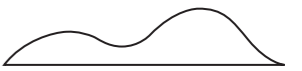


Building bridges towards future jobs in London



Context for our research

In February 2021, we published our Building bridges towards future jobs report which is informed by data from YouGov to better understand attitudes of consumers towards jobs in the current climate and expert analysis of UK job data – including of over 65 million unique job postings in the UK by Burning Glass Technologies.



The headline findings indicate that at a national level, many lack the confidence and know-how when it comes to recognising the potential of transferable skills as a route to changing careers. A third (32%) of those surveyed had no idea where else their current skillset might be useful and, when asked to consider changing careers to move into new industries, a third (34%) were concerned about starting over again, a fifth (21%) said they lacked knowledge of other sectors, and around the same number (19%) expressed an overall lack of confidence.

Those aged 25-34 are most reluctant to change careers, finding the lack of knowledge of other jobs (31%), worries about starting all over again (41%), the cost of retraining (21%), and the salaries of other careers (32%) more concerning than any other age group. And one in ten (11%) are

seeking change because the pandemic has fundamentally altered their current jobs.

The report also takes a closer look at the health of the jobs market in the UK, analysing millions of job listings posted everyday by employers over the last twelve months. And there is little doubt that the overall health of the UK's job market is of concern and hiring has clearly slowed down. On 1st March 2020, job postings were up +57% YOY, but by the 5th April 2020 job postings had plummeted to -54% YOY. While numbers seemed to be increasing in September, the postings dropped again below 2019 levels from mid-October 2020.

This report includes a focus on those who we polled in London and draws comparison with our national polling to explore how, or indeed if, the two differ.

In the three months to January 2020, and before the economic impact of the Covid-19 pandemic, this was London's economic and employment backdrop:



London's economic outlook

To set the context for this briefing we first looked at London's current economic backdrop. Therefore, the reason why future-focused, practical solutions such as these need to be taken into consideration.



Labour market landscape

The latest data from the Office for National Statistics shows that unemployment in London in the three months to January 2021 stood at 7.2%, an increase of 0.8 percentage points on the previous three months and a 2.7 percentage points increase on the same period last year. This was the highest rate and the largest increase from all UK nations and regions.

London also experienced the largest fall in jobs between September and December 2020 with a decrease of 60,000 jobs.

According to the most recent ONS Labour Market Survey, around 4.74 million London residents over 16 years old were in employment during the three-month period November – January 2021.

The rate of employment growth in the capital was -1.4% in the year to this quarter, and the lowest rate since the same quarter in 2010. This is down 2.8 percentage points from August - October 2020.

- 366,000 residents 16 years and over were unemployed in London in the period November to January 2021.
- The unemployment rate in London was 7.2% in that period, up from 6.3% in the previous period August to October 2020 and representing the highest rate in over six years.

Recovery

The latest statistics from the Office for Budget Responsibility (OBR) indicate that the recovery in London is anticipated to be slower than the pace of the initial fall. The OBR currently anticipates that London's economy will reach pre-crisis levels in the first quarter of 2022.

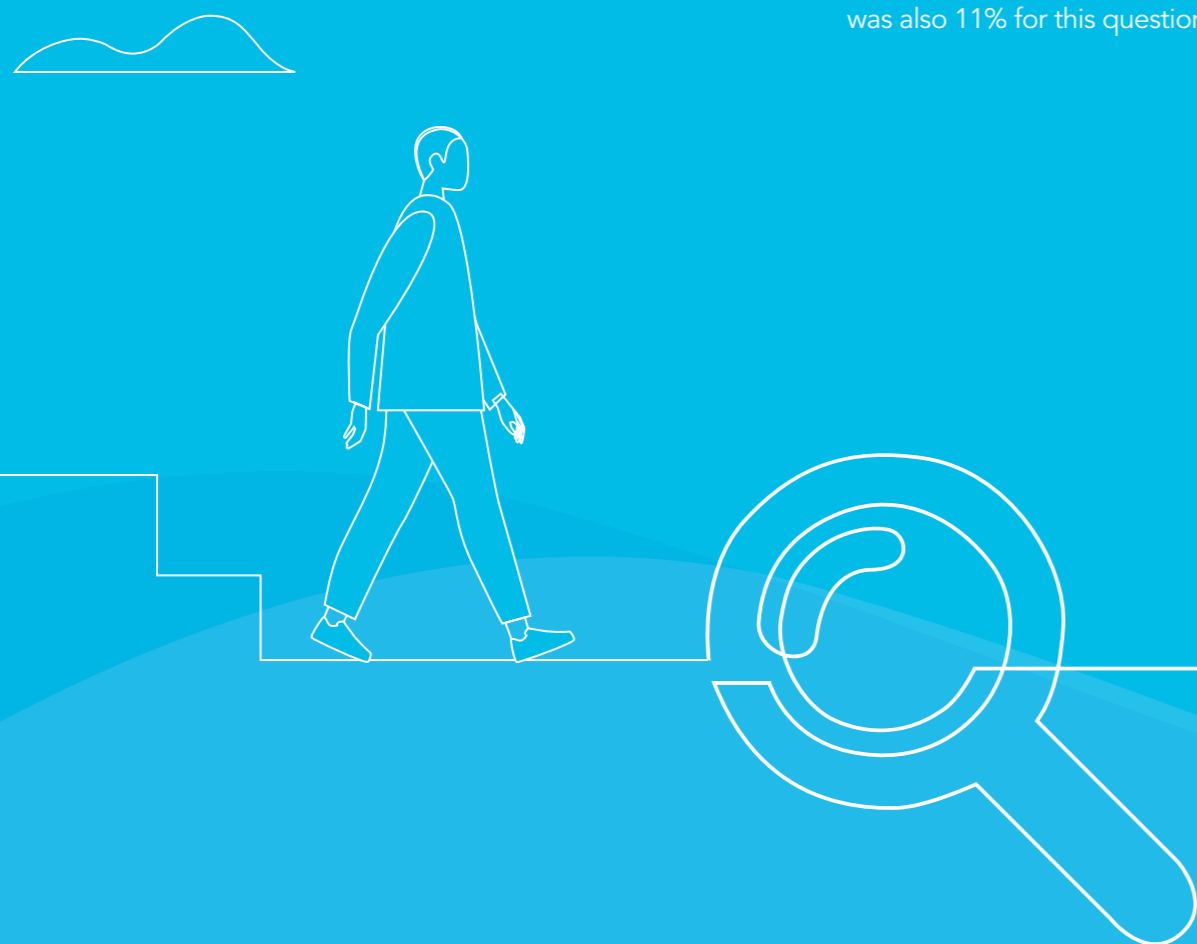
Perceptions and reasons for career change in London

