

Workforce Digital Skills Summit 2025

Building a future-fit workforce



Event summary and key insights

UK businesses are struggling with a digital skills gap affecting all sectors and job levels. This gap isn't about advanced tech skills, but the basic digital abilities needed for most jobs today. At this year's Workforce Digital Skills Summit, around 200 business leaders and changemakers gathered to tackle this issue and explore solutions.

The key take out: it's time for businesses to act; we can go faster together.

As digitalisation accelerates, the digital skills gap has widened to become a national economic issue. Rapid tech advancements and a challenging labour market mean companies are finding it increasingly difficult to match the pace of change with an agile workforce equipped for today. Without targeted action, the gap will widen further as AI and automation gather pace.

And yet, 21 million working-age adults in the UK still lack at least one of the 20 work tasks in the essential digital skills framework. That's more than half of the UK's workforce. These include tasks as simple and critical as accessing salary information online, following IT security measures and using digital messaging platforms such as email.

The digital skills gap means businesses miss out on productivity gains, workers miss out on career progression and job satisfaction, and the UK misses out on economic growth.

New research by FutureDotNow and Cebr quantified, for the first time, this economic opportunity:

- an annual boost for the UK economy of more than £23 billion p.a.
- the income potential of the workforce could grow by over £10 billion p.a. with a profitability increase of £8.5 billion to UK industry.
- for individuals, gaining all 20 skills is linked to a salary boost of nearly £900 per year (significantly more in some parts of the UK). And, if every unemployed person who lacks an essential digital skill closed that knowledge gap, more than 12,300 people could enter employment.

This document brings together key insights from the second annual Workforce Digital Skills Summit which took place on Wednesday 30 April at the Guildhall in London.

It also looks at priority actions employers can take to boost digital confidence, including how FutureDotNow can support this work.

Five key takeaways

- 1. The digital skills gap is everywhere
- 2. The economic impact is high
- 3. Al is about to widen the divide
- 4. Reskilling beats redundancies
- 5. Solutions are out there and businesses don't need to go it alone

Read on for more detail on insights and solutions.



1. The digital skills gap is everywhere

Though more pronounced in certain industries and demographics, digital skills shortages are everywhere. The gap crosses the UK's workforce: one in two young people, roughly one in two academics, one in three people earning £75,000+ and even one in five people working in tech lack at least one essential digital skill.

We heard a powerful case study of a cancer nurse struggling to adapt to new technologies, often feeling frustrated and flustered when using the computer to update patient records and the importance of providing the necessary support to help workers adapt to new technologies.

James Freed, NHS noted: "Although this is a tremendously complex area, supporting all staff to develop confidence and basic competence in digital and data use – the focus of the essential digital skills for work – is the area most likely to make the most difference to digital transformation success.



"In healthcare, confidence in the use of common technologies correlates strongly to staff satisfaction and well-being and a relatively small investment, only one hour of training a year, can make a significant (17 point) difference in staff satisfaction."

Small businesses make up 99.9% of the UK's 5.6m businesses and employ two-thirds of those working today.

Karen Licurse, Digital Boost: "Collectively, small businesses are the largest employer in the UK, so if we leave them behind, we leave behind a significant portion of the workforce. Most don't have dedicated training departments. They need to see the benefits from investing in digitally upskilling and they need support to do it."

2. The economic impact is high

Businesses whose workforce lacks essential digital skills are missing out on thousands in profit, while the national impact runs into the billions. This was starkly shown in <u>new Cebr and FutureDotNow</u> <u>research</u> that quantifies, for the first time, the economic impact of closing the workforce essential digital skills gap.

Exploring the new data from the perspective of a large retailer in London and mid-sized construction firm in the North-West, using the new FutureDotNow calculator, showed the significant productivity and profitability gains that can be made at organisation level as well as the benefits for individuals. Individuals who gain all 20 essential digital skills can see a salary increase of nearly £900 per year, with higher boosts in some UK regions. And, if every unemployed person who lacks an essential digital skill closed that knowledge gap, more than 12,300 people could enter employment.

Dr Dave Smith, National Technology Adviser commented: "This report makes it crystal clear: investing in essential digital skills delivers real benefits for individuals, for businesses and for our economy. As technology reshapes every sector, businesses without basic digital capabilities risk being left behind. More importantly, individuals will also be left behind.

