

The Global Skills Gap

Preparing young people for the new global economy





About the research

This report presents the findings of a survey of senior business leaders conducted by ICM Research on behalf of Think Global and the British Council. The study was commissioned to gauge the extent to which business leaders see global thinking as an important skill amongst employees and potential recruits to their companies.

Questions were put to a nationally representative sample of 500 chief executives and board level directors of businesses in the UK with at least 10 employees. Interviews were conducted online through ICM's Business Vista online panel between 15th and 26th September 2011.

What global companies look for are people who we think can take a global perspective. Students are well placed to do this if they have taken opportunities to widen their cultural perspective. The people that succeed can work in multi-disciplinary, multi-cultural and multi-locational teams. If students have demonstrated they can work with other cultures and teams, that's a big plus for us as we need students to be intellectually curious and culturally agile if they are going to work in a global context.

Sonja Stockton, Director, Talent, PricewaterhouseCoopers

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Introduction

In this report, we publish a survey of UK business leaders which reveals that, in their view, work to broaden young people's horizons and teach them about our globalised world is vital if the UK is to compete in the global economy. Unless we improve the way in which we support young people to think more globally, through teaching in schools, the UK is in danger of being left behind by emerging economies such as China, India and Brazil, according to the survey.

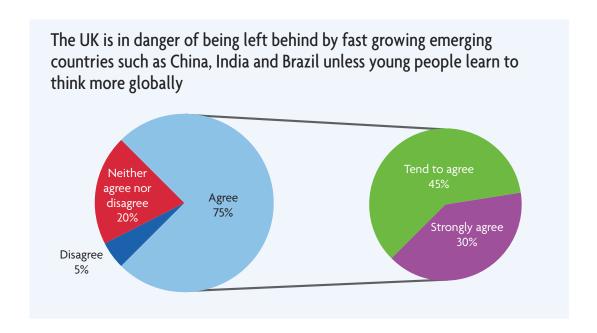
There are proven ways to help young people to think globally and broaden their horizons. Scaling up these learning opportunities will reap significant rewards for young people and for the UK economy.

Summary of the findings

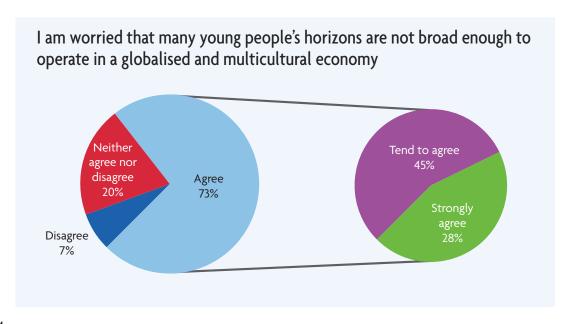
- For job seekers, knowledge and awareness of the wider world is more important than degree classification or A-levels: In recruiting new employees, more employers (79%) say knowledge and awareness of the wider world is important than the numbers of employers who say the following are important: degree subject and classification (74%), A-level results (68%), or A-level subjects (63%).
- Three-quarters of businesses think we are in danger of being left behind by emerging countries unless young people learn to think more globally, and are worried that many young people's horizons are not broad enough to operate in a globalised and multicultural economy: 75% and 74% respectively agree with these two statements, and just 5% and 7% disagree.
- The vast majority of businesses think it is important for schools to be helping young people to think more globally and lead more sustainable lives, and four-fifths think schools should be doing more: 93% of businesses think it is important for schools to help young people develop the ability to think globally. 80% think schools should be doing more; only 2% think they should be doing less.
- Those businesses for which at least three-quarters of their trade is with people from another culture find it significantly harder to recruit employees with the right skillsets than less globally-oriented businesses: Amongst those businesses who conduct at least three-quarters of their trade with people from another culture, only 30% find it easy to recruit employees with the right skillsets, whereas 35% find it difficult. By comparison, amongst the business community as a whole, half (50%) find it easy to recruit employees with the right skillsets, whereas only a quarter (24%) find it difficult.

