Skills Shortages: Size, Shape and Solutions

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Rethinking Skills Symposium, Glasgow



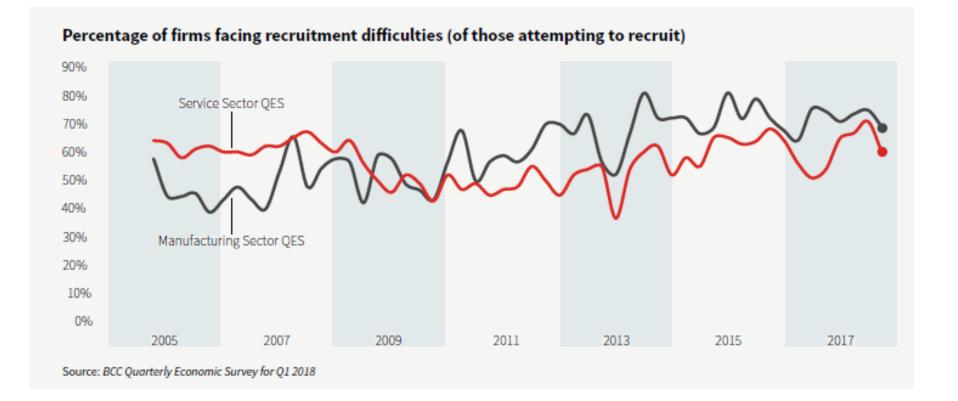
# The Scale of Skills Shortages

	2011	2013	2015	2017
Vacancies and skill-shortage vacancies (SSVs)				
% of all vacancies that are SSVs	16%	22%	23%	22%
Number of vacancies	587,000	655,000	927,000	1,007,000
Number of skill-shortage vacancies	91,000	146,000	209,000	226,000
Skills gaps				
% of establishments with any staff not fully proficient	17%	15%	14%	13%
Number of skills gaps	1,485,000	1,410,000	1,380,000	1,267,000



Source: Employer Skills Survey 2017

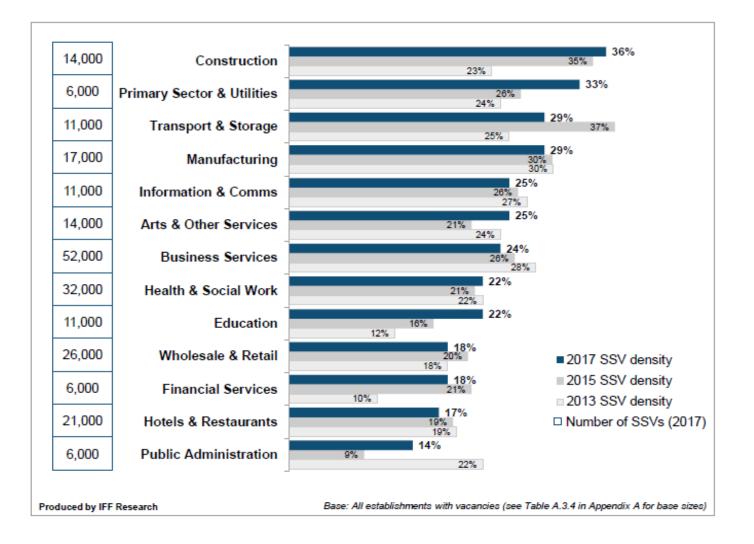
## The Scale of Skills Shortages





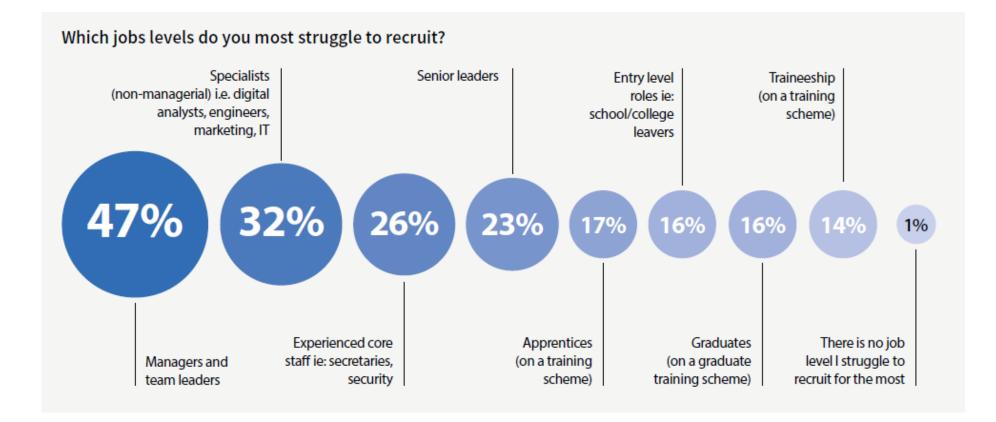
Source: BCC Quarterly Economic Survey 2018

