



MINUTES
4IR and the Workforce
Tuesday 20 November 2018
4.00pm – 5.00pm, Committee Room 13, Palace of Westminster

Chair: Catherine McKinnell MP

Speakers: Tom Morrison-Bell, UK public affairs manager, Microsoft, Sarah Roche, Head of Scholar, UBS, Anna Round, Senior Research Fellow, IPPR and John Cope, Head of education and skills policy, CBI

Parliamentarians present: Baroness Garden of Frognal, Lord Aberdare and Lord Young of Norwood Green

The meeting was opened by **Tom Morrison Bell, UK Public Affairs manager for Microsoft**, who explained that Microsoft saw skills as the raw materials for technology businesses. He pointed out that skills shortages result in increased costs as well as slowing growth and development. He said that Microsoft saw apprenticeships as a way to grow those skills within the business and through Microsoft's 25,000 partner network. He explained that it had been 9 years since Microsoft launched its apprenticeships program, which he called "*unique in the technology sector*", and that since then 20,000 apprentices had been through the process and received a 'Microsoft branded' apprenticeship.

He then moved onto discuss the impact of the fourth industrial revolution on apprenticeships. Firstly, he briefly addressed the overall impact of 4IR, explaining that data driven technologies would transform the way in which businesses work, emphasising that there had not been a transformation on this scale since the industrial revolution. He said that technology changes would demand new skills and some jobs would disappear. He then referenced a report by Nesta on 4IR which discussed the future of the job market which predicted that while a tenth of the workforce would see their occupations grow, a fifth would see their occupations shrink.

He indicated that that to best cope with this change, a broad set of skills would be helpful, including interpersonal, cognitive and system skills. He also emphasised that 4IR would be vital to solving structural productivity problems, in terms of both technology and infrastructure.

He also said there needed to be a change of emphasis in terms of approaches to career pathways in future, moving away from an emphasis on credentials (such as degrees) towards an emphasises on skills and work readiness, which he said apprenticeships were uniquely placed to deliver.

The meeting then heard from **Sarah Roché, Head of Scholar at UBS**. She spoke about the process of upskilling existing employees and said that a key priority for UBS was to see what they could do within the apprenticeship space to up skill existing employees. To address this UBS is creating opportunities for existing employees to participate in apprenticeships with various routes, including digital, leadership and management and professional banking.

Addressing 4IR directly she warned that it was essential to retrain existing employees, suggesting that rather than jobs being made obsolete by technology, it would enable

people to do jobs faster and more efficiently. However, she stressed that in order for that dynamic to work, employees needed to have technical and data literacy. For these reasons, she explained, UBS is focusing heavily on having a digital ready workplace.

She also pointed out that leadership and management staff needed to be upskilled, as managing teams in a digital world requires a very different skill set to present.

Summarising her remarks she suggested that the success of UBS' retraining scheme so far had relied on removing stigma of training and apprenticeships, improving the branding of education, and internal promotion and engaging with employees about the opportunities on offer.

Next to address the meeting was **John Cope, Head of Education and Skills Policy at the Confederation of British Industry (CBI)**. He began by saying that apprenticeships and 4IR were two of the biggest current issues for CBI. He then spoke about the CBI's education skills survey, which represents the views of 28,000 employers. He said that education and skills was a key priority for CBI as it was one of the best drivers to increase productivity and there was a joint responsibility for business, educators and government to address this.

He then outlined the key issues that had arisen out of the survey. Firstly, the apprenticeship levy, which businesses had said was not working. Second the survey found that businesses wanted to engage with educators but were finding few opportunities to do so. He stressed that both schools and business wanted to engage but were unable to do so effectively, and that the CBI had a key role to facilitate this. He concluded by saying that people didn't see a link between retraining getting a better job and the national training partnership was vital to change that.

Last to speak was **Anna Round, Senior Research Fellow at IPPR**, who spoke about her research on skills and building a workforce for the future, digital skills and extending working life. She began by saying that the narrative around 4IR had been very problematic, leaning towards the "*apocalyptic*". She also felt that it would be tasks rather than jobs that were liable to automation, and that while 4IR would make some jobs obsolete, it would change a lot more.

She said jobs would change across the board, with increasing technological components. In addition, some skills will be required more broadly across the workforce. including soft skills in addition to an understanding of how technology works. She also spoke about the need for a breakdown between the traditionally separated soft people skills and hard technology skills.

Outlining some of the specific skill requirements of the future economy she predicted that the workforce would need to go beyond being advanced users to becoming creators, integrators and problem solvers in relation to technology. She also said that to be a sustainable worker through 4IR, workers would need to treat learning as a part of the job, which she acknowledged would be a big cultural shift.

In her concluding remarks she spoke about apprenticeships, saying that they needed to move from preparing people for a singular job to preparing people for being part of the workforce, which would require a shift towards producing more generic skills through



apprenticeships as well as instilling dispositions towards lifelong learning. In her final comment she urged central government to recognise the importance of local government in delivering these skills.

Chair of the APPG, Catherine Mckinnell MP raised the topic of the apprenticeships levy, asking about how it had affected approaches to skills. **John Cope** suggested that business should be working together in terms of the levy, pooling funds to create a levy pot.

Moving on from this **Sarah Roché** raised the point of both a personal and a business cost of training and the two-fold disincentive to invest in skills, in terms of both time and money. She said UBS had addressed this by imbedding training within employees' day jobs.

John Cope raised the point of frustration that digital skills encompassed so much more than coding, yet the government failed to account for this in education.

In the final comment of the session **Anna Round** addressed the need for the split between the academic and the vocational to be reduced.