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## **Event summary and key takeaways**

On 25 April 2024, FutureDotNow gathered over 150 business, public sector and civil society leaders for the Workforce Digital Skills Summit at the Guildhall, London.

As the business world focuses on the transformative opportunities offered by generative AI and automation, the workforce is also facing unprecedent change. The UK is facing a skills gap ticking time bomb. Lloyds Bank reports that over half of workers (c.21.7m) are currently without the full suite of core digital essentials, and only four in ten are planning to digitally upskill. FutureDotNow is coordinating action to equip people across the UK with the Essential Digital Skills they need to thrive in work and prepare for our digital future.

Conversation at the Summit focused on the nature and scale of the workforce digital skills gap, the opportunity tackling it offers, how it is impacting different groups, and ideas for practical action. We heard from Dr Dave Smith, the National Technology Advisor; Simeon Yates, Professor of Digital Culture at the University of Liverpool; and representatives of industry and organisations including PwC, Accenture, City and Guilds, Labour: Women in Tech, Digital Boost, Oliver Wyman, M&S, Dorset Council, Travis Perkins and Nationwide.

## Top five takeaways

- 1. The workforce Essential Digital Skills gap is real and hidden in plain sight. With almost 22 million (54%) working age adults unable to complete all digital tasks essential for work, it affects most of the working population, and shows up in every sector and demographic. The UK is not yet a fully digital nation; people need training to build, and keep building strong digital foundations, so they can keep pace with tech.
- 2. Bridging this skills gap is not just a challenge, it's a massive opportunity. The true potential of digital technology cannot be unlocked without a digitally capable and confident workforce. Equipping everyone, from CEOs to volunteers, with core digital skills would boost productivity, safeguard against cyber threats, and secure the workforce for our digital future.
- 3. There is no specific data on the relationship between Essential Digital Skills in the workforce and critical productivity and prosperity metrics. If you don't measure it, you can't see it, if you can't see it, you can't act on it. It is imperative to break this vicious cycle and urgently close this data dap. Currently there is no funding to do this.
- 4. Working together, we can supercharge Essential Digital Skills across the workforce at scale and pace. There is a 10-point plan for national action and FutureDotNow is convening organisations to share best practise, collaborate, and deliver system-level change. The Workforce Digital Skills Charter is a shared statement of ambition. All organisations are invited to join the community of charter signatories and FutureDotNow members determined to build the future-fit digitally confident workforce the UK needs.
- 5. Employers are uniquely placed to take tangible action today. There are many proven ways to help working age adults build Essential Digital Skills. Whether to deliver large scale culture change like M&S, or weave new learning into existing programmes like Travis Perkins, FutureDotNow has curated content to help you drive change. Through focused attention on the top four skills gaps, it's possible to get 70% of the workforce equipped with the full suite of digital essentials at pace.

## The nature and scale of the workforce digital skills gap

The National Technology Advisor, Dr Dave Smith called for urgent action to upskill everyone in digital essentials. Stressing the importance of a digitally confident workforce for societal and economic transformation, he noted that productivity doesn't come from technology alone but from people having the skills to use it effectively and called for continued cross-sector collaboration to close the current skills gap.

The Consumer Digital Index (CDI), published annually by Lloyds Bank, provides the national measure of core digital proficiency. It shows over half of working adults<sup>1</sup> unable to perform all 20 digital tasks<sup>2</sup> industry and government agree are essential for today's workplace, such as checking a payslip online, setting secure passwords, or using digital tools to improve productivity.

"The essential digital skills gap is a formidable, but critical challenge the bedrock on which the future of our economy rests."

It is stubbornly static, moving just four percentage points in 2023. The CDI shows skills gaps across the workforce, including high earners<sup>3</sup>,

Dr Dave Smith, National Technology Adviser

those with high levels of education<sup>4</sup>, and in every sector. With over 80% of all jobs requiring digital skills<sup>5</sup> and only 4 in 10 considering digitally upskilling<sup>6</sup>, this is a major challenge for the UK economy.

Professor Simeon Yates further debunked the notion that we live in a fully digital society and challenged the myth of digital natives, revealing that social media is the only online activity for c.20% of the UK population, most

"We are building for what we hope to be, not what we currently are." Simeon Yates, Professor of Digital Culture, University of Liverpool under the age of 35. Sharing insights from his research, Prof. Yates flagged that societal structures are being built as if we're already fully digital, and not factoring in the current reality. He championed the importance of supporting everyone to build their digital skills as they go through life and work to avoid big gaps in our ability to live in a digital society.

