institutions.

## THE FURTHER EDUCATION & SKILLS SECTOR

### Covid-related research

**College Development Network (CDN), Scotland, published [College Leadership in the Pandemic: Learning from crisis](#), based on a survey and interviews with staff on CDN's leadership and coaching programmes before and during the pandemic.**

- In the early stages of the pandemic and during its height:
  - Key challenges included: supporting staff to ensure student success online; developing and enhancing digital capabilities; digital poverty; and devising a critical incident plan.
  - Leadership approaches that worked well included: responsiveness/agility; building trust; college partnerships; and sectoral engagement.
  - Competences that helped leaders included: resilience; emotional intelligence; empathy; flexibility; digital skills; and the ability to delegate.
- The situation now includes:
  - Clear and effective policies, procedures and processes that are embedded
  - New systems in place to support online learning
  - A more agile and responsive leadership approach
  - Increased confidence, resilience and digital capabilities
  - Homeworking and remote learning and teaching are part of the 'new normal'.
- Continuing challenges include IT resources shortages and the need for consistent interpretation of guidelines in different settings.

### Other research

**Cedefop published [The future of vocational education and training in Europe: Volume 1 – The changing content and profile of VET: Epistemological challenges and opportunities](#).**

- The report is part of a research project analysing how VET has changed in the EU member states, the UK (England), Iceland and Norway since the mid-1990s and how this influences future opportunities and challenges.
  - As well as exploring trends in content and profile over the last 25 years, it describes changes in the way that knowledge, skills and competence are differentiated in curricula and how learning is organised across different learning sites – classrooms, workshops, laboratories and workplaces.
- Among the overall findings:
  - Several countries have strengthened the general education component of VET, either by increasing teaching in general subjects or by better integrating them into the vocational curriculum.
  - There has been an increase in workplace learning along with increased flexibility in how different learning environments can be combined, although there are many examples where workplace learning is poorly integrated.
  - There is an overall trend of transversal skills being increasingly visible, although there are many examples where these aren't specifically labelled and it is difficult to determine their extent/share; an emphasis on them could be a sign of either vocational or academic drift, depending on the type of skills.
  - Analysing and comparing VET content is becoming more difficult as optional elements and modularisation play an increasingly important role.

**Cedefop published [Comparing vocational education and training qualifications: Towards methodologies for analysing and comparing learning outcomes](#).**

- The research covered ten countries: UK (England), the RoI, Austria, Bulgaria, Denmark, Finland, France, Lithuania, the Netherlands and Spain.
- It builds on the following observations:

- The development of VET programmes and qualifications cannot take place in a national vacuum: while skills and competences always need to be adjusted to national needs, broad international developments influence skills demand and, consequently, supply.
- European VET systems have, during the past two decades, changed the way they define and describe qualifications and programmes: the focus on learning outcomes provides a much more direct insight into national content priorities and intentions.
- The focus on VET content and learning outcomes points to a dilemma: given the current speed of technological, economic and societal change, how can national and European VET systems keep programmes and qualifications updated?
- Among the conclusions: the use of learning outcomes in describing the content and profile of VET qualifications opens up opportunities for applying analytical and comparative methodologies that contribute to improving relevance and supporting qualification transferability.

**CDN published short summaries of the key themes explored in a series of focus groups for the college sector, as part of an [Action Research](#) project.**

- The reports cover [Student Experience](#), [High Impact Learning](#), [Professional Learning](#) and [Institutional Approaches to Curriculum Design](#).

## HIGHER EDUCATION (HE): APPLICANTS & ADMISSIONS

**UCAS and College Board published [Where Next? What influences the choices international students make?](#), drawing on a survey of 1,300 students planning to study internationally.**

- 5.6m students currently study in a country different to their home nation, up 250% from 2000; the number is forecast to reach up to 9m in 2030, with a 46% increase to over 208k forecast for the UK.
- During the pandemic, over 155k international students chose the UK for their undergraduate studies, with 88% of international applicants continuing to see the UK as a positive/very positive place to study.
- ~22% of international acceptances to UK HE are from China, but new markets are emerging with Nigeria (+102%) and Pakistan (+59%) seeing notable increases since 2016.
- Among the key findings:
  - Aspirations are shaped in early years: more than 10% of international students considered HE abroad before their 11<sup>th</sup> birthday.
  - 47% said that parents /guardians or close members of their family had previously studied abroad.
  - Motivation differs by nation: Nigerian students are most interested in gaining skills to support their career (80%); Indian students are looking for 'better quality' HE options (75%).
  - Prospects after graduation appear to be more important for those wanting to study in the US (57%), Singapore (54%) and the UK (54%); way of life is more important to those considering Italy (75%) and the Netherlands (72%).
  - 69% of those applying to the UK say they are intending to self-fund, compared to 4% of domestic students.
  - University or college choice comes ahead of subject, while the reverse is true for domestic students.
  - 55% of placed international students enter higher-tariff providers in the UK (+27 pts on UK students).
  - 57% are interested in studying STEM subjects.
  - Open days (40%) and interaction with current students (39%) are increasingly used by those considering overseas study.

## HE: THE STUDENT EXPERIENCE

**The Higher Education Policy Institute (HEPI) and Advance HE published [Student Academic Experience Survey 2022](#), based on findings from 10,142 full-time UK undergraduates.**

- The year has seen a partial recovery in many key aspects measured by the survey, although several remain below pre-pandemic levels.

- 35% reported good/very good value for money, up 8ppt on last year; 32% reported poor/very poor value (-12ppt).
  - Perceptions of value have risen among students from England (+11ppt to 35%) and Wales (+11ppt to 40%) but fallen in Scotland (-2ppt to 48%) where face-to-face teaching was discouraged for longer.
  - Northern Irish students perceive the lowest value (+1ppt to 28%).
  - After tuition fees (56%), teaching quality (39%), the cost of living (35%) and volume of in-person contact hours (33%) were the most important factors influencing perceptions of poor value.
- 17% (+4ppt) say their expectations have been exceeded; 17% say they haven't been met (-10ppt); 51% cite a mixture of the two (+3ppt).
  - Students in Scotland are more likely to feel their experience was worse than anticipated, reversing last year's results, where England had the lowest marks on this and other key measures.
  - Second and third year students were more likely to find things worse than expected than those in their first year, who would have come prepared for disruption, and those in their fourth year who would have started before the pandemic.
- Mental health is the most common reason for leaving university (34%), followed by 'course content not what I expected' (8%).

**Advance HE published [Impacts of higher education assessment and feedback policy and practice on students: A review of the literature 2016–2021](#). [The full report is available to members only.]**

- It covers 481 articles from 71 countries and makes recommendations for HE institutions (HEIs), policymakers and researchers on rethinking assessment strategies, processes and practices.

**The Nuffield Foundation published [Evaluation of the Q-Step programme](#), a programme launched in 2013/14 to address the shortage of quantitatively skilled social science graduates.**

- Q-Step funded a total of 18 HEIs for five years until 2018 and provided additional 'transitional' funding for 17 of them for two years.
- ~1.1k students are estimated to have taken Q-Step in 2019/20 – five times the number in 2014/15; ~11.2k took Q-Step modules, up from 8.8k in 2015/16.
  - To achieve critical mass, more universities would need to embed the approach – 164k undergraduates enrolled in social sciences in 2019/20.
- Among the impacts:
  - Q-Step Centres have upgraded their educational offer for social science students, introducing more diverse curricula and updating existing curricula on quantitative methods.
  - There has been a measurable improvement in teaching capacity and Q-Step has been mentioned in many Teaching Excellence Framework submissions as an example of improved teaching methods.
  - The programme has inspired further investment in major initiatives in quantitative research and teaching.
  - Q-Step has contributed to a change in culture through the introduction of skilled staff to departments with limited tradition of quantitative skills.
  - The programme has also increased engagement with external stakeholders through building a network of work placement providers.
  - Work placements have been a positive experience for employers, particularly in increasing their ability to perform new or more efficient analysis and giving them access to a wider pool of talent, skills and techniques.
  - The programme has had a statistically significant impact on salaries, qualifications and career prospects.
- All the Centres have agreed to continue funding staff roles for a further three years; 85% of lecturers confirmed that they would like to either sustain or scale up the programme; there are also plans to expand it to other disciplines.



**England's Office for Students (OfS) published the interim reports, [Student engagement in knowledge exchange \[KE\] competition: Formative evaluation report 1](#) and [report 2](#).**

- The £10m programme is supporting 20 projects to explore the impact of student involvement in KE in order to optimise the use of the HE Innovation Fund.
- In 2017/18, English universities generated over £3.7b from KE activity, helping to create 3.5k graduate start-up businesses attracting over £146m of investment.
  - Students play a significant role in this activity by e.g. establishing start-ups and spin-off companies and providing skills and expertise for businesses, public services and community groups through consultancy, internships and work placements.
- The projects seek to identify how students benefit from this involvement and address issues of equality, diversity and inclusion within KE activities.
- The second of the two reports, covering the period to November, finds that:
  - Following a slow start, strong progress is now being made against the target of 13,200 students engaged in projects, with around 10,100 engaged to date; 1,375 partners have been engaged so far against a target of around 1,600.
  - 850 events have been run and 175 toolkits/materials produced, partly due to the pivot to online activity as a result of Covid-19.
  - Four have already reported outcomes related to: improved student skills; strengthening student networks; increased employability and professionalism; strengthening relationships between the HEIs and partner organisations/businesses; and partner organisations/businesses gaining a better understanding of possible solutions to business challenges.

**The House of Commons Library published [The Turing Scheme](#), outlining how the UK's international placements scheme operates and comparing it to the EU's Erasmus+.**

- **The Turing Scheme** is now in its second year; it funds projects for participants from the UK and British Overseas Territories to undertake a study, work or training placement in another country.
  - Organisations apply for funding on behalf of their students for projects focusing on four main objectives: global Britain; levelling up; developing key skills; and value for UK taxpayers.
  - Additional financial support is available to participants from disadvantaged backgrounds.
  - In 2021/22, the scheme's budget was £110m, supporting ~40k participants for projects in 150 countries and territories; 48% of placements were for those from disadvantaged backgrounds.
  - Since March 2022 it has been administered by professional services company Capita in partnership with the Association of Commonwealth Universities.
- **Erasmus** launched in 1987 as an education exchange involving 11 member states including the UK.
  - It became **Erasmus+** in 2014 and expanded to include apprentices, jobseekers, volunteers, sport and staff and youth exchanges.
  - It now involves 33 full members (27 EU member states and six non-EU nations) plus over 160 other countries.
  - Its purpose is to provide participants with the qualifications and skills needed to engage with society; its key actions are mobility of individuals, cooperation for innovation and exchange of good practices, and support for policy reform.
- The UK Government announced in December 2020 that the UK was leaving Erasmus+.
  - The education and training sectors expressed disappointment at the decision but welcomed the replacement Turing Scheme; the Scottish and Welsh Governments expressed disappointment both in leaving and in the nature of the replacement.
  - The Irish Government is working on an arrangement to continue access to Erasmus+ for Northern Ireland's HE students ahead of 2023/24.
  - The Welsh Government launched 'Taith' in February 2022, an international learning exchange programme to run alongside the Turing Scheme.
  - The Scottish Government said it would develop its own programme; it has yet to do so.

**The Scottish Centre for Crime & Justice Research published [Criminal Grades? Contract cheating and student exploitation in higher education](#) on the growth of online 'essay mills', leading vulnerable students to buy written work that they pass off as their own, threatening academic integrity and exploitation.**

- The report is based on interviews with senior academics with responsibilities related to academic integrity and misconduct in three Scottish universities, and analysis of relevant online data.
- Findings about contract cheating service providers include:
  - They are aggressive in their marketing and actively try to legitimise their services by framing assignment outsourcing as legitimate student learning services and a normalised student practice.
  - They specifically target students who may be struggling with their education.
  - There is a huge global market for their services and they are very adept at utilising a variety of online platforms and strategies to attract students.
  - Technology has expanded and diversified the contract cheating market and also served to mutate different forms of academic misconduct, such as plagiarism involving automatic language translation.
- Findings about students include:
  - While suspected cases of contract cheating were relatively common, a significant issue is to obtain evidence that it has occurred.
  - Students engaging in contract cheating and academic misconduct more widely are likely to experience significant stress.
  - International students and students with English as a second language might be particularly vulnerable and experience unique forms of pressure.
- Recommendations include:
  - Interventions need to be sensitive to the impact upon student wellbeing, as students involved in academic integrity processes may experience a significant deterioration in mental health.
  - There is a need for institutions to better collect data on suspected or confirmed instances of contract cheating and to more proactively research the causes behind it to better inform academic policy.
  - Students need clear guidance on: what constitutes contract cheating; that engaging in it poses serious risks in terms of their academic futures; and that they may be exploited through blackmail or extortion.
  - A holistic approach is likely to be required to adequately address contract cheating, involving partnership working across institutions, between students and educators and between student support services and academic misconduct offices.

## HE: WIDENING PARTICIPATION

### Covid-related research

**The Institute for Social & Economic Research (ISER) published [University access: The Role of background and COVID-19 throughout the application process](#), analysing applications from 2016/17 to 2019/20, including what changed when exams were cancelled due to Covid-19.**

- Students from low socioeconomic status (SES) or ethnic minority backgrounds who apply to university are less likely to enrol in elite institutions than high SES or white students.
  - Some of these gaps are explained by prior educational performance up to age 16, choices of qualifications taken ages 16–18 and predicted performance at age 18.
  - However, large differences remain in application decisions, offers and acceptances by ethnicity and SES even after accounting for any observed pre-application difference in attainment.
- Low SES students have lower prior educational performance and are less likely to choose an academic post-16 educational track – e.g. studying for A levels or Highers rather than BTECs – than high SES students.
  - They also receive lower predicted grades and make less ambitious applications, as measured by the difference between the course entry requirements and the student's predicted grades, even after accounting for these earlier disadvantages.
  - Consequently, low SES applicants are less likely than high SES students to access elite universities and competitive courses.

- Black students have lower prior educational performance and are less likely to choose an academic educational track than white students.
  - They receive lower predicted grades but suffer an additional disadvantage as they face a lower probability of receiving an offer or being accepted on their firm choice than white applicants with the same prior educational attainment and predicted grades applying for the same course in the same year.
- South Asian students have similar prior educational performance and are equally likely to choose an academic educational track to white students.
  - They also receive comparable predicted grades but are more ambitious in their application choices than white students in terms of field of study.
  - However, compared with white applicants with the same prior educational attainment and predicted grades applying for the same course in the same year, South Asian students face a lower probability of receiving an offer or being accepted on their firm choice of course.
- There appears to be no indication that 2020 application choices were influenced by Covid, which spread after the application deadline in January 2020.
  - Similarly, there is no evidence that offer decisions were significantly affected in a way that disadvantaged any demographic group.
  - If anything, Black and South Asian students selected more ambitious firm choices in spring 2020.
- The main difference caused by the pandemic was at the later stages of the application process:
  - Prior to 2020, Black and South Asian students were much more successful at finding a place through Clearing than white students.
  - The most striking impact of Covid was to reduce their scope to do so: grade inflation meant fewer unfilled places, with restricted access, particularly to low-tariff institutions.

