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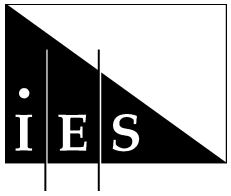

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The Institute for Employment Studies

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Executive Summary

Introduction

The development of a set of Key Skills, and embedding them into the national qualification system for 16 to 18 year olds, is central to government education and training policy. At the time of this research, six Key Skill units had been developed:

- communication
- application of number
- IT
- working with others
- improving own learning and performance, and
- problem solving.

Key Skills combine two main features. They focus on a set of skills which are reported to be of increasing importance to employers, and variously referred to as 'generic', 'behavioural', 'personal', 'transferable' and 'soft'. These relate to a person's ability to operate in a workplace, alone or with others. Secondly, a distinction has to be made between basic skills and Key Skills. Basic skills can be defined as the fundamental techniques of literacy and numeracy. The acquisition of basic skills does not necessarily mean that a person can apply them in a practical situation. It is this application which Key Skills address.

This research uses a combination of quantitative and qualitative data, to explore the importance of Key Skills to employers, their perceptions of the availability of these skills in the workforce, and employers' knowledge and use of Key Skills. The quantitative data is drawn from a large survey, the Multi-Purpose Survey of Employers (MPSE). A sub-sample of these employers were interviewed in depth about Key Skills, to provide the qualitative data. Some of the data are reported separately for all employees and for young workers.

An overall picture

Knowledge of Key Skills

Over half of respondents to MPSE, who were aware of GNVQs, reported that they knew about the Core Skills[1] included in these qualifications. There was little variation in knowledge between employers in different sectors and in establishments of different sizes. However, 41 per cent (of those aware of Core Skills) were unable to name any of the specific skills included. Employers were most likely to name skills related to basic skills, *ie* communication, numeracy and IT, as Core Skills. There is some confusion around the distinction between basic and Key Skills. There is a subtle distinction between having and applying basic skills, and many were unable to appreciate this.

Around half the employers interviewed for the qualitative stage of this study had heard of Key, or Core, Skills. However, we found considerable confusion over the use of the terms Key and Core Skills. Many employers were actually talking about their own internal skill frameworks, defining skills which were essential, 'core' or 'key' to their own organisation. These usually included both generic and occupational specific skills. There was, however, considerable overlap between the generic skills included, and Key Skills.

Knowledge of Key Skills had usually come through contact with education and training providers. Employers who were more closely involved with TECs, colleges, the Careers Service, Modern Apprenticeships, NVQs and GNVQs were more likely to have a better understanding of Key Skills. A few had been on, or were still on, a course of study, *eg* for an IPD qualification, and had come across Key Skills through this. Others knew of Key Skills through their own children's education or training.

Despite the relatively low level of knowledge of Key Skills, and confusion over the terminology, employers were generally sympathetic with the overall aims of Key Skills. They welcomed an initiative which would better prepare young people for working life, and provide them with a set of skills which would enable them to adapt to changing labour markets.

Employers' need for Key Skills

Employers reported a high level of need for all six Key Skills, for young workers and all employees. On a scale where one was

[1] The terminology used to describe these skills changed between the two sets of data collection. At the time of MPSE, the term Core Skills was used. By the time the in-depth interviews were conducted, these skills were called Key Skills.

'not at all important' and five was 'very important', the average scores ranged from 3.3 to 4.7.[1] Working in a team, learning, and oral communication, were rated very highly. They were most likely to be reported 'very important' for successful employment.

Written communication and the use of numbers were reported to be important, but they were of less widespread importance. These skills were more likely to be needed in certain jobs, rather than throughout an organisation. The use of numbers, in particular, was reported to be more of an occupational, rather than a generic, skill.

Business awareness and IT received the least emphasis. One-quarter of employers reported that IT was 'not very important' or 'not at all important' for all employees, and just over one-third reported a similar lack of importance for young workers. Twenty-eight per cent of MPSE respondents rated business awareness as 'not very important' or 'not at all important' for young workers, and 20 per cent for all workers.

There was little relationship between the importance of these skills and establishment size. However, the use of IT was reported to be of slightly less importance in the smallest establishments. Employers across all sectors also reported similar levels of importance for almost all these skills. There were, however, some variations in the importance of written communication and the use of numbers. These skills were more likely to be sector specific than the others.

Satisfaction with the Key Skills of employees

The MPSE data illustrate fairly high levels of satisfaction with the Key Skills of employees. Average scores for all Key Skills, and for both young workers and all employees, were above three (the 'satisfactory' point on the scale). It should however be emphasised that questions were asked about satisfaction with the skill levels of employees, rather than with skills available in the labour market more generally.

Despite the overall levels of satisfaction, some differences do emerge. Employers were slightly less satisfied with the skills of young workers. However, although recruiting from what is reported to be an unsatisfactory pool, it seems that employers were generally able to find young people who were satisfactory. Employers were developing selection criteria which identified those not just with the best Key Skills, but those exhibiting

[1] MPSE covered a slightly different set of skills to those listed above. Problem solving was not included at that time, business awareness was and this is reflected in the following commentary. Furthermore, MPSE split oral and written communication and this illustrates some interesting differences in need.

potential to develop these skills. Many were also putting considerable effort into training and developing employees in these skills. Furthermore, competence in many Key Skills increases with experience and, in some cases, maturity.

Employers with different characteristics and in differing circumstances reported similar levels of satisfaction with the Key Skills of their workforce. Construction employers did, however, report slightly lower levels of satisfaction with young workers.

The skills most widely needed by employers, (oral communication, working with others and learning) were most likely to show a 'shortfall', *ie* scores for importance were greater than those for satisfaction.[1] There was greater disparity between the ratings of importance and satisfaction for young workers. This perhaps suggests that the skills held by this age group are further from the needs of employers, than those of employees in general. However, among young people, the overall score for the satisfaction with IT skills was greater than that for importance. It seems that the IT skills, especially of young workers, do not fall short of employers' needs. This is supported by other data collected during this study.

The Key Skill units in detail

A major aim of this study was to explore employers' views on the content of the Key Skill units. Broadly, each Key Skill has been broken down into a number of components, or elements, and each of these is defined at four different levels.[2] The lower levels are straightforward, involving being able to conduct a task and to do it accurately. The higher levels are more demanding, involving reviewing and monitoring an activity, and generally taking responsibility for driving things forward. These levels have been developed to allow progression, and aim to meet the needs of different employers and occupations. Simplified versions of each unit were constructed and discussed with employers during the in-depth interviews.[3]

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[1] These findings should be treated with care as the scoring for importance and satisfaction were measuring different things. However, some interesting and consistent patterns do emerge.

[2] At the time of this study, problem solving had five units. The other Key Skills had four levels which had been finalised, and fifth levels were being developed.

[3] The most recent, revised versions of all units were used. Problem solving was the only unit which had not undergone major revisions at the time of our research.

This section looks in more detail at the need for each Key Skill, and at employers' views of the units. Several themes emerge which were common to all the units:

- Progression between levels — the difference between Levels 1 and 4 was clear to employers. However, the progression between individual levels was frequently not clear.
- The relatively low level of need — employers reported that their greatest need was for employees at the lower levels within each unit. It was mostly those with managerial and professional responsibilities who were expected to take on responsibilities included in Levels 3 and 4.
- The specificity of need — employers could not always easily relate to the generic units. They had specific needs for the application of each Key Skill, whether these were particular to their organisation or an occupation.

Communication

Very few jobs do not require employees to be able to 'read and respond to written material'. 'Producing written material' was reported to be less widely needed, especially in a range of manual, sales, and personal service jobs. It was at technician and supervisory levels that employees were more likely to be expected to produce written material.

Oral communication is very important to employers, and in the majority of jobs. There are many reasons for this. Oral communication is argued to underlie a wide range of personal and interpersonal abilities sought by employers. Few employees operate alone; at a minimum they have to communicate with colleagues. Most organisations operate a service culture, internally between departments and in their relations with external clients.

Most jobs require people to operate accurately and within certain set parameters. The higher levels of this unit, involving employees in reviewing, monitoring, adapting, taking responsibility and using discretion were rarely required, except in more senior and skilled jobs. However, it is people with good basic and Key Skills who are most likely to progress, within and between employers.

Employers were generally satisfied with the communication skills of existing employees, although they were slightly more critical of the abilities of young people. The most unsuitable applicants were screened out during recruitment. Indeed, the communication abilities of job applicants were most likely to be criticised. Applications which were poorly written and thought out were taken as an indication of poor communication skills overall. Training was provided to new recruits and existing employees, to both address any gaps in ability and to increase the general level of ability.

The communication Key Skill unit

Employers felt that, in general, this unit covered the main skills they needed. However, a number of detailed criticisms were made. The unit was felt to be too woolly. Employers wanted the requirements to be stated in more specific terms. They want employees with communication skills appropriate to the particular roles and jobs in their own organisation.

There was some confusion about how this unit differed from basic literacy. It was argued that if people had good basic skills, these could easily be tailored to a specific work situation.

Most criticisms of this unit related to the way in which it covered oral communication. It was felt that the element 'taking part in discussions and making presentations' was too formal and mechanistic to properly describe the many facets involved in verbal communication. It was also thought that the unit did not adequately cover listening skills and non-verbal communication, both important aspects of oral communication in particular.

Application of number

The application of number was reported to be of less widespread importance to employers than the other Key Skills. However, it is becoming more important. In the majority of jobs, employers wanted employees who could operate at Level 1. This basically involves them being able to conduct certain tasks accurately, to set procedures, and to record the results clearly. It was in senior and managerial jobs that higher levels were required. The introduction of information technology has increased the need to work with numerical data, especially in these jobs. This Key Skill was, however, only really of importance in jobs in which numerical ability is an essential component, an occupational requirement, for example, engineering, some skilled manual jobs, accountancy and research.

Employers reported greater difficulties finding people with the necessary numerical skills, than for any other Key Skill. The numerical abilities of both applicants and existing employees were found to be wanting. A major problem was a lack of basic numeracy. People do not know how numbers operate; if errors occur they do not have the basic understanding to remedy them.

The application of number Key Skill unit

Employers had few comments on this unit. This partly reflects the general low level of need for this Key Skill. A few specific criticisms were made. There was some confusion between basic numeracy and the role of the unit in making these basic skills applicable to the workplace. It was argued that if employees had

sound basic numeracy, these could easily be applied in a work situation.

Although respondents generally sympathised with the concept of developing a set of generic skills, there was confusion between the role of Key Skills and the development of occupational specific skills. Most skills are seen in an occupational and specific context. For some jobs, it was reported that the unit was too basic, or too general. However, this represents a misunderstanding of the role of the unit. It is not aiming to develop the high level skills with numbers which are necessary in some jobs.

IT

A number of organisations still operate with little IT, and with unsophisticated technologies. Their need for IT skills is therefore low. However, this is likely to change in the future. Many respondents in this situation talked about plans to introduce new technology and to develop IT strategies.

Few employers reported any need for elements of the IT unit in less skilled occupations, including a range of sales, personal and protective services, operative and other manual jobs. Those in clerical and secretarial occupations were more likely to require some IT skills, but the level of need was low. It was only in managerial and professional jobs that the need for IT skills was widespread. However, even in these jobs, there was not a consistently high level of need. In many organisations, the use of IT is prescribed for the majority of employees. Those at head office and in IT departments select the systems and set up procedures for their use.

Most young people entering the labour market were reported to have good IT skills, and to more than meet the basic requirements of employers. Some concerns were expressed about the IT skills of longer serving employees and older job applicants. However, training programmes were usually able to deal with these.

The IT Key Skill unit

This unit was designed to include the broad use of computer technology in the workplace, and IT was used as a generic heading. However, many employers interpret IT in a very specific sense. CNC machines and electronic tills, for example, were sometimes seen as included, and sometimes not. Nevertheless, the detail within the unit was seen as relevant to a broad range of technologies.

The majority of employers felt that the unit went beyond their needs. Most employees do not need a detailed understanding of how and why technology operates. They basically have to be able to use an established set of routines and applications. The

unit did not go far enough to satisfy the skill needs of IT specialists. However, it does not aim to do this; rather it aims to improve the skills of IT users.

Working with others

The ability to work with others was important to most employers and across all occupations. However, the level of need was limited, especially among employees in clerical and secretarial jobs, and a range of less skilled manual occupations. These employees often have to work within fairly prescribed parameters. It is only in managerial, and professional and technical jobs, that higher levels of this Key Skill were needed. It is in these jobs that greater elements of discretion and decision-making are involved.

Employers were very satisfied with the ability of employees to work with others. Selection techniques frequently focused on identifying 'team players', and any difficulties could be addressed through appropriate training and development.

The working with others Key Skill unit

Many employers felt that the unit was relevant and logical, not too prescriptive, and that it allowed flexibility to address specific needs. Others, however, were more critical. In particular, it was felt that the unit placed too much emphasis on the individual and that it did not adequately address the more dynamic and interactive aspects of working with others. These more subjective elements are difficult to address in a way that is applicable to everyone. They are perhaps more implicit than explicit in the unit. Some had difficulty with the terminology used. For example, setting targets was seen as inappropriate to some activities.

In many jobs, these was reported to be limited scope for employees to evaluate, review, and propose their own targets; there is a limit to the amount of discretion allowed. The upper levels of the unit will, therefore, be applicable to relatively few jobs.

Improving own learning and performance

There was a widespread need for both elements of this Key Skill, but at a fairly low level. Junior staff and those in less skilled occupations were generally expected to follow pre-determined targets. Organisations need established routines which lead to consistency, reliability and efficiency. Furthermore, not all employees have the ambition to progress, and there are often limited opportunities for them to do so. Supervisors, managers, and professional staff, were expected to operate at higher levels. It is often these employees who play a key role in setting targets, and in reviewing and revising them.

The majority of employers were satisfied with the abilities of employees in these skills. There was reported to be some resistance among older workers to taking on new ways of working. However, few employers were concerned about the limited ambition and an instrumental approach to work among employees. Some were concerned that the unit could build up expectations, especially among young people, which they would be unable to meet.

The improving own learning and performance Key Skill unit

A number of employers felt that the unit was appropriate to their needs and fitted with their internal systems. Others found it problematic. They found it difficult to distinguish between levels. They felt that the unit was too abstract. Again, a tension appears between developing a generic framework and meeting all needs. The unit was also reported to be too mechanistic, and to ignore many qualitative aspects of target setting — for example, encouraging people to identify and take advantage of opportunities, rather than simply setting targets.

Learning and performance were reported to be two different things, and to not fit easily into one unit. It was commented that they often involve different targets, motivations and actions. In addition, employees at all levels were often given more responsibility for their own learning. It was performance targets which were most likely to be prescribed. There was also felt to be some tension between this Key Skill unit and working with others. Performance, in particular, is often a team issue, and this unit perhaps focuses too much on the role of the individual.

Problem solving

Problem solving skills are of growing importance to employers, across a range of occupations. However, there are limits to which employees at different levels are expected to deal with problems. Junior staff and those in less skilled occupations are often allowed limited discretion in solving problems. It is professional and technical staff, and managers, who usually deal with the more complex problems and those involving individual approaches.

There was some dissatisfaction with the level of problem solving skills held by both applicants and existing employees. This was sometimes because the devolution of responsibility for problem solving had been fairly recent. Employers also reported that problem solving abilities develop with experience. Young recruits in particular, do not always have the necessary knowledge and experience to exhibit these skills.

The problem solving Key Skill unit

This unit was the least well developed at the time of our research, and respondents found it the most difficult to relate to. The overall feeling was that the unit was too generic and simplistic. It was argued that problem solving is not always a straightforward progression, as seems to be suggested by the unit. It needed to focus more on providing people with the tools and analytical framework for dealing with problems.

The extent to which employees are allowed discretion was also raised as an issue. Even the solution to straightforward problems cannot always be fully prescribed. Employees need to understand how far they can use their own judgement, and in what circumstances. Employers also wanted the unit to include examples which were particular to their own organisational context.

The role of Key Skills

Key Skills versus other skills

There is often a blurring between Key Skills and job-specific skills. In some occupations, they are synonymous. During the recruitment interview, employers frequently focus on an individual's Key Skills and other personal skills and attributes. Sound Key Skills are often taken as an indicator that a person is able to learn, to take on necessary ways of working and develop occupational skills. However, employers do vary in their emphasis on Key and occupational skills. In some jobs, the technical skills of an occupation are essential. However, on their own they are rarely enough.

Omissions and additions

Employers identified several groups of skills which were important to them in a generic sense, and which they did not feel were fully recognised in the Key Skill units. These included:

- personal and interpersonal skills and abilities
- customer service and understanding quality
- 'business awareness'
- personal and staff management.

The importance of sound Key Skills

People with sound Key Skills are argued to perform better, and to be essential to modern organisations. At senior levels, a wider range and depth of Key Skills is needed. Sound Key Skills help people progress, where opportunities for promotion exist.

However, those with good Key Skills are also in a stronger competitive position in the labour market more generally.

Recruitment, selection and development

Initial selection

The way people present themselves through an application form or CV is very important. It is not just what is said, but how the information is presented. This is often taken as an indicator of broader abilities and attitudes.

Employers vary in the emphasis they place on qualifications. Some see them as an indicator that applicants will have good Key Skills. However, many do not find them useful in this respect. Qualifications are not enough to get people a job, but they might get someone as far as an interview.

Leisure and other non-work activities are frequently looked at. They are seen as an indicator of a 'rounded personality' and as providing opportunities to develop and apply work-related skills, especially Key Skills. For people who are already in the labour market, the quality and nature of their experience is of major importance. This is used as an indicator of occupational and Key Skills.

The recruitment interview

Employers are formalising their interviewing and trying to be more precise about the criteria used in assessing people. However, subjective assessment is still relied on to a considerable extent. Technical and occupational skills are looked for, but on their own they are rarely enough.

Employers are not always looking for well developed Key Skills, especially in young people, but evidence of the potential to develop. Attitudes and personality are seen as the most important indicators of such potential.

Written communication is most frequently assessed through a CV or application form. Tests were sometimes used, when this skill was of major importance in a job. Abilities in oral communication were assessed through the recruitment interview. This might be wide ranging, including watching for an ability to listen, ask questions and clarify information. Ability with numbers was usually only explored if an essential part of the job.

An interview was most frequently used to explore teamworking and problem solving abilities, and the capacity to take responsibility for their own learning and performance. These Key Skills were often assessed through the use of questions exploring past experience, and scenario and hypothetical situations. Applicants

were not always expected to come up with a 'right' answer, but to show the ability to discuss and analyse situations, and suggest solutions.

Other assessment tools

A range of other assessment tools were sometimes used, in conjunction with an interview. These included:

- taking up references
- tests, for example in literacy and numeracy, or specific occupational skills
- assessment centres for professionals, managers and graduate recruits
- visits and meeting existing staff
- probationary periods, temporary employment and work experience.

Are Key Skills developable?

Literacy, numeracy and IT were all seen as teachable, although some people do have stronger aptitudes with number and IT, in particular, than others. Sound skills in communication and the application of number do require good basic literacy and numeracy skills.

Views varied about the extent to which the other three Key Skills and oral communication, as well as a range of personal and interpersonal skills which are seen to underlie these, could be developed. Some argued that good Key Skills depend on natural ability; others that innate ability plays a role, but that a person's early experiences, background, and socialisation are most important. However, many employers do believe Key Skills can be improved through training and development. Employees do need to be receptive to this training, and different people will be capable of progressing to varying extents.

1. Introduction

1.1 Introduction

The development of a set of Key Skills, and embedding them into the national qualification system for 16 to 18 year olds, is central to government education and training policy. This report presents the findings of a research project which utilised a mix of quantitative and qualitative information to explore employers' knowledge and perceptions of these Key Skills.

The main objective of this research was:

> *' . . . to assess employers' perceptions of the prevalence of, and further need for, Key Skills in their recruits and among their established workforce, prior to the implementation of any recommendations arising out of the Dearing Review of 16-19 Qualifications.'*

A second broad aim was:

> *' . . . to assess employers' knowledge and understanding of the Key Skills, the importance they attach to them when recruiting new staff, whether they use Key Skills for purposes of appraisal and promotion, which Key Skills (and at what levels) are appropriate to their business needs, the comparative Key Skills abilities of those who have followed different entry routes, and the extent to which the established workforce is deemed to be competent in the Key Skills required for their current job and future careers.'*

The development of a set of Key Skills is a relatively new policy initiative, and the terminology is not yet widely understood by employers. Furthermore, their introduction into the qualification system is very recent, as are GNVQs — the first main vehicle for their delivery. We were therefore limited in the extent to which we could fully address all the aims of the research. We did, however, collect a considerable amount of information from employers on their views on the coverage of the current Key Skill frameworks, and the broader relevance to and use of these skills in the workplace.

This research involved two main sources of data:

- The analysis of data collected through two sweeps (1996 and 1997) of a large-scale, quantitative survey of employers (the Multi-Purpose Survey of Employers, MPSE).

- Conducting and analysing nearly 50 in-depth interviews with a sample of the employers who participated in MPSE. These interviews were conducted between July and October 1997.

This chapter briefly explores the background to the development of Key Skills, and the conceptualisation behind them. It also looks at some of broader literature on employers' understanding of Key/Core Skills, their use of this terminology, and their needs in these areas. Finally, it reports the research approach taken in this study.

1.2 What are Key Skills?

Concerns about poor levels of skill among the British workforce, and perceptions of a mismatch between the competencies of young people and those required by employers, have fuelled a number of initiatives. These initiatives are aimed at increasing the overall abilities of the workforce, including those already in it, and people entering at a variety of educational levels. Key, previously Core, Skills are one such initiative. They are a set of six skills which have been identified as underlying good performance in the labour market, now and in the future:

- communication (oral and written)
- the application of number
- IT
- working with others
- improving own learning and performance
- problem solving.

It is accepted that education has a broader role than preparing young people for narrowly defined workplace skills. However, greater attention is being paid to the relationship between education and work, and the ways in which the curriculum can become more relevant to work. The development of Core (now Key) Skills has been central to this. Key Skills are becoming an important element in NVQ and GNVQ frameworks, and Modern Apprenticeships. Key Skills are also being introduced into the wider curriculum in schools in certain areas. Some universities are beginning to look for evidence of abilities in Key Skills from applicants, and they are gradually being introduced into the 'A' level system. Whichever route, academic or vocational, a young person takes, they are increasingly likely to come into contact with Key Skills.

The development of Key Skills has been a complex process. The most recent initiative had a number of predecessors. For example, BTEC common skills, the CPVE core skills, and MSC work-based learning core skills. These, and the development of NVQs more generally, offered a number of lessons for the

current initiative. In particular, it was concluded that each Key Skill needed to be defined in terms of units or elements, which it was possible to assess and measure, had some sort of theoretical coherence, and were based on educational and psychological development work. There was also a need to include some sort of progression in levels of attainment.

To be effective, the implementation of a set of Key Skills also has to be understood by employers, and relevant to their needs. It has to be flexible and keep up to date with changing requirements:

> *'Termed by some "the ability to take it with you", the quest for Core Skills was a response to a recognition that the demands of employment would be constantly changing.'* Oates, 1995

An important element of Key Skills is their relationship to ideas of skill transfer, whether through promotion, changing work organisation, or a change of employer. Rapid change in the structure of employment and the economy focused interest on the identification of a set of skills which underpin effective performance in a range of situations. The idea of a job for life has been replaced by recognition of the need for those in the labour market to be equipped to adjust to the varying opportunities confronting them.

Traditionally, the word 'skill' is associated with a range of technical, job-specific abilities, requiring training and instruction for a worker to become proficient, or skilled, in a particular job. In recent years, there has been growing interest in a range of abilities which are variously referred to as 'generic', 'personal', 'behavioural', 'transferable', or 'soft'. These types of ability are reported to be of increasing importance to employers. They relate to a person's ability to operate in a workplace, alone or with others. However, for certain occupations they could be described as job-specific skills, for example, in the job of a sales assistant. It is these types of skill which have been one focus in developing a set of Key Skills.

A distinction has to be made between basic skills and Key Skills. Basic skills can be defined as the fundamental techniques of literacy, *ie* reading, speaking, writing, and numeracy. The acquisition of basic skills implies a person understands the basic underlying principles in these areas. They may not, however, be able to apply them in a practical situation. The second element of Key Skills is the application of these basic skills in practical situations and tasks.

A range of bodies have been involved in a national development programme, developing the concepts and implementation of a set of Key Skills. Oates (1992) identifies a speech by the, then, Secretary of State for Education, the Rt Hon. Kenneth Baker, in February 1989, and a number of documents as setting the initial agenda for the development of a set of Key Skills. These documents include:

- CBI, *Towards a Skills Revolution* — this has been particularly influential in setting the agenda and pushing it forward
- TUC, *Skills 2000*
- HMI, *Post 16 Education and Training, Core Skills*
- National Curriculum Council, *Core Skills 16-19*
- NCVQ, *Common Learning Outcomes: Core Skills in A/AS Levels and NVQ.*

In particular, there was an emphasis on Key Skills being part of an attempt to bridge the academic-vocational divide, and becoming an essential element in the provision of post-16 education and training provision. Most recently, the *Review of Qualifications for 16-19 Year Olds* (Dearing, 1996) has been central in setting the agenda for the implementation of Key Skills.

