




# A Human Future

Strategic Plan 2019–2022



**A NATION LEADING THE WORLD IN  
TECHNOLOGICAL  
INNOVATION  
AND STAYING TRUE TO ENDURING VALUES OF  
SOCIAL JUSTICE.**

**A COUNTRY PROUD OF ITS HISTORY  
AND ACHIEVEMENTS, BUT  
EQUIPPING ITSELF TO SEIZE THE  
OPPORTUNITIES  
OF THE FUTURE.**

**AND A SOCIETY DETERMINED TO REMAIN  
OPEN, INCLUSIVE  
AND WELCOMING  
IN THE FACE OF RISING FORCES OF  
INTOLERANCE, ISOLATION AND PROTECTIONISM.**

NICOLA STURGEON, FIRST MINISTER OF SCOTLAND

# Foreword

The world around us is changing. Such is the pace and scale of economic, demographic, political and technological change, that even our idea of work and skills will be fundamentally different in the coming years.

Despite the disruption of Industry 4.0, rising dependency ratios, increased competition for public finances, and political challenges like Brexit, Scotland can become one of the most productive, inclusive and sustainable economies in the world.

To excel in the future, we must act now.

As Scotland's national skills agency, we must help our country face these global challenges by equipping our people and businesses with the skills to seize opportunities and achieve their full potential.

Going forward, we need to better understand the dimensions of change, learn to leverage our innate human characteristics and strengths, and work together to drive a strong, vibrant and resilient economy.

Our ambition is to support Scotland to take its place amongst the top-ranking Organisation for Economic Co-operation and Development (OECD) countries for productivity. This, our Strategic Plan 2019–2022, articulates what we will do over the next three years to help us get there.

A shared vision for Scotland's future and a collaborative, inter-agency approach is fundamental to our success. Partnership working has long been at the heart of all we do. In developing this Strategic Plan, we engaged extensively with our skills and enterprise partners. All colleagues within Skills Development Scotland were also given the opportunity to contribute, ensuring our plans were informed by wider partnership working, and the needs and ambitions of all our stakeholders.

In 2019–2022, we'll work to ensure:



**People have the information and skills they need**



**Businesses drive productivity and inclusive growth**



**We collectively create a more dynamic, responsive skills system**

A summary of our new programmes of activity for these three years is available at the end of this document.

Our nation's biggest asset is its people – their skills are the foundation for inclusive growth, wealth creation, equality and sustainability. Our world-leading, all-age career information, advice and guidance service will help Scotland's people to reach their potential, regardless of where they are in their career.

Now and in the future, we'll support Scotland's industry to grow, mobilising businesses to drive productivity and inclusive growth. Working with our partners, we'll drive inward investment and champion workplace innovation.

To help Scotland compete in the global market, we'll work to create a more collaborative and agile skills system with partners. We'll explore how uniquely human skills can define skills provision, future-proof high-quality work-based learning and champion greater alignment with partners to ensure an evidence-based approach to skills investment.

This work will be underpinned by solid career and labour market intelligence and, between now and 2022, we'll continue to strengthen our already robust evidence to understand and anticipate the needs of Scotland's people, sectors, occupations and local economies.

To achieve our ambitions for Scotland, we must also look to our own organisation, modelling 2035 employer behaviour and investing in our own knowledge and capability to drive change.

Whilst the world around us is changing at an unprecedented rate, we stand ready to work with our partners and help Scotland realise its full potential.

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**Frank Mitchell,**  
**Chair of Skills Development Scotland**

# Contents

<b>Foreword</b>	<b>3</b>	<b>Mobilising Scotland’s Businesses</b>	<b>27</b>
<b>Introduction</b>	<b>5</b>	What we have achieved so far	
<b>A Human Future – a Vision for Scotland in 2035</b>	<b>7</b>	Looking Forward	
<b>Towards Top Quartile Performance</b>	<b>8</b>	<b>Influencing the Learning and Skills System</b>	<b>33</b>
<b>Strategic Context</b>	<b>10</b>	What we have achieved so far	
The Economy: Productivity and Inclusive Growth		Looking Forward	
Population and Labour Market		<b>SDS as an Organisation</b>	<b>39</b>
Brexit		What we have achieved so far	
Infographic: State of the Nation		Looking Forward	
The Future of Work		<b>Summary of 2019–22 Activity</b>	<b>44</b>
Regional Opportunities and Inequalities		<b>Assessing Performance and Impact</b>	<b>48</b>
Disruption		Our Corporate Performance Framework	
Public Finances		Annual Planning and Performance Review	
<b>Our Strategic Goals</b>	<b>18</b>	<b>Annex</b>	<b>51</b>
<b>Enabling Scotland’s People</b>	<b>21</b>		
What we have achieved so far			
Looking Forward			

# Introduction

Skills Development Scotland (SDS) is the national skills agency. Our purpose is to drive productivity and inclusive growth through investment in skills, enabling businesses and people to achieve their full potential.



*“to focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth”<sup>1</sup>.*

In pursuit of this national ambition, the Enterprise and Skills Strategic Board has identified how the enterprise and skills agencies can contribute and collectively help Scotland move towards the top quartile of OECD countries for productivity, equality, wellbeing and sustainability.

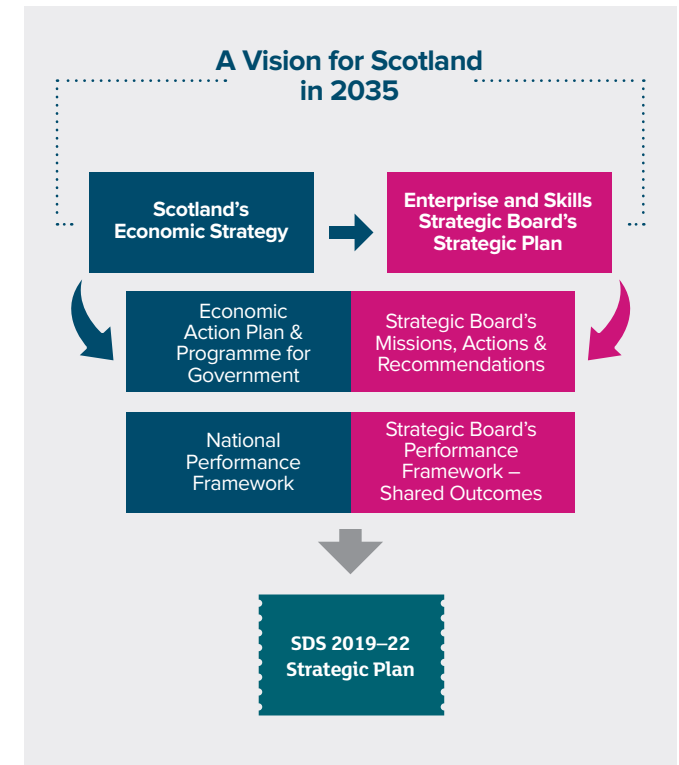
Not only would this bring more spending power for individuals, improved business competitiveness and profits and higher tax revenues to help fund better public services but it would also deliver improvements in equality, wellbeing and sustainability.

<sup>1</sup> National Performance Framework  
<https://www.gov.scot/about/what-the-government-does/>

Scotland stands at an important moment in history. While the economic, demographic and political environments are challenging, Scottish Government has a reinvigorated sense of ambition for our personal and national prosperity, captured in their purpose:

The Strategic Board’s Strategic Plan outlines how a joint-agency approach is vital. Over the next three years, we will collaborate with the Scottish Funding Council (SFC), Scottish Enterprise (SE), Highlands and Islands Enterprise (HIE) and the new South of Scotland Enterprise (SoSE) to deliver the actions identified in the Strategic Plan and to develop a shared vision for Scotland in 2035. This vision will shape our approach to delivering inclusive and sustainable economic growth for Scotland.

Each agency will continue to play its distinctive part but with a fresh clarity of direction on the shared ambition and collective actions that will help Scotland, its economy, businesses and people, excel in the present and seize the opportunities of the future.



***“Education is the key tool to manage the challenges ahead. The economies of the future will be knowledge-driven. That’s why we must use education to help people ride this wave of change and give them the skills they need for the new jobs of the 21st century.”***

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Michael E. Hansen, Chief Executive Officer, Cengage Learning



Towards 2035

## **Meta-skills**

Scotland’s employers and individuals must focus on developing, utilising and rewarding the uniquely human ‘meta-skills’. Meta-skills include complex problem-solving, critical thinking, communication, creativity, and leadership.

They are the skills we will all need to drive innovation, create adaptive resilience, encourage entrepreneurial behaviour and ensure our future success, regardless of context.

Learning and skills provision in Scotland in 2035 will need to develop, measure and reward meta-skills, acknowledging that these can only be developed experientially.

# A Human Future – a Vision for Scotland in 2035

In a context of rapid economic and technological change, it is essential that Scotland grows an innovative and globally ambitious business base and develops and retains a skilled workforce, to be capable of driving achievement of our economic and social aims.

To facilitate this, we are collaborating with our agency partners to chart out a vision we are calling ‘Skills 2035: A Human Future’.



## Understanding the Changing Context

Disruption and rapid change in the labour market, including automation, will alter the future of work. To ensure Scotland’s businesses and people thrive in this future, the enterprise and skills agencies need to constantly understand the context we operate in, so our priorities can be reshaped in response.

We are therefore investing in a process of open innovation to collectively understand the dimensions of change over the next 15–20 years. This joint understanding will create the foundation of a shared vision for skills in 2035, so we can invest now in leveraging the innate human characteristics, or ‘meta-skills’ (see previous page) which will drive Scotland’s future success.




A shared vision will enable more effective collaboration and allow us to jointly determine how best we can support businesses and people to thrive in a changing world, towards achieving increased productivity and inclusive growth.

Achieving this will not be easy and will take time. However, it is essential to unlocking the potential of all of Scotland’s people and businesses, and to ensuring the future prosperity of our economy. Therefore, establishing this vision will be a key priority for us in this coming strategic period.

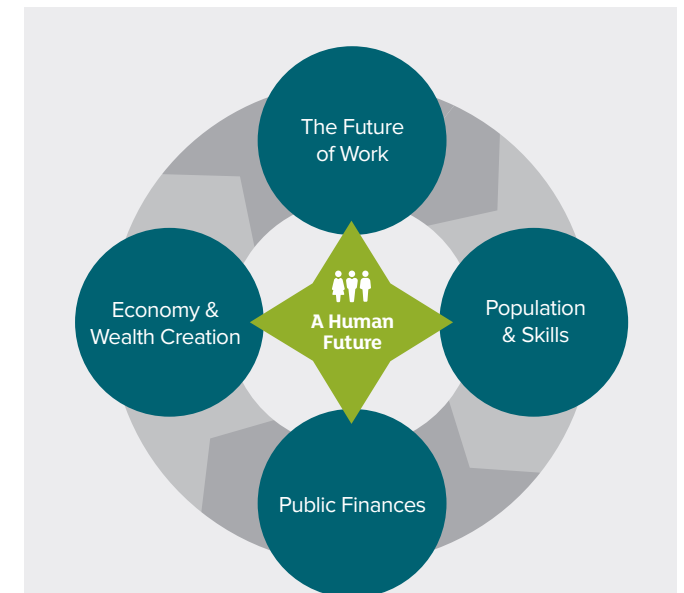
## The Learning and Skills Ecosystem

The skills of our people are a national asset and the foundation for inclusive growth, wealth creation, equality and sustainability. In close collaboration with the SFC, we are already exploring how we best maximise Scotland’s human capital, in the form of our population’s skills.