## Other research

### The Tony Blair Institute for Global Change published [\*We Don't Need No Education? The case for expanding higher education.\*](#)

- The UK Government in England looks set to end the 40-year expansion of student numbers in order to focus instead on 'skills' and technical routes under the 'erroneous assumption' that there is a clear divide between these in HEIs.
  - However, profound economic challenges in the years ahead will require many more highly skilled workers possessing a combination of the technical and 'soft' skills HE provides.
- 'Growth accounting' demonstrates how the expansion of HE has become a progressively more important source of prosperity and the mainstay of economic growth since the global financial crisis.
  - If 70% of young people completed HE, this would significantly raise productivity growth and boost the economy by almost 5% over the next generation compared with allowing attainment to stagnate.
- There are already substantial deficits in high-skill occupations that will get worse if educational attainment remains at its current levels.
  - Workers are going to increasingly need attributes that enable them to complement rather than compete with new technologies such as artificial intelligence (AI); HE (Level 4+) is the ideal way to provide such a breadth of skills.
- The proportion of young people entering HE should expand from the current 53% to 60% by 2030 and 70% by 2040, putting the UK on a trajectory to catch up with the most highly skilled workforces in other OECD countries.
- The view that the UK HE system does not always achieve this because a minority of courses appear not to offer a positive financial benefit to students should not blunt the ambition.
  - It is based on the skills needs of the 2010s; and better information about the opportunities offered by different courses is starting to influence choice of degree course.
  - Wage returns are only one part of the value of HE and are too narrow a basis for shaping HE policy; some courses create substantial social value, while others offer significant private non-financial rewards.
- Aiming for 70% would galvanise efforts to tackle barriers to educational attainment; non-traditional routes would need to be improved, including through sound lifelong learning policies.

- Entrance to HE must remain rigorous and challenging but measures could be employed to test whether ostensibly underqualified candidates are nonetheless ready to enter HE.
- More would need to be done to make the decision to attend HE attractive to disadvantaged students, including by improving access initiatives and by addressing financial barriers.
- These challenges can all be overcome, but first the ambition must be raised for the workforce of the future.

**The Scottish Government published [Maintaining the Momentum Towards Fair Access: Annual report 2022](#), the fifth annual report by the Commissioner for Fair Access.**

- The target is that by 2030, 20% of new entrants to HE will come from the 20% most deprived areas (SIMD20); the 2021 interim target (16%) was met last year; the 2026 interim target is 18%.
  - All fair access indicators are 'flashing green', however maintaining momentum could become harder following Covid-19.
- Six recommendations include:
  - Allow institutions to use their own measures for their own targets instead of SIMD.
  - Learn from the Welsh Government's work towards creating an integrated system of tertiary education and research.
  - The Scottish Government should commit to an adequate number of fully funded places to ensure fair access for all social groups.
  - The Scottish Funding Council (SFC) should set student number targets for the recruitment of Higher National and other articulating students in university outcome agreements.

**The Quality Assurance Agency for Higher Education (QAA) Scotland published [Supporting refugees and asylum seekers in Scottish higher and further education](#), including admissions and pre-admission, and financial and practical support.**

- Many institutions include support for refugees and asylum seekers as part of their work in widening participation, and some state this explicitly.
- The quality of information available on institutions' public websites is variable, but several have pages dedicated to support for refugees and asylum seekers that are easy to find and clear to read.
  - Some state that they can provide advice on financial support, which may include help with making funding applications and registering learners with 'home' fee status.
  - There was little information on securing accommodation, which can be challenging, especially for those with families.
- Pointers for future sector-wide development include:
  - Exploring whether certain types of support, e.g. English language teaching bursaries, might be pooled, to ensure that any places not used by one institution can be used by another.
  - Smaller institutions may be able to respond more quickly to legislative and policy changes but would benefit from stronger networking to ensure information can be shared efficiently.
  - Links between HEIs and colleges could be strengthened to ensure that learners with experience of forced migration are fully supported.

## GRADUATES & GRADUATE EMPLOYMENT

**The Institute for Fiscal Studies (IFS) published [How much does it pay to get good grades at university?](#), research undertaken for England's Department for Education.**

- Among the 2012–2015 cohorts of graduates: 18.6% of women and 19.1% of men obtained a first class honours degree; 55.5%/48.9% a 2.1; 20.9%/24.4% a 2.2; 3.2%/5.1% a lower class (third class and ordinary combined).
  - The share of those getting firsts more than trebled between 1999 and 2015, while the share of 2.1s remained fairly flat; the biggest decline was in the share of those getting 2.2s.
  - The share of students obtaining different degree classes varies substantially by subject studied and institution attended.
- Five years after graduation, median annual pre-tax earnings for both women and men graduating with a 2.2 in 2013 were £3,800 lower than for those with a 2.1 (15% lower for women/13% for men).

- Women with a first earned around £2,200 (8%) more than women with a 2.1; men with first earned £4,100 (14%) more than men with a 2.1.
- After controlling for other observable characteristics: a first vs a 2.1 – 3.5% for women and 7.0% for men; a 2.1 vs a 2.2 – 6.9%/10.9%; a 2.1 vs a lower class – 14.7%/18.3%.
- The importance of degree class varies hugely by subject, often depending on the associated labour market returns.
  - Men and women with a 2.1 in law or economics will earn a premium of 15% compared to a 2.2; in contrast, there is no significant difference for those studying education or English.
  - This suggests that even students of high-return subjects typically need to get at least a 2.1 in order to access highly paid jobs, with medicine a notable exception.
- A 2.1 from more selective universities also has a much bigger premium:
  - A 2.2 earns 20% less on average at age 30 than a 2.1; at the least selective universities it is 6% for women and 8% for men.
  - At the most selective universities (e.g. Oxford, Cambridge, Imperial and the LSE), the average payoff to a first vs a 2.1 is near zero for women, but 14% for men.
- Despite substantial increases in average grades during the period studied, there are no large changes in raw or conditional degree class premiums.

**Universities UK (UUK) published [Busting graduate job myths](#), confronting some of the misconceptions about the graduate labour market.**

- Four main myths are tackled: 'Everyone goes to university nowadays'; 'There aren't enough graduate jobs'; 'Some degrees have little value to employers'; 'All the best graduate jobs are in London'.
- Among its findings:
  - 48.5% of the UK workforce had a degree or equivalent at the end of 2020.
  - There are 1m more professional jobs than workers with degrees in the UK to fill them.
  - The OECD estimates that, while 14% of UK workers are overqualified for their current role, 27.7% are underqualified – the second highest level in the OECD, behind Ireland.
  - The number of graduate vacancies is 20% higher than in 2019 before the pandemic, with job vacancies for graduates expected to increase by 22% in 2022 compared to 2021.
  - Of 2019 graduates, 22% were working in London six months after graduation; 20% of UK 16–64 year-olds with a degree or equivalent lived in London at the end of 2020.
  - The number of UK workers in professional-level employment rose while those in other roles fell during the pandemic; graduates were less likely to be furloughed or in non-graduate jobs.
  - Recent analysis by PwC suggests that AI will increase demand for graduates by about 10%, with those in healthcare, IT and marketing in greatest demand.

## HE: TEACHING, RESEARCH & INSTITUTIONS

**Viewforth Consulting published [Estimating the true economic value of the UK higher education sector: Methodology and preliminary analysis of the UK HE sector in 2016/17](#).**

- A new approach, based on 'fundamental economic theory regarding economic valuation, that of true economic efficiency pricing in efficiency terms' was applied to the existing data.
- The analysis suggests that total economic value would have been 26% above actual revenue.
  - The shortfall was due to 27% less being paid than true economic value estimated for UK and EU undergraduate teaching and 33% less for public and charity research and related activities.
- The shortfall was met by the HE sector in two ways:
  - Staff, especially senior academics, being paid £5.35b (22%) less than their economic value.
  - Universities failing to achieve the economic sustainability margin needed to maintain and develop the sector – £3.94b, ~49% less than estimated as required.
- Implications for the UK HE sector include:
  - A 'brain drain', with the most talented staff leaving the sector for higher-paid careers in other industries or in universities abroad.

- Continued financial instability, with universities unable to maintain their current portfolios or invest to innovate and increasing numbers on the edge of insolvency.

**MillionPlus, the Association for Modern Universities, published [Staying local to go far: Modern universities as placemakers](#), exploring the economic and social impact of modern universities across the UK.**

- Among the findings:
  - 68.7% of working graduates at MillionPlus universities are 'regional loyals' – they live, study and then find work in the same region 15 months after graduating; this is more than 20ppt higher than for the whole university sector.
  - 65.9% of modern university graduates in work are found in public administration, education and health.
  - In terms of direct, indirect and induced impacts of expenditure, modern universities generate £17b in gross value add (GVA) as a result of their economic activity as procurers, employers and service providers.
  - Through their wider economic impact they support ~212k jobs across the UK.
  - Modern universities work closely with employers to create a variety of pathways into HE; e.g. in 2017–22 they were responsible for 128k higher apprenticeship starts.
  - Their geographic spread means they have enormous potential as vehicles for levelling up, due to their ability to reach some of the most disadvantaged communities within every region of the UK.
- Recommendations for the UK Government include:
  - Use the knowledge, infrastructure and expertise of modern universities to expand the geographic reach of HE, including through the development of satellite campuses.
  - Remove barriers to student and graduate mobility, including by creating a Sharia-compliant student finance system and restoring maintenance grants in England.
  - Strengthen and boost the public sector workforce pipeline in England, including by offering a maintenance grant of up to £10k for all students in all relevant disciplines.
  - Commit to public R&D spend in more interdisciplinary forms of innovation and 'STEAM' (STEM plus arts) initiatives.
  - Empower local government through devolved funding streams to develop innovation strategies in coordination with other major anchor institutions such as universities, to foster place-based innovation.
- UUK should review how the impact of the university sector is defined and measured to avoid being too reductive.
  - One important social impact is their cultural value in relation to place, but there is currently no adequate way of measuring this.
- England's OfS should develop a more comprehensive, central database of university-school interactions; the exercise could be mirrored by the SFC in Scotland.

*MillionPlus has members in England and Scotland, but not Northern Ireland or Wales.*

**Advance HE published [Adding value through enterprise and entrepreneurship education in higher education: A case study collection](#).**

- Four case studies examine:
  - How to develop sustainable relationships with businesses in the local community that can be used to shape activity in the curriculum.
  - How to create a 'live' exchange of good practice among staff in embedding enterprise and entrepreneurship in the curriculum.
  - How to develop a values-driven, competency-based framework for embedding enterprise in the curriculum.
  - How to link enterprise education within the curriculum with supporting local community organisations struggling with the realities of enterprising behaviour and actions.

**UUK International (UUKi) published [International Facts and Figures 2022](#), its annual snapshot of the international dimensions of UK HE.**

- International students made up 22.0% of the total student populations in the UK in 2020/21: 15.7% of undergraduates and 39.1% of postgraduates.
  - The UK dropped to the third most popular study destination in 2019, overtaken by Australia for the first time; the US remained top.
  - China, India, Nigeria, the US and Hong Kong were the top sending countries/jurisdictions, with Nigeria, Pakistan and India the fastest-growing.
  - 510,835 students were studying for a UK degree overseas.
  - 32.1% of all academic staff at UK universities were international.
- In 2018–19, international students contributed around £28.8b to the UK economy, up from around £24.2b in 2015–16.
- In 2021/22, 32.1% of all academic staff at UK universities were international, with Italy, China, Germany, Ireland and the US the top five countries of origin – unchanged since 2005/06.
  - 1,752 members of staff in Northern Ireland were international, an increase of 32.2% on 2016/17; Scotland saw the highest increase, up 42.2%; numbers in Wales increased by 14.4% and in England by 12.4%.

**UUKi published [How the climate crisis affects internationalisation: Report of a survey into internationalisation and climate action](#), based on a survey of 44 UUKi members including at least one response from all four UK nations.**

- 95.4% stated that climate action and carbon reduction are extremely or very important in their current institutional strategy.
- 47.7% said that they were currently renewing their international strategy and planning to link it to their sustainability strategy; 38.6% already have such links in place.
  - Of the remainder: 2.3% don't have an international strategy but do consider their sustainability strategy in their international activities; 9.1% don't currently link their strategy or activities to their sustainability strategy; 2.3% don't have a sustainability strategy.
- 90.9% are part of institutional (75.0%), inter-institutional (38.6%), national (47.7%) or international networks (40.9%) that discuss issues relating to sustainability and climate change.
- To varying degrees, climate action and carbon reduction have impacted digital infrastructure, international research, transnational education partnerships, international student recruitment, outward student mobility, and overseas estates/branches and procurement.

**UUK published [findings](#) from a poll of 2k UK adults and 2k parents of 16–18 year-olds, by Opinion Research in March 2022, about the role of universities in tackling climate change.**

- 46% of adults would like to have the green skills necessary to be able to contribute to tackling climate change.
  - 41% are or would consider upskilling themselves in how to build sustainability into their current careers.
  - 37% are or would consider enrolling on an HE course to learn more about climate change; 36% are or would consider taking on a professional qualification in sustainability.
- 58% of parents are worried that future generations will not be equipped to deal with climate change.
  - 44% believe that UK universities are equipping students with knowledge about climate change.
- 78% of parents think universities have an impact on tackling climate change, but universities were ranked lowest for impact, below governments, businesses and brands, charities, non-governmental organisations (NGOs), protest groups and individuals.
  - 49% recognise that universities are researching solutions to climate change, but only 24% think they communicate their efforts to the public.
  - 59% would like to see universities working with schools and local communities more.

UUK launched a [campaign](#) to reaffirm universities' commitment to tackling the climate emergency, including by equipping students and the public with climate literacy.

**Jisc published [Exploring digital carbon footprints: The hidden environmental cost of the digital revolution and the steps universities and colleges can take to address it.](#)**

- The key to improving digital carbon footprint is taking informed action, which requires understanding and awareness.
  - College and university leaders can use technologies such as carbon calculator apps and real-time energy consumption carbon emission dashboards to measure and communicate impact.
  - Policy changes and best practice sharing can help lower footprints by making simple changes, e.g. adapting video call habits and being mindful of the volume of data retained and where they are stored.
- The report focuses on procurement, on-premises IT, cloud technology and remote working; it includes advice on 'tech that could help' and sharing best practice.

**The SFC published [Mapping the Scottish PGR \[postgraduate researcher\] Landscape to provide more detailed understanding of PGR training and support and a snapshot of PGR experiences.](#)**

- From 2014 to 2020, 18,203 research degrees were awarded in Scotland (16% of the UK total).
  - ~90% of PGRs are in universities with a main campus in east or south west Scotland.
  - Smaller institutions have a more even mix of part- and full-time PGRs; larger institutions have predominantly full-time PGRs.
  - Graduate schools are the most common support structure; there are also doctoral schools, colleges and academies.
  - Most common PGR degree types are PhD and master's by research; professional doctorates (e.g. DProf, DBA) are also offered.
- Scottish HEIs partner with nine UK Research & Innovation-funded Doctoral Training Partnerships and 25 Centres for Doctoral Training, mainly in STEM areas.