There have been a number of themes running through the development of a set of Key Skills. These include:

- **A focused development period** — involving the identification of a set of Key Skills; the exploration of their relevance to employers; consultation with, and direct involvement of, a range of interested parties; careful drafting and redrafting of units for each Key Skill; the development of a means of assessing abilities in these areas; and a series of pilot exercises. This is ongoing as, with experience, the Key Skill frameworks are further revised to meet the needs of a rapidly changing labour market.
- **Careful identification of the Key Skills required by employers** — An overall aim of the initiative was to equip young people in particular, but also others, with a set of broad based skills or competencies which will prepare them to meet employers' current needs and also those of the future. It is therefore important that employers 'buy in' to the concept and their practical implementation.
- **The delivery of Key Skills through existing vocational and academic qualifications** — In particular, NVQs, GNVQs and 'A'/'AS' levels, without distorting their syllabus or compromising their integrity. For example, concerns have been expressed about incorporating the assessment of personal skills into the 'A'/'AS' levels. It was also suggested that Key Skills in NVQs should normally be assessed within an occupational area. To be assessed in this way, they need to be an integral part of that occupational competence, and any additional learning should be related to the needs of employers and trainees. The Lead Bodies are therefore developing their own frameworks for the implementation of Key Skills, so that these skills are applied in a way relevant to each sector.
- **Developing a set of Key Skill units** which were progressive and setting standards for each to meet varying levels of need.

- **The extent to which there should be a clear link between National Curriculum Attainment Targets (ATs) and the levels in Key Skills** — There was potentially a tension between the orientation of NCVQ Key Skill units towards the application of skills, knowledge and understanding, and the needs of the academic curriculum. This has generally been resolved through stating the concepts behind each Key Skill in generic terms. They should therefore be applicable in both an academic and vocational setting.
- **The development of means of assessing competence in Key Skills** — The development of NVQs more generally has provided a model for the specific identification and assessment of Key Skills. However, assessment of the more behavioural Key Skills still presents difficulties.

There are currently six Key Skills:

- communication
- the application of number
- IT
- working with others
- improving own learning and performance
- problem solving.

Over time, some adjustments have been made to this list. At one time, consideration was given to the inclusion of business awareness and modern languages. Indeed, at the time of the MPSE, it was planned to include business awareness, but problem solving had not yet been added. Hence, our quantitative data focuses on a slightly different group of Key Skills to the qualitative interviews.

The six Key Skill units were at different stages of development at the time of our research. Communication, the application of number, and IT were most fully developed, and new drafts for learning and performance, and working with others had just been completed. Problem solving was in the process of being developed further. Simplified versions of each Key Skill unit, as they were when we conducted interviews with employers, can be found in the Appendix. Broadly, each Key Skill has been broken down into a number of components (known as elements), and each element has been defined at four different levels.[1] The lower levels are fairly straightforward, largely involving being able to do something and to do it accurately. The higher levels are demanding, involving reviewing and monitoring an activity, and generally taking responsibility for

[1] At the time of this study, problem solving still had five levels. The other five Key Skills had four levels which had been finalised, and fifth levels were being developed.

driving it forward. These levels have been developed to allow progression, and aim to meet the needs of different employers and occupations.

1.3 A brief review of the literature

The whole area of researching 'skill' is fraught with definitional problems. Traditionally, 'skill' has been associated with being skilled in a technical sense, having received a training or served an apprenticeship, and achieved a certain level of competence or time serving. There has been considerable debate, especially in the academic literature, about what it means to be skilled (see, for example, Penn *et al.,* 1994). The undervaluing of the more 'behavioural' types of skill has also been widely commented on (see, in particular, the literature on gender and skill. Phillips and Taylor, 1980, is an early example). More recently, the focus has moved to an exploration of these 'soft' or 'behavioural' skills, many of which are reported to be of increasing importance to employers and across a range of jobs. The need for these types of 'skill' is not new, although changes in the organisation of work and the growth of a service culture have emphasised their importance. A small study conducted in the early 1980s (Oliver and Turton, 1982) referred to the 'good bloke syndrome'. Employers reporting skill shortages were often not commenting on a lack of technical skills, but a lack of people with the 'right' attitude and ability to 'fit in'.

The formal use of the terms 'Core', and 'Key' Skills has come with the development of a set of Key Skill units discussed above. The most recent *Labour Market and Skill Trends* (DfEE, 1997) defines them in the following way:

> *'Key (or Core) Skills — Very general skills needed in almost any job. They include basic literacy and numeracy, and a range of personal transferable skills, such as the ability to work well with others, communication skills, self-motivation, the ability to organise one's own work, and often a basic capability to use information technology.'*

However, this terminology has not yet come into common usage and indeed, as our research shows, many employers have never heard of Key Skills in this sense. The terms 'core' or 'key' skills are used in a range of different ways. Employers frequently refer to skills which are central to their organisation, or particular occupations, as 'core' or 'key'. The use of these terms has grown in recent years as employers have developed competency frameworks to identify the skills and abilities needed of their employees. There is often considerable overlap between these needs and the Key Skill units, but also considerable scope for different understandings. Hatton (1993) concluded that employers do not usually use the term 'Core Skills' (or indeed Key Skills) to describe what they require of job seekers. In a recent study, Casey (1994) concluded:

'Outside what might be a rather small field of academics, policy makers and training specialists, there is no clear, generally accepted definition of what constitutes a core skill. As such, there exists no single concept which is common to the human resource or even occupational psychology literature, and no single concept which is common to the discourse of employers. Indeed, for many employers, the term core skills is an alien one. With respect to many of the concepts developed in scientific analysis of the organisation, its policies, practices and needs, most employers recognise only constituent elements of core skills, apply specific names to these, and see them of importance only in the context of their production process.'

The study was conducted at a time when the skills of interest to this new research were called 'Core' rather than 'Key'. However, similar conclusions can be drawn in relation to the term 'Key Skills'.

Casey (1994) also concludes that:

'Adequate performance of jobs at all levels required the possession of certain social as well as technical skills. However, what was also made clear was that in certain industries and occupations, these social skills were the prime technical skills, and that in some cases the distinction between the two types of skill, whereby the technical is seen as in the foreground and the social skill as in the background, was a false one. Core skills might underpin, but they might also constitute the bulk of the edifice itself.'

These conclusions are supported by other studies and the new data collected in the course of this study. A number of researchers have looked at the skills employers consider as 'core' or 'key', and the lists produced all overlap with the current list of Key Skills. An important point emerging from all these investigations is the emphasis on a range of personal abilities or qualities.

A similar conclusion was reached by Rajan *et al.* (1997):

'Core skills are essentially — though not exclusively — "soft" skills that are vital to provide a rapid, flexible and effective response in a competitive market environment. In the relatively stable and predictable environment prevailing in the 1970s and 1980s, vocational and occupational skills were deemed adequate. In the 1990s, they need to be augmented by soft skills.'

A study conducted by the London Enterprise Agency and Laser (Hatton, 1993) reported the skills that six major employers thought fitted into the concept of core skills. It concluded that employers were most interested in communication skills, problem solving and personal skills. A similar conclusion is reached in our current study. However, the exact emphasis and description of skills considered to be 'core' or 'key' varied between organisations. A major chemical company, for example, had identified ten key work processes which were considered important in all jobs. These included: communicating with others, working with people, making decisions, managing learning and managing self. What is interesting about all the

lists derived from these employers was the strong emphasis on personal or interpersonal skills. Numeracy and IT were less frequently mentioned, and using numbers in particular tended to be very much occupational or sector-specific.

Lists of 'core' or 'key' skills have been compiled for different industries, occupations and levels of entry into the labour market. Indeed, Rajan *et al.* (1997) report that any lack of consensus on the components of core skills is explained by the needs of different sectors and employers. For example, the Associate of Graduate Recruiters (1994) found that the skills most commonly wanted of graduates were: communication, business awareness, ability to work in a team, leadership and problem solving. Knowledge and competence in a discipline ranked as sixth, after those listed above. A recent study for the Insurance Industry Training Council (1996) identified management skills, business awareness, interpersonal skills, personal qualities and IT skills as core.

A series of studies into employers' changing skill requirements being conducted at IES is not specifically asking employers about core or key skills.[1] However, these studies do confirm many of the points made above about employers' skill needs. There is an overriding emphasis on a range of personal and interpersonal skills, across occupations and workplaces. In some occupations, these are synonymous with occupational skills, in others they are needed as much as technical and occupational skills. This is not to say that technical skills are unimportant. Indeed, our research suggests that high levels of technical competence and ability are frequently needed. However, on their own they are rarely enough.

There are two main themes emerging from the literature. One relates to the use of terminology, the other to employers' needs. In policy, the terms 'Core' and now 'Key' have been used to describe a set of skills seem as central to better preparing (young) people for work. These skills combine the application of basic skills (literacy, numeracy and IT) in the workplace and some personal skills. However, the literature illustrates that there is, as yet, no common understanding of these terms. There is also no one single term which is generally used to describe these types of skill or ability. The term 'soft' skills is increasingly being used, although the terms 'behavioural', 'generic' and 'transfer-able' are also commonly used.

The second main theme is the precise definition of skills which are 'key', in the sense used in a policy context. There is general agreement that the skills which are key to employers are based around personal or interpersonal abilities. A long list can be constructed, and many of these overlap with the Key Skills which are the concern of this report. In particular, oral communication, working with others, problem solving, and

[1] The Skills Review Programme, commissioned by the DfEE.

taking responsibility for one's own learning and performance. Others can be added which are related but not perhaps explicitly part of these, for example: broader interpersonal skills, leadership and managing people, decision-making and taking responsibility, flexibility, and understanding the business/ organisation. Our interviews with employers led to a similar additional list.

1.4 Methodology

This study relied on two types of data: a large-scale quantitative study of employers and a set of in-depth interviews.

1.4.1 Quantitative data

In 1996, the Department for Education and Employment commissioned the prototype for an ongoing large-scale survey of employers. The questionnaire covered a large range of subjects, including a module on the employment, skills and recruitment of young people. A set of questions asked employers, separately for young workers and for all employees, about the importance of the then Core Skills, and their rating of the competence of existing employees. In MPSE1, only those employers employing anyone between 16 and 18 were asked this set of questions. The follow-up survey (MPSE2, 1997) tried to re-contact all MPSE1 respondents and asked a further set of questions across a range of themes. All employers not asked the skill questions in MPSE1 were asked the same set of questions in MPSE2. These two sets of data were merged and weighted to be representative of establishments with more than ten employees in Britain. This merged data was analysed to explore employers' skill needs, and a sub-sample was selected for the qualitative part of this study.

1.4.2 Qualitative data

A set of employers who reported at the end of MPSE2 that they did not mind being recontacted, were selected and invited to take part in a more detailed study of employers' needs for, and perceptions of, Key Skills. This sample was mainly selected on the basis of size, sector and region, but we also ensured variation across a range of other characteristics. These were:

- *attitudes to training* — a question was asked in MPSE about whether or not training was provided for a current job; for career development within the organisation; for career development outside the organisation; and which had nothing to do with employment.
- *the employment of young people* — employers with and without young employees were selected; and the sample also included some employers who were involved in YT and Modern Apprenticeships.

- *recruitment difficulties* — the sample included employers who reported difficulties and others who did not.
- *Investors in People* — establishments in which Investors had been achieved, those which were working towards the standard and others who were not involved were included.
- *establishments reported to be experiencing a range of different types of performance* were included, and with a mix of ownership characteristics.

The sample also explicitly included some employers who, in MPSE1, reported some knowledge of Core Skills and/or that they had some employees with GNVQs. GNVQs were, then, the main means of delivering Core/Key Skills to young people. We wanted to explore whether or not employers noticed any differences in the performance of GNVQ holders, compared to other young recruits. In practice, we found considerable confusion between GNVQs and NVQs, and too few employers with enough knowledge about any GNVQ holders among their employees to explore this issue properly.

We were aiming to conduct 50 face-to-face interviews, and achieved 46 (the last few were conducted by telephone). A few were cancelled or had to be rearranged at the last minute and it was not always possible to do this in the time available.

The interviews covered the following topics:

- knowledge of Key Skills
- the overall importance of Key Skills
- the Key Skill units in detail
- recruitment and selection
- expectations and the future.

Each respondent was sent a short questionnaire to complete before the interview, and details of two Key Skill units. We wanted to explore in detail the coverage of the Key Skill units with employers, and it was felt that it was only possible to cover two in each interview, along with the other information we wanted to collect. We tried to ensure that no respondent was sent a Key Skill unit for detailed discussion which they had reported was not important to them in MPSE. Otherwise, the units were randomly distributed across the sample.

1.5 Structure of the report

The rest of this report is structured as follows:

- Chapter 2 reports the extent to which employers had heard of and knew about Key Skills. It also draws on the MPSE data to provide an overview of employers' need for these skills, and

their levels of satisfaction with the skills of their young workers and other employees.

- Chapter 3 explores each of the six Key Skills in detail. It looks at how and why each is important to employers, comments on their level of satisfaction with the availability of these skills generally (as opposed to their satisfaction with the skills of employees), and explores employers' views on the content of each Key Skill unit. The chapter ends with a summary of the main points emerging.
- Chapter 4 looks at the relative importance of the different Key Skills and their relationship to the other skills needed by employers, and any perceived gaps in their coverage. It also explores the role of Key Skills more generally in the workplace, in particular their impact on performance.
- Chapter 5 explores how employers recruit and select people with the appropriate Key Skills.
- Finally, Chapter 6 draws some conclusions from the findings.

2. An Overall Picture

2.1 Introduction

This chapter mainly reports our analysis of the MPSE data, but also draws on some of the qualitative information. It very much provides an overview of employers' needs for, and levels of satisfaction with, Key Skills. In MPSE, questions were not asked for each occupation separately and generalising did cause some employers difficulty. However, the qualitative interviews help explain the patterns emerging from the quantitative data. Most of the difference between occupations is related to the level and specificity of need, rather than whether or not the skill is needed at all. To clarify the level of need and differences between occupations, we asked employers participating in the in-depth stage to complete a short questionnaire. These data are reported in Chapter 3 which provides a fuller picture of employers' need for, and use of, Key Skills.

At the time MPSE was conducted, a slightly different set of Key Skills were anticipated and they were then called Core Skills. This chapter, therefore, explores employers' needs for, and satisfaction with, the following skills:[1]

- **written communication** — *'That is to be able to produce accurate, clear and informative written material which is relevant for the subject and purpose,* ie *not simply "can they write and spell?".'*
- **oral communication** — *'This is to be able to give and obtain information, exchange ideas, take part in discussions in a way that is suited to audience and purpose.'*
- **use of numbers**[2] — *'This is to be able to select and use appropriate numerical technique(s) for solving problems and presenting results to the level of accuracy required,* ie not *simply "can they count?", but equally not whether they can carry out complex numeric skills which may be needed in specific jobs.'*
- **use of information technology** — *'That is to make the most effective use of the available IT systems in order to prepare, process and present information (text, numbers and graphics).'*

[1] The descriptions in italics were those used during MPSE to briefly explain each skill to respondents.

[2] For MPSE, the phrase use rather than application of number was used.

- **being able to work in a team** — *'That is to be able to work collaboratively with others, towards shared goals, while accepting responsibility for their own contribution.'*
- **learning** — *'That is to be able to learn new skills, to apply existing skills to new situations, to listen to feedback and improve their own performance accordingly.'*
- **business awareness** — *'That is to understand the factors which determine business failure, and the resulting challenges and opportunities for employers and employees.'*

The overall picture provided by the MPSE data of employers' requirements for and satisfaction with these Key Skills, is consistent with the in-depth information reported in later chapters. The main findings are listed at the beginning of each subsection in this and subsequent chapters.

2.2 Knowledge of Key Skills

Main findings

- Over half (58 per cent) of respondents to MPSE who were aware of GNVQs, reported that they knew about the Core Skills included in these qualifications.
- There was little variation in knowledge between employers in different sectors and establishments of different sizes.
- However, 41 per cent were unable to name any specific Core Skills.
- Employers were most likely to name skills most closely related to basic skills, *ie* communication, numeracy and IT, as Core Skills.
- Employers are confused about the use of the terms Core or Key Skills. Many talked about their own skill frameworks, defining skills which were essential to their own organisation. There was, however, general agreement that these included both generic and occupationally specific skills.
- Knowledge of Key Skills had usually come through contacts with the training system, including TECs, colleges, the Careers Service, Modern Apprenticeships, NVQs and GNVQs.
- Employers were sympathetic with the aims of Key Skills, in particular with providing young people with a set of skills which would enable them to adapt to different jobs during their working life.
- Some confusion exists around the distinction between basic and Key Skills.

Knowledge of Key Skills

At the time MPSE1 was conducted, the term Core Skills was still in use. A sub-set of respondents who were aware of GNVQs[1] were asked whether they knew about the Core Skills included in GNVQs. Of those asked this question (335, weighted), 58 per cent reported having some knowledge about Core Skills in GNVQs. There was very little variation in the extent to which employers in different sectors and in establishments of different sizes knew about Core Skills. Respondents in distribution, hotels and catering were, however, slightly less likely, and those in the public sector were slightly more likely, to have heard of Core Skills.

These data about level of awareness do need to be treated with care. They were asked of a subset of employers who were generally more aware of recent developments in the education system. Furthermore, we selected some of these employers for inclusion in the qualitative stage of the research, and found that despite their responses in MPSE, not all were aware of Core (or Key) Skills. In a few cases, this was because the MPSE respondent had moved on, and the person we spoke to had a different knowledge. It seems, however, that confusion around terminology played an important role. Chapter 1 discussed some of the literature around this. There is a danger that in surveys where the term Core/Key Skills is not heavily qualified or explained, a general question will overstate the extent to which employers really know about this initiative. For example, we found that one respondent who reported knowing about Core Skills in MPSE was actually referring to their own internally developed skills. Others talked about Core Skills being a mix of technical skills and behavioural attributes.

Table 2:1 Knowledge of individual Core Skills in GNVQs (weighted data)

	%
Unable to name any	41
Communication	43
Numeracy	41
IT	37
Teamworking	20
Problem solving	19
Foreign language	5

N = 193 (all those reporting knowledge of Core Skills)

Source: MPSE 1 and 2

[1] It seems that only those respondents who were aware of GNVQs and did not want further information about them were asked the question about Core Skills.

Those who reported being aware of the Core Skills included in GNVQs, were further asked whether they could name any of the six Core Skills. Interviewers were instructed not to prompt by reading out the list provided for coding. Forty-one per cent were unable to name any of the skills (Table 2:1). The proportion naming each skill varied between 43 and five per cent. What is perhaps most interesting about Table 2:1 is that it was those skills most closely related to basic skills which were most likely to be named as Core Skills.

Confusion over terminology

In the qualitative stage of this study, the majority of employers we spoke to had not heard of the NCVQ Key or Core Skills. Just under half of the employers we spoke to said they were aware of Key or Core Skills. However, when we explored these issues further, at least half of this group had only vaguely heard of the terms, or they were actually talking about key/core skills or competencies in a more general sense. A number of examples illustrate this. One respondent saw key skills as essential skills — those which were needed to ensure continued success to a company. Another talked about their internally developed set of skills. These were again referred to as essential skills, and they were a mix of technical and more general skills, including IT, electronics, automation, basic electrical/mechanical skills, team leadership and communication. In another organisation, the importance of problem solving, teamworking and communication was emphasised, and internal training programmes were being developed to improve these skills in the workforce. The main point to emerge was that there was considerable overlap between the NCVQ Key Skills and employers' own lists of key skills. However, there was also considerable confusion over the terminology and, as far as any generalisations can be made, key skills were usually considered to be skills essential to a particular employer. These frequently included both generic and occupationally specific skills.

A few had heard of Core Skills and did not know the name had been changed. Among those who were aware of NVCQ Key/ Core Skills, many did not have a clear idea of what they were. This is not really surprising as this initiative is still relatively new. Other studies have found that it takes a long time for developments in the education system to feed through to employers: even those developments which are directly relevant to them. Furthermore, there have been a number of changes and developments in policy during recent years, and many employers find it hard to keep up.

Where did their knowledge come from?

Those who were aware of Key Skills had usually come across them through contacts with colleges, TECs, the Careers Service

and other training organisations. Involvement with Modern Apprenticeships, NVQs and GNVQs also contributed to their knowledge, although employers not directly involved in the off-the-job element of training frequently had only a hazy idea about Key Skills. A few respondents had recently attended a seminar about Key Skills, and had developed some understanding through this. In many areas, TECs or their agents, for example, are beginning to run seminars to inform employers, training providers, and others about Key Skills. Other respondents had recently been on a course or were studying for a qualification. For example, one person was studying for an IPD qualification and had come across Key Skills through this. A few reported that their children were studying, often GNVQs, and they had become aware of the initiative through them.

General sympathy with the overall aims of Key Skills

Although a few employers were very well informed about Key Skills, most only had a general idea about what they were and their aims. Views about their aims were fairly wide ranging. For example, respondents commented that Key Skills were giving unemployed young people skills to make them more employ-able; providing young people with skills needed by employers; improving what was learnt at school; leading to a closer alignment between school and work; and providing people with the 'building blocks' needed to progress. For example:

> *'A lot of people are illiterate/innumerate. The government has developed skills to ensure people could develop the basic skills employers need.'*

> *'. . . to provide people with marketable skills and to make the workforce more skilled for employers.* [Key Skills are] *intended to be more targeted than the previous education system, overriding gaps in skills and to provide more of the sorts of skills employers want.'*

Another respondent commented:

> *'We have a country full of unemployable youngsters, unable to communicate. Social skills are lacking, they are unable to relate to the world of work, and have a poor attitude to life and society.'*

Key Skills were thought to be aiming to deal with these types of attitudes and shortfalls.

One respondent said that Core/Key Skills were skills which underpinned those for different professions, like core subjects at school provide the basic knowledge in education. Another reported that their perception of the aim of Key Skills was to skill up the workforce for what will be needed in the future. A competitive and rapidly changing market means that skill needs also change quickly:

'Our future is going to be based on the ability of individuals to learn and adapt to change, to acquire new skills, and to chop and change quite quickly.'

The understanding of the aims of Key/Core Skills therefore ranged from quite a specific concern with improving the skills of young people, to a more general upskilling and equipping people for the future. There was a broad understanding of, and sympathy with, the idea of providing (young) people with a set of skills or abilities which would enable them to adapt to different jobs. They was also a certain agreement with the need for transferable skills although, as will be discussed later, most employers were looking for Key Skills which were focused on a particular occupation.

Confusion between Key and basic skills

Underlying many of the comments made, and throughout the interviews, there was evidence of some confusion between basic skills and Key Skills. Some respondents felt that Key Skills were providing young people with better, or more appropriate basic skills. A few employers expressed the view that communication, numeracy and IT were things which should have been taught at school. They found it difficult to distinguish between basic and Key Skills.

2.3 Employers' need for these skills

Main findings

- Employers report a high level of need for all six Key Skills, for young workers and for all employees. On a scale where one was 'not at all important' and five was 'very important', the average scores ranged from 3.3 to 4.7.
- Working in a team, learning, and oral communication, were most likely to be reported as 'very important' for successful employment.
- Business awareness was the least important skill — 28 per cent of MPSE respondents rated it as 'not very important' or 'not at all important' for young workers, and 20 per cent for all workers.
- A relatively low emphasis was also placed on IT skills. One-quarter of employers reported that it was 'not very important' or 'not at all important' for all employees, and just over one-third reported a similar lack of importance for young workers.
- Written communication and the use of numbers were less likely to be reported of widespread importance. They were more likely to be needed in particular jobs, rather than throughout an organisation.
- The high level of need for these skills was common to employers regardless of their characteristics or circumstances.
- There was little relationship between the importance of these skills and establishment size. However, the use of IT was reported to be slightly less important in the smallest establishments.

- Employers across all sectors reported similar levels of importance for almost all of these skills. There were, however, some variations in the importance of written communication and the use of numbers. These skills appear to be more sector specific than others.

In the MPSE, employers were asked a set of questions about their need for each of a set of skills, and their rating of the competence of existing employees. Where employers had any employees aged 19 or under, these questions were asked separately about their young workers and for all employees. In this chapter we start by providing a broad overview of employers' needs for these skills and their assessment of the competency of existing employees. Chapter 3 provides a more in-depth examination of how and why the different Key Skills are important to employers.

The importance of each Key Skill

Employers were asked to report how important having each skill was for successful employment at that establishment. These data can be looked at in two ways: using the average score and the spread of responses. In the rating, one was 'not at all important' and five was 'very important' — the higher the score, the greater the need for each skill. The need for all these skills was high: the average scores ranged from 3.3 to 4.7, both for all employees and for young workers (Table 2:2). Almost all these Key Skills were very slightly less likely to be needed in young workers. Any differences are perhaps more apparent in the overall spread of scores (Table 2:3 opposite).