To inform the changes, action and investments we need to make now, we have started to envisage the characteristics of the learning and skills system in Scotland in 2035. These are:

-  **An adaptive and resilient workforce**
-  **Engaged employers at the heart of shaping skills**
-  **A dynamic and responsive learning ecosystem**

An early outline of what will typify these characteristics is appended in Annex A.



# Towards Top Quartile Performance

Current economic and skills policy provides clear direction on the collective action the enterprise and skills agencies can take to drive productivity and inclusive growth in Scotland. Both the Strategic Board's Strategic Plan and the Scottish Government's Economic Action Plan identify specific actions to take in pursuit of achieving top quartile OECD rankings.



The Strategic Board's Strategic Plan has new and collective ways of working at its core. It includes four separate policy missions, identified as the areas most likely to drive productivity, equality, wellbeing and sustainability, and on which the agencies should focus. These are:






**Business Models, Work Place Innovation and Fair Work (BMWl)** – promoting and supporting the development of highly capable businesses with long-term strategic orientations who utilise progressive workplace practices, technology, skilled resources and innovation to remain competitive.

**Skills for the Future (FS)** – encouraging and enabling a shift to a more demand-led skills system that better responds to the current and future skills needs of employers and individuals, including expanding work-based learning, and increasingly supports individuals to up-skill and re-skill.



**Business Creation and Growth (BCG)** – helping to create a nation of dynamic and high achieving entrepreneurs, targeting global market opportunities, capitalising on Scotland's unique assets, and using innovation as a key driver of growth.

**Exports (EXP)** – increasing export growth through the number of businesses and value of exports – sustaining and growing the value of Scotland's trade with new and emerging markets by better understanding products, services and in-country demand and increasing the number of exporters through broader and deeper reach at regional levels.

Identified within the Strategic Plan, SDS has a distinct role to play in:

-  Promoting **progressive business models** and **innovative work practices**
-  Implementing the **'5 stage skills alignment model'**
-  Developing and embedding **meta-skills** in the learning and skills system
-  Developing a **single business portal**
-  Using our **data and digital capability** to align agency offers and enhance services to customers.

We will also support Scottish Government to deliver the commitments in the Economic Action Plan to:

-  Accelerate the pace and implementation of the recommendations of the **Learner Journey Review** – which aims to improve the efficacy of pathways from learning into work
-  Publish a **Future Skills Action Plan** in 2019 which will address the need for up-skilling and re-skilling support and the establishment of a flexible and sustainable funding model for work-based learning.

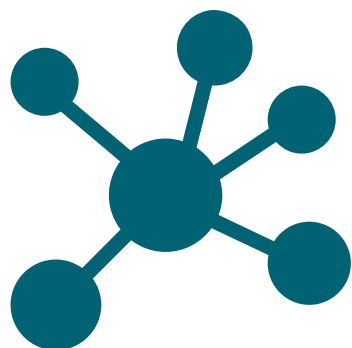
Our commitment to deliver these actions is reflected throughout this plan.

This table shows how the agencies will collaborate and contribute towards achieving the actions and recommendations set out in the Strategic Board's Strategic Plan. Detailed cross-agency plans have been developed for the delivery of each action.

	STRATEGIC BOARD ACTIONS & RECOMMENDATIONS	HIE	SE	SDS	SFC
BCG A1	Establish a campaign to foster entrepreneurship and ambition across society, with particular focus on inclusivity (inc. women, minority ethnic groups, rural considerations etc.).	✓	✓		✓
BCG A2	Create a main online entry point as part of a wider transformation to a truly digitally-enabled business support service providing rapid, tailored support.	✓	✓	✓	✓
BCG A3	Boost overseas acquisitions through specialist support for scale up from a new public/private/Scottish National Investment Bank collaboration.	✓	✓		
EXP A1	Co-ordinate a national exporting service – a 'One Scotland' approach to export delivery organisations and services.	✓	✓		✓
EXP A2	Explore new public/private sector partnerships which will provide support to scale-up, and refresh export support resources.	✓	✓		
EXP A3	Develop digital, sales and international language training programmes for exporters.	✓	✓		✓
BMWl A1	Deliver an 'Innovating Workplaces' campaign to create awareness of productivity issues of business models, workplace innovation and fair work.	✓	✓	✓	✓
BMWl A2	Utilise data-led approaches to proactively identify and support sectors and firms who can exploit opportunities for growth or to enhance their resilience.	✓	✓	✓	
BMWl A3	Co-ordinate a programme of business models and workplace innovation activity that is driven by agency-fluid teams.	✓	✓	✓	✓
FS A1	Implement the 5-stage skills alignment model and a one system approach for learners and employers.			✓	✓
FS A2	Define the meta-skills for use in future skills provision.			✓	✓
BCG R2	Engage with Business Gateway on support for start-ups. Adopt a focus on inclusivity (inc. women, minority ethnic groups and rural considerations).	✓	✓		
BCG R3	Build on the existing Brexit readiness work of public agencies and business organisations to strengthen the Scottish-level response.	✓	✓	✓	✓
BCG R4	Support Scotland's businesses to respond to challenges by leveraging maximum funds from the Industrial Strategy Challenge Fund.	✓	✓		

# Strategic Context

To ensure this Plan delivers effectively, we have worked closely with our agency partners to develop a shared understanding of the environment in which we operate.



## The Economy: Productivity and Inclusive Growth

Raising productivity sits at the heart of the Strategic Board's Strategic Plan. Scotland's productivity is currently 20% behind our ambition to rank in the top quartile of OECD countries. Significant change is not forecast, with the Scottish Fiscal Commission estimating an increase in trend productivity growth from 0.3% in 2018 to 1.3% by 2023. This is set against relatively buoyant growth in productivity across the remaining 28 EU countries. These points, and those that follow, are highlighted in the graphics included later in this section.

There remain challenges ahead for the Scottish economy during a time of increasing change and uncertainty. China's economic downturn has caused global economic instability. Within Europe, Germany has been impacted most, but all EU trading partners have been affected. Brexit (discussed overleaf) further amplifies this instability.

While some sectors anticipate growth, others are expected to face continued difficulty due to fundamental industry changes that will challenge our economic resilience. Opportunities exist, including targeting support at the highly productive sectors and sub-sectors where growth can be encouraged. There remains untapped potential in Scotland but to realise our ambitions for productivity and inclusive growth a step change in current performance is required.

## Population and Labour Market

Scottish employment (75.6%) and unemployment (3.3%) levels<sup>2</sup> compare favourably against the UK and internationally. Within the UK, Scotland also has the highest proportion of employees earning the Living Wage. However, this is coupled with high levels of in-work poverty and reliance on state benefits.

Scotland's population is forecast to grow at a slower rate than in recent years and faces a gradual decline in the working age population. With rising dependency ratios there is even greater pressure for people to work longer and retire later.

Scotland is, historically, a highly skilled nation. However, evidence<sup>3</sup> tells us that almost a fifth of graduates in Scotland are under-employed, and up to 225,000 employees are over-qualified or over-skilled for their current role. This highlights a skills utilisation issue, where the qualifications that people gain are not always put to full use within businesses.

Change in the overall occupational structure of the labour market has resulted in fewer 'middle' occupations and more high-skilled and low-skilled jobs. This has impacted on wage inequality, contributed to increased in-work poverty and inhibited occupational progression.

<sup>2</sup> Scottish Government Statistics from Dec–Feb 2019  
<https://www2.gov.scot/Topics/Statistics/Browse/Labour-Market/LMTrends>

<sup>3</sup> Employer Skills Survey 2017  
<https://www.gov.uk/government/publications/employer-skills-survey-2017-scotland-toolkit>



# BREXIT

Brexit represents a fundamental shift in the economic landscape and the labour market. We have been working with partners to prepare for and actively manage the impact.

Central to our joint-agency response is the Prepare for Brexit campaign ([www.prepareforbrexit.scot](http://www.prepareforbrexit.scot)) which aims to support more companies to actively develop and implement their own Brexit plans. Our objective is to help all companies in Scotland anticipate, plan and adapt to a new business landscape, putting them in a strong position to remain competitive in the short as well as longer term.

We are not complacent about the potential nature and scale of the implications of Brexit. An increase in skills shortages as sectors and regions which are reliant on EU labour find it more difficult to recruit, allied to our demographic challenges, means that our tight labour market is going to get even tighter.

In addressing the shorter-term consequences of Brexit, we are also intent on meeting our long-term goals for Scotland's economy. It is also the reason why we are determined to help businesses become more resilient, coping with immediate challenges while also investing in people, technology and markets that will pay dividends in the future.

For some businesses, change will trigger opportunities not previously considered. For instance, employers may invest in workforce development to address skills gaps, and others may broaden their recruitment plans to hire talent from new sources.

What is certain is that there will be significant implications for the economy, the skills system and for skills investment going forward. We must ensure that we remain agile to adapt to changing and challenging circumstances. The Programme for Government emphasises that Scotland must continue to retain and attract talent and is very clear that Scotland will remain an open, inclusive, outward-looking nation.

THERE ARE  
**140,000**  
EU NATIONALS (AGED 16-64)  
EMPLOYED IN SCOTLAND



EQUATING TO  
**6%**  
OF SCOTLAND'S  
TOTAL WORKFORCE

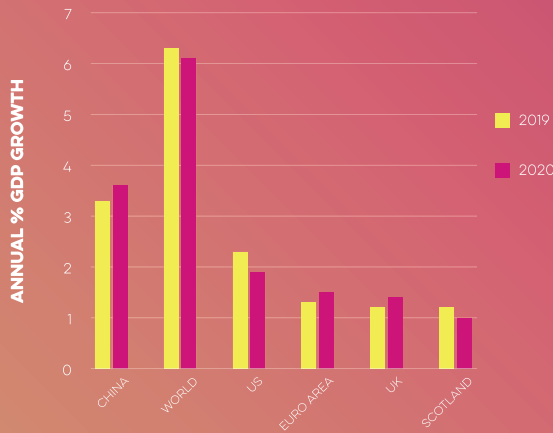


**50%**  
OF EU NATIONALS  
IN SCOTLAND  
WORK IN EITHER  
EDINBURGH,  
GLASGOW OR  
ABERDEEN CITY

# STATE OF THE NATION

## GLOBAL ECONOMY

### ECONOMIC GROWTH FORECAST



Whilst the global economic environment is challenging there still are **MAJOR OPPORTUNITIES IN EXTERNAL MARKETS**

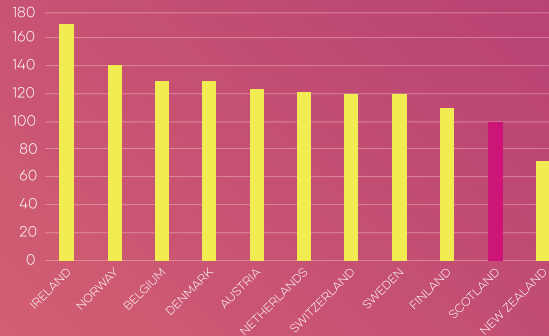
## PRODUCTIVITY

### GROWING PRODUCTIVITY

is key to creating more, quality jobs and raising wages

Scotland's economy could be **£50BN** bigger if we could match **THE MOST PRODUCTIVE COUNTRIES**

PRODUCTIVITY LEVELS IN SMALL, ADVANCED ECONOMIES, 2017 (INDEX: SCOTLAND=100)



