

## Contents

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 focus on automation and AI continues, with reports on skills mismatch, human-machine interaction and public engagement, but also the implications – positive and negative – for wages, disabled people and access to lifelong learning.
- A number of reports highlight gender gaps. STEM education, HE mismatches, university spinouts, shortage occupations and workplace progression and pay are all examined, while the WEF looks at how well nations are doing in closing the gender gap overall.
- Universities are being challenged on several fronts, including race, disability and their role in ensuring disadvantaged students succeed after graduation.

*\* 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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## 16–19 EDUCATION

England's Department for Education published [\*Post-16 education: earnings outcomes for level 3 achievements\*](#), experimental statistics showing earnings in tax year 2016–17 for learners in England who achieved a qualification in 2010/11.

- 18 of the top 20 A levels were science, technology, engineering and maths (STEM) related, with the highest earnings achieved by those with further mathematics and physics qualifications.
  - The exceptions were economics (fifth highest) and economics & business (15<sup>th</sup>).
- Health & social care, art & design, various other arts qualifications and a number of less common language qualifications feature in the list of the bottom 20 qualifications.
- For other Level 3 qualifications, earnings were highest in the economics, engineering and architecture sector subject areas, and lowest in child development & wellbeing, service enterprises and direct learning support.

The National Foundation for Educational Research published [\*2019 Review of the Value of Vocational Qualifications\*](#), a report for the Joint Council for Qualifications updating a 2015 research review.

- Among the findings:
  - The successful completion of vocational & technical qualifications (VTQs) is seen by learners and employers as positive in terms of skills acquisition and the development of workforce behaviours.
  - VTQs are used extensively as a benchmark for recruitment, and there is a positive correlation between successful completion and the likelihood of employment, which generally increases with higher levels.
  - There is a positive correlation between VTQs and wage returns, which generally increases and lasts longer with higher levels; some have a higher return for men than for women.
  - Returns drop off with age and can lead to a wage penalty, which varies by level.
  - The return from apprenticeships seems to be higher than from standalone VTQs, and apprenticeships are more highly valued by employers.
  - VTQs such as BTECs seem to increase the likelihood of higher education (HE) participation among those from disadvantaged areas; outcomes seem to be as good as for those with only academic qualifications.
  - There is some evidence to suggest that VTQs increase productivity.
  - Increasing the number of learners qualified at Level 3 in line with the levels seen in Germany would bring substantial returns to wages and therefore tax revenues.

*The report points out that, with the advent of T Levels in England, learners may be forced to choose between VTQs and A levels, impacting the former's role as an increasingly important progression pathway.*

The Centre for Vocational Education Research (CVER) published [\*BTECs, higher education and labour market outcomes using the Longitudinal Education Outcome \(LEO\) dataset\*](#).

- The research compares those progressing to a first degree after attaining a Level 3 BTEC with those who hold Level 3 BTECs as their highest qualification.
- While earnings differentials are typically lower for males holding Level 3 BTECs as their highest qualification compared to other Level 3 qualifications, BTECs are more likely to act as a stepping stone for further study compared to other vocational routes.
  - Around 55% of learners in possession of Level 3 BTECs achieve at higher levels, and around 30% achieve at first degree level or above.
- Achieving a degree results in earnings differentials of around 18% (females) and 22% (males) for those who progress via BTECs and no A levels; and 15% (females) and 23% (males) for those who progress via a combination of BTECs and A levels.
  - There is significant variation by degree subject area, with the highest earnings differentials found for architecture, engineering & technology, computer science and (for females only) subjects allied to medicine.

- The gap with the estimates for achievers via the A level route is in excess of 20ppt, but falls to around 5ppt as further variables are introduced – the cohort taking A levels has very different characteristics to those taking BTECs only.
- Overall, the analysis confirms that BTECs act as a stepping stone for further study especially for learners studying specific BTEC 3 subject areas.

**The Institute of Labor Economics (IZA) published [Gender Gaps in Education](#), a review of research in economics over time and across countries.**

- Female human capital is crucial for economic growth, development and wellbeing; dismantling obstacles to the full involvement of women should therefore be one of the central goals of future policy intervention.
- An overview is presented of contributions in economics that focus on the gender gap in education, including:
  - a review from 1850 to the 1940s and through the early phase of female education expansion, and from the 1950s to the present day, including alternative measures of attainment and achievement
  - determinants of the gaps and factors related to the labour market, family formation, psychological elements and societal cultural norms
  - special attention on the persistency of gender gaps in the STEM and economics fields.
- A number of issues require further investigation, including:
  - Females are still at a disadvantage, even in wealthy countries, due to their apparent self-selection out of more lucrative fields of study in STEM and economics.
  - It is not yet fully understood why girls' progress in education has not yet fully translated to other areas where women are still discriminated, including their performance in the job markets.

## EMPLOYABILITY & CAREERS

**CVER published [Inequality in education and labour market participation of young people across English localities: An exploration based on Longitudinal Education Outcomes \(LEO\) data](#).**

- Although numbers have been decreasing, in 2019 there were still 792,000 16–24 year-olds in the UK – 11.5% of the age group – not in education, employment or training (NEET).
- NEET rates for 16–18 year-olds were much lower, but there are data available to show local variation; in contrast, there is no easy source of data on different rates among 18–24 year-olds.
  - The research uses 'big data' on all young people completing secondary education between 2007 and 2012, along with National Pupil Data, Higher Education Statistics Agency (HESA) data and LEO data to address this.
- Overall, both NEET rates and rates of re-entry to education, employment and training (REEET) indicate extraordinary inequality of opportunity as a result of where a young person lives.
- Education success and family circumstances are key drivers of local authority (LA) NEET rates, but there are no straightforward patterns; however, cluster analysis reveals some communalities:
  - Inner city areas have higher NEET rates, but since there is a smaller gap between NEET rates of disadvantaged and non-disadvantaged young people, these areas are characterised by lower inequality.
  - Outside larger urban areas, rural areas also show lower variation in NEET rates by levels of qualification, while having overall average or below NEET rates; differences by family disadvantage are higher in the North of England than in the South and West.
- REEET tends to be higher for those with higher levels of attainment, but some LAs have higher rates for those with very low-level skills than for those with Level 2 (GCSE equivalent) qualifications.
  - The difference might be due to the different economic structure of different areas and/or better local support available for people with low skills, who retain entitlements to gain their first Level 2 qualification; those with higher-level skills in their early 20s don't have straightforward options.
- Although all REEET rates are surprisingly low and need to increase, lifting the low rates for people with Level 2 qualifications requires targeted support.

**Education & Employers published [Insights and Inspiration: Exploring the impact of guest speakers in schools](#), drawing on surveys of staff and students as well as teacher interviews.**

- Schools bring in guest speakers for: student enrichment; to reflect on different lifestyles and life choices; as part of career education programmes; to support citizenship activities and understanding how different parts of the world work; and to directly support the curriculum.
  - 64% of state school teachers said they struggled to find volunteers.
- 77–91% of young people said talks had helped with nine different areas spanning attitudes and motivation, careers understanding and self-belief.
  - Talks had particularly helped them understand that everyone had to overcome setbacks, with 88% saying that they helped and 51% saying they helped a lot.
- Attitudes and motivation improved most for students who had been to more talks.
  - This is particularly the case for free school meal students in relation to self-efficacy (32% more likely per extra talk) and being confident that they can be successful (30% more likely).
  - Students who could not recall any talks were five times more likely to believe that their background held them back in achieving their ambitions compared to those who could recall eight or more talks.
- Teachers who offered talks were 171% more likely to be confident in their school’s career provision; they were more confident that their school was preparing young people well for their future if they:
  - linked some talks to the curriculum
  - gave students the chance to interact with guest speakers
  - prepared students for the talk
  - invited speakers to the school based on who the students wanted to hear from
  - allocated lesson time to discuss the talk after it had taken place.

**The Education Development Trust published [Careers and labour market information \[LMI\]: an international review of the evidence.](#)**

- The review focused on the last ten years, and sought to ascertain what makes for great LMI and how to ensure its effective use.
- Evidence is presented for six key findings:
  - A broad definition of LMI is needed, which goes beyond statistics about the job market; any relevant information that helps to build understanding about career and job requirements, patterns and availability should be seen as LMI.
  - Within this, the transformational potential of technology-enabled LMI is highlighted, but the challenges need to be recognised, particularly the variable quality and sheer proliferation online.
  - The state should: monitor and regulate LMI provision; develop quality standards and ‘signpost’ users to quality-assured LMI; ensure that the right range of LMI exists; ensure the supply of data that may not be gathered as a matter of course for other purposes.
  - Expert mediation of LMI is critical, and consideration should be given to how LMI can be embedded within the work of careers professionals; practitioners need support and professional development in order to mediate LMI effectively.
  - LMI must be available at national, regional and local levels, tailored to service users.
  - Service users need to be able to seek out and understand LMI for themselves; careers professionals should start by asking ‘what can clients do to become informed?’, situating LMI as assistance for a learning journey.

**Prospects Luminate published [Bumping Online: Discussion Forums in a Social Media Age \(“IYKWIM”\)\\*](#), the report of a project exploring the impact of career-focused forums on Open University students.**

- In 2017/18 The Open University (OU) received 11,967 student visits to its forums; the number is likely to exceed 15,000 visits for 2018/19.
- Based on 31 questionnaires, 110 posts and four semi-structured interviews, key findings are:
  - 71% of students found participation in open discussion forums helpful in supporting the gathering of career information.
  - 87% felt that participation developed self-awareness; 90% became more aware of opportunities; 94% better understood their career identity; and 90% said it helped career decision-making.
  - 33% of students were ‘lurkers’ (didn’t post in the forum), but still derived benefits.

- The particular benefits of a forum were highlighted as: interactivity; the opportunity to learn from other posts, people's knowledge and experience; and the community feel.
- Most felt there were no disadvantages, although the problem of access was highlighted, with the amount of time the forums were open for posting and the availability of guests not always fitting with needs or lifestyle.
- Open discussion forums remove the barriers of time, place and immediacy that can benefit both students and careers services.

\* *IYKWIM: If You Know What I Mean*

**Cedefop (the European Centre for the Development of Vocational Training) published [Coordinating guidance and validation](#), exploring how coordination between career guidance and validation of non-formal and informal learning can be improved.**

- 'Coordination' relates to governance mechanisms determined by the institution(s) shaping the relationship between validation and guidance, including:
  - types of actor involved and division of tasks and responsibilities among them
  - degree of centralisation
  - degree of formalisation of the validation and guidance relationship, ranging from informal cooperation between independent services to integration of services.
- Such mechanisms determine how and to what extent coherence is achieved, reflecting how well guidance and validation services exchange information with one another and how well they mutually enable support to individuals.
  - For example, guidance outputs, such as skills identification, can support certification if they share competence standards and if relevant information is properly documented and transmitted.
- Three factors are identified:
  - Comprehensiveness – provision of adequate information and guidance before a decision to undergo validation is taken, throughout the entire validation process, and after it
  - Coherence – use of common qualifications or competence standards, occupational standards or other reference frameworks in all stages to identify, document and assess skills
  - Quality of staff, resources, competences and tools used.
- Policy recommendations address all of these in order to improve coordination:
  - Comprehensiveness requires coordination mechanisms, which in turn require political will, agreement between political partners and broad societal support, as well as human and financial resources.
  - Coherence requires a common policy strategy or single legal framework, based on extensive dialogue and cooperation between a wide range of stakeholders in order to find consensus on what is to be achieved and how services, roles and functions should be defined.
  - Guidance and validation practitioners need specialised training at all stages; common training can generate shared understanding of processes and improve the overall service quality.

## The Institutional Landscape

### THE FURTHER EDUCATION & SKILLS SECTOR

**The Independent Commission on the College of the Future, launched in spring 2019, published [Progress Report](#), marking its halfway point.**

- The Commission was established to answer the central question of what we want and need from our colleges across the four nations of the UK from 2030.
- So far, five key themes have emerged:
  - **Role, scope and focus of colleges:** an essential service to people and employers in every community, combining high-quality education and skills with access to facilities and resources for lifelong learning.
  - **Teaching, training, learning and assessment:** lifelong, flexible learning for the future world of work, including systems that facilitate credit transfer and effective use of new technologies to drive greater access and inclusivity.



- **Workforce and leadership:** investing in innovative and collaborative people, including a rigorous system of continuing professional development (CPD), facilitating greater movement between education and industry, and new regional and UK-wide networks to facilitate collaboration.
- **Funding, governance and accountability:** a sustainable system that engenders strong levels of trust between colleges, regulators and governments.
- **Relationships:** colleges at the centre of coherent skills ecosystems, with strategic employer partnerships at a regional level.

**The European Commission published [Mapping of Centres of Vocational Excellence \(CoVEs\)](#), a component of EU vocational education and training (VET) policy that is growing in importance.**

- There are two broad types of CoVE: 'purpose built' or designated entities as part of national/regional arrangements; and individual VET providers functioning as CoVEs for a region, sub-region or sector.
  - A key driver is ensuring that VET provision closely matches the needs of the labour market.
  - Their main focus is on economic rather than social challenges.
- CoVE networks tend to cover sectors undergoing rapid technological and innovation-driven change that countries and regions wish to develop.
  - However, this may mean they miss opportunities for innovation in e.g. eco-tourism or the transformation of delivery systems in retail.
- Areas of teaching and learning where CoVEs are active include: developing and/or implementing innovative teaching methodologies; project-based learning; curricula that develop transversal and technical skills; provision of both initial and continuing VET based on lifelong learning principles; and collaborations with HE.
- CoVEs engage in a range of cooperative activities, from the provision of student placements in businesses to sharing equipment and expertise, and innovation and business incubation.
- International cooperation is common among CoVEs – e.g. in EU-funded mobility activities and development projects – and most are aiming to increase their international activities.
- Linking CoVEs to national/regional policies ensures coverage of (sectoral) priorities, although sub-regional priorities might receive less attention.
- Three key factors underpin their success: strong relationships between stakeholders; being firmly built into the frameworks of regional development, innovation and smart specialisation; and integration of activities.

## HIGHER EDUCATION: APPLICANTS & STUDENTS

**England's Office for Students (OfS) published [Update to data analysis of unconditional offers: Relationship with transition to entering higher education and continuation of studies into the second year](#).**

- In 2018, over 33% of students in England received at least one offer with an unconditional component, compared with just 1% in 2012.
  - 20% received at least one 'conditional unconditional' offer – an offer which is originally stated as being conditional but is then converted to an unconditional offer once the applicant selects it as their first (firm) choice.
- There is no evidence that applicants placed through an unconditional offer are either more or less likely to enrol the following autumn.
- A lower proportion of students who enter with unconditional offers continue with their studies after the first year, compared with students who enter with conditional offers.
  - It is estimated that the impact on continuation rates for entrants in 2015/16 and 2016/17 reduces the continuation rate by 0.65ppt once the effect of other factors has been considered.
  - This means an estimated 10% rise in the non-continuation rate, with 185 fewer students who started in these years continuing with their studies.
- Since the number of students entering HE through unconditional offers increased by 44% in 2017/18, a further 155 students are projected not to continue into the next year of study.
  - The increasing number of applicants holding unconditional offers suggests this figure is likely to increase for 2018/19 (projected estimate: 190–225 students) and 2019/20 (200–240 students).

**The University College London Institute of Education published [Mismatch in higher education: prevalence, drivers and outcomes](#), a report of research funded by the Nuffield Foundation.**

- Mismatch occurs when students attend HE courses that are less or more selective than might be expected given their academic attainment.
- Using a points-based measure where students are ranked 20 percentiles below/above their course, of the cohort that took A levels in 2008, 15% of students were over-matched and 15% under-matched.
  - This rises to 23% over- and under-matched when based on course-level attainment measured by future graduate earnings.
- Students with low socioeconomic status (SES) and women attend lower-quality courses than their attainment might otherwise suggest, with important implications for social mobility and the gender pay gap.
  - Low-SES students who travel to attend university are increasingly likely to match in the same way that high SES students do, but for those who stay close to home the gaps are striking.
- There are penalties to under-matching, with students less likely to achieve a first or a 2:1, and likely to earn less 3.5 years after graduation.
  - Conversely, those who over-match achieve more positive outcomes than their similar-matched peers.

