



Are Skill Requirements Still Rising?

Findings from the Skills and Employment Survey 2024

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HEADLINES

Skills are integral to supporting the development of the United Kingdom as a high wage-high growth economy. This report examines key trends in qualifications held, the different types of skills used at work, trends in job related training and learning at work and the degree to which workers can use the qualifications, skills and experience that they possess. The report paints a picture of rising long term trends in skills requirements, increasing opportunities for learning at work and falling levels of skills mismatch. The marked recovery in job related training demonstrates how the skills system has responded to an historically tight labour market.

- The demand for graduate level qualifications continues to increase. In 2024, almost half of workers (46%) report that they would today need a graduate level qualification for them to get their current job. This is compared to around one in five in 1986.
- Despite more workers holding graduate qualifications, the rate of over-qualification in Britain continues to decline. Just over a third of workers in 2024 report that they hold qualifications that are higher than those currently required for their jobs compared to 39% in 2006.
- The rising trend in computer use continues unabated, with almost eight out of ten workers in 2024 regarding computing skills as essential or very important. This increase in computer use has coincided with a growth in literacy skills associated with their use.
- Participation in job related training has increased markedly between 2017 and 2024. In 2024, almost eight out of ten workers had participated in job related training during the previous 12 months. Almost half (46%) had participated in training lasting longer than 10 days. Recent increases in job related training have been driven in part by workers undertaking internet or correspondence-based courses.

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1. The Importance of Skills

Skills, their development and utilisation feature frequently in policy discussions. In July 2024, the Prime Minister and the Education Secretary announced the launch of Skills England to ‘boost the nation’s skills’ by developing a national picture of where skills gaps exist and to respond to skills needs necessary to power economic growth. Skills also feature prominently in the UK Government’s consultation document for the new industrial strategy which emphasises that ‘skilled workers are more productive, drive innovation and facilitate the adoption of new technology – ultimately boosting growth’. This report presents new evidence for Britain on the skills held by workers, the skill requirements of their jobs and the opportunities for skill development in the workplace.

2. Previous Evidence

A common way to measure the skills available in the labour market is to profile the qualifications held by individuals. To what extent, however, are the supply of skills in alignment with demand? Are workers able to find jobs that make effective use of their skills? The answers to such questions require information that goes beyond assessing qualifications held. One approach to measuring skills mismatch is to compare the qualifications held by individuals to those commonly held by people doing the same jobs. Recent ONS estimates based on 2021 Census data suggest that one in five employed adults in England and Wales held qualifications that were higher than average for their occupation.

An alternative approach to measuring skills mismatch is to compare the qualifications held by individuals with their own assessment of what qualifications would be required if they were to apply for their job today. The OECD’s Survey of Adult Skills recently revealed that 37% of employees in England were over-qualified; the highest of any OECD country and an increase of seven percentage points since 2012. This is in contrast to previous evidence from the SES series which demonstrated that there was a modest but steady decline in the over-qualification rate among British workers between 2006 and 2017. However, concerns have been raised that the increase in the over-qualification rate recorded by the Survey of Adult Skills could be due to changes in how qualification data were collected. This report therefore provides timely new evidence on over-qualification in Britain.

The Survey of Adult Skills also provides evidence about trends in skills use at the workplace. Data for England reveals that there has been a substantial increase in the proportion of adults using ICT at work to access information, increasing from 47% in 2012 to 83% in 2023. This increased use of ICT has been accompanied by increases in literacy skills. Between 2012 and 2023, the proportion of adults who reported that they read letters, memos or emails every day increased from 63% to 74%. Likewise, the proportion of adults who reported that they were writing letters, memos or emails every day increased from 52% in 2012 to 63% in 2023. Previous evidence from the SES demonstrates that computer use at work increased strongly between 1997 and 2017. This report examines whether this growth in computer use and related

generic skills has been an increasing feature of employment among SES respondents since 2017.