Table 2:2 Importance of Key Skills — average scores (per cent, weighted data)[1]

	Young workers	All employees
Written communication	3.6	4.0
Oral communication	4.3	4.6
Use of numbers	3.8	4.1
Use of IT	3.3	3.7
Working in a team	4.7	4.7
Learning	4.4	4.3
Business awareness	3.3	3.6

Source: MPSE1 and 2

[1] The number of respondents on which each of these averages is based varies slightly, see bases reported in Table 2:2.

Table 2:3 Importance of Key Skills — range of responses (row percentages, weighted data)

	Very important	Important	Fairly important	Not very important	Not at all important	N =
Young workers						
Written communication	32	24	21	21	2	549
Oral communication	58	22	17	2	<1	549
Use of numbers	37	24	25	13	2	547
Use of IT	29	17	19	26	10	544
Working in a team	75	19	5	1	<1	550
Learning	60	28	9	3	<1	550
Business awareness	22	23	27	21	7	542
All employees						
Written communication	50	19	17	12	3	1,106
Oral communication	70	19	10	1	<1	1,115
Use of numbers	47	25	18	9	1	1,101
Use of IT	38	21	18	18	7	1,102
Working in a team	80	16	4	1	<1	1,116
Learning	59	23	12	5	1	1,116
Business awareness	30	24	27	16	4	1,092

Source: MPSE1 and 2

Oral communication, learning and teamworking are of most importance to employers

The highest average scores were for working in a team, learning, and oral communication. By far the largest proportion of employers reported that these were 'very important' for successful employment. Oral communication was slightly more likely to be reported as 'very important' for all employees, compared to young workers. However, it was more likely to be reported as 'important' or 'fairly important' for young workers, rather than as unimportant. The distinction between oral and written communication made in the MPSE illustrates some important differences in the value placed on these two types of communication. These differences were reinforced in the course of our qualitative interviews and are further discussed in Chapter 3.

This broad ranking of importance fits with findings from other studies

Our in-depth interviews supported the same broad ranking of skill needs, and these patterns generally fit with other studies of employers' skill needs. A survey conducted by the CBI in 1995 (Dearing, 1996) did find a slightly different ranking, but does generally confirm the importance of these skill areas. The percentages of employers reporting each skill as one or two (on a

scale of one to five, where one was 'most important' and five 'least important') in a CBI survey (Dearing, 1996) were as follows (the figures in brackets are those for young workers and all employees respectively reported in MPSE[1]):

- **communication** — 90 per cent (written — 55 and 69 per cent; oral — 80 and 89 per cent)
- **working with others** — 85 per cent (94 and 96 per cent)
- **numerac**y — 84 per cent (61 and 72 per cent)
- **personal skills** — 79 per cent (learning — 88 and 82 per cent)
- **problem solving** — 76 per cent (not asked about in MPSE)
- **use of IT** — 75 per cent (46 and 59 per cent).

The next few paragraphs provide a general discussion of employers' need for these skill areas. The following chapter includes a deeper exploration of these issues, based on the qualitative interviews. Oral communication is crucially important to a wide range of jobs in a service-based economy. It is not simply that there has been a growth in the service sector, but employers are now emphasising service roles within organisations. Employees at many levels within an organisation, and in many roles, are required to deal with internal and external customers, and to communicate effectively with each other. Teamworking, and improving one's own learning and performance, are also of considerable importance to the majority of employers. Work is frequently organised around some form of team input, and employers are expecting employees to take more responsibility in their jobs.

Business awareness is of less importance to employers

The current list of Key Skills does not include business awareness. Work conducted by NCVQ developing the concept of Key Skills further suggested that it was not of great importance for employers, and in particular it was not required of young workers. Our data supports this. It was least likely to be required of all employees, and received the lowest average score for young workers. Table 2:3 also illustrates that although business awareness was 'important' or 'very important' to a considerable number of employers, 28 per cent rated it as 'not very important' or 'not at all important' for young workers, and 20 per cent for all employees. Other studies have concluded that business awareness is important at certain levels within organisations, for example, most obviously for managers, and for particular occupations. However, the need is rarely consistent across all jobs and roles.

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[1] The CBI study was based on a different sample to the MPSE, and the questions were asked in a different context. This helps to account for the different rankings.

IT skills are important, but not that important

One of the most interesting features of Tables 2:2 and 2:3 is the relatively low emphasis placed on IT skills. One-quarter of employers reported that these skills were 'not very important' or 'not at all important' for all employees, and just over one-third reported this for young workers. This does seem to be at odds with much of current thinking, and the emphasis given to this particular Key Skill. However, although IT in many businesses is very sophisticated, employers are not looking for detailed IT skills among the majority of their employees. It is a familiarity with computers and a willingness to work with them which is sought. Only among IT specialists is a high level of skill required. Furthermore, a number of organisations are only just beginning to computerise, or at least think about introducing IT widely across their operations and to develop an IT strategy.

Written communication and the ability to use numbers are not needed in all jobs

Written communication and the use of numbers fall in the middle in terms of the extent of need. Such skills were more likely to be needed than not needed, especially among all employees. Twenty-three per cent of employers reported that written communication was 'not very important' or 'not at all important' for young workers, and 15 per cent the use of numbers. These two skills are more likely to be needed in particular jobs, rather than throughout an organisation. Sometimes this reflects seniority in an organisation. As employees progress, they are more likely to be required to have these skills. More numerical information becomes available to them, for example, and they need to be able to use it.

Key Skills are important for adults and young workers

Not surprisingly, there was generally a relationship between employers' skill needs for young workers and for adults. Most employers reported a similar level of need for each group. The slightly lower need for all these skills among young workers does, however, suggest some difference in the roles and expectations of different age groups. The closest correspondence between the rankings was for the three Key Skills needed most frequently. For example, 94 per cent of employers with young workers reported that teamworking was 'important' or 'very important' among both groups of workers. High proportions (77 and 82 per cent respectively) also reported that oral communication and learning were very important for both groups.

These patterns reflect those already described, and confirm an overall picture of employers' skill needs. Some skills are needed widely across organisations. These are often related to the way in which work is organised; sometimes to more occupationally specific needs. This broad need reflects the concepts behind Key

Skills, of generic and transferable skills. However, the in-depth data (discussed in Chapter 3) do suggest there are limitations to transferability. Many of these skills are still looked at in an occupationally or organisationally specific way.

Key Skills are important across employers, regardless of their characteristics and circumstances

The MPSE survey collected a considerable amount of information on employer characteristics and practices, and in the course of the analysis we related a number of these to employers' reported skill needs. The generally high level of reported need across all seven skill areas meant that there were few strong relationships between the need for them and various employer characteristics and practices. It also emerged that low levels of need were not clustered among a certain group of employers. If an employer reported that one skill area was unimportant, that employer did not seem to be more likely to report that other areas were unimportant. We could not identify any significant clusters of employers who were unconcerned about all or most of these Key Skill areas. This is perhaps an interesting finding on its own. It suggests the widespread importance across employers of all these skills. This is also evident when we look at their importance across establishments by size and sector (Tables 2:4 and 2:5).

The number of employees in an establishment has little influence on the importance of Key Skills

In many ways, there was remarkable little variation by establishment size in the importance of each skill area (Table 2:4), for young workers and all employees. Working in a team, learning and oral communication are the most important Key Skills across

Table 2:4 Importance of Key Skills among all employees and young workers, by establishment size — average scores[1] (weighted data)

	All employees						Young workers					
	11-24	25-49	50-199	200-499	500+	All	11-24	25-49	50-199	200-499	500+	All
Written communication	3.9	4.2	4.2	4.2	4.2	4.0	3.7	3.4	3.7	4.0	3.9	3.6
Oral communication	4.6	4.7	4.5	4.6	4.5	4.6	4.4	4.4	4.1	4.5	4.2	4.3
Use of numbers	4.1	4.0	3.9	3.9	3.9	4.1	4.0	3.5	3.7	3.8	3.7	3.8
Use of IT	3.5	3.9	3.7	4.0	4.0	3.7	3.3	3.1	3.4	3.8	4.0	3.3
Working in a team	4.8	4.7	4.6	4.7	4.6	4.7	4.7	4.6	4.7	4.6	4.6	4.7
Learning	4.3	4.5	4.3	4.5	4.6	4.3	4.4	4.4	4.5	4.5	4.6	4.4
Business awareness	3.6	3.6	3.6	3.7	3.8	3.6	3.4	3.1	3.3	3.3	3.6	3.3

Source: MPSE1 and 2

[1] The number of cases on which each cell is based varies slightly within each size band, depending on the number answering each question.

Table 2:5 Importance of Key Skills for all employees and young workers, by industrial sector — average scores (weighted data)

	Manuf.	Construct.	Distrib., hotels, *etc.*	Trans. & comm.	Banking & finance	Public sector	Other services	All
All employees								
Written communication	3.7	3.5	3.4	4.1	4.4	4.5	4.1	4.0
Oral communication	4.2	3.4	4.6	4.2	4.6	4.7	4.9	4.6
Use of numbers	3.8	2.9	4.2	3.3	4.2	4.0	4.4	4.1
Use of IT	3.3	4.0	3.4	3.4	4.1	3.8	3.9	3.7
Working in a team	4.6	3.8	4.8	4.8	4.6	4.8	4.9	4.7
Learning	4.3	3.8	4.4	3.7	4.3	4.6	3.8	4.3
Business awareness	3.3	3.6	3.6	3.8	4.0	3.4	3.9	3.6
Young workers								
Written communication	3.3	4.2	3.5	3.9	3.8	4.0	3.6	3.6
Oral communication	4.1	4.5	4.5	3.8	4.1	4.3	4.9	4.3
Use of numbers	4.0	4.0	3.9	3.8	3.5	3.6	3.9	3.8
Use of IT	3.2	3.7	3.0	3.1	3.6	3.6	3.6	3.3
Working in a team	4.6	4.6	4.7	4.6	4.7	4.7	4.8	4.7
Learning	4.4	4.8	4.4	4.6	4.3	4.5	4.2	4.4
Business awareness	3.3	3.2	3.4	4.2	3.2	3.2	3.1	3.3

Source: MPSE1 and 2

employers regardless of their size. Business awareness and the use of IT generally received the lowest average scores. As far as any differences do emerge, the use of IT shows the greatest variation in importance across size bands. The use of IT was reported to be slightly less important in the smallest establishments. This does, intuitively, make sense. Some smaller workplaces, especially those which were small firms in their own right, are perhaps less likely to have well established and widely used IT systems.

Some variations by sector, but these are also slight

The patterns of importance by sector are perhaps more interesting (Table 2:5), although again any differences are not very strong. Teamworking was reported as important across all sectors, for all employees and young workers. This is not really surprising. Employers increasingly stress the need for employees to work together, whether formally in teams or more informally. Fewer manufacturing processes involve a production line; a greater number require people to operate together in teams. In other sectors, employees are expected to operate in conjunction with each other to provide a service to customers. Oral communication and learning were also widely needed. The use of IT and business

awareness were rated of lesser importance across most sectors, although business awareness did receive greater emphasis in some. There were greater variations in the importance of written communication and numbers, and also variations in the importance between young workers and adults (see Table 2:5).

The importance of each of these skills was explored in relation to a number of other variables in the MPSE dataset, for example, awareness of GNVQs, attitudes to training, and skill shortages. Although there were some differences, these were very small. It appears that this set of skills are of similar importance across employers regardless of their circumstances. This is confirmed by the qualitative data which is explored in later chapters.

2.4 Satisfaction with Key Skills held by employees

Main findings

- The average scores show a fairly high level of satisfaction with all Key Skills. All were above three ('satisfactory') on the scale.
- Employers were slightly less satisfied with the skills of young workers, compared to all employees. In many of these skill areas, competence increases with experience and, in some cases, maturity.
- Although recruiting from what is reported to be an unsatisfactory pool, it seems that employers are generally able to find young people who are satisfactory.
- Employers with different characteristics and in differing circumstances reported similar levels of satisfaction with the skills of their workforce.
- Employers in different sectors expressed similar levels of satisfaction with the skills of their workforce. Employers in construction did, however, report slightly lower levels of satisfaction with young workers.

The MPSE also included a set of questions on the level of competence in each skill area, of young workers and of all employees. Respondents were asked to report on a scale of one to five (where one was 'very poor' and five was 'very good') how they rated their existing employees' competence in each skill. **It should be emphasised that these questions were asked about satisfaction with the skill levels of their employees**, **rather than about satisfaction with skill levels available in the labour market more generally.**

Overall high levels of satisfaction

The average scores (Table 2:6) show a fairly high level of satisfaction. The average scores for both young workers and all employees were all above three (the 'satisfactory' point on the scale). Table 2:7 reports the spread of ratings, and some differences do emerge.

Table 2:6 Competence in Key Skills — average scores (per cent, weighted data)[1]

	Young workers	All employees
Written communication	3.2	3.8
Oral communication	3.5	4.1
Use of numbers	3.4	3.9
Use of IT	3.5	3.6
Working in a team	3.8	4.1
Learning	3.7	3.9
Business awareness	3.0	3.4

Source: MPSE1 and 2

Table 2:7 Competence in Key Skills — range of responses (row percentages, weighted data)

	Very good	Good	Satisfactory	Poor	Very poor	N =
Young workers						
Written communication	7	25	51	14	4	556
Oral communication	18	32	39	8	3	546
Use of numbers	13	31	46	7	4	528
Use of IT	16	30	44	7	4	481
Working in a team	24	37	33	5	1	549
Learning	18	45	32	5	1	545
Business awareness	5	18	50	23	4	533
All employees						
Written communication	25	36	36	3	<1	1,102
Oral communication	34	42	23	2	<1	1,112
Use of numbers	28	35	34	2	<1	1,085
Use of IT	20	31	40	8	1	1,016
Working in a team	40	36	22	2	<1	1,115
Learning	26	42	29	3	<1	1,089
Business awareness	8	33	48	10	1	1,058

Source: MPSE1 and 2

[1] The number of respondents on which each of these averages is based varies slightly, see bases reported in Table 2:2.

Slightly lower levels of satisfaction with young workers

The levels of satisfaction for all employees were generally slightly higher than those for young workers. In many of these skill areas, competence is likely to increase with experience and, in some cases, maturity. For example, employees were more satisfied with the written communication of older employees. When an employee has been with an organisation for a while, it is likely that their written communication will improve. This is not necessarily because they become more literate, but rather because they develop a style appropriate to that organisation and learn a particular way of doing things. The Civil Service is perhaps a good example. In many jobs the drafting of memos and briefings, for example, is important, and the ability to do this clearly and relevantly usually improves with coaching and practice.

An unsatisfactory pool, but those recruited are satisfactory

What is interesting about these figures is the generally high level of satisfaction expressed by employers, especially with young workers. Recruiters often criticise the abilities of young people, especially new entrants to the labour market. These have been well documented and often attract the attention of the press. However, these criticisms are usually aimed at young people in general. MPSE asked about young workers. Although recruiting from what is reported to be an unsatisfactory pool, it seems that on the whole, employers are able to find young people who are broadly satisfactory.

At first sight, these findings might seem to be at variance with those of other studies. However, different studies use different methodologies, questions and samples, and these can usually account for any conflict in the conclusions reached. For example, the *Skill Needs in Britain Survey 1995* (PAS, 1995) seems to report much higher levels of dissatisfaction with the skills held by the workforce. However, the questions asked are rather different to those used in MPSE. In *Skill Needs in Britain*, employers were first asked if there was a significant gap between the type of skills young employees had and those needed to meet current business objectives. Just over one-third (38 per cent) of the 60 per cent of employers who had any young employees (under 19 years of age) reported a gap, and of these, 71 per cent reported a lack of communication skills and 67 per cent a lack of personal skills, for example. Therefore, around one-quarter of employers with young workers were reporting a gap in their communication skills. This is not that far away from the MPSE figures.

The interpretation of satisfactory can vary, depending on the circumstances

Table 2:7 could be interpreted as suggesting there is really very little problem with the level of Key Skills in the workforce in

general, and among young people in particular. However, it must be remembered that the questions were asked about employees, rather than about applicants or new recruits. A study exploring employers need for, and satisfaction with, basic skills found a much higher level of satisfaction with the basic skills held by employees, compared to those perceived to be available in the labour market generally (Atkinson and Spilsbury, 1993). Furthermore, employers do provide training in these areas, and hence may be more generally satisfied with the skills of their workforce. An unpublished piece of work conducted at IES, exploring employers training in basic skills, concluded that employers were looking for a much higher level of basic skill than in the past, and were providing a considerable amount of training to improve the level and relevance of these skills among employees. Furthermore, although employers might report that the skills they have are satisfactory, this does not always mean that they are as good as they could be. A recent study of the skills needed of sales assistants (Dench *et al.*, 1996) found that although employers did not report the existence of a skills gap, they did not necessarily feel that the skills of their employees were ideal.

Little variation in levels of satisfaction between different types of employer

As with the importance attached to these skills, we found fairly little variation in the reported levels of competence across employers with different characteristics and practices. Tables 2:8 and 2:9 report the average levels of satisfaction for all employees and young workers, by size and sector.

Table 2:8 Competence in Key Skills, all employees and young workers, by establishment size — average scores[1] (weighted data)

	All employees						Young workers					
	11-24	25-49	50-199	200-499	500+	All	11-24	25-49	50-199	200-499	500+	All
Written communication	3.8	4.0	3.7	3.8	4.2	3.8	3.2	3.0	3.2	3.2	3.1	3.2
Oral communication	4.1	4.1	3.9	4.0	4.5	4.1	3.6	3.5	3.4	3.4	3.3	3.5
Use of numbers	3.9	4.0	3.7	3.8	3.9	3.9	3.5	3.3	3.4	3.4	3.2	3.4
Use of IT	3.6	3.7	3.5	3.6	4.0	3.6	3.4	3.8	3.5	3.8	3.5	3.5
Working in a team	4.2	4.2	4.0	3.8	4.6	4.1	3.7	4.0	3.7	3.7	3.6	3.8
Learning	4.0	3.9	3.8	3.7	4.6	3.9	3.7	3.9	3.9	3.9	3.6	3.7
Business awareness	3.4	3.5	3.2	3.2	3.8	3.4	3.0	2.9	2.9	2.9	2.7	3.0

Source: MPSE1 and 2

[1] The number of cases on which each cell is based varies slightly within each size band, depending on the number answering each question.

Table 2:9 Competence in Key Skills, all employees and young workers, by industrial sector — average scores (weighted data)

	Manuf.	Construct.	Distrib., hotels, *etc.*	Trans. & comm.	Banking & finance	Public sector	Other services	All
All employees								
Written communication	3.4	3.5	3.6	3.8	4.0	4.2	4.0	3.8
Oral communication	3.6	3.4	4.1	4.0	4.2	4.3	4.5	4.1
Use of numbers	3.5	4.0	4.0	3.6	3.9	4.0	4.1	3.9
Use of IT	3.2	2.9	3.8	3.4	3.8	3.5	4.0	3.6
Working in a team	3.7	3.8	4.2	4.2	4.1	4.3	4.6	4.1
Learning	3.6	3.8	4.1	3.6	3.8	4.0	4.1	3.9
Business awareness	3.1	3.6	3.5	3.2	3.5	3.3	3.5	3.4
Young workers								
Written communication	3.0	2.4	3.4	3.4	3.0	3.3	3.2	3.2
Oral communication	3.2	2.5	3.9	3.8	3.3	3.5	4.2	3.5
Use of numbers	3.2	2.3	3.8	3.3	3.3	3.4	3.7	3.4
Use of IT	3.2	2.8	3.7	3.1	3.4	3.4	4.0	3.5
Working in a team	3.4	3.2	4.0	3.6	3.7	3.8	4.4	3.8
Learning	3.5	3.0	4.0	3.5	3.5	3.8	4.2	3.7
Business awareness	2.8	2.2	3.2	2.9	3.0	3.0	3.0	3.0

Source: MPSE1 and 2

Few differences by size or sector

The variations in reported levels of satisfaction with the competence of employees in these skills varied remarkably little by establishment size (Table 2:8), especially for young workers. A similar picture emerges across sectors (Table 2:9). There was little systematic variation in the levels of satisfaction expressed by respondents in different sectors. The main difference appears to be the slightly lower levels of satisfaction with young workers among employers in construction.

As with the importance of these skills, the levels of satisfaction varied little between employers in different circumstances and with differing attitudes towards training, for example. This lack of variation in satisfaction is perhaps more surprising than the lack of variation in importance. However, this is probably accounted for by a number of the points made above. In particular, the fact that the questions were asked about employees rather than the labour market in general.

2.5 A comparison between importance and satisfaction

Main findings

- The skills most widely needed by employers, *ie* oral communication, teamworking, and learning and performance, were most likely to show a 'shortfall', *ie* scoring for the level of need was greater than that for the level of performance.
- There was greater disparity between the ratings of importance and performance for young workers. This perhaps suggests that the skills held by this age group are further from the needs of employers than those of employees in general.
- IT among young people was the only skill for which the overall score for performance was greater than the overall score for importance.

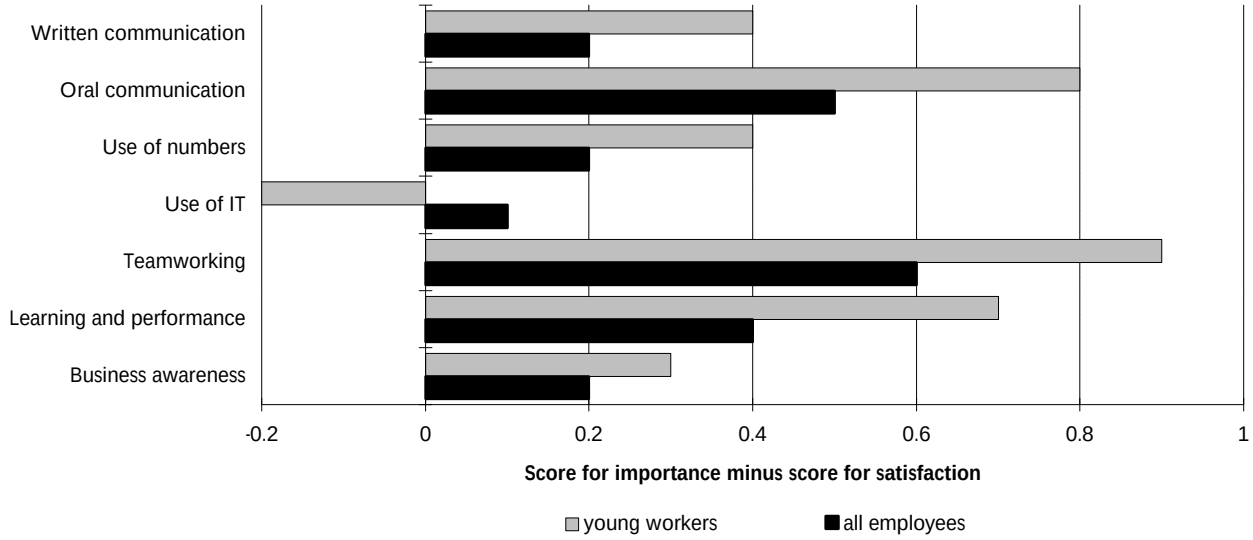
The importance of each skill area and employers' satisfaction with employees' performance were both measured on five point scales. Although these scales measure different things, a comparison between the two ratings for each skill, separately for young workers and all employees, is interesting. There are two ways of doing this: through comparing the score for individual employees (Table 2:10) and through comparing the overall averages (Figure 2:1 overleaf). The patterns emerging generally reinforce those already discussed. There was some correspondence between the rating of importance and rating of need across the skills (Table 2:10). In particular, the data suggest that the skills which were most widely needed (oral communication, teamworking, and learning and performance) were most likely to show a 'shortfall', *ie* scoring for the level of

Table 2:10 Comparison between scoring of importance and satisfaction with performance (row percentages, weighted data)

	'Oversupply' (score for performance greater than for importance)		Match (score for performance equal to that for importance)		'Undersupply' (score for importance greater than for performance)	
	Young workers	All employees	Young workers	All employees	Young workers	All employees
Written communication	28	21	22	41	50	38
Oral communication	9	9	33	45	58	47
Use of numbers	20	21	38	43	42	36
Use of IT	34	20	35	50	62	47
Working in a team	3	3	35	50	62	47
Learning	9	10	35	43	56	47
Business awareness	25	20	37	40	38	40

Source: IES survey, 1997

Figure 2:1 Importance and satisfaction with performance, for young workers (weighted data)



Source: IES survey, 1997

need was greater than that for the level of performance. Skills reported to have the lowest level of need were most likely to show an 'oversupply', *ie* scoring for need was lower than that for performance. However, what is also evident in Table 2:10 is that despite the overall high levels of satisfaction with performance on all skills, there were still considerable proportions of employers who were scoring their level of need more highly than their level of satisfaction (far right hand column of the table). Although on one hand these data should be treated with care because scores measuring different things are being compared, these patterns do perhaps more closely fit with the findings of other surveys. Despite overall high levels of satisfaction with the skills held by employees, there is still often room for improvement.