As part of our research, we worked with You Gov to survey those in London's workforce to understand their attitudes towards changing careers and any barriers they had in doing so.

Almost a quarter (23%) told us that they sometimes thought about changing careers but haven't considered how or where to start. 13% also told us that they'd often thought about changing careers, but also did not know where to start.

Looking at the reasons behind why those who had thought about changing careers wanted to, just over a quarter (27%) said they wanted to completely change what they were doing, and a third said it was because they wanted to earn more money.

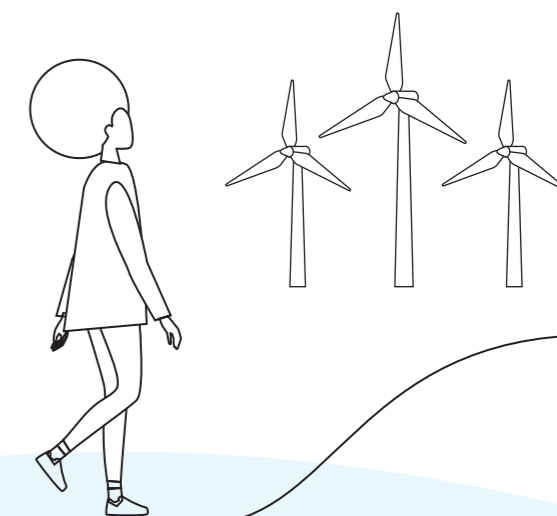
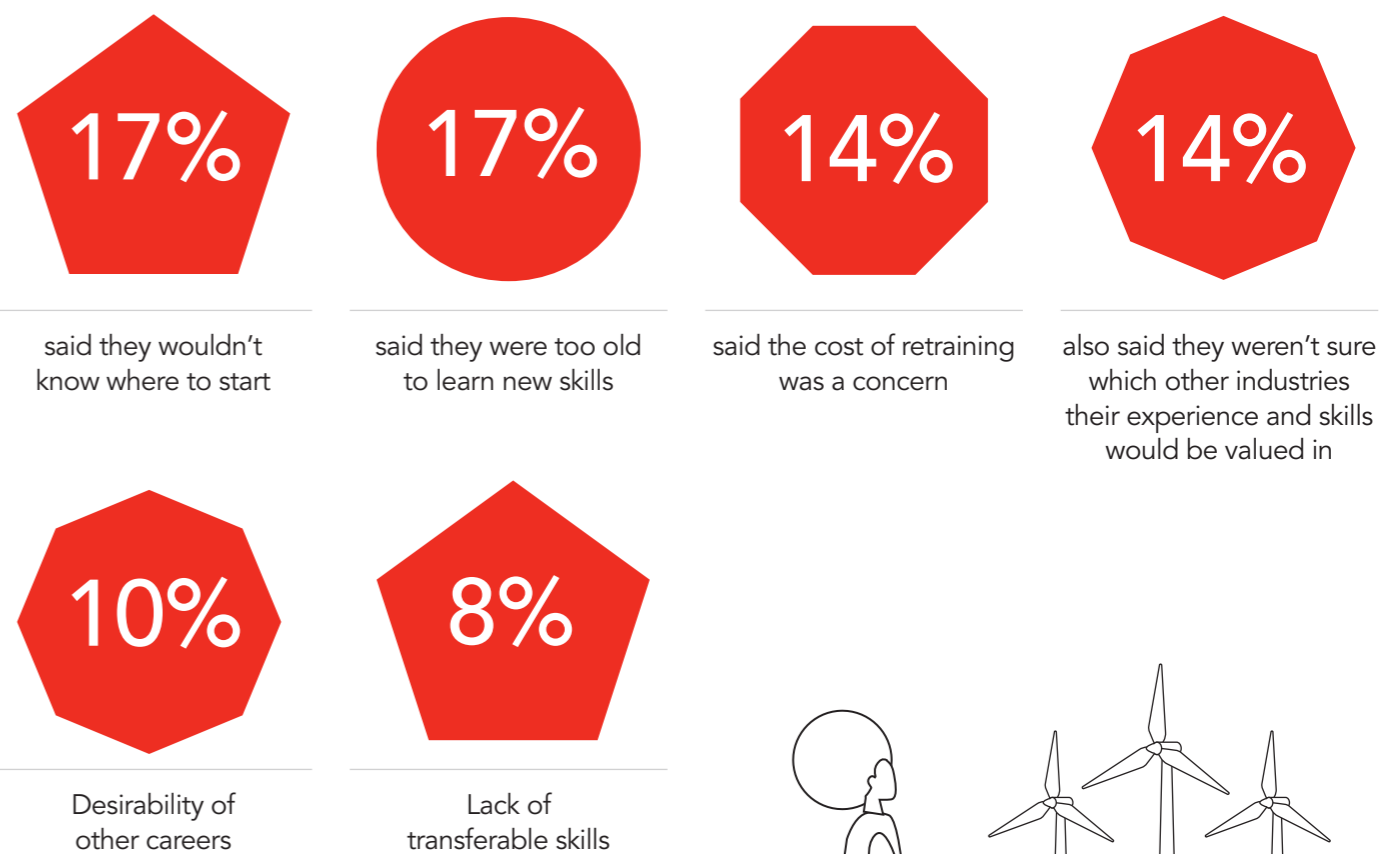
11% also said the recent Coronavirus pandemic had changed their job and they wanted to change their career/job as a result. This mirrors the national data which was also 11% for this question.