3. The Skills and Employment Survey 2024: A New Source of Evidence

The Skills and Employment Survey 2024 (SES2024) allows us to examine long term trends in qualifications, skills and their utilisation on a consistent basis. The complete survey consists of three parts: a face-to-face survey of working adults aged 20-65 years old in Britain; an online survey of eligible respondents living in Britain who agreed to join a panel of respondents recruited from previous NatCen surveys; and an online survey of eligible workers living in Northern Ireland. For this report, we focus on the face-to-face survey only, hence the findings present a picture of Britain in 2024. The sample for this survey was drawn using random probability principles stratified by several socio-economic indicators. Two eligible respondents per address were randomly selected for interview, 32% of those selected were interviewed and most were completed in 2024. All parts of the data collection process were directed by the research team and the fieldwork was carried out by NatCen.

SES2024 is the eighth in a series of nationally representative sample surveys of individuals in employment aged 20-60 years old (although the 2006, 2012, 2017 and 2024 surveys additionally sampled those aged 61-65). The numbers of face-to-face respondents were: 4,047 in the 1986 survey; 3,855 in 1992; 2,467 in 1997; 4,470 in 2001; 7,787 in 2006 (includes Northern Ireland); 3,200 in 2012; 3,306 in 2017; and 2,824 in 2024. Weights were computed for all surveys in the series. These correct for differential probabilities of sample selection, the over-sampling of certain areas and response rate variations between groups (such as sex, age, occupation and qualification level). All the analyses that follow use these weights.

4. Indicators of Skills and Their Use

Job skills refer to the knowledge required by workers to conduct their tasks competently and efficiently. Job skills can be categorised as either ‘broad skills’ or ‘generic skills’. We measure broad skills according to a series of job requirements needed prior to becoming a fully integrated member of the workforce. Firstly, respondents to the survey are asked to judge what qualifications would be required to get their current job in today’s labour market. We examine trends in the proportion of workers who report that they would need at least a graduate level qualification and those who say that they would require no qualifications. However, many skills are gained in the days, weeks and months that follow entry to a job. SES therefore also asks respondents to quantify the training and learning requirements of their jobs. Regarding learning, respondents were asked ‘How long did it take for you after you first started doing this type of job to learn to do it well?’ In terms of training, respondents were asked whether they undertook any training for the type of work that they did and, if so, how long did it last. Here we explore the proportion of workers who reported that the learning and training requirements of their jobs were greater than six months.

The report also examines the on-going cross-cutting skills demands of jobs which are often referred to as 'generic skills'. These are skills that are used across a wide range of occupations and industrial situations. In the SES these data are derived from respondents' self-assessment of the importance of a series of over 40 activities, encompassing a variety of manual, cognitive and social skills which are conducted as part of their job. These activities can be grouped into specific sets of generic skills, such as numeracy, literacy and management skills. We define the high-level use of generic skills as those skills regarded by workers as being either 'essential' or 'very important'. We also include computing skills which can be considered to have generic qualities. Many of these questions have been repeated since 1997, enabling us to examine long-term trends in job skills. A [separate report](#) in this series examines the more advanced use of computers, including the adoption of task-automating technologies such as AI.

In terms of skills development, we firstly examine *job related training*. Since 2006, the SES has captured information about training by asking workers whether they have participated in specific training related activities over the previous 12 months, including off and on the job training, evening classes and self-taught courses. *Training incidence* is calculated as proportion of respondents who said that they had taken part in any of these activities. SES respondents were also asked the number of days on which these activities took place, allowing the duration of training to be derived. We focus on 'long training', defined as any training that took place over 10 days or more over the previous year. Respondents were also asked how satisfied they were with the training they received. We examine the proportion of people who responded that they were either completely or very satisfied with their training.

Learning, however, can take on many forms which go beyond traditional training events and activities. This includes activities such as watching, listening and learning from others which are undertaken on an on-going basis

while at work. To gauge this form of learning, respondents were asked whether their job required them to learn new things, whether they were required to help their colleagues learn new things and whether they were able to learn new skills through working with other members of their work group. With data available since 2001, we report the proportions who 'strongly agreed' with these statements.