**England's OfS published [Mental health: Are all students being properly supported?](#), looking at the approaches being taken across the sector.**

- Mental ill health is a long-standing concern, and many universities and colleges are working on practical steps to sustain wellbeing and to provide support when mental ill health arises.
  - Onsite counselling and wellbeing support have all been features of campuses for decades.
  - There have been significant external campaigns in recent years, such as the Universities UK (UUK) 'stepchange' framework, which promotes a whole-university approach.
  - Institutions are increasingly linking up with NHS services to better integrate campus support with local primary care.
- However, increasing awareness of mental health and wellbeing issues, a growing student population and growing demand for support have all put pressure on support services.
  - Counselling services are reporting longer waiting times and student newspapers frequently raise concerns about mental health on their campus.
- [Access and participation data](#) for students with reported mental health conditions along with mental health data show that:
  - Students who report a mental health condition are slightly more likely to drop out and less likely to graduate with a first or 2:1, or to progress into skilled work or further study.
  - Among part-time students, those who came from the most deprived areas are most likely to report a mental health condition, while those from the least deprived are least likely to do so.
  - In 2017/18, 53% of black students with a mental health condition graduated with a first or 2:1, compared with 77% of all students reporting a mental health condition; this suggests that the overlap of multiple identities can have a drastic effect on students' experience at university.
- Ten large-scale projects being funded through the 2019 OfS Challenge Competition involve more than 50 partners to develop innovative approaches, including:
  - Curriculums and pedagogy that enable better mental health
  - Better partnerships with local NHS trusts
  - Early intervention
  - Taking a whole-university approach
  - Using technology to match students in need with appropriate support.
- In future, HE institutions (HEIs) in England will be expected to work towards closing their mental health gaps; to aid the sector, the OfS will:
  - assess the impact of its Challenge Competition projects, disseminating effective practice
  - co-fund a £1.5m programme with Research England for 17 projects that examine the mental health of postgraduate research students
  - support the launch of a refreshed UUK stepchange framework

- support the student-led development of a sector-wide University Mental Health Charter, in collaboration with the charity Student Minds
- run a consultation on the National Student Survey in spring 2020 as a further tool to measure whether students are receiving appropriate advice and support.

**The OfS published [Beyond the bare minimum: Are universities and colleges doing enough for disabled students?](#), looking at actions taken by institutions in England.**

- Disabled students are less likely to continue their degree, graduate with a good degree and progress onto a highly skilled job or further study.
- The 'social model' of disability is widely accepted as the most effective way that institutions can respond to the needs of disabled students.
  - It conceptualises disability as a failing on the part of society, rather than as something medical to be treated; the response is therefore focused on restructuring the environments and attitudes around disabled people.
  - By building inclusive practices into an institution's structure and operations, fewer reasonable adjustments will be needed over time; where such adjustments are needed, the institution can be much more responsive to individual needs.
- While institutions have outwardly embraced the social model, they still have much to do if they are to realise full inclusivity for disabled students.
  - The coverage of inclusive pedagogy remains irregular at best, with only a small minority of providers recording all lectures and providing all computers with accessibility software.
  - More needs to be done to listen to disabled students' voices.
- To help institutions fully realise the social model, the OfS will:
  - continue to monitor and challenge through access and participation plans
  - discuss with HESA the possibility of splitting the 'multiple disabilities' category into its constituent parts
  - help address entrenched barriers by, e.g. funding conversion courses into artificial intelligence (AI) and data security that will target under-represented groups, including disabled people
  - support the Disabled Students' Commission – an independent body with student representation – that will challenge government, the OfS and institutions on their support for disabled students
  - review its approach to teaching funding, including the disabled students' premium – £40m in 2019/20 – used to fund the costs of promoting inclusion and removing barriers.

**The Higher Education Policy Institute (HEPI) and student accommodation provider, University Partnerships Programme, published [Somewhere to live: Why British students study away from home – and why it matters.](#)**

- Leaving home to go to university is both deeply embedded in our culture and a feature that sets the UK apart from its near neighbours and most obvious comparator countries.
  - In 2017/18, just over 80% of full-time UK students left home for study, with 48% of them living in purpose-built halls and the rest in private rented accommodation.
  - On average across Europe, 36% of students live in their parental home and only 18% in student accommodation.
  - In the US, 77% attend college in their home state and nearly 40% live at home.
- Student accommodation is worth around £53b in the UK.
- There are many problems with the residential university:
  - It is expensive, and becoming more so
  - It disadvantages those who stay at home and those who never get a chance to attend university
  - It can alienate and exclude others, especially the communities who live around the campus.
- Residence is popular and remains desirable, despite its costs.
  - Students who remain at home find it harder to become fully engaged in university life; students who live at home and attend universities where the majority also live at home find it harder still.
  - 'Commuter students' tend to have poorer outcomes and will be less engaged and satisfied with their academic experiences.



- Such mobility must be available to everyone, and those who don't choose to or can't enjoy it must not be disadvantaged.
  - This requires a rethink on maintenance support, as well as institutional policies and programmes to improve integration.
- The purpose of residence also requires a rethink: the original concept of a sequestered community that encourages the 'valued aspects of our civilization' is no longer valid in the current, consumerist model of student housing.
  - Universities also need to consider how student residence can be used to serve surrounding communities, thereby sustaining public services and regenerating local economies.

*The paper includes examples from, and draws on data that include, Northern Ireland.*

**IZA published [Math Matters! The Importance of Mathematical and Verbal Skills for Degree Performance](#) by researchers from the Republic of Ireland (RoI).**

- The research draws on:
  - maths and English grade data from the Higher Education Authority (HEA) for students in RoI colleges who graduated by 2017
  - administrative data on multiple cohorts of undergraduates
  - analysis of the class of degree obtained as well as whether or not the student graduated.
- Prior research has found that verbal skills are more important than maths skills for **college** completion.
- Findings include:
  - Maths skills have a stronger relationship to **university** performance than verbal skills.
  - Although both skills are predictive of degree completion and class of degree obtained, maths skills have a larger effect, and are especially predictive of achieving a first-class honours degree and of high achievement in STEM courses.
  - This may be connected to the link between maths skills and better labour market outcomes.

## HIGHER EDUCATION: WIDENING PARTICIPATION

**HEPI published [Social mobility and elite universities](#), arguing that a new approach is needed if equal participation is to be achieved for the most disadvantaged students.**

- Much of the 'heavy lifting' on widening participation has been undertaken so far by newer and less selective institutions, which have plenty of best practice to offer.
- It will take nearly a century for highly selective universities in England to raise the participation rate of disadvantaged 18–30 year-olds to that of their most advantaged peers.
  - If, instead, the number of degree places at more selective institutions were kept steady, the number of places for advantaged pupils would need to fall by as much as 10,000 – a third of current annual intakes.
- To avoid acrimonious battles over who secures degree places, universities in England should:
  - produce two published offers: a standard entry requirement and a minimum entry requirement, of up to three A level grades lower (e.g. BBB compared with AAA)
  - consider using random allocation of places for students over a certain minimum academic threshold (as has occurred in other countries)
  - be challenged by the OfS to expand numbers in innovative ways to diversify intakes, including through degree apprenticeships, foundation years, part-time courses and courses for mature learners
  - undertake a social mobility audit, benchmarking their work on outreach, access and academic and pastoral support for disadvantaged students.
- Social mobility rankings for universities should be established, measuring outcomes for disadvantaged students.

**IZA published [Is 'First in Family' a Good Indicator for Widening University Participation?](#), a report of research examining participation in England, funded by the Nuffield Foundation.**

- 'First in family' (FiF) or 'first generation' is commonly used as an indicator for widening the diversity of student intake, however little is known about whether it is a good indicator of disadvantage.
  - The term 'potential FiF' describes young people who could be the first in their family to achieve a university degree because neither of their parents has one.
  - 'FiF graduates' are students who attend university and achieve a degree but whose (step) mother and (step) father did not.
  - A large proportion of the English population comes from families where no parent has a university degree.
  - Most other widening participation measures target the bottom of the socioeconomic distribution, while potential FiF could capture relatively less advantaged students; FiF is also the only measure that directly captures an individual's parental human capital.
- National representative, longitudinal survey data linked to administrative data from England is used to provide 'the first comprehensive analysis' of this measure, with models used to explore the relative predictive power of university participation and graduation.
- Findings include:
  - Being FiF is an important barrier to university participation and graduation, over and above other sources of disadvantage; the effects of family background manifest in earlier educational attainment.
  - Having parents with university degrees is a fundamental driver of an individual's HE participation and graduation.
  - The majority of potential FiF graduates also face at least one additional disadvantage.
  - The potential FiF indicator seems to be as valid a measure as others, and is an important barrier to university participation and graduation, even after controlling for other sources of disadvantage.
  - The potential FiF indicator could be key in efforts to widen participation through the use of contextualised admissions; however, the predictive power of all widening participation measures is surprisingly low.

**UUK published [Widening Opportunity In Higher Education – The Third Phase: Beyond Graduation](#).**

- Historically, universities, policymakers and governments have mainly focused on social mobility in terms of access or admission.
  - More recently there has been a growing focus on successful participation and attainment.
  - The third phase – disadvantaged individuals' success beyond graduation – has often been overlooked in comparison.
- Many universities and employers are working to address these gaps with some effect, including through the concept of individual 'social capital' and by introducing innovative approaches to help diversify workforces.
- However, universities should also:
  - consider the value of implementing programmes to develop specific skills in communications, networking and cross-disciplinary thinking, which are inclusive, intra-curricular and personalised
  - build in evaluation of initiatives from the start, emphasise their consistency with academic skills, and look at benefits beyond 'employability' and earning power.
- There is a key role for employers to partner with universities in developing new skills programmes, and to understand fully the role played by conscious and unconscious bias in recruitment practices.
- Much still needs to be done to:
  - shine a light on this under-emphasised third phase of widening opportunity and highlight what works in addressing disparities in outcomes
  - inform a more evidence-based discussion about graduate success, given that students of different backgrounds begin their HE experience with different levels of financial and social privilege.

**HEPI and The OU published [Student loans for those on long prison sentences](#), arguing for a change to the rules governing prisoner access to student loans.**

- Around 2,000 prisoners in the UK are studying HE courses – most of them are completing a part-time distance learning degree with The OU.

- Participating in higher-level study has been proven to reduce reoffending.
- OU students in prison in England pay the same tuition fees as other students: currently £3,012 for a 60-credit undergraduate module – £18,072 for a full honours degree.
  - In Wales, Northern Ireland (NI) and Scotland, OU fees are £1,008 per module with a total cost of £6,048 for an honours degree.
- Many distance learning courses are funded by the Prisoners' Education Trust via a government grant as well as philanthropic funding; however, most of the upfront cost is borne by the students.
  - Many students in Scotland qualify for a 100% part-time fee grant; however, publicly funded student places in prison are capped and self-funding is not currently permitted; there is some scholarship funding available to students in prison.
  - In England and Wales prison-based further education (FE) and HE students must apply for a tuition fee loan via the usual route, however prisoners are restricted from applying for student loans until they are within six years of release.
- Allowing prisoners to commence their studies earlier in a long sentence could increase student numbers by about 200 per year.
  - This would cost an additional £2m in upfront student loans, but could also save between £3m and £6m as a result of reduced reoffending rates.

**CESifo published [O Brother, Where Start Thou? Sibling-Spillovers in College Enrollment](#), using a study of US students to show that college-going behaviour is transmissible between siblings.**

- The college enrolment patterns of US students vary substantially by income and location, as well as other dimensions.
  - Nationally, students from the highest income 1% of families are 77 times more likely to attend an Ivy League college than those from the bottom quintile.
  - Even among similarly low-income students, enrolment rates vary substantially by geography.
- Communities with historically low rates may struggle to improve them because current students have few peers with first-hand experience of the process and life on a college campus.
  - Such 'spillovers' could partly explain persistence in 'college-going culture' across communities.
- Siblings are particularly important peers: when asked who most influences their thinking about post-secondary education, 50% of US high schoolers say family members, compared to only 4% who say friends.
  - Studies suggest that siblings are even more influential when parents lack college education.
- Key findings:
  - Meeting admissions thresholds used by some colleges substantially increases older siblings' college enrolment rate and quality of college attended.
  - Their improved college choices in turn raise younger siblings' college enrolment rate and quality of college chosen, particularly for families with low predicted probabilities of college enrolment.
  - Some younger siblings follow their older sibling to the same campus, but many upgrade by choosing other colleges.
  - These observed spillovers are not well-explained by price, income, proximity or legacy effects; rather it appears that older siblings are transmitting otherwise unavailable information about the college experience and its potential returns.
  - The importance of such personally relevant information may partly explain persistent differences in college-going rates by income, geography and other characteristics that define a community.

## **GRADUATES & GRADUATE EMPLOYMENT**

**Prospects Luminate published [What do graduates do? Regional edition 2019/20](#), with commentary and data for every region of the UK.**

- There is no 'UK graduate labour market' as such; rather, a complex set of interlocking, sometimes overlapping local and regional labour markets, generally centred on a large city.
  - Each has its own character, issues of occupational supply and demand, and guidance and employability support challenges.

- The size and strength of the London labour market disproportionately affects UK-level data, but the majority of graduates don't work there and most never will.
  - Outside London, the South East and North West are the largest English regions in terms of graduate employment, and the North East the smallest.
  - There are few opportunities in London that are not available in larger regional centres, but each market has its own make-up and qualities.
- Graduates tend not to be as mobile as many people think:
  - 45% of 2016/17 graduates never moved – they attended the local university and went to work locally to home and institution.
  - 69% went to work in their home-domiciled region.
  - 58% remained in the region they studied in.
- These figures suggest that local labour markets should be at the forefront of guidance and support activity, but much of the literature treats the UK as a single labour market.
- There are four separate groups based on domicile, location of study and location of employment:
  - **Loyals:** were domiciled and studied in the same region and now work there (45%)
  - **Stayers:** moved away from home to another region to study and stayed there to work (13%) – they tend to have slightly better outcomes than the average
  - **Returners:** moved to another region to study and then returned home to work (24%) – they are more likely to be in employment below professional level
  - **Incomers:** work in a region they were neither domiciled nor studied in (18%, of which 43% worked in London).
- In Northern Ireland:
  - Of the 329,325 graduates who completed their first degrees in 2016/17, 5,660 (1.7%) secured employment in NI – fewer than all other UK regions.
  - 87.7% of graduates living and graduating in NI also worked there; 42.1% of those employed work in Belfast.
  - There has been jobs growth across all sectors over recent years; around 15,550 new jobs entered the market in 2016/17, with the services sector producing the most.
  - The retail industry has the highest number of employees and is also popular among graduates (14.7% of jobs).
  - The sector with the largest number of graduates is health (18.1%); manufacturing (8.7%), business and finance (8.7%) and education (8.4%) are also popular.
  - 54% of employed graduates are working in large businesses; 71.9% are in professional roles, up from 69.5% in 2015/16.
  - It would appear graduates are entering a slightly more diverse range of occupations than in previous years.
  - Recruitment agencies or websites are the most popular job-hunting routes; those in professional roles are more likely to use their institution's careers service and less likely to use personal contacts.

**HESA published [The return to a degree: New evidence based on the birth cohort studies and the Labour Force Survey](#).**

- It draws on the Labour Force Survey, the British Cohort Study for the 1970 birth cohort and the Next Steps dataset for the 1989/90 birth cohort.
- Graduates born in 1990 earned 11% more than non-graduates at age 26, compared to the 19% graduate premium enjoyed by graduates born in 1970.
  - The change in the percentage by which the hourly pay of graduates exceeds that of non-graduates mainly impacted on those born after 1987.

*Further research will look at cohorts born after 1990 to determine whether the recent fall is a short-term dip or the beginning of a more general decline. As graduates tend to enjoy steeper growth in their earnings over time compared to non-graduates, the researchers also plan to continue the study as graduates progress through their careers.*

## HIGHER EDUCATION: TEACHING, RESEARCH & INSTITUTIONS

The Equality & Human Rights Commission published [\*Tackling racial harassment: Universities challenged\*](#), based on research among universities, students and staff in England, Scotland and Wales.

- Publicly funded universities are subject to the public sector equality duty, requiring them to pay due regard to the need to eliminate harassment.
  - It does not place a positive duty on universities to take all reasonable steps to prevent racial harassment, however, which puts the onus on individuals to challenge by pursuing legal cases.
- 24% of students from an ethnic minority background and 9% of white students said they had experienced racial harassment since starting their course – 13% of all students.
  - 20% had been physically attacked; 56% had experienced racist name-calling, insults and jokes.
  - In most cases the harasser was another student, but a large number said it was their tutor or another academic.
- Over 50% of staff said they had been ignored or excluded because of their race; 25% had experienced racist name-calling, insults and jokes.
  - Harassment often took place in an office environment, frequently in front of colleagues.
- 66% of students and 50% of the staff who had experienced harassment during the first half of 2018/19 didn't report it to their university, because they:
  - had no confidence that the university would address it
  - did not know how to report
  - could not judge whether it was serious enough to report
  - had difficulty proving what occurred.
- 33% of students *did* report it (equivalent to 60,000 students if scaled up to the entire population).
  - However, across all 159 publicly funded universities in Great Britain, only 559 complaints of racial harassment from students were recorded over a period of 3.5 years.
- Universities tended to think they were handling complaints of racial harassment well, but most did not seek feedback on their complaints process.
  - More than 50% did not have processes for collecting data on informal complaints.

The full findings are available in the following Racial harassment inquiry reports – [Survey of university students](#), [Survey of universities](#) and [Qualitative research findings](#).

HEPI published [\*Students or data subjects? What students think about university data security\*](#), results of a survey of over 1,000 full-time undergraduates.

- Only 32% of students say they are aware of how their institution handles their personal data; 45% say they aren't aware and 22% aren't sure.
- 45% are confident that their institution will keep their personal data secure and private; 22% aren't confident and 33% are unsure.
- 93% feel they should have the right to view any personal information their HEI stores about them.
- 69% are concerned about rumours of universities facing data security issues; 19% are unconcerned.
  - 65% say an HEI having a poor security reputation would have made them less likely to apply; 31% say that it would have made no difference.
- 48% are fine with HEIs sharing health or wellbeing information with parents/guardians; 33% are opposed.
  - 35% are fine with parents/guardians being contacted about academic performance issues; 48% are opposed.