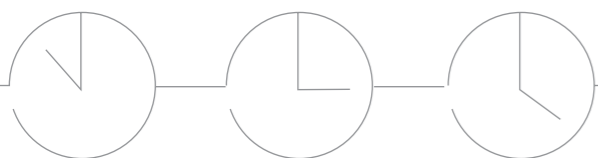


When asked what concerns they had about switching careers



Other concerns included





Confidence in transferable skills

While 36% expressed that they had some understanding of where their skills would be useful, just over a quarter (26%) believed that they might possess transferable skills but were unsure of the role or industry where these could be applied. Almost a fifth (19%) said they know exactly what other industries/job roles their skills would be useful in.

Priorities for job satisfaction

Since the Covid-19 pandemic struck, priorities for job satisfaction have significantly changed for many of us.

Our national polling indicated that all age groups now view work/life balance and job security as their top priorities above salary and promotion. This is the same case with Londoners, who also now place equal importance on pay/salary with flexibility (working hours/working from home).

As the return to work is considered, it will be interesting to explore how this may look different in the capital in future.

Pay/salary	41%
Job security	47%
Promotion/ progression/ career development opportunities	22%
Work/ life balance	49%
Supportive colleagues and working as part of a team	40%
A company/place of work that matches my values	31%
Varied and interesting work	35%
Flexibility (working hours/ working from home)	41%
Other	1%
Don't know	8%

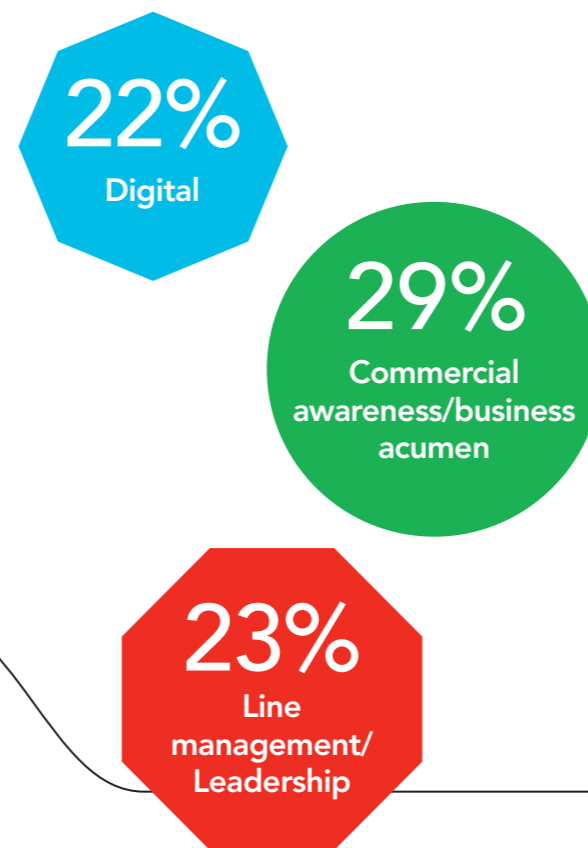
Investing in retraining

We also questioned Londoners willingness/ability to pay for reskilling or relevant qualifications in order to get a job in another industry/sector.

Very likely	11%
Fairly likely	20%
Fairly unlikely	29%
Very unlikely	26%
Don't know	14%

Overall, just over half (55%) are unlikely to invest in retraining or reskilling to get a job in a new industry.

