# FACTSHEET

The Prince's Responsible Business Network

### **ROLE OF ESSENTIAL SKILLS IN RECRUITMENT & LIFELONG LEARNING**

Even before COVID-19, business, Government, and educators were raising concerns that the UK workforce lacked the skills needed to respond to the fast-changing nature of work, innovate and raise productivity.

The global coronavirus pandemic catapulted us into a changed landscape where employees have had to adopt remote working, pivot in their roles, or adapt their skills to completely new industries.

Employers now find themselves in the position of unprecedented labour shortages, with the number of vacancies reaching a par with the number of unemployed in 2022. Accessing skilled talent is a business emergency. The UK must build the skills it needs for economic recovery while supporting people back to work and ensuring social inclusion.

While the technical skills we need are expected to continue changing rapidly, the essential skills businesses have been calling for are likely to remain constant.

This factsheet sets out these essential skills and why they are needed now to build resilience in case of future economic crises, and to address two of the greatest challenges of our time: climate change and inequality.

### What are essential skills?

Essential skills are the skills required to thrive in education, work and life and are proving to be heavily required in a time of crisis.<sup>1</sup> They are highly transferable skills like communication, problem solving and teamwork that are needed for almost any job.<sup>11</sup> They are not innate, and can be developed throughout our lives, and cannot be automated out.<sup>111</sup>



The eight essential skills fall into four pairs:

- communication: listening, speaking
- **creativity:** problem solving
- self-management: staying positive, aiming high
- collaboration: leadership, teamwork.

Find out more about the Skills Builder Universal Framework and download the employer toolkit at: www.skillsbuilder.org/universal

### Why are they needed now?

Amid huge uncertainty, from the cost-of-living crisis and recovery from the pandemic to the climate crisis, it is clear that 'business as usual' will not be the same again. Employers are looking at how their operations will need to be reshaped and adapted over the coming months and years.

Even before the crisis, businesses were clear that young people were not leaving school with the

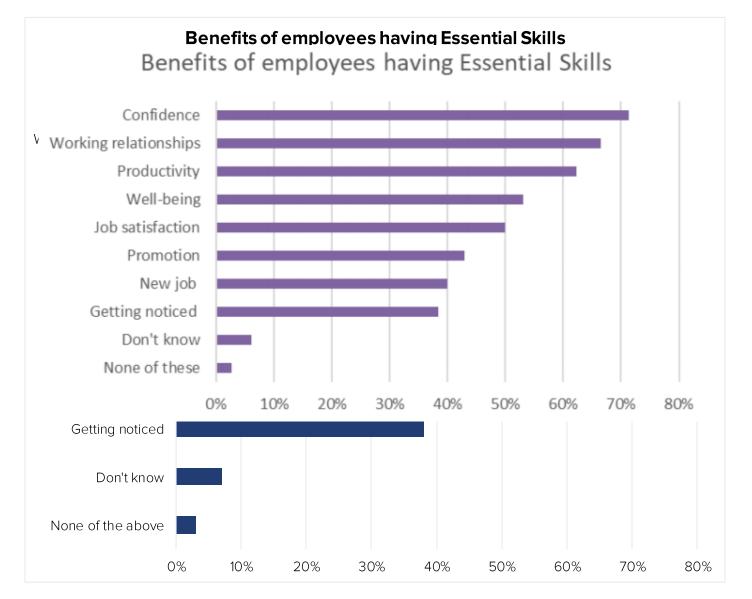


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essential skills that they need such as listening, problem solving and teamwork.

These skills are now even more important. They sit between basic skills (literacy, numeracy and basic digital) and technical skills. They enable flexibility and adaptability, support collaboration and provide a foundation for learning these job-specific skills.<sup>iv</sup> Business in the Community's (BITC) research in 2019 showed that 86% of people agree that essential skills are important for them in life and work, and 68% agreed that their workplace sees them as important.

It also identified the main benefits of employees having essential skills as confidence, improved working relationships and improved productivity.<sup>v</sup>



These skills are highly valued by employers, but they are also the key to unlocking the social

mobility that businesses and Government recognise as needed for businesses to have competitive advantage.<sup>vi</sup>

### TRAILBLAZER STORY: CAPITA, APPRENTICESHIPS & EARLY CAREERS

Capita was interested in providing a clear framework and common language to structure learning activities and measure skills gained across its apprenticeship and early careers programmes. Alongside this, they also wanted to support a culture change within the organisation to focus on building self-directed, lifelong, and reflective learning.