## Why building a future-fit workforce matters

Leaders spanning large corporates, the SME community, education, and the public sector laid out how building a workforce powered up with the digital basics is critical to creating a higher skilled economy and fulfilling national ambitions. Overall, the messages were clear: as technology evolves, we all need help to evolve alongside it, learning new digital skills throughout our lives and careers. Ensuring the UK workforce is both digitally capable and confident is essential for economic and personal prosperity.

**Workforce productivity.** Leaders identified increasing workforce productivity among their highest business priorities, noting the direct link to the most common Essential Digital Skills gap in the UK workforce: 'Increasing my own and my organisation's productivity through digital tools'.

Mind the gap. Given the digital future includes a workplace transformed by generative AI, there was concern that predicted productivity benefits would not be experienced equally and the gap between digitally confident workers and those without the basics would widen exponentially. The urgent need for equal opportunities to build core digital capability and



confidence was underlined by reports that four out of ten UK workers are reportedly already using generative Al once a week.

**Building digital empathy.** The dangers of this growing gap were given further weight, with panellists noting digitally fluent workers often fail to appreciate that others aren't fully digitally competent or understand why this might be the case. This is a significant challenge to overcome, with digital goods and services often being designed without consideration for less digitally confident consumers.

**Bring out the benefits.** Helping everyone see the need to digitally upskill and the personal return on investment was a recurring theme, alongside the need to provide training opportunities for people build digital

skills across their lifetime. The reality of life for small and medium business owners was highlighted, with many overwhelmed and struggling to prioritise gaining new skills when faced with other business challenges. Given the importance of SMEs to the UK economy, it was agreed that supporting this community to upskill in the digital basics is an urgent area to prioritise.

**Training for impact.** Business leaders shared experiences of rolling out new digital services to colleagues and customers, and how these had highlighted the need to support colleagues to build core digital skills and confidence. Examples included the Big Bang Culture Shift underway at M&S that has seen senior leaders



building their digital basics alongside more junior colleagues; and the Embedded Learning model at Travis Perkins which incorporates digital essentials into existing training programmes, particularly with key cohorts such as apprentices and new starters.

## Working together to close the workforce Essential Digital Skills gap

Last summer, FutureDotNow published the <u>Roadmap for action</u>. Since then, cross-sector leaders have been working together across <u>seven action areas</u> to deliver the roadmap objectives, each with priority outcomes for 2024. Sprint 1 of activity has just completed.

As part of this work, the newly developed Workforce Digital Skills Charter is an open invitation to join a growing community of leading organisations driving change at pace. It is a shared statement of ambition to close this Essential Digital Skills gap; a rallying cry from organisations determined to break out of silos and unite to build a future-fit, digitally confident workforce. You can find out more, including how to become a signatory at <a href="https://www.futuredotnow.uk/charter">www.futuredotnow.uk/charter</a>.

## **Priorities for business action**

Everyone can do something to help close the workforce digital skills gap. Taking the three Charter commitments as a starting point, here are some suggestions for what you can do now.

#### 1. Help people of working age build solid digital foundations

If every organisation took steps now to train people in the top four Essential Digital Skills gaps in their sector, we could reach 70% of the workforce with all twenty essentials by the end of the year. Whilst c.22 million workers fall short of competence in all twenty tasks, c.11 million of these are just shy of full proficiency, confident with between seventeen and nineteen of the essential tasks. FutureDotNow has worked with Lloyds Bank to provide sector specific analysis to support targeted action.

The working group looking at this area has also developed the following advice, with more content coming over the Summer.

- **A.** Start with your business strategy. Where's the need for digital skills? There will be strategic activities where the missing skills are showing up or could create an edge. Does your strategy feature digital skills development for colleagues?
- **B.** Demographic data. As a starting point, what is the likely truth of your workforce's capability? Data in the Consumer Digital Index can be cut by sector, org size and many other parameters. Also consider broader societal data such as the Minimum Digital Living Standard to consider employee context and needs.
- C. Listen to your colleagues. Ask them to self-assess confidence on key digital skills (the <u>Essential Digital Skills Framework</u> provides a great basis). Can they apply them where you need them to? Also, find out what they believe is important for them to deliver in their role and how the gaps can be resolved.
- **D. Build a broader picture.** Validate and challenge self-assessment data with broader business intelligence such as digital adoption metrics and other data (e.g. common IT logs, usage of key tools). What do these say about where challenges might exist?