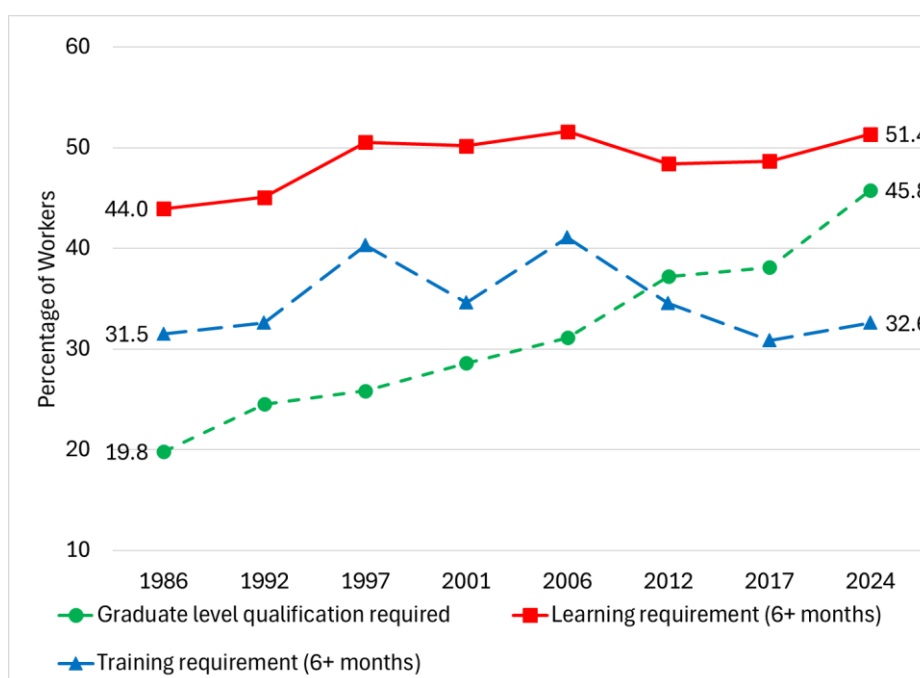
The last section of the report examines the issue of *qualification* and *skills mismatch*. The SES collects information on both the qualifications held by job holders and those currently required of their job. With data from 1986, we estimate the percentage of workers who have qualifications above the level currently required. Matching of skills to jobs is, however, not just about qualification level. It is also dependent on the specific skills held by the worker and how these compare to those required by the job. SES respondents were asked whether they have enough opportunity to use the knowledge and skills that they have. We report the proportion of workers who 'strongly disagree'. Respondents were also asked 'How much of your past experience, skill and abilities can you make use of in your present job?' We examine those workers who report having 'very little' opportunity. These questions have been included in each survey since 2001.

5. Findings

Broad Skills

Figure 1 reveals that the demand from employers for graduate level qualifications has increased steadily over the last four decades. In 1986, just one in five (20%) workers reported that a graduate level qualification would be required for them to get their current job. By 2006 this figure had increased to around one in three (31%). Since 2006, the growth in demand for graduate qualifications has increased. By 2024, almost half (46%) of workers report that a graduate level qualification would be required for them to get their current job.

