Closing the digital skills gap amid the cost-of-living crisis

The shortage of available talent to keep pace with the growing number of roles that require digital skills was noticeable even before the pandemic. So, when businesses were forced to make the switch to digital in the face of distancing rules, many were left playing catch up.

Temps de lecture : minute

24 January 2023

Now, nearly three years on since the UK first went into lockdown, the stakes have risen with businesses feeling both the effects of the cost-of-living crisis and the challenge of attracting and retaining staff. According to recent AND Digital <u>research</u>, more than four in five (81%) UK managing directors say a lack of digital skills is negatively affecting their company.

Further, narrowing the gap has become more challenging due to the more pronounced barriers that the cost-of-living crisis may create for people from disadvantaged communities looking to improve their digital skills.

Not only does this paint a rather bleak picture for employees, businesses and, more generally, the UK economy – <u>research</u> has revealed that a shortage of digital skills is costing the UK economy £12.8B – but will also create greater inequality as lower income individuals find their career and salary prospects hampered.

As more products and services digitalise, growth prospects are becoming dependent on a sufficiently trained, tech-competent workforce.

Barriers to digital skills

Lower income groups are often excluded from digital opportunities due to unequal access to the required technologies.

For instance, access to the web brings the option to work from home, search and apply for jobs, and learn vital ICT skills – skills such as drafting and sending an email or creating Excel spreadsheets (the digital skills gap includes basic and advanced tech skills). Yet, in one study, the _Office for National Statistics_ found that only 51% of households earning between £6,000-10,000 had home internet access, compared with 99% of households with an income of over £40K. With millions struggling to keep up with escalating bills this divide is likely to worsen as more people are forced to make financial concessions.

Similarly, a lack of access to digital devices prevents self-learning. In 2020, an Ofcom survey found that nearly _1 in 10 households_ containing children did not have home access to a laptop, desktop PC or tablet. Learning becomes challenging without a suitable laptop or computer, especially because many coding courses now require coursework or are entirely online.

Naturally, specialist courses that charge a fee are also not an option. There are numerous courses promising to provide trainees with skills including coding, data analysis, and basic digital support skills. However, these qualifications often come with a heavy enrolment fee, putting them out of touch for individuals that do not have thousands of pounds to spare.

Without the tech or funds for training courses, social mobility becomes increasingly difficult. Indeed, research by Virgin Media and O2 found that 31% of UK workers believe they were passed over for a promotion or pay rise due to their lack of digital skills, meaning individuals hoping to find a

higher-paying salary to support themselves during the cost-of-living crisis will be unable to do so.

Accessible training

With budgets tightening, and the ability of businesses to fund additional training to new and existing employees lowering, it's more important than ever that employers, local councils, and skills providers cooperate to highlight pathways to gaining tech skills that are accessible for all. This includes promoting the advantages of programmes like _digital bootcamps_.

For example, the West Midlands Combined Authority (WMCA) recently _secured a further £11.25M_ from the government's National Skills Fund to expand bootcamp delivery in key sectors of our regional economy – digital, health and green. This means that, to date, more than £19 million has been invested in _WMCA's digital bootcamps_.

The bootcamps are free of charge for learners and equip West Midlands residents with digital skills, giving them to access roles in areas like coding, cybersecurity and digital marketing.

They support the unemployed, those seeking a career change, as well as employed people looking to gain the digital skills required to secure more responsibility or a promotion with their current employer.

Bootcamps have been successfully delivered within the West Midlands region since 2019, with over 1,000 residents (70% of participants) achieving a positive outcome after receiving training. This includes 50% of participants from Black, Asian and minority ethnic backgrounds.

Additionally, employers can hire directly through the bootcamps and even start their own bootcamps where they can collaborate on the course design to give students the specific digital experiences and skills they

need for their organisation.

The cost-of-living crisis is exacerbating the lack of digital skills while having a disproportionately negative impact on disadvantaged groups. Digital skills bootcamps will be essential in reversing this by providing those who would not otherwise have access to the required training and employment opportunities.

I would encourage all employers and those seeking new skills to <u>search for digital skills bootcamps in their area</u>. They have a significant role to play in facilitating digital skills training, while also creating career pathways and filling digital vacancies that exist across the UK – 2023 will be a key year to champion these courses.

Dr Julie Nugent is the Executive Director - Economic Delivery, Skills and Communities at <u>West Midlands Combined Authority</u>. Established in 2016, WMCA is a group of 18 local councils and three local enterprise partnerships (LEPs) working together to make the West Midlands region a better place to live and work.

The West Midlands Digital Skills Partnership brings together the region's leading tech employers, digital entrepreneurs, Local Enterprise Partnerships, the Department of Culture Media and Sport, as well as universities, colleges and other training providers. Their aim is to identify what digital skills provision is needed across the West Midlands and encourage partners to work together to address these and emerging needs, and to attract and retain investment and talent in the region.

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