#### 2. Supercharge action as part of the national change programme

Get involved with the workstreams for action in 2024. There are seven, each looking at a different part of the challenge and at different stages of maturity. As part of Sprint 2, running over June and July, we'll also mobilise vertical teams spanning SMEs, key sectors and regions. Whether working together to close critical data gaps or

helping to build the future-fit skills framework, there will be somewhere your organisation can play a key role. You can find out more at <a href="https://www.futuredotnow.uk/delivery-plan">www.futuredotnow.uk/delivery-plan</a>.

# 3. Raise awareness of the workforce Essential Digital Skills gap

Take every opportunity to bring 'what we currently are' out of the shadows and raise awareness of the current level of Essential Digital Skills in the workforce alongside the opportunities that come from building a digitally capable and confident workforce. It could be at an event you are speaking at, in a briefing you are preparing, or in conversation.



#### What's next from FutureDotNow?

- The Workforce Digital Skills Charter. To find out more about the Charter, including how to sign, visit www.futuredotnow.uk/charter.
- The 2024 delivery plan to close the workforce digital skills gap. If you'd like to get involved with Sprint 2 of 2024 or find out more about how the second sprint is shaping up, sign up and join our briefing call on Thurs 23 May at 10am.
- **Hear more from Professor Simeon Yates.** We're delighted to welcome Prof. Yates, alongside Good Things Foundation's Dr Emma Stone for an exclusive, online session exploring the Minimum Digital Living Standard and what it means for the workforce. Register to join the call on Monday 4 June at 10am.
- Do more with FutureDotNow. Our coalition brings together organisations that want to work together to
  accelerate the digital upskilling of their employees, customers and wider community. If you are not already
  a member of the FutureDotNow community, you can find out more at
  www.futurdotnow.uk/join-us.

We can only do what we do, thanks to our brilliant strategic partners. If you'd like to find out more about funding our work, please get in touch at <a href="mailto:ceo@futuredotnow.uk">ceo@futuredotnow.uk</a>.

• The Workforce Digital Skills Summit 2025. If you have ideas for the 2025 summit or would be interested in becoming an event sponsor, please contact <a href="mailto:ceo@futuredotnow.uk">ceo@futuredotnow.uk</a>.



- 1. Lloyds Bank Consumer Digital Index 2023, p.56.
- The Government first worked with business in 2018 to define these skills for adults and create the Essential Digital Skills Framework. See <a href="https://www.futuredotnow.uk/about-us/the-essential-digital-skills-framework/">www.futuredotnow.uk/about-us/the-essential-digital-skills-framework/</a>. More info also can be found in the Consumer Digital Index 2023, pp.72-74.
- 3. A third of people (34%) earning over £75K a year cannot do all 20 tasks. Consumer Digital Index 2023, p.122.
- 4. Just under half of people (45%) with a degree/masters/PhD cannot do all the tasks. Consumer Digital Index 2023, p.122.
- 5. 'Unlocking the UK's potential with digital skills', Microsoft, 2020.
- 6. Consumer Digital Index 2023, p.65.

#### Feedback from the summit

"An insightful morning with a fantastic line-up of panellists and speakers... Businesses need to invest in people as well as tech to be able to truly transform, increase productivity and economic growth, and working with organisations like FutureDotNow can help close the digital skills gap."

"A truly inspiring morning at the Digital Skills Summit, with lots of takeaways. I would encourage everyone (and especially those who can influence at an organisational level) to read and share FutureDotNow's reports and get involved."



"A particular highlight was the session run by Barclays Digital Eagles demonstrating what can be found about you online if your security settings aren't correct. Being able to protect yourself online is one of the essential digital skills. Really powerful."

"What a phenomenal morning with the FutureDotNow community. A lack of digital skills and digital that is not usable are the two biggest problems in the NHS around this. Addressing the essential digital skills element may be worth £685 million a year in lost productivity in the NHS."

"Without addressing the digital skills gap, our productivity continues to decline, and we will fail to seize the opportunities that arise from new technology in the workplace... Our future prosperity requires us to have a digitally confident workforce, and FutureDotNow is raising the bar."



## **Our supporters**

Our thanks to the City of London Corporation for hosting the Workforce Digital Skills Summit and to our Strategic Partners who fund our core costs and so much more, enabling us to fulfil our public benefit mission and close the workforce digital skills gap.











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