



The skills puzzle:

A need-to-know for businesses





State of play: a crucial moment

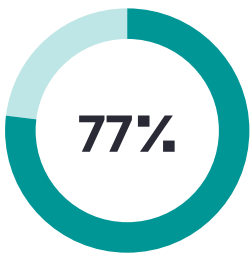


Jon Wilson,
CEO at Totaljobs

The Covid-19 pandemic has shaken up our working lives. In recent months, many people have faced increasing job insecurity with growing redundancies across a range of industries. In this turbulent market, approximately **4.8 million mid-career workers** (aged 25-49) are not eligible for redundancy pay, having been with their employer for less than two years; what's more, **1.6 million** of these are in routine or manual roles within vulnerable sectors. Meanwhile, the Brexit transition period is drawing to a close, which means questions are being raised around labour and skills shortages, particularly for industries such as social care, construction, manufacturing, and agriculture.

Throughout the challenges following the pandemic, training has understandably slipped down the agenda. Economic uncertainty and tightening purse strings means training budgets are among the first to be frozen. With this, generally access to training falls as people age. Analysis of the Labour Force Survey 2019 found that only **18%** of intermediate workers and **19%** of routine or manual workers had access to relevant training, compared to **31%** of those in managerial positions. With this, **77%** of existing programmes typically focus on the job someone is already doing. This is enough to meet the needs of their current role, but doesn't offer a pathway to meet the changing requirements of a job that could be impacted by technology, or that arises in an industry seeing a surge in demand.





of current training focuses on the job someone is already doing

1.4 million

workers are ineligible for the Lifetime Skills Guarantee

The announcement of the Lifetime Skills Guarantee (LSG), and other Government initiatives, has brought the role training can play in upskilling, reskilling or securing employment for Britain's workforce back into sharp focus. Prior to the outbreak of Covid-19, the Quarterly Recruitment Outlook by Totaljobs and the British Chambers of Commerce revealed three quarters of businesses faced difficulty in recruiting people with the skills they need. As we look to the future, lifelong learning is the missing piece that will give employers the necessary skillsets to help their businesses recover and grow, at a time when budgets are tight. With this, people in routine and manual roles will be able to better navigate a changing working world, access higher salaries and progression, and future-proof their careers.

However, as it stands, **1.4 million mid-career workers** in routine and manual roles with at least one level 3 qualification (such as A level or equivalent) won't have access to the LSG, as this is aimed at those who don't hold these qualifications. By broadening the scope of this scheme, more of the workers who could benefit from skills development most could reap the rewards, along with their employers.

Totaljobs has worked alongside think tank The Work Foundation at a crucial moment for the adult education policy agenda. We've analysed labour market data, qualitative insights from employers and adult education experts, plus the perspectives of UK workers. As a result, we're calling on the Government to take the necessary actions that will turn the nexus of a promising skills development scheme into a more effective policy that benefits more people.

In this whistle-stop tour of the adult education landscape, businesses can understand the barriers to training that must be removed in order for Government initiatives to meet the goals they set out to achieve. This will ensure that funding is utilised in the best possible way, targeted at the people who will benefit the most. It's not just a policy issue – as businesses, there's steps we can take to ensure we're supporting staff, not just during the challenge of the pandemic, but for the future of work.



Barriers to boosting skills

Government funding alone won't be enough to fill the gaps created by historical skills shortages. In part, this is due to situational and systemic barriers that can hold people back from accessing the training that could lead them into higher paid, more secure work.

Eligibility

Currently, the Lifetime Skills Guarantee misses out the **1.4 million workers** in routine or manual roles who have at least one level 3 qualification. The scheme has the potential to reach more workers, meaning more could access skills development.

Over 7.5 million workers
have not received training since leaving full time education

People who are looking for work could also face barriers to access to training. A cap is currently placed on Job Seekers Allowance and Income Support, which means that the **300,000 people** receiving these can't complete training that requires over sixteen hours commitment per week. This could ultimately reduce the pool of roles available to them, especially if reskilling is needed.

Similarly, the **1.4 million people** receiving Universal Credit must be actively looking for work for thirty-five hours a week, limiting the amount of time they can then set aside for skills development.