### LOW PRODUCTIVITY IS AFFECTING REAL WAGE GROWTH -

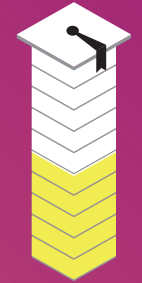
median earnings are still below 2010 levels and in-work poverty for working-age adults is rising

## SKILLS

**47%** OF 25 TO 64 YEAR OLDS HAVE A TERTIARY EDUCATION - 5TH HIGHEST RATE IN THE OECD

But skills and qualifications are not being fully used:

**35%** OF BUSINESSES HAVE AT LEAST ONE EMPLOYEE WITH SKILLS OR QUALIFICATIONS HIGHER THAN NEEDED

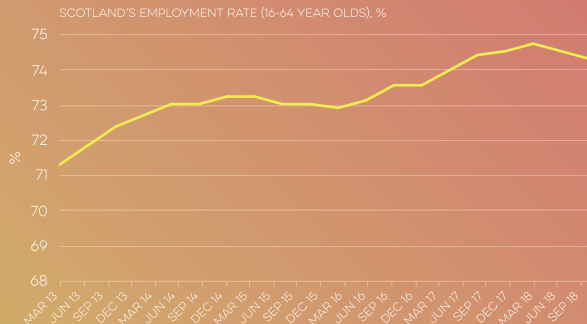


**225,000**

EMPLOYEES OVERQUALIFIED/SKILLED FOR THEIR CURRENT ROLES

## LABOUR MARKET

### SCOTLAND'S EMPLOYMENT IS NEAR RECORD HIGHS



However, in the top performing areas the employment rate is **OVER 10 PERCENTAGE POINTS HIGHER** than the bottom

SOME BUSINESSES ARE EXPERIENCING **SKILL SHORTAGES**

## GLOBAL CHALLENGES & OPPORTUNITIES FOR SCOTLAND

### AUTOMATION

CHALLENGE **POTENTIALLY 230K SCOTTISH JOBS AT RISK FROM AUTOMATION**

OPPORTUNITY **NEW JOBS CAN BE CREATED IN ROBOTICS, INFORMATICS, AND DATA**

### CLIMATE CHANGE

CHALLENGE **SCOTLAND HAS AN AMBITION TO BE CARBON NEUTRAL BY 2040**

OPPORTUNITY **GROWING GLOBAL LOW CARBON MARKETS FOR INNOVATIVE BUSINESSES**

### AGEING POPULATION

CHALLENGE **BY 2041 THE NUMBER OF PEOPLE IN SCOTLAND AGED 65+ IS EXPECTED TO RISE BY 413K**

OPPORTUNITY **DEVELOPING NEW PRODUCTS AND SERVICES TO SUPPORT HEALTHY, ACTIVE AND PRODUCTIVE AGEING GLOBALLY**

## HIGHER & FURTHER EDUCATION

**4** OF OUR UNIVERSITIES ARE IN THE WORLD'S TOP 200

**6** OF OUR COLLEGES IN THE WORLDSKILLS UK TOP 10



**£1BN** HIGHER EDUCATION R&D AND GROWN BY 50% SINCE 2001

### INWARD INVESTMENT

**SCOTLAND PERFORMS WELL IN INWARD INVESTMENT**

Helped by a combination of high workforce quality, supportive business environment and world-leading research

**TOTAL NUMBER OF PROJECTS SECURED LAST YEAR REMAINS HIGHER THAN ANY YEAR PRIOR TO 2015**

**LEADING UK LOCATION OUTSIDE OF LONDON FOR GLOBAL INVESTMENT FOR THE SIXTH YEAR OUT OF SEVEN**

## QUALITY JOBS & TALENT

# 2.7 MILLION

PEOPLE IN EMPLOYMENT IN SCOTLAND

HOWEVER

## 500,000

EARN BELOW THE REAL LIVING WAGE

&

## 35,000

YOUNG PEOPLE ARE UNEMPLOYED

JUST  
**8%**

OF SCOTTISH  
BUSINESSES ARE  
'HIGH PERFORMANCE  
WORKPLACES'

## OPPORTUNITIES FOR SCOTLAND

TO ACHIEVE A STEP CHANGE IN ECONOMIC PERFORMANCE AND PRODUCTIVITY THROUGH:



RESEARCH &  
DEVELOPMENT



INNOVATION



EXPORTING



CAPITAL  
INVESTMENT

ENCOURAGE MORE BUSINESSES TO ACCESS FINANCE, INVEST IN GROWTH PLANS AND ACHIEVE HIGH GROWTH

## BUSINESS GROWTH & RESILIENCE



SCOTLAND HAS

# 850

HIGH-GROWTH  
BUSINESSES

However, just 1.2% of businesses achieve high growth performance

IN 2017

# £538 MILLION

RISK CAPITAL WAS INVESTED INTO SCOTTISH COMPANIES A RECORD HIGH

HOWEVER



# 14,000

BUSINESSES

ARE 'DISCOURAGED  
BORROWERS'

## RESEARCH & INNOVATION INVESTMENT

IN 2017 SCOTTISH BUSINESSES INVESTED

# £1.25 BILLION

IN R&D

HOWEVER

**65%**

OF R&D  
SPEND IS BY  
NON-SCOTTISH  
BUSINESSES

&

# 50%

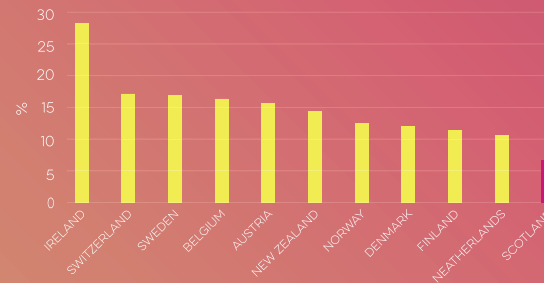
OF R&D SPEND  
BY JUST TEN  
BUSINESSES

## CAPITAL INVESTMENT

# £14.5 BILLION

A YEAR MORE  
BUSINESS  
INVESTMENT IS  
REQUIRED TO MATCH  
THE GLOBAL BEST

BUSINESS INVESTMENT AS % GDP, 2016



SCOTLAND'S CAPITAL STOCK  
LAGS MOST OTHER COUNTRIES  
DUE TO YEARS OF LOW INVESTMENT

## EXPORT VALUE



SCOTLAND EXPORTED **£32.4 BILLION**  
OF GOODS AND SERVICES  
OVERSEAS IN 2017

Exporters are **MORE INNOVATIVE, MORE PRODUCTIVE, MORE RESILIENT AND GROW FASTER** than non-exporters

JUST  
**14%**

OF SMES  
EXPORT

ONLY  
**3%**

NON-EXPORTERS  
ARE CURRENTLY  
CONSIDERING  
EXPORTING

HOWEVER  
**16%**

SAY THEY HAVE  
THE POTENTIAL  
TO EXPORT

**10%**

OF OVERSEAS  
EXPORTS GO TO  
FAST GROWING  
EMERGING  
MARKETS

# 14,500

OF NON-EXPORTERS  
HAVE THE POTENTIAL  
TO SELL OVERSEAS

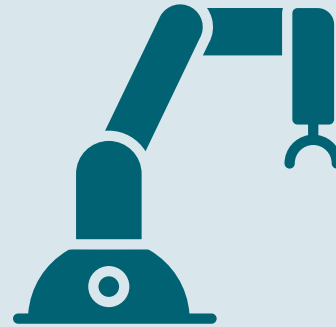
A recent report by EY questions some of our assumptions about the decline in particular sectors:

***“Software hasn’t killed retail, but retail’s future, as well as the future of all business types, depends on delivering experience.*”**

***While mundane products and commoditized services will increasingly be delivered via subscription, experiences that employ all five senses are becoming distinct offerings.”***

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The Upside of Disruption: Megatrends shaping 2016 and beyond, EY



Towards 2035

## The Future of Work

Looking forward, mega trends (globalisation, technological progress and demographic change) will alter our understanding of what ‘work’ looks like and how our labour market operates.

The OECD predicts that around 14% of jobs in the UK will be at high risk from automation, mostly in middle skill occupations. In future, jobs that remain completely untouched by automation and artificial intelligence will be the exception rather than the norm.

Industries will be forced to deploy their human resource more efficiently to remain competitive. Labour-intensive businesses will need to review and, in some cases, reinvent their business models, making better use of smart technologies and using their human workforce more effectively.

The notion of lifelong learning must shift from rhetoric to reality, as individuals will need to continue learning throughout their lives, to keep up with rapidly changing working environments. Workers who are not ‘employees’ tend to do significantly less learning, and trends towards non-traditional ways of working will potentially exacerbate this. In the future, workforce development will need to focus more on engaging, attracting and funding individuals directly as they become more mobile and less attached to employment as we understand it today.

Although less conventional working models demonstrate advantages for businesses and for individuals, particularly in terms of flexibility, there are concerns about their perceived disadvantages, including their impact on equality, productivity and growth.

Societal values are also changing. Boundaries between work and personal life are blurring as work-life balance is increasingly moving towards work-life integration. This has reinvigorated thinking around concepts such as the four-day week and a universal income and will continue to change our perceptions as work, as we currently know it, becomes less commonplace.

## Regional Opportunities and Inequalities

To deliver inclusive economic growth for Scotland, the variation across local economies and labour markets must be addressed. Rising dependency ratios due to the ageing population, for example, are forecast to be most prominent in Scotland's remote and rural areas, which will need support to retain and attract new talent.

Rurality can lead to logistical issues for businesses and for individuals. Excellent digital networks, particularly in the North and South of Scotland and in island communities, are crucial for enabling prosperity.

The Highlands and Islands, although demonstrating higher levels of employment than Scotland as a whole, face higher levels of skills under-utilisation (34% compared to 29%) and more employers reporting issues with skills gaps (6.1% compared to 4.8%).

Innovative models for delivering training and learning digitally are important for communities that have limited access to learning providers, including colleges, enabling local people to train, re-skill and up-skill throughout their working lives.

Similarly, while youth unemployment levels have improved markedly in recent years<sup>4</sup>, and the Scottish Government target to reduce youth unemployment by 40% has been reached early, there are areas of Scotland that continue to experience high unemployment and other indicators of deprivation.

## Disruption

The future of work and the shape of the economy are driven by the increasingly dominant advances in technology. The fourth industrial revolution, marked by its exponential pace, is disrupting existing business models, working environments and causing rapid changes in job roles and skills needs.

Organisations such as the World Economic Forum (WEF), the International Labour Organisation (ILO), McKinsey and Co and PwC, believe disruption will change the way we work and live, with implications for individuals, employers, learning institutions and the skills system.

Artificial intelligence and automation are reinventing our workforce and replacing a myriad of traditional occupations. Drones and driverless cars, for example, have the potential to transform supply chains and logistics. Technology is altering consumption and demand patterns and changing consumer preferences and expectations, for everything from soft drinks to cars.

To remain competitive, Scotland's employers will need to embrace workplace practices that support the use of meta-skills. Practices such as openness to new ideas, autonomous working and an emphasis on continuing professional development will facilitate this.

Whilst we cannot accurately predict the future, we can prepare for a future that is increasingly unpredictable. People must now be agile workers, prepared for change; and businesses must recognise the importance of re-skilling or up-skilling their workforce to accommodate disruption.