Oxford Brookes University and the University of Oxford published [\*Gender and University Spinouts in the UK: Geography, Governance and Growth\*](#).

- A university spinout is a company created using university-based research.
  - The institution often provides the initial capital investment through equity shares, and may also provide access to incubators and facilities.



- The institution will typically have board representation from the beginning, and, unlike with a start-up, retains ownership over the intellectual property.
- Just 13% of active spin-outs had one or more female founders.
- On average, spin-outs had 4.6 senior executives – including the CEO – of whom four were men.
  - 91% had more men than women, and almost 60% had no women listed at all.
- Spin-outs founded or co-founded by women or with more senior women were less likely to have received a large innovation grant.

**Advance HE published [Essential Frameworks For Enhancing Student Success: Enterprise & Entrepreneurship Education](#).**

- The new framework aims to help educators shape changes to pedagogies, assessment, teaching and learning practices, and institutional cultures, processes and practices.
  - It was developed in partnership with Enterprise Educators UK, the Institute of Enterprise & Entrepreneurs, the Institute for Small Business & Entrepreneurship, enterprise awarding organisation SFEDI and the Quality Assurance Agency (QAA).
- The framework focuses on the ways in which enterprise and entrepreneurship education can each add value to the learner’s journey, whether they are interested in starting their own venture or being enterprising when working for someone else.
- Using the 2018 QAA [definitions](#), the framework distinguishes between enterprise and entrepreneurship as follows:
  - **Enterprise:** ‘the generation and application of ideas, which are set within practical situations during a project or undertaking... It combines creativity, originality, initiative, idea generation, design thinking, adaptability and reflexivity with problem identification, problem solving, innovation, expression, communication and practical action’.
  - **Entrepreneurship:** ‘the application of enterprise behaviours, attributes and competencies into the creation of cultural, social or economic value’.

*Advance HE and partners will be publishing a series of blogs and videos, and launching a collaborative project on [Embedding Enterprise in the Arts, Humanities and Social Sciences Curriculum](#).*

**Jisc published [Digital experience insights survey 2019: findings from teaching staff in UK further and higher education](#), analysis of a survey of 6,534 staff from 61 UK HEIs [an email address is required to access the full report].**

- FE staff generally undertake digital teaching activities more often than HE staff.
  - Over 60% in both sectors would like to use digital teaching technologies more; however students say they are happy with the current level of use.
  - 87% of FE and 74% of HE staff never teach in a live online environment.
- 43% of FE and 48% of HE staff were early adopters of digital technologies when they could see a clear benefit to using them.
- 55% of FE and 33% of HE staff received support in using digital technologies from their colleagues; around 33% in each sector would choose online training as their first preference for support.
- 25% in both sectors say they don’t have time to develop their digital skills.

*Separate FE and HE summaries are also available.*

**UUK International published [The Scale of UK HE \[transnational education\] TNE 2017–18: Trend analysis of HESA data](#), the third annual report.**

- In 2017/18, 139 HEIs reported students studying through HE TNE – the highest number ever.
  - 84% of UK HEIs ran TNE degree programmes; however, 75% of UK TNE students were learning through 18 universities.
  - UK TNE student numbers grew 3.6% annually between 2013/14 and 2016/17, but fell 2.0% between 2016/17 and 2017/18, mainly due to a drop in those registered at an overseas partner organisation.
- Three main providers of distance, flexible and blended TNE together make up 52.1% of the total number of TNE students.

- Excluding these, 332,125 students were studying on UK TNE programmes in 2017/18, up 2% from 2016/17; student numbers grew by 20% from 2013/14 to 2017/18, with the largest contingent studying through collaborative provision (44%), up 27% on 2013/14.
- 65% of students were studying for an undergraduate degree; postgraduate research degree student numbers were up 11.0% on 2016/17.
- UK TNE was available in 225 countries and territories in 2017/18: Asia hosted 49% of students, Africa 21%, the EU 11%, the Middle East 9%, North America 4%, non-EU Europe 3%, Australasia 0.5% and South America 0.4%.
  - China hosted the most (11%), followed by Malaysia (10%), Singapore (7%), Pakistan (6%) and Nigeria (4%).
  - Students registered with an overseas partner organisation are prevalent in Africa (73%) and Asia (55%); distance, flexible and distributed learning is the main offer in Australasia (67%), South America (55%) and North America (52%).

**The Global University Network for Innovation published [Higher Education in the World 7 – Humanities and Higher Education: Synergies between Science, Technology and Humanities](#).**

- The report, featuring 130 authors from 30 countries, aims to provide academics, policymakers and decision-makers with comprehensive analysis of the interrelations between humanities, science and technology in HE in different societies.
- Contents include:
  - Consideration of the different roles HE should play as a social agent and the possible relations between university and wider society.
  - Key skills and competences needed to tackle changes to social, economic and labour systems, and the teaching methodologies, curricula and the concept of lifelong learning.
  - Current issues and trends in research in humanities, science and technology (e.g. socially responsible research, budgets, open science and open data).
  - Exploration of gender equality in terms of access to education, academic careers and the choice of studies.
  - Exploration of the development and implementation of the UN sustainable development goals (SDGs) in all fields of knowledge.
  - Examination of the role and commitment of HE systems in relation to the future of work, its dignity and its quality.
  - Recommendations, guidelines and examples of good practice from various HE communities.

## WORKFORCE ISSUES

**The Universities & Colleges Employers Association published its biennial [Higher Education Workforce Report 2019](#), looking at the approaches taken by institutions in planning, recruiting and managing their staff.**

- The survey report is based on responses from 87 HEIs, 11 interviews with senior human resources (HR) professionals, and analysis of the HESA Staff Record covering 162 HEIs in the UK.
- Among the findings:
  - Total headcount has grown by 15% since 2007/08 reaching 429,560 in 2017/18; there has been a 33% increase in teaching-focused staff since 2011/12 and a 21% increase in research staff.
  - The number of casual staff has fallen by 16.1% since 2011/12; zero hour contracts comprise 2.3% of academic work and 1.2% of professional services work; hourly-paid contracts account for 13.4% of academic staff by headcount, undertaking 4.3% of academic work, with the largest numbers in continuing education and performing arts.
  - 22% of early-stage academic staff are from ethnic minority backgrounds compared to 7% for departmental and faculty head positions.
  - The median resignation rate is 7.6% and total turnover 11.1%; this compares to wider economy benchmarks of 12.9% and 18.8% respectively; among academic staff, the median resignation rate is 5% and total turnover 8%.
  - 66% of HEIs now have a teaching-focused pathway to professor; a similar proportion have research-focused pathways and a significant minority report pathways that reward academic leadership or innovation.

- Brexit has not had a major impact on staffing to date, but the majority report at least moderate levels of concern regarding ability to attract and retain international EU staff in the next 12 months; the majority of non-UK nationals are in economics, chemical engineering and modern languages.
- 2,500 apprentices were employed by HEIs in 2017/18 according to the first official collection of these data in the staff record; 765 were Level 3 apprentices in first stage lecturer or senior/principal lecturer programmes.

## The Workplace

### APPRENTICESHIPS & TRAINEESHIPS

**Cedefop published [\*Apprenticeship for adults: Results of an explorative study\*](#).**

- The study addresses the following main research questions:
  - Are there two different types of apprenticeship, one for young people and one for adults, or are they two sides of the same coin?
  - Are there any specific features required to shape or gear the apprenticeship to adults?
  - Do adults (not only young adults) actually have access to apprenticeship, and are they able to benefit from apprenticeship opportunities?
- A literature review found that research is patchy and limited, but a few clear messages emerged:
  - Adult apprenticeship is not usually considered as an analytical category or concept distinct from apprenticeship for young people.
  - Age is not a conclusive factor in distinguishing apprenticeship for young people from apprenticeship for adults; the term 'adults' is often interpreted broadly as those who have left initial education and entered the labour market.
  - However, research draws on the distinctive characteristics of adults (e.g. prior work experience, more mature, more motivated) and argues that these characteristics need to be considered to shape apprenticeship provision, particularly in the learning approach.
  - There is a need to create a culture of continuous learning in the workplace involving all employees; training companies need to open up to recruiting adults, including their employees, for apprenticeship positions.
- Applying a fieldwork criterion of formality (apprenticeship scheme) vs non-formality (apprenticeships as a learning opportunity) highlighted:
  - the importance of the legal/regulatory framework in shaping the identity of apprenticeship
  - the potential of the non-formal sector to offer additional paths for people to achieve an apprenticeship qualification
  - the increased value given to prior work experience in an adult approach to apprenticeship.
- Analysis by two 'function groups' found:
  - When apprenticeship is an education and training system, the provision has been designed for young people; adults are encouraged to take up apprenticeships, but they are no longer the only way of achieving a qualification.
  - When apprenticeship is a way of providing VET, adult access is determined by the overall VET system; apprenticeship is mainly a second-chance option to gain a qualification and is a way of incentivising VET take-up.
  - While the first function needs to become more flexible in response to external pressures, such as an ageing population, the second is part of the response to such pressures (e.g. unemployment), and injects flexibility into the system.
  - In both cases, the boundaries seem to blur between formality and non-formality, between different forms of delivery, between education policies and active labour market ones.
  - What seems to preserve the apprenticeship identity in the first function is the fact that it is not just linked to the way it is structured but also to the existence of specific standards, qualifications and final exams, and to occupations.

**The European Commission published [European Alliance for Apprenticeships \[EAfA\]: Good for Youth Good for Business](#), the third edition summarising apprenticeships across the EU and examining the achievements of the EAfA.**

- The EAfA brings together stakeholders in employment and education to address the challenges and solutions of improving the quality, supply and image of apprenticeships in Europe.
- The publication includes:
  - Case studies of apprenticeships and other work-based learning policy initiatives and projects
  - Details of future plans
  - A section on the policy context: promoting work-based learning; developing quality assurance mechanisms; enhancing accessibility; strengthening key competences; and introducing systematic approaches for initial development and CPD of VET teachers, trainers and mentors.

## **TRAINING & DEVELOPMENT**

**The CBI published [Employers & Lifelong Learning: The importance of upskilling and retraining in a modern economy](#), based on interviews, policy discussions and events with CBI members.**

- 82% of training expenditure is funded by employers, and it is estimated that they spend £44.2b annually on staff training – equivalent to around £1,530 per employee every year.
  - However, real-term employer spending remains lower than pre-financial crisis levels, despite recovering slightly in 2015.
- With only 10% of UK workers currently studying for a nationally recognised qualification, informal training makes up the bulk of training, contrary to the usual frontloading of the UK education system.
  - Staff consider on-the-job opportunities to be best for efficiency and relevance.
- One of the challenges of apprenticeships [*in England*] is that the process of developing standards can take months, which, combined with the length of the programme, means the content may be out of date by the time the learner completes.
  - Similarly, employers find that working with universities to provide upskilling and retraining may take too long and cost too much, and more flexible and shorter courses are needed.
  - Informal training helps to overcome these issues, particularly when learners have transferrable skills and don't need a completely new qualification.
- Online learning is increasing in popularity; in 2017 over 50% of employers were offering online training and e-learning.
- All the evidence shows that broader skills and attributes are increasingly in demand.
  - The World Economic Forum (WEF) found 'human' skills such as creativity, originality, initiative, critical thinking, persuasion and negotiation would retain or increase their value in the work place, as would attention to detail, resilience, flexibility and complex problem solving.
- Demand for digital skills outstrips supply in the UK, with 67% of businesses reporting unfilled digital skills needs in 2019.
  - 58% of UK businesses are looking for significantly more advanced skills in the next five years; 93% of businesses are acting to address their digital skills needs.
- Among the challenges:
  - Over 50% of businesses say that increasing learner engagement is a top challenge, yet talent developers only spend 15% of their time marketing learning opportunities to employees.
  - 75% of employees expect to be offered development opportunities; businesses that develop their staff's strengths reduce turnover by up to 72%.
  - Lack of transparency over the apprenticeship levy budget is causing instability; apprenticeships are not always the best way to upskill or retrain.
  - However, informal training is difficult to 'passport' and assess for quality.
- Among the recommendations:
  - Employers should: offer careers advice to all employees at regular checkpoints throughout their careers; improve the clarity on internal development routes and default towards opening all new vacancies to internal applicants; and improve awareness and accessibility of training and development opportunities.

- Government should develop a nationally recognised skills 'passporting' tool to help ensure informal training and skills are recognised in future employment.

**Kineo (part of the City & Guilds Group) published [Learning Insights 2019 #3: The global learning race](#), examining the approaches of organisations in 13 countries including the UK to upskill their workforces [an email address is required to access the full report].**

- 1,300 employers and 6,500 employees were surveyed to determine what actions are being taken to prepare staff for the future.
  - It looked in particular at businesses' intention to invest in learning, and the alignment between employer and employee perceptions of the value of learning to the workplace.
- 79% of employees globally said they want a greater focus on learning and development (L&D).
  - Only 16% said that the learning they received in the last year was very effective.
- The main barrier to effectiveness cited by UK employers was a lack of funds (15%) (also cited by Sweden (15%) and Australia (17%)).
- 54% of UK employers expect to increase spend on L&D in the next 12 months (68% globally and as high as 92% in India).
- 81% of employers globally said they had the staff they needed for the next 3–5 years.
  - However, 71% of employees said the skills they needed for their job would change and 33% didn't think their employer was keeping pace with changing skills.
  - Where employers' and employees' views were more aligned, employees were among the most satisfied that their skills were being kept up to date.
- Only 27% of UK employees strongly agreed that their organisation had taken steps to improve their skills and employability (52% in India).
- 42% of employers in the UK saw digital transformation as the main driver of change, whereas in India AI was seen as the main driver (58%) and in the United Arab Emirates it was climate change (24%).
- 33% of employers globally said on-the-job training would become more important as a learning method in the next 3–5 years.
  - The top L&D method for employers in the US, New Zealand and Argentina was peer coaching, and in India it was e-learning.
  - The UK and Australia were the least likely to use collaborative and social learning technology.

*The third of three reports plus supporting guides published in 2019; #1 was published in June and #2 in September (see Skills Research Digests Q2 and Q3 2019).*

**The Chartered Management Institute published [Sponsoring Women's Success: Executive leaders' views on sponsoring and mentoring](#) in partnership with the 30% Club and Russell Reynolds Associates.**

- Research was carried out with almost 1,000 male and female business leaders and managers to provide an overview of the extent of sponsorship and mentoring of women in UK businesses.
  - Adopting and implementing talent management and succession planning approaches which may have traditionally been less accessible to women is critical to inclusive diversity action plans.
- Except at the most senior executive levels, there is a weak understanding of the concept of **sponsorship** – the practice of championing and advocating to support a woman's progression.
  - 72% of senior leaders said sponsorship supported the promotion of leadership talent; 66% said it supported gender diversity in the leadership pipeline; and 64% said it was critical for succession planning in a company.
  - The main reason for becoming a sponsor was to develop the next generation of talent.
- **Mentoring** is well understood by senior leaders and practising managers in the UK.
  - 59% said being mentored or being a mentor improved their knowledge and 57% said it improved their confidence and personal skills.
  - 72% of senior leaders became mentors to share their skills and experience; 83% looked for mentees who displayed a willingness to learn.
- 98% of senior leaders had **sponsored or mentored** staff over the course of their career.



- Although most female senior leaders had been sponsored and mentored during their career, only 3% of practising managers are currently being sponsored and 19% are being mentored.
- Only 21% said their employer had a formal sponsorship programme, compared to 86% who had formal mentoring schemes.
- Five recommendations are made for businesses:
  - Sponsorship and mentoring must form part of a commitment to leadership gender diversity and be driven from the top.
  - Formal sponsorship programmes need to be developed as part of structured talent management to support gender progression.
  - Ensure a culture of sponsorship is embedded throughout the leadership layers, especially in large companies.
  - Combine sponsorship with mentoring so women receive support up to the top executive roles.
  - Senior women and men should encourage formal sponsorship in organisations where it is yet to be implemented.

**The Institute for Employment Studies published [Progression in Employment: Practitioner Stories from the European Labour Market – The Case Study Collection](#), supported by the JPMorgan Chase Foundation as part of its global New Skills at Work initiative.**

- The Progression in Employment project is recording evidence and insights on developing and implementing upskilling pathways for low-skilled adults across the UK, Sweden, France, Germany, Italy and Spain.
- The case studies include examples of effective employer practice in supporting in-work progression in three sectors – retail, hospitality, and health and social care.
  - The examples are from small and large employers and represent a diversity of approaches.
  - The collection offers insights into the practical steps employers can take to enhance the working lives and opportunities of the most disadvantaged sections of their workforce, while addressing business challenges such as talent shortages, quality and adaptability to change.
- Employers that support the progression of low-skilled workers report reputational benefits, improvements in service quality and reductions in employee turnover.