Figure 1: Trends in Broad Skills



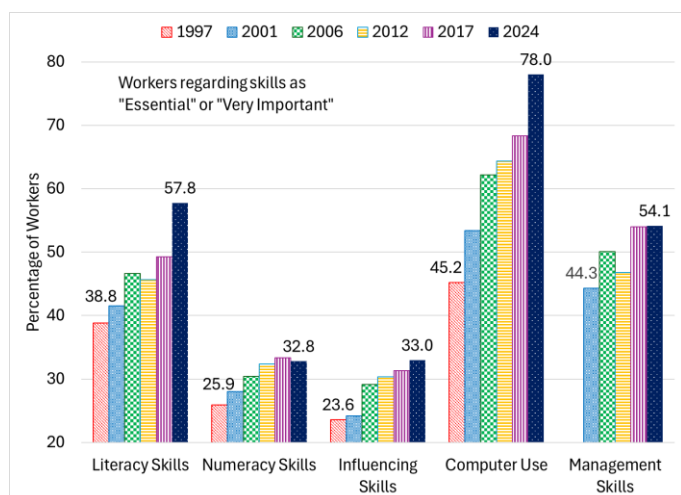
If formal qualification requirements have increased significantly, maybe skills acquired following entry to employment have become less important. However, this does not appear to be the case. In 2024, approximately a third (33%) said that the length of training time for their work was greater than six months. This figure is comparable to that for 1986 (32%), although has fallen since 2006 (41%). The proportion of people who reported that it took longer than six months to learn how to do their job well has also remained stable since the late 1990s. Since 1997, around half of workers consistently report that it takes six months or longer for them to do their jobs well.

Generic Skills

Figure 2 reveals evidence of a continued expansion in the use of many generic skills. The increasing importance of computer skills is clearly evident, with almost eight out of ten workers in 2024 regarding these skills as essential or very important. There has been a significant increase in the proportion of jobs where literacy skills were regarded as being essential or very important, increasing from 49% in 2017 to 58% in 2024. Reflecting the increased use of computers, this is attributable to more workers regarding the writing of short reports, letters, or emails as essential or very important, increasing from 57% to 66%. The importance of influencing skills, encompassing the ability to persuade others, make speeches and presentations and planning the work of others has also increased steadily over time, with a third of workers now regarding these skills as being essential or very important. However, the often-touted increase in demand for jobs that require leadership and management skills appears to have stalled in recent years. In 2024, just over half of workers (54%) regard management skills as being very important, a figure identical to that observed in 2017.

The most noticeable decline in the demand for generic skills has been the continued fall in the use of client communication skills. These skills cover dealing with people, selling a product or service, counselling, advising, or caring for customers or clients or having knowledge of particular products or services. Between 2012 and 2024, the proportion of workers who regarded client skills as being very important fell from 49% to 38%. This could reflect increased use of the internet by businesses and consumers and AI based innovations such as Chatbots.

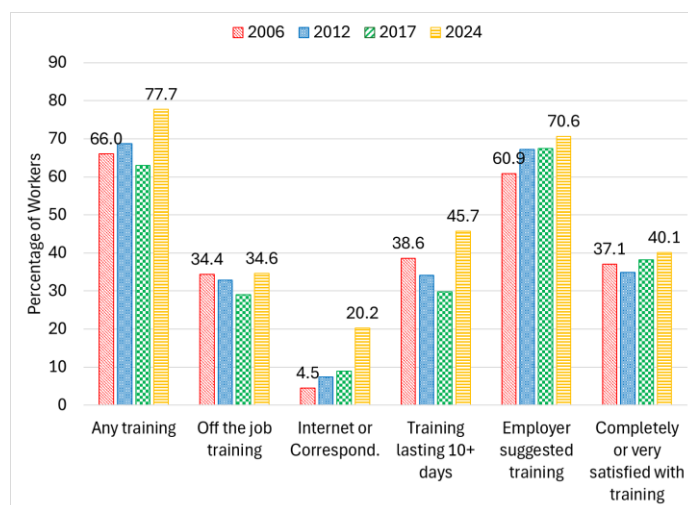
Figure 2: Generic Skills on the Rise



Job Related Training

In 2024 over three-quarters of workers (78%) had undertaken job related training over the previous 12 months, an increase of 15 percentage points since 2017 (Figure 3). The gradual decline in participation in off-the-job training appears to have ceased. There has also been a large growth in workers undertaking internet or correspondence-based courses between 2017 and 2024. The home may increasingly be becoming a place of learning as well as a place of work. These flexible forms of learning have contributed to a rise in the proportion of workers who have undertaken training lasting longer than 10 days. Of those who undertake training, there has been a small but gradual increase in the proportion who say that their employers suggested it. Satisfaction with training at work has, however, remained relatively stable since 2006.