By shifting our perception of disruption from threat to opportunity, we can support businesses to seize the advantages it affords. We must be proactive in our efforts to reap the benefits and opportunities that technological change offers.

***“Just as disruption unbundled music albums into songs, it will unbundle jobs into tasks, with each task performed in the most efficient manner.”***

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The Upside of Disruption: Megatrends shaping 2016 and beyond, EY

<sup>4</sup> Youth unemployment rate in Scotland 7.2% in comparison with UK 10.6%; Scottish Government Statistics from Dec–Feb 2019  
<https://www2.gov.scot/Topics/Statistics/Browse/Labour-Market/LMTrends>

***“The nation will need to find ways to employ more productive, trained workers to produce for the nation’s needs as well as pay taxes and contribute to pension plans. Part of that effort will insist on workplace adjustments that can bring a greater proportion of the population into productive employment.”***

Milton Ezrati, Economist and Author – writing for Forbes in 2018

### **Public Finances**

Public sector budgets remain tight. Inflationary pressures following the lifting of the public sector pay cap, combined with rising demand for key services such as health care, are pushing the overall Scottish budget into an unsustainable deficit position.

In 2017/18 the Scottish Government faced a budget deficit of 7.9% (compared to 1.9% for the UK)<sup>5</sup>. Issues already touched upon – immigration, demography and uncertainty – all affect economic growth and will continue to impact on public finances and spending.

With devolved tax powers, the Scottish Government is moving towards a more progressive income tax regime, designed to protect those earning less and raise additional revenue to support public investment. This means that around 45% of workers are subject to a higher level of income tax.

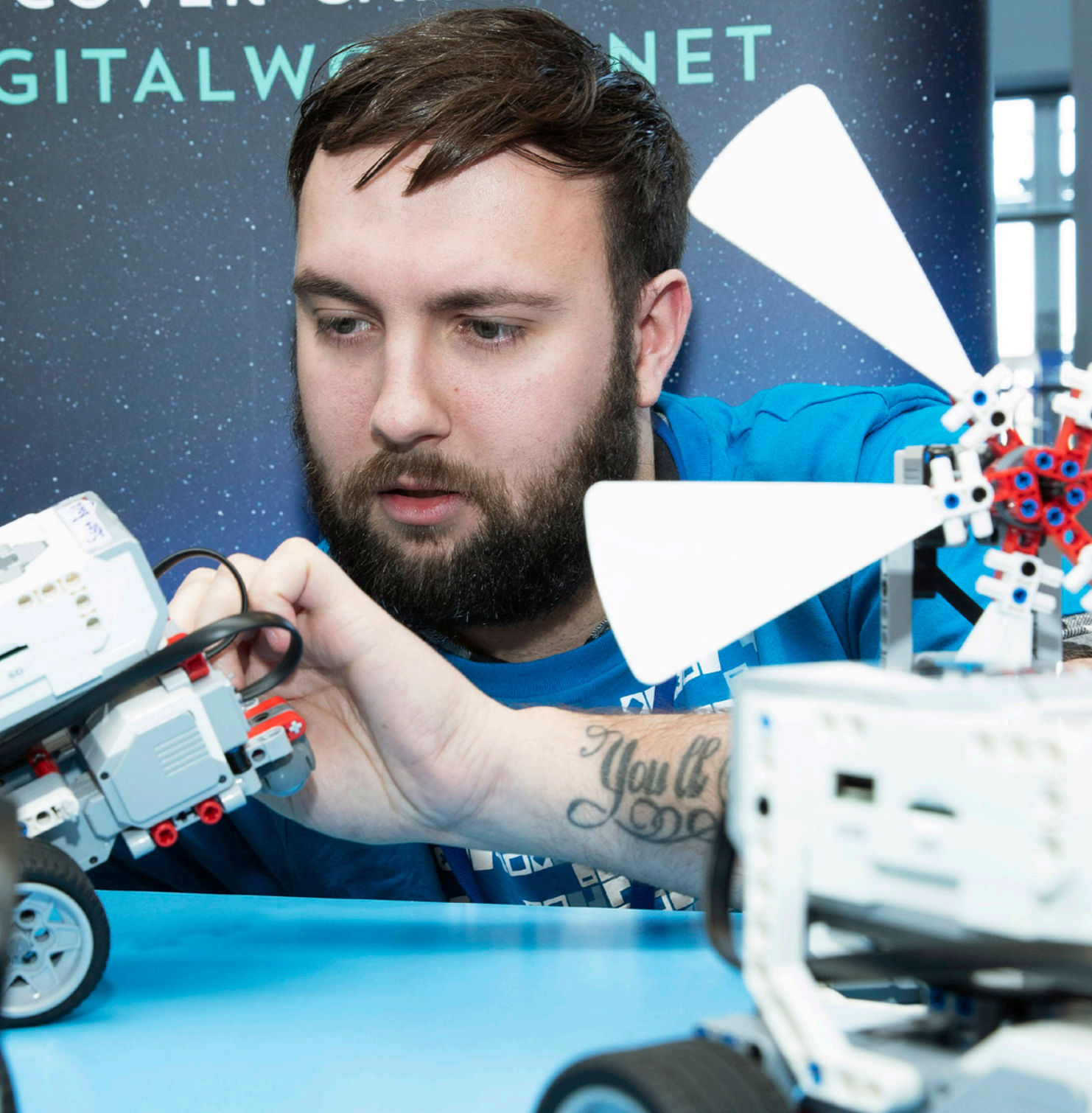
The traditional welfare model has also changed, moving from what was a small proportion of welfare dependents to an increasingly larger proportion<sup>5</sup>. The reduction in the proportion of the population that is of working age causes a decline in tax contributions combined with an increase in the cost of state pensions. There are also additional costs associated with welfare reform mitigation, protecting those with lower incomes against benefit cuts. Both are a substantial financial burden for the Scottish Government, putting continued constraints on spending elsewhere, and are likely to remain as the Scottish Government works to control the deficit.

In response to the pressure on public finances and the impact of welfare reform on Scotland’s people, the Strategic Board’s Strategic Plan calls on the agencies, including SDS, to develop smarter and more efficient ways of working. We must ensure that our services are fit for purpose and that we are accountable in our stewardship of public funds.

<sup>5</sup> Annual Report on Welfare Reform, Scottish Government 2018

<https://www.gov.scot/publications/2018-annual-report-welfare-reform-9781787812628/pages/5/>

COVER CAREERS AT  
DIGITALWORKS.NET



### Case Study

*“As careers advisers, we are always working to prepare young people for a world of work that is changing rapidly, promoting their skills and interests to help shape the future they want.”*

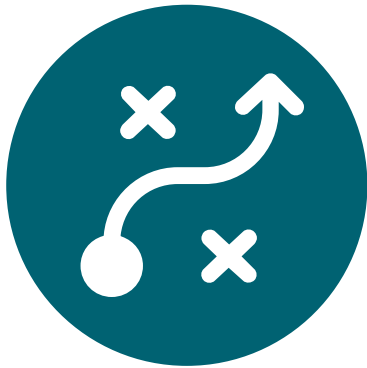
Stefan Mullan, My WoW Live Adviser



Learn more about our interactive new pilot that's helping young people develop their career management skills and explore the jobs of the future at [sds.co.uk/case-studies](https://sds.co.uk/case-studies)

# Our Strategic Goals

We have developed four strategic goals to focus our activity towards effective achievement of our purpose. They will also ensure delivery of our distinct contribution to Scotland's shared ambition for achieving top quartile OECD performance for productivity, equality, wellbeing and sustainability.



Our strategy map (overleaf) shows how we will work to ensure:

1 All people in Scotland have the skills, information and opportunities they need to succeed in the labour market.

2 Scotland's businesses drive productivity and inclusive growth.

3 Scotland has a dynamic and responsive skills system.

4 SDS leads by example and continuously improves to achieve excellence.

Our goals will be achieved through multi-faceted services that are delivered through extensive collaboration, with universal entitlement to our support and resources targeted to help those who need it most.

By increasing innovation, efficiency and productivity in our own organisation, we will also model the change we want to see in others.

The following chapters of this plan articulate, at a high level, how we intend to make progress towards each of our strategic goals over the next three years, and the outcomes we seek to achieve.

# A Human Future – Scotland in 2035

Driving productivity and inclusive growth through skills

2019–2022



Strategic Plan



## All people in Scotland

have the skills, information and opportunities to succeed in the labour market

To achieve this goal SDS will:

- Enable learners and workers to make informed learning and career choices
- Empower people to achieve equitable learning and employment outcomes
- Provide effective learning pathways into productive employment
- Help create an increasingly productive and resilient workforce for Scotland



## Scotland's businesses

drive productivity and inclusive growth

To achieve this goal SDS will:

- Deliver an aligned and integrated service offer for employers
- Inspire and enable employers to take a strategic approach to workforce planning
- Promote the development of productive and innovative workplace practices
- Drive understanding and adoption of fair work practices



## Scotland has a dynamic and responsive skills system

To achieve this goal SDS will:

- Strengthen industry ownership of the skills system
- Build a high-quality evidence base using robust and comprehensive data
- Influence the prioritisation of resources in line with the evidence base
- Ensure work-based learning is efficient, responsive and future-focused

## SDS leads by example and continuously improves to achieve excellence

To achieve this goal SDS will:

- Adopt high-performing workplace practices, leading change in others
- Improve customer experience and customer service through enhanced use of data and technology
- Make efficient, effective and sustainable use of our resources
- Drive better outcomes through deeper collaboration and partnership working



Customers at the Heart



Strengths and Expertise



Motivation, Responsibility and Respect



Achieve Excellence



Olasile Ruben Oyekan, Uddingston High School pupil.

# Enabling Scotland's People

## Goal One:

All people in Scotland have the skills, information and opportunities to succeed in the labour market.



We want all of Scotland's people to have the opportunity to flourish in the labour market as productive contributors to the economy.





To achieve our shared ambition, Scotland will require an increasingly adaptive and resilient workforce, comprising individuals who have been equipped with the skills and information they need to achieve their potential.

By delivering Scotland's careers service, we help people to improve their career management skills, and support them to make evidence-based learning and career choices throughout their lives.

Collaborating with the agencies, employers and other partners, we also help to create opportunities for people to experience, enter and progress in the labour market, including through work-based learning.

Our products and services ensure Scotland's people, regardless of their background, characteristics or location have access to a range of options and pathways which allow them to effectively prepare for, enter and progress in the world of work.

Over the next three years we will:

-  **Enable learners and workers to make informed learning and career choices**
-  **Empower people to achieve equitable learning and employment outcomes**
-  **Provide effective learning pathways into productive employment**
-  **Help create an increasingly productive and resilient workforce for Scotland.**

More detail on how we will deliver these actions follows in this chapter. A summary of actions against all our strategic goals is available on pages 44–47.

## What we have achieved so far

Over the last four years we have delivered a diverse and inclusive range of services to ensure individuals have the right skills and confidence to secure good work, progress in their careers and achieve their full potential.



### We have:

Delivered all-age career information, advice and guidance (CIAG), introducing an enhanced school offer for P5–S6 pupils and post-school offer for unemployed 15–18 year olds and care experienced young adults.

- Satisfaction among targeted senior phase pupils increased from 76% in 2017 to 79% in 2018
- Annual Participation Measure for 16–19 year olds increased from 90.4% in 2016 to 91.8% in 2018

Enhanced our digital offer through the expansion and development of My World of Work, My Kid's Career and Apprenticeships.scot

Enhanced the apprenticeship family through the launch of Foundation and Graduate Apprenticeships and the expansion of Modern Apprenticeships.