## SKILLS GAPS & SHORTAGES

**Prospects Luminate published [Skills shortages in the UK 2019/20](#), drawing on data from the UK Employer Skills Survey 2017 – one of the largest business surveys in the world (87,000 employers).**

- Employers reported just under 309,000 vacancies in 169 different professional occupations.
  - This compares with 184,000 UK-domiciled, newly qualified first degree graduates known to have entered the UK workforce, and just under 280,000 leavers from HE at any level from HND to PhD.
- 33% of vacancies were considered hard to fill, in line with previous years.
  - There were over 106,000 reported hard-to-fill vacancies at professional level across 165 different occupations.
- 'Skill-shortage vacancies' (SSVs) – hard to fill specifically because applicants lacked relevant skills, qualifications or experience – constituted 6% (unchanged from 2015).
  - There were just under 79,000 reported SSVs across 163 different professional occupations.
- The top five occupations in terms of vacancies were: nurses; HR and industrial relations officers; business sales executives; welfare and housing associate professionals; and IT user support technicians.
- The top five jobs for new graduates in 2016/17 were: nurses; marketing associate professionals; medical practitioners; primary and nursery teachers; and business and related associate professionals.
- The top five occupations with the largest number of hard-to-fill vacancies were: nurses; programmers and software development professionals; HR and industrial relations officers; medical practitioners; and welfare and housing associate professionals.

- The professions with the highest density of hard-to-fill vacancies were: medical practitioners (93.0%); veterinarians (86.8%); draughtspersons (72.6%); nurses (72.1%); and electronics engineers (63.3%).
- The professions with the highest proportion of SSVs were: electronics engineers (59.8%); civil engineers (55.4%); design and development engineers (49.7%); quantity surveyors (49.6%); and veterinarians (49.0%).
- The report also provides a regional breakdown of occupations with the largest volume of hard-to-fill vacancies.
  - In NI, the full list was: nurses; HE teaching professionals; social workers; welfare and housing associate professionals; IT business analysts; architects and systems designers; civil engineers; programmers and software development professionals.
- SSVs are a particular issue at managerial level, with applicants also often failing to demonstrate sufficient work experience; but lack of applicants and lack of interest in vacancies are also issues.
  - Professionals show a similar pattern, but there are fewer issues with insufficient work experience and more with applicant shortage; competition from other employers and lack of interest in specific roles are also more important for this group than for others.

**The CBI and Pearson published [Education and learning for the modern world: CBI/Pearson Education and Skills Survey report 2019](#), the latest edition of their annual report.**

- Higher-level education is more in demand than ever, with only 50% of respondents confident there will be enough people available to fill jobs needing more than entry-level qualifications.
- Wider character, behaviours and attributes are considered to be the most important consideration when recruiting school and college leavers.
  - 40% of employers report that they are dissatisfied/very dissatisfied with wider character, behaviours and attributes.
  - 33% are dissatisfied/very dissatisfied by the amount of relevant work experience young people have.
  - 74% are satisfied with the academic knowledge of young people who have applied for jobs during the past 12 months.
- Firms value all forms of qualifications with 29% looking for a mix of academic and technical.
- 94% of employers report that they have links with schools, colleges or universities.
  - Businesses with links to secondary/sixth-form colleges reported 56% more engagement over the last year, those with links to FE colleges 51% more, and universities 29% more.
  - Careers advice is the most popular form of support (82%), followed by information on apprenticeships/traineeships (73%) and work experience placements (69%).
  - The biggest barriers to engagement are: lack of capacity within the school/college (40%); difficulties in fitting in with timetable/curriculum (30%); and a lack of capacity within the business (28%).
- 86% offer apprenticeship programmes and 63% plan to expand their programmes in the future; only 5% have no plans to offer apprenticeships.
  - 85% say that they use apprenticeships to hire external staff.
  - Greater flexibility in the use of apprenticeship levy funds is the key priority for change (71%).
- When recruiting graduates, attitude and aptitudes for work ranks consistently higher than any other factor – far above degree classification or university attended.
- 84% plan to maintain or increase their investment in training in the year ahead; 55% plan to both upskill and retrain their current workforce.
  - The main driver is business expectations of employees to continue developing their skills and knowledge (78%); other important factors include the introduction of new technologies (57%), development of new products and services (54%) and employee demand for development opportunities (45%).
  - Leadership and management skills are the most critical area of development, followed by work readiness skills, and planning and organising skills.
  - The most common training method is on-the-job training (85%), but e-learning (79%) and shorter, more intensive courses (74%) are also commonly used.

- The biggest barriers are: lack of funds/cost (59%); lack of time (52%); finding the right provider (32%); and lack of appropriate, subject-specific training (30%).

**The Institution of Engineering & Technology published [Skills and Demand in Industry: 2019 Survey](#), its 13<sup>th</sup> biennial survey of 700 UK employers.**

- 60% say recruiting staff with the right skills is the main barrier to achieving business objectives over the next three years (down 1ppt from 2017).
  - 48% face difficulties finding people with the right skills when recruiting (up 2ppt).
- 53% believe a shortage of engineers is a threat to their business, however 46% plan to increase technical staff in the next three years.
  - 31% increased their engineering and technical workforce in the last three years (down 8ppt).
- 68% arranged or funded staff technical or job specific training over the last year (up 9ppt).
- 48% reported gaps in the skills of apprentices or other young trainees (up 18ppt).
- 42% agreed they could do more to recruit people from diverse backgrounds; 12% are taking or have taken action to increase the diversity of their workforce.
  - Women account for only 11% of engineering and tech employees (unchanged).

**The Edge Foundation published [Skills Shortages in the UK Economy](#), the latest edition of its regular bulletin.**

- This edition offers a summary of key messages from the first six editions, as well as summaries of the most recent research:
  - *Skill Shortages & Skills Mismatch in Europe: A review of the literature* (IZA)
  - *Full review of the Shortage Occupation List* (Migration Advisory Committee)
  - *Benefits to Young People of Improved Careers Education* (Careers & Enterprise Company's *State of the Nation Report 2019*)
  - *The Four Futures of Work: Coping with uncertainty in an age of radical technology* (the RSA (Royal Society for the encouragement of Arts, Manufactures and Commerce))
  - *Bridging the Digital Divide* (The OU).
- The bulletin also includes a spotlight on construction.

**The European Commission published [Analysis of shortage and surplus occupations based on national and Eurostat Labour Force Survey \[LFS\] data: Shortages and surpluses 2019](#), in the EU, Norway, Iceland and Switzerland.**

- The study identifies the top 30 jobs in short supply and the top 30 jobs where there is insufficient demand for the skills available in 2019.
  - Information was provided by the EURES National Coordination Offices (NCOs) from 23 member states and three Belgian regions plus analysis of the European LFS.
  - Data include gender composition, share of vulnerable groups, regional distribution and potential to match shortages with surpluses in the same occupation across borders and regions.
- Shortage occupations were dominated by technical competences, while surpluses were generally associated with non-technical competences.
- There was high demand for:
  - software-related and engineering skills, and to a lesser extent health-related skills, plus accountants and marketing executives
  - craft occupations, especially those related to construction and engineering, and hospitality jobs, including chefs and waiters.
- Occupations where there were surpluses were mainly clerical or related to humanities disciplines, such as philosophers and historians, sociologists, anthropologists and journalists.
- Only 24 different occupations were classified as both shortage and surplus by the NCOs, representing 'a restrained level of cross border matching possibilities'; they include professional, craft and clerical jobs.
- Analysis of LFS data showed that significant gender segmentation was associated with both shortage and surplus occupations identified by the NCOs.

- Males dominate STEM-related occupations where there are extensive shortages, while females dominate the clerical group, which contains many surplus occupations.
- Gender composition of shortage occupations is strongly biased towards male workers.
- There may be significant potential for increasing the supply of shortage skills by upskilling those with a background in surplus occupations, such as clerical workers.
- Both surplus and shortage occupations contained a significant number with a large share of unqualified workers.
  - This may reflect the fact that many labour markets are approaching 'full employment' status and jobseekers in these markets have a greater choice of where to work.
- Four recommendations include:
  - NCOs could enhance 'matching' possibilities, e.g. each national Public Employment Service (PES) could be requested to develop an in-depth understanding of the nature of the mobility flows within their own national and regional labour markets.
  - Each PES could look for opportunities to influence the gender composition of many shortage and surplus occupations.

**The International Labour Organization (ILO) published [Skills and jobs mismatches in low- and middle-income countries](#), comprising chapters by a number of authors, analysing the literature and presenting new research.**

- Before getting onto the specifics of low- and middle-income countries, the early chapters discuss general principles:
  - Why analysing skills mismatch is important.
  - Different types of mismatch, such as overqualification, underqualification, over-skilling, under-skilling, field-of-study mismatch, skill gaps, skill shortages and skill obsolescence.
- The various types are very different in their manifestations, their measurement, their determinants and in how their consequences are felt.
  - However, policy in education and training does not necessarily recognise the differences and account for them through nuanced responses.

**Skillnet Ireland published [Deep sector analysis of future Sustainable Finance skills and talent requirements in Ireland](#), commissioned by the Sustainable Finance Skillnet and Sustainable Nation Ireland.**

- The report defines 'sustainable finance' as: any form of financial service integrating environmental, social and governance (ESG) criteria into business or investment decisions, for the lasting benefit of investors and society at large.
- Sustainable finance is fast becoming mainstream and will fundamentally change the financial sector, with regulation acting as an accelerator in prioritising skills and training.
  - The rapid shift in essential skills will require integration of sustainability and ESG modules into all finance degree and master's programmes.
  - Sustainable finance will also have to be part of professional education and CPD for finance and business professionals.
- Findings of a survey of organisations in the financial services sector in the RoI included:
  - 100% said stakeholder expectations of sustainable finance have grown since 2015 and will continue to grow to 2025.
  - The main drivers of investment in sustainable finance skills and talent between 2019 and 2025 are: improved long-term returns; brand image and reputation; decreased investment risk and/or underwriting risk; regulatory/disclosure demands; and external stakeholder requirement.
  - 67% said there is demand for sustainable finance skills and talent in their organisation, but supply is inadequate and upskilling is required.
  - 60% said their organisation would give training and skills development a higher priority if regulation is implemented.
  - There is a high level of awareness of sustainable finance in the asset management sub-sector.
  - 60% said their organisation needs new tertiary level recruits to have sustainable finance and ESG considerations embedded into their degree or master's courses.

- 67% expect to need to recruit those with experience in sustainable finance.
- 87% expect that existing employees will be upskilled in sustainable finance investment.
- The key short-term skills priority is training in baseline knowledge.
- The main challenges limiting the development of sustainable finance skills and talent are competing internal priorities and lack of available talent.
- There is significant demand for skills in data management and measurement.
- The report sets out recommendations and an action plan on how to address the identified gaps.

## AUTOMATION & AI: IMPACT ON WORK

**McKinsey published [The future of work: Rethinking skills to tackle the UK's looming talent shortage](#), highlighting the skills mismatches caused by profound structural shifts in the workforce brought about by automation and new technologies.**

- Analysis of the projected growth in employment of 369 occupations to 2030 suggests that:
  - Demand in the top quintile – which includes a range of management roles and professional roles in ICT, engineering, health and teaching – will increase by an average of around 19% (1.4% p.a.).
  - Demand for bottom-quintile occupations – such as administrative and secretarial roles – will shrink by about 17%.
- The top quintile occupations – the most critical for business and economic growth – are those already facing a shortage of workers; they also rank highest in the Shortage Occupation List compiled by the Migration Advisory Committee.
  - An Occupational Talent Shortage Index shows just how challenging it might become for UK companies to secure critical talent at a reasonable cost.
- Companies need to take a strategic approach and develop a clear view on the nature and scale of their specific talent shortages and overages; they then have three ways to address the gaps:
  - Build new skills among existing employees, while replacing routine work with automated systems.
  - 'Rent' talent from external partners, e.g. through outsourcing partnerships or the gig economy.
  - Acquire talent from unconventional sources, by focusing on people's intrinsic qualities; e.g. school secretaries have many of the foundation skills needed to become IT business analysts.
- For workers in shrinking occupations there needs to be more rapid and agile reallocation of staff across traditional boundaries, but UK companies lag behind their global peers in this.
  - They need to shift from assessing people mostly on their qualifications and career histories and assess them instead on their underlying skills.

**The European Commission's Joint Research Centre published [The Changing Nature of Work and Skills in the Digital Age](#).**

- The jobs that are most exposed to automation appear to be those that: require relatively low levels of formal education; don't involve complex social interaction; and involve routine manual tasks.
- New jobs related to the development, maintenance and upgrading of AI technologies and big data infrastructures are among those expected to grow.
  - It is difficult to know how many jobs like these will be created and in what sectors they will emerge, but the jobs predicted to grow the most require HE, intensive use of social and interpretative skills, and at least a basic knowledge of ICT.
- Digital technologies do not simply create and destroy jobs, they also change what people do on the job, and how they do it.
  - Key human attributes, such as creativity, full autonomy and sociability, are beyond the current capabilities of advanced AI.
  - However, when work is organised in a discrete, standardised and predictable way, the automation of work becomes far more feasible.
- In future, it is likely that a moderate level of digital skills combined with strong non-cognitive skills will be in greater demand.
  - There are increasing wage differences between workers who are equipped with these skills and those who are not.



- However, 33% of the EU labour force has no or almost no digital skills, and employers report that a large number of workers are not ready to respond to the rising demand for digital skills.
- Workers will need non-cognitive skills to cope in an ever-changing workplace, and individuals need to acquire skills that help them to anticipate changes and to become more flexible and resilient.
  - However, teaching non-cognitive skills seems to have been neglected across the EU despite its effectiveness, and Europeans will need to learn throughout their lives, both within and outside of formal education.
- Technology provides incentives for employers to contract out work, and enables workers to work remotely, both as employees and freelancers.
  - New forms of employment such as casual work, ICT-based mobile work, and digitally-enabled forms of self-employment are gaining traction across the EU.
- Platform work is a clear example of how digital transformation can offer new job opportunities while creating policy challenges.
  - Working conditions for platform workers vary greatly depending on the type, intensity and frequency of work, and they are at a particularly high risk of having unclear employment status.
  - The prevalence of platform work differs significantly between member states.
- Technology is helping to transform the overall structure of employment, but various patterns of restructuring suggests that many other factors – including urbanisation, deindustrialisation and labour market institutions – are at play.

**Skillnet Ireland published [\*Enabling the Workforce of the Future: The Role of Learning and Development\*](#) by Trainers' Learning Skillnet and the Irish Institute of Training & Development, on the challenges posed by new technologies to the skills base of the Irish workforce.**

- The study involved over 250 L&D and HR professionals in the RoI.
- Preparing for the future of work is a high priority for 40% of those surveyed, however less than 30% felt confident in their ability to meet their future skills needs.
  - Organisations that were more advanced were proactive in engaging with the threats and opportunities resulting from advances in technology and specifically AI and robotics, and had a clear sense of the potential value of digitisation to their organisations.
  - Clear communication with employees was also central to ensuring the success of such programmes.
  - Organisations that reported positive engagement with the future of work had a 'north star' – a clear understanding of what they wanted the outcome to be, e.g. framed in terms of a commitment – such as sustainability – that underpins their whole change agenda.
- There is a trend towards individualised learning pathways, enabled by sophisticated learning management systems and driven by a growing range of entry points for new employees, as employers have to recruit for experience and skills in areas such as digital and data analytics.
- There is a move towards lifelong learning, and more focus on learning as part of work, driven by the need to adapt and develop new skills at all career stages.
  - Learning programmes that involve employees spending substantial time away from their core roles and locations can create tension between short-term costs and longer-term benefits.
  - There are challenges for employers and institutions in the learning and education sectors, as developments such as micro-credentials threaten to disrupt traditional accreditation models.
- Improvements in technology and connectivity can facilitate more flexible work and a greater exchange of skills between organisations and individuals.
  - Terminology associated with the future of work, plus pressure to deliver current skills, may be leading many L&D practitioners to delay engaging fully with developments.
- The skills required by L&D professionals are changing, including growth in the importance of digital skills, data analytics and online content development and curation, as well as business and sectoral expertise.
  - Traditional L&D skills are still in demand, however, so leaders in L&D face strategic choices about structure and specialisation within their teams.
- A 'Six Step Process for Enabling the Workforce of the Future' is provided, to help businesses identify and respond to their future skills requirements, including:

- Find a 'north star' – a shared understanding across the leadership of the organisation on the desired impact of automation and AI – and communicate it.
- Assess the impact of automation and AI on operations.
- Conduct a skills audit to establish a baseline and identify any potential gaps.
- Identify roles within the firm that may be displaced or impacted significantly by emerging technology.