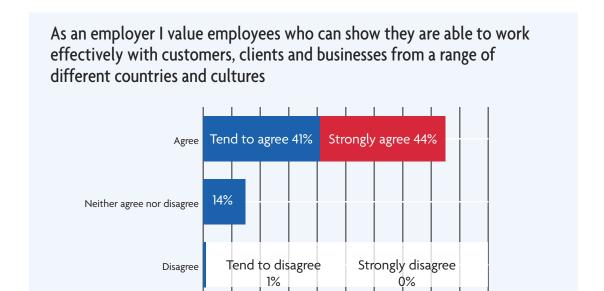
The challenge: young people in the UK are not prepared for our globalised world

Three-quarters (75%) of board- and director-level executives and CEOs think that "we are in danger of being left behind by emerging countries unless young people learn to think more globally". A similar proportion (74%) are "worried that many young people's horizons are not broad enough to operate in a globalised and multicultural economy". Very few of those surveyed disagree with either of these statements; just 1 in 20 (5%) disagree with the first statement and just 1 in 14 (7%) disagree with the second statement.



Taken together, these findings present a very challenging picture. We already know from similar surveys (for example CBI, 2011) that employability skills are vital in business success. ICM's survey findings suggest that as the economy becomes ever more globalised, global employability skills are emerging as one of the crucial determinants of business success and economic growth.

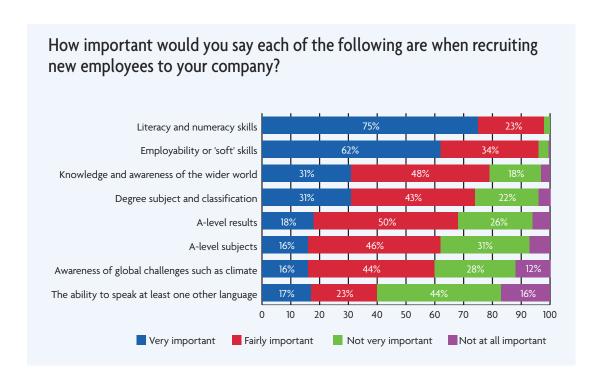




Global employability skills include, for example, the ability to work effectively with customers, clients and businesses from a range of different countries and cultures. The vast majority (85%) of business leaders agree that it is important that their employees have this ability and almost half (44%) strongly agree that this ability is important.

Why do school leavers lack these vital skills?

Business leaders feel that these skills are conspicuously lacking in the young people that leave school today. There are many possible reasons for the narrow horizons of school leavers; for example it could be that the focus on attainment (narrowly defined by exam results) combined with an overburdened and outdated curriculum squeezes out any time in schools for learning about the wider world beyond the school gates and beyond our shores.



Implications of this challenge: for young people and for the economy

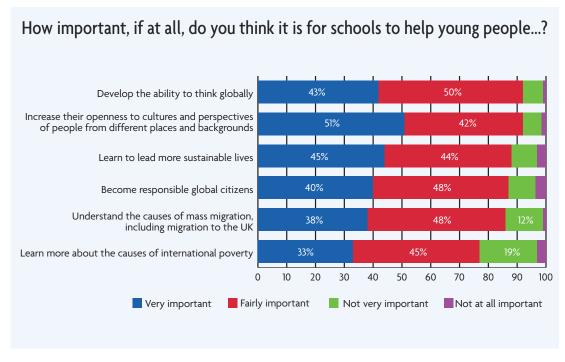
Whilst the reasons for young people's lack of global employability skills may not be clear, the impacts are worryingly predictable. Given the survey findings it is reasonable to predict that highly skilled (and highly paid) jobs will be increasingly taken by young people in countries other than the UK that offer more global learning throughout their education systems (or by privileged or lucky young people in the UK who have access to quality global learning). This risks a future for many young people in the UK consisting of low-paid jobs or being out of work. In turn, this will harm the UK economy as the most valuable sectors of the economy shift elsewhere.