Through the Trailblazer Programme and advisory support from BITC, they focused action on stakeholder engagement and embedding the Universal Framework within their apprenticeship programme. This saw an action plan developed across their early careers programmes and a feedback session held with the team and participants to refine and develop the approach.

As a result, Capita have created a survey and training for line and hiring managers and allocated 6 senior managers aligned as sponsors to each of the 6 streams of the apprenticeship. They have introduced regular feedback sessions with apprentices and embedded the Universal Framework in their virtual classroom and performance development reviews for apprentices.

### Essential skills and social mobility

2021 saw job vacancies soar above 1 million for the first time since records began, yet there are many groups of job seekers who are struggling to find work.<sup>vii</sup> One in five (1.7million) economically inactive people state that they want to work but cannot secure a job<sup>viii</sup>, and the number of people unemployed for over 12 months has increased by nearly 50% before the pandemic.<sup>ix</sup>

This disconnect between availability of jobs and people who want the jobs is partly due to skills and, importantly, how employers inspire, hire, and grow employees through skills.

### EMPLOYEES FROM LOWER SOCIO-ECONOMIC BACKGROUNDS PERFORM AT LEAST AS WELL AS THEIR MORE ADVANTAGED PEERS, IF NOT BETTER× Social Mobility Commission 2020

People from more disadvantaged socioeconomic backgrounds are less likely to have the opportunity to recognise, use and develop their essential skills.

We know that women, young people, BAME groups and people from more disadvantaged socio-economic backgrounds will be most adversely impacted by the cost-of-living crisis across education and employment. We need business to act now to ensure that these individuals can recognise, use, and develop their essential skills so that we do not widen the disadvantage gap.

To face the challenges ahead, employers, alongside educators and Government, must commit to recognising and developing essential skills both in their talent pipeline and in their existing workforce.

See KPMG Trailblazer story on page 4.

## Employers must drive essential skills demand

There is a mismatch between how loudly businesses amplify the need for essential skills and the action that businesses take to ensure all individuals can recognise and develop their essential skills. Our 2019 survey showed that only 33% employees were asked about their essential skills at appraisal and only 43% at their latest job interview.

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### **Just 33%**

### of employees were asked about their essential skills at appraisal

We need skills that will support us as we go from school to work, from entry-level to management roles and from a career in one industry to a career in another. Essential skills provide a common language on skills from education through to employment. Already being adopted by Boots, Capita, Enterprise, KPMG, Heathrow and Accenture, the Skills Builder Universal Framework for essential skills is a key tool for an economic recovery from the cost-of-living crisis following hot of the heels of the pandemic, that doesn't leave anyone behind.



### of employees were asked about their essential skills at their last job interview

### TRAILBLAZER STORY: KPMG AND SOCIAL MOBILITY

KPMG sees social mobility as an integral part of the future of their business. They recognised through trusted sources like the Sutton Trust that students from more disadvantaged socio-economic backgrounds had fewer opportunities to develop essential, non-academic skills valued by employers. The Skills Builder Universal Framework offers KPMG a structural solution to building essential skills and improving social mobility, with a focus on measurable impact. The company first integrated the framework into its WorkReady initiative, which focuses on young people in the most disadvantaged parts of the country. Students engage with coding software and VR equipment in response to a business challenge, while learning about the changing world of work and building skills in creativity, problem solving and teamwork. KPMG are now embedding essential skills across all their employability programmes, working with partner organisations to make sure the Skills Builder Universal Framework is threaded through their development and evaluation processes.

They also recognised that the eight essential skills mapped to key competencies KPMG was looking for in apprentices and graduates. As a Skills Builder Trailblazer they are trialling the framework with their Level 3 Business Administration apprentices using a workshop series that supports apprentices to:

- explore what essential skills are and why they matter
- reflect on their own essential skills, individually and with a peer
- participate in a workshop with a focus on teamwork and speaking
- develop their own plans about how they can continue to build their essential skills
- agree an action plan for how they will boost their essential skills.

One of the key benefits they're seeing so far is an emerging consensus around a common language for talking about essential skills, with potential to deliver real impact for young people both inside and outside the organisation.