**Nesta published [Decision-making in the Age of the Algorithm: Three key principles to help public sector organisations make the most of AI tools](#), focusing on human-machine interaction.**

- Frontline public sector practitioners dealing with rising demand and diminishing resources are increasingly being asked to make important decisions quickly and with limited information.
  - Public sector organisations are turning to new technologies to support decision-making, in particular using predictive analytics that use machine learning algorithms to discover data patterns and make predictions.
  - Such tools incorporate qualitative data, and are constantly learning and adjusting their predictions based on new information.
- The optimal way for practitioners to work with predictive analytics tools is to combine the tools' insights with their own professional judgment.
  - Such 'artificing' – as they have termed it – combines the depth of human insight with the breadth of big data analytics.
- Three key principles play a significant role in supporting a constructive human-machine relationship:
  - **Context:** Introducing the tool with awareness and sensitivity to the broader context in which practitioners are operating increases the chances that the tool will be embraced by them.
  - **Understanding:** Building understanding of the tool means practitioners are more likely to incorporate its advice into their decision-making.
  - **Agency:** Introducing the tool in a way that respects and preserves practitioners' agency encourages artificing.

*The report offers a practical guide to support public sector organisations to introduce predictive analytics tools in a way that means they will be embraced and used but also questioned, scrutinised and challenged.*

**The RSA published [Democratising decisions about technology: A toolkit](#), reporting on a project with DeepMind to encourage and facilitate meaningful public engagement on the real-world impacts of AI.**

- As decisions are increasingly automated or made with the help of AI, machines are becoming more influential, generating predictions, such as the likelihood of a defendant reoffending or the job performance of a candidate based on video interview.
  - In some cases, these predictions could lead to positive outcomes, such as less biased decisions or greater political engagement; but there are also risks in ceding power or outsourcing human judgment.
- A four-day citizens' jury exploring the use of AI in decision-making grappled with the ethical issues raised, and how companies, organisations and public institutions should respond.
  - The RSA also commissioned a survey of public attitudes to AI and automated decision systems (ADS).
- Jurors would like to see the following key conditions built in to the processes surrounding ADS in an institutional context:
  - **Design stage:** The data set used for training must be unbiased, should not exceed requirements for use, and be anonymised to defend against misuse.
  - **Creation stage:** There should be robust policy and legislation to ensure organisational and technical responsibilities with respect to testing, monitoring and audit; audits should be carried out independently and externally.
  - **Application stage:** Steps should be taken to ensure accountability; policy and assurance should be proportional to the severity of potential negative impacts.

The report presents a toolkit for organisations seeking to deploy their own ethical processes around the proliferation of AI.

### **Skillnet Ireland published [Digital Agriculture Technology – Adoption & Attitudes Study](#) by Farm Business Skillnet with the Irish Farmers’ Association.**

- A consultation was conducted with over 750 individual farmers, focus groups and key industry stakeholders, to find out how technology is impacting farm businesses and the challenges and barriers they are facing.
- There is a positive attitude towards farming technology.
  - 49% of farmers said they felt confident in using technology in general.
  - 46% said they were using technology on their farm, and a further 40% planned to use it in future.
- The main barriers to using technology are internet quality or availability, and the cost of purchasing and maintaining it.
  - 60% included ‘access to support and training’ in their top three barriers; those who are not confident in daily use of technology are more likely to see support and training as a barrier.
- Education and training:
  - 60% of farmers have a diploma, third level or HE qualification; 75% have completed farming-related training courses, and 25% of these have completed courses in digital farming technology.
  - Those who have completed digital training are most likely to invest in technology.
  - Those using technology on their farm are more likely to have completed on-farm discussion groups and evening classes.
  - Under-35s are most likely to have completed peer-led and online training.
  - Tailored face-to-face training, discussion or knowledge transfer groups and dedicated agri-tech advisors would be the preferred forms of support, and certain cohorts would be open to video-based training.
  - Key training requirements include: increasing confidence; building an appreciation of cost vs benefits; and providing hands-on practical and peer-led learning and support.
- A five-stage maturity model of digital skills development is proposed as a means of evaluating the stages of progression required: from Non-Existent (Chaotic) to Optimised (Insights Driven).
  - Criteria for the Optimised stage includes: lifelong learning model established and an implicit part of farmers’ workflow; skills-based learning complements existing relationships and support contracts with extension agents; and digital skills advocacy with peers and trust networks.
- There are five recommendations:
  - Increase farmers’ confidence and openness to using technology.
  - Assist farmers in how to utilise technology for maximum benefit.
  - Start small to include all levels of technology confidence and farm needs and build on what they are already using.
  - Education and implementation need to happen close together.
  - Education should also focus on changing attitudes towards digital technologies.

The report is part of Skillnet’s *Future of Work & Workforce Development series*.

## **SKILLS POLICY**

### **Lloyds Bank published the sixth [UK Business Digital Index 2019](#), a survey of the online behaviour and attitudes to digital technology of 2,000 small businesses and charities.**

- Essential digital skills are defined as: digital foundation skills; communicating; creating; managing information and content; transacting; problem solving; and cybersecurity, which was added for the time this year.
- 56% of small businesses in the UK have full essential digital skills [*separate data were not provided for NI as the sample was too small*].
  - 60% have cybersecurity skills, while 20% say they don’t want them.
  - Young companies, under three years old, are more digitally capable than older businesses.

**Nesta published [Digital Frontrunners: Country Spotlights 2019 – Meet the nations leading the way in digitalisation](#).**

- Digital Frontrunners is one of two programmes Nesta is running in the Nordics and Benelux, supported by Google.
  - It is a network of over 300 future-of-work experts, policymakers and practitioners, drawn from countries widely considered to be leaders in their response to digitalisation.
- For each of Belgium, Denmark, Estonia, Finland, the Netherlands and Sweden, the spotlight provides:
  - a snapshot of key statistics and indicators
  - a summary of the country's priorities when it comes to responding to digitalisation
  - a summary of approaches being implemented to address these priorities
  - two case studies.

**The Organisation for Economic Cooperation & Development (OECD) and the European Commission published [The Missing Entrepreneurs 2019: Policies for inclusive entrepreneurship](#), with a strong focus on skills and networks.**

- Inclusive entrepreneurship is integral to inclusive growth: business creation by people from under-represented and disadvantaged groups helps generate jobs, thereby fighting social and financial exclusion while stimulating economic growth.
- Women are only 50% as likely as men to be involved in starting a new business and are less likely to be self-employed, regardless of age group; they tend to operate different types of business and are less likely to employ others.
  - Policy needs to cultivate their entrepreneurial aspirations, address market failures in the areas of skills and finance, and improve access to networks and support for growth.
- Those aged 50+ accounted for 48% of all self-employed people in the EU in 2018, with numbers growing rapidly over the past decade; more than 31% employ others.
  - Policy should raise awareness of the potential to extend meaningful working lives, reducing pressures on pension and healthcare systems; it should also encourage more senior entrepreneurs to use their experience to support other entrepreneurs.
- The number of self-employed immigrants in the EU has nearly doubled since 2002; nearly 33% are job creators, but the trend is downwards.
  - Policy needs to adapt programmes to their needs, notably by providing language training and supporting the development of stronger entrepreneurship networks.
- Nearly 50% of young people are interested in entrepreneurship, but only 4.7% in the EU were actively trying to start a business between 2014 and 2018; business survival rates tend to be low and few create jobs.
  - Policy could do more by supporting innovative ideas, increasing the chances of success.
- In 2018, around 2.5% of unemployed people in the EU started a business.
  - They need to be offered pathways to business creation quickly, since interest in business creation is highest for those who have been unemployed for short periods of time.
- Overall, digital entrepreneurship may help improve inclusion, with advantages like low start-up costs and access to wider markets through the internet.
  - However, women, youth and seniors are under-represented among digital entrepreneurs in the EU due to several factors including lack of role models and of digital skills.
  - Policymakers must do more to help build both digital and entrepreneurial skills, and foster the development of stronger networks.

A new [Better Entrepreneurship Policy Tool](#) provides a self-assessment exercise and learning materials for policymakers.

**The UK Department for Business, Energy & Industrial Strategy (BEIS) published [The impact of business accelerators and incubators in the UK](#), written by Nesta in collaboration with The OU, London School of Economics and Beauhurst.**

- In a survey of 438 start-ups, 73% who had attended an incubator and 64% who had attended an accelerator considered them to have been significant or even vital to their success.

- In-depth analysis of one particular corporate accelerator found that attendance was positively associated with three outcome measures: survival, employee growth and funds raised.
- While direct funding was perceived as the most useful support, there was strong evidence that access to peers and mentoring from an industry expert were among the forms of support that had a positive impact across two or more of the above outcome measures.

**NOCN Group and WorldSkills UK published [Constructing Smarter](#), findings from research into global best practice in increasing productivity in construction through improved skills.**

- Industries in all the countries studied were facing similar issues:
  - The challenge of the digital/AI Fourth Industrial Revolution
  - Skills shortages including technical roles in the construction workforce
  - Difficulty in recruiting and retaining tutors and assessors
  - Levels of literacy and numeracy
  - Motivational challenges to recruitment for people coming into the industry – in many countries it is not seen as an attractive sector.
- However, countries in Northern Europe and Hong Kong are already addressing these areas and report that they are much better placed than the UK to make changes in short timescales.
- The countries that perform well report that they have technical and VET systems that include characteristics of excellence:
  - Stability
  - Delivery of what industry and the economy needs, in terms of demands and standards
  - A blend of technical learning, work readiness, employability skills and practical on-the-job experience to develop skills and competencies through the 'dual system'
  - Simple and easy to understand for all stakeholders including employers, employees, parents/guardians, careers advisers
  - Based upon easy-to-understand career pathways
  - Agile and responsive to match the rate of continuous change
  - Well-regulated to remove underperforming organisations in training, assessment and accreditation.
- Hong Kong managed to upgrade the teaching curriculum in less than 12 months across all construction occupations/trades.
  - The UK [*or rather England*] – with Trailblazers, T levels and other vocational qualifications – is nowhere near being able to do the same, even after six years of reform.
- The report includes recommendations for employers, government and training providers.

*The research was undertaken as part of the WorldSkills UK programme 'Seeing is Believing: Accessing the World's Best Skills Innovations'.*

## **ADULT & LIFELONG LEARNING**

**The Learning & Work Institute (L&W) published [Adult Participation in Learning Survey 2019](#), drawing on data from a representative sample of 5,000 adults across the UK.**

- The survey adopts a broad definition of learning, including a wide range of formal, non-formal and informal learning, far beyond the limits of publicly offered educational opportunities for adults.
- For the third year in a row the participation rate has fallen to a record low in the survey's 23-year history.
  - Just 33% of adults say that they have participated in learning during the previous three years, while 38% say that they have not done any learning since leaving full-time education.
  - The gap between the best and worst performing English regions has widened, with 39% of adults in the South East participating compared to 24% in the North East.
  - Participation in Scotland (38%) is much higher than in England (33%), Wales (30%) or NI (22%).
- Participation among retired adults and those aged 65+ has fallen most notably, by 5ppt to 11%; participation by 35–55 year-olds has also continued to decline (33%).

- Although social grade continues to be the most important predictor of whether adults engage in learning, there has been a 7ppt decline in learning among ABs and a 5ppt decline among those who left education aged 21+.
- 77% of those currently in learning says they are likely to participate again in the next three years, compared with just 17% of those who have done no learning since leaving full-time education.
  - Younger adults and those in higher social grades are much more likely to anticipate learning in the future.
  - 61% overall say they are unlikely to learn over the next three years.
- 26% of learners are studying at an HEI, while 21% are on a training course at work; 16% are learning independently and 14% on the job; 13% are learning online; and 12% are learning with an FE college.
- 80% of learners are learning for work/career, up from 72% in 2018; 13% of these are seeking to retrain into a different role.
  - 27% are learning for personal development; 25% to achieve a qualification and/or 23% out of interest; 19% say they simply enjoy learning.
- The most frequently cited barrier is lack of interest (18%), followed by work and time pressures (15%).
  - 28% say that nothing is preventing them from learning.

Further analysis and the full dataset can be obtained from [Fiona.Aldridge@learningandwork.org.uk](mailto:Fiona.Aldridge@learningandwork.org.uk).

**The Centenary Commission on Adult Education published "["A permanent national necessity...": Adult Education & Lifelong Learning for 21st Century Britain.](#)"**

- The Commission was inspired by the Ministry of Reconstruction's post-WWI *1919 Report*, and was similarly chaired by the Master of Balliol College – now Dame Helen Ghosh.
  - It was funded by the FE Trust for Leadership, with most members coming from England, but also Wales and Scotland.
- Following the financial crisis, Britain suffered a 'lost decade' of austerity, increased regional inequality, stagnant productivity and living standards, and a fractured society and democracy.
  - Once again, the promotion and development of adult education across our communities and society has become an urgent 'national necessity'.
- The report's 18 recommendations are focused on six key themes and are relevant to all three countries:
- **Framing and delivering a national ambition:**
  - A national Adult Education & Lifelong Learning Strategy; a dedicated ministerial portfolio; and national information campaigns.
  - Regional and sub-regional Adult Learning Partnerships; adult education as a statutory LA responsibility funded by £250m per annum; funding for adult community education services and FE colleges increased by £1b p.a.; an additional £50m p.a. for Institutes of Adult Learning such as the Workers' Educational Association.
  - Organisations describing themselves as a university required to provide adult education and lifelong learning.
- **Ensuring basic skills:** An Adult Basic Skills Strategy as part of the above strategy, addressing the changing nature of the workplace and helping close the gap in prior educational attainment.
- **Fostering community democracy and dialogue:** A Community Learning Account, administered by the Adult Learning Partnerships; FE colleges to have LA, community organisation and trade union representation on their boards.
- **Promoting creativity, innovation and informal learning:** An Innovation & Development Fund of £50m p.a., supporting innovation in community and informal education; a trusted digital platform accessible to all publicly supported adult education providers.
- **Securing individual learning and wellbeing:** Individual learning and wellbeing the responsibility of the Adult Learning Partnerships, with LAs having a statutory duty to provide adult education, and the introduction of Individual and Community Learning Accounts.



- **Attending to the world of work** – employers to: provide paid time off work for learning; facilitate the learning representatives in workplaces, extending union learning to all workplaces; report annually on spending on employee education and training, broken down to show the top and bottom 20% of earners; contract compliance used to ensure the same opportunities for employees of subcontractors; funding for those in the gig economy.

**Nesta published [Becoming FutureFit: What we know about adult learning across Europe](#), as part of its FutureFit training and research project, supported by Google.**

- Creating an effective adult learning system, which helps to tackle inequality and social exclusion, still seems to be a distant goal.
  - There are huge disparities in adult learning across the EU, but, more importantly, there are also disparities between different demographic groups within individual countries.
- As demand for labour in knowledge-based and in-person services increases, employees will need to reskill in order to gain the combination of soft skills and a learning mindset which will allow them to move easily between jobs and sectors.
- Participation rates in adult learning vary across countries, from 64% in the Netherlands to 7% in Romania; the UK has the seventh highest rate, at just over 50%.
  - Non-participants in adult learning tend to fall into one or more of four groups: the elderly; the unemployed; those with low levels of education; and those who live in the countryside.
- The most frequently cited reasons for not participating (averaged across the EU member states) are clashes with work schedules (39.9%) and family responsibilities (32.5%).

The [FutureFit programme](#) aims to deliver a series of training interventions, the results of which will inform policy recommendations.

**CEPS (Centre for European Policy Studies) published [Index of Readiness for Digital Lifelong Learning: Changing How Europeans Upgrade Their Skills](#), in partnership with Grow with Google\*.**

- Digital technologies have already changed access to information and knowledge in everyday life: online multimedia tutorials can be downloaded for any daily tasks, and online tools and forums are the most effective means to master a statistical computer programme.
- Digital learning loosens the boundaries of formal and informal learning and creates a continuum of learning opportunities; digitalisation can enable people to learn more, more cheaply and better.
  - It changes where and when one learns, eliminating or at least reducing barriers to accessibility; it increases the potential actors from and with whom one learns.
  - Through enhanced connections, learners can tackle topics in a more multidisciplinary manner, facilitate continuous learning in interaction with peers, and stimulate on-demand and micro-learning of skills, competences and topics chosen independently.
  - Formal and non-formal institutions can issue digital certificates that are easily shareable and verifiable; digital technologies also offer a new means of validation for informal learning.
- The Index of Readiness for Digital Lifelong Learning has been constructed with existing data and new data generated from surveys with national experts from the EU.
- European countries differ widely in their readiness to utilise digital learning technologies.
  - Correlation between individual parts of the index is low or even negative, indicating that countries are not uniformly ranked across individual indicators.
  - All countries, including the top performers, have significant room to grow, and digital inclusion is not a given, even for wealthier and more successful countries.
- The countries doing best overall are: Estonia, the Netherlands, Finland, Luxembourg, Malta and Cyprus.
  - Countries significantly underperforming the European average are Belgium, Poland, the Czech Republic, Romania, Greece, Italy and Germany, which comes last.
  - RoI comes 11<sup>th</sup>.
- Four out of the largest five EU countries – Germany, France, Italy and Poland – score poorly, but there is no one-size-fits-all solution.
  - While France has an excellent institutional environment for digital policymaking, it lags behind in investment into the digital skills of educators.

- Italy has recently made strides in creating strong institutions and policies for digitalisation, but this has yet to deliver tangible results.
- Germany has come under scrutiny for under-investment in digital infrastructure, and Germans tend to be sceptical towards digital technologies.
- If there is one thing that can be observed in several large EU countries, it is a wary attitude towards digitalisation – unless citizens, students and consumers can trust that their privacy and interests will be protected, the potential of digital learning will never take off.