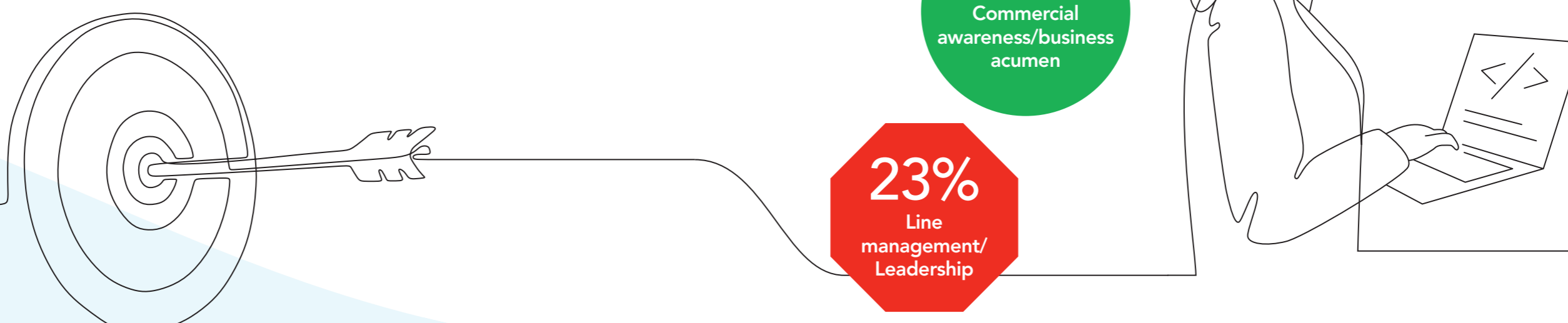
When asked what skills or attributes Londoners felt least confident about, or were their biggest weakness, they said:



Career transition after long term employment

We also asked our survey respondents about their current tenure in their careers. This revealed that a fifth have stayed in their current career for over 20 years. 13% had been in their current career for 15-20 years and a further 12% for 10-15 years.

Just under a third (32%) of those we surveyed had previously changed careers. 13% had often or sometimes thought about changing careers but didn't know where to start and 11% had never thought about changing careers before.



Impact of the Covid-19 pandemic on the jobs market

The impact of the Covid-19 pandemic has clearly been felt across the country, with no sector or area of the country being left untouched.

London is no different in this regard, as the economic and employment outlook demonstrated.

As part of this report, we asked Londoners how much better or worse they thought the jobs market will be this year compared to 2020, or if they thought it would be about the same.

A lot better	2%
A little better	14%
About the same	14%
A little worse	21%
A lot worse	39%
Don't know	11%
Net: Better	16%
Net: Worse	60%

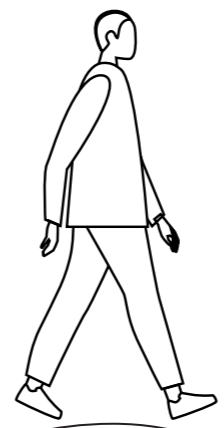
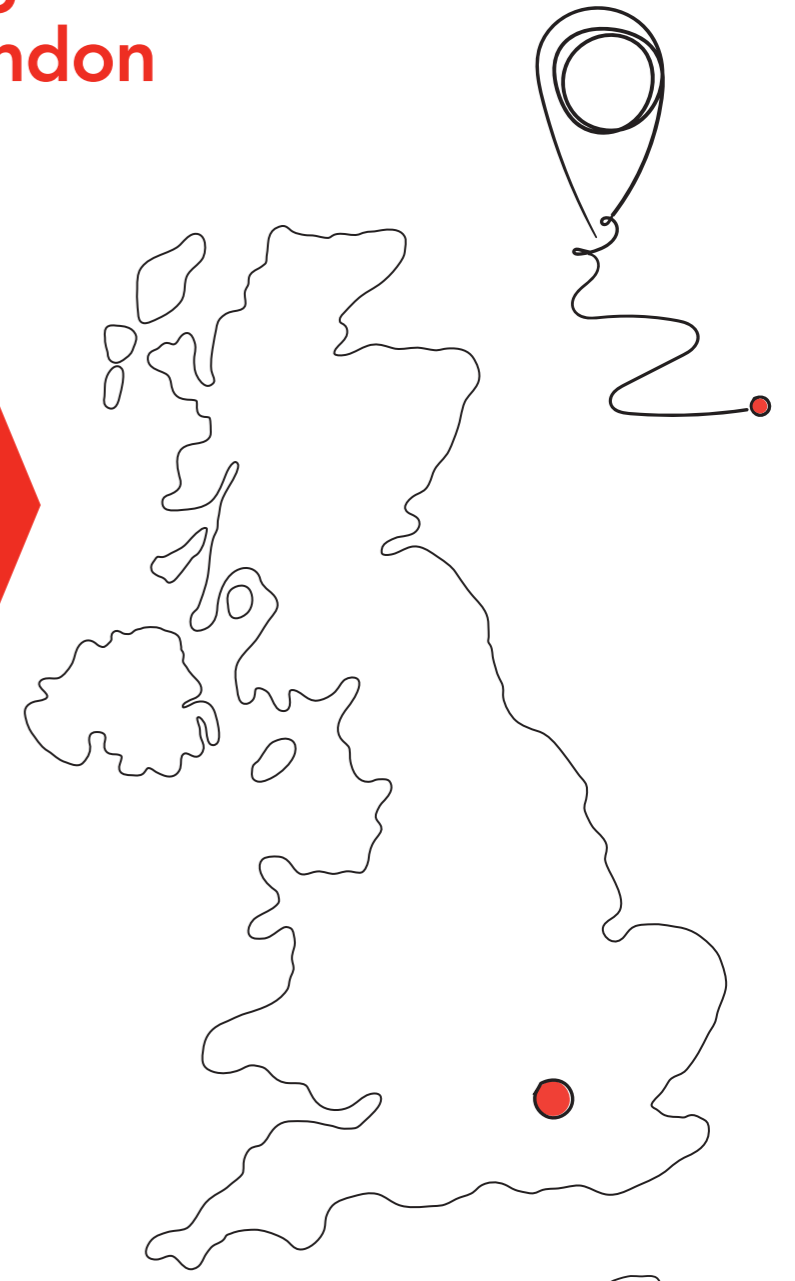
In comparison to the UK wide view, Londoners are slightly less pessimistic about the jobs market this year in comparison to 2020.

