

‘The Skills Revolution – can lifelong learning save the UK economy?’

SKOPE Working Paper

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The speakers were: Professor Peter John (Vice Chancellor of West London and Principle of Ruskin College); Professor Rick Trainor (Rector of Exeter College, Oxford); Professor Jonathan Michie (President of Kellogg College and Chair of the University Association of Lifelong Learning); Lord David Blunkett (ex-Secretary of State for Education and Chair of the Council of Labour Skills Advisors); Professor Graeme Atherton (Head of the Centre for Inequality and Levelling Up, University of West London); Nimmi Patel (Head of Skills, Talent and Diversity, TechUK); Professor James Robson (Associate Professor of Tertiary Education Systems and Director of the Centre for Skills, Knowledge and Organisational Performance, Oxford University).

Introduction

I strongly agree with everything Lord Blunkett and other colleagues have said. There is an urgent need to rethink and reform our skills system and develop an approach to education and training that genuinely offers learning opportunities from the cradle to the grave. It probably comes as no surprise, given that I'm based in a department of education and direct a centre for Skills, Knowledge and Organisational Performance, that I fully agree that education and training, skills, and lifelong learning underpin robust and resilient economies and societies. Knowledge and skills really matter and ensuring there are meaningful opportunities for people to reskill, upskill, and engage in learning over the course of their careers and lives must be a fundamental policy priority.

A key part to this is emphasising that learning is both a private and public good. As a private good, education and training can be a key mechanism by which individuals progress both economically and socially, providing real opportunities for social mobility. It is the way in which many individuals achieve their aspirations and make progress in their careers and it provides real salary returns. Moreover, engaging in lifelong learning is critical in empowering individuals to navigate the labour market with agency so they can engage in meaningful, purposeful work and lead fulfilling lives. Knowledge and skills are the tools we use to craft our own futures, improve our opportunities, and embed purpose into our existence.

But education and training is also a public good and learning has profound multiplier and spill over effects in both the economy and society. As we've heard, getting the alignment between skills supply and labour market demand right and ensuring the workforce is skilled and adaptable to change has been empirically shown to be a key part of increasing productivity and driving economic growth. The labour market is increasingly unstable and uncertain and individuals will move between jobs and change careers multiple times over the course of their lives. Lifelong learning is an essential part of ensuring workers continue to develop their own skills and that the skills of the workforce as a whole change in line with the demands of the labour market, reducing skills shortages and gaps, and supporting productivity. Importantly a learning workforce is a resilient workforce that's better able to cope with a wide range of potential shocks and disruptions and adapt to change in an agile manner.

Now this issue of agility is inevitably going to become more and more pronounced. The structure of the jobs market has become increasingly unstable and driven by precarity and churn, making continued professional development, upskilling, and reskilling an ongoing necessity. But, perhaps more importantly, the nature of work, both in terms of occupations and within-job tasks, is also changing rapidly. The first most significant transformative force is, of course, technology, most notably increasing automation, the affordances of machine learning, and the creative opportunities of generative AI. But alongside this is the profound pressure of climate change and the need to ensure a just and green economic transformation – leading to new green jobs, the greening of existing jobs, and the need for associated, although often poorly defined, green skills. Of course, technological change and the climate crisis are fundamentally linked and, although I would argue it's important not to slip into technological determinism, green technologies will likely drive climate solutions. The important point here is that all of this, technological change, AI, the need to green the

economy, comes with significant implications for the nature of work, jobs, tasks, and skills demands.

Now in some arenas these changes are viewed with suspicion and hostility and there's concern around unemployment and 'machines taking our jobs'. However, history doesn't bare this out. Most technological developments that have been linked with labour market transformation have, by in large, been part of economic advancement and represent opportunity rather than crisis. In most instances, rather than machines replacing humans in the jobs market, we tend to see humans, using new machines or technologies, replacing other humans.

This brings us back to the importance of education and training and the need for lifelong learning to take advantage of change and development both in terms of individual careers and macro-economic growth. It's the ability of workers to adapt to emerging technologies that enables both career development and economic development. Knowledge and skills matter. The ability of individuals to upskill and reskill shapes their career trajectories, especially in times of uncertainty and change. The ability of countries to reshape the knowledge and skills profile of the workforce is therefore of equal importance.

As such, skills and lifelong learning policies really matter. However, despite this, according to analysis by the IFS, there has been a 45% decline in funding for adult skills over last decade (IFS 2018) and participation rates in adult education have fallen significantly, with the Social Market Foundation (2020) showing that adult education participation rates have almost halved since 2004. Now 38% of adults have not participated in any learning since leaving full time education and, importantly, figures from the DfE show that the majority of this group come from low Socio-Economic Status backgrounds (DfE, 2018). Given the clear links between career progression, labour market resilience and reskilling or upskilling, this illustrates the ways in which engagement or lack of engagement in lifelong learning can deepen and entrench social inequalities and injustices.

Rethinking our skills system is, therefore, now an urgent necessity and so ensuring education and training systems are accessible to all, adaptable, relevant, agile and responsive to changing needs must be a policy priority.

Lord Blunkett's report on this and presentation, as well as the presentations from other colleagues here, have highlight this very well and, I think, provide excellent and detailed ways forward.