## The Shape of Skills Shortages





# The Shape of Skills Shortages

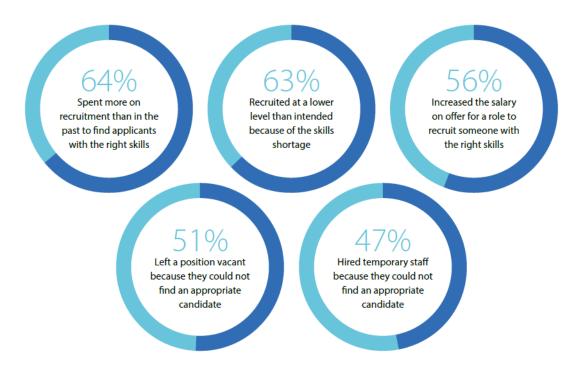




Source: City and Guilds, People Power (2018)

### The Cost of Skills Shortages

Over the last 12 months the surveyed employers have:



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Source: Open University Business Barometer 2018

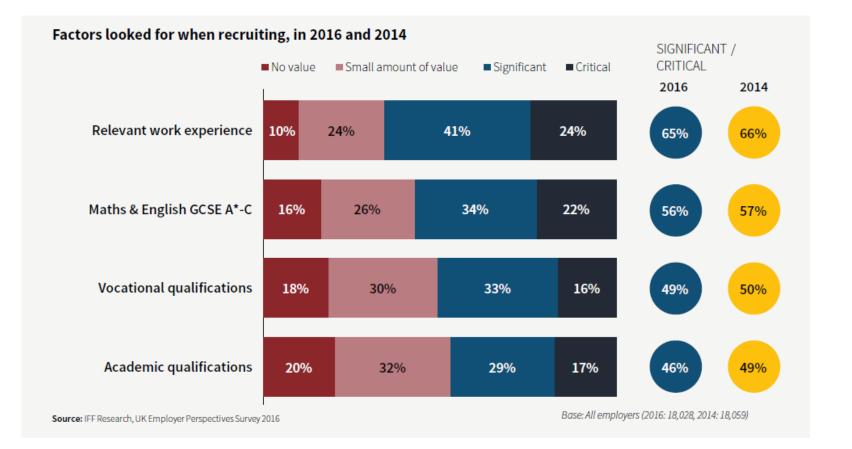
### The Growth of Skills Shortages

With a softening economy and slowing immigration, the BCC is calling for action to ensure business growth isn't hampered by labour shortages. Business communities need the government to ensure minimum costs and restrictions in the process for hiring EU nationals during and after the Brexit process. We need to ensure the UK's future immigration system is economically responsive, so companies have access to the skills they need. Labour and skills shortages are set to be the biggest potential drag anchor on business in 2018, since ultimately it is people that make businesses work. Jane Gratton, Head of Business Environment and Skills Policy, BCC





## What Do Employers Want?





Source: Employer Perspectives Survey (2016)