*The report includes 27 individual country pages summarising key findings for each EU member state – apart from the UK.*

*\*[Grow with Google](#) provides products, training and tools to help Europeans find a job, advance in their career or develop their business.*

**Cedefop published [Not just new jobs: Digital innovation supports careers](#), a briefing note on recent European practices that help citizens make relevant career and learning choices.**

- Current developments in data availability and increases in computational power suggest that lifelong support to careers is more available than ever.
  - Digital innovation – appropriately embedded in guidance, learning and work contexts – drives progressive change from passive to dynamic support tailored to changing individual needs.
- However, to some extent, employment, education and training policies are still caught up in ‘silos’, applying one-size-fits-all solutions, potentially due to the impossibility of managing and transmitting complex individual information.
  - This approach is gradually being superseded: people can now learn and get support on the basis of what they know and need, with information transmission becoming ever easier.
- Across Europe, there are examples of ways that new approaches to career development support and self-directed learning are transforming lifelong learning, thanks to innovative tools, greater data availability and AI.

**The European Commission published [Achievements under the Renewed European Agenda for Adult Learning \[EAAL\]: Report of the \[Education & Training\] ET 2020 Working Group on Adult Learning \(2018–2020\)](#).**

- The European Commission is responsible for supporting member states working on EAAL priorities, namely governance of adult learning, supply and take up of provision, access to adult learning and quality assurance.
  - The ET Working Group’s role is to identify policies that promote and support the workplace learning of adults.
- The report presents an overview of the initiatives taken at EU level, and the trends and developments at EU level and in individual countries since 2011; key messages include:
  - Policymakers’ attention on adult learning has generally increased and the policy area has been broadened significantly to include more situations in which adults learn.
  - The need for adult learning systems that respond to national and EU challenges ‘in fast-changing contexts’ has increased, e.g. to respond to the changing nature of work, automation and demographics.
  - Despite efforts at EU and member state level, the participation rate of adults in learning has not significantly increased.
- Development areas identified for post-2020 include:
  - **Improving structures and systems** – financing; coordination; engagement with employers; and professionalisation of adult learning staff and institutions.
  - **Focusing on areas that need additional attention** – *inclusive societies*: do more to include key competences in the learning processes and contribute to inclusive societies; *digital societies*: more emphasis on educating and training adults to use digital tools, and adult learning professionals using more digital tools for educational purposes; and *learning workplaces*: further stimulate learning in the workplace, emphasising it as a site of learning for all ages.
  - **Targeting specific groups** – migrants; those who have been out of education and training for a long time; those lacking basic skills; the unemployed; and those below or at the poverty threshold.

**The OECD published [Skills Matter: Additional results from the survey of adult skills](#).**

- PIAAC (Programme for the International Assessment of Adult Competences) assesses the proficiency of 16–65 year-olds in three key skills: literacy, numeracy and problem solving in technology-rich environments.
- The publication is an update that incorporates new data from six countries: Ecuador, Hungary, Kazakhstan, Mexico, Peru and the US.
  - It shows that poor skills severely limit people's access to more rewarding and productive jobs, and have significant implications for how the benefits of economic growth are shared within societies.
- Acquiring relevant skills is key, but workers must also be given the opportunity to use their skills productively and to reap some of the tangible and intangible benefits of skills proficiency, such as wages and productivity at work.

## THE CHANGING NATURE OF WORK

### Demos published [\*The liquidity trap: Financial experience and inclusion in the liquid workforce.\*](#)

- The 'liquid workforce' encompasses the self-employed, temporary workers, zero-hours workers, freelancers and those with multiple flexible forms of employment.
- Among the findings:
  - 22% of liquid workers earn less than £10,000 p.a. compared to 7% of employees; however, they are also slightly more likely to fall into higher income brackets.
  - 31% of workers on zero-hours contracts felt very stressed and anxious about their finances in the last year, compared with 15% of employees.
  - 28% of liquid workers have been turned down for financial products due to their employment history compared with 15% of traditional employees.
  - 28% use payday lenders, compared with 16% of employees.
  - 48% would be willing to sacrifice some flexibility in the way they work for greater financial security, particularly those with lower incomes; 21% would be unwilling to do so.
- Recommendations include:
  - Self-employed national minimum and national living wages
  - Means-tested 'accountancy aid' to help liquid workers manage their finances; free advice sessions from banks
  - More financial management tools, such as automated savings schemes and financial forecasting
  - An auto-enrolment pension scheme for the solo self-employed, with government acting as the 'de facto' employer; those leaving employment to be able to continue in their previous employer's pension scheme
  - New criteria for financial product eligibility; fintech-powered income verification to help those on variable incomes demonstrate credit-worthiness; a list of approved financial product providers for the liquid workforce
  - The Government to work with organisations such as trades unions and banks to establish universal portable benefit schemes for liquid workers.

### The Scottish Trades Union Congress published [\*Collectivising in Precarious Work: Time, Control, Trust\*](#), findings of research conducted with the Universities of Glasgow and Strathclyde.

- Over the last decade there has been an increase in the range of sectors experiencing precarious forms of working and of workers undertaking insecure work.
- Time, lack of control and trust are the key issues facing workers in insecure employment.
  - Workers are time-poor and financially poor; this is taking a toll on their mental health.
  - Feelings of lack of control are prevalent among precarious workers.
  - The ability to negotiate and bargain about time and about pay and other benefits is vital.
  - The creation of mistrust and competition between workers is a form of control which employers use by accident or design to perpetuate forms of precarious work.
  - An atmosphere of camaraderie and friendship is also possible in precarious settings.
- Unions have a key role in bringing workers together, and in reducing isolation and mistrust.

- Recommendations include ending contracts below 16 hours and removing the age inequality in the minimum wage.

**The Centre for Cities published research findings on [self-employment in cities in Great Britain](#).**

- Self-employment in GB cities has risen by 44% since 2008.
  - Nearly 80% of urban self-employment is mid- and lower-skilled in e.g. construction, transport, the arts and personal services.
- The average percentage of high-skilled self-employed workers is 21.9%, ranging from 41.8% in Cambridge to 10.6% in Slough.
  - People in weaker city economies are more likely to be in lower-skilled self-employment.
- Few self-employed people undertake training to 'future-proof' their skills.
- Recommendations include: allowing training costs to be deducted from income tax; sectors with high levels of self-employment to create industry training boards; and introducing policy incentives to attract more high-knowledge industries to 'struggling' cities.

**Eurofound (European Foundation for the Improvement of Living & Working Conditions) published [Casual work: Characteristics and implications](#).**

- The European Parliament defines casual work as 'irregular or intermittent, with no expectation of continuous employment'.
  - Eurofound distinguishes two forms – 'intermittent' and 'on call' – the use of which varies between countries ('on call' is more prevalent in the UK).
  - However, the absence of an agreed definition of casual work and the use of different forms of employment relationships and different approaches to regulation makes comparisons between countries difficult.
- Among the findings:
  - Evidence indicates some 'standardisation' of casual work as well as a casualisation of standard forms of employment.
  - Those who work in casual arrangements are mainly from groups more involved in non-standard forms of employment: young people, older workers, women, low-qualified workers and migrants.
  - Casual work situations are highly polarised between those who chose it because it suits their personal circumstances and those for whom it is, or is perceived as, the only work available.
  - Casual workers are more likely to experience inferior working conditions relative to those employed on standard contracts.
  - Low income is a major risk, and the lack of rights and protections increases the risk of poverty in old age; abuse of casual work arrangements pushes casual workers further towards precariousness and poverty.
  - Making the voice of casual workers heard remains a challenge, as intermediary bodies are not always able to address issues that they consider to be beyond their immediate concerns.
  - Aside from seasonal fluctuations in production, organisations employ casual workers for three main reasons: cost advantages, flexibility and technological change.
  - Businesses like the way casual work smooths the hiring process and improves competitiveness but dislike the disruptive effects associated with more flexible employment, such as high staff turnover and potentially less commitment.
  - Business models founded on casual work increase competition between casual workers and workers in standard employment, and transfer economic risks from businesses to individuals.

**CESifo published [Does Remote Work Improve or Impair Firm Labour Productivity? Longitudinal Evidence from Portugal](#) – a country where the prevalence of telecommuters is higher than the EU average.**

- Anecdotal evidence points to several advantages of remote working (RW) to workers and firms alike; however, the existing empirical evidence on its effect is less conclusive.
  - An extensive body of work shows mixed evidence on the linkages between RW and various individual-level worker outcomes such as turnover, job autonomy and satisfaction, and motivation.
  - Whereas empirical evidence overwhelmingly points to a positive effect on productivity, recent lab experiments provide evidence of negative or, at best, mixed effects.

- Theoretical developments also show that the relationship between self-managed working time (which includes RW), employee effort and thus worker productivity is not unambiguously positive.
- Key findings:
  - Across all firms, a policy of allowing employees to work from home has a significantly negative effect on productivity.
  - However, there is substantial variation between different types of firm, and the negative effect is mainly driven by small, non-exporting firms that don't undertake any R&D activities and employ a relatively high share of low-skilled workers.
  - The presence (or not) of R&D activities is a key distinction and, for the subset that undertake R&D, RW has a significantly positive effect on labour productivity.
  - This suggests that the productivity effects of RW might crucially rely on job characteristics; the results tentatively confirm previous experimental evidence showing that RW positively affects productivity for creative tasks and negatively affects it for routine tasks.

**The ILO Global Business & Disability Network and the Fundación ONCE published [Making the future of work inclusive of people with disabilities](#).**

- The future will bring major challenges for society in general and work in particular, which need to be addressed before they arise in order to ensure no one is left behind, including those with disabilities.
- Where employability data are available, the labour market participation rate of people with disabilities is lower than that of those without disabilities, and the gap could widen.
  - The situation of women with disabilities is worse.
- The interconnected megatrends of the Fourth Industrial Revolution shaping the future of work are:
  - **The technological revolution:** it could offer people with disabilities better access to the job market, but AI applications that aren't inclusive could create considerable threats to their employment.
  - **The new skills required:** lifelong learning will be key for all and needs to be inclusive of people with disabilities.
  - **Cultural change:** the companies of the future will foster more sustainable working environments, and will be less hierarchical, more flexible, diverse and inclusive; new ways of working such as teleworking and flexitime might help overcome the barrier of disability.
  - **Demographic change:** the ageing population is contributing significantly to a higher rate of disability, making disability inclusion a priority; young people with disabilities are more vulnerable and at greater risk of exclusion.
  - **Climate change:** the transition to low-carbon economies will be a net generator of jobs; the 'Climate Action for Jobs' initiative puts decent work for all at its centre and sets out specific measures for inclusion.
- Analysis of these trends and specific actions that will help achieve the desired future of work must be carried out with an awareness of the diversity within the population with disabilities.
- The following key objectives have been identified:
  - New forms of employment and employment relations to integrate disability inclusion
  - Skills development and lifelong learning to be inclusive of people with disabilities
  - Universal design embedded in development of all new infrastructure, products and services
  - Assistive technologies, existing and newly developed, to be made affordable and available
  - Measures to include people with disabilities in growing and developing areas of the economy.
- Governments, companies, disability NGOs, trade unions and academia must be encouraged to commit and contribute towards achieving these objectives through different actions.

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

**The Office for National Statistics published [Job quality indicators in the UK – hours, pay and contracts: 2018](#).**

- 80% of employees work 'satisfactory hours' (48 hours or fewer) and do not consider themselves underemployed.



- Employees in NI are the most likely to be working 'satisfactory hours', at 84%, compared with 80% for the whole of the UK.
- When analysed by industry, the percentage of people employed with satisfactory hours in the UK ranged from 62% to almost 88%.
- Female employees had a higher percentage of satisfactory hours in every industry than male employees.
  - Public administration came out at or near the top for both genders: 84% for males and 91% for females.
  - Agriculture, forestry and fishing showed the lowest percentage of satisfactory hours for males by 7ppt (51%), while 'education' and 'mining and quarrying' showed the lowest percentage of satisfactory jobs for females (77.5%).
- 99% have a contract they are happy with (a 'desired contract'), falling to 97% in NI.
  - Men in full-time positions are more likely to have a desired contract (99%) than those in part-time (97%); the figure is 99% for women, regardless of status.
- Using 66% of the UK median hourly pay as a measure for low pay, 7% of employees in the UK were in low-pay employment; the figure for Wales was the highest (8%) and for Scotland the lowest (6%).

*The analysis includes an interactive map showing how local areas fare for 'quality work' as measured by satisfactory hours, desired contract and not in low pay.*

### **BEIS published [Human Resource Management Diffusion and Productivity Imbalances](#).**

- It is widely acknowledged that the UK has a particularly long tail of low-productivity regions, with a greater imbalance than in many other advanced nations.
  - In London, output per person is around 75% higher than in Wales.
- HR management covers a range of practices used to achieve competitive advantage, including incentive pay, performance evaluation, team working, target setting and the use of just-in-time production processes.
  - Workplace-level data in Britain are used to map variance in HR management intensity, with a view to establishing whether it can help account for the substantial degree of regional variance in productivity which is apparent within the UK.
  - The analysis has been complemented by an investigation of equivalent data for France, which has a notable productivity lead over the UK, but also a lower degree of regional variance.
- Overall, there is considerable regional variance in HR management intensity in Britain, which is positively correlated with regional differences in productivity.
  - The variance is larger than in France, which can be partly attributed to greater variance in the composition of Britain's regions.
- However, there are a number of universally relevant factors that are associated with HR management diffusion in both countries.
  - These include product market competition, participation in international markets and membership of networks for knowledge sharing.
  - When these characteristics are combined with information on the local skills supply and the position of the workplace in production networks, it is possible to explain much of the regional variance in HR management intensity in Britain.
- Policymakers should continue to support long-standing initiatives:
  - The development of competition in product markets, which incentivises firms to implement managerial best practice
  - Initiatives to encourage firms to expand into larger – particularly international – markets, providing contact with cutting-edge management practices
  - Enabling the supply of high-level skills into local labour markets: workplaces with larger shares of graduates have higher levels of HR management intensity; firms also benefit from being located in areas where graduates are more plentiful, absorbing local best practice management techniques.
- Policymakers should also support initiatives that enable and incentivise knowledge sharing and network development; benefits can accrue both horizontally (within a sector) and vertically (along supply chains).



**ACAS published [Managing workplace conflict: The changing role of HR](#), drawing on literature and in-depth interviews to better understand the 'resolution gap' that has emerged as informal resolution processes have been eroded.**

- HR structures evolve as organisations develop and grow:
  - Smaller organisations take a more generalist approach to HR management, with conflict management at its core and a clear ambition to be more strategic.
  - In larger organisations there is a clear separation between specialist services, operation advisors and 'strategic' HR business partners.
- Conflict management is a consequence of, rather than part of, strategic considerations, and therefore secondary to the overarching business partner role; employment relations and conflict handling is seen as operational and adding less value.
- Expertise in conflict management and employment relations is not seen as a path to career success for most HR practitioners, but rather as work to be left behind.
- The separation between HR business partners and practitioners specialising in employment relations makes early resolution of conflict less likely, and responses reactive, late and focused on the management of risk.
- Line managers lack confidence in handling conflict and prioritise production imperatives over people-related issues, forcing HR to adopt reactive positions to conflict.
- The current debate over good work offers the potential to reassert the significance of employment relations and foreground fairness at work; this, in turn, requires a return to more 'generalist' approaches to HR and business partnering.
- HR practitioners at all levels need to see building the competence of line and operational managers as a principal goal; managers need to develop the skills to build positive relationships with staff and resolve difficult issues when they arise.
- Proximity between HR and the line is vital, and the coaching role of HR practitioners is essential in building the confidence of line managers to address the difficult issues that they will inevitably face.

**The UK Government Equalities Office published [Family friendly working policies and practices \[FFWPs\]: Motivations, influences and impacts for employers](#), an evidence review.**

- Three distinct but interconnecting factors appear to be most important in employers' decision-making processes:
  - **Internal or external pressures:** senior leaders' beliefs and personal experience; levels of state support; institutional pressures; corporate social responsibility; the proportion and influence of women employees; and level of unionisation
  - **Organisational-specific factors:** size, sector and industry; job type and scheduling structure; enabling technology; enablers/barriers to work-life balance; and work culture
  - **Meeting and improving organisational goals** through: high-skilled recruitment; improved productivity; realisation of business goals; improved financial performance; improved staff commitment; return on investment of workplace initiatives; reduced absence; reduced turnover intentions; and associated costs and benefits.
- Most studies highlight positive organisational outcomes from FFWPs.
  - However some have both direct and indirect effects and can be harder to measure; this lack of clear evidence may deter some employers from implementing FFWPs.
- Existing interventions outlined the need for:
  - widely disseminating the business case for FFWPs
  - encouraging management training and 'top-down' buy-in
  - fully incorporating FFWPs into organisational practices and creating awareness of their availability
  - considering individual cases, alongside formalisation of policies and practices
  - promoting a positive workplace culture and encouraging open dialogue between management, caregivers and other colleagues
  - introducing flexibility 'champions'
  - discussing any flexible working requests within the work team
  - allowing staff input into any new work design

- holding a pilot trial
- considering other factors which may be affecting outcomes
- considering the introduction of a results only work environment in any job.

