Digital Tech & Creative

Dorset Local Skills Improvement Plan

South West LSIP Findings | December 2023

INSIGHTFUL

Stage 1
Findings
March 2023

South West
LSIP Findings
Dec 2023

LMI & Key
Sector Data
Dec 2023

Key Sector
Focus Groups
2024 | 2025

Dorset
Skills Survey
Data
2024 | 2025

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Dorset LSIP

Delivered by:
Dorset Chamber

www.dorsetchamber.co.uk/lsip

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Approach & Purpose of Literature Review

In August 2023 38 Local Skills Improvement Plan's (LSIPs) were approved by the Secretary of State for Education across the UK. The LSIPs will help to achieve better alignment of the local skills system with employer's needs.

This literature review endeavours to consolidate the shared discoveries from LSIPs in the South West. The ensuing report presents a summary of the prevalent skill gaps identified across the South West of England. The overarching goals of this review are to enhance the evidential foundation of LSIPs and expedite the second phase of LSIP research.

This literature review amalgamates insights from individual LSIPs in the South West, each drawing upon a wide array of data sources, including surveys, interviews, focus groups, and stakeholder engagement. Consequently, the review synthesizes a wealth of qualitative and quantitative employer engagements from across the South West, forming a robust perspective on cross-county skills needs.

This literature review is one part of the evidence gathering for the sector's skills needs. Further data, employer voice and analyses will be shared to maintain and develop the evidence base. This will include sharing Labour market data, recruitment intelligence, findings from focus groups with employers in key sectors as well as analysis of the delivery of skills training.

Areas of Study

LSIPs were included in this literature review that were in the South or South West of England. The LSIPs included in this literature review are:

- Dorset LSIP (Dorset Chamber) https://dorsetchamber.co.uk/lsip/
- Solent LSIP (Hampshire Chamber of Commerce) https://www.hampshirechamber.co.uk/chamber-of-solutions/local-skills-improvement-plan/
- Enterprise M3 LSIP (Hampshire Chamber of Commerce) https://www.hampshirechamber.co.uk/chamber-of-solutions/local-skills-improvement-plan/
- Devon and Somerset LSIP (Devon & Plymouth Chamber, Somerset Chamber of Commerce) https://devonandsomersetlsip.co.uk/
- Swindon and Wiltshire LSIP (Business West) https://www.businesswest.co.uk/grow/LSIP/lsip-swindon-wiltshire
- Gloucestershire LSIP (Business West) https://www.businesswest.co.uk/grow/LSIP/lsip-gloucestershire
- West of England LSIP (Business West) https://www.businesswest.co.uk/grow/LSIP/lsip-west-england
- Cornwall and the Isles of Scilly LSIP (Federation of Small Businesses) https://www.fsb.org.uk/cornwall-and-the-isles-of-scilly-lsip.html
- Sussex LSIP (Sussex Chamber of Commerce) https://www.sussexchamberofcommerce.co.uk/education-skills

Digital Tech and Creative Skills for all Businesses

New technologies and increasing digitisation are the contexts that almost all businesses are now operating in. For this reason, IT and digital skills are increasingly important. In nearly every LSIP there was mention of a deficit of digital skills across businesses. In many LSIPs, IT and digital skills were described as "cross-sector skills", due to these skills being important to all sectors. Similar to other general skills like 'communication' 'leadership' or 'good timekeeping'. It has been noted that general deficits in IT literacy exist in both older and younger audiences. As often younger people's online/ digital pastimes do not translate into business-specific digital skills.

Several core, digital skills needed across businesses have been highlighted in Table 1 below:

Table 1. Cross-sector digital skill needs

Category of skills	Examples	Comment
General IT and office systems literacy	Outlook Diary and calendar management Excel CRM and database usage	Deficits seen in both younger and older audiences
Data and security needs across wider roles	GDPR and data protection best practices Filesharing and security Breaches and responses	The basic requirements for many roles across sectors.
Digital Marketing	Planning Advertising Social media Email marketing	Not essential for all positions, but increasingly important in administration positions.
Project management	Project management and methodologies such as Agile, Scrum, and JIRA. Managing hybrid/ remote roles.	Used a lot in the tech sector specifically, but these skills also apply to other sectors more generally.

