

Essential Skills for the Modern Workforce

A simple review for Training Providers



Executive Summary

Technology is changing fast. The global economy is shifting. The move to a net-zero future is affecting every sector. Because of this, the skills people need at work are changing too.

Technical skills still matter, but evidence from global organisations, UK labour market reports, and local employers shows that **Essential Skills** (often called soft skills) are now just as important. These include communication, teamwork, problem solving, adaptability, and resilience.

This report brings together insights from international research, UK data, and feedback from employers in Hampshire and Surrey. It helps training providers design programmes that prepare people for today's and tomorrow's workplaces.

Introduction



Purpose

To give training providers a clear and practical review of what the evidence says about Essential Skills, and how to use this when designing courses and working with employers.



Scope

- What Essential Skills are
- Global and UK labour market trends
- Local evidence from Hampshire and Surrey
- Sector-specific needs
- Ways to develop Essential Skills
- Generational differences in learning
- Practical recommendations for training providers

Definitions and Frameworks

Essential (Soft) Skills

Communication, teamwork, problem solving, adaptability, resilience, leadership, creativity, emotional intelligence.

OECD Skills Framework

Analytical and creative thinking, plus social and emotional skills such as empathy, collaboration, and motivation.

World Economic Forum

Skills needed for the future, including leadership, active learning, curiosity, and systems thinking.



Key Point:

Essential Skills help people learn technical skills faster and adapt when things change.

Why Essential Skills Matter (Global Evidence)

World Economic Forum

- 40% of core job skills will change within five years.
- Employers value analytical thinking, problem solving, and creativity.

OECD

- Essential skills help people adapt and learn new technical skills.
- These skills support movement across different jobs.

The Role of AI and Human Skills

As AI and automation reshape work, Essential Skills become even more critical. While technology can process data and automate tasks, human judgment, creativity, and emotional intelligence are irreplaceable.

Employees who combine technical literacy with strong interpersonal skills can leverage AI tools effectively - making better decisions, solving complex problems, and ensuring ethical use of technology.



Essential skills such as adaptability and communication enable teams to integrate AI into workflows without losing the human touch.

Overall Message:

Essential Skills make people more employable and help organisations manage change, supporting higher performance, resilience and growth across the economy.

UK Labour Market Evidence and Trends

Skills gaps identified by employers

- Self-management
- Communication
- Leadership
- Prioritising and time management

UK Labour Market Evidence and Trends continued

Sectors with the biggest gaps

- Hospitality
- Manufacturing
- Financial and Professional Services

Impact of AI and the Green Transition

Automation and net-zero goals increase the need for:

- Adaptability
- Collaboration
- Decision-making
- Problem solving

Learning & development priorities

Employers are increasingly investing in digital learning platforms, mentoring schemes, and structured training programmes, alongside strengthening in-house capability, to develop:

- Interpersonal and relationship-building skills
- People management and leadership capability
- Effective communication and presentation skills



Companies who have contributed to this picture include BAE, Red Funnel, Red Penguin, UKIOT.

Hampshire & Surrey: Local Evidence

Local Skills Improvement Plans (LSIPs), college strategies, and employer focus groups show:

Key Findings

- Employers value communication, teamwork, and resilience—often more than technical skills.
- Colleges include employability and Essential Skills across their courses.
- New Future Skills Hubs aim to improve employer engagement and local responsiveness.
- Employers prefer the term “Essential Skills” because it reflects their importance.

Effective Approaches to Developing Essential Skills

Training providers can use:

- Scenario-based learning to improve judgement
- Team projects with clear roles
- Coaching and mentoring to build confidence
- Embedding Essential Skills inside technical training
- Short, focused microlearning—especially useful in hospitality, health, care, and frontline work

Sector Deep-Dives

Sector	Priority Essential Skills	Best Development Methods
Hospitality	Customer service, reliability, teamwork	Short, hands-on sessions; scenarios
Manufacturing	Problem solving, collaboration, detail	Project work; quality circles
Financial Services	Communication, analytical thinking	Leadership pathways; AI awareness
Creative Industries	Teamwork, commercial awareness	Cross-disciplinary work; portfolios
Health & Social Care	Empathy, resilience, communication	Simulation-based training; mentoring