65% of those polled across the UK believe the jobs market will be a little or a lot worse this year compared to 60% of those living in London.

The sentiment of Londoners towards the job market is pretty clear and the economic recovery from Covid-19, alongside factors such as the impact of the Fourth Industrial Revolution and AI mean that new and different solutions such as Step into transitions need to be considered.

Spotlight on top growth occupations in London

- Data Engineer
- Data Scientist
- Pharmacist
- Special Education Needs (SEN) Teacher
- Engineering Manager



Online job posts for about 200 occupations have either increased or remained relatively stable from September 2019 to September 2020

Building bridges: Mapping the career pathways across the UK

To gain a greater insight into recent movement of people between careers and professions we worked with Burning Glass to monitor the number of job postings between October 2019 and September 2020.

To compensate for the impact of Covid-19 they created a growth metric while also accounting for regular seasonal changes. Growth was then measured as the change in job postings from September 2019 to September 2020, indexed by January.

The percentage of job postings for each occupation that required an educational level below degree from October 2019 to September 2020 was then calculated. We were then able to compare growth metrics and selected occupations with the largest declines and with large demand.

We identified occupations which could offer people the opportunity to find employment quickly by leveraging a wide range of transferable skills from previous careers across six sample sectors. These occupations also had accessible educational requirements for entry, attractive salaries, and the largest increases in postings between October 2019 and September 2020.

To focus on occupations that fell into these six sectors we matched each sector to a corresponding Standard Industrial Classification (SIC) and set specific terms for growth in the number of each role advertised within a given sector.

Top 10 declining at risk occupations

At risk Occupation	Growth from Sep19/Jan19 to Sep20/Jan20
Pet Care Manager	-93%
Bus Driver	-83%
Nanny / Babysitter	-72%
Veterinary Nurses and Assistants	-72%
Busser / Banquet Worker / Cafeteria Attendant	-71%
Fundraising / Development Specialist	-61%
Bartender	-60%
Survey Researcher	-58%
Executive Assistant	-55%
Telemarketer	-53%

While the impact of the pandemic has been widespread, it certainly has not been absolute and examining the data from Burning Glass provides hope for what can be achieved if people are able to access Step into roles.

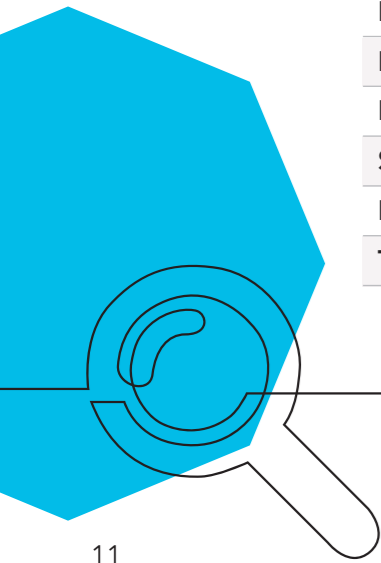
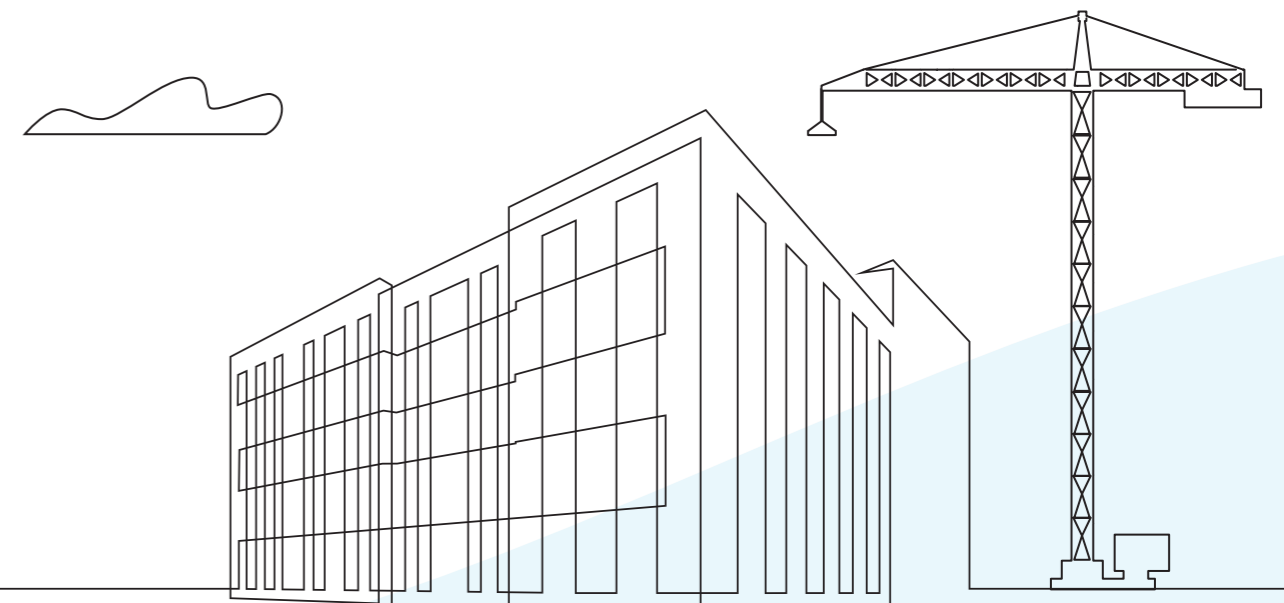
Online job posts for around 200 occupations have either increased or remained relatively stable from September 2019 to September 2020, when adjusted