Figure 2:1 compares the overall average scores for young workers and all employees respectively. The closer to the zero line a bar is, the closer were the average scores for performance and importance. Again, the emerging patterns fit with the earlier discussion. There was a greater disparity between the rating of importance and performance for young workers, suggesting that the skills held by this group are further from the needs of employers than those of employees in general. The gap was widest for the most widely needed skills: oral communication, teamworking and learning. IT among young people was the only skill for which the overall score for performance was greater than the overall score for importance. This reinforces the arguments already made about this skill. A study published by the Association of Graduate Recruiters (AGR, 1995) explores employers' need for, and satisfaction with, skills among graduates. IT and computer literacy were most likely to be reported as easy to find. This was also the only skill for which the average score for adequacy of supply was greater than the

average score for importance. Among young people and other workers, there appears to be a lower shortfall in the need for IT skills generally (the case for IT specialists might be different) than is commonly thought to be the case.

3. The Key Skill Units in Detail

3.1 Introduction

Chapter 2 reported the importance of Key Skills to employers, and employers' overall levels of satisfaction with employees' performance in these skill areas. This chapter discusses each of the six Key Skills in detail, drawing on information collected through the qualitative part of our study. First we look at why and how the skills defined as Key Skills were important to employers. This information very much builds on, and helps to explain some of the patterns described in Chapter 2. There is a growing literature on employers' skill needs, and information collected in the course of this study fits with this. Organisations have changed the ways in which they operate, focusing to a greater extent on the contribution of their employees. This places more emphasis on the skills required to operate effectively in a workplace, as well as to actually do a particular job. Furthermore, there is a much greater emphasis on the customer, whether internal or external, and the skills generally required of a service based economy. What also emerges from this study is a picture of variation between employers and occupations.

Chapter 2 gave an overall picture of employer satisfaction with the performance of their employees in these Key Skills. Although at first sight this might seem to be at variance with the findings of other studies, the different sets of data can be reconciled. In particular, there is a difference between employers' assessments of the availability of skills in the labour market generally in which they are recruiting, and the skills which they actually recruit. This chapter goes on to explore, in relation to each Key Skill, employers' more general assessment of abilities.

An important aim of this study was to explore employers' views of the Key Skill units in some detail. It is well established that the six Key Skills are of importance to employers. However, to be accepted and seen as useful, the detail of each Key Skill also needs to be of relevance to employers. At a superficial level respondents felt that the units did relate to their needs. However, on closer inspection and discussion, more critical comments emerged. In this chapter, we also explore employers' views on the content of each Key Skill Unit. The documentation describing each unit is detailed, but we wanted employers to have had a chance to look at it before the interview. We therefore constructed summaries of all the Key Skills units, detailing their elements

and levels, and what was included in each. These summaries are included in the Appendix. Each respondent was sent a summary of two Key Skills for detailed discussion during the interview, and an example of the actual documentation.

Some respondents did have difficulty relating to the units. Those in organisations with competency frameworks were generally more familiar with this way of describing the detail of skill needs, and could interpret the information more easily. There was a more general difficulty in distinguishing between the levels. The progression between Levels 1 and 4 was usually obvious to people: Level 1 involves straightforward tasks with limited scope for discretion, and Level 4 involves monitoring, evaluating and possible modifying applications. Progression between the intermediate levels was reported less easy to distinguish.

This chapter perhaps focuses on the negative. It reports employers' understanding of the content of the units, and attempts to identify the areas they had problems with, or things they thought were missing. It should be remembered that the majority of respondents were not familiar with Key Skills, and they were commenting on summary versions of the units. Nevertheless, this study provides a detailed set of data on the relevance of a particular set of skills to employers.

3.2 Communication

3.2.1 The need for communication skills

Main findings

- The higher levels of this unit, involving employees in reviewing, monitoring, adapting, taking responsibility and using discretion were only required in more senior and skilled jobs.
- Most jobs simply require people to operate accurately and within certain set parameters.
- However, it is those who have good basic and Key Skills who are more likely to progress, within or between employers.
- Very few jobs do not require employees to be able to 'read and respond to written material'.
- Producing written material was less widely needed, especially in a range of manual, sales and personal service jobs.
- It was at technician and supervisory levels that employees were more likely to be expected to produce written material.
- Oral communication is important in the majority of jobs:
  - it is argued to underlie a wide range of personal and interpersonal abilities sought by employers
  - few employees operate alone; at a minimum they need to communicate with their colleagues

- most organisations operate a service culture; internally between departments and in their relations with external clients.

- However, the element 'taking part in discussions and give presentations' was not felt to fully capture the oral communication needs of employers.

The communication unit covers both written and oral communication, and includes three elements: reading and responding to written material; producing written material; and taking part in discussions, with making presentations added for Levels 3 and 4. To obtain an overall view of the importance of these different elements and levels to employers, and any variations between occupations, respondents in the qualitative stage of the research were asked to complete a short questionnaire (see Appendix). The questions were only asked in relation to the largest occupational group in each establishment, and the numbers involved become very small. However, definite patterns do emerge, and these were confirmed during the interviews. Table 3:1 reports the need for communication skills.

What is immediately striking about Table 3:1 is the variation in need for certain elements between occupations and in particular the variation in levels of need. Reading and responding to written material was needed in all jobs. However, apart from in

Table 3:1 The need for Key Skills — Communication skills

	Professional/ Associate Professional & Technical (N = 9)	Clerical/ Secretarial (N = 9)	Personal & Protective Services & Sales (N = 11)	Operatives & Other Manual (N = 9)
Reading and responding to written material (%)	100	100	100	100
of these: (n)				
• Levels 1 and 2	—	8	9	8
• Levels 3 and above	9	1	2	1
Produce written material (%)	100	100	54	44
of these (n):				
• Levels 1 and 2	1	7	5	4
• Levels 3 and above	8	2	1	—
Take part in discussion, and give presentations (%)	100	89	73	67
of these: (n)				
• Levels 1 and 2	2	7	8	6
• Levels 3 and above	7	1	—	—

Source: IES survey, 1997

the most skilled, professional jobs, the level of need was fairly low. The main need was for Levels 1 (read materials to obtain information and check have information needed) and 2 (which also involves selecting, extract and collating the appropriate material). Levels 3 and 4 were rarely reported to be needed, except in professional and technical jobs. These levels introduce elements of reviewing the process, summarising and synthesising information, monitoring and evaluating. It was these types of ability which were least likely to be required across all the Key Skill units, except in particular jobs and senior positions.

The MPSE data illustrated a relatively low need for employees to produce written material, and this is also evident in Table 3:1. It was often reported that employees in personal and protective, and sales occupations, and those in a range of manual jobs, did not need to be able to produce written material. Those who did were only required to do so at a very basic level, largely Level 1 (present clear and relevant information, in suitable format, legibly and accurately). Levels 3 and 4 were little required in the majority of occupations. These levels again introduce the ability to review, adapt, monitor, and evaluate activities which were mostly only required of more senior personnel.

'Taking part in discussions, and giving presentations' was more widely required than producing written material, but not as widely needed as might be assumed given the rating of oral communication in MPSE. The main reason for this was employers' interpretation of the wording of this element. They mostly felt that it referred to communication within organisations, and in a formal sense, rather than oral communication more generally. This interpretation is discussed further later in this section. As with all the other elements of communication, the majority of occupations were only reported to have very low level requirements. Indeed, the emphasis here was on Level 1, making relevant contributions in discussions, listening and responding. Level 2 also involved taking the discussion forward, and this was less likely to be needed. As with the other two elements, Levels 3 and 4 introduce the need for employees to take responsibility for a process, monitor, and evaluate activities. It was these types of activity which were largely only required at the more senior and skilled, professional levels.

The patterns emerging introduce a number of themes which were common to all the Key Skill units. Except at more senior and highly skilled levels within organisations, there is a relatively low need for employees to be able to review, adapt and monitor a process, or generally take responsibility and exhibit discretion. The main need is for people who operate accurately, and within certain parameters or set procedures. The qualitative interviews provide a range of examples of the need for different elements of the Key Skills in a range of jobs. Some examples of the use of communication skills are detailed in the following paragraphs.

Communication skills were widely needed across all sectors, although there were some variations in the type of need. Oral communication was particularly emphasised in service sector organisations, although it is becoming increasingly important within all sectors. A comment made by one respondent tends to reflect the opinions of many interviewees:

> *'Even if you have skills in applying numbers and the use of IT, improving own learning and performance and problem solving, it is not a bit of good unless you have the skills of communication and working with others, because nobody's an island.'*

A personnel manager in a local authority reported:

> *'Communication is very important to all occupations because we are a service organisation. Every department provides a service to the public/council taxpayers. Lots of employees have contact with the public through telephone and face-to-face enquiries. This requires good discussion/verbal communication.'*

A number of other examples can also be given. The manager in an organisation providing a transport service for people with special needs commented on the vital importance of communication skills among drivers:

> *'They are dealing with the public all day and need to provide good quality of service, have empathy, good social skills, and a nice/likeable personality. This calls for good verbal skills.'*

What was particularly interesting about employers' comments on the importance of oral communication skills was their varying interpretation of the extent to which these were included in the Key Skill unit. In their comments about the importance of oral communication within jobs, a number of differing perspectives emerge. The two examples quoted above both concern the role of oral communication skills when dealing with the public, clients or customers. A common theme emerging from our interviews was the varying role of oral communication within organisations, and the extent to which they felt the Key Skill unit addressed these roles.

Among retail respondents there was a particular emphasis on oral communication, although not all equated this with the element, 'taking part in discussions and giving presentations'. Sales assistants who are in everyday contact with customers need good communication skills, for example:

> *'Cashiers have high communication skills as they have to project the organisation's image.'*

In a care organisation, it was reported that communication was very important for dealing with external parties, and for this, care assistants needed to be friendly and chatty, and able to identify clients' needs. They did not, however, need to communicate with other workers, as most worked independently and on their own,

in clients' homes. Senior carers and managers needed a broader range of communication skills, as they also had to communicate with staff. In another care organisation, it was reported that employees were generally good at communicating with clients; the work attracted that type of person. However, managers could not always apply these skills more widely. In particular, they did not always communicate with staff so well. In other organisations, the importance of oral communication between employees was emphasised. It was reported that an organisation becomes inefficient when people do not communicate: staff are 'all cogs in a big wheel'.

Within manufacturing companies, there was less emphasis on good oral communication. Some respondents reported a need for employees to be able to communicate with colleagues, especially when working in a team. However, in general, oral communication was less likely to receive emphasis. Employees who were, for example, supervisors, charge hands or team leaders, were expected to exhibit stronger communication skills. This reflects another theme emerging from this study: the need for a wider range of Key Skills, and at a higher level at more senior levels within organisations.

The lesser need for employees to be able to produce written material, compared to reading and responding to written documents, was also well reflected in the qualitative interviews. Several retail managers reported that sales assistants did not need to produce written material. It was expected that they would be able to absorb the training and obtain information from written documents, so that they understood what they had to do and applied this within known parameters or set guidelines. Similarly, within manufacturing establishments, operatives and frequently, skilled manual employees, were expected to be able to follow product specifications, reading and following written instructions and acting accordingly:

' . . . not much room for deviation from the core tasks.'

It was at technician or supervisory level that employees were expected to produce written material. They might, for example, have to provide or adapt general instructions, record information for quality control, record any accidents or breakdowns. For many relatively low skilled jobs, the range of skills needed is limited. However, it is those who have a range of good basic and Key Skills who are most likely to progress within and between employers.

The importance of reading was particularly emphasised by a manufacturing respondent. It was reported that staff had to be able to read process instructions, and sometimes these contained a high level of numerical work, for the company to meet BSI standards. This particular establishment had around 20 staff

who were illiterate and innumerate, so attention was mostly being directed at improving the level of basic skills.

In a public service organisation, all decisions made were open to review and appeal. It was therefore crucially important that everything contributing to a decision was collected and properly recorded, and recorded in a consistent format. The performance of this organisation was measured by targets set by the government. Properly and consistently recorded information was also essential as evidence that targets were being met.

3.2.2 Satisfaction with communication skills

Main findings

- Most employers were satisfied with the communication skills of existing employees:
  - the most unsuitable applicants were screened out during recruitment
  - training was provided to address gaps in employees' abilities and increase the general level of ability.
- Employers were slightly less satisfied with the abilities of young workers, compared to other employees.
- The communication abilities of job applicants were most likely to be criticised. In particular, applications which were poorly written and thought out were taken as an indicator of poor communication skills.

The MPSE data illustrated a fairly high level of satisfaction with the levels of both written and oral communication skills among employees. Comments made in the course of our more in-depth interviews with employers help to explain these levels of satisfaction. The MPSE questions were asked about employees, rather than job applicants, or the perceived quality of people in the labour market more generally.

A majority of employers were satisfied with the communication skills held by existing employees. This was partly because the most unsuitable applicants were screened out during the recruitment process. Another reason was the extent to which employers were providing training in these skills, to address gaps in employees' abilities, and to increase the general level of ability. Several respondents did comment on the limited abilities of a small number of employees, rather than the whole workforce. In such circumstances, extra coaching and support had often been provided.

There was a slightly lower level of satisfaction with the ability of young workers, compared to other employees. Some of this can be attributed to their lower levels of experience and maturity. However, a few employers did comment negatively on the

abilities of young people leaving education. One respondent commented on the lack of ability to spell among young people. It was felt that teaching children to spell phonetically had, in some cases, contributed to the problem, along with an over-reliance on spellcheckers in word processing.

It was, however, the skills held by job applicants which were most likely to be criticised. For example, one respondent reported that those without good communication skills would not be employed:

> *'The number of people who present poorly written and constructed applications for jobs is very high, and this hasn't changed much over the last 15 years.'*

This respondent also reported that the skills of existing employees were 'very, very good'. Another manager commented on the lack of attention paid to completing application forms. It was felt that people did not read and understand the instructions, or think enough about the information required. This was taken as an indicator that many applicants were not able to plan, or that they just did not have the aptitude with written communication. Despite the fact that producing written material was relatively unimportant in many jobs, applicants submitting poorly constructed and badly spelt application forms are unlikely to be considered for a range of jobs. The criticisms made of external applicants were rarely made of internal applicants who were frequently reported to be of a good, or at least better, quality.

Young applicants were particularly likely to attract criticism. For example, a manager in a government agency reported that oral communication among school leavers was a good example of the poor quality of young applicants. They were unable to give an opinion, or put a point across. They were vague, unable to enter a conversation, and missed the point when answering a question. Although it is perhaps unfair to expect young people to exhibit a level of maturity and knowledge similar to adults, these examples do illustrate the expectations of employers.

3.2.3 The communication Key Skill unit

Main findings

- Overall employers felt that this unit covered the main skills they needed. However, a number of detailed criticisms were made:
- The unit was too woolly. The requirements should be more specific to particular tasks, rather than generic in nature.
- Although Key Skills are a set of generic skills, employers want people with communication skills appropriate to the particular roles and jobs in their own organisation.
- The unit was too much like basic literacy.
- 'Taking part in discussions and making presentations' did not adequately cover verbal communication.

- In particular, it was felt that the unit was too formal and mechanistic to properly describe the many facets of verbal communication.
- The unit was also not thought to adequately cover listening skills and non-verbal communication, both important to communication overall.

The overall opinion was that this unit generally summarised the tasks required, although on closer inspection a number of elements were felt to be missing, or at least not explicit within the information available to them. One respondent felt that the coverage of the unit was, from an employer perspective, 'right and proper'. However, he thought that they would be difficult for the education system to deliver.

A frequent comment was that the unit was too woolly. Employers wanted the statements made more specific to the particular tasks required in their organisation. For example, the personnel manager in an insurance company reported that rather than 'use an appropriate structure and style of writing', it would be more useful to have this expressed in terms of 'write a letter to a client which is accurate and fit to purpose'. Others wanted more information included on why a task was needed. Some of these comments are covered in the more detailed documentation available for each unit, or in the more specific documentation being prepared by the individual Lead Bodies. Nevertheless, they do raise an important point, which emerges a number of times during this study.

An important point about Key Skills is their general application across jobs and employers. Earlier chapters have confirmed this general need. However, most employers want people with communication skills, for example, which are related to the particular roles and jobs in that organisation. In some, written communication is very important; in others, it is less so. Employers are not particularly interested in whether or not (potential) employees have a set of skills which they do not need. What they are looking for are those they do need.

Several respondents felt that much of the unit sounded like basic literacy:

'I think that's a school based model and not an occupational model.'

The general confusion between Key and basic skills was commented on earlier in this report, and is emerging from other work in progress at IES. It seems that in some circumstances, the communication unit does become basic literacy, as young people have to be instructed in the basic processes of constructing a written document, for example, before being able to apply this in a work context.

The element 'taking part in discussions and making presentations' attracted the most comment. It was widely felt among

respondents that the unit overall and this element in particular did not adequately cover verbal communication. The importance of customer service is discussed further in Chapter 4; this emerged as an area of common need. However, many of the comments made in relation to verbal communication did broadly relate to dealing with customers. It was felt that the element concerned with discussions and presentations was too focused on formal and internal situations. The MPSE data showed that oral communication was of greater importance to employers than written communication, and the concerns expressed about the communication unit tend to reflect this.

A few employers did interpret taking part in discussions as talking to customers, but most felt that there were differences. One retail respondent reported that sales assistants took part in discussions with customers every day, although they did not give formal presentations. The following types of comment were quite widespread across employers. For example, the manager in a retail store described how an important part of dealing with customers was communicating with them, and dealing with everyday problems and requests. A certain level of skill in verbal communication is needed to clarify and understand a request, to keep the customer happy. The way people communicate is vitally important because they are the first point of contact with the company. A wholesale distributor also commented on the need for verbal communication and to understand how people interacted. This company was mounting an initiative called 'customer intimacy'. They relied on repeat business, and building up a relationship with customers was crucial. Another manager reported that sales assistants generally did not take part in discussions, although oral communication was an important part of their job. It was managers who took part in discussions. Other respondents commented:

> *'Communication with a customer wouldn't be called "discussion".'* (Retail)

> *'It does not cover verbal or language skills. In this organisation, being able to express yourself clearly is important.'* (Hospital)

The words used to describe what was required in taking part in discussions and making presentations perhaps do cover many aspects of interaction with customers. However, employers generally felt that the unit was too formal and mechanistic to describe properly the interactions needed in many aspects of verbal communication.

Other aspects of communication not felt to be covered in the unit were closely related to verbal communication and dealing with customers or clients. Listening skills were reported to be very important, both in face-to-face communication and over the telephone. Many organisations do a considerable amount of business by telephone, including retail stores, and employers reported that employees needed to be able to listen to customers, and respond appropriately. One retail manager commented:

' There is a need to listen when communicating . . . . This is a matter of hearing and processing information so that a job can be done. For example, it may require noting down relevant points and/or following up with relevant questions.'

Another area felt to be missing from this unit was non-verbal communication. There are a range of 'skills' around this which are an important part of effective verbal communication. For example, making eye contact with the person one is speaking to, and generally understanding how to read body language.

3.3 Application of number

3.3.1 The need for numerical skills

Main findings

- The application of number was of less widespread importance to employers than the other Key Skills. However, it is becoming more important.
- This Key Skill was only really of importance in jobs in which numerical ability is an essential component, and an occupational requirement — for example, engineering, some skilled manual jobs, accountancy and research.
- The level of need was low in most jobs.
- In the majority of jobs, employers wanted employees who could operate at Level 1. This basically involves employees being able to conduct certain tasks accurately, to set procedures, and record the results clearly.
- It was in senior and managerial jobs that higher levels were required. These often included reviewing and revising procedures, and presenting findings.
- The introduction of information technology has increased the need to work with numbers in some jobs, and routinised such tasks in others.

In the MPSE, the application of number was reported to be of slightly less importance to employers than many of the other Key Skills. Table 3:2 illustrates the need for each element of this unit for different occupations. This table does suggest a less widespread need for employees to be able to use numbers, especially in the lower skilled and less senior jobs. The level of need was particularly low. Apart from in professional and technical occupations, the majority of employers wanted employees who could operate at Level 1 within all three elements. Level 1 basically involves employees being able to conduct certain tasks accurately and record the results clearly. Clerical and secretarial employees might be required to take things a bit further. As with communication, Levels 3 and 4 introduce elements of interpretation, decision-making, planning and evaluation. It is these types of activity which were less likely to be required in a large number of jobs. As Table 3:2 clearly

Table 3:2 The need for Key Skills — Application of number

	Professional/ Associate Professional & Technical (N = 9)	Clerical/ Secretarial (N = 9)	Personal & Protective Services & Sales (N = 11)	Operatives & Other Manual (N = 9)
Collecting/recording data (%)	100	100	82	56
of these: (n)				
• Levels 1 and 2	2	8	8	5
• Levels 3 and above	7	1	2	—
Working with data (%)	100	100	55	33
of these (n):				
• Levels 1 and 2	3	8	5	2
• Levels 3 and above	6	1	1	1
Present findings (%)	100	89	36	0
of these: (n)				
• Levels 1 and 2	2	7	4	—
• Levels 3 and above	7	1	—	—

Source: IES survey, 1997

illustrates, it was really only in professional and technical jobs that these aspects of working with numbers were required.

Our discussions with employers support the patterns described in Table 3:2. The application of number was rarely reported to be of great importance, except in those roles in which numerical ability was an essential component, and an occupational requirement. Several employers in manufacturing reported that engineers would automatically be expected to have a high level of numerical skill, and to go beyond the elements included in the unit. For example, they would have to collect, record and present data as a matter of course. They would also have to go beyond this, developing and presenting designs involving an array of complex mathematical calculations; identifying, examining and eradicating any errors:

> *'Engineering is numbers.'*

Certain other jobs are based around the need for numeracy. People working in accounts offices and, as do accountants, present the most obvious example. A respondent from an accountancy firm reported:

> *'A high level of skill is needed. . . . need to be able to manipulate data provided by clients, use accounting protocols to produce accounts, and explain whys and wherefores to clients.'*

Researchers in some professions also need a high level of numerical ability. For example, medical researchers need statist-

ical awareness, data manipulation and gathering skills, and to be able to interpret and present data.

A similar theme emerges in relation to this skill area to that already described for communication. There were, however, perhaps more jobs in which numerical skills were totally unimportant. For many jobs in which some level of numerical ability was needed, employers are seeking a fairly basic level of ability. There is mainly a requirement for employees to be able to follow a simple set of procedures, and accurately. Only at more senior, and managerial levels, are people expected to review and revise any procedures, or present findings.

Retailing respondents reported the ability to use numbers to be of growing importance. However, there were limits to the level of ability needed. The allocation of responsibilities between jobs also varied across companies. For example, in some, the cashiers or checkout assistants might be responsible for their float at the beginning of a day or shift, and for balancing the till at the end. In others, this responsibility was allocated elsewhere, for example to supervisors. A general theme was the need for all staff to work to set procedures rather than establish their own ways of doing things. The resolution of errors was often the responsibility of more senior staff. For example, one respondent commented:

> *'If they are out (*ie *the till was out at the end of the day/shift) they would have to explain what they did, but not necessarily have to resolve the problem. . . . This is a management role.'*

The respondent from a transport company reported a low level of need for numerical skills. Drivers needed to be able to take fares and handle money accurately, and to fill in their timesheets. Accuracy in these tasks was very important. It was, however, the supervisors who had to collect and work with the data available as a result of these basic activities. Even they did not have to review the process or provide any detailed level of analysis.

In an organisation involved in providing care for people in their own homes, it was reported that basic care workers needed few numerical skills. They might be required to help clients with shopping and had to fill in their own timesheets. These activities were all conducted to prescribed guidelines, and there was little scope for employees to go beyond these. Supervisors and managers did, however, increasingly have to work with numerical data. The respondent in another care organisation reported that most staff only needed basic numerical skills:

> *'The nature of the work doesn't need much in number terms — basic counting and arithmetic.'*

It was in manufacturing companies that the application of number was most frequently needed, and in which numeracy was frequently seem as an occupational skill. Operatives and production workers were reported to need a fairly low level of numerical ability. For example, they might need to understand

readings on the machines they worked with, and to check accuracy. It was understanding rather than performing calculations which was most frequently reported to be important. Skilled manual workers were reported to need higher levels of numerical ability, but the precise need varied between jobs and organisations. For example, in one engineering company, skilled manual workers were expected to use data to run machines, setting them and running them to follow the specifications provided — *ie* they used prescribed methods for set tasks. In other organisations, a greater element of decision-making was reported to be required. Another engineering respondent commented:

> *'All have to be excellent with application of number. A lot of corrective and maintenance work is based on numbers and calculations.'*

The introduction of information technology can both increase and reduce the need to work with numbers. Some of the examples quoted suggest that technology has increased the amount and range of information available, in particular to managers and supervisors. They have to be more adept at utilising such data than in the past. However, other examples can be quoted which suggest that technology has routinised some tasks, and reduced the need to manipulate numbers. A manager of a wholesale outlet commented:

> *'Only need a basic level of skill. . . . majority of the work is routine, little variation, fed into computers.'*

A general theme emerging from our in-depth interviews is that although there is a greater need for numerical ability in some jobs, it is by no means important or even needed in many others. Of all the Key Skills, numeracy was most likely to be seen as an occupationally specific skill, and interpreted in this way. The application of numerical skills does, however, become important as people progress within organisations. The advent of information technology has heightened this need. Managers and supervisors are frequently involved in using and manipulating data, presenting it, and reviewing and revising the ways in which it is used and collected within their organisation.