Higher attainment won't solve the challenge

It may be tempting to respond to this challenge solely by driving up attainment, so that young people leave school with better A-levels, and leave university with a better degree. But ICM's survey indicates that higher attainment isn't enough to make UK school leavers more attractive as potential employees. Survey respondents emphasise that it is more important for young people to be able to think globally than to do well in their exams. When asked what factors are important when recruiting new employees, more employers (79%) say knowledge and awareness of the wider world is important than say degree subject and classification (74%), A-level results (68%), or A-level subjects (63%) are important.

Particular sectors are highly dependent on certain skills

These skills requirements become even starker when considering specific sectors of the economy. To take just one example, 39% of businesses consider it important that potential employees can speak at least one language other than English. However, amongst leaders of businesses in the field of natural resources, almost three-quarters (72%) consider knowledge of other languages important, perhaps because of the far-flung sites of natural resource extraction.



Schools have a vital role in stimulating global thinking

It is not surprising, therefore, that business leaders see a vital role for schools in preparing young people for a globalised workplace. More than nine in ten businesses (93%) think it is important "for schools to help young people develop the ability to think globally" and almost half (45%) think it is very important for schools "to help young people to learn to lead more sustainable lives".

How our education system can respond to this challenge

Pockets of excellence already exist but these need to be scaled up

Some excellent work already goes on in schools to encourage young people to think globally and learn about the wider world.

Case study

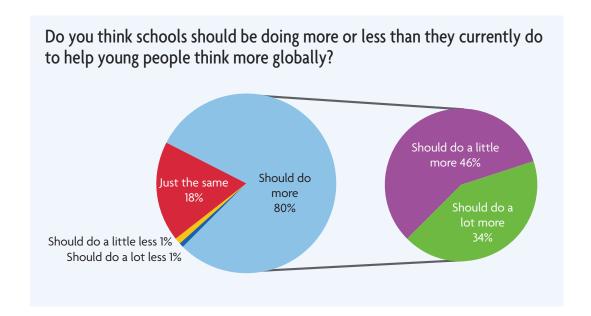
Wootton Bassett School in Wiltshire - recently rated as 'Outstanding' by Ofsted in all categories - aims to be 'a global school in a local community' and achieved the British Council International School Award in 2010 for its extensive international work with partner schools in China, South Africa, Sweden, Canada and the USA, among others. The 2010 Ofsted report highlights the school's 'burgeoning international programme' and praises its success in preparing students 'exceptionally well' for their future lives and 'particular strengths in developing well-rounded, high-achieving individuals with a strong awareness of global issues'.

Case study

Cultivating a Global Outlook for the Global Economy highlights the global learning offered at Impington Village College in Cambridgeshire. A former student describes the value of this global learning as giving him "the distinctive know-how, ability, and necessary tools to be actively engaged in the fabulously diverse world of the 21st century."

These examples, and many others in school settings, show the sorts of solutions that exist to teach young people to think more globally. In both Impington and Wootton Bassett, students are given the opportunity to broaden their horizons and think globally. These are the skills that business leaders are asking for, and so it is clear that the education system has the tools to respond to this challenge.

Yet it is equally clear that curricula and projects like these are not yet sufficiently widespread in schools; For example only 42% of teachers say they feel confident teaching about how emerging economies have an increasing impact on the way we live and work in the UK. (Ipsos MORI 2009). In view of this it is not surprising that four-fifths of businesses (80%) think schools should be doing more than they are currently doing in this area, and just one in 50 (2%) think schools should be doing less. Parents, teachers and the general public all agree (Hogg and Shah, 2011, Hogg and Shah, 2010, Ipsos MORI, 2009).