for seasonality. This creates opportunities for those in hard hit occupations to transition to Step into roles.

Even within sectors which are only experiencing modest growth, or no overall growth at all, demand for certain roles is increasing significantly. We have highlighted some key sectors where vacancies for particular jobs have seen large scale increases since September 2019.

Top Step into role by sector


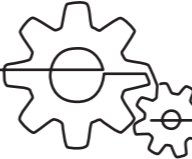




Sector	Step into role	Growth from Sep19/Jan19 to Sep20/Jan20
Construction	Heating Engineer / General Engineer	66%
Digital	Information Security Engineer / Analyst	61%
Engineering	Press / Press Brake Operator	35%
Health	Phlebotomist	277%
Land	Farm Manager	44%
Public Administration	Courier / Messenger	527%



At risk to Step into job transitions

On the next page we map out a number of roles that are currently categorised 'at risk' and illustrate corresponding 'Step into' transitions which use transferable skills. Positively, in many cases these 'Step into' roles offer higher salaries than at risk jobs and would be accessible with minimal re-training.



Work sector	At risk occupation	Step into occupation	Salary differential	Overlapping skills
 Public Administration	Bartender	Housing officers	+£7,860	<ul style="list-style-type: none"> • Customer service • Cleaning • Staff management • Customer contact
 Engineering	Bus Driver	Operations and Maintenance Specialist	+£3,020	<ul style="list-style-type: none"> • Customer service • Cleaning • Forklift operation
 Construction	CNC Operator	Pipe Fitter	+£6,792	<ul style="list-style-type: none"> • Engineering drawings • Technical recruiting • Cleaning
 Health	Optician	Phlebotomist	+£3,414	<ul style="list-style-type: none"> • Customer service • Patient care • Surgery • Teaching
 Digital	Customer Service Representative	Satellite / Broadband Technician	+£7,291	<ul style="list-style-type: none"> • Customer service • Customer contact • Key performance Indicators (KPIs) • Service Level Agreement
 Land	Pet Care Manager	Farm Manager	+£7,058	<ul style="list-style-type: none"> • Cleaning • Animal husbandry • Record keeping • Staff management

Conclusion

This report provides a new and innovative way of re-examining the challenges facing our labour market.

As noted, these challenges aren't new, but equally the impact of Covid-19 has exacerbated issues that pre-existed. Throughout this crisis we have seen examples of individuals, businesses and whole sectors re-thinking their traditional methods of working, revisiting and transforming them to better cope with the additional challenges that the pandemic has posed. We understand that some career switching has increased as a consequence of the pandemic, however this is a trend which is likely to continue post-Covid as a result of factors such as the fourth industrial revolution, AI and longer working lives.

To ensure we have the skills and ecosystem to accommodate these changing trends, we believe Step into jobs and Skills Bridges need to be a central plank of this innovation and the skills and employment ecosystem looking forward.

As we have highlighted, there needs to be a change in the lifelong learning system with greater connection between industry skills needs and the training on offer, alongside a much broader understanding of how skills development can be delivered and accessed to benefit all.

On the next few pages we include recommendations for how to create a lifelong learning eco-system that will help us to recover from the pandemic and enable people to reskill throughout their working lives to remain employable:



1. Creating a flexible funding system that allows for funding for modular short courses that are linked to Step into outputs

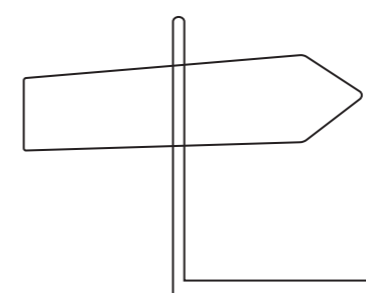
Skills funding policy over the years has worked alongside a system that delivered linear education solutions with a ceiling age of 18 or 22 years old for those progressing to HE, where learning was more often than not been based in a classroom between the hours of 9-5 five days a week.

If we are to achieve more flexible solutions to learning with stronger links to employment destination, then funding needs to provide for a lifelong learning system which delivers this. Take for example the Government's Lifetime Skills Guarantee – announced in September 2020 but will not start delivering learning until April 2021. At a time when the UK is facing some of its worst rates of joblessness, we needed a system which can act now, rather than in six months' time. The Lifetime Skills Guarantee is also far too narrow in its scope and unnecessarily closes doors to those that most need it, as it is only available to those without a full Level 3 qualification and only in a limited number of sectors. What those who are out of work or at risk of losing their jobs need now is a hybrid model of flexible, digitally enabled training that can be accessed easily. This should also cover a range of sectors and levels in addition to what has been announced already.

