



# Mind the Skills Gap Survey

Key findings – 2 December 2020

## Introduction

Thank you for choosing to read the latest employment skills research from The Chartered Institute of Management Accountants (CIMA).

In the modern business world, organisations must look beyond financial data to improve corporate performance and drive sustainable value creation over the short, media and long-term. Having talent with the right skills and competencies is essential to maximise organisational potential.

Our 2020 Mind the Skills Gap research is part of our work identifying structural weaknesses in our current and future workforce's skillset. This year's research is particularly sobering. It appears as the UK moves towards the end of the transition period taking it out of the European Union, and while a significant part of the world is tirelessly battling a pandemic on a scale unknown in recent times.

One of these events would be a major challenge for business leaders, but two of them demand even more visionary thinking to overcome. There have been signs that companies have taken on this year's challenges and emerged stronger, using the situation to make changes to their businesses which should ensure their near to mid-term viability. That future will rest on how willing or able employees are to ensure their skills keep pace with change.

Once again, our research has found a mismatch between the skills employers say they need, and the amount of skills training employees say they have had. This time however, under the current economic circumstances, the stakes are higher for business.

Two thirds of employers told us that the pandemic has "highlighted skills gaps". What is a greater cause for concern is that nearly all this group reported these skills gaps are "significant enough to hamper their organisation's future growth and success".

Although 75% of workers feel they have the appropriate skills they need to perform their job, 42% of employers still report deficits in digital skills such as e-commerce, coding, data analytics, cybersecurity, and cloud computing.

Higher skilled immigrants will not be so readily available after Brexit, so it is more important than ever that businesses and their staff work together to plug critical gaps in training. I am interested to see how the next year will impact on responses to our next Mind the Skills Gap survey.

**Andrew Harding, FCMA, CGMA**  
**Chief Executive – Management Accounting**  
**The Chartered Institute of Management Accountants**

## About the research

The survey was carried out among UK SMEs (organisations with 10-249 employees) by Opinium on behalf of CIMA.

Fieldwork for employers took place online between 11 and 25 November to a sample of 1023 decision-makers working for UK SMEs.

Fieldwork for employees took place online between 11 and 24 November to a sample of 1051 employees working for UK SMEs.

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## Key findings – employers

### Skills gaps and employee training

#### Two thirds of SME employers state that the COVID-19 pandemic has highlighted skills gaps

Two thirds (65%) of SME employers state that the COVID-19 pandemic has highlighted skills gaps within their organisation. Among this group, nearly all (93%) have said that these skills gaps are significant enough to hamper their organisation's future growth and success.

The most common skills deficit is related to digital skills such as e-commerce, coding, data analytics, cybersecurity, and cloud computing (42%). The full list is displayed below:

- Digital skills such as e-commerce, coding, data analytics, cybersecurity, and cloud computing (42%)
- Health and safety (37%)
- People management and leadership skills (33%)
- Job-specific technical skills (32%)
- Financial skills (31%)
- Soft skills such as communications, creativity, problem solving and emotional intelligence (28%)

#### 7 in 10 SME employers say that COVID-19 has influenced their investment decisions around employee training and upskilling

7 in 10 (69%) SME employers say that COVID-19 has influenced their investment decisions around employee training and upskilling in the last six months. Meanwhile, a similar proportion (65%) indicate that since March 2020, they have invested in training and professional development for their employees.

Of those who haven't invested in training and professional development for their employees, needing to relieve financial pressure on the business (35%) was the most common reason for the lack of investment, followed by there being too much uncertainty around the economy (34%) and being too busy to make time for additional learning (26%).

#### The ability to quickly adapt to changes in the working environment is the most important skill in the future of SME workplaces

When asked what the most important future skills are likely to be, nearly half (48%) said the ability to quickly adapt to changes in the working environment. According to SME decision makers, the second most important skill is the ability to work across a variety of tasks and areas of a business that are outside of a traditional job description (35%), followed by the ability to accurately predict the future impact of business decisions (30%).

## Digital transformation

Two thirds of SME decision makers say that they have accelerated the digital transformation of their business as a result of COVID

Two thirds (67%) of SME decision makers say that they have accelerated the digital transformation of their business as a result of COVID. Within this group, nearly 8 in 10 (78%) believe that their current workforce has the right skills to support their organisation's digital transformation journey and future growth.

Among those who do not think their workforce has the right skills, 44% are setting up skills development programmes for current employees so they can take up new responsibilities or roles within the organisation, 43% are hiring new employees with the right skills and 33% will be using external providers to deliver new services.

## Coronavirus Job Retention Scheme

When asked whether they think it would be a good idea to incorporate mandatory training hours in the extended Coronavirus Job Retention Scheme (CJRS) to help employees affected by the coronavirus pandemic to retrain and upskill, nearly three quarters (72%) thought it was a good idea.

Among those who think it is a good idea, 89% would be willing to contribute financially towards it, with 48% saying that they would be willing to pay for it if their company had access to recognised providers offering discounted training schemes, and 40% would be willing if the government matched funding. The remaining 11% believe it should be fully subsidised by the Government.

Additionally, when asked about the Apprenticeship Levy, 83% would use the money to train their staff in other ways if the levy was changed to cover skills i.e. development and short courses.

## Key findings – employees

### Skills training and professional development

#### Only 3 in 10 SME workers have undertaken skills training and professional development in 2020

Since the start of 2020, only 3 in 10 (31%) of SME workers have undertaken skills training or professional development, with this number rising to 42% for those aged 18-34. This is broadly in line with the number of SME workers who undertook skills training and professional development in 2019 (35%).

As one may expect, these numbers fall further when considering those who are currently undertaking skills training or professional development (16%). Among those who are not currently undertaking any skills training or professional development, only 18% expect to undertake training in the next 12 months, with a further 29% saying that they are not sure whether they will undertake training in the next year.

Despite the relatively small number of workers undertaking training, three quarters (75%) of workers feel they have the appropriate skills they need to perform their job, with a further 20% stating that they have some of the skills. In line with this, three quarters (75%) believe they have enough transferable skills to move industries, sectors or jobs should they wish. More worryingly, however, nearly a fifth (18%) do not believe they have these transferable skills. Among this group who believe they lack transferable skills, 16% believe that their job is at risk because their skillset is becoming less relevant and a further 21% are not sure if their job is at risk.

#### The ability to quickly adapt to changes in the working environment is the most important skill

When asked about important future abilities, SME workers believe that the ability to quickly adapt to changes in the working environment is the most important skill (66%). The full list is below:

- The ability to quickly adapt to changes in the working environment (66%)
- The ability to work across a variety of tasks and areas of a business that are outside of a traditional job description (45%)
- The ability to analyse a large amount of information and make sense of it (29%)
- The ability to make long term decisions with minimal ethical and sustainability complications (23%)
- The ability to work seamlessly with automated processes and robots (16%)
- The ability to accurately predict the future impact of business decisions (16%)

#### Technical skills specific to jobs top the list

Among SME workers who are currently undertaking skills training, or are planning to in the next 12 months, technical skills are being prioritised the most (46%) followed by people management and leadership skills (34%), health and safety (33%) and soft skills (32%).

## Digital workplaces

### 7 in 10 SME workers feel prepared to operate in a digital workplace

When asked about working in a digital workplace, 7 in 10 (70%) SME employees said that they feel prepared, with 21% saying they feel 'very prepared' and 49% stating that they feel 'somewhat prepared'. In contrast, 10% stated that they do not feel prepared to operate in a digital workplace.

In terms of current skillsets, two thirds (67%) of SME workers are confident that their skills will enable them to succeed in the digital workplace. Again, 10% are not confident that their skillset will enable them to fully operate in the digital workplace.

6 in 10 SME workers (60%) believe it would be a good idea to incorporate mandatory training hours in the extended Coronavirus Job Retention Scheme (CJRS), in order to help employees affected by the coronavirus pandemic retrain and upskill. Though in contrast, 14% do not think this would be a good idea, and a quarter (26%) are not sure.



## About The Chartered Institute of Management Accountants

The Chartered Institute of Management Accountants (CIMA), founded in 1919, is the world's leading and largest professional body of management accountants. As part of the Association of International Certified Professional Accountants (the Association) its members and students operate in 179 countries, working at the heart of business. CIMA members and students work in industry, commerce, the public sector and not-for-profit organizations. CIMA works closely with employers and sponsors leading-edge research, constantly updating its qualification, professional experience requirements and continuing professional development to ensure it remains the employers' choice when recruiting financially-trained business leaders.

## About the Association of International Certified Professional Accountants

The [Association of International Certified Professional Accountants](#) (the Association) is the most influential body of professional accountants, combining the strengths of the American Institute of CPAs ([AICPA](#)) and The Chartered Institute of Management Accountants ([CIMA](#)) to power opportunity, trust and prosperity for people, businesses and economies worldwide. It represents 650,000 members and students across 179 countries and territories in public and management accounting, and advocates for the public interest and business sustainability on current and emerging issues. With broad reach, rigor and resources, the Association advances the reputation, employability and quality of CPAs, CGMAs and accounting and finance professionals globally.

## About Opinium

Opinium is an award-winning strategic insight agency built on the belief that in a world of uncertainty and complexity, success depends on the ability to stay on pulse of what people think, feel and do. Creative and inquisitive, we are passionate about empowering our clients to make the decisions that matter. We work with organisations to define and overcome strategic challenges – helping them to get to grips with the world in which their brands operate. We use the right approach and methodology to deliver robust insights, strategic counsel and targeted recommendations that generate change and positive outcomes.