- Delivered more than 3,000 Foundation Apprenticeship starts since launch in 2016 and over 1,000 Graduate Apprenticeship starts since 2017
- Piloted work-based learning at SCQF Levels 4 and 5
- Supported over 750 redundant apprentices into alternative opportunities

Delivered a suite of employability programmes and training funds to help people enter and progress in work.

- Over 3,900 Transition Training Fund applications approved
- Over 6,500 young people started the Certificate of Work Readiness since 2015
- Over 20,000 courses approved since 2017/18 funded by Individual Training Accounts



Over **500,000** people were supported to develop their career management skills through **over 2.1 million engagements** between April 2015 and March 2019



Over **100,000** people have started a Modern Apprenticeship since 2015



Over **44,000** people were supported through the Employability Fund since 2015



## Case Study

*“The most important thing to remember is that you’re never too old to learn.”*

*Your working life is a long time so try and get everything you possibly can out of it.”*

---

Elaine McMillan-Kerr, Graduate Apprentice



Discover how Elaine is realising a 30 year dream of gaining a degree through a Graduate Apprenticeship in Civil Engineering with West Lothian Council and Edinburgh Napier University at [sds.co.uk /case-studies](https://sds.co.uk/case-studies)

## Looking Forward

Building on the progress achieved over the last four years, we will increase the reach of our all-age services, ensuring all individuals are equipped throughout their working lives with the skills and information they need to make effective learning and career choices.

We remain committed to expanding the range and availability of work-based learning opportunities, including apprenticeships, across Scotland. We will work to ensure that all people have equal access to a variety of learning and career pathways, which enable them to achieve their potential in the labour market.



### Enable learners and workers to make informed learning and career choices:

The provision of high quality, independent and impartial **career information, advice and guidance** remains core to our services to individuals. Resources, including our targeted one-to-one CIAG, will continue to be targeted at those who need it most, with a particular focus on supporting key transitions.

In the ever-changing workplace of the future, people will increasingly need to adopt new skills and negotiate multiple career changes throughout their working lives. **Career management skills** are vital to helping people plan effectively, and transition successfully, through each stage of their careers; development of these skills will remain the primary focus of our delivery.

In line with the Learner Journey recommendations, we will continue to support understanding and embedding of career management skills across the wider career guidance sector in Scotland. This will provide people with **seamless and life-long support**; so that each instance of career learning throughout their life, regardless of delivery agency, progresses the journey they first started in school.

We will provide information on the **critical skills and occupations** through improving the availability and accessibility of high-quality career intelligence and delivering interactive and inspiring career-related activities. By facilitating evidence-based learning and career choices, particularly around subject choices, we will empower individuals to take ownership of their future.

Through MyKidsCareer.com and continued face-to-face activities, we will further increase our engagement with **key career influencers**, including parents and teachers, to ensure they too have access to the information and advice they need to confidently and impartially support young people through their learner journey.

### Empower people to achieve equitable learning and employment outcomes:

Access to opportunities should not be dictated by an individual's personal circumstances including disability, poverty or location. As a **corporate parent**, a **community justice partner**, and a responsible provider of public services, we remain committed to targeting our services and resources towards those most likely to achieve poor learning and employment outcomes, enabling more people to achieve their individual potential.

We will continue to work with equality specialists to **understand and address disadvantage** experienced in relation to entering and progressing in learning or work. This insight will inform our service design and delivery, ensuring our colleagues are equipped with the information and tools they need to provide tailored support to disadvantaged groups.

To ensure learning and career choices are determined by an individual's strengths and interests, combined with evidence of opportunities in the labour market, we proactively **challenge stereotypes and unconscious bias** across all age groups. Primarily through our CIAG service in schools, we will continue to challenge perceptions of the suitability of certain subjects, learning pathways and occupations, for example on the grounds of gender, ethnic background or life experiences.

By increasing our use of **experiential technology**, we will provide people with access to work-related experiences that might not be otherwise available to them, including for those living in rural communities.

We will continue, with equality-specialist partners, to support employers and training providers to take positive action; addressing known incidents of **gender segregation and other under-representation** in apprenticeships and improving equality of access to these opportunities.

## Provide effective learning pathways into productive employment:

The ability to make informed choice is of limited value without access to a wide range of opportunities. We remain committed to ensuring a broad spectrum of **learning and career pathways** exist, and that all people in Scotland have equal understanding of, and access to, the right opportunities for them.

SDS is leading the development and growth of work-based learning in Scotland. We will continue to drive this expansion to achieve a **greater balance between work-based and academic learning** and to ensure work-based learning delivers more for Scotland's businesses. Our ambition is that all people are able to combine employment with ongoing learning, allowing them to adapt and grow in the evolving world of work.

Ongoing **expansion of work-based learning** will focus on increasing the availability of Foundation Apprenticeship opportunities in schools across Scotland, and on the continued promotion and growth of Modern and Graduate Apprenticeships. We will also introduce **work-based learning at SCQF Levels 4 and 5** in schools, and promote effective engagement between schools, employers and industry. Over the coming years we will work to make the available progression routes clearer, and easier to negotiate.

Work-based learning is growing in use as **workforce development** for older, more experienced, employees. Recognising this, we will ensure our work-based learning products increasingly enable flexible and transparent career progression, aided by recognition of prior learning.

Our commissioning and contracting will continue to drive the **quality of training provision** and increasingly focus on delivering the critical skills needs of the Scottish economy, including meta-skills.

## Help create an increasingly productive and resilient workforce for Scotland:

The ability to make informed career choices is now a life-long requirement. We will increasingly work to **support those looking to progress in, change or return to their careers** including the continued provision of enhanced, tailored support to those facing redundancy situations. We will build on the success of initiatives such as the Transition Training Fund, to provide and promote opportunities for people to **up-skill or re-skill** in order to take up opportunities in the labour market.

When people are facing **redundancy situations**, we will continue to work with partners and employers to provide targeted support. Our service offer will continue to focus on maximising the chances for the affected individuals to sustain employment, either through moving within their sector to an alternative job, or by supporting them to make a career move.

For people who are not currently participating in the labour market who want to make a positive transition into work, we will continue to offer opportunities to access career information, advice and guidance, develop **employability skills** and gain the relevant experience employers are looking for.

We will pilot and develop specific support for **women returners** to the labour market following career breaks, recognising the specific needs they may have in balancing work with caring responsibilities, and in needing to adapt to changes in the labour market since their last employment.

## Towards 2035 Better Customer Experience

The nature of customer service has changed dramatically in recent years, along with expectations of service delivery. Customers now expect 24/7 access to services, increasingly through digital interactions.

While the unique benefits of face-to-face engagements with customers for high value-adding activities are not in question, many of us are now content to have self-service access to every-day functionality and will happily converse with artificial intelligence (AI) to meet our basic needs. Customers also expect the organisations they interact with regularly to understand and anticipate their needs in order to attract and retain their custom.

To develop the smart public services required in 2035 we can learn from the pioneers who already exploit digital capability such as AI and predictive analytics to improve customer experience.

We will make clear progress in this area over the next three years, particularly exploring the potential for developing careers avatars and using more sophisticated data analysis to inform our service.

These will allow us to increase our reach and be better able to proactively offer the tailored products and services that meet the needs of our customers.



**Robert McLatchie** surpassed all expectations and was named Apprentice of the Year (SCQF Level 5) during his time at Scottish Leather Group

# Mobilising Scotland's Businesses

## Goal Two:

# Scotland's businesses drive productivity and inclusive growth.







Businesses need to be able to attract, develop and retain a diverse pool of talent to meet their current and future skills needs. Access to the right skills enables employers to have high performing, highly productive workplaces, and build the capacity to adapt well to change and disruption.

The rapid evolution in the business environment means employers need to consider long-term investment in their workforce. Raising productivity and remaining competitive will require a focus on workforce development to ensure skills remain current and relevant, and the adoption of different business models and management practices to support workplace innovation and productivity.

Our role is to support and encourage Scotland's businesses to grow and prosper through investment in skills. We do this by advising employers on effective workforce planning, building resilience to disruption, and creating the conditions for long-term sustainability.

By working in close collaboration with our skills and enterprise agency colleagues, we aim to deliver a full suite of easy-to-access inter-agency support for Scotland's businesses, with SDS leading on the skills agenda.

Over the next three years we will:

-  **Deliver an aligned and integrated service offer for employers**
-  **Inspire and enable employers to take a strategic approach to workforce planning**
-  **Promote the development of productive and innovative workplace practices**
-  **Drive understanding and adoption of fair work practices.**

More detail on how we will deliver these actions follows in this chapter. A summary of actions against all our strategic goals is available on pages 44–47.

## What we have achieved so far

During the previous strategy period we have continued to work with employers at both strategic and operational levels.



### We have:

- Developed a proactive approach to employer engagement, with a focus on supporting expansion of work-based learning
- Established the Scottish Apprenticeship Advisory Board in 2016, with now over 80 members, strengthening the employer voice in apprenticeships
- Worked with Developing the Young Workforce (DYW) groups to develop Marketplace to facilitate employer engagement in schools
- Launched apprenticeships.scot, providing information and allowing employers to reach a wider talent pool when recruiting
- Developed and published the Employer Equality toolkit and 'How to' guides
- Provided support to the Public Sector Network to improve workforce planning and development strategies, including increasing the number of apprenticeship opportunities within the public sector
- Worked with partners to deliver and continuously improve Partnership Action for Continuing Employment (PACE) support for employers during times of restructuring and redundancy
- Worked with Industry Leadership Groups to encourage employers to include skills in their strategic planning.



over **1,200**

**employers** have had targeted work-based learning engagement from our **Employer Services team**

since the introduction of the Apprenticeship Levy in 2017



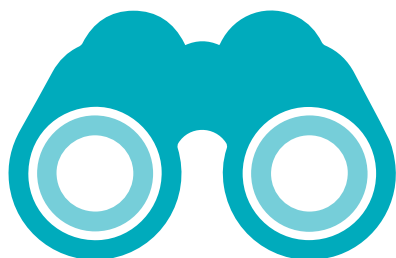
**671**

**SMEs** have been supported through **Skills for Growth** since 2015

# Looking Forward

In the next three years, with the direction of the Strategic Board, we will be working with our agency and other partners to offer clear, accessible and tailored services that deliver a better customer experience to the business community.

To increase the productivity and sustainability of Scotland's businesses in an uncertain and challenging environment we will drive adoption of the innovative and fair work practices required to deliver on our shared ambitions for greater productivity and inclusive growth.



## Deliver an aligned and integrated service offer for employers:

The Strategic Board has emphasised the importance of **simplified and streamlined services** in improving customer experience. Key to this is a cross-agency commitment to align and integrate our employer service offers.

Over the next three years, we will work with our partners to align services and create an agency-fluid approach to delivering employer-facing support. Specifically, this will include creating a new team to provide **support for companies considering foreign direct investment and business expansion** in Scotland. We will align our work with Scottish Development International, the enterprise agencies and others, ensuring that skills options are customer and solutions-focused.

To support all employer-facing activity, we will also work with our enterprise and skills agency partners to simplify the process for accessing support, and widen its reach, by offering businesses a **single digital point of access** for all services.

We will also make **better use of the data** that is collected across SDS and our partner agencies to ensure that employers receive a joined-up, seamless experience and are targeted with services that will support their growth and development.