Future Digital skills	Data science, data visualisations, cyber security	Driven by AI, automation, and machine learning, these skills as viewed as future core digital skills

Transferable Skills needed for all businesses

Along with the need for core digital skills, the LSIPs identified several key transferable soft skills needed among employees. Many businesses identify these transferable skills as being just as important as specialised, technical skills, therefore there is a need for a lot of focus to be placed on those skills.

Interpersonal Skills

Interpersonal skills, such as communication and teamwork, have been highlighted to be very important among employees for businesses. There is a need for more focus to be placed on developing these skills in the education system and on training courses. In the digital sector specifically, it is clear that software development and programming are not the only necessities facing businesses, but interpersonal skills among employees are important to allow for efficient client engagement and abilities in being able to communicate complex information effectively.

Problem-solving and critical thinking

Across businesses, employers would like employees to have stronger skills in problem-solving and critical thinking. These skills would allow employees to carry out their jobs more efficiently and at a higher level. In the digital sector specifically, problem-solving and critical thinking skills would be significant for programmers, software engineers, and technicians to deal with issues and bugs.

Project management and leadership skills

Across business sectors, employers would like more employees to possess strong project management and leadership skills. Currently, these skills are lacking within workplaces, and addressing those needs will be important and will also continue to be important within the digital sector.

Business skills

Being knowledgeable and skillful in different aspects of the business are areas employers would like to see improved among employees. Knowledge of matters such as financial management would improve business efficiency across sectors. Within the Dorset LSIP, digital and creative businesses outline business and client management skills to be extremely important among employees.

Digital Sector Business Context

Across the South West, there is a constant problem in recruiting talent for the digital sector. From Cornwall to Hampshire, consistent problems were reported in finding people for employment vacancies. Figures from the Department for Digital, Culture, Media & Sport suggest a 31.5% increase in the number of people working in the digital sector from 2011-2020, with employment growing at over double the rate of the UK economy. Thus, it is unsurprising that many businesses are struggling to recruit and retain staff in digital positions.

In some counties, the impact of rurality and deficits in housing were reported as obstacles to recruitment and retention for the digital sector. Many highly specialised roles are in competition with London roles that offer better pay, and remote working.

Across the LSIPs, it was reported that awareness of digital roles tends to be low, and many people are not aware of the opportunities that exist in the sector. In several of the LSIP's action plans, increasing awareness of digital roles was a priority.

For multiple businesses, an expectation of self-teaching digital skills was seen, with further education in digital subjects being viewed as not always directly relevant to business-specific digital needs. In many cases the pace of change was noted, and how difficult it is to keep course material relevant. Often it is expected that employees can learn digital skills using online resources.

Sector-Specific Skill Needs for Digital Sector

Software engineering and programming skills

The role in most consistent demand across South West LSIPs was for software engineers. For many employers, there is an expectation that coding will become essential to most roles in the future. In the sector, there is a reliable need for 'full stack developers' in particular those working in Python, C ++, and HTML programming languages. The uses of these programming languages exist in the current nature of the digital sector but will also be needed for future technology advancements and uses, such as AI and automation.

AI and Automation

In the future, there are expectations that AI and Automation will have significant impacts on the digital sector, and in businesses outside the digital sector. To deal with this, software developers and programmers will also need skills in being able to work with AI and automation to meet the needs of employers.

Cloud Computing and cyber security

Along with increased uses of AI and automation within digital businesses, there is the expectation that cloud computing and cyber security will become increasingly important within this sector. Therefore, there will be further needs for people with the software knowledge and proficiencies to deal with these issues.

Digital Design Skills

Within the digital sector, design and digital UX skills through the use of software such as CAD, Adobe, and Canva are needed. Examples of skills within the digital design domain include the planning and commercialisation of digital products, focusing on the needs of clients, and design thinking methodologies such as UX and product design.

Sector Occupation Needs

The Cornwall and Isles of Scilly LSIP provided a detailed outlook on the occupations that are currently in priority and are expected to be priorities in 2025 in the digital

sector. These occupation priorities further emphasised the digital skills outlined prior, where there is an increasing need for software engineers programmers, and technicians to fill needs.