Another example can be seen in the recent Skills for Jobs White Paper with the announcement of details for the Lifelong Loan Entitlement. The Government notes on this that 'Flexibility is going to be the cornerstone for supporting adults who need to retrain and upskill at any point in their working lives'. A consultation will be held on the detail and scope of the loan entitlement this year, yet it will not come into force until 2025.

In order to better support people, we need to think about the future direction of education and learning now, and the fact that more of this will be delivered in non-classroom-based settings. We therefore reiterate our proposal from our submission to the Government's Comprehensive Spending Review for a more effective reallocation of the £1 billion investment from planned Government funding, augmented by devolved Adult Education Budget allocations to ensure all post-compulsory education adults have access to Adult Training Allowance Loans to meet employer and labour market demand.

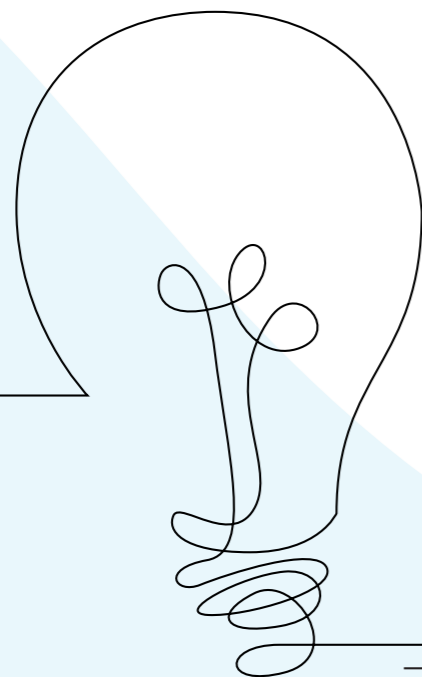
Propose a more effective reallocation of the £1 billion investment from planned Government funding



2. Clearer and more effective ways to help identify and understand transferable skills

Our report has discussed how passionately we believe individuals should be helped to make the most of the transferable skills they have gained through their working lives. Those seeking out this advice however need to be aware and able to access services which will help them in realising their skill set.

We believe that the creation of Employment and Training Hubs, which will act as a one-stop skills and jobs matching service for those who might need to or want to upskill or retrain and those seeking employment. Our view is that these would allow access to much needed advice, guidance and provide a diagnostic of their current transferable skill sets. This service would also identify skills that could be easily transferred to other industries / jobs as well as any skill gaps people had. It should be used to augment and transform existing solutions from Jobcentre Plus and the National Careers Service.



3. Take a region-led approach to skills policy

This is a point we consistently campaign on and discuss in our policy work, and it has been shown yet again in the regional variation of jobs/industries presented in this report. In order to better assist each individual region to recover from and have more opportunities, Government must devolve more policy and funding powers to the GLA and ensure they are using the expertise of the British Chamber of Commerce networks. This will allow them to champion and lead locally based skills and job-related solutions, which are tailored to a regional ecosystem and should be linked to workforce profile intelligence.

4. Embrace digital solutions

As we have demonstrated through the Skills Bridge solution, learning is now far broader than classroom based. Equally, no one should be expected to completely retrain if they're looking to change careers or seek a job in a new area. As the Skills Bridge demonstrates, Step into roles provide the opportunity to develop new skills and progress in a growth industry. Taking the Step into Social Care course as an example, this is a 4-hour introduction to the skills needed in social care to help people understand if it's a suitable sector for them. This also signposts to next stage training (if needed), or relevant jobs destinations.

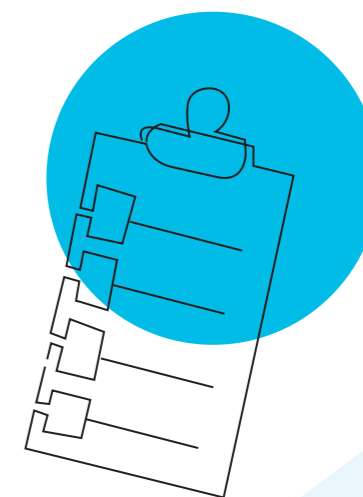
We recommend that looking to the future there are far more digital solutions available as a means of widening the reach and flexibility of learning and which help get people into or back into the workplace in a shorter space of time.

5. Employers should consider a more flexible approach to workforce development and recruitment

We understand that the impact of the pandemic has been felt by all employers in London, no matter their size or sector. Throughout this report we demonstrate the receptiveness towards innovation and different ways of thinking that many employers have shown, something which we believe can continue moving forward. Our report demonstrates that there is untapped potential in London from individuals working in industries with related or transferable skills. Because of this we're recommending that employers take a more flexible approach in their recruitment and skills requirements moving forward.

6. Embed lifelong learning at the heart of all skills policy

The subject of lifelong learning is something successive Governments over the years have always championed, but with this has come policy measures which are not given the thought or time to embed. With the launch of the recent Skills for Jobs White Paper, and with policy consultations underway for technical and vocational qualifications at various levels, now is the time to create and embed an FE education system which is equipped to fulfil its role helping get people back into work, regardless of previous attainment and create a culture of lifelong learning.