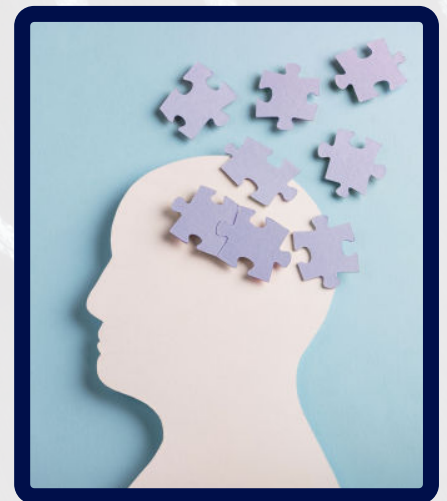
Challenges and limitations in the evidence

Neurodiversity in the Workplace

An important consideration for training providers is the growing recognition of neurodiversity in the workforce. Neurodiverse individuals - such as those with autism, ADHD, dyslexia, or other cognitive differences - bring unique strengths, including creativity, attention to detail, and innovative problem-solving. However, traditional training methods and workplace practices may unintentionally create barriers for these employees.

Inclusive approaches, such as offering flexible learning formats, using clear and structured communication, and providing sensory-friendly environments, can help unlock this potential.

Training providers should embed awareness of neurodiversity into course design and employer engagement strategies to ensure that Essential Skills development is accessible to all.



- Many measures rely on employer views, not objective testing
- People's access to skill development varies by background
- Build Essential Skills into all programmes
- Increase real-world learning (e.g., T-Level placements, employer briefs)
- Strengthen manager skills, especially coaching and dealing with conflict
- Combine technical training with AI basics and human decision-making
- Track impact through retention, productivity, and time-to-competence

Strategic Implications for Hampshire & Surrey

Integrating AI Awareness with Essential Skills

Training providers should embed AI awareness and digital confidence into all programmes. This means teaching not only how to use AI tools but also how to collaborate with technology in a way that enhances human strengths.

A large, stylized graphic of the letters 'Ai'. The 'A' is formed by two thick black diagonal lines meeting at a point, with a solid blue dot in the center. The 'i' is a thick black vertical line with a solid blue dot above it.

Courses should focus on:

- Decision-making in AI-supported environments
 - Ethical considerations and bias awareness
 - Using AI for productivity while maintaining creativity and empathy
- Combining technical training with Essential Skills ensures employees can adapt to rapid technological change and lead innovation responsibly.



Insights from Dr Paul Redmond

Generational Preferences

Baby Boomers

Like structure and formal communication

Gen X

Independent and practical

Millennials

Collaborative and feedback-focused

Gen Z

Digital-first and prefer fast, visual content



Use different communication channels and pair different generations in mentoring.

Zombie Jobs

Jobs involving repetitive tasks are at risk from automation. Jobs needing creativity, empathy, and adaptability will last.

Employability Focus

Redmond highlights the importance of good onboarding, networking, personal branding, and continuous feedback.



Wellbeing

Different generations have different wellbeing needs. Training should reflect this.

Generational Differences in Learning Style

Generation	Preferred Style	Engagement Tips
Boomers	Structured, instructor-led	Use formal training and case studies
Gen X	Independent, self-led	Blended learning and practical tasks
Millennials	Collaborative and digital	Use gamification and link learning to progression
Gen Z	Digital-first, visual, short content	Use mobile tools, AR/VR, interactive formats

Recommendations for Training Providers

For Skills Development

- Use cross-generational mentoring
- Use role play and scenarios to build empathy and communication
- Provide personalised learning linked to career goals
- Give continuous real-time feedback using digital tools
- Use tech for younger generations but structured resources for older groups

Strategic Priorities

1. Rebrand soft skills as Essential Skills
2. Start developing these skills early in education and in employer partnerships
3. Use generational insights in all training and leadership programmes
4. Strengthen leadership capability—especially difficult conversations and inclusive communication
5. Use phased onboarding for new staff
6. Support wellbeing and productivity in remote work
7. Provide simple, low-cost training options for SMEs
8. Prioritise short digital learning supported by face-to-face mentoring