SOC	Priority Occupation
2136	Programmers and Software Development Professionals L3, 4, 6
2133	IT Specialist Managers Level 4
2139	Information Technology and Telecommunications Professionals
3132	IT User Support Technicians level 3
3131	IT Operations Technicians L3
2135	IT Business Analysts, Architects and Systems Designers L4, L6
1136	Information Technology and Telecoms Directors
2134	IT Project and Programme Managers L4
5242	Telecommunications Engineers
5245	IT Engineers Level 4
2137	Web Design and Development Professionals L3

Note, data extracted from p.24 'Cornwall and Isles of Scilly Local Skills Improvement Plan.

Sector-Specific Skill Needs for the Creative Sector

Along with a significant number of skills needs within the digital sector, the LSIPs outlined several in-demand skills required to meet the needs of employers in the creative sector. Largely, these skills are related to the arts, where skills are needed in designing and constructing sets for shows.

Lighting and sound production

Within creative and arts businesses, lighting and sound technician and production skills were identified as a gap facing the creative industry. Involved within those skills was noted to be the effective use of green screen technologies and software.

Digital marketing and advertising skills

To meet the needs of marketing shows to wider audiences, creative businesses require more people with strong digital marketing and advertising skills. Within this, social media skills and knowledge will be key to marketing their shows effectively.

Artistic and animation skills

Art and design skills were outlined as important skill gaps among creative businesses, along with the need for more animators and people adept at using 3D design software.

Technical backstage and set design skills

Creative businesses need more employees with abilities to deal with technical backstage issues, set design, and set construction. These skills are very hands-on and are required for creative businesses to produce successful shows.

Film and TV Production

Where some areas of the South West have been used as hubs for Film and TV production, for example, Amazon Prime Video and Netflix hold production facilities in Surrey, there will be an increased need for people with strong film and TV production skills. These production skills will include post-production technical skills, such as video and sound editing.

Challenges Facing the Digital Tech and Creative Sectors

Employers find difficulties in navigating the skills system

A major challenge facing employers is their difficulties in navigating the skills system to access training and upskilling opportunities. Employers feel that they are not provided with enough guidance on how to access training provision, and there is a need to provide more awareness and guidance on how to achieve this.

Employers find it difficult to attract and retain talent in the area

Where the digital and creative industry is currently struggling due to an overall general labour shortage to meet the demands of the industry, employers are also finding it difficult to retain talent within the South West. Many employers in this area do not have the resources to compete with large cities, such as London, and with the

increase in home working opportunities, it is becoming even more difficult to attract talent into working for local businesses.

Fast changing sector presents challenges in adapting to new needs

Where the digital and creative sector has been seen to be a fast-changing, adapting sector where technology advancements are regular, businesses face challenges in being able to regularly upskill employees to adapt to new needs. A concern related to this was that due to the fast-changing nature of the sector, many long-term courses could be seen to be outdated upon their conclusion, therefore to keep skills up-to-date, employers require flexible, short courses to deal with the changing demands of the sector.

Cross LSIP Employer Suggested Actionable priorities to Support Digital Tech and Creative Sector Skills Needs

Engagement between Employers and Skills Providers

Employers currently feel that there is not enough engagement with education and training providers to develop courses that teach the required skills needed for businesses. Therefore, it was outlined that employers would like more frequent and improved communication with employers to improve the quality and detail of provision in the sector.

Development of more flexible, short modular courses to develop skills

When it comes to training, employers have outlined that they would like providers to focus on the development of more flexible, short modular courses to develop employee skills. These shorter, flexible courses would allow employee skills to be kept up to date with the current needs and advancements within the industry.

Improve diversity within the sector

Where there are major labour shortages within the digital and creative sectors in the South West, a common theme among the LSIPs was an indication that employers should aim to improve diversity within the sector. Attracting different demographics

into the sector was seen as a possible way of attracting untapped talent, and this would help to improve the level of skills within businesses and limit future skill gaps.

Improve awareness and guidance for employers when navigating skills provision

As noted among the challenges, many employers have outlined difficulties with navigating the skills system to access upskilling opportunities. Due to this, employers would like increased guidance on how to navigate the skills system and more awareness to be provided on the training and upskilling opportunities available within the sector.

Provide employers with financial support to upskill employees

Where many digital and creative businesses within the South West are micro-small businesses, many do not have the resources available to allocate funds towards upskilling regularly. Therefore, employers have outlined that they would like increased financial support to be made available to ensure that upskilling opportunities are accessed regularly.