And so, nothing that I've said so far is particularly new and I suspect most people here are in full agreement that education and training and lifelong learning are essential parts of a healthy, resilient and just society and economy. However, I'd now like to bring out a few key issues that I think represent particular challenges to the 'skills revolution'. In a sense, these issues are already part of the ongoing conversation, but I think it's worth foregrounding them here. In the interests of time, I'll focus on four specific issues:

- Firstly, the major impact of policy churn on education and training and the need for a really long term strategy that provides stability in the sector;

- Secondly, the challenge of coordination, the damaging role of market logic in managing a system, and the need, in my opinion, to take a holistic, joined-up tertiary approach to post-16 education and training that enables real regionalisation.
- Thirdly, the importance of thinking about lifelong learning in broad terms. Despite everything I've emphasised thus far about the economy, lifelong learning is also about personal development, fostering a love of learning, and learning for learning's sake. This means emphasising and reemphasising the importance of a range of courses, topics and disciplines in the post-16 space
- And finally, I want to bring out a cautionary refrain that skills, on their own are not, and cannot be, a panacea for all of social and economic ills.

Policy Churn

So, let's turn to the issue of policy churn. The fact is we suffer from a major sickness in this country: policy hyperactivity disorder. TVET, lifelong learning, and the general area of skills formation, has been subject to near constant policy churn for the last two decades. Too much of this policy has been insubstantial, short term, and initiative led. Rather than improving the sector, the main results have been destabilisation and complication. Now, while we might agree that reform is needed, constant policy tinkering is often not driven by detailed analysis of sectoral need but by political motivation and a desire to be *seen* to be doing something. When the sector is in a constant state of reform, it's seen to be in a constant state of failure and this message gets absorbed by the public and internalised by staff, leading to major issues with recruitment, retention, and morale.

At the same time, policy churn has led to an adult and vocational education system that is extremely difficult to navigate. We only need to look at the number of different qualifications to see that the last two decades has produced a qualifications jungle which is difficult for learners to understand and navigate and for other users (including employers and careers guides) to engage with in a meaningful way (Raffe, 2015; Richard, 2012; Whitehead 2013). Many qualifications are experienced as dead ends with limited progression. We only need to look at the chaos, complexity and mixed messages around T-Levels and Rishi Sunak's new drive to roll out new Advanced British Standards.

While the goal of small scale, stackable credentials and revolving door approaches to long term education and training is fantastic, there is a real danger that the sector will collapse under the complexity of it all if the changes are piecemeal and the delivery mechanisms are small scale or short term. There is a need for a really long term, comprehensive strategy for lifelong learning that not only moves away from policy tinkering but that provides the sector with meaningful stability in terms of structures, pathways and qualifications. This requires political bravery to really think in the long term, overtly talking about 10, 20, 50 year timescales, and providing the policy framework that limits tinkering on a political whim. This is the only way that the post-16 sector will become a robust and powerful institution.

Coordination: Tertiary Framing

This brings me onto my second issue – the challenge of co-ordination. In my view, thinking strategically about the long term requires thinking about education and training systems holistically as well. This means framing the post-16 education and training space as a tertiary sector where different pathways are genuinely complementary. In England particularly, current approaches are still perpetuating a divided system that rests on a categorical distinction between academic and vocational knowledge and skills. This restricts access and progression and emphasises differentiation and social selection at the expense of social inclusion and the needs of individual learners.

In my view, the evidence of the last two decades has clearly shown that a quasi-marketised approach to coordinating education and training has perpetuated this and resulted in the narrowing of opportunities for learners through isomorphism and the homogenisation of organisations locked in competition for resources and students. This has resulted in vertical stratification in our education and training system, at the expense of a diverse range of learning pathways for **all** post-16 learners.

A vision for education and training that really enables individuals to continue to reskill, upskill, develop, and love learning while also ensuring the needs of the economy are met, both in the long term and in the short term, means joined up thinking and real complementarity between pathways and providers. In my opinion, this cannot be left to the invisible hand of market. It requires management and meaningful coordination. This means a comprehensive education and training strategy and tertiary based systems thinking that's reflected in policy, policy structures, and governance structures. However, this doesn't necessarily need to mean a centralised top down model of control. This is where the affordances of real regionalisation comes to the fore with localised tertiary systems, rooted in principles of complementarity rather than competition, can provide coordination structures that enable localised social and economic needs to be met.

Dangers of reductionism and narrowness

This brings me onto my third point – the danger of reducing the discourse around education and training and lifelong learning to simple economics. Although, I don't think anyone here is at risk of overlooking the social benefits of lifelong learning either as a public or private good, it is all too easy to focus purely on the economic importance of lifelong learning. This can risk failing to value the plurality of learning pathways and the diversity of topics that underpin adult education. Lifelong learning is about more than just skills for jobs. We really need to be talking about and valuing, skills and knowledge for life!

Lifelong learning can be about celebrating learning, the intrinsic value of education, self-formation through knowledge, and learning for learning sake. This is where I think it's vital that we emphasise the deep value of the arts and humanities. I've argued in other contexts that these subjects have economic value and, indeed many of the skills associated with arts and humanities, like creativity, communication and critical thinking are likely to be particularly valued in AI dominated labour markets. But they also provide deep cultural connections for those who study them and I think it's important to reverse a social and

political trend of denigrating the arts and humanities and instead celebrate them in all aspects of our education and training system, not least in lifelong learning.

Skills are not a panacea

My final point is simple. That despite everything we might say about the vital importance of education and training and lifelong learning – knowledge and skills are not a panacea. On their own, knowledge and skills will not transform a failing economy or a struggling society. It's important not to make deterministic assumptions about education and training. Of course, skills are a key part of social cohesion and economic growth, but only if economic approaches, labour market structures, and business regulation all support wider social and economic agendas and the organisational structures and absorptive capacity of relevant sectors are probably aligned with skills supply. You can't fix a demand side issue only with supply side reform. In my view, it is essential to emphasise again and again that a skills revolution can't happen in a policy vacuum and we need reform in a wide range of areas to ensure meaningful social cohesion and economic growth.