## WORKFORCE ISSUES

**Advance HE published [Exploring the impact of Principal Fellowship \[PF\] on individuals and institutions](#), based on research by the University of Plymouth with 304 Principal Fellows.**

- PF, launched in 2012, is awarded to HE professionals who demonstrate a 'sustained record of effective strategic leadership in academic practice and academic development as a key contribution to high-quality student learning'.
  - In November 2021 there were 1,473 Principal Fellows globally.
- Findings include:
  - 79% said a key motivation for applying for PF was to raise their profile as a leader of teaching and learning, yet only 28% thought it had created new opportunities in their institution, and 67% said PF was not aligned to institutional promotions criteria.
  - 46% felt PF had assisted their careers, 27% said that it hadn't; however, respondents felt the process of developing a case for PF had assisted their career development.
  - 74% believed it had increased their confidence as a strategic leader of teaching and/or student learning.
  - 64% felt it had gained them greater impact outside their institution.

**HEPI published [Digging in? The changing tenure of UK vice-chancellors](#) with Gatenby Sanderson, examining how vice-chancellors' length of time in post has changed over the past 50 years in 51 older universities.**

- From the late 1970s to 2011, the average tenure declined by 36%, from 6.4 to 4.1 years.
  - However, since the boosting of 'marketisation' in the coalition government years, the average tenure has increased and is now approaching five years, up around 15% from its lowest point.
  - In 2010, just one vice-chancellor (2% of the sample) had a current tenure of ten or more years; in 2021, eight did (16%).
- By the time vice-chancellors stand down, they have on average spent eight years in the job, way above other professions to which they are sometimes compared.
  - The average tenure of a Premier League football manager is two years and one month and for a senior NHS executive around three years.



- Senior government ministers tend to hold their posts for around two years; no high-level UK education minister has ever matched the eight-year average.
- England has had 12 different Secretaries of State for Education – although the post has sometimes had different names – since Labour came to office in 1997.
  - Scotland has had ten incumbents in the comparable post since devolution in 1999; Wales has had eight; Northern Ireland has had five, as well as periods of direct rule during which five London-based ministers have been in charge.

*The paper points out that no university could have coped smoothly with so many leadership changes and any institution with so many changes would surely be regarded widely as failing.*

## The Workplace

### RECRUITMENT

**IZA published [Perceived Returns to Job Search](#), based on surveys of the job search behaviour of employees and unemployed workers in the UK during the Covid-19 pandemic.**

- While workers are over-optimistic about the probability of receiving a job offer conditional on any search, they perceive the marginal return to additional search hours as positive but comparably low.
  - Respondents believe they have a 32% chance of finding a job in one month if they search for five hours per week, and that there is a relatively low return to additional search effort.
  - For each of the additional 10 hours spent searching, the perceived probability of finding a job only increases by 1.4ppt.
- Women report higher returns to job search on average, and also perceive the marginal return to each extra hour spent searching for a job as higher.
- Individuals who are more willing to take risks, have higher confidence in their ability and feel that they are in control of their own life report significantly higher returns to search.
- The pandemic has had a relatively limited impact on employees' motives for job search.
  - The vast majority of on-the-job search is motivated by a desire to move into a more stable position (77%) or to increase wages (48%).
  - A desire to work more from home was a primary reason by 14% and only 5% said risk of Covid infection was a key motivation; search behaviour for employed and furloughed workers was uncorrelated with their ability to work from home.
- Respondents who are optimistic about the future state of the economy perceive the probability of being offered a job as significantly higher than those who think the economy will not improve.

### APPRENTICESHIPS & TRAINEESHIPS

**As part of work to explore and promote best practice in pre-apprenticeship programmes globally, the Learning & Work Institute (L&W) published three types of resources for current and prospective pre-apprenticeship providers.**

- [Pre-apprenticeship case studies](#) demonstrate how such programmes are designed and run in a range of country contexts, with a particular focus on how they can support disadvantaged young people move into high-quality apprenticeships.
- [Resources for pre-apprenticeship providers](#) include: a guide on designing and running programmes; a guide on blended learning; a resource on developing the key skills young people need for the future.
- [Pre-apprenticeship short films](#) highlight international examples of good practice in the UK, the RoI, Brazil, France, Germany and Spain.

**The National Foundation for Educational Research (NFER) published [Equalising access to apprenticeships: Investigating the barriers to young people accessing apprenticeship opportunities](#), based on starts data, interviews with SMEs and information from England's 'Find an apprenticeship' service.**

- Issues identified include:

- Minimum English and maths requirements are being used as part of the selection process, but 47% of disadvantaged pupils in England fail to achieve grade 4+ in both GCSEs.
- Money is perceived to be a key barrier to attracting and retaining young people, particularly high travel costs, which deter those from disadvantaged backgrounds from taking up more specialised opportunities not available locally.
- Low awareness of opportunities and recruitment processes, as well as a lack of understanding of potential longer term financial and progression benefits are seen as a significant barrier.
- Some SMEs suggested that young applicants often didn't have the skills and experience needed; work experience and employer engagement is vital and an integral part of many post-16 vocational and technical programmes.
- Traineeships were introduced to help young people overcome the barriers they face in accessing apprenticeships; however, the evidence suggests that, in many cases, they are not supporting young people to develop the skills and competencies to progress.
- Recommendations for government:
  - To make apprenticeships more accessible, provide financial incentives to hire young people without L2 in English and maths and support them to achieve them.
  - Extend the 16–19 bursary fund so that it can be used to fund travel costs for apprentices from disadvantaged backgrounds; review the National Minimum Wage for apprentices, which is still very low despite a 51p increase to £4.81 this year.
  - Review the impact of existing campaigns to promote intermediate and advanced opportunities and refocus efforts on improving awareness and promoting positive role models and messages to young people, parents/carers and teachers.
  - Consider how work experience and employer engagement can be better resourced and coordinated in schools, particularly to ensure the most disadvantaged young people are appropriately supported in their decision-making.
  - Urgently review traineeships, including: the development of English and maths and other essential transferable skills; work tasters; payment; incentives for employers to offer apprenticeships afterwards.

**Cedefop published [Apprenticeships for greener economies and societies](#), drawing on practice and research to provide insights into how apprenticeships can be adapted or devised to help develop appropriate skills.**

- The governance structures of apprenticeships are usually more open to labour market actors than other forms of VET.
  - Learners alternate between different learning venues; the double 'identity' of the apprentice – learner and employee – means that learners can develop a broader range of skills while acquiring work experience.
  - Within apprenticeship systems, VET teachers and in-company trainers regularly work together, facilitating mutual learning.
  - The design of apprenticeships, with their large share of work-based learning, also makes them suitable for the upskilling and reskilling of workers.
- In the short term, apprenticeships can benefit from relatively easy-to-develop, targeted, 'surgical' initiatives that are based on a modular approach.
  - Short but focused courses and experiences can increase apprentices' familiarity with concepts and practices relevant to the green transition in their respective field of study, paving the way for extensive updating.
- Skills for the green transition comprise sustainable thinking and acting and relate to all economic sectors and occupations, not just 'green' ones.
  - As a result, adaptation cannot be limited to specific sectors, occupations or geographic areas.
  - Apprenticeship programmes and curricula may also need horizontal transformations in the medium to long term to adjust fully to the new skill needs.
- The more apprenticeships are adapted in a systematic and comprehensive way to respond to green needs, the better they produce a deeper, long-lasting impact.
  - Such approaches are comprehensive first in considering broader needs at occupational level, and second in terms of making use of needs and contributions from a wider set of relevant actors.

- The level of readiness of teaching (school) and training (company) staff in relation to the green transition is critical.
  - Spill-overs can appear through, for example, timely expression of actual company needs in relation to the green transition when apprenticeship curricula are updated, or through sharing new green technologies or outcomes of smaller-scale green initiatives.
- The more integrated apprenticeships are in company strategies to tackle the challenges of the green transition, the better the solutions they can provide at company and also at system/society level.
  - This points towards complementing one-off, short-term, peripheral responses to alleviate immediate company needs with a more structured, forward-looking approach.

## SKILLS GAPS & SHORTAGES

**The Open University (OU) published [Business Barometer 2022: Navigating the skills landscape with the British Chambers of Commerce, highlighting the extent and impact of skills shortages via a survey of 1,300 employers in the UK in April.](#)**

- 86% of large organisations and 68% of SMEs are currently facing skills shortages.
  - 72% of organisations say the impact of these shortages has increased workload on other staff, while 78% are seeing reduced output, profitability or growth.
- 90% of large organisations have implemented some form of written plan around recruitment, training, addressing skills shortages, environmental, social and governance issues, or diversity and inclusion, compared to only 43% of micro-organisations.
- 53% of large organisations will increase investment in staff training over the next year, compared to 47% of SMEs.
- On balance, the trend towards remote working is enabling 42% of large organisations to attract new staff, compared to only 12% of SMEs.
- Competition for people is raising recruitment and wage costs; employers are seeking to resolve skills shortages by e.g. adopting more flexible workplace policies and investing in home-grown talent.
- 32% of those employing apprentices expect to increase the number in the next year; only 5% expect to decrease them.

**L&W and WorldSkills UK published [Skills for a net-zero economy: Insights from employers and young people.](#)**

- 71% of the 1k employers surveyed agreed that their organisation had a responsibility to tackle climate change and support the UK's net zero target.
  - 26% currently require green skills and 33% expect to in the future; they are needed in a wide range of business areas and at all career levels.
  - Most employers have had difficulty in hiring suitable candidates, resulting in a negative impact on their ability to meet their net zero targets and to manage rising energy costs.
- 80% of the 1,162 16–24 year-olds surveyed said it was very (28%) or quite (51%) important that they work for an organisation committed to tackling climate change.
  - 61% want to work in a role committed to tackling climate change; 55% feel inspired to develop green skills and pursue a green career, 71% of whom say it is because they want to combat climate change.
  - However, asked about barriers to a green career, 44% cite a lack of understanding of the green jobs available, 41% of the green skills employers require and 40% of how to acquire green skills.
  - Young women were more likely than young men to lack awareness on green jobs and careers, the skills employers require and the relevant education and training pathways.
- WorldSkills UK has committed to:
  - Empower and inspire young people from all backgrounds to build STEM skills, gain jobs and pursue careers that will tackle climate change
  - Partner with the Institute for Motor Industry to enhance opportunities for young people to gain green skills in the automotive sector
  - Embed green skills in wider skills competition programmes and support for educators
  - Assist UK skills providers to deliver world-class standards in green skills development

- Work with England's Department for Education and Institute for Apprenticeships & Technical Education, and parallel bodies in Northern Ireland, Scotland and Wales to ensure qualifications and apprenticeships support green skills that boost UK competitiveness for foreign direct investment.

*The report also includes a number of conclusions for UK and devolved administration policymakers.*

**The UK Department for Digital, Culture, Media & Sport (DCMS) published [Cyber security skills in the UK labour market 2022](#) with Ipsos Mori – its fourth annual report on the subject.**

- Survey findings include:
  - 51% of businesses have a basic cyber security skills gap (up 1ppt from 2021), e.g. storing/transferring personal data and setting up firewalls.
  - 33% have more advanced skills gaps (unchanged), e.g. in penetration testing, forensic analysis and security architecture.
  - 37% have a skills gap in incident response and recovery and do not cover this externally.
  - Cyber security skills are poorly understood and undervalued on boards and in IT teams.
  - Only 11% of firms provided cyber security training to wider staff in the last 12 months.
  - The estimated UK cyber workforce gap/annual shortfall is ~14,100.
  - 49% of cyber firms have technical skills gaps among existing and potential staff (up 2ppt).
  - 73% provided training for staff in cyber roles in the last 12 months (down 6ppt).
  - 63% have staff with/working towards cyber security-related qualifications (down 7ppt).
  - The most common roles in demand are security: engineers (35%), analysts (18%), managers (14%) and architects (11%).
  - 44% of all cyber vacancies advertised over the last 12 months were hard to fill (up 7ppt); 43% due to candidates lacking technical skills & knowledge (down 5ppt).
  - 25% of the workforce are ethnic minority (up 8ppt), 22% are female (up 6ppt).
- Across the economy, it is still common to find skills gaps in basic technical areas; alongside this, skills gaps around incident management are increasing.
- While cyber sector businesses also continue to grapple with technical skills gaps, a lack of complementary skills – communication, leadership, management, sales and marketing – among job applicants has become a more significant problem this year.
- With the increasing demand for cyber skills, it is more important than ever that cyber employers and job applicants understand training needs and can identify high-quality external training.
- There is early-stage evidence of increasing recruitment of career starters and improvement in some aspects of workforce diversity.
- The impact of the pandemic continues to be felt by cyber employers and cyber teams; in particular, it may have led to higher market-rate salaries outside London and the South East, presenting challenges for smaller, regional employers.

**Tech Nation published [People & Skills Report 2022: Exploring tech jobs, careers and transformation in the UK](#) with Adzuna and YouGov.**

- From May 2021 to May 2022 there were over 2m vacancies for tech roles out of a total of 85m vacancies.
  - Jobs in the broader digital tech economy account for around 14% of the UK workforce; almost 5m people work in digital tech (up from 2.18m in 2011).
- Tech roles requiring data skills are becoming increasingly important: 'data' is the most in-demand skill across all tech jobs.
  - 64% of tech employees believe their tech skills are essential to job security.
- However, people-oriented skills remain important – management, clients and communication are in the top ten sought-after skills in tech jobs.
  - Over 36% of jobs in the digital tech economy are in non-tech occupations, e.g. product management, user experience, people and sales.
- On average, tech salaries are ~80% higher than for non-tech jobs; however, only 26% of people believe acquiring/developing a tech skill will help them earn more in future.

Tech Nation also published [A Decade of UK Tech: Evolution of the tech economy and ambitions for our future](#) with Google for Startups.

**The CITB (Construction Industry Training Board) Construction Skills Network published [The skills construction needs 2022–2026](#) with Experian, providing national and regional insights for the UK, including a [separate report](#) for Northern Ireland.**

- By 2026 the industry will need to recruit an additional 266k new workers just to meet demand.
  - All nine English regions plus Northern Ireland, Scotland and Wales are set to experience growth resulting in increased demand for workers.
  - Recruitment and developing a highly skilled workforce will be the biggest challenges for the sector.
  - The largest increases in annual demand will be for carpenters/joiners, construction managers, technical roles e.g. electronics and civil engineering technicians, estimators and valuers, and office-based support staff.
- **For Northern Ireland:**
  - An extra 5,650 workers will be needed between 2022 and 2026 (1.8% per year).
  - The strongest recruitment requirement levels are in: non-construction professional, technical, IT and other office-based staff; wood trades and interior fit out; and electrical trades.

**The Edge Foundation published its latest [Skills Shortages bulletin](#), summarising recent research on improving skills to tackle youth unemployment.**

- It covers research from the Institute of Education, Resolution Foundation, ReWAGE group, City & Guilds, L&W, the OU, CBI and the NFER.
- It also includes three case studies on: greening construction; health and social care; and preventing youth unemployment.