## Inspire and enable employers to take a strategic approach to workforce planning:

In addition to simplifying access to support, we will continue to help businesses to navigate the enterprise and skills landscape, offering **tailored advice and guidance** on how best to identify and meet their current and future skills needs.

At the heart of this will be the continued promotion of the benefits of **workforce development** to resolve identified skills gaps. This includes **up-skilling and re-skilling** existing employees and developing a pipeline of young talent for their business, including through closer partnerships with schools, colleges and universities.

We will continue to use a multi-faceted approach to demonstrate the benefits, and maximise the uptake, of **work-based learning** products; through direct support to employers, engaging industry and employer representatives, and offering online information and resources through apprenticeships.scot.

Where gaps are identified in skills provision, we will continue to work with employers to modify existing, or create new, **apprenticeship frameworks that support skills needs** in the economy. Our work to simplify the architecture for work-based learning (outlined in the next chapter) will allow employers to more easily identify the right products and services to support their skills needs.

## Five Dimensions of Fair Work



**Fulfilment** – work and employment conditions are aligned to the skills, talents and aspirations of the people who carry it out



**Opportunity** – people can access, and progress in, work and employment



**Security** – risks to employment, work and income are balanced between worker and employer



**Effective Voice** – employee views are sought, listened to and can make a difference



**Respect** – recognising everyone's personal worth, whatever their role and status.

### Promote the development of productive and innovative workplace practices:

The Strategic Board's Strategic Plan highlights the strong links between management practices, effective skills utilisation and positive impact on business performance and productivity and commits to a **co-ordinated programme of business models and workplace innovation activity** driven by a new inter-agency division.

To attract and retain the best talent, it is increasingly important for employers to adopt productive business models and structures. Together with enterprise and skills agency partners, we will **deliver an 'Innovating Workplaces' campaign** to promote and deliver more progressive business models and workplace practices for all sizes of enterprise at whatever stage of their growth.

Working with our skills and enterprise agency colleagues, we will use **data-led approaches** to proactively identify and support the sectors or businesses able to benefit from new approaches.

The Strategic Board also recognises the need to support **improvements in leadership and management** to effect a step change in productivity. Developing more entrepreneurial and ambitious leadership will create the more diverse and socially inclusive workplaces which will achieve inclusive growth. We will work with Scottish Government and our agency partners to develop effective approaches to delivering this.

### Drive understanding and adoption of fair work practices:

Fair work – combining growth with increased prosperity, greater equality and creating opportunities for all – is increasingly recognised as a crucial component in delivering high performing and innovative workplaces and is integral to all parts of the Strategic Board's Strategic Plan.

Building on our existing work, we will continue to **promote the benefits of adopting fair work practices**. We will encourage employers to offer jobs that incorporate the five dimensions of fair work (see bottom of previous page) and to create an **organisational culture** that allows their employees to perform to the best of their capability. This will include ongoing promotion of the living wage and bespoke support to apprenticeship employers to attract and retain more diverse talent.

In line with the Scottish Government's **'Fair Work First'** agenda, we will begin to place fair work conditions on our business support, ensuring employers are incentivised to adopt good working practices.

Over the past four years, SDS has introduced and embedded fair and innovative work practices to drive innovation and cultural change within our organisation. We will seek to **share our learning and experience**, particularly with other public sector organisations, to further promote the benefits of these positive work practices.

## Towards 2035 Agency-fluid ways of working

The enterprise and skills agencies are ambitious for Scotland. To achieve our shared ambition will require our collective efforts and resources.

SDS values state that we make use of our combined strengths and expertise to deliver the best outcomes. At its core, agency-fluid working is the next articulation of this approach.

Being more fluid in our approach will help to integrate our collective offer. While each agency will retain its own unique character, priorities and contribution to achieving Scotland's ambitions, increasingly our stakeholders should be less aware of these divisions. This approach will see us working with the people who are best placed to achieve our shared outcomes. For our customers, it will mean consistent, impartial advice and access to support regardless of their first point of contact.

We are already committed to cross-agency methods of working to achieve skills alignment, and to support business adoption of innovative workplace practices and inward investment. We are also piloting an agency-fluid approach with Comhairle nan Eilean Siar to deliver complementary public services more holistically and with a clear common purpose.

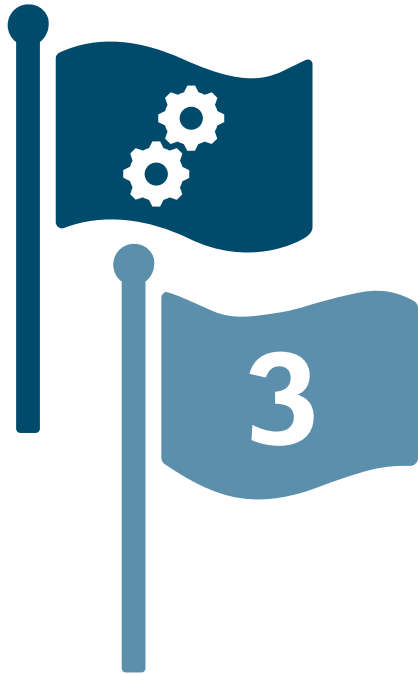
We will look to identify and employ further cross-agency solutions over the coming years.



**Junji Xu**, pupil at the Royal Blind School in Edinburgh and Foundation Apprentice in Financial Services, completed his work-based learning placement with Virgin Money and was a finalist at the 2018 Scottish Apprenticeship Awards.

# Influencing the Learning and Skills System

**Goal Three:**  
Scotland has a dynamic and responsive skills system.



To achieve our shared ambition for Scotland, we must drive both effectiveness and efficiency in the Scottish skills system so that it increasingly delivers the best outcomes for the economy.





An effective skills system is one where skills planning and provision reflects the current and future skills needs of the economy, giving all individual learners and employers the best possible chance of realising their potential. An efficient system encourages people to transition from full-time education into productive, sustainable and meaningful work by the quickest, most expedient route available.

Our role remains to ensure skills planning, investment and delivery become increasingly demand-led, informed by relevant, timely intelligence and engaged employers, actively contributing to skills design and development.

Our extensive reach at national, city region and community levels, and our ability to shape and deliver services locally, ensures that we can engage responsively and flexibly with partners and customers and deliver appropriate solutions to changing skills demands.

We are committed to progressing the early work already undertaken to help ensure that Scotland's skills system delivers the best outcomes for the economy, supporting productivity and inclusive growth.

Over the next three years we will:

-  **Strengthen industry ownership of the skills system**
-  **Build a high-quality evidence base using robust and comprehensive data**
-  **Influence the prioritisation of resources in line with the evidence base**
-  **Ensure work-based learning is efficient, responsive and future-focused.**

More detail on how we will deliver these actions follows in this chapter. A summary of actions against all our strategic goals is available on pages 44–47.

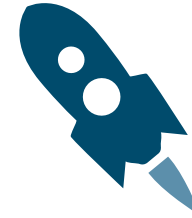
## What we have achieved so far

Over the last four years we have worked collaboratively with partners to drive change and create an increasingly demand-led skills system.

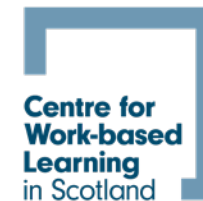


### We have:

- Invested in the production of a robust evidence base at national, sectoral and regional/local level. This is used by SDS and partners to inform Scotland's current and future investment in skills
- Developed and published Skills Investment Plans across 12 sectors and all regions, with three regions published and four in development
- Engaged with over 20 Industry Leadership Groups and Sector Skills Groups since 2015 to inform skills provision
- Engaged with emerging regional economic partnerships, including City Deals to support decision making in local skills provision
- Developed an apprenticeship long-term evaluation framework with OECD to demonstrate the economic benefits of apprenticeships
- Used the evidence base to influence our own products and services, including apprenticeship demand statements and accessible career intelligence to support our service delivery
- Engaged with education partners across Scotland, including schools in all 32 local authorities to support the expansion of work-based learning.



Worked with partners to **launch and deliver rapid industry academies** to meet identified skills gaps, including the Nigg Skills Academy and CodeClan



Established the Centre for Work-based Learning in 2017 to **support high quality research, to develop and influence policy** and challenge current attitudes to WBL



## Case Study

***“Our ambition is to build Scotland’s most inclusive, responsive and effective regional college system and this exciting initiative is a great example of how we can achieve it.”***

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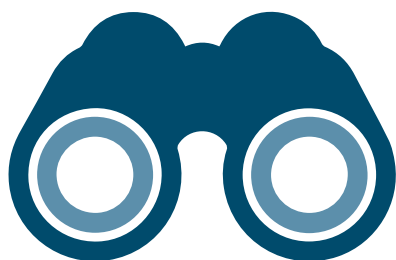
Robin Ashton, Glasgow Colleges Regional Board  
Executive Director



College student Louise, pictured left, is benefiting from our collaboration with partners to deliver a better match between skills training and employment demand. Find out more at [sds.co.uk/case-studies](https://sds.co.uk/case-studies)

## Looking Forward

One of the key recommendations for SDS from the Strategic Board's Strategic Plan is to progress delivery of the 5-stage skills alignment model. Adopting a demand-led approach to learning and skills provision will be critical to supporting people and businesses to thrive in the future and will be a key focus for SDS in the next three years. To achieve this, we will rely on working in close collaboration with the SFC and the enterprise agencies, industry and employers, and wider stakeholders, but we will also ensure our work-based learning provision evolves to lead the required change.



### Strengthen industry ownership of the skills system:

At the heart of our ambition for the learning and skills system in Scotland, is ensuring skills provision is increasingly driven by demand for skills in the economy.

Increased employer engagement in identifying future skills demand and in the **co-design and delivery of learning and skills**, will drive greater effectiveness in the system, ensuring learners are work-ready and equipped with the skills employers need.

Over the next three years, we will continue to **build relationships with industry leaders and representatives** in Scotland, ensuring they understand the value of engaging with the skills system, have a representative voice, and increasingly use it to influence learning and skills provision.

By providing valuable, relevant work-based learning opportunities in schools and beyond, and by facilitating closer **relationships between educators and businesses**, we will help employers to use strategic engagement in the skills system as a means to better **attract and develop talent**.

We already facilitate industry influence on the design of work-based learning and will continue to do so, including through ongoing support for the **Scottish Apprenticeship Advisory Board** and other industry engagement groups. By ensuring that employers are active in the design and delivery of our work-based learning products we will improve the experiences and outcomes for both learners and employers.

### Build a high-quality evidence base using robust and comprehensive data:

Using evidence to drive decision-making is fundamental to establishing an effective skills system. We will continue to develop a strong, clear narrative about what an effective evidence base is, and its importance to the development and delivery of better learning and skills outcomes. A robust and high-quality evidence base allows **better decision-making on the funding of learning and skills provision**, by allowing stakeholders to understand changes in demand and respond to them.

We have already achieved significant progress and remain committed to **expanding the richness and accessibility of the evidence base**, using gap analysis to identify areas where it might be further improved; while supporting its practical use at a national, regional and local level.

The evidence base will ensure we have the timely and credible data required to **clarify Scotland's skills needs**, ensuring our resources, and those of other skills investors and providers, can be targeted towards supporting sustainable and inclusive growth in key areas of the economy.