# What Do Employers Want?

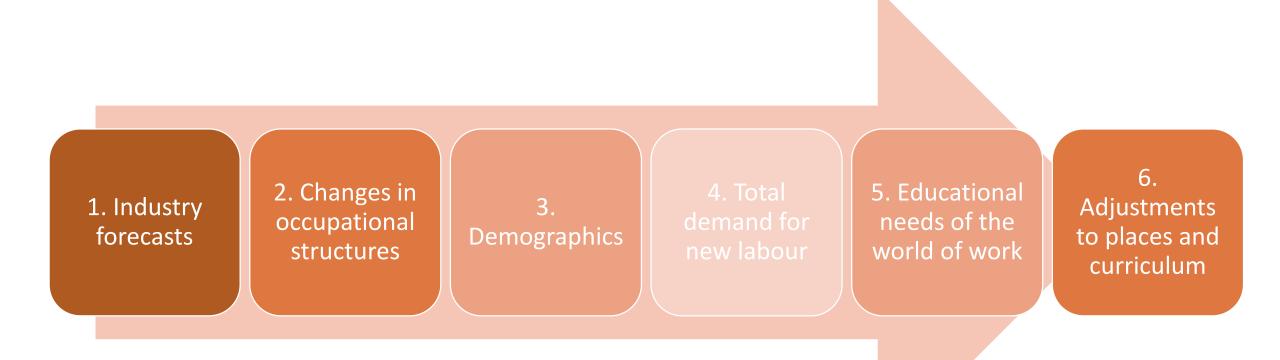
SKILLS	SUB-SKILLS
Problem solving / Decision making/ Critical thinking	Using initiative / Independent thinking
	Using new information to solve problems
	Taking action as required
Communication / social skills for work	Persuasion
	Clear language
	Verbal communication
	Presentation skills
	Written communication / report writing
	Ability to share ideas
	Fluent in a foreign language
	Business tone in emails and other written communication
Self-management	Punctuality, time management
	Dress and behaviour
	Setting goals to achieve outcomes
	Manage time and resources
	Project ownership
	Adaptability (adapting to a business culture)
Teamwork	Team working
reamon	Coordination
Creativity	Originality
creativity	New approaches to solve problems
Numeracy	Use numbers confidently
	Estimate and investigate
Digital Skills	Digital security
	Advanced Microsoft Office skills
	Social media
	Digital flexibility
	Confident use of digital devices
	Advanced IT skills (Developing software, applications or programming) / willingness to train
Recruitment skills	Good body language and eye contact
	Understanding relevance of behaviours and knowing how to demonstrate them
	Researching the organisation
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BEHAVIOURS	SUB-BEHAVIOURS
Confident	Positive attitude / Self-esteem
	Leading
	Can work alone without clear direction
	Confident body language
Driven	Desire and interest
	Flexibility
	Hard working
Resilient	Cope with pressure
	Takes feedback and advice
	Handle criticism
	Able to compromise
Reflective	Willing to learn
	Learn from others and own mistakes
	Listening and understanding
Informed	Understanding of job market
	Sector understanding
	Able to search for job vacancies
	Commercial awareness (understanding the core principals of how a business works



Source: Research by Edge, Education & Employers, NEU (to be published)

# Solutions – the Finnish Anticipation System





### Challenges to anticipation



People say that they can try and predict the jobs that will be needed in 15-20 years. Historical evidence suggests that we are very bad at this.

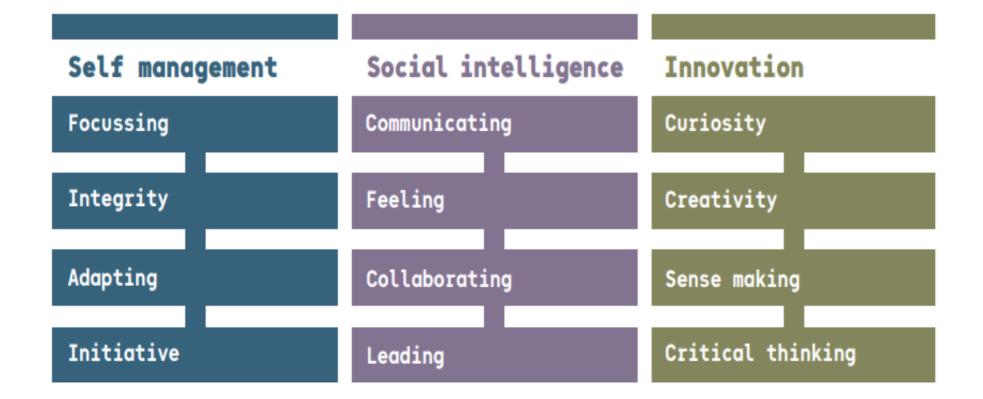
*There will inevitably be a growth in the number of digital skills required.* 

Otherwise rather than predict, it would be better to focus on the transferable skills that will be needed for careers that span a range of different and new industries

Dr Omar Arias, Manager, World Bank Knowledge & Education Programme



#### Solutions – Metaskills





Source: SDS and Centre for Work Based Learning (2018)

## Solutions – Connections to the real world







National Software Academy