## TRAINING & DEVELOPMENT

### Covid-related research

**IZA published [Corporate Training and Skill Gaps: Did COVID-19 stem EU convergence in training investments?](#) exploring European firms' investment in training over the last six years using European Investment Bank's Investment Survey data.**

- The onset of the pandemic in 2020 significantly reversed the slow upward trend in companies' training investments; the impact is uneven across firms and countries.
- Some pre-existing inequalities in training provision and access to it are likely to have been exacerbated by the pandemic.
  - Manufacturing firms, younger companies and SMEs are more likely to have stopped training.
  - However, innovative, growing and high-wage subsidiaries of companies started staff training investments despite the challenging environment, accentuating pre-existing trends.
  - Significantly fewer non-training firms made new investments in employee training compared to previous years, as Covid-19 put companies' potential training decisions on hold.
- Firms more confident of being well-positioned to realise opportunities are also more inclined to invest in their staff – highly performing firms play a crucial role in helping to adapt skills supply, through creating jobs, incentivising training and providing more training activities themselves.
- Firms' training investments respond to needs:
  - Those facing skill shortages are more likely to invest in staff training.
  - Those with an ageing workforce see this as a disincentive to training investment.
  - Those less advanced with digital transformation are less likely to train.
- The investment environment needs to be improved to entice more firms to invest in workforce training.

## Other research

### **Cedefop published [Organisational Determinants of Training](#) drawing on findings from a European company survey conducted in 2019.**

- Beliefs about the importance of HR as a source of competitive advantage can influence an organisation's decision to make an effort to utilise its workers' skills.
  - These efforts are then reflected in job design, requirements and the use of motivational levers, which, compounded, will generate the organisational 'demand for training'.
- The findings show that what management believes about the importance of HR and skills for the success of the organisation has concrete consequences for employees.
- This is because these beliefs are aligned in configurations that affect job design and also the balance between:
  - the requirements, in terms of desired behaviours
  - the use of various motivational levers as inducements
  - the quality of the employment relationship
  - motivational outcomes.
- Skills utilisation and skills development are two sides of the same coin: organisational efforts directed at improving employees' skills utilisation also support the investment in workers' skills and skills development in general.

### **Mckinsey & Company published [Human capital at work: The value of experience](#), drawing on analysis of 4m online professional profiles in the US, Germany, UK and India. *[Sign-up is required to access the full report.]***

- Human capital – the knowledge, attributes, skills, experience and health of the workforce – evolves through education and work; its value is estimated at roughly 66% of an individual's total wealth.
- Skills acquired or demonstrated through work experience contribute an average of 46% of lifetime earnings on average, although the dataset does not consider influences on the accumulation of skills.
- The 'experience effect' contributes 40–43% of average lifetime earnings in the UK, US and Germany but 58% in India, where fewer people have HE.
  - It is also more important to those without degrees who start out in low-wage jobs; e.g. it contributes 65–75% of lifetime earnings for those who begin as tile setters or counter workers in the US, compared with 35% for physicians or lawyers.
- The median 'skill distance' per role move, i.e. the share of distinct skills required in a new role, is 25%+.
  - 80% of those analysed started in one occupation and ended in another, with more than 80% of role moves involving joining new organisations.
- 33% of UK, US and German workers and almost 25% of Indian workers were on a path to move up one or more quintiles in estimated lifetime earnings from their career starting points.
  - Skills derived through experience accounted for 60–80% of lifetime earnings for those who moved up but only 35–55% for those who stayed flat or dropped down.
  - Upwardly mobile cohorts in the US and India made moves with an average skill distance of 30–40%; those who stayed flat averaged only 20–30%.
- Bold moves involve employers hiring those with less proven skills and workers pursuing opportunities that represent a stretch; 'experience seekers' and 'early movers' successfully harness this dynamic.
  - Experience seekers start with lower-than-average wages but make more moves and stretch their capabilities substantially each time; the cumulative effect gives them stronger wage growth than any other cohort.
  - Early movers only make big moves early in their careers.
  - For both groups, in the advanced economies studied, experience accounted for 60–70% of lifetime earnings; that share was only about 30% for those who made only incremental moves.
- Controlling for differences in occupation, time spent early in a career with an effective organisation explained 50% of the variation in experience-linked earnings.

- These employers not only had better overall organisational health, but also devoted more time to training and offered more internal advancement, and their employees were more likely to be upwardly mobile.
- Employers can attract and retain the best talent by focusing on three priorities.
  - Evaluate current employees and candidates not only for their knowledge and skills but also for their potential and capacity to learn.
  - Embrace mobility by considering candidates with different backgrounds and histories and by creating upward and lateral career paths in the organisation to provide more varied experience; when talented people leave, celebrate their success and stay open to welcoming them back.
  - Strengthen coaching and on-the-job training, particularly early in an employee's tenure and whenever someone changes roles – companies that establish themselves as great learning organisations are magnets for talent.

## AUTOMATION & AI: IMPACT ON WORK

The RoI's Expert Group on Future Skills Needs published [\*AI Skills: A preliminary assessment of the skills needed for the deployment, management and regulation of artificial intelligence, focusing on the next five to ten years.\*](#)

- AI is a general-purpose technology so will have a broad impact on the labour market:
  - AI technologies have the potential to improve efficiency, reduce costs, improve service offerings and support decision-making for firms.
  - AI is expected to complement humans in some tasks and replace them in others; this will largely depend on how well the strengths of AI and of humans can complement each other.
  - A recent study from Germany suggests that over 40% of workers use AI technologies on a regular basis, although only 50% of these realise it.
- A number of skills-related challenges exist in the RoI:
  - In 2020, 35% of enterprises used at least one AI technology compared with 42% in the EU.
  - Firms report more significant skills gaps in cloud computing, programming and machine learning or modelling compared with European neighbours.
  - Many mid- and high-skilled workers will need to adapt to new job roles with different tasks, but some lower-skilled workers will need to prepare for a new career if their role is to be automated.
  - A clear and detailed organisational strategy is needed if AI systems are to be adopted and deployed; this will require: AI-specific skills; relevant management and organisational skills; soft skills; and an awareness and understanding of AI and its implications.
  - According to new EU targets, digital literacy among 16–74 year-olds in the RoI must increase from its current 53.4% to 80% by 2030.
- AI will affect a broad range of jobs, so AI skills will be needed by a broad range of people.
  - Everyone in the labour force needs to know how AI is likely to affect and change their jobs and will need to take action to prepare for those changes.
  - AI specialists, experts and regular users will need specific education and training, while those in organisations that use AI systems will need digital and AI skills plus their core expertise.
  - Full-time students need at least basic digital literacy to provide a foundation for understanding AI and building AI-specific skills.
  - Educators must prepare for the future sooner than other groups, so that they can embed the use and understanding of digital technologies across teaching, learning and assessment.
  - Policymakers, legislators and regulators need to understand e.g.: how AI systems work; how data are used; how data-related bias can arise; and how ethics may be impacted by decisions taken by AI systems.
  - People in general need to be able to recognise when they are using an AI system and assess the accuracy of its suggestions and decisions; trust should be built on knowledge and understanding.
- Depending on their level of day-to-day interaction with AI, people will need different levels of skill:
  - **Specialist AI skills:** by AI developers and specialist users, developed through specific third-level courses, PhD programmes, collaborative research programmes, etc.

- **Technical and mid-level skills:** by AI users and technical support staff, i.e. those who work with and use AI systems daily and those responsible for the installation and maintenance of hardware.
- **Complementary and transversal skills:** by those working in organisations that use, procure or adopt AI systems, who need enough understanding to contribute meaningfully to teams and organisations; many of these transversal skills are ideally built from an early age.
- **Management and organisational skills:** by those who manage AI projects (which can be more complex than other ICT projects), e.g. in innovation management, AI governance and leadership and change management.
- **Digital literacy** acts as an essential foundation for individuals, and digitalisation acts as an essential foundation for AI adoption for firms.
- **Skills for educators** at all levels: so they can impart the necessary knowledge at each level described above.

**Eurofound (European Foundation for the Improvement of Living & Working Conditions) published [Anticipating and managing the impact of change: Ethics in the digital workplace](#), exploring the implications of technological change for work and employment by mapping relevant European and national policy and regulatory initiatives.**

- Digital technologies, e.g. AI, advanced robots and sensor technologies, impact on many areas of working conditions, raising new ethical concerns about workers' fundamental rights.
  - It will be critical to ensure policies on ethical issues consider quality aspects of work as well as legal and compliance issues.
- Technologies used to limit the spread of Covid-19 may be redeployed for other purposes, e.g. enhanced monitoring and surveillance of workers; it is therefore crucial to re-assess the ethical implications of their use in terms of job quality and workers' rights.
- Ethical issues are more frequently raised in relation to the use of AI than other digital technologies and are most prominently debated in northern and continental EU member states.
  - In recent years, there has been a proliferation of guidelines for ethical use of technologies; however, it is unclear which principles should be prioritised, implemented, monitored and enforced.
  - Trade unions have been particularly vocal and proactive about the ethical implications, issuing guidelines, initiating projects and awareness campaigns and proposing changes in policies.
- Digital technologies evolve rapidly so their use is extended beyond original purpose; provisions in legislation tend to be behind and are not always effective against negative or unintended impacts.
  - There is an urgent need to build on existing legislative frameworks to ensure that technologies are used ethically and responsibly in the workplace.

**IZA published [The Impact of Robots on Labour Market Transitions in Europe](#), based on data from the European Union Labour Force Survey and the International Federation of Robotics for 16 European countries between 1998 and 2017.**

- Between 2000 and 2017, robot exposure (the number of industrial robots per 1k workers) quadrupled in Europe.
- Findings on the impact of robot exposure included:
  - It significantly reduced the likelihood of job 'separations', and slightly increased the likelihood of job finding; in countries with initially low or average levels of labour costs, it reduced job separations more strongly.
  - In most countries, except for those with the highest levels of initial labour costs, it increased the job finding rate of young workers, but had no impact on the job finding rate of older workers.
  - It had surprisingly more beneficial effects for routine workers than for non-routine workers.
- The overall effects of robots are positive; therefore the technology should be seen as an opportunity for workers, rather than a threat.
  - The key policy challenge is to identify the factors that contribute to robots being a complement to, rather than a substitute for, human labour.



## SKILLS POLICY

The Skills & Productivity Board set up to advise England's Department for Education published [Understanding current and future skills needs: Policy Report](#), an overview of its work to document the skills needs of the economy before handing over to a new Unit for Future Skills.

- 'Core transferable skills' are currently in high demand across many occupations and are likely to continue to be in the future.
  - They include communication skills, digital and data skills, application of knowledge skills, people skills and mental processes.
  - Because of their transferability, firms have weaker incentives to invest in them than in firm-specific skills; investing in them is therefore likely to be worthwhile for government.
- Skills associated with being able to teach and be a good learner are also widely used and growing in importance.
  - Skills that are growing in importance but are used in relatively fewer occupations include STEM knowledge, care skills and a range of management skills.
- Limited data, especially on the supply side, make it difficult to assess whether there is a genuine undersupply of these skills or whether there is a more general issue with the labour market that is preventing efficient matching.
  - Better data are needed to understand the underlying drivers of any perceived skills shortage and develop the appropriate policy response, and better evidence on the best ways to develop these skills.
- There are limits to the potential benefits of reducing or eliminating identified skills mismatches: without complementary investments in physical, intangible, financial, social and institutional capital, there is a risk that the benefits of individual, firm or government investments in skills will not be fully realised.

[Further reports](#) are available from the Board covering: *improving labour market information; skills taxonomies; left-behind localities; promoting productivity in poorer-performing areas; and whether additional investment in skills would benefit poorer-performing areas.* All reports are now available via the [Unit for Future Skills](#).

England's Department for Education published [Labour market and skills demand horizon scanning and future scenarios](#).

- Over the next 15–20 years, the key drivers and trends affecting labour market and skills demand will be:
  - the domestic and political environment; global political settings; economic growth; public finances
  - the ageing population; migration
  - the pace of technological change; technology-facilitated changes to the location/organisation of work
  - climate change; the circular economy; the bioeconomy
  - the quality of work
  - skills mismatches; inequality; changes in education and training provision.
- Five qualitative scenarios provide a high-level view of the labour market given these drivers:
  - **Digital greening**: strong economic recovery and international cooperation, as well as a high level of public spending to facilitate reskilling, has led to a digital, green and more inclusive society.
  - **Living locally**: building on public sentiment, the UK has invested in greening its economy, leading to the reshoring of some activities and a more local sustainable approach to living and working.
  - **Protectionist slowdown**: a stagnant economy and a lack of investment has led to an increase in inequalities in many parts of the UK, including a digital divide and unequal access to education.
  - **Continued disparity**: the economy continues to focus on the South East; a skills mismatch persists and high-skilled workers benefit from lifelong learning and greater flexibility, while the low-skilled experience increasing precarity.
  - **Generating generalists**: while the direct economic impact of the pandemic was relatively short-lived, there has been an increased emphasis on transferable vocational skills to ensure resilience in a rapidly evolving world.

*For each scenario, the implications are outlined for each of six sectors: construction; wholesale & retail; HE; transport & logistics; health & social care; and energy.*

- Key policy implications are:
  - ICT/digital skills are critical to the future of most jobs with the emergence of specialist skill areas; introducing STEM subjects for longer, incorporating these skills alongside regular studies and investing earlier in digital skills would support this skills need.
  - Any future VET system needs to provide clear and more flexible pathways so that workers are well aware of training options and can make informed decisions about what to do and how to do it.
  - More flexible, portable training with corresponding microcredentials could be accompanied by accreditation and licensing of providers to mitigate the risk for the quality of qualifications obtained in this way.
  - A broad range of stakeholders should be involved in developing courses and training to meet local labour market demand.
  - Education and training systems also need to teach broad concepts and foundation skills, e.g. communication, networking, problem solving, literacy and numeracy skills.
  - Employer investment in training will be increasingly important, but employer unwillingness to train their workers will continue to be a barrier; employer and employee incentives for lifelong learning will be increasingly important, as will information on the benefits and options outlined.

**L&W published [Raising the bar: Increasing employer investment in skills](#), arguing that greater policy ambition is needed if we are to avoid 'sleepwalking to stagnation in skills'.**

- Training spend per employee has fallen 28% in real terms since 2005, from £2,139 to £1,530 per year – less than 50% of the EU average.
  - The proportion of people getting training at work has fallen 14% in the same time.
  - Inequalities continue: those with degree-level qualifications are three times more likely to get training at work than those with no qualifications.
- Despite plentiful reforms to public policy, the dial hasn't shifted, partly because most policy has focused on involving employers in the design of qualifications and the publicly funded skills system.
  - Up to £6.8b of public money is spent on employer skills every year, but this increasingly passively follows or reinforces employer choice, assuming they will make the best choices for their business.
  - Rather, the aim should be to increase employer investment in skills and to ensure more opportunities for those who would otherwise miss out.
- Recommendations:
  - New, locally led 'skills & good work partnerships' to kickstart greater investment in and use of skills.
  - A new 'skills tax credit' that would enable SMEs to deduct 230% of the cost of accredited training and apprenticeships from their tax liabilities and claim a 14.5% credit if they are loss making; large firms could claim a 13% credit.
  - A 'super skills tax credit' to allow businesses in levelling up areas or those investing in essential skills to deduct 300% of the qualifying costs.
  - A reformed apprenticeship levy that would raise the contribution rate or the number of employers involved, widen the eligible training and increase the focus on young people and those with the lowest qualifications.
  - Over time, consider replacing the levy with a 'pay or play' skills levy through the tax system.
  - Explore how better to support people to learn, possibly by building on the role of trades unions, strengthening the right to request time off to train and looking at new ways to support retraining.