3.3.2 Satisfaction with numerical skills

Main findings

- The numerical abilities of both applicants and existing employees were criticised.
- Employers reported greater difficulties finding people with the necessary numerical skills, than for any of other Key Skill.
- A major problem was a lack of basic numeracy. People do not understand how numbers operate; if errors occur they do not have the depth of knowledge to remedy them.

Employers reported greater difficulties in finding people with the appropriate numerical skills than for many of the other Key Skills. Although it was the quality of applicants which was most strongly criticised, our respondents were also critical of the level of numerical ability among employees. For example, a retailing respondent reported that they had a problem with the numerical skills of longer serving employees. As the numerical demands of the job have increased, such deficiencies have become more apparent.

The types of criticism were fairly standard. It was reported that people did not understand how numbers operated. They were able to 'plug in' numbers using a calculator, for example, but did not understand why they were doing something. For example, one employer of engineers commented:

> *'General ability is lacking. Despite having certificates they have never done the theory, so they have never got beyond 'monkey see, monkey do'.*

If there is something wrong with the calculation, many people do not know how to manipulate and sort out the data they are using. Another respondent commented that staff could not spot and explain anomalies. This has an impact on customers, especially if an error is not spotted early in the process and continues through until the end.

Our evidence in particular suggests a lack of basic numerical skills. One respondent was very critical of the lack of skills in basic mental arithmetic, for example:

> *'. . . take calculators away from people and they're dead; they are totally brain dead.'*

A lack of understanding of the basic processes of manipulating numbers means that employees find it very difficult to put any numerical skills into practice. This is also emerging in other work being conducted by IES. A college tutor providing Key Skills training reported having to explain the basic principles of calculating percentages *etc.* to trainees, before being able to move on to the application of number in that particular occupation.

3.3.3 The application of number Key Skill unit

Main findings

- Employers had fewer comments on this unit. This partly reflects the generally low level of need for this Key Skill.
- A few specific criticisms were made:
  - the unit was too basic for many jobs (this partly reflects a mis understanding of the role of the unit).

- there was some confusion between the role of the unit in applying basic skills in the workplace, and the need to improve basic numeracy more generally.
- the unit was too general: although aiming to improve generic skill, employers wanted the unit to address their specific needs.

The application of number was one of the less widely needed Key Skills. Although there is evidence that numeracy is increasingly needed and in a greater range of jobs, the comments made about this unit were less detailed than those on many of the others. The majority of respondents with whom we discussed this unit in detail felt that it was generally clear, there were no major aspects missing, and that the levels seemed to progress in a logical order.

As far as any comments were made about the unit, the following were the most common. Understandably, it was those employers with a greater need for these skills who were most likely to comment. What is perhaps particularly interesting is that most of these were generally employing people for whom using numbers was an important part of the job — an occupational skill.

A few respondents felt that the units were too basic for many occupations (*eg* professionals or managers). This reflects some misunderstanding of the role of Key Skills but nevertheless raises an important issue. It is aiming to develop generic numerical applications in the workplace, not more specific high level needs.

Others felt that many of the things were not really related to using numbers, but were really part of managerial decision making, for example: 'planning methods and strategies', 'deciding how to approach tasks' and 'making and explaining decisions'. These types of activities would only be undertaken by fairly senior people. Once again, this partly reflects some misunderstanding of the role of the unit. It also illustrates the difficulty in developing a terminology which can be applied to all situations.

Others felt the unit sounded too academic:

> *'Why is it called application of numbers? It sounds like an academic sort of phrase to use.'*

On the other hand, some employers did report a lack of basic numeracy and the need for employees to have these skills. Within this unit in particular, but also to some extent communication and IT, there was a confusion between the need to improve basic skills and the role of the unit in tailoring basic skills to be more relevant in the workplace.

Another set of comments on this unit related to understanding the application of each statement:

> *'It's too general. It is difficult to be all things to all men.'*

As with communication, many employers want employees to understand the application of number in their particular industry or occupation:

> *'. . . very difficult to look at something outside the industry,* ie *when it's not specific it loses it's usefulness. The statements lack application, for example, what sorts of data would they be using; in what way using/processing it?'*

An engineering employer also reported wanting people with an understanding of the specific application of numeracy in the engineering industry.

What employers were generally looking for were people with sound basic numeracy who could apply this, and accurately, in a range of situations. They reported that they did not necessarily want people, except senior managers, who could operate at the highest level, planning strategies and evaluating decisions for example. In many organisations, especially those with many branches, procedures are set centrally. At branch level, it is simply a matter of operationalising these procedures. One respondent reported that they had deliberately taken the discretion out of the job:

> *'. . . everything we have to do has to be kept simple because the people we normally get couldn't cope with anything more complicated.'*

3.4 Information technology

3.4.1 The need for IT skills

Main findings

- A number of organisations operate with little IT and unsophisticated technologies. Their need for IT skills is therefore low.
- However, many were talking about change: the future introduction of new technologies, and the development of an IT strategy.
- Few employers in less skilled occupations, including sales, personal and protective services, operative and other manual jobs reported any need for each element of the IT unit.
- Those in clerical and secretarial occupations were more likely to require IT skills but the level of need was again low.
- It was only at managerial and professional levels that the need for IT was widespread, but even in these there was not a consistently high level of need.
- In many organisations, the use of IT is prescribed. Those at head office and in the IT department select the systems and set up procedures for their use.

IT was one of the least widely needed of the Key Skills, and generally the level of requirement was low. Some of the reasons for this have already been discussed, others become clear when

considering the comments made about the actual unit. What should be emphasised is that in this study we were exploring the need for IT skills among the workforce generally, rather than the skills needed of IT professionals. An important distinction does need to be made between these needs, as each raises its own particular set of issues.

Not all organisations have been computerised. Many still do operate with a few desktop computers which are basically used for word-processing, or for example by the accounts department. We came across several examples of these in the course of our interviews. A number of care organisations, including a hospital, had a very low level of technology. This was due to a range of reasons — for example historical, any IT being introduced incrementally and with little or no co-ordination and limited resources, with a concentration of these into their core activity:

> *'We don't need them to have skills in IT. We need them to have skills in care.'*

A manufacturing company had computerised process equipment, but there had been little computerisation in the office, apart from for word processing. In all these organisations, there was talk of change and the introduction of IT. However, in most it appeared that the skills needed would be basic. For example, one respondent reported that they were beginning to sort out the use of IT in the office. They did, however, prefer to recruit people who had a general understanding of IT and who were not afraid of using it. It was argued that it could take a long time to retrain people to use a different word-processing package.

Table 3.3, below, repeats a number of themes evident in our discussion of communication and the application of numbers. Relatively few employers report a need for each element of the IT unit in what are normally considered low skilled occupations. Where there is any need, the level of this was low. Clerical and secretarial occupations were reported to have a greater need for IT skills, but even within these the level of need was generally low. It was only at managerial and professional levels that the need for IT was widespread, in terms of breadth and level. However, even in these occupations there was not a consistently high level of need.

Our in-depth interviews confirm this picture, and provide detailed examples of the ways in which different employees might be expected to utilise IT.

In one retail organisation, IT was interpreted as PCs and desktop computers. General assistants using electronic tills were not seen as needing any IT skills. A basic level of ability with IT was needed by skilled assistants who used Windows based ordering systems to help customers select different products. These assistants had to use the system accurately, but there was reported to be no room to develop information or be innovative.

Table 3:3 The need for Key Skills — Information technology

	Professional/ Associate Professional & Technical (N = 9)	Clerical/ Secretarial (N = 9)	Personal & Protective Services & Sales (N = 11)	Operatives & Other Manual (N = 9)
Prepare information (%)	100	100	45	44
of these: (n)				
• Levels 1 and 2	4	8	5	4
• Levels 3 and above	5	1	—	—
Process and present information (%)	100	100	34	0
of these (n):				
• Levels 1 and 2	1	8	4	—
• Levels 3 and above	8	1	—	—
Review and use of IT (%)	100	78	36	33
of these: (n)				
• Levels 1 and 2	3	6	4	2
• Levels 3 and above	6	1	—	—

Source: IES survey, 1997

The system was already set up and they had to learn how to work through it in a structured manner. Another retail respondent reported that checkout assistants needed IT skills to operate the tills.

A general theme which does emerge is the extent to which the application of IT is prescribed for many jobs and in many organisations. For example, respondents reported that head offices and the IT departments normally selected the system or systems which were to be introduced, and set up procedures for their use. In many cases IT might be customised to meet the needs of a particular function or organisation. The majority of employees are only expected to follow established procedures. Furthermore, recent developments mean that it is easy to set up systems which are relatively easy to follow. A set of icons may offer access into and through packages, and macros can be set up which only allow certain routes of progression.

The use of set procedures is evident in the retail examples reported above and a wide range of other organisations. For example, in banks and other financial service organisations, many activities are computerised. Employees need to follow a set sequence to operationalise the majority of transactions. Activities which were once at the discretion of a branch manager are increasingly routinised and automated, removing most elements of discretion and individuality. For example, the granting of loans and overdrafts is increasingly done in this way. This radically changes the skills of employees in these

organisations. One banking respondent particularly emphasised the need for all employees to be able to use IT, mainly through following procedures and pressing the right buttons.

Manufacturing organisations often use sophisticated technologies. However, not all employees were reported to need sophisticated skills. Those at an operative level have to operate computerised machinery, but this does not necessarily mean they need a high level of IT skill. They basically need to know which buttons to push, and the general role of IT:

> *'Operatives need to understand how they fit into the system, when they need to use it* [IT] *and why.'*

In some organisations, there is a high degree of multi-skilling, and operatives for example might be expected to undertake some maintenance tasks. This may require them to have more detailed IT skills, as they have to be able to identify and deal with any problems which arise. However, in many organisations, it is at more skilled and senior levels that IT skills rise above a very basic need. Technicians and professionals often use IT as a tool. This does not always mean that they require a detailed knowledge of the internal workings of the systems they work with, but they do need a sound understanding of the potentials it offers and the uses to which it can be put. One manufacturing respondent commented:

> *'Managers generally use it* [IT] *at the highest levels,* eg *using IT to process accounts; process and tie up orders; develop scheduling for production; sorting materials so supplied in right quality on time; building up client contracts database and logging processes; designing and R&D,* etc.*'*

There was some difference between organisations in the types of IT ability needed of managers. In some cases, as the above example illustrates, managers might be using IT as a central part of their everyday job. Other respondents reported a different view, for example for people in senior positions:

> *'It's more important to understand the potentiality of information technology than to actually understand how it works, or indeed utilise it.'*

Managers in care organisations reported a very limited need for staff to have any IT skills. Clerical and secretarial staff needed basic word processing skills, and managers might need to use IT as an information tool, for timesheets or planning work rotas, for example. The majority of care workers were reported not to need any IT skills:

> *'Even the care equipment is non-digital.'*

All these examples suggest a varied current need for IT skills, with the emphasis being at a relatively low level. IT is an area of fast and constant change. Developments offer far greater

potentials than are currently being utilised. There were plans to introduce and further develop the application of IT in a number of the organisations involved in this study. Some managers reported that although the level of technology used was fairly basic at the moment, this would not necessarily be so in the future. For example, a manufacturing respondent reported:

> *'When the next product line goes in, in 18 months, then there will be an opportunity to bring in IT. A lot of new skills will be required, but we still will not be at Ford's standards.'*

The need for IT skills will continue, and is likely to increase. It is, however, unclear how far the majority of employees will need to develop sophisticated skills in this area.

3.4.2 Satisfaction with IT skills

Main findings

- Most young people entering the labour market have good IT skills and more than meet the basic requirements of employers.
- There were some concerns about the IT skills of longer serving employees and older job applicants. However, training programmes were usually able to deal with these.

Chapter 2 suggested less dissatisfaction with the availability of IT skills than with the other Key Skills. Our in-depth interviews explored this issue more thoroughly. The general consensus was that most young people entering the labour market had good IT skills and at least met the needs of most employers. In particular, they were not frightened of using IT, understood some of the potential it offered, and had a general mindset which was relevant to the acquisition of IT skills.

There was some concern about the precise IT knowledge young people were acquiring. Some colleges are using out of date software and systems, or different packages to those used by many employers. There is a wide range of packages and applications and colleges cannot be expected to train to meet the detailed needs of all employers. However, what employers increasingly look for is an understanding of IT. One respondent reported:

> *'. . . knowledge of packages is a useful add-on skill. Increasingly we look at which packages school leavers are familiar with, and are happy to take people with experience of similar programmes to the ones we use.'*

Older applicants and longer serving employees do not always have such a good understanding of IT compared to young people, and often have fewer IT skills. Some respondents did report more difficulty in this area, but most had training programmes which were usually able to overcome these.

3.4.3 The IT Key Skill unit

Main findings

- This unit was designed to include the broad use of computer technology in the workplace, and IT was used as a generic heading.
- However, many employers interpreted IT in a very specific sense. CNC machines and electronic tills, for example, were sometimes seen as included, and sometimes not.
- Nevertheless, the detail within the unit was seen as relevant to a broad range of technologies.
- The majority of employers felt the unit went beyond their needs.
- Most employees do not need a detailed understanding of how and why the technology operates. They basically need to understand how to use a set of established routines and applications.
- The unit did not go far enough to satisfy the skill needs of IT specialists. However, the Key Skill unit does not aim to do this. Rather, it aims to improve the skills of IT users.
- Employers reported more difficulty in understanding some of the statements used in this Key Skill unit, compared to others.

The use of the label 'IT' caused confusion and some inconsistency in responses. IT is used as a generic title, to include the wider use of computers. However, not all respondents interpreted it in this way. For example, engineering employers using CNC machines reported that this was not IT. The CNC machines were standalone, not linked up to any network, and therefore were not IT. It was the 'information' part of the heading which caused difficulties. One engineering respondent commented that people in that company used computers in a very specific narrow way, for example, to locate parts and record when they had finished a job. This was not reported to be covered by the IT unit. Within the retailing sector, some respondents saw the use of electronic tills as IT, others did not. These employers did, however, often report that various elements within the unit were relevant to them, although usually at a very low level.

As with the application of number, a few employers felt that the elements were too basic. These were usually referring to the employment of highly skilled people, for example professional engineers and managers. This does reflect some misunderstanding of the role of the Key Skill unit. It is not to develop occupationally specific skills, but rather to address an area of generic need: the skills of IT users. One respondent, from an organisation in which IT was being used at a very sophisticated level, reported that IT could not be considered on its own:

> *'To separate IT out as a skill almost devalues it because it doesn't consider all the specifics of different tasks/functions that it plays such a key role in.'*

This confirms a common theme emerging from our detailed exploration of the Key Skill units. Employers are generally looking for these skills in an occupational or organisational context. They want people who can apply, or learn to apply, a basic skill in a very specific setting.

The majority, however, reported that the unit went beyond their needs. They wanted people with an awareness of IT, and a few basic skills:

> *'. . . important that they were not afraid of it.'*

In particular, respondents reported that employees did not have to set up routines, or monitor, review or evaluate the use of IT. Many organisations have established routines and applications — employees simply have to understand which button to press. Increasingly, the systems in banks and retail stores for example, are set up to take people through step by step. Employees in most jobs do not need a detailed understanding of how and why the technology operates. Indeed, the last thing many employers want is someone who sets up their own routines for doing thing:

> *'Otherwise every branch goes off and does it's own thing, with incompatible software and no cohesion.'*

To operate smoothly, large organisations need a set of routine applications which everyone can operate, and which ensure that information is collected and decisions are made systematically across it:

> *'This office uses a networked, national and standardised computer system and packages,* ie *there is no need for employees to create automated routines because this is done for them. They use the computer more as a tool that they use in an organised way. Most are essentially 'key-pushers' and do not develop their own files/ documents,* etc. *They are not required to develop something new.'*

Others commented on the high level of skill suggested by the wording of the unit, and their lack of need for this. For example, a retail respondent felt that the majority of the unit seemed to be about writing software and programming, which were very job specific tasks. They recognised that employees cannot afford to be afraid of IT and must be able to use it, but understanding how to programme it and how it got there in the first place was not required.

It was frequently reported that only those working in IT departments and as IT specialists would be developing applications, reviewing, monitoring and adapting. They would probably require a higher level of skill than is suggested by this unit, and it is not the aim of Key Skills to develop people to this level. A recent study of the skills needed by IT specialists (Dench, 1998) found that many employers preferred to train inexperienced recruits to specialist posts themselves. These recruits were expected to show ability in logical thinking and

problem solving. Previous experience with IT, for example, was not necessarily an advantage. Even senior managers may not need a detailed understanding of many of the elements.

There was some misunderstanding of the terminology used in the units. A few respondents reported that 'reviewing' was a board level function. Others said that they were not sure what certain statements meant. For example:

> *'does "preparing relevant software" mean identifying Excel and Word processing packages from the Windows page?'*

Other questions were asked about the meaning of 'search for information' and 'combine different sorts of information'. What sort of information is being talked about? Does combining different information mean from different documents, different formats or different company information?

The general theme of comments on this unit was that for the majority of jobs, it goes too far, while for professional and highly skilled jobs it was not specific enough. A few respondents did comment on additional areas which could be included, for example the use of faxes and other electronic equipment. Another questioned whether or not data protection issues were covered, as these were very important to their industry, and indeed many others.

3.5 Working with others

3.5.1 The need for skills in this area

Main findings

- The ability to work with others was important to most employers, and across all occupations.
- However, the level of need was limited, especially among employees in clerical and secretarial jobs and a range of less skilled manual occupations. These employees often have to work within fairly prescribed parameters.
- It is only in managerial, and in professional and technical jobs, that higher levels of this Key Skill were needed. It is at these levels that greater elements of discretion and decision-making are involved.
- Working with others has become more important in recent years, as a result, for example, of restructuring and efficiency drives, and an emphasis on the quality of service.

The ability to work with others was very important to employers taking part in MPSE, and this is supported by numerous other studies of employers' skill needs. Table 3:4 illustrates a widespread need for these types of ability across occupations. Almost all employers reported a need for employees to be able

Table 3:4 The need for Key Skills — Working with others

	Professional/ Associate Professional & Technical (N = 9)	Clerical/ Secretarial (N = 9)	Personal & Protective Services & Sales (N = 11)	Operatives & Other Manual (N = 9)
Plan activities (%)	100	100	100	89
of these: (n)				
• Levels 1 and 2	2	7	9	8
• Levels 3 and above	7	2	2	—
Working towards identified targets (%)	100	100	100	100
of these (n):				
• Levels 1 and 2	1	7	8	7
• Levels 3 and above	8	2	3	2

Source: IES survey, 1997

to 'plan activities'. However, there were a few exceptions among the least skilled occupations. All employers reported a need, across all occupations, for employees to 'work towards identified targets'. As with the other Key Skill units, there were differences in the reported level of need. Most employers wanted employees in clerical and secretarial, personal and protective, sales, operative and other routine jobs, to work to Levels 1 or 2. Level 1 basically requires employees to work to targets set by others, understand the roles of team members, follow the working methods laid down and describe their progress. Level 2 introduces a certain amount of personal decision-making and responsibility for setting and achieving targets. It was mainly in professional and technical jobs that the higher levels of this Key Skill were reported to be needed. It is at these levels that greater elements of discretion and decision-making enter into the units. Level 3 involves employees in agreeing targets and working arrangements, seeking feedback, and reviewing progress. At Level 4, employees are expected to propose their own targets and working methods, monitor and evaluate their own and the team's performance, and suggest improvements.

Employers across all sectors reported that the ability to work with others was an important requirement for the majority of employees:

> *'Working with others is very important to everyone. It's a big store but has a fairly low headcount so all people have to work very well together — cover staff shortages,* eg *holidays/sickness,* etc. *— to give a united/efficient front to customers.'*

There were a few exceptions, but these tended to be rare, and these were usually specific to a particular group of workers, rather than widespread. For example, a respondent from a

manufacturing company reported that their biggest occupational group, skilled manual workers, still tended to work independently. Working with others was, however, more important among managers and supervisors who had to motivate, co-ordinate and direct lower level staff, and who came into contact with more employees. This emphasises a point already made, that more senior, especially managerial, staff need a wider range and breadth of Key Skills.

Many organisations have experienced considerable restructuring in recent years, often involving 'downsizing' and fewer people doing the same level of work. A public sector employer reported that as a consequence of this, people had to work more efficiently together and teamworking had become very important. This cut across all occupational groups, as teams involved clerical staff and managers for example, working more closely together. A local authority respondent commented:

> *'There is a big culture of staff working in teams and helping each other, being prepared to muck in. . . . no demarcation so people have got to be flexible and prepared to help out during peaks and troughs in their work. All departments operate in this way. . . . encourage networking. . . . lots of inter-departmental liaison necessary in the work which builds up relationships,* ie *information and advice exchanging, which adds to a "team" culture.'*

A manager in a retail store reported:

> *'Working with others is an essential skill for all staff. The store is quite small and because there is such close customer contact it is essential that staff are seen to get on well and work well as a team. We cannot afford to have a "them and us" culture. . . . it could affect the quality of customer service and would be very visible. For efficiency there has to be lots of flexibility in the store,* ie *people working in all areas/departments. Team ethos is very important. Everyone needs to understand each other's workloads and duties.'*

These examples also suggest a very broad interpretation of working with others, or teamworking. Working with others involves working closely with some people, but it can also involve wider networks, having an appreciation of the roles of others and the flexibility to make links across an organisation. Some employers felt that the 'working with others' Key Skill unit was too narrow, and this is discussed further below.

Another theme relating to the importance of working with others was the contribution a joint effort could make to quality. This is evident in the several of the examples already quoted, and was very obvious in another example from a manufacturing company:

> *'There is a very strong team ethos in this company . . . a common goal,* ie *customer service is the essence of company success. The company has a 99 per cent guarantee that it can get products to customers on the same day of ordering. This goal pervades all work, so teamwork is paramount. Everyone works together — managers, supervisors, staff taking and processing orders, and warehouse staff. Warehouse operatives work in teams. Work is very target focused.*

Each team competes with the next to achieve their production targets first.'

Within care organisations, working with others is important, although not as important as in some organisations. Carers, looking after people in their own homes, often have to work on their own. However, each client has a care plan which might involve a number of different carers and agencies. Carers may have to operate as part of this team, understanding what others are doing and how they fit into the overall plan.

All these examples suggest that working with others can take various forms in different organisations. Table 3:4 illustrates how, although working with others is important, there is a limit to the level of need — in particular, the extent to which employees are expected to individually determine their targets and roles, and monitor these. One manufacturing respondent reported that teams were collectively responsible for managing health and safety issues, production targets, quality, and staffing issues such as absenteeism and holiday cover. They were, however, little involved in planning team activities. This was the responsibility of management. Basically teams had to understand and follow the targets they were set. In another manufacturing organisation, skilled manual workers were given limited room to plan their activities, but within targets set by others. They also had to work to fairly prescribed working methods.

The generally low level of autonomy allowed to employees especially those in non-managerial roles and in less skilled jobs was a theme emerging from many of our in-depth interviews. Although employers are looking for people who can take responsibility and show independence, in many jobs there are limits to which these can be developed. In many organisations efficient delivery is seen in terms of employees working in fairly prescribed ways.

3.5.2 Satisfaction with the ability to work with others

Main findings

- Employers were very satisfied with the ability of employees to work with others.
- Any difficulties could usually be addressed through appropriate training and development.
- Selection techniques frequently focused on identifying 'team players'.

There was high level of satisfaction with the ability of employees to work with others. A few employers felt that there were some difficulties among existing employees, especially where there had been a major change in working practices. However, there was a

general feeling that with appropriate training and development, most people were able to demonstrate sound abilities in this area.

Employers did report that they had developed selection techniques which aimed to identify 'team players':

> *'Selection emphasises very much the personality of new recruits. We look for team players, with personality tests, discussions about past experience, participation in team sports for example, scenario questioning in interview,* etc.*'*

Others reported that the type of work tended to attract people with the necessary attributes:

> *'People who work for . . . are said to be of a certain type,* ie *proud to be providing a public service, a "professional" ethos, who want to help people, have empathy, enjoy giving valuable, effective personal service,* etc. *This attitude generally makes people good team workers.'*

There were fewer complaints about the quality of applicants than in relation to the Key Skills discussed above. It seems that there were enough people making it as far as the recruitment interview who, usually on the basis of past experience, were able to demonstrate the necessary attitudes and an ability to get on with others. Even young people were not particularly criticised:

> *'There are still some applicants who find it difficult to be in a team and are happier with a PC doing their own thing, forgetting the rest of the world and being in charge of their own destiny. These are few and far between.'*

3.5.3 The working with others Key Skill unit

Main findings

- Many employers felt that the unit was relevant and logical, not too prescriptive and that it allowed the flexibility to address specific needs.
- Others, however, were more critical.
- In particular, it was felt that the unit placed too much emphasis on the individual and did not adequately address the more dynamic and interactive aspects of working with others.
- Some had difficulty with the terminology used. For example, setting targets in the sense felt to be implied in the unit, was seen as inappropriate to some activities.
- In many jobs, there was reported to be limited scope for employees to evaluate, review and propose their own targets; there is a limit to the amount of discretion allowed. The upper levels of the unit will, therefore, be applicable to relatively few jobs.