We are committed to being able to **demonstrate the longitudinal economic outcomes for all types of learning** across the system, allowing for the relative economic value of each learning pathway to be understood. Future investment can then be informed by knowledge of the most efficient and effective pathways available. We will continue to collaborate with the Scottish Government, the Strategic Board's Analytical Unit and HMRC to progress this valuable work. By evaluating provision of skills within the system at appropriate intervals, and by supporting the performance management and monitoring of learning and skills provision, we will help ensure that skills provision remains responsive and fit for purpose.

## Influence the prioritisation of resources in line with the evidence base:

Increased industry ownership of the learning and skills system, combined with a robust evidence base, allows resources to be prioritised according to evidence of demand. In close collaboration with the SFC, a **new, focused, cross-agency team**, led by a Director of Skills Alignment who will be responsible to both agencies, will progress this approach.

Through analysis of the evidence base, we will continue to provide a robust and multi-faceted assessment of the **current and future demand for skills in Scotland**. Building on the existing demand assessments for apprenticeships, we will **develop provision plans** for the delivery of skills in Scotland which align with demand and address known skills discrepancies. We will work to ensure that the **delivery, commissioning and contracting decisions** of both agencies align with the provision plans and consequently with robust evidence of employer demand. We will collectively build confidence in the **5-stage skills alignment model**, by piloting this approach.

Building on our strong relationships with educators, community planning partnerships, regional economic partnerships, and other stakeholders across Scotland, we will continue to influence understanding and **utilisation of the evidence base to drive decision-making** nationally, regionally and locally.

Our close relationships and collaboration with HIE, SoSE and other stakeholders, and use of the evidence base will enable us to **identify the sectors and geographies that need most support** to achieve shared prosperity by meeting the distinctive needs of different parts of the economy. Furthermore, we will recommend **discrete interventions to provide the skills needed for critical occupations** in the economy, building on the success of initiatives such as CodeClan.

## Ensure work-based learning is efficient, responsive and future-focused:

Within the learning and skills system, we have responsibility for leading change by influencing the scale, shape, nature and focus of work-based learning. We believe in the inherent value and importance of work-based learning in meeting the skills needs of the Scottish economy, its employers and its people. Sustaining and increasing that value will be dependent on ensuring that the **frameworks and standards** that underpin work-based learning products remain relevant to our economy and its needs.

We are developing a strategic vision and approach for the **design and delivery of apprenticeships** in Scotland. The redesigned system will provide a balance of benefits for learners, employers and the Scottish economy by ensuring that provision and learning content are directly linked to the realities of work. Responding to the future needs of the labour market, we will look to ensure that apprenticeship standards can be rapidly adapted to meet the changing needs of the economy, and the shifting demographics of the workforce. This will include **embedding meta-skills across the apprenticeship system**, with a view to encouraging the effective development and reward of meta-skills throughout wider learning and skills provision.

The **Centre for Work-based Learning**, founded by SDS, is a partnership with higher education that drives innovation, employer demand and policy thinking in Scotland. Working with education and industry, it will ensure we continue to identify and evidence good practice and develop new approaches in work-based learning.

In the coming years, we will also work with Scottish Government and our enterprise and skills agency colleagues to design and establish **sustainable funding** for work-based learning, ensuring its continued contribution to Scotland's economic growth.


## Towards 2035

# Focus on efficacy in the skills system

The Skills Planning Model explains our ambition to make the skills system more effective. Through increased understanding of demand in the economy, and responsive skills planning and provision, we aim to ensure that the broader skills and learning system effectively meets the current and future demand of Scotland's economy, employers and people.

The ecosystem that delivers skills and learning in Scotland must operate efficiently, supporting learners to smoothly transition into productive employment as effectively as possible. We must be prepared to challenge and adjust methods of skills acquisition to ensure they remain fit-for-purpose in the future. Similarly, the architecture for apprenticeship frameworks and standards needs to be flexible and responsive to changes in employer demand, tailored to individual need, acknowledge prior learning and expedite learner journeys.

Skills and learning provision must also understand the goals of individual learners, and provide high levels of customer satisfaction, to motivate people to take responsibility for their life-long skills development.

 Find out more about the Skills Planning Model at [sds.co.uk](https://sds.co.uk)



Careers Adviser, **Donna Benedetti**, explaining the benefits of Foundation Apprenticeships to school pupil, **Katie Talent**.

# SDS as an Organisation

## Goal Four: Skills Development Scotland leads by example and continuously improves to achieve excellence.



As an organisation, we accept our responsibility to model the changes we wish to see in other employers and public services on our journey towards 2035.

The Strategic Board's Strategic Plan sets a clear ambition for each of the agencies to pursue smarter delivery, better customer experience and simplified and streamlined ways of working. We echo and readily adopt this ambition, in anticipation of progressively changing our ways of working in the future.





We understand the importance of delivering value for money for the public purse. In the continuing context of challenging public finances, we accept the responsibility we have to drive our own efficiency and productivity.

As we support and encourage businesses and people in Scotland to prepare themselves for the future world of work, we too must harness the opportunities presented. Our use of data and digital technology, how we encourage workplace innovation, and how we benefit from a diverse and vibrant workforce must all be considered and maximised.

Our commitment to continuous improvement remains steadfast as we strive to achieve better outcomes, a better customer experience and enable all of our people to reach their potential.

Achieving all the ambitions laid out in this plan will rely on the commitment and capability of our people. By adopting future-focused, fair and inclusive working practices, we will continue to promote the wellbeing of all colleagues, drive innovation and attract, develop and retain diverse talent.

Over the next three years we will:

-  **Adopt high-performing workplace practices, leading change in others**
-  **Improve customer experience and customer service through enhanced use of data and technology**
-  **Make efficient, effective and sustainable use of our resources**
-  **Drive better outcomes through deeper collaboration and partnership working.**

More detail on how we will deliver these actions follows in this chapter. A summary of actions against all our strategic goals is available on pages 44–47.

# What we have achieved so far

Since 2015 our organisation has transformed its culture by enhancing employee engagement, encouraging strong personal responsibility and customer focus, underpinned by improvements in our digital capability and commitment to continuous improvement.



### We have:

Transformed our culture by:

- Relaunching the SDS Academy, our online learning portal, alongside the launch of My Contribution to support colleague feedback and development
- Investing in young people: significantly increased proportion of staff aged 16–24, established a Youth Board and gained a Gold award in Investors in Young People accreditation
- Achieving our “50:50 by 2020” Board gender balance target in 2018, and reducing gender pay gap.

Improved our digital capability by:

- Introducing and rolling out Office 365, developing EIS, our shared IT service, and improving our customer relationship management systems
- Improving the robustness of our Records Management systems and processes.

Increased employee engagement by:

- Introducing “Your Views”, our annual employee engagement survey with increased engagement and scores with a 94% survey response rate in 2018

Increased focus on continuous improvement with:

- Over £1.9 million savings achieved throughout procurement in operating years 2015–18
- 99% of CIAG Education Scotland External Reviews scoring good or above since operating year 2015
- Percentage of employees that would recommend SDS as a place to work increasing from 64% (2015) to 91% (2018).

Employees who say they are **proud to work for SDS** increased from 57% (2015) to

**91%**  
(2018)



Employees who agree that **SDS is an equal opportunities employer** increased from 82% (2015) to

**92%**  
(2018)



Improved **Stonewall Workplace Equality Index** ranking from 335th (2015) to 18th (2019) in the UK, making us **top public sector employer in Scotland in 2019**





## Case Study

*“It is good to feel part of something and it’s going to sound a bit like an Oscars’ speech but I wouldn’t be where I am without the support of my team.”*

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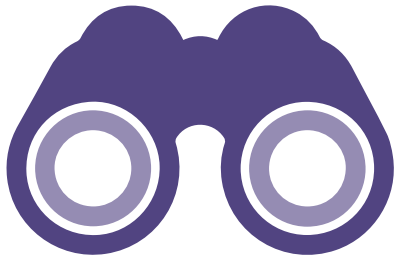
Stewart Paton, Risk Admin Assistant, SDS



Former Modern Apprentice Stewart has progressed within SDS and is now thriving in his new role. Find out more at [sds.co.uk /case-studies](https://sds.co.uk/case-studies)

# Looking Forward

Throughout all we do, we aspire to achieve organisational excellence which inspires confidence in our customers, colleagues and stakeholders, and moves us towards achieving our vision. More than ever, it is vital that we lead the way in driving efficiency, productivity, innovation and diversity within our own organisation; effectively modelling the change we want to see across the Scottish landscape.



## Adopt high-performing workplace practices, leading change in others:

We have outlined in this plan how employers will need to adapt their approaches to thrive in the future. As an employer, we are determined to **lead by example** in the adoption of practices that will help us create a high-performing workplace, in which our people can thrive.

Since 2015 we have focused on achieving cultural transformation through **'Everyday Leadership'**, where colleagues:

-  Put our **shared values** at the heart of their decision making
-  Demonstrate **personal responsibility** for building their own capability and maximising their contribution
-  Are enabled to deliver the **best possible service** to customers
-  Continually improve to achieve **service excellence**.

We will continue to drive our cultural ambition to help our people perform to the best of their capability. We will focus on enabling our people to **embrace change**, and to build the adaptive resilience, meta-skills and digital capability we know are vital for the future.

Our people are our greatest asset. We understand the inherent benefits we gain from having an engaged, skilled and inclusive workforce and remain committed to modelling **fair work practices**. The five dimensions of fair work (see page 30) are embedded within our organisation, and we will continue to work with our trade union partners and equality experts to remain accountable and achieve further progress.

Looking to 2022 and beyond, we seek to sustain our position as an employer of choice. This will include **piloting '2035' employer behaviours**, to ensure we continue to develop flexible and inclusive practices that encourage the wellbeing and high-performance of our people.

 **Improve customer experience and customer service through enhanced use of data and technology:**

Better use and analysis of our shared data is at the heart of the Strategic Board's ambition for **smarter delivery**. Cross-agency data sharing is already a reality, although there is potential to push the boundaries further.

We envisage a future where our combined intelligence enables us to accurately **predict customer need** and proactively offer flexible and responsive services in anticipation of demand. Analysis of data will also allow for more effective resource allocation, ensuring we focus our attention where we can have the greatest impact. Through **enhanced data sharing and analysis**, we will build our capability in this area over the coming years.

We understand that our customers increasingly expect digital routes to access the information they need. **Digital solutions, such as avatars and augmented reality** offer the potential to help us deliver a more tailored and accessible service which reaches greater volumes of customers, while retaining the ability to target high-value face-to-face services for those who need it most. We are committed to looking at how our digital offer to customers can be enhanced over the next three years to improve customer experience and satisfaction.

Technology can also positively impact the ability of our people to meet the needs of our customers. We will continue to encourage our people to adopt and enhance their use of **enabling technology**, leading to more efficient and innovative ways of working across the business.

 **Make efficient, effective and sustainable use of our resources:**

As a public body, we are mindful of our responsibility to steward public finances well. We work to ensure we make efficient and effective use of all of our resources, mitigating against known risks, and demonstrating **propriety, value for money and the best return on investment**.

**Continuous improvement and quality assurance** will be prominent during the life of this plan. Colleagues will be up-skilled and encouraged to identify and eliminate non-value-adding activity and highlight any constraints to efficient working. Through this approach, we will ensure our people are able to increasingly focus on the high-value and more fulfilling elements of their job, benefitting both our employees and the customers they support.

To ensure that our customers receive the best possible experience, we will continue to build a consistent approach to quality-assuring our products and services. We will also seek to gain EFQM accreditation for **business excellence** to demonstrate our systematic cross-business approach to driving high standards.