**SOLAS (Further Education & Training Authority), RoI, published [Shifting Sands: Navigating the patterns emerging in the Irish labour market post-COVID-19](#), examining current and changing employment trends with analysis by Emsi Burning Glass.**

- The report highlights opportunities for reskilling and upskilling to help displaced workers move towards in-demand jobs, and to help employers use 'skill adjacencies' to find the workforce it needs.
- Findings include:
  - Many occupations are still in demand; however others have suffered a large decrease in market share due to the pandemic and have not yet recovered.

- There is evidence of labour tightness across most components in: manufacturing and production; healthcare; construction, extraction and architecture; transportation; marketing and public relations; and business management and operations.
- Common skills across most of the above include customer service, budgeting, project management and data-related skills.
- Many job families are experiencing shifting trends in requested skills, e.g. finance occupations have become more focused on soft skills; manufacturing and production jobs have become more technical; IT occupations are becoming more focused on data analysis and associated skills.
- There is evidence of employers changing hiring strategies to seek out talent in a tight labour market, including offering benefits such as remote work and willingness to train new employees.
- The Emsi Burning Glass Global Occupation Taxonomies map is used to show the skills required for specific jobs, and how workers can transition from one role to another by leveraging their existing skills via 'skill adjacencies'.
  - The model can be used to suggest career pathways based on two-step transitions into 'upwardly mobile' occupations with similar levels of education for displaced workers.
  - The skills needed to make these transitions are identified so that training providers and workers understand what reskilling or upskilling efforts are required.

**Cedefop published [Strengthening skills systems in times of transition: Insights from Cedefop's 2022 European skills index](#), a policy brief.**

- Skills lie at the core of well-functioning economies and inclusive societies; skills systems support and shape transitions and play a crucial role in supporting skill development, in using talent and in matching skills to jobs.
- With a view to promoting evidence-based skills policy in the EU, the brief takes stock of trends, identifies improvement potential and locates best practices.

**The Resolution Foundation published [Net zero jobs: The impact of the transition to net zero on the UK labour market](#) for its Economy 2030 Inquiry, in collaboration with the Centre for Economic Performance (CEP) and funded by the Nuffield Foundation.**

- The report examines how the UK's transition towards net zero will affect the types of jobs people do, and the opportunities and challenges this will present for the labour market.
- The share of 'green jobs' in the UK has grown by just 1.3ppt over the past decade, but this will accelerate over the next decade.
- The main impact of decarbonisation on the labour market will be to change rather than destroy existing jobs; it will disproportionately affect:
  - 1.3m 'brown job' workers, as they are most prevalent in emissions-intense sectors; 34 'brown changer' occupations are identified, e.g. HGV drivers and energy plant operatives
  - 4.3m green job workers, most likely to involve new green tasks and skills; 41 'core green task' occupations are identified – some are likely to grow, e.g. wind turbine engineers and environmental and conservation professionals; others will change, e.g. technicians and managers.
- The limited growth in green jobs has mainly been driven by middle-aged workers moving from non-green jobs into similarly skilled green jobs.
- The challenge is to ensure that low- and mid-skilled workers can benefit from the net zero transition, as most areas of job growth are those of the higher skilled.
  - Green job workers are over three times more likely to be in higher-qualified, professional jobs compared to brown job workers (83% vs 26%); the majority of brown job workers are in lower-qualified, manual jobs (54%).
  - Green job sectors carry an average wage premium of 8% over non-green jobs; 27% of the highest-paid workers are in green jobs; brown job workers are concentrated in the middle of the income distribution.
  - Green jobs are concentrated in London and the South East; brown jobs in areas in Wales, Scotland and the North of England.
- 40% of green and brown jobs are in overlapping sectors – e.g. construction, manufacturing, agriculture and energy – and calls for brown-to-green job moves are common.
  - However, it is rare for workers to switch from brown to green jobs, largely due to significant differences between the tasks workers complete.

- There is a diversity challenge:
  - Men are more likely than women to work in both green (18% vs 8%) and brown jobs (8% v 2%).
  - Over 14% of white working-age adults are in a green job, compared with 8% of Black working-age adults; however, there is less difference between ethnicity in brown jobs (4% of white adults compared to 3% of Black adults).
- To prevent the green jobs revolution accruing largely to already high-skilled, higher-paid workers, policymakers should focus on ensuring that lower-skilled workers in brown jobs can adapt or receive the required skills and training.

**WorldSkills UK published [Wanted: Skills for inward investors](#), a report by the Skills Taskforce for Global Britain.**

- Foreign-owned companies such as Apple, Airbus, Hitachi, Google, Pfizer and Nissan are already providing highly skilled jobs in the UK, which has a strong record of attracting investment.
  - However, other countries are looking to target similar foreign investment to increase economic growth, and most foreign investment currently lands in London and the South East.
- Skills play a vital role in the ability of the UK to attract investment and the availability of skilled workers is also hugely important for companies when deciding where in the UK to invest.
  - Despite this, there is no UK-wide investment strategy that articulates a vision for how skills can drive inward investment.
- Investment Promotion Agencies are funded to enable foreign investors to take advantage of all the UK has to offer; part of that role must include support on skills issues, both present and future.
  - Although there are areas of excellence in the guidance given to investors, such as in Scotland and Northern Ireland, this service could improve elsewhere.
  - Too often investment promotion is not working closely enough with those in the skills sector to provide solutions for companies and vice versa; agencies are hampered by a lack of consistent essential data on skills levels in their areas and limited training provision that meets investors' needs.
- Across many parts of the UK, a lack of funding prevents colleges from developing the training provision that new investment projects require.
- In places such as the RoI, France, Singapore and Australia there is closer cooperation between parts of government that lead on investment and skills, resulting in high-quality information for investors, investors' needs being factored into skills provision and foreign investment used to raise skills levels.
- There are also areas of best practice in the UK, e.g.:
  - Freeport areas where a partnership of training providers works specifically on investment projects
  - Northern Ireland where the Department for the Economy (DfE) has joint responsibility for both skills and inward investment enabling joint working to use skills as a key strategy for attracting investment.
- Key recommendations:
  - An ambitious UK-wide strategy that will integrate skills and foreign investment
  - A post-Brexit vision of 'Global Britain' showcasing the UK's excellence in skills
  - Improved quality and responsiveness in skills provision to drive foreign investment growth; short term, a 'rapid response fund' for flexible, bespoke training provision; long term, nations, regions and sector bodies must work with foreign investors and skills providers.

**Skillnet Ireland published [Modern Methods of Construction \[MMC\] – Defining MMC Business](#) by Construction Professionals Skillnet, outlining the new business model, skills, training and educational provision required.**

- The implementation of MMC requires a different business model to traditional construction, and new roles and skills are needed to perform effectively.
  - The MMC approach uses methods such as off-site manufacturing, modular construction panels or light steel framing, structural insulated panels or cross-laminated timber.
  - Construction in the RoI has been relatively slow to adopt MMC as it operates traditional site-based processes.
- Specific skills are required, including from designers, engineers, on-site labour and project managers.

- 53.8% of those surveyed with MMC expertise said the RoI doesn't currently have the working skills needed to successfully apply MMC.
- The current education and training system still focuses on traditional building methods.
- The lack of knowledge by professionals leads to a limited workforce that can develop and handle projects using MMC.
- MMC-related training and support needs to be developed for existing and new workers.
- **Recommendations for construction employers** include creating an MMC Working Group to:
  - promote a culture of innovation, MMC technology understanding and mentoring
  - create an MMC professional development path and skills matrix
  - identify the core MMC skill set with details on competencies required and the most appropriate broad solutions for these competencies
  - work with training and education providers on the development of appropriate provision at all levels
  - promote MMC to career guidance counsellors throughout education and to students during career fairs.
- **Recommendations for education and training providers** include:
  - Work with those in the industry to generate relevant upskilling solutions.
  - Collaborate with education and training providers from manufacturing and supply chain management, as these competencies are needed in a mix with those for construction.
  - Create a broader MMC manufacturing technician apprenticeship/trade courses focused on MMC/modular construction.
  - Create continuous professional development (CPD) and blended learning courses for MMC, to raise awareness and understanding and to impart current knowledge.
  - Review the curriculum of current technical courses and apprenticeships expanding modules to include MMC-related topics.
  - Create modules with a focus on innovation, modern materials and manufacturing as part of the curriculum for all third-level civil, mechanical & electrical engineering and construction studies courses.
  - Develop CPD for architects and engineers in making the design of buildings MMC friendly.

**City & Guilds published [Understanding Essential Jobs in Rail](#), a detailed look at the industry including skills shortages, produced with Emsi Burning Glass.**

- The UK's rail industry is set for 'massive' growth due to large-scale infrastructural developments, expected to create up to 120k new 'high-quality jobs' over the next five to ten years.
- The main challenges to the rail workforce include:
  - **An ageing workforce** – over 28% of employees are over 50; fewer young people are entering careers in rail; therefore lost skills are not being replaced.
  - **Reduced talent pool** – rail has historically relied on contract workers and overseas workers; however the supply of skilled workers has fallen as EU net migration continues to decline.
  - **Retention** – insecure contracts and short-term projects often lead to broken or incomplete apprenticeships, and many who start in rail fail to realise their full potential within the sector.
  - **Perception** – there is a general lack of awareness about the many career opportunities available in rail, and it's also still seen as a 'rough industry'.
- Practical actions taken by employers to further diversify the talent pool include:
  - Creating more gender-inclusive job adverts to reach a wider audience, and women and minority ethnic role models being depicted in marketing.
  - Creating more inclusive company cultures through positive representation and values to ensure all people feel welcome.
  - Setting measurable equality, diversity and inclusion goals that are intentionally pursued.

*This follows its [Great Jobs](#) report published in February (see Skills Research Digest Q1 2022, p. 17).*

## **IZA published [Hybrid \(Solo\)Self-Employment and Upskilling: Is online platform work a path towards entrepreneurship?](#)**

- The increasing use of online labour platforms as intermediaries for finding work – known as crowdwork or gig work – is a new form of ‘hybrid’ (solo)self-employment, between dependent and self-employment.
- The study uses international data for online platform workers, the Cedefop ‘Crowdlearn’ dataset, to:
  - analyse whether engagement in hybrid digital self-employment could augment individuals’ skills, and thereby act as a stepping stone towards fuller entrepreneurship
  - investigate whether ‘hybrids’ benefit from any new skill accumulation, including entrepreneurial skills, relative to comparable fully self-employed online platform workers.
- Platform work is an attractive route to alternative employment for some groups facing difficulties in conventional labour markets, e.g. females, the elderly, immigrants and inexperienced younger workers.
  - By contrast, individuals combining platform work with an additional dependent job tend to be middle-aged, higher-educated males.
- Findings include:
  - Hybrid work experiences, especially when platform work is done alongside another dependent job, can spur commitment to fuller self-employment and facilitate additional, varied skill development.
  - However, such skill formation dividends are deficient for part-time ‘hybrids’ who are mostly driven towards solo self-employment out of necessity and may lack the resources needed to develop their human capital.
  - Platform work experience for otherwise employed individuals may contribute towards the strengthening of subject-specific knowledge and skills related to the area of specialty; it may also enhance their digital and self-employment/entrepreneurial skillset.
  - Those combining platform work with other activities are more inclined to develop their skills provided they are driven by an entrepreneurial mindset.
  - Gaining such skills is mediated by an individual’s aptitude for entrepreneurship and own-working, highlighting the significance of stimulating entrepreneurial drive via earlier school education.
- Policymakers need to take greater account of the marked diversity of different forms of (solo)self-employment and the hybridity between dependent and own employment in modern labour markets.

## **ADULT & LIFELONG LEARNING**

### **L&W published [Local learning: Place-based insight on what works to drive up essential skills participation.](#)**

- The research investigated innovative, place-based interventions in three Mayoral Combined Authorities (MCAs) where the number learning essential skills had declined the most: West of England, South Yorkshire and Liverpool City Region.
- The key drivers for demand in essential skills include:
  - Refugees and asylum seekers settling into the local area, increasing demand for ESOL (English for Speakers of Other Languages) provision
  - Providers having strong relationships with the community and voluntary sector, which increase their community visibility
  - High levels of need driven by deprivation and low qualification levels
  - Funding for non-accredited learning enabling increased flexibility in provision.
- Stakeholders felt that it had been more challenging to engage learners in English and maths provision than ESOL.
  - Factors preventing individuals from accessing provision included: lack of confidence; the stigma attached to low essential skills; and a lack of awareness of the benefits of improving them.
  - Other barriers included: poor access to transport or childcare; irregular shifts; a lack of ICT skills or equipment; difficulties in engaging employers to identify employee needs and offer provision; challenges around outreach and referrals; a lack of coordinated messaging; a lack of flexibility within the funding system to respond to wider needs and interests.

- Urgent action is needed in several policy areas:
  - National and local action to encourage people to be open about their skills and come forward to improve them, addressing social stigma.
  - National and local government plus adult education providers investing in sustainable partner engagement and increased integration of provision.
  - A broad focus on the economic and social outcomes of learning as well as qualifications, and on the role played by flexible provision in achieving them.
  - An enhanced evidence base on how non-formal essential skills learning can support progression into further, formal learning.
  - Greater investment in employer engagement to expand essential skills provision for those in work.

**ResPublica published [The Role of Microcredentials in Modular Learning: A report by the Lifelong Education Commission](#).**

- 'Microcredentials' is an umbrella term for a wide range of learning products, including digital badges, nano-degrees, micromasters, massive open online courses (MOOCs) and short courses.
  - They can be offered online or face-to-face, by different types of provider; they can be free or paid-for; they can be formally assessed and issue certificates or units of academic credit.
- International organisations including UNESCO and the EU are seeking to develop greater consensus around a common definition.
  - They believe that a microcredential should be a documented statement awarded by a trusted body to signify that a small volume of learning has been assessed against agreed standards and references within agreed qualifications frameworks.
  - The QAA has outlined characteristics [see below] for UK HEIs, identifying them as units of learning carrying small amounts of academic credit that can be stacked to form a recognised qualification.
- Microcredentials could be an important part of the UK Government's focus on modular, flexible lifelong learning to enable higher levels of productivity, offering an agile response to skills gaps.
  - They can also offer a more accessible and affordable route to continued learning, encouraging greater uptake by adults and providing another pathway to HE.
- There is relatively little public awareness of microcredentials and they aren't well understood by employers, although there is evidence that businesses are looking for more flexible, bite-sized training.
- HEIs are currently the leading providers, while the role of FE is relatively underdeveloped.
- If microcredentials are to have a shared meaning and value among learners and employers, some conformity to a common definition is needed.
  - QAA has identified two possible approaches to building microcredentials into a macrocredential: consortia of HE providers agreeing to recognise each other's microcredentials; a 'capstone' or final course or module to draw different elements together into an integrated whole.
- If microcredentials are to play a role in upskilling, they must be eligible for loans, regardless of prior attainment.
- Future demand will be dependent on a better understanding of their benefits and likely return on investment.
  - Public funding might be needed to kickstart their design and development and to stimulate uptake until the benefits can be realised by employers, although policy solutions such as tax incentives could be made available.
  - Development costs should not be underestimated; although there is an argument for HE providers to develop them on a commercial basis, access to public funding should be considered as a means of levelling up where microcredentials could help address significant skill deficits.