**The Government Equalities Office published [Women's Progression in the Workplace](#), a review of the evidence on the gender divide and policies that are successful in improving it.**

- Four key types of barrier can be identified:
  - Processes for progression that enable bias, including via networks and the process of 'social cloning'
  - Hostile or isolating organisational cultures
  - The conflict between external responsibilities and current models of working, such as norms of overwork
  - Alternative ways of working that don't currently offer parity, such as part-time working.
- In terms of successful interventions:
  - Interventions to make the processes for promotion and progression standardised and transparent – such as formal career planning, clear salary standards and job ladders – are linked with improved career outcomes for women.
  - Alternative working time policies need to go alongside efforts to reform organisational culture to include them; alternative working time policies without culture change risk embedding gender inequality in contexts where part-time and flexible working are seen as signalling a lack of commitment.

**Business in the Community published [Mental Health at Work 2019: Time to Take Ownership](#), the fourth annual report, based on YouGov survey data from over 4,000 employees in the UK.**

- In the past year 39% of employees experienced poor mental health due to work or where work was a contributing factor, up 3ppt from 2018.
  - The main causes are too much pressure, workload impacting on ability to take leave and a lack of support; negative work relationships and feeling unable to trust managers also have an impact.
  - 41% of those experiencing a mental health problem said there had been no resulting changes or actions taken in the workplace (down 8ppt).
  - 51% feel comfortable talking generally in the workplace about mental health issues.
- 62% of managers faced situations where they put the interests of their organisation above the wellbeing of colleagues (down 2ppt).
  - 70% say there are barriers to them providing mental health support (up 2ppt).
  - Only 11% have received training on understanding workplace stressors.
- Recommendations are provided for senior leaders on how to 'radically improve' the support provided in the workplace.

**BEIS published [Impacts of minimum wages: review of the international evidence](#), an independent report to inform the remit of the Low Pay Commission beyond 2020.**

- Overall the most up-to-date research from the US, UK and other developed countries points to a very muted effect of minimum wages on employment, while significantly increasing the earnings of low paid workers.
  - Importantly, this is the case even for the most recent ambitious policies.
- There is therefore room for exploring a more ambitious National Living Wage (NLW) remit in the UK, in the range of 60–66% of median hourly earnings.
  - However, given that the evidence base is still developing, it would also be prudent to accompany more ambitious minimum wages with a clear mandate that the Low Pay Commission can use to implement, evaluate and recalibrate any proposed changes to the NLW.

**The National Institute of Economic & Social Research (NIESR) published [Understanding employers' use of the National Minimum Wage youth rates: Report to the Low Pay Commission](#).**

- The NLW was introduced in 2016; there are now four age bands and an apprentice rate.
  - Past increases in youth rates have been modest in the context of economic recession, however an improving youth labour market has resulted in more ambitious increases in recent years.

- There are concerns that rapid, large increases in youth minimum wage rates could damage the current and future employment prospects of young people; employer practices in relation to the minimum wage rates need to be better understood in order to determine whether this is likely.
- Key findings of a policy framework review include:
  - The educational and labour market policy landscape has undergone significant reform since the introduction of the National Minimum Wage in 1999 and the proportion of young people in education and training has increased substantially since then.
  - Despite increases in young people's participation in education and training, there remain concerns regarding the quality and returns of apprenticeships and vocational and technical education.
  - There are concerns about the opportunities for disadvantaged students as a result of reforms, e.g. replacing the Education Maintenance Allowance with the 16–19 Bursary in England, and increases in tuition fees.
  - There are persistent concerns over the limited involvement of employers in helping young people into work.
  - Employers are not aware of the extent of policy changes relating to people's labour market participation.
- Key findings of new NIESR research include:
  - Young people are valued by employers in lower-skilled sectors.
  - In hospitality, recruiting young people met immediate labour requirements, particularly for shift work and seasonal jobs, and they were seen as important in ensuring the future supply of managers and supervisory staff.
  - In retail, young people were seen as a source of flexible and permanent labour, with students employed in part-time roles and graduates in full-time and training posts.
  - Across sectors, young people were valued for their ability to cope with the physical demands of some jobs, e.g. kitchen work and childcare.
  - Some employers recruited young people to fit the brand of their businesses such as pubs and bars.
  - Pay setting is informed more by competitors' rates and affordability than age.
  - The youth rates are used in varying ways, often partially rather than in full.
  - Some employers felt that youth rates could be justified in the case of very young and inexperienced workers, but were less applicable to those aged 18+, and even less so to those aged 21+.
  - Employers asserted that age was not a consideration in their pay policies and practices, and that pay should relate to the job not the person; the main motivation to use the youth rates is to reduce costs.

**IZA published [\*People versus Machines in the UK: Minimum Wages, Labor Reallocation and Automatable Jobs\*](#)**

- The study explored whether minimum wage increases have affected the employment possibilities for low-skilled, low-wage workers relying on automatable employment.
- Findings include:
  - Increasing the minimum wage decreases the share of automatable employment held by low-skilled low-wage workers, and increases the likelihood that workers in automatable jobs become unemployed.
  - Overall the effect size is modest, e.g. an increase of 10% in the minimum wage implies a 0.11ppt decrease in the shares of automatable employment.
  - However, the effects have been larger in more recent years, suggesting that the interaction between the minimum wage and automation has been accelerating as technology has advanced, its price has fallen and the minimum wage has increased.
  - There is significant variation by industry and demographic group, e.g. workers in manufacturing are the most vulnerable to the loss of automatable work, as well as low-skilled men, white and older workers.
  - The same types of low-skilled low-wage workers in automatable employment are more likely to switch jobs following a minimum wage increase.

- Monitoring these trends and ensuring that low-skilled, low-wage workers are not unduly impacted by the Fourth Industrial Revolution is a key role for government and social science researchers.

**The Centre for Economic Performance published [The Innovation Premium to Soft Skills in Low-Skilled Occupations](#), using matched employee–employer data to analyse the wage premium of working for an innovative firm.**

- Soft skills are an important determinant of the wages of workers in low-skilled jobs; they are a key driver of the complementarity between low-skilled and high-skilled workers, yet they are difficult to observe and verify.
- A model is proposed in which a firm’s innovativeness is reflected in the degree of complementarity between workers in low-skill and high-skilled occupations, and in which soft skills are an important determinant of the wages of those in low-skilled jobs.
  - The model provides additional predictions on training, tenure and outsourcing.
- Companies that are more R&D intensive pay higher wages on average, particularly to workers in some low-skilled occupations.
- Workers in high-skill occupations do not seem to enjoy much of a wage premium from working for a more R&D intensive firm, however these firms hire fewer workers in low-skilled roles and more workers in high-skilled jobs, therefore workers in high-skilled occupations do benefit the most from working in a more innovative environment.

**IZA published [Skills, Tasks, and Complexity](#), introducing a new task-based framework to describe production.**

- The labour market partitions itself into ‘submarkets’, in which wages and productivity are aligned, and high-skilled workers may obtain wage premia above their productivity level.
  - Almost any worker can experience tasks that are too complex for them to perform; this can have profound consequences for wages, segmentation of labour markets and incentives for and consequences of new products and processes.
  - Comparatively small changes in a task’s complexity, such as via new products, processes or automation, may have either a negligible or a large impact on wage inequality.
- A new task-based production framework has been developed that characterises tasks by their level of complexity; it can be used to e.g.:
  - produce a list of minimal skill requirements for performing complex tasks, and match skills to task-complexity types
  - relax the segmentation of labour markets, allowing workers who are below the minimum skill-requirement to widen their employability possibilities
  - produce a detailed analysis of opportunities and incentives to automate tasks of specific complexities, aiding the understanding of how further automation will impact wage inequalities.

**The Centre for Progressive Policy (CPP) and the All-Party Parliamentary Group on Inclusive Growth published [The good life: the role of employers – Measuring employers' contribution to inclusive growth](#), their third report.**

- The CPP’s Good Employer Index brings together data from a range of public sources to rank the 25 largest UK employers, accounting for 2.3m workers.
- The five top employers are: John Lewis, Barclays, RBS, the Ministry of Defence and Network Rail; the five bottom, starting with the worst, are: Capita, Morrisons, Associated British Foods, Asda and the Metropolitan Police.
  - Only four – the banks HSBC, Lloyds, Barclays and RBS – pay the real Living Wage; at the same time, they have the four highest gender pay gaps of the 25.
- While sector is important, it only explains a third of the differences between organisations: both the retail and public sector are spread across the rankings.
- Voluntarily reporting CEO pay ratios is a particularly good indicator of whether an employer ranks highly on the index, suggesting that transparent employers tend to be better employers.

**Eurofound published [Monitoring EU convergence: Upward convergence in working conditions](#), research into a major component of social policymaking, led by Warwick Institute for Employment Research.**

- The study examined whether working conditions have improved over the past 20 years in the EU as a whole and whether differences between member states have narrowed.
  - The analysis focused on seven indices or dimensions of working conditions identified in Eurofound's job quality framework: physical environment, work intensity, working time quality, social environment, skills and discretion, prospects and earnings.
  - It also looked at gender gaps in these dimensions and identified possible societal and institutional drivers of upward convergence.
  - The evidence provided by this study enables Eurofound to suggest targeted interventions for improving job quality through the selection of appropriate policy instruments.
- 'Upward convergence' (poorer-performing member states catching up with those that are better-performing) has occurred for the EU as a whole for six of the seven dimensions of working conditions – all except prospects.
  - However, not all countries demonstrated improvements in individual dimensions.
- Downward convergence was observed in 'prospects' (job security and career advancement), i.e. member states became more alike in a negative way.
- Upward convergence was found in gender gaps, with more similar working conditions between men and women, in five dimensions – the exceptions were 'physical environment' and 'prospects', where there was downward convergence: the gender gap widened.
  - Women experience better conditions than men in 'physical environment', but the gender gap in 'prospects' is small.
- Recommendations for policymakers include:
  - Target the poorer-performing countries to help close the gender gaps and raise the overall performance of the EU.
  - Formally recognise or accredit the skills acquired by workers on the job to improve their job prospects.
  - Increase awareness of the benefits of improving working conditions among company management, e.g. by initiating a review of leading EU business schools' pedagogy on this theme.

**ILO launched [ILOSTAT](#), a new statistics portal providing a wide range of labour market data aimed at researchers, journalists, experts and the general public.**

- ILOSTAT provides information by country or by key topic, such as employment, working poor or union membership.
  - The page also links to blogs and insights by ILO statisticians and economists, as well as upcoming events and publications.

## OLDER WORKERS

**The Chartered Institute of Personnel & Development published [Ageing Gracefully: The opportunities of an older workforce](#).**

- Since 1950 life expectancy overall has risen by 13 years, and life expectancy at 65 by seven years.
  - But none of these extra years is spent in work – the age of exit from the labour market is lower today than it was in 1950, although it has been improving since a low point in the mid-1990s.
- The UK has experienced the transition more slowly than many other developing countries, and, by international standards, has been relatively successful in extending working, helped by reforms such as increasing the state pension age and abolishing mandatory retirement.
- As the Baby Boomer generation heads into retirement, the 65+ age population will swell by 2.7m in the next decade.
  - At the same time, young people are spending longer in education and entering the labour market at later ages.
- Together these trends mean that many industries face the prospect of a demographic crunch, which will affect some more than others.
  - The four industries with the largest number of 50+ workers (health, retail, education and manufacturing) account for 47% of all 50+ workers in the economy.

- To avoid the demographic crunch: business could look overseas for talent, but immigration is only a partial solution; automation could reduce reliance on labour, but there is ongoing debate about whether it is happening at the right levels.
- 'Good' work can encourage workers to consider working longer; flexible working, health and wellbeing policies designed for older workers and lifelong learning can all help create the right environment.
  - A large increase in the number of older workers who are self-employed may suggest a latent demand for flexible working that employers are not accommodating.
- Older workers have been the key recipients of the jobs boom that has characterised the post-recession recovery; since the publication of the Government's *Fuller Working Lives* (2017), an extra 570,000 older people are now in work.
- The Baby Boomer generation will be the first to work at older ages en masse; its legacy will be a world of work transformed into one that works for older workers.

**CEPS published [\*Policies for an Ageing Workforce: Work-life balance, working conditions and equal opportunities\*](#).**

- In 2050, the share of people over the age of 75 years will be the same as the share over 65 years today, but not everyone will be able to work at that age, even if they are healthier and have better working aids.
- Extending average working lives by ten years, and at the same time ensuring an adequate social safety net for those unable to work into their late 60s and 70s, is a major social policy challenge for the coming decades.
  - Tackling the challenge involves delving into policy areas ranging from working conditions, skills and lifelong learning, pensions, socioeconomic inequalities in health and life expectancy, to the design of a much broader agenda on active ageing.
- This edited volume, produced as part of the [FACTAGE](#) (Fairer Active Ageing for Europe) project, comprises short chapters based on in-depth research by a range of authors covering topics including:
  - Working conditions at different ages
  - Working conditions and the length of working lives
  - Extending working lives through flexible retirement schemes
  - Skills mismatch among older workers
  - Changing patterns of older workers' employment
  - Active ageing.

## International Comparisons

**The European Commission published [\*Structural Indicators for Monitoring Education and Training Systems in Europe 2019: Overview of major reforms since 2015\*](#).**

- The report contains data with over 35 indicators on education policies in six areas: early childhood education and care; achievement in basic skills; early leaving from education and training; HE; graduate employability; and learning mobility.
  - It includes an overview of major reforms since the start of 2014/15 in each policy area.
- The indicators provide information on national policies and structures that contribute to achieving the EU Education & Training 2020 targets, analysed in detail in the Education and Training Monitor 2019 [see the summary in Skills Research Digest Q3 2019].

*Includes separate data for the four UK nations.*

**The European Commission published [\*The Structure of the European Education Systems 2019/20: Schematic Diagrams – Eurydice Facts and Figures\*](#) for 43 systems from 38 countries participating in the Erasmus+ programme.**

- Information is presented on the structure of mainstream education from pre-primary to tertiary level.
  - Post-secondary non-tertiary programmes and tertiary level main programmes are included.

*Includes separate data for the four UK nations.*



**Cedefop published [Global inventory of regional and national qualifications frameworks 2019 – Volume II: National and regional cases.](#)**

- Overall, the publication provides an update on the progress made in establishing and implementing national and regional qualifications frameworks around the world since 2017.
- *Volume II* includes information on developments in 95 countries, including the UK (split into the four nations) and RoI, and seven regions.

**The WEF published [Global Gender Gap Report 2020](#), the 15<sup>th</sup> report tracking progress on the gaps between women and men on health, education, economy and politics.**

- While progress has been made, there is still a 31.4% average global gap:
  - Political Empowerment has the largest gap; 108 out of 149 countries have improved their scores, mainly driven by the increase in the number of women in parliaments.
  - Economic Participation & Opportunity: the number of women in senior roles has increased, with 36% of senior managers and officials now women; however, women's participation in the labour market is stalling and financial disparities are increasing.
  - Educational Attainment: 35 countries have gender parity, but 10% of 15–24 year-old females are illiterate; women continue to be under-represented in six of the eight micro-clusters with the highest employment growth rate.
  - Health & Survival: this remains virtually unchanged since last year.
- Projecting current trends into the future, the current global gap will close in 99.5 years, on average, although the Educational Attainment gap is on track to be closed over the next 12 years.
- Iceland is the most gender-equal country in the world for the 11<sup>th</sup> time in a row, having closed almost 88% of its overall gap.
  - It is followed by: Norway (84.2%), Finland (83.2%) and Sweden (82.0%).
- The UK is 21<sup>st</sup> overall (76.7%): Economic Participation & Opportunity 58<sup>th</sup> (70.4%); Educational Attainment 35<sup>th</sup> (99.9%); Political Empowerment 20<sup>th</sup> (39.6%); and Health & Survival 112<sup>th</sup> (97.0%).
  - In comparison, RoI is 7<sup>th</sup> (79.8%): Economic Participation & Opportunity 43<sup>rd</sup> (73.2%); Educational Attainment 47<sup>th</sup> (99.8%); Political Empowerment 11<sup>th</sup> (49.3%); and Health & Survival 113<sup>th</sup> (97.0%).

## Government

**England's Department for Education published [Education and Training Statistics for the United Kingdom 2019](#), bringing together data on all four systems.**

- Section 1 focuses on school, pupil and teacher numbers; Section 2 on FE and HE; and Section 3 on students' qualifications.
- Rather than direct comparisons of numbers, the release provides percentages, ratios and trends that can be compared, along with some figures covering the whole of the UK.

A separate [publication](#) helpfully describes the four systems at each phase.

## NORTHERN IRELAND

**The Department for the Economy (DfE) published [Northern Ireland's International Competitiveness – Education, Skills and Employability](#), assessing NI's position relative to 16 other small advanced economies (SAEs) as measured by three key indicators.**

- NI's draft Industrial Strategy aims to put it in the top three of SAEs by 2030, with education, skills and employability a key pillar.
- Tertiary Education Attainment Levels: this is an important indicator of performance in supplying a highly educated workforce.
  - The SAE average rose from 32.1% to 41.6% in the decade to 2018; the NI figure was below average throughout, but increased fairly consistently from 2011 to reach 37.2% in 2018.
  - Overall, NI is 15<sup>th</sup> out of 17 countries, only ranking higher than Austria and the Czech Republic.