The opportunities: practical steps for schools, government and business

This survey presents a challenge to the education system in the UK, but it also presents a real opportunity. If all schools are supported to respond effectively to employers' desires for a stronger emphasis on learning about global issues and the wider world, the next generation of school leavers could have the skills to excel in the globalised economy.

Support for schools

Practical support is already out there for schools. The Global Dimension website offers resources and guidance across all subjects at both primary and secondary level. The British Council offers a wide range of practical support programmes, available through the British Council Schools Online website. Other examples abound and it is vital that civil society organisations support business and government to access and make the most of this available support.

For the Department for Education and the Devolved Administrations

But the survey of business leaders suggests that this practical support won't be enough unless it is supplemented by support from government. As the government makes efforts to slim down the National Curriculum the Department for Education will need to ensure that schools are supported and given a clear sense of legitimacy to incorporate global issues into subject curricula, including science, geography, history and others, in whatever way they see fit. Reference to our globalised world in the curriculum will give teachers guaranteed space in their packed timetables to teach about these vital global issues and to help young people to learn about other countries and cultures so that they are prepared to live and work effectively in a globalised world. Teacher training institutions, including teaching schools, need to incorporate guidance on teaching about global issues and the wider world into initial teacher education. This will give teachers the skills and confidence to tackle some tricky and controversial global topics, such as the science of climate change or the positive and negative impacts of global supply chains.

How businesses can help

In turn, business must play its part. The evidence in this poll shows that learning about global issues and the wider world is a major priority for business leaders, and this should be reflected in the support they give to schools. Case studies showing the importance of global learning and cultural understanding in business settings would be valuable to engage young people and schools in this agenda. Practical activities could include work experience and apprenticeships in non-UK settings, or a young global enterprise programme. For example, a school leaver who completed work experience in the Indian office of a global business as part of a British Council scheme that offered short-term employment and cultural immersion in emerging economies said they had, "gained a greater appreciation of the roles within a global business and the responsibility each individual takes up" and "learnt the importance of flexibility in an ever-changing marketplace, making the most of opportunities as they present themselves and the importance of good communication". In addition, businesses can play an important role in expressing to the government how vital they see schools' role in this agenda.

For example, the car rental firm Enterprise invite teachers from their local school into their offices to help teachers understand the competencies the business values in its staff. Other businesses could link with a local school and help teachers and young people better understand the global skills that employees need in the workplace.

Teachers in partner schools across the country who don't have any business experience can spend four weeks at our head offices rotating through different departments on a secondment type arrangement and learn a little bit more about the business. I think the experience demonstrates for teachers the need for a global, outward-looking focus.

Donna Miller, Human Resources Director for Europe, Enterprise

Conclusion: The global economy demands global thinking

The evidence from ICM's survey of business leaders is unequivocal. We cannot afford to let our education system fail young people and hinder the economy by failing to teach them to think globally and open their eyes to the world beyond our national boundaries.

Instead, it is vital that we scale up the support that already exists to help schools teach about global issues and the wider world, so that every young person has the opportunity to build up the knowledge and skills that will allow them to excel in the global economy.

Doing so will require coordinated support from business, government and civil society; schools cannot be expected to achieve this shift in emphasis alone. In practical terms this means: business and civil society investment in school-based programmes to encourage global thinking, such as a young global enterprise programme; and government curriculum and teacher training policies that generate the skills, space and legitimacy that teachers need to teach about the wider world.

If, collectively, we can achieve this scaling up of support, the rewards could be enormous. A globally aware generation of school leavers will help to ensure that the UK economy can continue to compete in the world, as well as ensuring that young people from the UK are able to contribute effectively to an interdependent global society.



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Businesses interested in working with us can contact: info@think-global.org.uk

Schools interested bringing the world into their classroom can visit: www.globaldimension.org.uk and schoolsonline.britishcouncil.org

Think Global, CAN Mezzanine, 32-36 Loman Street, London SEI 0EH