*The report includes recommendations for local and national government, sector bodies and HEIs.*

**QAA published [Characteristics Statement: Micro-credentials, on their context and purpose and the characteristics of the learner](#) [see the ResPublica report above].**

- The statement is of particular use to HE providers designing microcredentials, and policymakers developing national strategies.

- It explores implications for: admissions and access (including recognition of prior learning); course design, including learning, teaching and assessment; certification; and quality management.

**Cedefop published [Are microcredentials becoming a big deal?](#), a briefing note outlining the interim results of a comprehensive study.**

*The study was undertaken as part of European Council work to develop a European approach to the use of microcredentials for lifelong learning and employability.*

**The Centre for Social Justice published [On the Money: A roadmap for lifelong financial learning](#), making 28 recommendations for England, including those below.**

- **School-age financial learning**, including:
  - Use the earliest legislative opportunity to require all schools to ensure that all pupils receive 'experiential' financial education at least three times between year 8 and year 13.
- **Early adulthood:** financial education upon entering the labour market:
  - Champion employers with financial wellbeing policies and publish guidance for employers to help them take advantage of 'teachable moments' in the workplace.
  - Require large employers to signpost employees to the Help to Save scheme, where uptake is just 8% of those estimated to be eligible.
  - Allocate local authority targeted funding for care leavers and disadvantaged young adults to attend a local Money House programme or other 'experiential' tenancy resilience programme.
- **Mid-life MoTs:** upskilling with financial education:
  - Use the new £560m Multiply programme to fund programmes combining numeracy with financial education in order to build adults' financial resilience.
  - Complete the welfare reforms initiated in 2012 to provide Universal Support alongside Universal Credit and have Universal Support key workers partner with local charities to upskill vulnerable and disadvantaged people and provide debt advice, digital skills and budgeting support.
  - The Money & Pensions Service to examine how debt advice charities can integrate high-quality financial education courses alongside support with affordable repayment plans.

**The OECD published [Policy handbook on financial education in the workplace](#), providing case studies and practical guidance to policymakers, employers and providers interested in improving financial literacy among employees.**

- Several factors that indirectly or directly affect financial wellbeing provide a motivation for improving employees' financial literacy.
  - Global trends such as population ageing and the rapid spread of digital financial services
  - Reforms of pension and social protection systems
  - Exposure to financial scams and fraud.
- Low levels of financial literacy can reduce the ability to make appropriate financial decisions, resulting in financial stress that can impact mental, physical and financial wellbeing as well as productivity.
  - Some categories of workers – e.g. women, young people or those working in the gig economy – risk being more financially vulnerable than others.
  - In addition, the pandemic has created new challenges and vulnerabilities for employees.
- Research shows that workplace financial education can help employees improve their levels of financial literacy and financial wellbeing, as well as employee satisfaction, motivation and loyalty.
- Challenges for employers may include lack of awareness of the impact of financial stress and of the potential benefits of improving employee financial literacy and wellbeing.
  - Providing financial education in the workplace can be costly and can take time away from normal work activities; this may be a particular challenge for microbusinesses and small companies.
- Challenges for employees may include a lack of interest or motivation due to lack of time, lack of awareness of the benefits or simply not knowing where to get help when facing financial difficulties.
  - Those in a difficult financial situation may not want to participate in workplace financial education for fear of revealing their financial problems to colleagues and the employer.
- Many governments, public authorities, not-for-profit organisations and private companies have recognised the importance of implementing financial education programmes in the workplace.



- In some countries, it is conducted as part of national strategies for financial literacy.
- In many cases, responsible public authorities provide resources and advice to employers to help them implement financial education programmes.
- Some programmes are directly promoted and implemented by NGOs or private companies and provide employees with direct access to financial information, training and advice.
- Many initiatives in the workplace aim to develop specific skills and confidence, such as around retirement planning or long-term savings; others support a wider set of financial literacy skills.
- Policy recommendations include:
  - Highlight the business case to employers and provide guidance and tools
  - Leverage social recognition through public champions and corporate responsibility
  - Lead by example by implementing programmes for public institutions employees
  - Propose employee incentives, such as rewards and certificates
  - Create a full circle, evidence-based approach to programme design/implementation: needs assessment; pilots and tests; impact and effectiveness assessment.

**The OECD published [\*The recognition of prior learning \[RPL\]: Validating general competences, offering new evidence on the characteristics and country experiences of such systems.\*](#)**

- Lack of time is by far the main reason for non-participation in adult learning; RPL can partly address this by shortening the duration of training and offering more personalised learning pathways.
  - It also expands access to lifelong learning by creating new opportunities for obtaining qualifications and recognising the value of existing human capital, especially for disadvantaged groups.
- The majority of RPL systems focus on professional and technical competences for the purpose of entering and progressing in the labour market or accessing continuing vocational education and non-formal on-the-job training.
  - In contrast, the recognition of general competences that all individuals need for personal fulfilment and development is less common and almost exclusively used for the purpose of further studies.
  - Such RPL is also little studied, despite its clear importance for upskilling and its positive benefits for individuals, providing a source of motivation to engage in further learning.
- Over the last few years, several European countries have issued national regulations for RPL in adult basic education.
  - Yet, in practice, most systems leave great flexibility to the relevant bodies in relation to how the process should be conducted, which tools should be used and what criteria should be considered.
- A brief history of RPL and the main initiatives implemented at the European level are presented; it also introduces new mapping of RPL practices, which emphasises the types of competences covered.
  - Based on this framework, it identifies common characteristics and differences in the governance and implementation of RPL practices in adult basic education across Europe.
- It looks in detail at existing practices for the identification, documentation and assessment of competences in a number of countries including Austria, the Wallonia-Brussels Federation of Belgium, Denmark, Estonia, Italy, Luxembourg, Norway, Slovenia and Spain.
  - Additional practices from the RoI, the Netherlands and Portugal are also presented as their regulation makes reference to the RPL in adult basic education, although in practice their systems focus more on the labour market.

## THE CHANGING NATURE OF WORK

### Covid-related research

**CEP published [\*How does working from home \[WFH\] during Covid-19 affect what managers do? Evidence from time-use studies.\*](#)**

- An online survey of 1,192 knowledge workers (including 973 managers) in the US was conducted in August 2019 (pre-pandemic) and in August 2020, and used to assess how the sudden, widespread shift to WFH in 2020 impacted how managers allocate time throughout their working day.

- Three specific aspects of managerial work were assessed:
  - How managers allocate their time across different activities (e.g. the relative importance of activities performed alone vs those that require communication and coordination with others)
  - Whether the incidence and length of different activities (e.g. meetings) changed
  - Whether the changes in time allocation and activity structure varied according to the type of organisation employing the manager.
- The forced transition to WFH was associated with a drastic reduction in commuting time for managers, but also an increase in time spent on work rather than on personal activities.
  - This included reallocating time gained from commuting into more time spent in meetings, possibly to recoup some of the impromptu interactions that typically happen in the office.
  - Managers employed in larger organisations spent more time in work-related meetings, and less in personal activities, than those in SMEs.
- The findings have implications for the development of new technologies.
  - There is an increased need for managers to communicate and interact virtually – technology is expected to be able to help improve future team communication.
  - Managers might need to contend with new interruptions when WFH – technology is expected to be able to help them navigate transitions between different tasks.

**Cranfield University School of Management published findings from research with the CBI on the [impact of the furlough scheme on part-time working](#), based on a survey of 208 UK businesses in February 2022.**

- Prior to the pandemic, most part-time working came about as the result of employee requests, with a proactive approach to recruiting new employees considered a secondary benefit.
- Post-pandemic, 62% of line managers say they are 'more willing' to consider employee requests for part-time working.
  - 96% of line managers say they are more flexible about where their employees work, and 87% about how they schedule their working hours.
- 60% of organisations expect remote working to increase in their organisation over the next two years and 58% say the same of flexible working; 46% also expect part-time working to increase.
- 45% believe the use of flexible furlough has helped line managers in their organisation learn how to design and manage part-time working more effectively.
- 46% believe line managers have learnt how to better match resourcing with periods of peak demand for their business activity.

*Pre-pandemic, 26% of UK workers worked part time.*

**Eurofound published [Working life in the COVID-19 pandemic 2021](#), individual country reports on working life during 2021 for the 27 EU member states plus Norway.**

- The reports outline the policy responses of governments and social partners in their efforts to cushion the socioeconomic effects of the pandemic, with a focus on policy areas related to the return to work.
  - Themes include new health and safety arrangements at work, new work arrangements, policies to address labour shortages, and wages and wage setting; plus the impact on social dialogue, collective bargaining and industrial action.

### Other research

**The Chartered Institute of Personnel & Development (CIPD) published [An update on flexible and hybrid working practices](#), based on a survey of 1,196 UK adults conducted in November 2021.**

- 56% of employers believe that it is important to provide flexible working as an option when advertising jobs.
  - 37% have seen an increase in requests for flexible working in the last six months and 42% say they will be more likely to grant requests compared with before the pandemic.
- 51% of employees say they have flexible working arrangements (FWA) in their current role: 55% of women and 47% of men.

- Employees who have FWA are more likely to be satisfied than those who don't, including in relation to their work-life balance, control over work, their job overall and their line manager.
- 45% of employees with FWA describe them as informal, 25% as formal, 28% as a combination.
  - Those with a mix of formal and informal FWA are more satisfied than those with either formal or informal arrangements.
- 61% of organisations offer part-time hours, 57% WFH on a regular basis and 38% flexitime.
  - 46% plan to expand WFH, 38% part-time working, 37% flexitime, 25% full-time homeworking and 18% job-sharing.
- Although regular WFH (61%) and informal flexibility (43%) are the most common types of flexibility employees report, 42% would like flexitime, 40% would like regular/ad hoc WFH, 38% would like informal flexibility and 32% compressed hours.
- 4% of employees have left a job in the last year specifically due to a lack of flexible working and 9% have changed their careers/profession due to a lack of flexible working options within the sector.
- Since the start of the pandemic, 46% of employees have worked from home all or most of the time, while 37% have not worked from home at all.
  - On average, once the crisis is over, organisations expect 21% of their workforce to work from home all the time and 40% on a regular basis.
- 41% of organisations that have increased homeworking believe that more home/hybrid working has increased their organisation's productivity/efficiency; 43% think that employees are generally more productive when they are WFH/in a hybrid way.
  - These figures have increased from 33% and 23% since December 2020.
- 39% of organisations are seeking to put in place additional measures or investment to enable more hybrid or homeworking in the next 6–12 months: 54% technology; 53% organisational policy; 52% more guidance for line managers.
- Key benefits of increased homeworking/hybrid working are improvements in: work-life balance (69%); employee satisfaction (48%); business flexibility and employee wellbeing (both 41%).
  - Top issues faced include: increased stress or mental health problems (44%); difficulty in working as expected for those who lack space or privacy (43%); employee conflict due to communication and relationships challenges (34%).
- 63% of employees who are able to work in a hybrid way haven't been asked how they would like to work in future.
- 48% of organisations say they are concerned about inclusion risks of hybrid or homeworking; 46% aren't concerned.
  - 24% of employees who are able to work from home/in a hybrid way are concerned about being treated less favourably.

**Timewise published [Reaching a positive financial return on investment in flexible working](#), based on a literature review and analysis by the Institute for Employment Studies.**

- The report explores the scale of benefits needed to deliver a positive financial return on investment in increasing flexible working in frontline sectors, drawing on the findings of five pilot studies in retail, construction, social care, teaching and the NHS.
- The pilots found that within a couple of years, investment in flexible working interventions can outweigh the costs and begin to deliver savings made through reduced sickness absence and staff turnover; for example:
  - **In retail**, for a store with 200 shopfloor sales/retail staff including supervisors, the costs of flexible working would be recovered within three years by a reduction in sickness absence of 16% per year; or staff turnover would need to reduce by 5% per year over three years (four fewer leavers per year).
  - **In construction**, a site with 200 construction staff would require a reduction of one sick day per person per year over three years to break even; or staff turnover would need to reduce by 11% per year over three years (7.5 fewer leavers per year).
- Interventions to increase access to flexible working are very likely to provide a positive return on investment in a relatively short time, therefore businesses should not be afraid to invest in flexible working initiatives.

- Recommendations for employers in frontline sectors include:
  - Consider what types of flexibility can be offered to all employees, now and in post-pandemic
  - Trial flexible arrangements in small teams before rolling out
  - Integrate the flexible working approach as part of wider organisational processes or transformational change
  - Establish clear metrics for tracking progress.

**The OU published [Embracing Flexibility – How can L&D \[learning & development\] service new hybrid working and learning models in the public sector?](#) with the Public Sector Executive, based on a survey of 2,687 public sector employees in the UK. [An email address is required to access the full report.]**

- **In Northern Ireland:**
  - 77% of public sector employees would be more likely to stay in a job that allowed remote or hybrid working (73% UK).
  - 43% want to reskill into a different role in the future (more than any other part of the UK).
  - 51% want to be offered more learning opportunities.
  - 54% see management and leadership training as the most popular area of learning (29% UK), 39% would like to improve digital skills (35%).
  - 58% see blended learning as their preferred learning style (55%).
- **Across the UK:**
  - 80% say L&D is central to job satisfaction (86% of those in healthcare).
  - 59% say L&D is supported by their organisation; 78% have training in their objectives.
  - 44% say lack of time is a main reason for not taking part in training at work; 29% say it is inflexible working hours.
  - 47% do not understand where their skills are lacking.
  - 29% of senior managers say learning about diversity and inclusion is important/very important.
  - 34% are interested in gaining microcredentials; 26% in gaining an accredited professional or industry qualification.
  - 27% are unsure what training is available for their role; 17% what formats are offered.

**The RoI Department of Enterprise, Trade & Employment published [An Evaluation of the Impacts of Remote Working](#).**

- Overall, remote working is likely to have a positive impact on the Irish economy and society and there is strong evidence that both businesses and employees have post-pandemic plans to increase the levels of remote working compared to pre-pandemic levels.
- While theoretical evidence is mixed, survey data indicate that, on average, management and employees alike expect remote working to improve productivity.
  - However, it is also likely to reduce productivity in some occupations.
- Because of this, individual firms and workers must make decisions as to whether they believe they are more productive working remotely.
- Evidence suggests that remote working should improve labour market outcomes for both people with disabilities and those with caring responsibilities.
  - It enables improved access to the workplace through greater flexibility in terms of time management, childcare and commuting options.
  - However firms must not use it to avoid providing required workplace provisions for people with disabilities.