- Israel ranks highest, perhaps helped by a focus on early childhood education and care, and compulsory education starting at the age of three.
- Graduates in STEM Subjects: this is recognised in the 'Programme for Government' and the NI Skills Strategy as critical to the country's future success.
  - Although lagging behind the SAE group average of 24.3%, NI has closed the gap over the 2013–17 period, and now ranks 10<sup>th</sup>, up from 14<sup>th</sup>.
  - It experienced the largest percentage increase of all the countries, up from 18.1% in 2013 to 23.1% in 2017.
  - Austria has outperformed its competitors throughout the period, with STEM education considered a national priority.
- Youth Population (16–24) NEET:
  - 8% of the SAE youth population were NEET in 2007, rising to 11.6% by 2009 as a result of the recession, and falling fairly consistently since then to 8.2% in 2017.
  - NI has lagged behind the group throughout the period, and seen greater post-recession fluctuations; the figure in 2017 was 11.6% and NI has fallen from 14<sup>th</sup> to 15<sup>th</sup>.
  - The NI figure now appears to be on a downward trend, aided in part by the 'Pathways to Success' strategy.
  - Iceland is the top ranking economy for this indicator, with only 3.9% NEET in 2017.

**The DfE published [Northern Ireland evidence relevant to the UK Government's \[UKG\] Immigration White Paper](#), submitted to the UKG and stakeholders to support consideration of related policy proposals.**

- It includes analysis of the profound importance of migrant workers to the NI economy across the skills spectrum, and the potential disproportionate impact that restricting the flow of European Economic Area (EEA) migrant labour would have.
- The number of EU26 migrants has already fallen by 17% over 2016–18, to 44,000, and by 26% between Q2 2016 and Q2 2019.
  - The overall migrant worker population stood at 82,000 (9% of total employment) in Q2 2019.
- The NI labour market continues to tighten, and access to skills and labour is consistently identified by stakeholders as a critical EU exit issue.
  - With the lowest median private sector salary of all UK regions (£24,000 p.a.), the proposed minimum salary of £30,000 for the skilled worker route would put NI at a significant disadvantage in attracting migrant workers.
  - There is also a very real risk that businesses will relocate to RoI in order to open up the pool of potential employees.

**The DfE published [Survey of Further Education College Leavers Report: Academic Year 2017/18](#), its fifth annual survey.**

- 45.9% were in employment six months after achieving their 2017/18 qualification, up from 40.8% before their course began; the proportion in learning fell from 44% to 41.1%.
- 25.2% did the course to improve their career prospects, 17.6% because they were interested in the subject and 14.6% because they wanted to go on to further/higher learning.
- The subject areas with the highest proportions of FE college leavers in full-time employment were: construction, planning & the built environment (55.4%); business, administration & law (52.8%); and education & training (50%).
- The areas with the lowest proportions in employment were: social sciences (7%); history, philosophy & theology (11.1%); and science & mathematics (18.3%); however, these subjects had some of the highest proportions of leavers in further full-time study.

## ENGLAND

**L&W published [Fit for purpose? Education and employment support for young people](#), the latest report from its Youth Commission.**

- There is much to admire in England's learning, skills and employment systems for young people; however, complexities and gaps contribute to too many young people not getting the core skills they need and lacking experience of work.
  - Planned changes are welcome but will not be sufficient, and a clear, ambitious step change is needed.
- Among the challenges identified:
  - Progress in improving proportions achieving Level 2 and 3 has stalled at 84% and 60% respectively – lower than in many other countries; the proportion undertaking vocational or technical education or apprenticeships is relatively low.
  - International surveys show England's young people have lower literacy and numeracy levels than in many countries.
  - Policy is often patchy and siloed, and systems are complex and constantly changing; too many young people don't know what support is on offer or where to go for help.
  - The number of young people with experience of work has fallen: 10% of 16–24 year-olds have never had a job other than holiday or casual work; the proportion of 16–17 year-olds working while studying has halved to 20%.
  - Employment of 18–24 year-olds is back to pre-recession levels, but 100,000 have still been out of work for more than one year.
  - Funding cuts are limiting the ability of LAs to track 16–17 year-olds and re-engage those who are NEET; this age group is not entitled to benefits and can't access support from Jobcentre Plus.
  - 18–24 year-olds on Universal Credit and looking for work are enrolled on the Youth Obligation, but there are no data on its impact; 40% of those out of work aren't on benefits.
  - There is little sustained and targeted support to help young people progress in their careers; the proportion of young people getting training at work in the last 13 weeks has fallen by 20% since 2005.
  - Despite many reports highlighting challenges with England's 14–19 education, it continues to be fragmented and complex, and offers a narrower field of study than in other countries.
  - The introduction of T Levels might make a difference, but is not an answer on its own; sourcing and providing sufficient high-quality industry placements will be challenging.
  - Clear progression routes into and beyond T Levels are urgently needed, as well as a vision of the learning landscape for young people; funding for other qualifications should not be shut off before there is a clear and credible alternative in place.

**The OfS published [\*The National Collaborative Outreach Programme \[NCOP\]: End of Phase 1 report for the national formative and impact evaluations.\*](#)**

- England's NCOP was launched in January 2017 and aims to increase the number of young people from under-represented groups who go into HE.
  - It provides 'a sustained, progressive and intensive programme of support' for pupils in Years 9–13 in areas where participation is lower than would be expected given local GCSE results.
  - Since August 2017, 29 partnerships have engaged more than 660,000 young people; many also offer CPD to teachers and careers advisers, and reach out directly to parents and carers.
- Overall:
  - The collaborative approach is successfully addressing 'cold spots', and some schools and FE colleges are engaging in outreach for the first time or for a long time.
  - The offer comprises well-established interventions as well as new approaches; partnerships are moving away from offering fixed menus of activities and increasingly providing programmes that are tailored to age, circumstances, school/college type and local context.
  - NCOP is facilitating access to high-quality, impartial information, advice and guidance; increased knowledge of options may lead some to consider alternatives to HE, which may be the right decision for them, but which could impact negatively on the long-term goal to increase progression in the target group.
  - Notable progress has been made in addressing the challenge of engaging parents as key influencers; the skills and experience of practitioners from outside the field of access and participation have been used to convey messages about HE in creative and engaging ways.
  - Locating NCOP staff within schools and FE colleges has boosted their capacity to engage with the programme and has helped support the professional development of teaching staff.

- The impact will not be fully understood for some time and, in the absence of a comparison group, no conclusive claims of attribution can be made.
- There are encouraging signs that the sustained and progressive nature of the NCOP is benefiting the learners who take part, particularly by challenging misconceptions about who HE is for and developing learners' self-belief and confidence in their ability to progress to and succeed in HE.
- In the next phase of the programme, partnerships will have greater flexibility to work with pupils from under-represented backgrounds in a wider range of schools and colleges.

The OfS also published [reflections](#) on the first phase of the programme and plans for phase two, and a [report](#) outlining findings from qualitative research with teachers and parents on their perceptions of outreach in general and the NCOP in particular.

**L&W published [Bridging the gap: Next steps for the Apprenticeship Levy](#), warning that large employers are using more of their levy funds than forecast, leaving only half as much funding for SMEs as expected.**

- On current trends, the levy could be over-spent by £1b in the next year, despite the number of apprenticeship starts in England having fallen by 20% since the levy was introduced.
- The overspend risks leading to a 'creeping rationing' of apprenticeships in SMEs.
  - 74% of apprenticeship providers working with small firms said in a recent survey that the level of funding was insufficient to meet demand, with many having to reduce or cease recruitment as a result.
  - On current trends, this could mean up to 75,000 fewer apprenticeships in SMEs.
- The overspend is driven by:
  - the growth in higher and degree level apprenticeships, which tend to be far more expensive
  - the new and more rigorous apprenticeship standards, which are significantly more expensive than expected.
- Four options are presented to tackle the funding gap, which could be used in combination:
  - Restricting the use of levy funds on some types of apprenticeships: restricting apprenticeships to those aged under 25 would save up to £1.5b; restricting funding to Level 3 and below would save around £740m; restricting funding to employees earning below £33,000 could save £330m–£500m
  - Requiring levy payers to top up the cost of training for some types of apprenticeships or apprentices
  - Increasing the levy or expanding its scope so that employers make larger contributions and/or smaller employers are required to pay the levy too
  - Providing additional public funding to top up the apprenticeship levy.

## SCOTLAND

**The Scottish Government published [Policy Statement for the Creative Industries](#) developed with a group set up to advise on how to support and grow the sector.**

- It sets out the Government's priorities for creative industries, including:
  - Developing and retaining skills at all stages of education, training and in work; developing business support; promoting an international profile; promoting innovation; and encouraging inclusiveness.

**The Scottish Government published [Final report of the Women in Agriculture Taskforce](#) – the Taskforce was launched in June 2017 to tackle gender issues in the sector.**

- 24 recommendations include a number focused on skills-related issues:
  - Training, e.g. identifying and encouraging potential future women trainers, and training providers making their courses accessible and inclusive.
  - Leadership, e.g. agricultural organisations and businesses undertaking diversity and unconscious bias training, and developing the skills, confidence and knowledge of women to secure leadership roles.
  - Rural childcare, e.g. increasing the availability of, and access to, childcare in rural areas, to enable women to engage in training and networking, and to develop business opportunities.

- New entrants, e.g. all parties, including education, addressing the skills gap facing some female new entrants.

**Prof Sir Anton Muscatelli, Principal of the University of Glasgow, published [The Muscatelli Report: Driving Innovation in Scotland – A National Mission](#), a report commissioned by the Scottish Government.**

- The aim was to consider how universities can improve their engagement with industry and enhance their contribution to economic growth.
- There has been significant progress in collaboration between universities, public agencies and industry over the past decade, however there is still more room for improvement.
  - Sectors such as precision medicine, life sciences, engineering, financial and business services, and creative, cultural and digital industries should be seen as priorities.
- 22 recommendations are made on three themes:
  - Ensure that the Government’s innovation agenda becomes a ‘truly national mission’ for all
  - Build efforts on ‘the strongest foundations’ with everyone equipped with the necessary information and tools
  - Ensure that collective efforts have ‘a clarity of purpose’ across organisations and sectors.

**Skills Development Scotland published its first set of [Sectoral Skills Assessments](#).**

- The new resource summarises skills demand, shortages and gaps in 11 key sectors across the country, and provides industry expert insights into future challenges and ambitions.

## WALES

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

## REPUBLIC OF IRELAND (RoI)

**SOLAS (Further Education & Training Authority) published [National Skills Bulletin 2019](#) on behalf of the National Skills Council, examining the labour market in the RoI and the skills needs of the economy.**

- The report supports policymaking in employment, education and training, and immigration (particularly the sourcing of skills in short supply in the Irish and EU labour market), and informs careers guidance and choices.

**The Department of Education & Skills published [Connectedness & Collaboration through Connectivity](#) by the Technological Universities Research Network (TURN).**

- TURN was established in February 2019 to examine how emerging TUs could achieve their sectoral and national strategic objectives.
  - TUs deliver qualifications from apprenticeships to doctoral degrees.
  - The aim is to have a TU in every region.
- Three themes were identified as the ‘essential building blocks for successful TUs’, including:
  - Investment in integrated multi-campus digital infrastructure to provide regional cohesion and facilitate new modes of learning
  - Investment in research capacity, including facilitating research activity and opportunities for existing academic staff, and implementing a researcher career development and employment framework.
- 12 recommendations are made for the future development of TUs.

**The HEA published [A Spatial & Socio-Economic Profile of Higher Education Institutions in Ireland: Using Census Small Area Deprivation Index Scores derived from Student Home Address Data, Academic Year 2017/18](#), the first analysis of its kind.**

- The study enables a detailed picture to be drawn of the geographical and socioeconomic make-up of the RoI’s HEIs and courses.
- Among the key findings:

- 19% of HE students and over 36% of enrolments in medicine are defined as 'affluent', compared to approximately 15–16% of the wider population.
- 10% of HE students and only 3.5% of medicine enrolments are defined as 'disadvantaged', compared to 15% of the second-level school student body.
- The socioeconomic profile of most institutions reflects the socioeconomic make-up of their location.
- As well as medicine, business, finance and engineering programmes have higher proportions of affluent students, while agricultural, environmental, social work and childcare programmes have higher proportions of disadvantaged students.

**The Economic & Social Research Institute published [Growing Up in Ireland: Key Findings: Cohort '98 at 20 Years Old in 2018/19 – Education, Training and Employment](#).**

- There are high levels of participation in post-school education and training but inequalities in educational outcomes and pathways depending on family background.
  - Almost 70% of 20 year-olds were in FE, HE or training, and 87% had taken a course since leaving second-level school.
  - There was a significant achievement gap in Leaving Certificate performance by family background (mother's education, social class and income) – those from the lowest-skilled social classes achieved 326 points on average, compared to 464 points for those from professional social class backgrounds.
  - Early school leavers were more likely to be NEET – 32% compared to 5% overall.
- Most 20 year-olds were positive about their second-level education, but 45% said it had been of no help in 'preparing for the world of work', and 39% said it hadn't prepared them for adult life.
- Asked about the importance of different aspects of a job, they were most likely to give a very high rating to it being interesting (61% men, 65% women); to job security (46% men, 58% women); to it being a good step on a career ladder (33% men, 40% women); and to work that was useful or helpful to others (29% men, 43% women).

*This is one of a series of four publications; the others are on [Being 20 years old](#), [Physical health and development](#) and [Socio-emotional wellbeing and key relationships](#).*

**Skillnet Ireland published [Evaluation of Skillnet Ireland Programmes 2018](#) by Indecon International Economic Consultants, covering the activity of over 65 Skillnet Learning Networks across the country.**

*See Skillnet reports on Sustainable Finance skills and talent (page 21), The Role of Learning & Development (page 23) and Digital Agriculture Technology (page 25).*

**Skills Ireland published [Skills for the Construction Sector: Assessment of 2008–2018 Strategies](#) by the Expert Group on Future Skills Needs.**

- Over the last ten years the construction sector declined from unsustainable output highs and employment levels, to lows in the early part of the decade, followed by a tentative recovery from 2013 onwards.
- Analysis of the strategies undertaken by government and industry over this period identified common themes, including: boosting skills and labour supply within the sector; ensuring education and training provision aligns with current and future skills needs; and increasing engagement with research and development activities.
- Progress in implementing recommendations has been mixed in areas such as boosting employer engagement with the apprenticeship system and the greening of construction skills.
  - It has been weakest in engagement with management development programmes and research, development and innovation activities.
  - It has been strongest in the marketing of construction as a viable career option and the attraction of overseas talent, in particular through e.g. undertaking sector skills analyses for skills planning, and the alignment of education and training provision with sectoral needs.
- Recommendations include those on improving productivity and innovation within the sector, and the wider deployment of building information modelling.



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**Organisation for Economic Cooperation & Development (OECD) iLibrary**

[www.oecd-ilibrary.org](http://www.oecd-ilibrary.org)

**Oxford Brookes University**

[www.brookes.ac.uk](http://www.brookes.ac.uk)

**Pearson**

[www.pearson.com/uk](http://www.pearson.com/uk)

**Prospects Luminate**

[luminate.prospects.ac.uk](http://luminate.prospects.ac.uk)

**RSA (Royal Society for the Encouragement of Arts, Manufactures & Commerce)**

[www.thersa.org](http://www.thersa.org)

**Scottish Government**

[www.gov.scot/Publications](http://www.gov.scot/Publications)

**Scottish Trades Union Congress (STUC)**

[www.stuc.org.uk](http://www.stuc.org.uk)

**Skillnet Ireland**

[www.skillnetireland.ie](http://www.skillnetireland.ie)

**Skills Development Scotland (SDS)**

[www.skillsdevelopmentscotland.co.uk](http://www.skillsdevelopmentscotland.co.uk)

**Skills Ireland**

[www.skillsireland.ie](http://www.skillsireland.ie)

**SOLAS (Further Education & Training Authority)**

[www.solas.ie](http://www.solas.ie)

**Universities & Colleges Employers Association (UCEA)**

[www.ucea.ac.uk](http://www.ucea.ac.uk)

**Universities UK (UUK)**

[www.universitiesuk.ac.uk](http://www.universitiesuk.ac.uk)

**Universities UK International (UUKi)**

[www.universitiesuk.ac.uk/International](http://www.universitiesuk.ac.uk/International)

**University College London (UCL) Institute of Education (IoE)**

[www.ucl.ac.uk/ioe](http://www.ucl.ac.uk/ioe)

**University of Glasgow**

[www.gla.ac.uk](http://www.gla.ac.uk)

**Warwick Institute for Employment Research**

[www2.warwick.ac.uk/fac/soc/ier](http://www2.warwick.ac.uk/fac/soc/ier)

**World Economic Forum (WEF)**

[www.weforum.org](http://www.weforum.org)