

Power Up: the UK workplace

#PowerUp



The UK's economy has proven its resilience many times throughout history. But we can't take this ability for granted. It's critical that the UK remains competitive, that we retain our strength in innovation, and develop and attract the skills our economy needs, so that we can achieve inclusive growth and prosperity for all. It is also crucial that we maintain our position as one of the world's leading trading nations.

This is the first in a series of insight reports that explore the critical challenges facing the UK's government and businesses. The report is based on a survey of non-British workers and wider research around the future of the UK workplace. It provides practical recommendations on what we can do to make a difference now, as well as be fit for the future ahead.

There are three forces shaping the future British workplace



1. Controlled immigration

The UK is still the most desirable destination for foreign workers, despite Brexit

Brexit has shifted the perception of foreign workers in the UK

Nine per cent of foreign workers in the UK plan to leave in the next 12 months compared to five per cent in a normal year

Most non-British workers thought it would be difficult for a British worker to replace them

Highly-skilled workers in London are the most likely to leave first



2. Technology

Over the last 15 years technology has created more jobs than it has destroyed

There is a high concentration of EU workers in sectors that have the greatest exposure to automation

UK business leaders do not feel as ready to adopt automation as other countries, particularly those based in emerging economies



3. New skills requirements

The most important skills in the UK are cognitive, collaborative and creative

STEM skills are in demand but are not enough on their own. Businesses require self-sufficient workers with a rounded skill set



The UK in one word

We asked non-British nationals based inside and outside the UK, to describe the UK in one word.

People living in the UK described it as...

People living outside the UK described it as...



How will non-British workers in the UK respond to Brexit?

Brexit has shifted the perception of foreign workers in the UK, but that is unlikely to lead to an imminent mass exodus

Highly-skilled workers are most likely to leave first. These jobs are less able to be automated, so there could be a short term pressure to fill these vacancies

Lower-skilled workers are less mobile than highly-skilled workers, which could give employers time to consider automation and upskilling the remaining workforce to close the gaps left by Brexit



What can the UK do to keep attracting talent?

| The relative popularity of different measures that aim to make the UK more attractive | Lower cost of living/ raise housing affordability | Positive statements from government that foreign workers remain welcome | Initiatives to improve work/life balance | Invest in National Health Service | More support for working families |
|---|---|---|--|-----------------------------------|-----------------------------------|
| Highly skilled | 45% | 32% | 20% | 20% | 18% |
| Less skilled | 39% | 26% | 16% | 18% | 22% |

Asked of those based in the UK only



Get involved

Policy makers, educators and businesses need to work together now to decide the future direction of the British workplace and to define a UK skills acquisition strategy. Deloitte's recommendations for action include:

Create a new immigration system that recognises the need for international talent

Invest now to upskill both current and future workers. The most valuable skills are cognitive, creative and collaborative

Embrace digital and invest in the deployment of technology to bridge skills shortages and deliver productivity gains

Take a regional and sectoral approach to the implications of change to ensure the impact of change is properly considered



Find out more

Find out more on the full report, visit: www.deloitte.co.uk/power-up



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