*The report also covers the impact on housing, CO<sub>2</sub> emissions, estimated potential cost savings for employees and firms and the impact on the Exchequer.*

**Business in the Community published [Your Job Can Be Good For You: Backing business to revolutionise ways of working in the UK](#), drawing on research including a 2022 YouGov survey of 4,225 employees across the UK.**

- Traditional models of working have ‘imploded’ due to the pandemic, causing unprecedented challenges for businesses to change how they operate.
- Survey findings include:
  - 36% of employees experienced work-related poor health in the past year (down 5ppt from 2020), particularly those under 40, women, those of a minority ethnic background and those with a disability.
  - 51% feel comfortable talking about mental health issues in the workplace (down 5ppt).
  - The most important issues for employees in their current job are: having a work–life balance (65%); salary and benefits (63%); job security (56%); being able to work flexibly (37%).
  - 54% of the UK workforce feels able to co-create their version of a ‘good job’ involving greater flexibility – 72% of those at board level, 57% of those earning £20k+.
  - Only 45% are able to ‘switch off from work’, 40% can work from home in normal working hours and 29% can choose their start and finish times.
  - Only 41% of those with no management responsibility and 50% of managers can negotiate a reduction in unrealistic deadlines and excessive workloads.
- A strategic approach is needed that prioritises the mental health and wellbeing of all employees, and integrates as priorities equity and inclusion, employment and skills, and the environment.
- Recommendations for businesses for a ‘post-pandemic re-set’ of their employee wellbeing agenda:
  - Create ways of working that support personal wellbeing and benefit individuals and businesses
  - Tackle inequalities to achieve an inclusive culture of wellbeing
  - Harness organisational purpose and values to attract and retain the best talent
  - Recognise and balance business and employee needs by providing flexibility in how, where and when people work
  - Innovate, pilot and integrate new approaches to respond effectively to fast-changing employee and business needs
  - Value the wellbeing benefits of the natural environment
  - Enable employees to switch off outside their agreed working hours.

**Eurofound published [Living and working in Europe 2021](#), a snapshot of changes to employment, work and living conditions, as evidence for input into social policymaking.**

- It includes a summary of findings on ‘challenging aspects’ – e.g. gender equality in employment, wealth inequality and labour shortages – that will have a significant bearing on recovery from the pandemic, resilience in the face of the war in Ukraine, and transition to a green and digital future.

## **EMPLOYMENT: RIGHTS, RESPONSIBILITIES & WAGES**

**The CIPD published [Good Work Index](#), its annual snapshot of job quality in the UK, based on a poll of 6k workers.**

- The index is based on seven dimensions, each with a mean score: subjective pay; contracts; job design; work–life balance; relationships; employee voice; health and wellbeing.
  - There is relative overall stability in mean scores in 2022 compared with previous years.
- Male workers tend to report higher levels of satisfaction with pay and higher health and wellbeing scores, while female workers report higher relationships scores.
  - Other scores, such as contracts and work–life balance, vary by age.
  - Job design and relationships scores are higher in more highly skilled occupations.
- The research investigated the phenomenon of the ‘great rethink’, whereby it was suggested that 2021 saw a growth in employees leaving their jobs following the pandemic.
  - There is little evidence for any substantial shift, with overall levels of job moves in line with earlier years.

- However, some sectors (e.g. IT) and some roles where skills are in high demand and low supply have seen increases in numbers leaving their jobs or saying they intend to.
- Those in lower-skilled roles are more likely to feel they will lose their job and more likely to want to leave but have low bargaining power and lack alternative options, leaving them 'trapped'.
- New measures on social mobility show that more than 40% of workers whose parents were employed as process, plant and machine operatives are engaged in managerial and professional occupations.
  - Those whose parents were in a skilled trade are most likely to also be in a skilled trade, consistent with such occupations being 'handed on' and seen as a positive aspiration.
- A large majority of workers agree/strongly agree that their line manager/supervisor gives them respect, recognises them when they do a good job, will provide support should they encounter a problem and treats them fairly.
  - They are generally less positive about their leaders, including provision of useful feedback, support for learning and development and longer term career progression.
  - Career and developmental support is closely tied to occupational level, with lower level occupations reporting low levels of support.

**The Work Foundation published [The UK Insecure Work Index: Two decades of insecurity](#), based on Office for National Statistics labour market data from 2000 to 2021.**

- The new index is based on: contractual insecurity, financial insecurity and access to workers' rights; within these dimensions, job characteristics are identified.
- Insecurity remains a persistent feature of the UK labour market: in 2021, an estimated 6.2m workers (19.8% of the labour market) experienced severely insecure work, with workers in certain sectors far more likely to experience it than others.
- Some forms of insecure work can contribute to higher risk of job loss, lower financial wellbeing and lower access to important employment rights; a combination of structural disadvantage with personal and external factors can produce higher levels of insecurity.
- Some groups of workers are consistently trapped in the most severe category of in-work insecurity:
  - Young workers – 2.5 times more likely to be in severely insecure work than those in the middle of their working lives (43% of 16–24 year-olds vs 17% of 25–65 year-olds).
  - Women – 10ppt more likely to be in severely insecure work than men (25% vs 15%).
  - Ethnic minority workers – 5ppt more likely than white workers (24% vs 19%); ethnic minority men are 10ppt more likely than white men (23% vs 13%).
  - Disabled workers – 6ppt more likely than non-disabled workers (25% vs 19%).
- The sectors most at risk of severe in-work insecurity are hospitality, services and agriculture.

A supporting [Technical Annex](#) was also published.

**CIPD published [Health and Wellbeing at Work 2022](#), the report of its 22<sup>nd</sup> annual survey, based on insights from 804 HR professionals.**

- 67% of organisations include Covid-19 among their top three causes of short-term absence (+28ppt on last year); 26% report long Covid among their top causes of long-term absence.
  - Most are taking additional measures, most commonly: providing more tailored support (81%); an increased focus on mental health (81%); and new or better support for home-workers (72%).
  - 46% have employees who have had long Covid in the last 12 months; most common responses are: occupational health assessments; tailoring support; and promoting flexible working.
- 51% take a strategic approach to employee wellbeing; 19% aren't currently doing anything to improve employee health and wellbeing.
  - Health and wellbeing activity most commonly focuses on mental health, but most also make some effort to promote values/principles, collective/social relationships, good work and physical health; financial wellbeing remains the most neglected area.
  - There is considerable variation in the extent to which organisations include specific provision for particular groups (e.g. carers) or issues (e.g. bereavement or chronic health conditions).
- 70% say that employee wellbeing is on senior leaders' agendas (-5ppt) and 60% believe that line managers have bought into the importance of wellbeing (-7ppt).
  - However, over the longer term wellbeing has been gradually rising up the corporate agenda.

- There has been a small dip in activity to address workplace stress and fewer organisations are acting to increase awareness of mental health issues or to identify mental ill health among remote workers.
  - However, the vast majority are acting to support mental health at work, mostly via: employee assistance programmes; phased return to work or other adjustments; or access to counselling.
  - 68% believe their organisation actively promotes good mental wellbeing (-9ppt); 52% believe they are effective in tackling workplace stress and 48% in identifying and managing Covid-related mental health risks.
- 65% observe presenteeism in the workplace (-10ppt), but 81% observe it among those WFH (+4ppt); 53% of organisations are taking steps to reduce it (+8ppt).
- 70% expect managers to take primary responsibility for managing short-term absence and 61% long-term absence.
  - 60% provide managers with training and 65% with tailored support.
  - 38% of HR respondents agree that managers are confident in having sensitive discussions and signposting people to expert sources of help; 29% believe they are confident and competent to spot the early warning signs of mental ill health.
  - Management style remains among the most common causes of stress at work.

**CIPD published [Retaining Disadvantaged Young People in Work: An evidence review](#).**

- The review considers two broad categories of disadvantage that young people can face:
  - Factors not related to education or skills, such as age, race, skin colour, gender or disability.
  - Low levels of education or skill development: a lack of qualifications, education or social or professional skills due to factors such as poverty, lack of support, drug use, mental health problems, discrimination or other social issues.
- A lack of scientific research in the area means there is little evidence on what works in specifically retaining young people from marginalised groups; however, useful insights can be drawn from the rich and informative body of research on why people decide to leave a job in general.
- The factors that have the greatest influence on decisions to leave and appear to be no different for young people – including those from disadvantaged groups – relate to:
  - Attitudes: general satisfaction; general commitment; organisational commitment; and job satisfaction
  - Personal skills: in particular, coping strategies to deal with demands that exceed resources
  - Organisational context: job security; rewards; internal mobility; climate; and leadership
  - HR practices: skill-enhancing practices; opportunity-enhancing practices
  - The interface between the person and the context: social integration; person–job fit; job embeddedness.
- There is some evidence that employees with a non-Western cultural/ethnic background more often leave an organisation due to: perceived lack of career opportunities; negative social interactions with colleagues and supervisors.

*CIPD and Youth Futures Foundation intend to conduct further research with employers.*

**The Chartered Management Institute (CMI) published [The Everyone Economy: CMI's plan for sharing work, opportunity and success](#).**

- 'We're wasting talent, just when we need it most': compared with proportions in the population, the UK is 'missing': 560k female managers; 420k managers from lower socioeconomic backgrounds; 290k disabled managers; 100k managers from diverse ethnic backgrounds.
- 'Stellar talent' is overlooked: a survey of 2,066 employees not in managerial roles found that 41% had been negatively affected by their identity and 41% had witnessed colleagues being similarly affected; 52% had been overlooked for workplace opportunity; 45% had had to change something about themselves to get on; percentages were higher for those from Black backgrounds or who identified as LGBTQ+.
- 'We're too much say and not enough do' : while managers overwhelmingly see their organisation as inclusive, the reality is different.
- Managers and leaders aren't taking the obvious steps: there are low levels of transparency around data collection and reporting and an absence of specific initiatives.

## **ESRI and the Irish Human Rights & Equality Commission published [Monitoring Decent Work in Ireland](#).**

- Research sets out how young people, people with disabilities, Travellers and East European migrants have seen consistent inequalities in access to employment, job security and seniority.
- Six key dimensions of decent work are identified and explored: access to work; adequate earnings; employee voice; security and stability; equality of opportunity and treatment in employment; and health and safety.
- Findings include:
  - In 2019, 33% of workers aged 18–24 had a temporary contract vs 6% of 25–64 year-olds.
  - 34% of the general workforce were in a professional/managerial job, but only 14% of Eastern European workers.
  - The employment rate for people with disabilities was 41%, 32ppt below the national average.
  - Unemployment rates among Black and Muslim respondents were high relative to others, although the rate for Irish Travellers (80%) was highest of all groups measured.
  - 22% of employees had low hourly pay (less than €12.16/hour); low hourly pay rates were much more common among some groups, e.g. 18–24s, Eastern European migrants and lone parents.
  - 20% of ethnic minority workers reported discrimination in the workplace, almost three times the average (7%); 14% of workers with a disability; and 11% of non-Irish workers.

## **IZA published [Accounting for Firms in Ethnicity Wage Gaps throughout the Earnings Distribution](#), based on the Annual Survey of Hours & Earnings (ASHE)-Census data.**

- The ASHE-Census links employer–employee payroll-based data on jobs, hours and earnings, with the personal and family characteristics of employees from the 2011 Census for England and Wales.
- The wage gaps between white and ethnic minority employees vary greatly, according to which group is considered and which portion of the overall wage distribution is studied.
  - Compared to white employees, there are positive wage gaps for Indian and Chinese employees that increase as higher percentiles of the respective wage distributions are considered.
  - The equivalent wage gaps tend to be in favour of white employees when compared with Pakistani, Bangladeshi and Black African employees, particularly among higher earners.
  - Wage gaps between Black Caribbean and white employees are significantly positive among lower earners but even more significantly negative and in favour of white employees among higher earners.
- Firm-specific wage effects play an important role in accounting for ethnicity wage gaps, which would otherwise mostly have been attributed to differences in worker attributes, e.g. education levels, occupations and locations.
  - They do not tend to contribute to the differences between the Pakistani and white employee wage distributions; they contribute positively for relatively high earning Bangladeshi employees; they tend to significantly favour white employees over Black African employees; and vice versa for Black Caribbean employees.
  - Studies that cannot account for the influence of firm-specific wage determination are prone to bias when estimating the amounts contributed to ethnicity pay gaps by some worker characteristics.

## **IZA published [Labour Market Concentration, Wages and Job Security in Europe](#), based on employer–employee data from Denmark, France, Germany, Italy, Portugal and Spain in the 2010s.**

- **Labour market concentration:** when controlling for productivity and local product market concentration, the elasticities of wages are strikingly similar across countries.
  - Increasing labour market concentration by 10% reduces wages by 0.19% in Germany, 0.22% in France, 0.25% in Portugal and 0.29% in Denmark.
- **Job security:** an increase in labour market concentration by 10% reduces the probability of being hired on a permanent contract by 0.46% in France, 0.51% in Germany and 2.34% in Portugal.
  - In Italy and Spain, labour market concentration significantly reduces the probability of being converted to a permanent contract once hired on a temporary one.
- In conclusion, considering only the effect of labour market concentration on wages underestimates its overall impact on job quality and thus the resulting welfare loss for workers.



**Pearson published [findings](#) from its fourth Global Learner Survey of 5k 16–70 year-olds in the UK, USA, Brazil, India and China.**

- 85% globally (82% in the UK) expect their employers to address the mental health and wellbeing of employees; however, 32% (35%) say their employers have not taken any action on that front.
  - 85% (76%) want a set amount of mental health days off from work; 87% (80%) free mental health services; 81% (81%) access to wellness resources, including helpline numbers, research, clinic locations and online therapy options.
  - 24% (22%) say their employers are already sharing mental health resources with employees; 25% (24%) that they are providing free mental health services; 21% (17%) that they are enhancing or expanding employee assistance programmes; 18% (15%) that they are providing free/discounted services, such as Headspace or Calm.
- 90% (89%) think more highly of employers who actively address employee mental health and wellbeing issues.
  - When considering their next job, 86% (77%) consider mental health and wellness benefits for themselves and their family to be important considerations.
- 90% (87%) agree it is important to train more people in the field of mental health.
- 22% in the UK said their job negatively affected their mental health, while 18% said it had a positive effect.

## **EMPLOYMENT: GENDER INEQUALITY**

**CMI published [findings](#) from a survey of managers exploring their attitude towards the need for more gender-balanced leadership and opportunities.**

- 33% of male managers felt too much effort was being focused on ensuring a workplace gender balance, compared with 13% of female managers.
- 47% of managers overall felt they had been overlooked for promotion due to their identity, in particular:
  - 34% of female managers vs 27% of male managers
  - 37% of female managers with children vs 27% of male managers with children.
- Similarly, 29% felt they had been overlooked for salary rises:
  - 33% of female managers vs 24% of male managers
  - 33% of female managers with children vs 20% of male managers with children.
- 84% overall said that hybrid working had benefited them.
  - 60% said it had opened up job opportunities where it would have been difficult to balance work and home commitments if the roles had been office based.