The first few interviews were conducted using an early version of this unit, which was very much written in terms of goals. Respondents found this very difficult to relate to, and the

rewording of the unit in terms of setting and meeting targets did address a number of their concerns. However, other comments they made still applied to the updated version, and were strongly echoed in our later interviews.

Comments on this unit broadly divided into two groups. Some respondents reported that the unit looked about right. The statements seemed to be relevant and logical. They were not too prescriptive and allowed room for company or industry specific interpretations. As with many of the units, a few reported that they found it difficult to distinguish between the levels, and hard to translate the activities into day to day tasks.

The bulk of comments were, however, more critical. Although many respondents could identify with the broad thrust of the unit, they felt that it missed out some very important aspects of team-working. In particular, it was reported that wanting people to work together as a team was more about developing relationships and encouraging co-operation so that the team would work to common ends, pull together, and cover when others were busy or absent. It was felt that the unit placed too much emphasis on the individual, rather than the role of an individual in a team. In particular, it was argued that people need to understand the importance of team dynamics and interactions between team members. Phrases such as: 'building trust', 'developing relation-ships', 'encouraging co-operation', 'sharing resources', 'sharing lessons', 'sharing best practice', 'utilising the complementary skills of individuals', and 'achieving consensus', were all used to describe what employers felt was missing from the unit. In particular, employers reported that employees needed to understand from the outset the parameters within which the team was operating. Although this is identified in the unit, it was felt that greater emphasis needed to be placed on this.

There were also some problems with the terminology used in the unit. Several respondents commented on the difficulty in defining targets. For example, in a retail organisation, it was reported that some people did not have jobs which can easily be defined in terms of identifiable targets. They were expected to work as part of a team, which involved all the aspects of interaction outlined above, to meet the needs of customers, but:

> *'What is defined as a target? Smiling at people? How do you measure and act on it if people are not achieving this type of target?'*

It was also reported that some people do not have complete control over certain types of target and all the variables involved. Using the retail example again, targets might be set in terms of the number of customers served at a checkout, the length of time it takes to serve someone, but the shop assistant has limited control over a range of variables which might affect their performance in these areas. Furthermore, an emphasis on customer service, which might include 'chatting' to customers,

can slow down the speed of service, and act against the more quantitative targets which might be set.

Despite difficulties in seeing the exact difference between levels, it was generally felt that the unit showed a clear progression. However, it was also felt that the unit was too process focused and mechanistic. It did not seem to allow flexibility for more informal types of review and adjustment of targets.

A major problem with the unit, which was common to all, was the extent to which employees were usually allowed any discretion in their activities. At more senior levels, there might be a certain amount of space for discretion, but in the majority of jobs it seems there is limited scope for employees to evaluate, review and propose their own targets. There does seem to be some tension here with the rhetoric around the nature of job change and employers' actual needs. There is much talk about empowerment and the importance of employees showing discretion. However, according to our research, in reality most employers simply want people to get on with their job, and not to challenge things.

3.6 Improving own learning and performance

3.6.1 The need for skills in this area

Main findings

- There was a widespread need for both elements of this Key Skill, but at a fairly low level.
- Junior staff and those in less skilled occupations were generally expected to follow pre-determined targets:
  - organisations like established routines, leading to consistency, reliability and efficiency
  - not all employees have the ambition to progress, and there are often limited opportunities for them to do so.
- Supervisors, managers and professional staff were expected to operate at higher levels. It was often these employees who played a key role in setting targets, reviewing and revising these.
- Employees at all levels were often given more responsibility for their own learning. It was performance targets which were most likely to be prescribed.
- There was felt to be some tension between this Key Skill and working with others. Performance is often a team issue, as much as up to an individual.

The learning and performance Key Skill unit had a similar structure to that of working with others. There were two elements: one relating to setting targets and planning action, and the

Table 3:5 The need for Key Skills — Improving own learning and performance

	Professional/ Associate Professional & Technical (N = 9)	Clerical/ Secretarial (N = 9)	Personal & Protective Services & Sales (N = 11)	Operatives & Other Manual (N = 9)
Plan activities (%)	100	100	73	67
of these: (n)				
• Levels 1 and 2	2	6	5	6
• Levels 3 and above	7	3	3	—
Working towards identified targets (%)	100	100	91	78
of these (n):				
• Levels 1 and 2	1	7	9	6
• Levels 3 and above	8	1	1	1

Source: IES survey, 1997

second to carrying out these actions. As with all the units, there was a progression from understanding and carrying out activities at Level 1; to reviewing progress and performance and helping others at Level 3; and monitoring, revising and establishing practices at Level 4.

Table 3:5 illustrates a fairly widespread need for both elements, but at a relatively low level. It was only in professional jobs that there was reported to be much need for people to be able to monitor, evaluate and check progress. This was also borne out during the in-depth interviews.

A common theme was that lower level staff were basically expected to follow pre-determined targets, and perform them well. There were basically two reasons for this. Some employers reported a lack of ambition among employees to progress, and a lack of opportunities for them to do so. Those who did want to progress would, however, need to demonstrate an ability to take responsibility for their work and career. Secondly, there was a reported need for organisations to have established methods of doing things which led to consistency, reliability and efficiency.

A retail respondent reported that this Key Skill was of more relevance to managers than general assistants. It was felt that general assistants were often working part-time and for instrumental reasons. They had no real desire to move up and the company was happy with this. There were few opportunities to progress and what was really wanted was good, reliable workers. Furthermore, our respondent commented on the company focus on high standards and on providing a quality service. The head office produces very detailed guidelines on what has to be done in different jobs and the work is rigidly controlled. There was therefore little room for discretion in these jobs.

Other organisations saw this Key Skill in a broader sense. For example, one manufacturing employer was trying to develop flexibility and multi-skilling at all levels, and improving own learning and performance was seen as making an important contribution to this. Although attempts were being made to foster greater ownership and empower the workforce, it did seem that action plans for improvements were imposed rather than developed jointly.

Some of the comments made on the importance of the abilities included in this Key Skill unit suggest a different approach to taking responsibility to training, compared to performance. Although employees might be responsible for their own performance on one level, on another they were also working within teams, and in ways prescribed by their employer. There was perhaps greater emphasis on the training aspect of this unit, and this fits with the national emphasis on lifelong learning. Although employers will often provide a structure and facilities, it is up to an individual to take advantage of the training opportunities available to them. Attitudes did however vary. In some cases, training is seen as a good thing for all. Training contributes to a person's performance and motivation regardless of promotion opportunities. In other situations, training opportunities might be more limited and focused on those seen as having the potential to progress.

One manufacturing respondent reported that they were very committed to training. The company provided a continuing education and training scheme for all staff, but it was up to individuals to set their own agenda with their manager. Another retail employer also reported a broad approach:

> *'The store has an ethos of continuing learning, succession development, and planning. This goes throughout the store at all levels because everyone can develop to a certain extent. For example, sales assistants are expected to be flexible and to work throughout the store, as are managers. . . . sales assistants of today may be store managers of tomorrow. Future promotion is always a possibility. . . . Staff are continuously appraised on the job by their line managers. The company is introducing more group sessions as a means of identifying performance targets and improving performance.'*

There was a tension in many of the comments made by employers between the role of an individual on their own and their responsibility within a team. Several respondents qualified the importance of individual employees improving their own performance, with comments about the importance of teamworking.

As with the other Key Skills units, supervisors, managers and professional staff were usually expected to operate at a higher level of autonomy and responsibility. In many cases, it was managers and supervisors who played a key role in setting targets, reviewing and revising these, and generally managing the process of achievement. Professional staff in particular, but sometimes technical staff, were generally reported to have greater

autonomy over their activities than those in other occupations and, apart from any managerial responsibilities they might have, were often operating at higher levels within the Key Skill unit.

3.6.2 Satisfaction with abilities to improve own learning and performance

Main findings

- The majority of employers were satisfied with the abilities of employees in these skills.
- There was some resistance among older workers to new ways of working.
- However, few employers were concerned about issues of limited ambition or an instrumental approach to work among employees.

Our in-depth interviews found a generally high level of satisfaction with the abilities of employees in this area. A few employers did comment negatively on the ability of longer serving employees to take on these types of responsibility. This was usually in 'traditional' sectors and companies which, until recently, had been little affected by change. Others commented on the lack of ambition among employees, and their instrumental approach to work. This was, however, rarely reported to be causing major difficulties for employers. Despite the rhetoric about the need for all employees to develop a more proactive approach to work, our evidence suggests that many jobs are fairly prescribed and there are limits to autonomy.

The majority of employers find that their employees are happy to take on new ways of working which can, in some circumstances, open up opportunities to anyone who is willing to make the effort. Again, the importance of the recruitment process in identifying new recruits with the necessary attitudes, and a training programme encouraging development and reinforcing these attitudes, was emphasised.

3.6.3 The Key Skill unit

Main findings

- A number of employers felt that the unit was appropriate to their needs and fitted with their internal systems. However, others found it problematic.
- They found it difficult to distinguish between levels.
- The unit was felt to be too abstract. Again, a tension appears in developing a generic framework which meets all needs.
- The unit was too mechanistic and seemed to ignore many qualitative aspects of target setting, for example, encouraging people to identify and take advantage of opportunities, rather than simply setting targets.

- Learning and performance are two different things. They may involve different targets, motivations and actions, and would more appropriately be treated separately.
- Employers were concerned that the unit could build up expectations among employees, which they would not be able to meet.
- Many employees are expected to operate within fairly well defined boundaries, especially in relation to performance. There is more autonomy around training.

The need for employees to take more responsibility for their performance in a job, and the shifting of the onus for learning and development from employers to individuals, are well documented. However, the way in which this unit was worded did not reflect many employers' needs in this area. As with 'working with others', an earlier version of this unit was used for the first few interviews. This earlier unit was also worded in terms of goals, which employers found difficult to relate to. The use of the term 'targets' more closely reflected these respondents' needs. However, other respondents had difficulty with the redrafted unit.

The level of need for this unit varied between organisations and occupations. In some low level jobs, it was not needed at all. There was concern about building up the expectations of people in such jobs, which could not be met. High levels of turnover in these jobs also mitigated the need for this unit. The attitude towards the need for this unit did, to some extent, depend on overall attitudes towards learning in general in an organisation, although this does not particularly emerge from the MPSE data. One respondent did report a fit between this unit and the performance management system in operation in that organisation:

> *'We do expect people to get on with things, but we expect managers to take responsibility for checking and helping people when they are struggling.'*

A number of criticisms of this unit were very similar to those made of other units. In particular, although feeling that there was an element of progression, respondents were not clear about the exact distinction between levels — where one stopped and the next started. It was also felt to be too abstract. Respondents wanted a unit which was relevant to their own activities:

> *'At the moment it's too abstract and general. . . . The process might vary by industry or nature of store.'* (Retail)

> *'. . . would probably help understanding of relevance for some if you could use illustrations from specific industries to show what language means, to go with the generic structure of the framework.'*

The expression of the unit in terms of targets was another cause of difficulty. It was felt that it is not always easy to give people

identifiable targets to work towards. There are some things which are vital to enhancing performance and development which are very difficult to quantify — in particular, quality aspects of a job. It was argued that it tends to be the qualitative aspects of a job that can often contribute most to improving performance. It was also argued that the unit was too mechanistic and process orientated. For example, one respondent reported:

> *'It is not always about targets per se. Constantly moving people internally to develop for short spells to add to their general development, portfolio of skills, broad knowledge base. It's more about a way of thinking, the current framework undersells the qualitative side of the process.'*

Getting people to take responsibility is often about encouraging them to identify and take advantage of opportunities which arise, rather than the setting of targets.

Others did feel that targets were an important part of the process, but that the unit did not necessarily draw out the most important things about these targets. For example, it should be stressed that the targets need to be measurable, worthwhile, achievable within a realistic time frame, and stretching.

Various elements were felt to be missing from the unit which closely relate to the qualitative nature of targets. For example, one respondent commented that there was no mention of timescales. It was argued that timeframes provide good warning systems within the review process so that corrective action can be put in place to put things right. It was also argued that the unit needed to include the identification of potential in people, discussing strengths and weaknesses, and to include an element of motivation. As it is currently expressed, it sounds too scientific and mechanistic.

The largest number of comments focused around the extent to which, in many organisations, employees are actually allowed much, or indeed any, discretion in what they do. This issue was discussed in relation to the 'working with others' unit, and strongly emerged in relation to this unit. In a number of organisations, although there is scope at the margins, many employees are expected to operate within certain boundaries, and have limited discretion for breaking out of these. Any element of reviewing, monitoring and revising is limited, or only the responsibility of senior managers.

A respondent in a college, for example, reported that the appraisal system was designed to improve performance. Staff were encouraged to actively participate in this system, but not to manage the system themselves. It was argued that the college management set the targets and their control of resources precluded staff from pursuing targets outwith the system.

It is important, however, not to overemphasise this, and to recognise that different employers have varying needs. For

example, although many respondents reported that individuals had little role in reviewing and monitoring, others thought this should be introduced earlier in the unit:

> *'Review doesn't come in until Level 3. This is too late. Review is an integral part of the development process and should take place continually at all levels/stages.'*

There was also a view that learning and performance were two different things, and should not really be in the same unit. They are not necessarily mutually dependent, and do not always mutually reinforce each other. Taking responsibility for one's own learning and development may require very different targets, motivations and actions to improving performance. Furthermore, as far as targets for learning and development can be expressed, they need to be linked into an overall training plan.

3.7 Problem solving

3.7.1 The need for problem solving skills

Main findings

- Problem solving skills are now of greater importance to employers, and across a range of occupations.
- However, there are limits to which employees at different levels are expected to deal with problems.
- Junior staff and those in less skilled occupations are often allowed limited discretion in solving problems. They are allowed to deal with simple problems, using established procedures.
- It is usually professional and technical staff, and managers, who deal with complex problems and those involving individual approaches.

This unit was the least well developed at the time of our research, and the one which employers had most difficulty relating to. Indeed, several commented that the lesser developed state of this unit was very obvious to them.

Table 3:6 illustrates a similar pattern of need to that for the other Key Skills. It was only in professional and technical jobs that the higher levels of problem solving were required. Employees in the majority of occupations are largely expected to be able to 'select standard procedures to fully described problems', and 'clarify and deal with routine problems using established procedures'. Professionals and technicians might be expected to demonstrate more wide-ranging abilities, including being able to deal with complex problems, unpredictable features and come up with tailor-made solutions to individual problems.

Our interviews suggest a much greater emphasis on problem solving skills than in the past. However, there are limits to which

employees at different levels and in different organisations are expected to deal with any problems which emerge.

A good example of the restrictions placed on lower level employees was provided by a manager in an organisation providing home care. It was reported that problem solving was important for all carers. They were entering people's homes on a daily basis and often not knowing what to expect. There were rigid guidelines on how to deal with different situations and training was given on these. However, there was a big divide between what different employees were allowed to deal with, because of the repercussions if mistakes were made. Junior carers were only allowed to deal with simple or common problems that had set procedures for dealing with them. A supervisor had to be called to help with anything more complex or serious.

Other respondents reported that as organisations had 'downsized' and there were fewer managers to deal with any problems which arose, problem solving had become the role of most, if not all, employees. Some still imposed limits on the complexity of problems which could be dealt with at junior, or less skilled levels, but generally the onus on all employees had increased. A manufacturing employer reported that the products they were producing were becoming more sophisticated and complex, and more could potentially go wrong. The basic skills of all employees had been increased to ensure that they could deal with problems, avoid waste and downtime. In addition, as the business had fewer employees, production operatives had to do more. There were no longer so many supervisors to whom any difficulties could be passed on. Employees had to work within their teams to solve problems as they arose.

3.7.2 Satisfaction with problem solving skills

There was some dissatisfaction with the level of problem solving skills held, both by applicants and recruits, and existing employees. This was attributed to a number of factors. In some sectors and companies, the devolution of responsibility for

Table 3:6 The need for Key Skills — Problem solving

	Professional/ Associate Professional & Technical	Clerical/ Secretarial	Personal & Protective Services & Sales	Operatives & Other Manual
	(N = 9)	(N = 9)	(N = 11)	(N = 9)
Need (%)	100	100	100	89
of these: (n)				
• Levels 1 and 2	2	8	9	9
• Levels 3 and above	7	1	2	—

Source: IES survey, 1997

problem solving has been fairly recent. Employees might be reluctant to take on this additional responsibility, due to fear of making a mistake or simply a feeling that too much was being put on them. Many employers also reported that problem solving abilities came with experience, and young recruits in particular had not always built up the necessary knowledge to exhibit these skills.

As with the previous two Key Skills, most employers reported that through careful selection people could be recruited who either had abilities in problem solving, or the potential to develop these. Appropriate training was necessary to maintain and further develop these abilities. Among many professionals, problem solving was assumed to be part of their training and general technical expertise.

3.7.3 The problem solving Key Skill unit

Main findings

- This unit was the least well developed at the time of our research and respondents found it the most difficult to relate to.
- The overall feeling was that the unit was too generic and simplistic:
  - employers wanted examples particular to their own organisa tional context
  - it was argued that problem solving is not always a straight forward progression, as seemed to be suggested by the unit. It needed to focus more on providing people with the tools and analytical framework for dealing with problems.
- The extent to which employees are allowed discretion was also raised. Even the solution to straightforward problems cannot always be fully prescribed. Employees need to understand how far they can use their own judgement in such circumstances.

The comments made about this unit were very similar to those made about the other units — in particular, working with others, and improving own learning and performance. Some employers felt that the unit sounded logical and they could identify a progression, but they did not always feel that they understood the detail involved. At one extreme, a respondent felt that problem solving was not something on its own but an activity which could not be divorced from other activities. It did not require a unit of its own, but should be the outcome of good team work and communication.

Again, the unit was felt to be too generic and too simplistic. Employers wanted specific examples of applications, relating to the specific environment in which a problem was being solved. We again return to the theme of transferability and generality. Employers want a range of broadly generic skills, but they want

employees to be able to apply them in ways specific to a particular occupation or organisational context:

> *'Statements in the framework don't do the job justice,* ie *they are too simple. Lack of detail almost loses the complexity/technical substance of a job. . . . It undersells skills. Yet if more descriptive, would this make the framework less transferable to other jobs?'*

It was also argued that the way the unit was laid out seemed to suggest a too simplistic approach to problem solving. It was questioned whether someone who had achieved Level 1 in one job, could actually apply problem solving in another job.

A range of issues were raised around the perceived simplicity of the unit. It was felt that the unit described one approach to solving problems, which might not always be the most appropriate way to proceed. It was reported that the unit needed to focus more on understanding the nature of a problem, and the identification of possible solutions. This might include the need to look at an overall problem, break it down into its constituent parts, discard any 'noise', prioritise, and focus resources on the source of the problem.

The issue of discretion also emerged. Many employers reported that employees did have some discretion in which to solve problems, but for many the parameters were set. The higher levels of the unit were therefore not so widely needed. However, at lower levels, it also seems that it is not always simply a matter of adopting a standard solution. Many situations do not allow fully standard solutions, and employees need to know the extent to which they can introduce discretion within a set procedure. Dealing with difficult people was one example given. Although an organisation might have a basic procedure for dealing with difficult clients, employees may need to use discretion and judgement depending on the individual being dealt with.

3.8 Conclusions

This chapter has provided a detailed discussion of employers' comments on the content of the Key Skill units. To conduct the interviews, we had to simplify the units, into something which respondents could easily assimilate. In doing this, we lost some detail. However, many of the comments made do relate more broadly to the nature of these units and hence provide some interesting indicators of the extent to which they meet employers' needs. A number of themes emerge:

- The specificity of need — although most employers understand and sympathise with the concept of transferability and generic skills, they are primarily looking for a specific application of these skills, and they could not always easily relate to the generic units.
- The relatively low level of need — although there was a widespread need for all the Key Skills, employers reported that

their greatest need was for employees to operate at the lower levels within each unit.

- There is a lack of need for autonomy and discretion in many jobs. Many employees are expected to operate within fairly prescribed boundaries. This contributes to the relatively low level of need within the units. Levels 3 and 4 begin to introduce elements of monitoring, reviewing and revising, which are mostly managerial and professional responsibilities.
- The frequent need for subjective and qualitative measures, which often do not seem to fit easily into the units.
- The need for a broader range and depth of ability across the whole range of Key Skills in more senior, particularly managerial, jobs.

Although the content of these Key Skill units need to broadly equate with employers' needs, the diversity of need suggests that not everyone will be satisfied with everything, or report a need for everything. What the Key Skill units need to do is provide a basis on which employers can build. The real test of their relevance will be employers' perceptions of the skills of young people who enter the labour market with Key Skills training. Although this is beginning to happen, it is too early for employers to have noticed any impact. The danger is that in some cases, this basic level will increase young people's expectations beyond what a job can offer. However, it also has to be recognised that Key Skills are preparing people for working life, not simply their first job. At more senior and managerial levels a breadth and depth of Key Skills are needed. Furthermore, it was also reported (see Chapter 4) that those with sound Key Skills are more likely to progress and adapt. Setting the basis early is therefore important. One respondent commented:

> *'If they learn at a very early stage in their careers how important the continuous improvement cycle is, they'll always take responsibility for their own learning.'*

4. The Role of Key Skills

4.1 Introduction

This chapter begins by looking briefly at the relative importance of Key Skills compared with other skills needed by employers. In some occupations, Key Skills are central occupational skills, as well as important in helping people operate effectively in the workplace. In others, the occupational skills might be very different, and of equal, greater, or lesser importance. The second section of this chapter looks at any perceived gaps in the Key Skills. It reports other skill areas which might be regarded as generic or transferable by employers, but which are not included, or at least not to any great extent, in the Key Skill units. Overall, the Key Skills currently identified were felt to cover the main areas, but a number of themes emerged which are worth considering.

Finally, this chapter looks more broadly at the role of Key Skills in the workplace, and their impact on performance. Chapter 3 discussed the broad need for Key Skills across different employers and occupations. The general theme was that as the skill level and seniority of a job increased, higher levels and a greater range of these skills were needed. This section explores this issue further. In particular, it appears that although not all Key Skills or their elements are needed in all jobs, those people who progress and perform well in organisations will generally have stronger and broader abilities across these skills.

4.2 Key Skills versus other skills

Main findings

- There is often a blurring between Key Skills and job-specific skills. In some occupations, they are synonymous.
- In the recruitment interview, employers frequently focus on an individual's Key Skills and other personal skills and attributes.
- Sound Key Skills are often taken as an indicator that a person is able to learn, take on the necessary ways of working and develop occupational skills.
- However, employers do vary in their emphasis on Key and occupational skills, for different jobs.

In some circumstances, Key Skills are indistinguishable from occupational skills. For example, the application of number is essential for engineers and many skilled manual workers to operate in their discipline; oral communication is a central part of the customer service skills of sales assistants. Indeed, there is often a blurring between generic and occupational skills.

An overall theme emerging from this study is that in many circumstances, employers focus on an individual's personal skills and attitudes in a recruitment interview. In some jobs, an occupational skill might be essential, for example in many of the professions, but it is rarely enough. For example, a manufacturing employer reported:

> *'Key Skills are just as important as occupational skills, you can't get a job without occupational skills whether operating machinery, understanding particular theory or practice of a job, but because of the way we work Key Skills are also vital,* ie *all people have to interface with others and hence teamworking and communication are important. Most people are working with numbers in some respect or having to problem solve and cope with things out of the ordinary which requires Key Skills. So both sets of skills are essential.'*

A surprising range of jobs are argued to be easily 'trained in', if people have the necessary generic, interpersonal skills. In some cases, these generic skills are seen as indicators that a person will be able to learn, take on the necessary ways of working and occupational skills. In others, it is the generic skills which are of central importance. An example of this is care workers:

> *'There are no 'caring skills' per se,* ie *caring is about good developed Key Skills,* eg *communication, interpersonal skills, talking to people, listening and having empathy which is part of good communication. Only as someone gets more experienced and moves up the hierarchy, do they add more vocational knowledge skills,* eg *knowledge of medical care, nutrition,* etc.*'*

There was some difference in opinion between employers. For example, some reported that occupational skills were more important lower down the hierarchy and it was at managerial levels that a range of Key Skills became important. One retailing respondent reported that for the lowest grade jobs, occupational skills were the most important, for example for cashiers it was more important to be able to use the till. Further up the career structure, the balance changed. For managers Key Skills were said to be more important than occupational skills, *ie* it was more important for a manager to have good communication skills, to be able to work with others and to solve problems.

Others reported that occupational skills were very important, and Key Skills enabled people to perform better. Another retailing respondent commented that although Key Skills were very important:

'The bottom line is that the person has to be able to do the job. Key Skills enable someone to do the job better.'

In all of these examples there was some blurring between the actual definition of Key Skills and occupational skills. The main theme of our interviews was that some Key Skills, or Key Skills in some occupations, are indistinguishable from occupational skills. The Key Skills relating more to personal and interpersonal abilities can both be central to performance in an occupation, and underlie the ability to operate effectively in modern organisations. Other Key Skills, in particular those based on basic educational skills, are rather different.