Provide freelancers with accessible CPD opportunities

One challenge facing the digital and creative sector is that a large percentage of employees, 33%, are freelance workers, which is greater than the national average according to the Hampshire and Surrey LSIP. Due to this large percentage of freelancers, many employees are not provided with continuing professional development (CPD) opportunities. Therefore, there will be a need to provide those freelancers with more accessible CPD opportunities to continue upskilling to suit the needs of the industry.

Comparing Dorset LSIP Digital Tech and Creative Sector Findings with other Counties.

Digital tech and creative skill need comparison.

Within the digital tech and creative sector, a number of similarities were found from what was reported in the Dorset and South West LSIPs. Software and programming skills were found to be really important across all areas, along with digital design skills, project management skills, business skills, marketing skills, and problem-solving skills. Across both areas, interpersonal skills were also found to be extremely important for businesses, and in many cases are just as important as technical skill needs.

In the Dorset LSIP, research found a lot more specified focus on the needs of client management skills. Where communication skills across the South West are needed in part due to this, the client management side was shown to be a priority for digital businesses in Dorset. Additional Dorset only findings were needs for employees to have data analysis skills.

Across the South West, however, creative skill needs were more prominently discussed. Needs for TV and film production, lighting and sound production, artistic and animation skills and technical backstage and set design skills were all important.

Comparison of challenges facing the digital tech and creative sector

The main common challenge found across both the Dorset and South West LSIPs was that many businesses are finding it difficult to attract and retain talents in local areas, especially when competing with larger cities.

In the Dorset LSIP, there was a concern highlighted that employees coming into businesses have a lack of work readiness and employability skills, and this is as a result of a lack of non-technical skills focus on courses.

Some different challenges were found across the South West, however, where it was found that many businesses in the digital sector struggle with navigating the skills system and finding appropriate training courses, while there are also challenges regarding abilities to adapt to newly emerging needs in the sector.

Comparing Solutions proposed by Employers

The literature review of South West LSIPs found several similarities with what was found in the Dorset LSIP research. Firstly, employers would like increased

engagement with skills providers. This would allow for better development of courses to suit the needs of employers in the sector. The areas further found that employers would like short, flexible training courses to be developed to allow for upskilling opportunities to be available for new emerging needs in their business. Finally, there was found to be a common need to provide employers with more awareness and guidance of available training and apprenticeship opportunities.

Within Dorset specifically, employers expressed a need to provide learners with more hands-on work experience opportunities, and to provide clearer career pathways for young people in the sector.

The findings from the South West LSIPs placed more focus on freelance workers, where there was a need highlighted for more accessible CPD opportunities for freelance workers, and for more funding to be made available to allow for employee upskilling.

Summary of Comparisons

Digital Tech and Creative Sector

Cross comparison Table of the Dorset and South West LSIPs for the Digital Tech and Creative Sector

Dorset LSIP findings	South West LSIP findings
Skill Needs • Software development and programming skills • Fundamental programming skills • Data analysis skills • Digital design skills • Client management skills • Interpersonal skills: communication, collaboration, teamwork	**Skill Needs** • Software development and programming skills • AI and Automation • Cloud computing and cyber security • Digital design skills • Interpersonal skills: communication, collaboration, teamwork • Problem solving and critical thinking

• Time management • Problem solving skills • Project management skills • Business Skills • Marketing skills • Flexible skillsets	• Project management and leadership skills • Business skills • Advertising and Marketing skills • Lighting and sound production • Artistic and animation skills • Technical backstage and set design skills • Film and TV production
Challenges • Lack of work readiness • Lack of engagement between employers and skills providers • Lack of focus on technical skill needs • Difficulties in attracting and retaining talent in local area	**Challenges** • Employers find difficulties in navigating the skills system • Employers find it difficult to attract and retain talent in local areas • Fast changing sector presents challenges in adapting to new needs
Proposed Solutions by Employers • Increased engagement between employers and skills providers • Increased work experience opportunities • Promote awareness, understanding and availability of skills provision and apprenticeships • Provide clear sector career pathways • Develop short upskilling and training programmes	**Proposed Solutions by Employers** • Increased engagement between employers and skills providers • Develop more flexible, modular courses to develop skills • Improve diversity within the sector • Improve awareness and guidance for employers when navigating the skills system • Provide employers with financial support to upskill employees

	• Provide freelancers with accessible CPD opportunities