**IZA published [The Labour Supply of Mothers](#), a review of recent literature for OECD countries on mothers' key drivers to return to work after childbirth.**

- 80% of women will face a large childcare need for at least eight years of their working age, i.e. 16% of their potential career.
- The main elements of the decision informing whether or not to return to work include:
  - Cost-benefit analysis: e.g. take-home pay, cost of childcare (or availability of informal childcare) and the adverse effects of having both parents out of the home and in the labour market.
  - Dynamic considerations: e.g. the future wage penalty incurred by mothers who work part-time to care for children; changes in the balance of power in the household; children's development.
  - Other issues: e.g. the gender wage gap, education, occupation, the availability of part-time work, the mode of taxation.
- The report includes a review of the policy rationale and choices of various OECD countries and a comparison of results obtained.

**The Fawcett Society and Runnymede Trust published [Broken Ladders: The myth of meritocracy for women of colour in the workplace](#).**

- The research was based on: a literature review; consultation events; focus groups and in-depth interviews; and a survey of 3,176 women of all ethnicities across the UK who were either currently in work or had worked in the past five years.
- Among the findings:
  - 75% of women of colour have experienced racism at work, with 27% having suffered racial slurs.
  - 61% report changing themselves to 'fit-in' at work, from the language or words they use (37%), their hairstyle (26%) and their name (22%).
  - 39% of women of colour stated their wellbeing had been impacted by a lack of progression compared to 28% of white women; being refused promotion led to loss of motivation for 43% of women of colour.
  - 28% of women of colour (19% of white women) reported that a manager had blocked their progression at work; 42% (27%) reported being passed over for promotion despite good feedback.
  - 52% of women of colour experience discrimination, such as being asked for UK qualifications or English as a first language and being asked for ethnicity information outside of monitoring processes.

**IZA published [Organisational Gender Pay Gaps in the UK: What Happened Post-transparency?](#) an exploration of UK gender pay gap reporting data from 2017 to 2020.**

- Since April 2017 UK employers with over 250 employees have been required to publicly report their gender pay gap each year.
- Findings include:
  - Gender pay gaps have narrowed more in organisations with a larger initial gender pay gap; this relationship has increased over time.
  - Among organisations with a positive gender pay gap, an increase in the initial gap is associated with greater narrowing one-year 'post-transparency'.
  - There is evidence that the legislation has been effective: it is associated with both sustainable changes and gradual adjustment.

## International Comparisons

**ESRI published [A North-South comparison of education and training systems: Lessons for policy](#), documenting commonalities and differences between the education systems from primary to tertiary levels in Northern Ireland and the RoI.**

- The study systematically compares the systems, based on international and national survey data, administrative data, interviews with 35 policy stakeholders and consultation with stakeholders.
- Findings include:
  - Expectations for going to HE vary by social background in both jurisdictions; however, expectations are significantly lower in Northern Ireland than the RoI, even after adjusting for social background.
  - The rate of return to education (in terms of the impact on wages) in the RoI substantially exceeds that in Northern Ireland at all levels of educational attainment, which may suggest that productivity levels in Northern Ireland are considerably below those in the RoI.
  - The two systems share similarities in the orientation of secondary students towards HE and the perceived low status of FE; the view that HE and the labour market are the two main options for school leavers may be detrimental in the long-term for those leavers.
  - In both systems, stakeholders reported funding challenges in HE.
  - Stakeholders in both commented on challenges in aligning provision with labour market demand.

## Eurofound published [Minimum wages in 2022: Annual review](#) – a cross-EU comparison.

- 20 of the 21 EU member states with statutory minimum wages raised their rates for 2022; substantial growth occurred in the central and eastern states, with the largest increase in Germany (increasing to €12 per hour, or ~60% of median wages in October 2022).
  - When inflation is taken into account, however, the rate increased in real terms in only six nations.
  - Minimum wage workers in 15 of the 21 saw a decline in their wages in real terms.
- A new EU directive on adequate minimum wages includes the requirement to establish action plans to promote collective bargaining; however, substantial national debates on the issue are only taking place in Denmark, Latvia and Norway.
- Minimum wages can play a critical role in reducing wage inequality, e.g. Spain's 22% increase in the minimum wage in 2019 led to the greatest reduction in wage inequality in the EU27 that year.

## Government

### The DCMS published [UK Digital Strategy](#), including a section on skills and talent in England.

- The digital skills gap is estimated to cost the UK economy £63b per year in lost GDP and it is expected to widen.
  - Employers say that only 48% of people leaving full-time education have the advanced digital skills required and many cite lack of available talent as the single biggest constraint to growth.
- Measures in the strategy include:
  - Through the [National Centre for Computing Education](#) (NCCE\*), ensuring every school in England has the knowledge to teach computing and digital skills; the NCCE will strengthen its links with digital employers and industry through the new Digital Skills Council.
  - By 2024/25, the Department for Education will work with the sector to create 15k industry placements for the three digital T levels available now.
  - Following its recent review of computing education, Ofsted will examine how computing is taught in England's schools and will publish a subject report in 2023.
  - DCMS is running a pilot programme with seven universities to test effective ways of teaching foundational data skills to all students.
- The [Digital Skills Council](#) will work closely with private sector partners to address some of the specific challenges, including by:
  - Investing in employer-led digital upskilling of the existing workforce, possibly through incentive and recognition schemes
  - Inspiring the next generation to see digital and tech as an essential career path into a broad range of careers
  - Promoting diverse and inclusive recruitment and retention practices within the industry and ensuring that people from a wide range of ethnic and socioeconomic backgrounds are encouraged into digital roles.

\*The NCCE is run by a consortium comprising STEM Learning, the Raspberry Pi foundation and BCS, The Chartered Institute for IT. It offers three programmes: Teach Computing; Isaac Computer Science and Gender Balance in Computing.

[Northern Ireland](#), [Scotland](#) and [Wales](#) each has its own digital strategy dealing particularly with matters that are devolved.

## NORTHERN IRELAND

### The DfE and the Department of Education published [Developing a More Strategic Approach to 14–19 Education and Training: A framework to transform 14–19 education and training provision](#).

- It focuses on three key drivers:
  - Ensuring that every young person is equipped to 'fulfil their potential'
  - Improving awareness and understanding of 14–19 pathways

- Ensuring that the 14–19 system is efficient and effective and meets the needs of young people, society and the economy.
- Strategic actions are set out under five key themes: curriculum and qualifications; post-16 provision; careers; awareness and engagement; and 14–19 education and training system.

**The Fraser of Allander Institute published [The Economic Contribution of the Pharmaceuticals Sector in Northern Ireland](#), commissioned by the Association of the British Pharmaceutical Industry (ABPI) Northern Ireland.**

- The pharmaceutical sector supports 'a highly skilled and agile workforce':
  - ~70% of jobs in pharmaceuticals were in occupations classified under the two highest skill levels, 3 and 4, which typically demand a salary three times greater than lower-skilled jobs.
  - The life sciences sector, a key growth sector over the next ten years for skills and qualifications, supports over 19,500 full-time equivalent jobs across the Northern Ireland economy.

*The report also summarises relevant strategies and recommendations from a range of organisations including ABPI, Northern Ireland's DfE and Belfast City Region Deal.*

## ENGLAND

**ResPublica published [The Future of Higher Technical Education \[HTE\] in England: Expanding Opportunity for All: A report by the Lifelong Education Commission](#).**

- HTE incorporates Level 4/5 qualifications provided by both HE and FE, including Foundation Degrees and Higher National Diplomas and Certificates.
- Despite the benefits, there has been a steady decline in the number of individuals enrolling in HTE, with a 25% drop since 2014.
  - Overturning this decline is a major objective for the Government's ambitions to drive high-productivity growth and achieve levelling up.
- Higher technical qualifications (HTQs) and Institutes of Technology (IoTs) are part of a suite of government initiatives seeking to drive an increase in the quantity and quality of HTE provision in England.
  - A first wave of nine IoTs was announced in 2019 and these are now well established; a second wave was announced in December 2021.
  - Separately, the first wave of HTQs is currently being developed, having already been approved by the Institute for Apprenticeships & Technical Education for use in 2022/23.
- All HTE policy initiatives will need to help overcome key challenges currently facing the HTE landscape, including:
  - A lack of good quality information or understanding of HTE and its benefits, both from potential students, but also schools and careers support officers, employers and the business community, and parents and guardians.
  - A relatively lower state of prestige for HTE in the public mind versus 'traditional' L6 HE.
  - The varied needs of a complex landscape of potential learners, including those completing L3 studies at 16–18 and looking to boost their skills in the labour market, as well as experienced workers looking to upskill or reskill.
  - A lack of holistic consideration of appropriate funding for HTE across provider institutions, learners and employers investing in skills.
- Among the recommendations:
  - Further funding rounds for IoTs that are able to demonstrate a positive effect on supporting local economic specialisms and clusters.
  - A flexible Lifelong Loan Entitlement able to support the provision of HTE, along with access to maintenance support funding for all HTE students.
  - Encourage networked recognition of credits for L4/5 and modular courses across FE and HE.
  - Improve careers education and IAG around HTE for all ages.
  - Reform the apprenticeship levy and provide a system of support for employer investment in L4/5 HTE.

## SCOTLAND

**Universities Scotland published [The university role in skills development to address the challenges and opportunities presented by the transition to net zero](#), a briefing for a Scottish Parliament committee inquiry on transition to net zero.**

- Key points include:
  - Universities produce graduate skills and support upskilling and reskilling of those already in the workforce.
  - Universities predict national skills needs and opportunities for more effective skills engagement.

**The Scottish Government published [Scottish Employer Perspectives Survey \[EPS\] 2021](#) based on interviews with 1k employers.**

- 52% of employers had at least one vacancy in the last 12 months (+41ppt from 2019); 46% had recruited staff (+3ppt).
- 35% had recruited an education leaver (+5ppt); 21% from school (+1ppt), 15% from college (+3ppt), 14% from university (+3ppt).
  - 68% found that the majority of school leavers were well/very well prepared for work (+10ppt); 78% of college leavers (+4ppt); 80% of university leavers (+2ppt).
- 59% said work experience was significant or critical (-3ppt); 53% having maths and English to at least Scottish Credit & Qualifications Framework (SCQF) level 5/6 (+2ppt); 47% relevant vocational qualifications (+1ppt); 39% specific academic qualifications (+4ppt).
- 27% had offered work experience in the last 12 months (-9ppt), 8% to school students (-12ppt); 8% offered work 'inspiration' activities (-7ppt).
  - The main barriers for offering work placements/inspiration were Covid-19 (37%), no suitable roles (30%) and lack of time and resources (12%).
- 70% had offered staff training (unchanged); 27% had arranged/funded training leading to a recognised vocational qualification (-4ppt).
  - 62% had provided internal training (+2ppt), 44% external training (-5ppt).
  - 51% had used private training providers (-14ppt); 16% public providers e.g. colleges or universities (-3ppt).
- 19% had offered apprenticeships (+3ppt), of which 90% had offered them to under 25s; 12% had staff undertaking apprenticeships (+1ppt).

**CIPD published [Gaps and Opportunities: Employer views on skills policy in Scotland](#), drawing on a survey of 2,026 UK-wide decision-makers plus 509 responders in Scotland.**

- Over 40% say they have hard-to-fill vacancies; skills shortages are more pronounced in smaller businesses and labour shortages in larger businesses.
  - The biggest gaps are around technical, vocational and specialist skills, underlining the importance of apprenticeships and FE; employers are responding by upskilling and hiring apprentices.
- Employers who implement strategic skills interventions – conducting a workforce planning exercise, putting a training plan in place, having a training budget – report better understanding of skills in their organisations and feel better prepared for the future.
  - There is also a strong relationship between organisations that report adequate people management training and their understanding of skills and future preparedness.
- Over 50% of employers who recruited directly from school felt that young people were poorly prepared for work, including concerning gaps in literacy and numeracy.
- There is an opportunity to expand the apprenticeship programme and direct financial incentives could help the smallest of businesses.
- However, over 50% of all Scottish small businesses surveyed had never heard of any of nine key Scottish skills initiatives offered.

*The UK-wide analysis will be published later.*

**The Scottish Government published the first [Adult Learning Strategy for Scotland 2022–2027: Creating positive pathways for improved life chances](#), to ‘develop better-skilled, educated, confident and empowered people’.**

- Its ambition is to create ‘new and increased positive pathways’ in collaboration with community-based adult learners.
- Its four themes are: expanding and extending adult learning; access, diversity and inclusion; workforce development; and connecting the adult learning journey.
  - A workgroup will be set up to oversee each theme to ensure actions are delivered.
- 23 strategic actions are outlined with expected outcomes, to be carried out by the Adult Learning Strategic Forum for Scotland.
  - A national Adult Learners Advisory Group will be created to work alongside the forum.

## WALES

*[No relevant material sourced for this quarter’s release.]*

## REPUBLIC OF IRELAND (RoI)

**Skillnet Ireland published [The Irish Immersive Economy: Irish immersive technology industry landscape 2022](#) by Eirmersive.**

- Immersive technology, also known as extended reality (XR), encompasses virtual reality (VR), augmented reality (AR), mixed reality (MR) and haptic technologies.
- The Irish XR sector is worth over €43m and employs over 750 people, with ‘huge’ future potential; however, the RoI is behind other countries in government investment.
- Key messages and findings include:
  - A shortage of skilled people, difficulty accessing funding, low market awareness and a low level of investment in accessible facilities are barriers to growth.
  - The RoI has a vibrant XR R&D landscape with regional hotspots.
  - Executives from major technology companies believe that the RoI is at a relative disadvantage in the sector.

## EUROPE

**Cedefop published [European policies for information and guidance with reference to the international mobility of young IVET \[initial VET\] learners](#), a policy brief.**

- The ‘Youth on the move’ recommendation of 28 June 2011 prompted member states to boost the international mobility of IVET learners by upgrading their information and guidance systems.
- Information mechanisms on international mobility seem to be in place in all member states, while related policies are typically coordinated countrywide.
  - However, there is still room for progress, as clear policy targets and action evaluation differ across countries, with comprehensive guidance provision often being a weak point.

*The brief includes evidence on national information and guidance profiles, policy governance and policy development.*

**The European Commission published [Engaging employers in work-based learning and apprenticeships: A recommendations paper](#), on the experiences of national European Social Fund (ESF+) programme managing authorities and intermediate bodies.**

- A summary is provided of experiences in developing projects, calls and programmes for providing financial aid to support employer engagement in work-based learning and apprenticeships.
  - Information was gathered by desk research and through the peer review.
- Findings include:
  - Over the last decade, the ESF+ has been invaluable for governments and practitioners implementing reforms to enhance the quality, effectiveness and image of work-based learning and apprenticeships in line with EU frameworks.

- More needs to be done: effective programmes need to be continued, and ESF+ managing authorities should be encouraged to explore new formats and areas of support.
- Conclusions include:
  - Build structural collaboration: managing authorities should establish close working relationships with employers and social partners.
  - Support SMEs: financial incentives can be an important stimulus.

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