Confidence

Over **7.5 million workers** have not received any training since leaving full time education, which reduces their likelihood to do so in later life. **14%** of UK workers aged 25-50 aren't sure what training is relevant for them, while **15%** simply don't trust that the benefits of training are worth the time spent. This points to a wider education piece for workers across industries on how demand for skills is expected to change over time. Clear salary or progression-based incentives could also boost uptake.

Lack of flexibility

Up to **1.9 million workers** with children under the age of 16 may face a considerable barrier while juggling training, alongside existing employment and childcare commitments. With this, taking time out of work to train often means a loss of income for many families that just isn't feasible, particularly for those who have been furloughed or are working reduced hours.

1.9 million workers
with children under the age of 16
find it difficult to access training



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What can businesses do?

At Totaljobs and The Work Foundation, we want this analysis and our recommendations for adult education to be on the agenda of policymakers. As a business, you can do your part too, and ensure skills development is a priority for your workforce throughout the UK's economic recovery.

- **Invest in long-term learning and development** by arming employees with the necessary knowledge to better understand how relevant training meets their career needs, through utilising training offered by the Government, as well as internal programmes.
- **Commit to flexible learning**, so workers with parenting or caring responsibilities aren't shut out of development opportunities. Paid study leave, or training during working hours can also help overcome financial barriers that inhibit staff from taking time out to learn.
- **Prioritise transferable skills as an area of focus**, as part of a broader diversity and inclusion strategy that looks beyond the usual talent pools.
- **Utilise workplace coaches and mentors** to champion skills development that focuses on future needs, not just existing roles.
- Support Totaljobs and The Work Foundation in our **lobbying** efforts, as we call on policymakers to take the necessary steps to improve the effectiveness of their skills funding.



If you or your business is interested in finding out more about Totaljobs and The Work Foundation's lobbying efforts, [click here](#)



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Making a change at policy level

Totaljobs and The Work Foundation are calling on the Government to take the following actions as a matter of urgency, which will ensure the Lifetime Skills Guarantee and subsequent training is fit for purpose and will benefit the people who need it most.

Actions for policymakers

To improve accessibility to skills development:

- **Review eligibility** for the LSG to include people who hold a level 3 qualification.
- **Remove restrictions** in the welfare system so individuals receiving Jobseekers Allowance, Income Support and Universal Credit can have more access to training.
- **Embed flexibility** by establishing modular approaches to boost take up of training.
- **Offer financial support** to cover the indirect costs of time spent training (such as childcare).

To ensure alignment between skills development and market need:

- **Collaborate with local authorities**, training providers and employers to ensure skills provision aligns with the needs of local economies and job opportunities.
- **Support employers in navigating adult education opportunities** by clarifying available options and advising them on how to onboard staff in courses and training.
- **Incentivise employers** to encourage their workers to undertake training, by covering the indirect costs that businesses usually have to absorb, such as staff cover.



Expanding the reach of government-funded training, such as the Lifetime Skills Guarantee, will mean employers can more readily unlock skills development for a greater number of people in their workforce as we move through the challenges of the coming months and years - without eating into budget.

Get your fill of the complete analysis of the UK's adult education policy by [downloading the full report](#)



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About Totaljobs

Totaljobs offers employers of all shapes and sizes access to the Totaljobs network. With a mix of generalist and specialist job boards, crossing the breadth and depth of the UK workforce, the Totaljobs network consists of Totaljobs, CareerStructure, City Jobs, eMedCareers, Jobsite, Just Engineers and RetailChoice. These brands provide access to over 21 million searchable candidate profiles, and record over 4 million applications from qualified jobseekers every month.

With a head office in London and offices in Birmingham, Cardiff, Glasgow, Havant, Leeds, Manchester and Nottingham, Totaljobs Group also consists of Caterer.com, CatererGlobal, CWJobs and Milkround. Together these brands are the UK division of StepStone Group, one of the world's largest e-recruitment businesses.

About The Work Foundation

The Work Foundation is the leading think tank for improving work in the UK. We have been an authoritative, independent source of ideas and analysis on the labour market and the wider economy for over a hundred years. As the pace of economic change continues to disrupt the ways we work and do business, our mission is to support everyone in the UK to access rewarding and high-quality work and enable businesses to realise the potential of their teams. To do this, we engage directly with practitioners, businesses and workers, producing rigorous applied research that allows us to develop practical solutions and policy recommendations to tackle the challenges facing the world of work.

We are part of Lancaster University's Management School, and work with a range of partners and organisations across our research programmes.

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