Skills Bridges

Through a partnership with FutureLearn, City & Guilds is working to turn the tide on unemployment in the UK and help individuals who work in industries impacted by Covid-19 to reskill and switch careers into growing industries or those facing labour shortages.

Through this partnership we have developed Skills Bridges. Created using employer insights, Skills Bridges identify the overall potential of an individual and determine how their skills and motivation can be transferred seamlessly into other industries and occupations. Skills Bridges offer individuals the tools and knowledge of the sector they need to gain direct entry into a new occupation and give them an advantage in the recruitment process.

Individuals receive a City & Guilds digital credential upon completion, enabling them to access jobs boards and showcase their skills across social media platforms.

The first phase of Skills Bridges launched in mid-September and focuses on the social care sector. The Step into Social Care course, available on the FutureLearn platform, promotes the social care sector and the jobs and progression opportunities it can offer.

Methodology

YouGov

This survey was conducted using an online interview administered to members of the YouGov Plc UK panel of 800,000+ individuals who have agreed to take part in surveys. All survey figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2041 employed / furloughed adults of which 276 of those polled were in London. Fieldwork was undertaken between 8th - 11th January 2021. The survey was carried out online. The figures have been weighted and are representative of all GB employed / furloughed adults (aged 18+).

Burning Glass Technologies

a. Real time jobs data

- i. The data in this report, provided by Burning Glass Technologies, provides real-time information on the labour market through millions of job postings that are being posted daily by prospective employers. Utilizing this information allows for a detailed and updated perspective on the demand for occupations as well as changing skill requirements.
- ii. Further, the nature of the real-time data allows for a more granular level of detail for analysis by making it possible to dive into deeper specifics, such as how an occupation's requirements, whether that be education, experience, certifications, or skills, vary across geographies, between industries and within an industry.

b. Data collection approach

- i. The methodology utilized by Burning Glass Technologies to get the job postings from online postings is based on 'spider' technology. When an online

site is determined to be valid, a spider is programmed and activated for that site, regularly visiting it, and pulled job information for any jobs posted. Burning Glass spiders more than 40,000 sites in the entire world, with over 6,000 devoted to the UK.

- ii. When the postings are collected, Burning Glass then parses, extracts, and codes dozens of data elements, like job title, specific skills, education requirements, salary information, job type, number of openings, experience requirements, etc. From there, Burning Glass codes occupations and skills using a combination of machine learning techniques and expert-generated rules to assign a job posting into an occupation and tag the specific skills required by the posting.
- iii. Burning Glass uses almost 7,500 different job advertisement sources in the UK, which is comprised of direct employer sites, job boards, aggregators, government, and free sites. Burning Glass also has mechanisms in place to ensure de-duplication for job advertisement; about 80% of all postings are discarded as duplications to make sure that the data used for analysis reflects unique job postings.

c. Skills data

- i. Burning Glass identifies the skills requested by each job posting. By doing so, it creates the opportunity to look at a particular skills demand in an occupation, geographical area, industry, etc... at a point in time or how it changes across time. Burning Glass has a propriety dictionary of over 17,000 skills, with metadata features for each skill.

About information

City & Guilds Group

Our vision is for a world in which everyone has the skills and opportunities to succeed.

We support over four million people each year to develop skills that help them into a job, develop on that job and to prepare for their next job.

As a charity, we're proud that everything we do is focussed on achieving this purpose.

Through our assessment and credentialing, corporate learning and technical training offers, we partner with our customers to deliver workbased learning programmes that build competency to support better prospects for people, organisations and wider society.

We create flexible learning pathways that support lifelong employability, because we believe that people deserve the opportunity to train and learn again and again – gaining new skills at every stage of life, regardless of where they start.

Our foundation activities amplify our purpose by helping to remove barriers to getting into a job, celebrating best practice on the job, and advocating for jobs of the future.



Burning Glass Technologies

Burning Glass Technologies is an analytics software company that has cracked the genetic code of an ever-changing labor market. Powered by the world's largest and most sophisticated database of labor market data and talent, we deliver real-time data and breakthrough planning tools that inform careers, define academic programs, and shape workforces.

Burning Glass Technologies delivers job market analytics that empower employers, workers, and educators to make data-driven decisions. Burning Glass is reshaping how the labor market works, with data that identify the skill gaps that keep job seekers and employers apart and tools that enable both sides to bridge that gap and connect more easily. The company's artificial intelligence technology analyses hundreds of millions of job postings and real-life career transitions to provide insight into labor market patterns. This real-time strategic intelligence offers crucial insights, such as which jobs are most in demand, the specific skills employers need, and the career directions that offer the highest potential for workers.

Burning Glass' applications drive practical solutions and are used across the job market: by educators in aligning programs with the market, by employers and recruiters in filling positions more effectively, and by policy makers in shaping strategic workforce decisions. At the same time, Burning Glass' data-driven applications for workers and students help them choose career goals and build the skills they need to get ahead.

Based in Boston, Burning Glass is playing a growing role in informing the global conversation on education and the workforce, and in creating a labor market that works for everyone.

Contributors: Anna Colanduoni, Nyerere Hodge, Bledi Taska, Rucha Vankudre