"That's why building essential digital skills in their workforce must be a strategic priority for business – set targets, commit resources, and hence deliver results to create inclusive growth".

3. Al is about to widen the divide

With AI moving fast into the mainstream, the digital skills gap threatens to become even larger. Businesses are eager to explore how AI can drive productivity, but without basic digital literacy, staff won't be able to use new tools effectively or safely.



Dr Matthew Forshaw, The Alan Turing Institute noted: "A major obstacle to the safe and effective adoption of AI is the lack of awareness around end users' digital literacy. Systems are being built today which underestimate those challenges. They are too complex. They're opaque in their nature, and they're misaligned with the digital confidence of end users.

"As AI continues to shape the way we work and live, ensuring everyone has the skills to critically evaluate the benefits and limitations of AI within their lives and livelihoods is essential."

Emma Kendrew, Accenture shared key data around how AI is being driven by activity in London, noting: "London is way ahead in investment in AI skills and adoption. One in four European AI start-ups are based in London. Great that this is happening but how do we level up the rest of the UK?

"It's not about building a workforce of data scientists and software engineers, we need to think holistically about building a nation of AI and digital savvy workers and citizens."

4. Reskilling beats redundancies

At its core, closing the digital skills gap is about not leaving people behind. Everyone deserves to feel satisfaction and development at work. Before tackling the difficulties of recruiting skilled talent, businesses should look to their existing workforces. In fact, it can cost up to £49,000 less to reskill someone than recruit or make their job redundant.

Peter Cheese, CIPD noted: "The average half-life of job skills is now estimated to be around 4 years and falling, largely driven by technology impacts in the workplace. In other words, half of your job skills are likely to become redundant in the next 3-4 years. That puts a huge emphasis on reskilling and upskilling, and in the UK we have been falling behind in investing in skills at work, and we don't have a strong culture or support for lifelong learning.

"With the revolution of AI we have an unparalleled opportunity to design for better jobs, jobs for the future, that are more inclusive, better for our wellbeing and where we can be more productive and we can thrive, as both individuals and organisations."

Maura Jarvis, Mercer: "People need to be equipped with the necessary digital skills to succeed. We need to really understand the level and capability of people across digital skills. One of the biggest gaps in HR is taking people's word for how competent they are in these digital skills instead of actual evaluation, and that needs to change. Digital skills should be seen as vital to the UK's future productivity, allowing us to take advantage of the opportunities technology provides."

5. Solutions are out there, and businesses don't need to go it alone

The good news is that to equip colleagues with essential digital skills and realise these benefits, businesses don't need to go it alone.

Solutions exist to help your staff improve their digital skills and boost your business's productivity as a result. Crucially, this isn't about investing in expensive technology, but rather about training people to use the tools they already have.

There's a substantial body of support available from <u>FutureDotNow</u>, including tools and resources to help businesses train workers in the essential digital skills and access to a network of peers.

As Phil Smith CBE, Chair of Skills England & Chair of the Digital Skills Council noted: "We need to find ways of simplifying access to skills and particularly digital skills... And we have to collaborate: there's more to be done here if we do it together. That's really hard but really important – I'm not sure we're going to crack it otherwise."



A consistent theme throughout this year's Summit was the value to be had through collaboration.

FutureDotNow is convenor of a powerful community of business leaders and change makers, working together to improve the essential digital skills of UK workers, so they have the digital foundations for work today and in the future.

As **Naomi O'Neill**, Amey, commented "In our normal working lives we are competitors, but when working with FutureDotNow, we are collaborators, working together on a shared mission."

If you are not already part of the FutureDotNow community, the Workforce Digital Skills Charter is an open invitation to join a growing community of leading organisations driving change at pace. You can find more details at <u>www.futuredotnow.uk/charter</u>.

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

- Understand the opportunity for your business. FutureDotNow member assets can help you quantify the impact on productivity and profitability to be had from digital upskilling. You might also want to look at your business strategy, asking where the need is for digital skills? There will be strategic activities where the missing skills could create an edge. Does your strategy feature digital skills development for colleagues?
- Get a clear view of your organisation's skills level, and of proficiency across staff and teams. Consider what capabilities your business will need to stay competitive in the future, especially in light of technological advancements including AI and industry-specific developments.
- Take targeted action to help your teams build strong digital foundations.