4.3 Omissions and additions

Main findings

Employers identified several groups of skills or abilities which were important to them, but which they did not feel were fully recognised in the Key Skill units:

- personal and interpersonal skills and abilities
- customer service and understanding quality
- 'business awareness'
- personal and staff management.

Following a detailed discussion of the Key Skill units, we asked employers whether there were any skills which were key to organisations which were missing from the list. By 'key' we meant skills which were important in a generic sense, not technical or management skills. A number of areas were identified by employers, and these are outlined below. Many of these overlap with some of the detailed comments discussed in the previous chapter. These areas tell us quite a lot about employers' skill needs generally, and in particular those skills which are not occupationally specific. They do not necessarily point to the need for additional Key Skill units, but perhaps indicate more about the broader nature of abilities needed of young people as they enter work.

Personal and interpersonal skills

A frequently mentioned area of need which was not thought to be fully captured by the Key Skill units was personal and interpersonal skills. Many of the comments made about the units 'working with others' and 'improving own learning and performance', and also in relation to the oral part of 'communication' were closely related to these. However, they do fall into a category of their own. Recent studies of employers' skill needs all emphasise the importance of a range of personal and inter-

personal skills, or abilities. These include the ability to relate to and get on with many different people, to communicate appropriately, to be presentable, motivated and interested, for example. Some of these are really personal attributes rather than skills, but they are nevertheless important to employers. It was recognised that these abilities and attributes were to some extent recognised or potentially covered in the existing Key Skill units. Nevertheless, a number of respondents did report that they felt this was an area which needed more emphasis and recognition.

Customer service and understanding quality

The theme of customer service also emerged, and once again underlies or is implicit in many of the comments and concerns already discussed. Customer service is important across a range of service sector industries, and also increasingly within organisations as the service nature of a number of internal functions is recognised. Customer service involves communication in particular, but also aspects of other Key Skill units. The perceived lack of attention to oral communication in that unit reflects some of the concerns about customer service. However, a number of respondents reported the need for employees to develop a stronger understanding of what customer service actually involves. For example, understanding how to build relationships with customers, how to facilitate repeat business, and more generally, recognise the needs of customers or clients. Closely related to this was the reported need to recognise quality. Service sector organisations frequently rely on the quality of their service as a major competitive strength (see, for example, Dench *et al.*, 1996), and employees need to understand what this means.

'Business awareness'

'Business awareness' was originally included in the set of Key Skills. This was dropped due to the relative lack of importance attached to it, and this is reflected in the MPSE data. Our respondents did report a need for some sort of business awareness, although this was not always in the form of the original unit. The need reported by our respondents broadly fell into two main categories. First, some wanted employees to have more commercial awareness. They were not necessarily looking for people with a detailed understanding about how businesses operate, but more with an awareness of operating in a commercial environment. They wanted employees who understood the implications of operating commercially, and the constraints, possibly opportunities, it placed on their activities. The second reported need was for employees to understand how their own particular function related to, impacted on, and was affected by, other functions in the business. For example, a personnel manager in a manufacturing unit reported the need for employees on the production line to be aware of the implications of any delays or

difficulties at their point of operation for those at other points in the line.

Management: of self and others

Another area of need related to personal and staff management. It was felt that some of the aspects of personal management should probably be included in the improving own learning and performance unit. For example, the management of one's own time and resources. As organisations have tried to 'empower' individuals to take on more responsibility, these individuals have needed the tools to operate effectively in this type of environment. We were not specifically interested in the skills needed of managers; these introduce a different dimension to skills needs, beyond the scope of this study. They have also been investigated elsewhere (see, for example, Strebler and Kettley, 1997). However, elements of staff management were mentioned which do seem of relevance here. It was commented that employees, maybe at a relatively junior level, do find themselves having to manage others, for example in a team or project environment. They therefore need to understand the basic principles of managing other people, including leadership relating to and motivating others people, managing resources, delegating, negotiating and the allocation of tasks. Some employers reported that it would be useful for young people to understand these principles at an early stage. They also provide the building blocks for the future.

4.4 The importance of sound Key Skills

Main findings

- People with sound Key Skills perform better and are essential to modern organisations.
- At senior levels, a wide range and depth of Key Skills is needed.
- Sound Key Skills help people progress, where opportunities for promotion still exist.
- However, those with sound Key Skills are in a stronger competitive position in the labour market generally.

We explored briefly with some respondents the role of sound Key Skills in the workplace. A range of views emerged. In some cases, aspects of Key Skills are essential occupational skills and therefore necessary for good performance. Retailing and many service occupations are examples of this.

Others reported that people with sound Key Skills, in particular those related to personal and interpersonal abilities, were the ones who performed better and got on:

'I think the more Key Skills you've got, and the more diverse your job, the more confident you get and the better you do your job.'

An overall theme was that most respondents felt that people with sound Key Skills performed better and were essential in 'leaner, flatter' organisations.

Our data also suggest that at more senior and skilled levels within organisations, the range and depth of Key Skills needed increases. It is therefore people who have strong abilities in these areas who are most likely to progress (given the necessary occupational skills in some jobs). However, some employers reported that there were so few opportunities for promotion in their organisation that whether or not an employee had good Key Skills was largely irrelevant in this respect. Although there might be few opportunities for promotion internally, our data on recruitment (Chapter 5) illustrates employers' emphasis on many of these skill areas in the selection process. People with sound Key Skills are therefore likely to be in a stronger competitive position in the labour market generally.

5. Recruitment, Selection and Development

5.1 Introduction

Earlier chapters have explored the importance and role of Key Skills in the workplace. Given the overall importance of these skills, we were also interested in the ways in which employers recruit and select people with the appropriate skills, and more generally attempt to identify the existence of these skills. This chapter explores these issues. Other research being conducted at IES suggests that employers are beginning to adapt their recruitment and selection to better identify these types of skill. This study provides further support for this, although there is still considerable emphasis on traditional approaches to selection.

Key Skills are gradually being introduced into the qualification system. At the time of this survey, they were included in GNVQs and were being introduced into the Modern Apprenticeship frameworks. In a few areas, schools were reported to be putting some emphasis on the development of Key Skills. Of interest to this study was the role of qualifications in indicating abilities in Key Skills, and in particular whether people with GNVQs performed better in these areas. Unfortunately, these developments in the education system were too recent to have had much impact on the labour market. Furthermore, we found some confusion among employers around these new qualifications.

Finally, we briefly explore employers' attitudes to the development of Key Skills. There is considerable debate about the extent to which people can be developed and trained, particularly in the less tangible, interpersonal Key Skills. It is this issue which is the focus of the final section in this chapter.

5.2 Indicators used in the recruitment process

This section explores fairly generally the indicators of ability used by employers when recruiting. It is important to bear in mind that different jobs have very different requirements in terms of technical skills, and the precise nature and application of Key Skills and other generic skills. The precise nature of the recruitment process always takes this into account. However, we did find evidence of employers paying greater attention to formalising their selection procedures across all jobs. There was also a difference in approach depending on whether an employer

was recruiting experienced or inexperienced people. Recruitment of an inexperienced person might focus particularly on potential, hypothetical questions and non-work experiences. For example, one respondent reported that it was a waste of time interviewing young people in the same way as they did older people. They were shy, 'frightened to death'. In this organisation, potential young recruits were shown around and talked to more informally.

A theme running throughout our interviews is the emphasis employers place on attitude and personality in the recruitment process, and the role these play as an indicator of other abilities. It was these, and basic abilities in working with others and taking responsibility, and often problem solving as well, which employers valued most highly. Many said they would look for attitude before any technical competencies. Technical and occupational competencies were argued to be more easily trained in, if recruits exhibited the necessary attitudes and personal attributes.

5.2.1 The initial selection

Main findings

- The way people present themselves through an application form or CV is very important. It is not just what is said, but how the information is presented. This is often taken as an indicator of broader abilities and attitudes.
- Leisure and other non-work activities are often looked at. They are seen as an indicator of a 'rounded personality' and as providing opportunities to develop and apply work-related skills, especially Key Skills.
- Qualifications are not enough to get people a job, but they might get someone as far as an interview.
- Employers vary in the emphasis they place on qualifications.
- Some employers see qualifications as an indicator that applicants will have good Key Skills. However, many do not find them useful in this respect.
- For people who are already in the labour market, the quality and nature of their experience is of major importance. This is an important indicator of non-occupational specific and Key Skills.

The application form or CV is usually the first contact between an employer and an applicant, and is nearly always used to shortlist potential recruits for an interview. Although written communication was not always reported to be very important in jobs, the way people present themselves through an application form is frequently very important, and is taken as an indicator of broader abilities and attitudes. Application forms or CVs which are untidy, poorly presented, include poor spelling, and which look as if the applicant has not made an effort, are likely to be quickly rejected. They might be taken as a general indicator that

a person is not serious about the job, or is unlikely to have the necessary attributes. The information included in an application form or CV can also be important. For example, leisure and other non-work activities or responsibilities, might be looked at as an indicator of a 'rounded personality' or of situations in which work-related skills could have been acquired. Employers often receive large numbers of applications for vacancies, and might adopt a set of straightforward procedures which enable them to quickly select people for interview.

The role of experience and qualifications in getting people as far as an interview varies by job and organisation. In some jobs, qualifications are an essential indicator of a technical ability, or of general intellectual capacity. In others, qualifications themselves might be unimportant. In some organisations, employers are keen not to recruit people who are 'over-qualified' for a job and might soon become bored or disenchanted. Having any, or higher level qualifications, might be a disadvantage. Other employers use the presence of some qualifications to shortlist, on the basis that this indicates an ability to achieve or set one's mind to something. Qualifications are not enough to get people a job, but they might well get someone as far as an interview.

Employers were recruiting people with a range of different qualifications. For example, a travel business was looking for NVQs or a BTEC in travel and tourism, or a language at 'A' level. It was reported that these qualifications provided an assurance that recruits had some knowledge of a language, an awareness of how the travel business operates, and an assurance that they had a certain level of numeracy and some presentation skills. Courses which included assignments, particularly group assignments, were seen as indicators that people are used to group work and working in teams. Qualifications might also be taken as an indicator of an ability to learn and be receptive to further training:

> *'They* [qualifications] *are not a fixed requirement, but they can demonstrate competencies in themselves. A capacity to study if nothing else, is the capability to learn.'*

We tried to explore the role of different qualifications as indicators of abilities in Key Skills. Too few employers had any GNVQ holders, or knew whether or not they had any GNVQ holders, to comment on how the inclusion of Key Skills had affected people's abilities in these skills. Indeed, we found considerable confusion among employers between NVQs and GNVQs. Very few knew about the specific introduction of Key Skills into the GNVQ syllabus.

Views about the value of other qualifications as indicators of the existence of Key Skills varied. One respondent reported that the Key Skills of people with academic qualifications depended on what they were studying and why. It was reported that people on creative courses, for example: art, design, craft and computer

study, tended to be more introverted and have weaker inter-personal skills than people studying other subjects. People studying a language, for example because they thought it a useful practical skill which might get them into an interesting area of work, were reported to have stronger interpersonal skills.

A few employers felt that people with qualifications generally had good Key Skills, particularly graduates. The majority were, however, more critical. Most qualifications focus on an academic subject or the technical skills required in an occupation. They therefore rarely include the explicit development of abilities in any Key Skills. Some respondents argued that people with higher level qualifications, through being older and more mature and having more experience of life generally, tended to exhibit better Key Skills, especially those of a more interpersonal nature. Others argued that qualifications were not useful as an indicator of ability in these areas; it depended more on the individual:

> *'Sometimes clever people are on a different plane. They are in their own world. They can't relate to people, have no empathy, can't work in teams and so are not of much value.'*

Another respondent reported that people with academic qualifications, although intellectually very capable and receptive to training, could be very disruptive and too questioning and challenging:

> *'Some think they have a God-given right to a certain status at work and in life.'*

Several respondents did, however, report an improvement in the abilities of school leavers. Key Skills were being introduced into the pre-16 curriculum in one area, and a respondent commented positively on the impact this was having on the skills of young people.

Previous experience frequently plays a very important role in getting people as far as an interview. This is very obviously the case when employers are looking to replace an experienced person who had left, or expand their existing workforce quickly. Indeed, it is often the case that after people have been in the labour market for a while, it is the quality and nature of their experience which is important in helping them to change jobs, rather than qualifications. Experience might be of a technical or occupationally specific nature and an indicator of ability in these areas, but more importantly it can indicate, or be used to explore, the broader, non-occupational abilities of an individual. For example, the manager of a cinema commented that applicants who had previously worked in a pub had much better mental arithmetic than other applicants.

In a few cases, previous experience can be a disadvantage, for example if a person worked in another organisation with a poor

reputation, or which was seen as offering a lower standard of service. Particular examples of this were in the retail sector:

> *'Previous experience is not so important. In fact, it can be a disadvantage if the standards of service in previous retail environment were not as high as* [this company].*'*

5.2.2 The interview

Main findings

- Employers are formalising their interviewing and trying to be more precise about the criteria used in assessing people.
- However, subjective assessment is still relied on to a considerable extent.
- Technical and occupational skills are looked for, but on their own they are rarely enough.
- Employers are not always looking for well developed Key Skills, especially in young people, but the potential to develop.
- Attitudes and personality are seen as the most important indicators of this potential to develop.
- Written communication was most frequently assessed through the CV or application form. Tests were sometimes used, when this ability was of major importance in a job.
- Abilities in oral communication were assessed through the recruitment interview. This might be wide ranging, looking at all aspects of verbal communication, including the ability to listen, ask questions and clarify information.
- Ability with numbers was only explored if an essential part of the job.
- The recruitment interview was most frequently used to explore teamworking and problem solving abilities, and the capacity to take responsibility for their own learning and performance.
- These Key Skills were often assessed through the use of questions exploring past experience, and scenario and hypothetical situations.
- Applicants were not always expected to come up with the 'right' answer, but show an ability to discuss and analyse situations, and suggest solutions.

Interviews continue to be the most important means of assessing potential recruits in almost all organisations, although these might be supplemented with, for example, tests and the use of references.

An increasing number of employers are recruiting to competency frameworks, or at least being more specific about the criteria they are actually assessing people against at an interview. Technical and occupational skills were one area looked for, but these on their own are rarely enough. In our in-depth interviews we concentrated on employers' approaches to identifying Key

Skills in particular, and generic non-occupational skills. An important point is that employers were frequently looking for the potential to develop. This applied particularly to technical skills, but also interpersonal and Key Skills. They were not always looking for well developed Key Skills, but people, especially young people, with the necessary approach and attitude to take on these skills, in a way relevant to that particular occupation or organisation.

Probably the most important things employers were looking for related to attitude and personality. These were seen to be indicative of how well a person would perform in the job, and settle into working in the organisation. They were also seen as indicators of, for example, how this person would be able to develop, adapt to new working practices, be flexible to learn and take on more responsibility. Respondents did report that the Key Skill units were lacking in terms of the broader interpersonal skills needed in work. The necessary attitudes and personality are not always clearly defined, but do seem to underlie the selection criteria of many recruiters.

Several employers reported that they would be willing on take on people with fewer skills as long as they had the 'right' attitude, were enthusiastic, and would be willing to learn and take on responsibility:

> *'People who are going to be ambassadors to the company, and have the right commitment and attitude.'*

The application form played some role in providing employers with a picture of applicants attitude and personality, but the interview was the main vehicle for exploring this. Many managers reported that they generally had a 'feel' for who was going to be right:

> *'It's all about who looks right and feels right.'*

> *'It's those who have shown that they have got off of their backsides and done something.'*

> *'I can tell if someone is right in the first two seconds. It's how they present themselves, their body language, it's the whole personality thing. I spend the rest of the interview looking for evidence to back up my initial feelings.'*

> *'Its the way they come across at the interview that makes a difference. . . . Got to come across as friendly, understanding, sympathetic (as this is a chemist's). Friendly is the most important thing, being comfortable with the body language thing too.'*

These comments indicate that there is still much subjective assessment in the recruitment process.

Some Key Skills and other interpersonal skills can be assessed through formal questioning. A number of employers have developed scoring systems or at least a checklist to be used in

the interview process. Attempts are being made to make the whole process objective, and fairer to candidates. However, much also rests on whether or not the applicant will fit into an organisation, and a great deal of subjectivity is bound to enter into this type of assessment. In one organisation, it was felt that family background was very important in influencing people's attitudes to work, and in the recruitment interview some time was spent exploring this. It was recognised that this approach could conflict with equal opportunities. However, it was also felt that it was difficult to change people and recruiting the right people from the outset was important.

We specifically explored how employers tried to assess an individual's Key Skills. Written communication was generally assessed through the CV and/or application form, as discussed above. In some cases written tests were used. The precise nature of the test depended on the job. Those applying for clerical or secretarial jobs might be asked to draft a letter. A few companies had developed their own spelling and literacy tests. Sometimes people were asked to write a few sentences to answer questions, to show how well they could express themselves in writing. Where drafting reports, for example, was a key aspect of a job, candidates might be asked to provide examples of their work.

Oral communication was one of the most widely required Key Skills, and the interview was used to test this. Managers would look for 'an ability to present ideas orally'. They would note how people expressed themselves, the vocabulary they used, and how 'chatty' and 'sociable' they were. For some senior positions, largely managerial and professional posts, applicants might be asked to do a presentation to the selection panel or to existing staff. However, good verbal communication is also about listening, an ability to absorb information during a discussion, being inquisitive, and asking questions to clarify a point. These types of ability, or indications of an appreciation of their importance and potential to develop, might also be explored during an interview. Different elements of communication might be looked for depending on the exact requirements of a job. The more senior the vacancy, the more demanding the interview is likely to be in terms of assessing communication skills.

Numeracy was less likely to be tested through an interview, and less likely to be looked for overall. Sometimes inferences about an individual's ability with numbers might be drawn from their previous work experience and education, and this might be followed through at an interview. For example, one respondent reported that applicants were asked to solve a mathematical problem during the interview. Another reported that questions of the following nature might be asked:

> *'Have you had to do some research into something dealing with numbers? If so, tell us what you did and how you went about it.'*

These types of questioning were, however, rare and only introduced when the job had very specific requirements for numeracy.

An ability with IT might be explored through an interview. However, at a basic level, managers were not looking for a detailed knowledge or expertise with IT. They might ask about the packages people were familiar with, and generally attempt to ensure that they were not frightened of IT but had the potential to develop some skills in this area.

The other three Key Skills: working with others, problem solving and improving own learning and performance, were all reported to be of great importance to employers. The recruitment interview was often used to ask questions to test applicants' existing abilities, or their potential to develop appropriately in these areas. It is perhaps these types of skills that employers are attempting to more fully appraise throughout the recruitment process.

Teamworking was assessed through the recruitment interview in a number of ways. The personality and general approach of an applicant were one indicator. Taking into account any nervousness due to the situation, especially of young people with little or no work experience, applicants might be assessed on how well they reacted to the interviewing panel, and whether they were friendly, and exhibited characteristics suggesting they could get on with and relate to other people. However, the ability to be a 'team player' was not simply based on a subjective impression. Respondents reported asking questions about past experience of working in a team and scenario or hypothetical questioning. For example, interviewees might be asked:

> *'If you were in . . . situation how would you behave?'*

> *'How would you do this task in a team?'*

Employers also looked at applicants' more general interests, their leisure activities and interests. This was often a very important means of exploring the abilities of a young person with little or no work experience. Membership of clubs and involvement in team sports in particular were looked for. Were they used to co-operating with others and operating in a team situation? For example, one retail respondent reported looking for responsibility in youth organisations, such as Brownies, youth clubs, *etc.* and positions of responsibility at school:

> *'They're all key skills that you learn within your life, not just from work.'*

A few employers also used personality testing or other basic written tests to explore teamworking abilities, or potential. Again a scenario situation might be used, and applicants asked to identify how they might behave.

Some respondents felt that problem solving was the most difficult ability to test or explore through the recruitment process. However, many were able to provide direct examples of the types of questions used to assess a person's ability. Again, a mixture of hypothetical and experience based questions were used. Applicants might be asked to talk the selection panel through a problem they had encountered in the past and how they had dealt with it. Another approach was to give applicants an example of the type of problem likely to be encountered in the job, and ask them how they would go about resolving it. Frequently there is no one right or wrong answer to these types of question. Interviewers are looking for the ability to think through a problem, discuss the issues, for example; the potential to develop a capacity to problem solve. This emphasises the need for people applying for jobs to have some basic understanding of approaches to problem solving; detailed experience is not always necessary.

Qualifications and past experience in an occupation were sometimes taken as evidence of an ability to solve problems. For example, if someone had worked as a professional engineer for many years, the employer might draw inferences from these experiences about an individual's problem solving ability. However, it was much more likely that these candidates would also be required to give examples of past experiences. Chapter 3 discussed how Key Skills are frequently seen in an occupational, even an organisational context. Recruiters want to be sure that applicants have an approach which is compatible with that particular organisation's way of doing things.

Taking responsibility for own learning and performance was another Key Skill which was widely required. Many other studies have also found that the onus is increasingly being placed on individuals for their performance and development. A number of indicators of this were reported to be used. It is well established that people with qualifications are more likely to participate in further training and development once they start work. Respondents reported that qualifications were used as one indicator of an applicant's ability and readiness to learn. However, this was often not enough. Through questioning, or the interview more generally, employers might try to assess whether or not applicants are keen to learn.

5.2.3 Other assessment tools

Main findings

A range of other assessment tools were used, by some employers. These included:

- taking up references
- tests — for example, in literacy and numeracy, specific occupational skills

- assessment centres for professionals, managers and graduate recruits
- visits and meeting existing staff
- probationary periods, temporary employment and work experience.

A range of other assessment tools were reported to be used to assist in the selection of appropriate employees. References were sometimes used to support the assessment made during an interview. They might be an indicator of character and past experience, and used to check a person's track record. This is not the case in all jobs or for all employers, and it is difficult to generalise about the extent to which references were used.

Some employers also test applicants, and a number of examples have already been referred to above. Basic literacy and numeracy might be tested. For example, in one organisation, ability with a calculator was tested, and it was reported that some failed. Many tests were occupationally specific, and related to technical abilities rather than more generic skills. For example, people applying for clerical and secretarial jobs might be given a typing test; those applying for certain skilled manual or operative jobs might be tested for their dexterity, and drivers for their knowledge of the Highway Code. A few employers try to test abilities in interpersonal skills and areas such as problem solving. For example, one retail employer had a multiple choice test presenting scenario situations and asked people how they would react in each.

Assessment centres were commonly used for higher level staff, particularly for professionals and managers, and graduate recruits. These were usually a second stage, after the initial sifting of application forms and interviews. Typical exercises included psychometric tests, group exercises and discussions, presentations, in-tray and written exercises. These were frequently trying to assess a whole range of personal and interpersonal skills, including those for which Key Skill units have been developed.

Some employers also used 'walkabouts' or enabled potential recruits to meet existing staff. For example, an engineering respondent reported:

> *'We walk around the site to show people what it's really like and that the age of our machines is over 20 years. We want to make sure they are sure what they are letting themselves in for. It's not that glamorous!'*

These activities played a number of roles, including ensuring that the potential recruit knew what to expect, and to try and assess whether or not they would fit in with existing staff.

Other forms of assessment included the use of a probationary period, work experience, and recruiting temporary staff to permanent posts. All these enable an employer to assess the abilities of a potential recruit, and for a recruit to see whether or not the job suits them.

5.3 Are Key Skills developable?

Main findings

- Literacy, numeracy and IT were all seen as teachable, although some people have stronger aptitudes with numbers and IT in particular, than others.
- Sound skills in communication and in the application of number do require good basic skills in these areas.
- Views about the extent to which the other three Key Skills, oral communication and a range of personal and interpersonal skills could be developed varied:
  - good Key Skills largely depend on natural ability
  - innate ability plays a role, but a person's early experiences, background and socialisation are most important.
- However, many employers do believe that people can improve their basic Key Skills through training.
- Employees do need to be receptive to this training, and different people will be capable of progressing to varying extents.

The increasing emphasis on a whole range of personal and interpersonal abilities by employers has opened up a debate about the extent to which these types of ability can be developed in people or are innate. Abilities in written communication, using numbers and IT, fall into a slightly different category to oral communication, working with others, problem solving, and taking responsibility for learning and performance. Literacy, numeracy and IT are generally all teachable, although it was felt that some people have a greater aptitude for working with numbers and IT than others. It was, however, reported that to have sound skills in communication and the application of number, young people needed to understand the basic concepts of literacy and numeracy.

Respondents ranged in their views about the extent to which the other three Key Skills and oral communication, and a range of personal and interpersonal related to these, were inherent or developable. Many people felt that good Key Skills depended on personal disposition and personality, on natural ability. To a large extent it was felt that people were either good communicators and could get on well with people, or they could not. It was argued that although abilities in these areas were also affected by general life experiences and family background, a lot depended on innate abilities.