We will continue to drive excellence in key business areas such as procurement, information management, data security and corporate governance, aspiring to exceed standards demanded by statutory compliance, and uphold **transparency and integrity** in all we do.

Our continued contribution to Scotland's ambitious target of **net-zero greenhouse gas emissions** by 2045 will focus on improving our performance against key contributing factors such as our energy consumption and private car usage.

 **Drive better outcomes through deeper collaboration and partnership working:**

Partnership working has long underpinned our work and values as an organisation. To achieve our shared ambition for Scotland, new ways of inter-agency working and **deeper, more meaningful, collaboration** will not be just desirable, but necessary.

There are clear benefits to closer working practices, including enhanced productivity and cost effectiveness across the public sector. Achieving this, however, will be reliant on strong leadership, greater transparency and a clear commitment from all to making **inter-agency divisions, agency-fluid teams and increased shared services** a reality. We will need to unite around our shared understanding of the common interests and additional benefits that can be achieved through progressive, responsive and innovative cross-agency working.

The introduction of agency-fluid teams and more cross-agency shared services will not be straightforward. We will look to **learn from and share our experience** of delivering cross-agency IT services since 2014, and of having hundreds of staff based in schools for most of their working week, to inform our future approach.

The focus on inter-agency collaboration will not detract from our existing commitment to **partnership working at national, regional and local levels**. We remain determined to join our combined strengths, expertise and resources to achieve the best outcomes for all our customers.

Enabling Scotland's people

## Over the next three years we will:



### Enable learners and workers to make informed learning and career choices:

- Provide all-age, impartial and independent career information, advice and guidance
- Develop the career management skills of our customers
- Increase the availability and accessibility of high quality career intelligence
- Engage with and equip career influencers, including teachers, parents/carers and employers, to better support young people.

### Empower people to achieve equitable learning and employment outcomes:

- Work with partners to understand and address disadvantage
- Increase equality of access to learning and employment opportunities
- Use experiential technology to increase access to work-related experiences
- Actively challenge stereotypes and unconscious bias.

### Provide effective learning pathways into productive employment:

- Offer work-based learning at SCQF Levels 4–6 in schools and expand provision of Foundation Apprenticeships
- Increase the uptake of Modern and Graduate Apprenticeships as both a route of entry into, and means of progression in, work
- Achieve greater balance between work-based and academic learning pathways.

### Help create an increasingly productive and resilient workforce for Scotland:

- Enable working age people to re-skill or up-skill to better meet the needs of employers
- Provide enhanced, tailored support for people facing redundancy situations
- Support those looking to return to their careers, including women returners
- Deliver employability support to people unemployed and seeking work.

Mobilising Scotland's businesses  
**Over the next  
three years we will:**



**Deliver an aligned and integrated service offer for employers:**

- Develop a new agency-fluid team to support inward investment to Scotland and business growth
- Jointly establish a digital portal for all enterprise and skills agency employer services, improving access to the right support
- Improve cross-agency data sharing and analysis to inform service development and delivery.

**Inspire and enable employers to take a strategic approach to workforce planning:**

- Offer tailored advice and guidance to help businesses identify and meet their current and future skills needs
- Provide mechanisms for employers to re-skill and up-skill their existing workforce
- Maximise the uptake of work-based learning products from employers.

**Promote the development of productive and innovative workplace practices:**

- Raise awareness of productive business models and innovative workplace practices, through a programme of cross-agency activity
- Use data to proactively identify and support sectors or businesses able to benefit from adopting new approaches
- Develop approaches to improving leadership and management skills across Scotland.

**Drive understanding and adoption of fair work practices:**

- Promote the benefits of adopting fair work practices
- Support the development of progressive and inclusive workplace cultures.

## Influencing the Learning and Skills System

# Over the next three years we will:



### **Strengthen industry and partner ownership of the skills system:**

- Ensure industry understands the value of engaging with the skills system, has a representative voice, and increasingly uses it to influence learning and skills provision
- Facilitate industry influence on the design of work-based learning through the Scottish Apprenticeship Advisory Board.

### **Build a high-quality evidence base using robust and comprehensive data:**

- Maintain and expand the richness and accessibility of the evidence base
- Clarify the critical skills needs of the Scottish economy
- Better understand and demonstrate the longitudinal economic outcomes from existing learning pathways.

### **Influence the prioritisation of resources in line with the evidence base:**

- Establish a new agency-fluid team, led by a Director of Skills Alignment, responsible to SDS and SFC
- Develop provision plans for the delivery of skills in Scotland based on an assessment

of the current and future demand for skills, and align our commissioning and contracting decisions with these

- Work with educators, community planning partnerships and other partners to influence the national, regional and local economic landscape
- Build confidence in the effectiveness of the 5-stage skills alignment model by piloting the approach
- Identify the sectors and geographies that need most support to achieve shared prosperity
- Recommend discrete interventions to provide 'critical skills' in the economy.

### **Ensure work-based learning is efficient, responsive and future-focused:**

- Implement a strategy for the future standards architecture of work-based learning in Scotland
- Work to embed meta-skills in learning and skills provision
- Drive innovation, employer demand and policy thinking in Scotland through the Centre for Work-based Learning
- Support the development of a sustainable funding model for learning and skills provision.

SDS as an Organisation

## Over the next three years we will:



### Adopt high-performing workplace practices, leading change in others:

- Continue to build a culture of 'Everyday Leadership', helping our people to perform to the best of their capability
- Demonstrate exemplary fair work practices, including our continued commitment to promoting wellbeing and harnessing diversity
- Model innovative workplace practices and pilot anticipated 2035 employer behaviours.

### Improve customer experience and customer service through enhanced use of data and technology:

- Increase and enhance our data sharing and analysis activity to predict customer need and drive improvements in service delivery
- Improve our products and services, with a focus on enhanced digital services to increase customer reach and satisfaction
- Use enabling technology within SDS which drives efficient and innovative ways of working.

### Make efficient, effective and sustainable use of our resources:

- Steward public finances well, demonstrating propriety, value for money and the best return on investment
- Use continuous improvement techniques to streamline and optimise our ways of working
- Drive quality and excellence throughout the business, gaining EFQM business excellence accreditation
- Continue to improve our environmental sustainability.

### Drive better outcomes through deeper collaboration and partnership working:

- Work closely with national, regional and local partners to identify and achieve our shared goals
- Explore options for greater use of cross-agency and agency-fluid enabling services
- Work with partners to understand and share best practice, learning from each other's expertise.

# Assessing Performance and Impact

We are determined to make a difference to the productivity, prosperity and wellbeing of Scotland's people, employers and economy, by building a more demand-led skills system and enabling individuals and businesses to reach their full potential through investment in their skills.



## **Our Corporate Performance Framework**

We have built a comprehensive Corporate Performance Framework that we use to monitor delivery of our activities and services and to ensure that we can report accurately on progress in achieving our strategic goals. The framework includes a series of key performance indicators (KPIs) that we use to monitor delivery of our services and the difference they are making.

The table on page 50 shows our alignment with the National Performance Framework indicators and with the broad ambitions of the Strategic Board. We have also agreed cross-agency shared outcomes and will be working with partners and the Analytical Unit to detail the performance measures that will demonstrate the achievement of the Board's Plan.

## **Annual planning and performance review**

Throughout the life of this Strategic Plan, we will publish an annual Operating Plan that will set out more specific milestones and targets towards our strategic ambition. We will also publish an Annual Review reporting on progress against our targets each year.






## The Scottish Government's National Performance Framework



## Our contribution to the Strategic Board & National Performance Frameworks

		National Performance Framework Indicators				
		Population skills profile Skills shortage vacancies Skills utilisation Young people's participation Economic participation Economic growth Innovative businesses Workplace learning	Wealth inequalities  Gender pay gap  Gender balance	Mental wellbeing  Employee voice  Employees on a Living Wage  Contractually secure work	Carbon footprint  Waste generated	
Strategic Board Impacts		Productivity	Equality	Wellbeing	Sustainability	
SDS Corporate Performance Outcomes	1	Informed choices	✓	✓	✓	
		Equitable outcomes	✓	✓	✓	
		Effective pathways	✓	✓	✓	
		Resilient workforce	✓	✓	✓	
	2	Integrated services	✓			✓
		Workforce planning	✓	✓	✓	
		Workforce practices	✓	✓	✓	
		Fair work	✓	✓	✓	
	3	Industry ownership	✓			
		Evidence base	✓	✓		
		Prioritised resources	✓	✓	✓	✓
		Future of work-based learning	✓	✓	✓	
	4	High-performing workplace	✓	✓	✓	✓
		Customer experience	✓	✓	✓	
		Use of resources	✓			✓
		Deeper collaboration	✓			✓

# Annex A: Skills 2035 – Learning & Skills System Characteristics

	 People	 Employers	 Learning Ecosystem
 <b>Agile &amp; adaptive</b>	<ul style="list-style-type: none"> <li>Progress through a coherent, life-long learner journey without barriers</li> <li>Use well-developed 'meta-skills' to anticipate and adapt to change in the labour market</li> <li>Combine life-long learning and career management skills to plan and sustain their working lives</li> </ul>	<ul style="list-style-type: none"> <li>Are forward-thinking, with a strategic approach to skills and workforce development</li> <li>Invest in the in-work re-skilling and up-skilling of their workforce</li> <li>Use highly productive and innovative workplace practices</li> </ul>	<ul style="list-style-type: none"> <li>Provides responsive, agile and adaptive learning, balanced to meet learner and employer demands</li> <li>Is highly customised to the needs of learners and employers – intuitive to use, easy to navigate and access</li> <li>Has integrated, sustainable and responsive funding models</li> </ul>
 <b>Efficient &amp; effective</b>	<ul style="list-style-type: none"> <li>Use high quality information to support lifelong learning and career choices</li> <li>Experience flexible and personalised learning journeys</li> <li>Achieve positive transitions from education, or career breaks, into good, fulfilling jobs</li> </ul>	<ul style="list-style-type: none"> <li>Frequently engage and collaborate with the skills and learning system, regardless of size or sector</li> <li>Co-design, co-deliver and co-fund learning and skills development, starting in school</li> <li>Have their skills needs easily met, as learning responds well to employer demand</li> </ul>	<ul style="list-style-type: none"> <li>Ensures skills planning is highly responsive and demand-led</li> <li>Develops, recognises and rewards the acquisition of 'meta-skills'</li> <li>Uses sophisticated data analysis to proactively meet the needs of learners and employers</li> <li>Makes informed skills investment, based on evaluation of the long-term outcomes and effectiveness of learning</li> </ul>
 <b>Open, inclusive &amp; fair</b>	<ul style="list-style-type: none"> <li>Have equal access to learning and jobs, regardless of their personal characteristics, circumstances and location</li> <li>Thrive in highly engaged work environments</li> <li>Choose to stay in, or relocate to, Scotland for learning and work opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Demonstrate fair work principles and provide good, fulfilling jobs</li> <li>Access a diverse talent pool, equipped with the skills they need</li> <li>Actively engage in talent attraction into Scotland</li> </ul>	<ul style="list-style-type: none"> <li>Offers equal access to all, positively supporting diversity and inclusion</li> <li>Understands and harnesses the implicit motivations of learners, employees and career changers</li> <li>Is globally-oriented, open and welcoming</li> </ul>

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Cover image:

**Bethany Welsh**, Apprentice  
Civil Engineer with Balfour  
Beatty, who has completed  
both a Modern and Graduate  
Apprenticeship