FutureDotNow members' assets

- Use the new <u>economic impact report</u> and <u>FutureDotNow Calculator</u> to understand the fiscal and productivity gains to be made from digitally upskilling your workforce.
- FutureDotNow's <u>workforce assessment guide</u> and <u>colleague self-assessment tool</u> can help you baseline skills levels across your team. These have also been proven to improve staff motivation to build skills.
- The **Digital Skills Directory** is a bank of high-quality, third-party training programmes. You can sort by each of the 20 tasks, whether delivery is online or in person, paid or free, and more, so you can find the right provision for your team.

To access these assets, find out more about FutureDotNow membership.







2. Supercharge action as part of the national change programme



FutureDotNow's national delivery plan is structured around addressing systemic
IOW
barriers (Enabler projects), and building pathways that reach people at scale,
whether through their sector, where they live, or through a focus on particular skills. You can find
the 2025 priorities and plan at <u>futuredotnow.uk/a-plan-for-collective-action-2025</u>.

- We work in three ten-week sprints across the year, convening cross-sector sprint teams, with content and industry expertise. Sprint 2 of the 2025 delivery plan gets underway with a kick-off call on Tuesday 27 May. The kick-off call is a great way to find out more about progress so far and our plans for the rest of the year including how you can get involved.
- The Summit afternoon deep-dive into the new Pathways has given each area an injection of new ideas and insight. The Sector, Skill Area and Not in Work teams are up and running, and we're running follow-up calls for the two remaining Pathways to review inputs and prioritise next steps.

Sprint 2 calls



- 3. Raise awareness of the workforce Essential Digital Skills gap
- Take every opportunity to raise awareness of the current level of workplace essential digital skills alongside the opportunities that come from building a digitally capable and confident workforce. It could be at an event you're speaking at, in a briefing you're preparing, or in conversation.
- If you offered to help spread the word and reach out to an organisation on the Charter, Kevin Bacon says thank you (if you know, you know!). Watch out for follow on comms to support you.

JOIN THE FUTUREDOTNOW COMMUNITY

FutureDotNow membership brings a wealth of benefits. You can find out more about membership at <u>futuredotnow.uk/membership</u>.



"We are at a crossroads when it comes to the wave of technological change we are going through, and the effect that the history books will say it has had on us.

"It could be a divider, a deepener of inequality. If people across the country are not brought on the journey with us, and given the skills that they soon won't be able to do many jobs without – no matter their industry.

"Or it could be the great leveller. The great equaliser. That brings better-quality, better-paid jobs to so many.

"Upskilling our workforce is how we make sure the latter of those two choices is our legacy."

Baroness Jones, Minister for the Future Digital Economy and Online Safety.

THANK YOU

We'd like to thank our hosts, the City of London Corporation for providing the spectacular venue and making the Workforce Digital Skills Summit possible.

Thanks too, to the organisations and individuals who supported the summit, including all our speakers, panellists and facilitators.





































Workforce Digital Skills Summit 2025

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Speakers and panellists

Baroness Jones, Minister for the Future Digital Economy and Online Safety

Sir Peter Estlin, Chair, FutureDotNow Liz Williams MBE, Chief Executive, FutureDotNow

Paul Fleming, Head of Impact and Engagement, FutureDotNow (seconded from Accenture) Beatriz Rilo, Economist, Cebr

Holly Chate, Chief Operating Officer, FutureDotNow Maura Jarvis, Partner and Workforce Transformation Leader, Mercer Aurelie Marais, Head of Strategy & Transformation Sizewell C Civil Works Alliance, Bouygues UK Dr Dave Smith, National Technology Adviser Phil Smith CBE, Chair, Skills England and Co-chair, Digital Skills Council

Jitender Arora, CISO, Deloitte Peter Cheese, CEO, CIPD Tammy Fevrier, Deputy Director, Department for Work and Pensions Dr Matt Forshaw, Senior Adviser, Skills, The Alan Turing Institute Emma Kendrew, Technology Lead UKIA, Accenture Karen Licurse, Managing Director, Digital Boost