A larger group felt that although innate abilities provided a basis, it was a person's early experiences, background and socialisation which were most important in influencing personal and interpersonal skills:

> *'Everything we do we learn from somebody somewhere.'*
>
> *'It's part of the growing up process to be honest with you.'*
>
> *Families are particularly important in attitude to work and reliability,* etc. *The tendency to throw sickies,* etc. *tends to run in families.'*

Considerable emphasis was placed on the general social environment and family in which a person was brought up in influencing their personal abilities, and on the importance of early childhood. However, others did emphasise the role of education and early work experiences:

> *'Key Skills don't come about by chance. . . . Further and higher education have made progress in developing Key Skills, but they could do even more.'*
>
> *'Employers should treat new recruits properly in the first couple of months of employment,* ie *treat them as people. . . . If the first employer didn't get this right, it would be difficult to correct this behaviour.'*

A general message was that young people need to know what is expected of them at work. They need to understand that many employers value personal and interpersonal attributes and skills, and the role of these in the workplace. People cannot be expected to exhibit or develop these traits if they do not realise they are needed. The needs of employers are articulated very differently to a few decades ago, when their parents were entering work. The nature of skill demand and the labour market continues to change, and relying on past values and community expectations is unlikely to be enough.

Having said this, many employers did believe, although to varying extents, that people could improve their basic Key Skills through training. Some forms of off- and on-the-job training could provide people with better techniques for communicating, problem-solving, *etc.* However, people had to be receptive to this training and want to improve, so much did depend on their attitudes. Furthermore, the extent to which a person's abilities in these skills could be improved was felt also to depend on their initial abilities (whether these were inherent or developed through early life experiences). Not everyone could be developed to the same extent:

> *'Some skills are affected by personal predisposition, but that's not to say they can't be obtained by those without a predisposition.'*
>
> *'Sometimes people have inherent ability,* eg *are natural communicators. That's not to say that the non-natural communicators can't learn, develop and improve.'*

To conclude, it was reported earlier in this chapter and elsewhere in this report, that employers frequently emphasise attitude and personality in the recruitment process. They use these as an indicator of other abilities. It was attitude and personality, and basic abilities in working with others and taking responsibility, and often problem solving as well, which employers most highly valued. Many said they would look for attitude before any technical competencies. Technical and occupational competencies, it was argued, were more easily trained in, if recruits exhibited the necessary attitudes and personal attributes.

6. Discussion

The overall aims of this study were to:

- explore employers' perceptions of the prevalence and need for Key Skills
- assess their knowledge and understanding of Key Skills
- explore their use of these skills, and
- report their perceptions of the comparative Key Skill abilities of young people entering employment through different routes.

This chapter addresses these aims, but also raises a number of other issues arising from our research.

One issue throughout this study has been the use of an appropriate terminology. Chapter 1 included a brief literature review which illustrated the lack of a common definition of the terms 'Core' and 'Key' skill. This was also reflected in our interviews with employers. Employers frequently use these terms to describe a set of skills which are essential, either to a particular occupation or their whole organisation. These skill sets are usually a combination of generic and occupational specific skills. What does emerge from the literature, and many studies of employers' skill needs, is a growing emphasis on a set of generic or non-occupational specific skills. Although wide ranging in nature and varying between employers, the Key Skill units do cover the majority of these.

Another difficulty with terminology is the use of the word 'skill' itself. As argued in Chapter 1, traditionally 'skill' has been associated with being skilled in a technical sense. When talking to employers about their skill needs, the discussion nearly always focuses to a large extent on the personal attributes and attitudes sought in employees. Some of these attributes and attitudes could be argued to be skills. The ability to communicate, for example, might be seen as both an attribute and a skill. However, while the ability to turn up at work on time derives from a person's attitude, it is frequently included in lists of 'skills'. The growing emphasis placed by employers on a range of non-occupational skills has contributed to this general confusion over terminology. What we are generally talking about is a set of abilities and characteristics which enable people to do a particular job, and to work effectively in modern organisations. Key Skills are an essential part of this.

Knowledge of Key Skills

Around half our respondents thought they had heard of Key, or Core, Skills. However, many had only a very general awareness, and there was considerable confusion over the terminology used. In practice, a number were talking about their own internal key or core skills. These usually overlapped with the NCVQ Key Skills, but also included occupationally specific skills.

The majority of employers were, however, sympathetic to the aims of Key Skills. Any initiative which might improve the work relevant skills of young people was welcomed. Employers were critical of the skills of applicants, although the majority seemed able to recruit people of sufficient ability to meet their needs.

It was mainly those employers who had most direct links with the education and training system who had some knowledge of Key Skills. The general lack of awareness of Key Skills is not, however, surprising. It takes time for any new initiative to become established, and widely known and understood. The change of name from 'Core' to 'Key Skills' has not helped. However, in some respects employer knowledge of Key Skills is not essential to its success. If the Key Skill units broadly address employer needs and better prepare young people for employment, this will happen regardless of employer involvement.

The need for Key Skills

Both the quantitative and qualitative data illustrate the overall importance of Key Skills to employers. On a scale where one was 'not at all important', and five was 'very important', the average scores ranged from 3.3 to 4.7 for young workers, and from 3.6 to 4.7 for all employees. What is perhaps most interesting is the ranking of these Key Skills. Policy has emphasised communication, the application of number and IT. However, our data and other studies conclude that employers rate other Key Skills more highly. The skills employers rated as most important were working with others, oral communication, and improving own learning and performance. Problem solving was not included in the quantitative survey. However, the qualitative data suggest it is rated of similar importance by employers to the three skills just listed. Application of number, IT, and written communication, were rated as less important. The qualitative interviews illustrate that these skills are needed in many jobs, but are less widespread than other Key Skills. The application of number, in particular, is frequently only important when an essential occupational skill.

Our evidence suggests that Key Skills broadly fall into two categories. This is slightly different from the categorisation outlined in Chapter 2. The written part of communication, application of number, and IT, are broadly seen as basic skills which should be developed through the primary and secondary

education system. If people have these basic skills, it is argued that employers can quite easily train them into a specific way of doing things. Indeed, this research found some confusion between these units and basic skills.

Oral communication, working with others, improving own learning and performance, and problem solving, fall into a different category. Employers did not necessarily expect these to be developed in young people, but are increasingly looking at ways of identifying potential in their young recruits. Any contribution which Key Skills can make in helping young people develop in these areas will, therefore, be an advantage to both them and their employers. It was not enough to be skilled in a technical or occupational sense, but these Key Skills are important for effective performance. Indeed, many reported that most technical or occupational skills could easily be 'trained in', if recruits had the 'right' attitudes and personal attributes.

The level of need

Although the majority of jobs require elements of these Key Skills, many do not require high levels of skill. In particular, there are limits to the autonomy allowed in many jobs. Employers want people who will perform accurately and to the guidelines set down. This will involve some elements of independence and responsibility, but often within certain limited boundaries. There are good reasons for this. Within large organisations it is consistency of service which is important, and most develop mechanisms which try to differentiate them from their competitors. Furthermore, recording systems need to be consistent throughout an organisation if performance, financial or otherwise, is to be accurately monitored.

Sound Key Skills are essential for progression

It is only at more senior levels within organisations, *ie* those with managerial responsibilities, and in professional and some technical jobs, that the higher levels in these Key Skill units were reported to be important. Indeed, the range and breadth of Key Skills needed increases with seniority in organisations and towards the top of the occupational hierarchy. Employers did, however, report that it was those people who exhibited sound Key Skills who were most likely to progress. There was general agreement that early experiences can influence a young person's Key Skill development. Providing young people with the basic abilities to develop these skills, through Key Skills, can only improve their overall employability.

Although sound Key Skills are essential for promotion and progression more generally, there are also limits to the number of senior jobs. Employers are not always looking for high fliers, but people who have general abilities across these Key Skill units and are able to operate effectively.

The prevalence of Key Skills

We found surprisingly high levels of satisfaction among employers. However, this was largely in relation to employees, rather than the pool they were recruiting from. Some employers reported that longer serving and older employees could find it difficult to adapt to new ways of working. Young recruits were rarely criticised, although applicants more generally were often reported to be lacking. Key Skills could make a major contribution in improving the overall skills of the available labour force. Furthermore, although employers were generally satisfied with those they recruited, it appeared that expectations were not very high. It was potential, as much as actual skills, which was frequently explored in the recruitment process. Much effort was being devoted to developing the abilities of new recruits and existing employees. A focus on Key Skills could reduce the need for some of this effort.

Comparative Key Skill abilities of entrants

GNVQs were, at the time of this study, the main means of delivering Key Skills. We came across too few employers who had any, or enough, knowledge of GNVQ holders among their employees to comment on the impact that Key Skills was having. There were varying views among employers on the Key Skills of young people entering employment through different routes. For example, some reported that graduates had good Key Skills while others were more critical. Overall, qualifications were not reported to be a useful indicator of Key Skills. We did, however, come across some evidence that the introduction of Key Skills more generally in the school curriculum was improving the abilities of young people. For example, in some schools Key Skills are being emphasised in Work Experience. One respondent reported a noticeable difference in young people as a result of this. Giving young people a basic grounding in Key Skills, whether or not as part of a qualification, will enable them to meet more fully the needs of employers, and possibly operate more effectively in the labour market.

The coverage of Key Skills — communication

Employers were generally content with the coverage of the Key Skill units. However, a number of points were made which need to be addressed. It should be emphasised that we were working with simplified versions of the Key Skill units. In relation to communication, it was felt that the unit did not adequately cover oral communication. It was felt that the unit was too formal and geared to internal communications, using phrases such as 'taking part in discussions' and 'making presentations.' Oral communication was one of the most important skills to employers. It was argued to underlie abilities in several of the other Key Skills. Employees needed to be able to relate to each other, in teams

and through collaborative working. Customer service was frequently emphasised, and oral communication plays a major role in this. However, it was felt that the unit did not include many of the dynamics of communication, a series of interactions which also involve listening skills and understanding body language, for example. Indeed, there was a feeling that the first two elements in this unit, relating to reading and writing, were largely basic literacy which people should obtain through the primary and secondary education system. It was oral communication which was felt to need the greater emphasis as a Key Skill.

Application of number — basic numeracy?

There was also some confusion between basic numeracy and the application of number unit. When needed as part of a job, employers wanted people with sound basic numeracy, who understood how basic calculations worked, could spot mistakes, and who were good at mental arithmetic, for example. If employees have this basic knowledge, it was argued, they can quite easily apply it to simple numerical tasks in the workplace. The application of number was most frequently occupationally specific, and important, for example, in most engineering jobs, some sales roles and in accounts offices. Employers were therefore often looking for quite specific skills which were related to an occupational context rather than generic in nature.

However, using numbers was becoming an increasingly important part of supervisory and managerial jobs, as technology makes numerical data easier to collect and collate. A general ability in this skill, therefore, was needed with seniority. Providing young people with the basics early on will thus be to their advantage.

Confusion over the definition of IT

The title of the IT unit caused some confusion. Although it is supposed to relate to computing more generally, a number of employers had a fairly specific understanding of IT. Emphasis was put on the information part, and it was interpreted as networked computers, which were used to communicate and pass on information. Several examples of employees working with computer technology were not considered to fall under this heading. Some retail employers did not see working with electronic tills as working with IT, while others did. A number of engineering employers did not see CNC machines as IT. These were reported to be stand alone computerised equipment, not linked into any other technology. However, on closer inspection of the unit, these employers did report that particular skills identified within it were relevant to these jobs.

Contrasting levels of need for IT skills

While the highest levels of the IT unit were seen as relevant to managers and professionals, they were reported to be too basic for IT specialists. At the same time, the unit was frequently seen as providing more than was needed for jobs in general. Although some employers have very sophisticated IT systems, many others do not, and may only operate with a few word processors. In the majority of jobs, there is a relatively low level of need for IT skills. Employees need to be computer literate and able to work with the equipment. However, they do not necessarily need to understand how it works and how to deal with complex problems, for example. The need for IT skills will increase and spread, but it is not clear that the actual level of computer literacy needed in most jobs will increase. Increasingly, IT can be tailor made to specific functions. People need to know which icon to press to access various packages, or to follow instructions as they appear on the screen. There may well be a growing divide between the skill levels needed of IT professionals and those needed by IT users. The Key Skill unit is unlikely to be able to cater for the former of these, and this is not its purpose.

A lack of attention to the qualitative aspects of performance

There were a number of criticisms of the working with others, and improving own learning and performance units. However, a common theme was their emphasis on the formal aspects of these activities. A difficulty in developing these units has been in dealing with the subjectivity of many aspects of these skills. It is perhaps these subjective, or qualitative, areas which employers value most.

Gaps in coverage

In our discussions with employers about other generic skills which are important to them but which are not included in the Key Skills, a main theme was the importance of personal skills, attributes and attitudes. These were frequently emphasised in the recruitment process. Furthermore, many employers felt that if people had the necessary personality and attitudes, many of the interpersonal Key Skills could be developed or would automatically follow. It was not being argued that all these characteristics are skills, but our conversations did illustrate difficulties with terminology in this area.

It is not necessarily the case that these personal skills, attributes and attitudes can, or should, be developed through the Key Skill units. What the units can do, however, is illustrate their importance in the workplace, and how they relate to employers' skill needs. Young people, in particular, need the tools to develop in these areas, and it is in this way that the Key Skill units make a contribution.

Limited opportunities for discretion

There was a tension within the units between the level of need reported by employers, and the coverage of each unit. Many jobs were reported to require not much discretion; reviewing and revising, for example. However, to progress, these abilities do become important. As long as the units meet the basic needs of employers, and people with qualifications including Key Skills are seen to have the necessary skills, it does not really matter if the units go beyond employers' needs. It is however important that expectations are not raised too far beyond employers' requirements.

The transferability of Key Skills

Another issue which arises from this research is the extent to which these Key Skills are truly transferable. One of the ideas behind their development was the need for people to change jobs, possibly careers, several times during their working life. However, our evidence suggests that even within what are normally considered to be generic skills, employers often have fairly specific needs. For example, written and oral communication might be tailored very specifically to an organisation's approach to customer service; the application of number was often seen as occupationally specific. Currently, most employers are looking for people with experience relevant to their own activities, and the specific application of generic skills is important to them.

If, through the Key Skill units, young people are given the basic abilities and tools in these various skill areas, they should be transferable. However, Key Skills are often delivered as part of training for a specific occupation, or in a subject area. Transferability is about an individual's ability to apply the skills in new situations. If this is to happen, people need to be given the tools or framework of thinking to see the relevance of their skills in a broad context. It is therefore important that the Key Skill units are not tailored too closely to the current needs of employers, and that they do not become too specific to sectoral or occupational needs.

The extent of transferability will, in the longer run, depend on employers' attitudes. The evidence suggests a fairly narrow approach. However, if employers continue to see these skills as central, and many occupational skills as trainable, they are more likely to adopt broader approaches to identifying and selecting people with the necessary generic skills, wherever these were required.

Key Skills will continue to be important

Almost all our respondents reported that these Key Skills, and personal and interpersonal skills generally, will increase in

importance to employers in the future. These skills are essential to the whole mechanism of delivery, in manufacturing and the service sector. It was reported that IT would become increasingly important, as technology develops and in a global economy. Employers also talked about the need to compete effectively in an increasingly competitive market:

> *'A key differentiator between retailers is the staff you have in terms of their quality and ability.'*

> *'At the end of the day, Key Skills are about how successful the organisation is going to be. If we have people with the skill to develop themselves, able to challenge current methods, communicate what we're doing, then the organisation will be stronger. In a competitive, low margin industry we need something to distinguish us from the competition.'*

To be successful, it is important that Key Skills deliver the skills employers want, and are seen to be doing so. However, to have a long term impact, the Key Skill units need a broader coverage. They need to prepare young people for a changing labour market, and for progression beyond entry level. This study involved employers commenting directly on the most recent versions of the Key Skill units (albeit simplified versions). The comments they made provide some useful input into the future development of these units. However, the real test will be employers' experiences of the abilities as young people enter the labour market having gone through Key Skills training, whether as part of the academic or vocational curriculum. The limited evidence currently available suggests that young people are exhibiting stronger skills in these areas. Furthermore, as long as Key Skills provide what employers say they need, it does not matter if they go beyond this, developing broader skills in young people.

Appendix: Summary Key Skill Frameworks

KEY SKILL UNIT — COMMUNICATION

This Key Skill Unit has three elements: read and respond to written material; produce written material; take part in discussions (for levels 1 and 2); and take part in discussions and make presentations (for levels 3 and 4). The table should be read column by column, the rows illustrate the abilities required at each level for the relevant element. Each level builds on the previous one. The first cell in each column describes the abilities required for the first level, subsequent cells describe the **additional** activities required for the next level. Additional requirements for each level are in bold.

	READ AND RESPOND TO WRITTEN MATERIAL	PRODUCE WRITTEN MATERIAL	TAKE PART IN DISCUSSIONS (and, for levels 3 and 4) MAKE PRESENTATIONS
LEVEL 1	● read materials for a purpose ● obtain information from texts and images ● check have the information needed	● present clear and relevant information, using images where appropriate ● use a suitable format ● make sure that text is legible and accurate	● make clear and relevant contributions ● contribute in a way that suits the situation, using images when appropriate ● listen and respond appropriately to what others say
LEVEL 2	● **select** and read **appropriate** materials for a purpose ● **extract** information from text and images ● **collate** the necessary information from different sources	● **use an appropriate structure and style of writing**	● listen and respond appropriately to what others say, **and take forward the discussion**
LEVEL 3	● select and read appropriate materials for a purpose, **and review this process** ● **summarise coherently the information obtained from different sources**	● **organise material coherently,** using an appropriate style of writing, **and review the process**	● contribute in a way that suits the situation, using images where appropriate, **and review this process** ● listen and respond appropriately to what others say, **and create opportunities for others to contribute**
LEVEL 4	● synthesise the information obtained ● monitor and evaluate this whole process	● organise material logically, and adapt style to suit the subject, purpose and reader ● monitor and evaluate this whole process	● — take responsibility for the effectiveness of the communication ● — monitor and evaluate this whole process

KEY SKILL UNIT — INFORMATION TECHNOLOGY

This Key Skill Unit has three elements: prepare information; process and present information; and, review the use of IT. The table should be read column by column, the rows illustrate the abilities required at each level for the relevant element. Each level builds on the previous one. The first cell in each column describes the abilities required for the first level, subsequent cells describe the **additional** activities required for the next level. The additional activities for each level are in bold.

	PREPARE INFORMATION	PROCESS AND PRESENT INFORMATION	REVIEW THE USE OF INFORMATION TECHNOLOGY
LEVEL 1	● identify information to use ● enter and edit information so that it is accurate and ready for processing ● save information appropriately	● search for information, as needed ● develop information appropriately ● present information clearly and accurately	● give reasons for using IT ● describe safe working practice ● show can respond appropriately to problems when they happen ● describe the ways in which using IT was helpful
LEVEL 2	● **select** information ● **prepare software facilities, as appropriate**	● **combine**, and present **effectively, different types of information**	● **describe the effectiveness of using IT to meet the purpose**
LEVEL 3	● select **and use appropriate sources of** information ● prepare software facilities, **and create automated routines where appropriate, to aid efficient processing of information**	● search **efficiently** for information, as needed ● develop information, **using appropriate routines to aid efficient processing** ● **select and use appropriate ways** to combine, and present effectively, different types of information	● **explain** reasons for using IT ● describe safe and **efficient** working practice ● **describe problems and issues, and their potential effects when using IT** ● **judge the effectiveness of using IT to meet the purpose**
LEVEL 4	● **analyse a situation where the application of IT may be helpful** ● **plan the systematic use of IT** ● **prepare the application of IT** to aid the efficient processing of information	● present information **in different ways and select the most appropriate**	● **monitor and evaluate the use of IT** ● **compare alternative applications for managing information** ● **modify the application of IT, as a result of experience and feedback form others**

KEY SKILL UNIT — IMPROVING OWN LEARNING AND PERFORMANCE

This Key Skill Unit has two elements: set targets and plan action; and follow plan to meet own targets. The table should be read column by column, the rows illustrate the abilities required at each level for the relevant element. Each level builds on the previous one. The first cell in each column describes the abilities required for the first level, subsequent cells describe the **additional** activities required for the next level. The additional activities for each level are in bold.

	Set targets and plan action	Follow plan to meet own targets
LEVEL 1	● check own progress, with an appropriate person ● check that you understand targets, with the person setting them ● plan how to meet your targets, with help from an appropriate person	● take actions to meet own targets ● use support from others to help meet targets ● identify targets have met
LEVEL 2	● **provide information to help set realistic targets** ● **plan how to meet targets**	● take actions to meet own targets, **making revisions to plan if needed** ● **identify support needed from others and use this effectively** ● **identify evidence which shows have met targets**
LEVEL 3	● check your progress, **using support from others where appropriate** ● **agree realistic targets, with an appropriate person** ● plan **effectively** how to meet targets	● take action to achieve targets, **adapting approach when necessary** ● **seek and use feedback on performance, actively and regularly, using a variety of sources**
LEVEL 4	● check your progress, **using a variety of evidence of experiences and achievements** ● **set realistic targets, which are based on appropriate information** ● **monitor and evaluate the effectiveness of your target setting and planning**	● take action to achieve targets, **monitoring progress and adapting approach when necessary** ● **identify and seek support from others, and use this effectively** ● identify evidence which shows have met targets **and evaluate effectiveness in working towards these**

KEY SKILL UNIT — APPLICATION OF NUMBER

This Key Skill Unit has three elements: collect and record data; work with data; and present findings. The table should be read column by column, the rows illustrate the abilities required at each level for the relevant element. Each level builds on the previous one. The first cell in each column describes the abilities required for the first level, subsequent cells describe the **additional** activities required for the next level. The additional activities for each level are in bold.

	COLLECT AND RECORD DATA	WORK WITH DATA	PRESENT FINDINGS
LEVEL 1	• collect data as required by the task • work to the given levels of accuracy • record data fully and clearly	• identify methods which suit the task • carry out the calculations to the given levels of accuracy • check results for accuracy and sense	• decide how to present findings • present findings clearly • identify the main points form findings
LEVEL 2	• decide on how to approach the task • collect data effectively, to the appropriate levels of accuracy • record data accurately	• select methods which suit the task	• present findings clearly, to appropriate levels of accuracy • explain the main points that relate to the task
LEVEL 3	• **explain** decisions about how to approach the task • collect data **efficiently** • **organise the data**	• **make and explain decisions** about which data and calculations to use for the task • **check calculations, and allow for possible errors**	• **interpret findings, allowing for possible sources of error** • **review the choices made in approach to the task**
LEVEL 4	• **plan an appropriate strategy for the task, and make decisions about what data to collect and how to collect it** • **identify possible sources of error and minimise their effects** • **evaluate decisions made in collecting and recording the data**	• **plan which data and calculations to use for the task** • check calculations, **and minimise the effects of possible sources of error** • **evaluate dec isions made in calculations**	• **plan how to present findings in relation to the task** • **analyse and summarise, the main features of the findings** • **explain the significance of findings, including possible sources of doubt** • **evaluate decisions made in tackling the task**

KEY SKILL UNIT — PROBLEM SOLVING

Each level builds on the previous on, and the description of each level reports the **additional** activities required.

LEVEL	ELEMENTS
LEVEL 1	• Select standard solutions to fully-described problems
LEVEL 2	• Use established procedures to clarify routine problems • Select standard solutions to routine problems
LEVEL 3	• Select procedures to clarify problems with a range of possible solutions • Identify alternative solutions and select solutions to problems
LEVEL 4	• Extend specialist knowledge in order to clarify complex problems with a range of possible solutions • Identify alternative solutions and select solutions to complex problems
LEVEL 5	• Extend specialist knowledge in order to clarify complex problems with a range of possible solutions which include substantial unknown/unpredictable features • Identify alternative solutions and select solutions in complex problems which include substantial unknown/unpredictable features

KEY SKILL UNIT — WORKING WITH OTHERS

This Key Skill Unit has two elments: plan activities with others; and work towards identified targets. The table should be read column by column, the rows illustrate the abilities required at each level for the relevant element. Each level builds on the previous one. The first cell in each column describes the abilities required for the first level, subsequent cells describe the **additional** activities required for the next level.

	Plan activities	Work towards identified targets
LEVEL 1	● check understand the targets which have been given ● identify ways in which can help to achieve these targets ● make sure that you understand what you and others have to do	● organise own activities to meet own responsibilities ● follow the working methods given, accurately ● describe progress towards achieving targets
LEVEL 2	● **identify the targets with others,** and check understand these ● **provide relevant information to help identify responsibilities** ● **confirm responsibilities and working arrangements with those involved**	● organise own activities **so that can be effective in meeting responsibilities**
LEVEL 3	● **agree targets with others, and confirm understanding of what needs to be done to achieve them** ● **agree working arrangements with those involved, and confirm understanding of what is required**	● organise own activities so that can be effective **and efficient** in meeting responsibilities ● **agree appropriate working methods with others, and use these effectively** ● **provide information on own activities, seek feedback from others and review progress towards targets**
LEVEL 4	● **propose** and agree targets ● **monitor and evaluate the planning process and suggest ways of improving its effectiveness**	● **propose and** agree appropriate working methods with others, and use these effectively ● **provide a progress report on own work** and seek feedback from others ● **monitor and evaluate collaborative work and suggest appropriate ways of enhancing work with others**

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