### What is the role of educators and charities?

Hundreds of schools, colleges and universities are already using essential skills and the Skills Builder Universal Framework to support their students to develop the skills we need. Employers are now joining the call for widespread adoption and use of the framework across the country. Educators, voluntary as well as community sector organisations of all sizes are encouraged to use the framework to improve employability, increase social mobility and help the UK to build back better from the current crisis. We are calling on educators and the skills community to recognise and communicate the importance of essential skills to rebuilding our economy with a focus on people and not leaving anyone behind. A shared language on essential skills is important to both simplify and facilitate greater action to develop essential skills for all. The Skills Builder Universal Framework has been developed to provide this simple yet comprehensive framework for essential skills across education and employment.

### What can employers do?

The Skills Builder Universal Framework, developed by the Essential Skills Taskforce, provides a common language on skills from the classroom to the boardroom. Already being adopted by Boots, Capita, Enterprise, and KPMG, it's a key tool for an economic recovery that doesn't leave anyone behind.

We are asking businesses to:

- Recognise essential skills among their workforce, using the common language of the Skills Builder Universal Framework.
- Develop essential skills in their current and future workforce using consistent language and steps from the Skills Builder Universal Framework.
- Focus on the essential skills and capabilities needed for the job in recruitment and progression – see BITC's <u>Opening Doors Campaign</u> for more information.

#### Who is the Essential Skills Taskforce?

The Essential Skills Taskforce is made up of leading organisations from the education and employment sectors (BITC, The Careers & Enterprise Company, CBI, CIPD, EY Foundation, Gatsby Foundation, and the Skills Builder Partnership) that have agreed, for the first time, a universal framework for essential skills.

Use framework on the Skills Builder Partnership website: <a href="www.skillsbuilder.org/universal">www.skillsbuilder.org/universal</a>

### FOR THE FIRST TIME, THIS UNIVERSAL FRAMEWORK GIVES US A SHARED LANGUAGE AND SHARED UNDERSTANDING ACROSS EDUCATION AND ACROSS DIFFERENT WORKPLACES TO HELP EMPLOYERS TO GET THE BEST FROM THEIR WORKFORCE AND TO HELP PEOPLE TO BETTER MANAGE THE POINTS OF TRANSITION IN THEIR LIVES×i

Sir John Holman, Chair of the Essential Skills Taskforce

### TRAILBLAZER STORY: ENTERPRISE RENT-A-CAR AND KICKSTART

Enterprise Rent-a-Car were interested in understanding how embedding essential skills within Kickstart could support them to roll out the framework across their early careers programmes.

Through 1:1 advisory support from BITC, they focused on action planning and goal setting, to understand what they wanted to achieve through embedding essential skills in Kickstart. Through peer-to-peer support they have created a roadmap for two permanent roles with automatic promotion at the end of 10 month and 20 month completion with eligibility to progress to a higher apprenticeship.

The mapping of skills across the Kickstart placement and into future opportunities for training and employment supports both Enterprise and the employee to understand the road map and to move through it. To make it a success they implemented a support network for line managers and created a self-assessment tool for Kickstart that was used monthly and signed off by line managers.

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- find out more about our advisory services
- join us at one of our upcoming events

### Falk to one of our expert team

today to learn how membership of BITC can help you take your responsible business journey further and drive lasting global change.

### REFERENCES

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Essential Skills Taskforce, available at:

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<sup>v</sup>BITC YouGov Poll on Essential Skills

v<sup>i</sup> <u>Social Mobility Commission (2020) Socio-economic</u> diversity and inclusion: employers' toolkit

<sup>vii</sup> Institute for Employment Studies (2021) *Labour Market Statistics August 2021*, available at:

https://www.employment-studies.co.uk/resource/labourmarket-statistics-august-2021

v<sup>iii</sup> The Guardian (2021), '*Missing workforce*' could ease Britain's labour market crisis, available at:

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<sup>xi</sup> Gatsby (2020), Skills Builder Universal Framework launched, available at:

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<sup>&</sup>lt;sup>i</sup> Forbes (2020), *What's the surprising leadership lesson in the Covid-19 crisis*, available at:

https://www.forbes.com/sites/joanmichelson2/2020/03/ 28/whats-the-surprising-leadership-lesson-in-the-covid-19-crisis/

<sup>&</sup>lt;sup>III</sup> Pearson/Nesta (2017) *The Future of Skills: Employment in 2030*, available at: <u>https://futureskills.pearson.com/</u> <sup>IV</sup> Ravenscroft, T.M. and Baker L (2019) *Towards a Universal Framework for Essential Skills*, London: