

## Written evidence submitted by PriceWaterhouseCooper (PwC)

PwC welcomes your inquiry. It feels more important than ever that public, private and third sector organisations work together to drive the recovery through continued development and investment across the country. There are a number of pressing priority areas where we have a common interest, including levelling up and building back better, but the area we believe we can contribute most to your inquiry is in responding to question 5 which concerns reskilling.<sup>1</sup>

Our response is based on our experiences of upskilling our own people for the digital world and helping our clients and communities do the same. We've also undertaken research in this area and some findings and insights are detailed below.

### ***Reskilling is a key tool to addressing social mobility post pandemic***

We believe that reskilling creates more opportunities and powers social mobility and equality of opportunity. As the Government plans a post-pandemic catch-up to ensure those from the most deprived backgrounds and future generations are not further disadvantaged, PwC's Driving Social Mobility research highlights the biggest barriers people face to reach their potential, and how the Government and businesses can help improve social inequalities.<sup>2</sup> We polled 4,000 members of the UK public on the issue of social mobility. The polling revealed that business has a vital role to play in improving the social mobility of younger generations, with calls from the public for better access to opportunities, work experience and career pathways, and greater investment in apprenticeships and skills.

The public surveyed believe the key ingredients to career progression include soft skills and technical skills, as well as work experience, and that regional work opportunities are considered far more important than the type of institution a person studies at. While graduates attach greater importance to universities attended (71%), across the board a much lower percentage attributed social mobility prospects to the university or school a person attended (63% and 64% respectively).

A quarter of people (25%) who received free school meals do not think that education has helped them get on in life, and whilst many aspired to work in professional jobs when they were growing up, these aspirations have not been met. The professions this group most wanted to work in were healthcare (22%), law (14%) and accountancy, banking and finance (13%), however, whilst some people are achieving careers in healthcare (11%), the largest number of people now work in retail (13%).

People from the most disadvantaged backgrounds say that the area they grew up in and a lack of support network growing up (27%) are the top barriers for not reaching their full potential.

### ***The role of business and government in helping the nation to reskill***

Our social mobility research shows growing concern, as well as deepening generational divides, in public attitudes towards social mobility. Yet people of all ages are united in their view that help from the business community is critical for the next generation to do better than the last.

Businesses are able to offer better work experience, career pathways, and provide greater investment in apprenticeships and skills. The PwC tech degree apprenticeship programme,

<sup>1</sup> What policies are effective in helping people to reskill, move between occupations and sectors and take advantage of new opportunities? How could these be best implemented in the aftermath of the pandemic, and as technological developments such as artificial intelligence change the nature of work?

<sup>2</sup> PwC Future of Government: <https://www.pwc.co.uk/futureofgovernment>

which is specifically designed to equip young people with the digital skills in high demand within our firm, has demonstrated to us the benefits of close collaboration between businesses and local training providers. We have also seen first hand the significant impact that businesses can have in driving social mobility. PwC is ranked the top UK employer in the Social Mobility Employer Index and as one of the largest graduate employers in the country, has continued to hire thousands of school leavers, graduates and experienced professionals during the pandemic.

Businesses have the opportunity to work with others to invest in skills and develop clearer career pathways to help improve social mobility. Seven in ten people in our social mobility survey believe that the Government should work with local businesses to offer more hands-on experience as part of the education catch-up process from the pandemic.

Our research also highlighted that the most effective government interventions in addressing social mobility include improving the quality of education in schools (43%) and expanding apprenticeship programmes (39%). This suggests an opportunity for businesses, educators and educational institutions, as well as local and central government, to collaborate on practical solutions that reach across generations. For example, engaging with local schools early in the education cycle to help share insights and encourage networking/mentoring programmes, or working with the government to expand apprenticeships and raise awareness of career opportunities.

We see opportunities for education providers to work with employers and businesses to address the skills gap, through new soft skills training, apprenticeship programmes, and mentoring. Government also needs to consider ways to reach those who have either fallen through education gaps or are facing barriers in their later years - with options such as reskilling programmes or incentives for business to expand apprenticeships to all age groups. While everyone having a laptop and internet access is important, there is a real need to upskill people to build confidence in using technology to access virtual events, career opportunities, and to build relationships in an increasingly digital world.

### ***The impact of automation and the rise of remote working***

The Covid-19 pandemic has accelerated changes in how and where we work. We've seen this first hand as our 22,000 people moved to remote working overnight. We were fortunate that we had invested in technologies to make this happen. However, for many organisations the crisis brought to the fore the discrepancy between the skills people have and those needed for jobs in the digital world. With 71 million young people worldwide unemployed, and between 20-40% of the jobs currently held by 16-24 year olds at risk of automation by the mid-2030s, developing the skills required for the digital age is one of the most acute challenges communities are facing.<sup>3</sup>

We are starting to see increasing demand from our clients to tackle these new challenges. For example, we worked with a global financial services organisation to develop a Talent Marketplace, an AI powered tool matching colleagues and opportunities, matching mentors and mentees, allowing colleagues to share their current and aspirational skills. Through the introduction of this digital platform, it has made it easier for employees to grow, and develop their skills by connecting their experience, skills and passion with meaningful work across the network, this also further allows employees to develop skills needed in the future of work.

In conclusion we recognise that as we come out of the pandemic, business has a role to play working with the Government to help shape a fair recovery for everyone, helping to provide access to new job opportunities and training. We hope this response has provided some

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<sup>3</sup> New World New Skills: <https://www.pwc.co.uk/services/human-resource-services/insights/new-world-new-skills.html>

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helpful insight into the challenges and opportunities for reskilling and tackling barriers to social mobility in the post pandemic world. Please do get in touch if there is any further information we can provide or discuss.

Yours sincerely,

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