Figure 3: Job Related Training



Learning at Work

In 2024, almost two-fifths (37%) of respondents strongly agreed that their job required them to learn on an on-going basis. This figure has been creeping upwards since 2006 (see Figure 4). An identical proportion of workers in 2024 (37%) also strongly agreed that they were required to help others acquire new skills. This figure has also been on an upward trajectory, increasing steadily from 27% in 2001. There has also been growth in the proportion of workers who emphasise the importance of learning from teams. Learning from others is a key feature of team working with a quarter of workers strongly agreeing that they learnt new skills from other members of their work group. This figure increases to 40% when expressed as a proportion of those who work in teams, indicating that learning from others cannot simply be attributed to a growth in team working.

Qualifications and Skills Mismatch

The over-qualification rate has continued to decline in recent years (see Figure 5). The rate of over-qualification increased between 1986 and 2006, with this increase accelerating around the turn of the millennium. Since reaching a high of 39% in 2006, the rate of over-qualification has since exhibited a small but steady decline, such that by 2024 the over-qualification rate had fallen to around 35%. These results are based on methods of collecting information on qualifications that has changed relatively little over a period of four decades.

Figure 4: Learning at Work

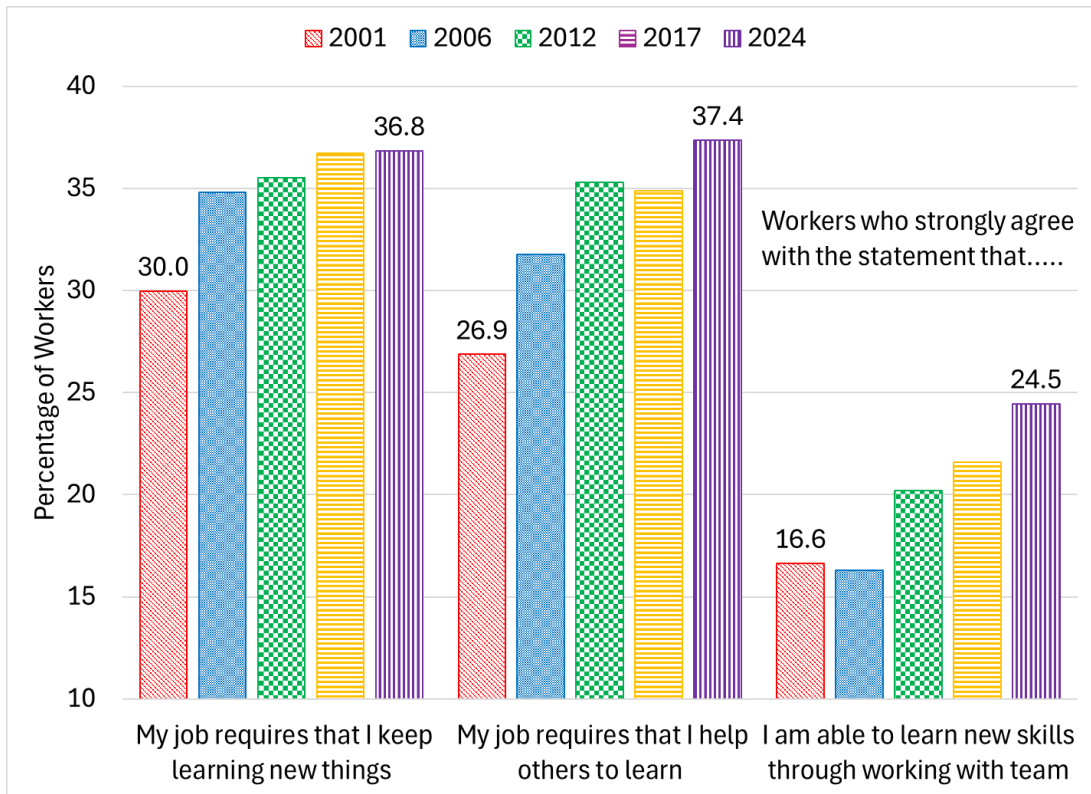
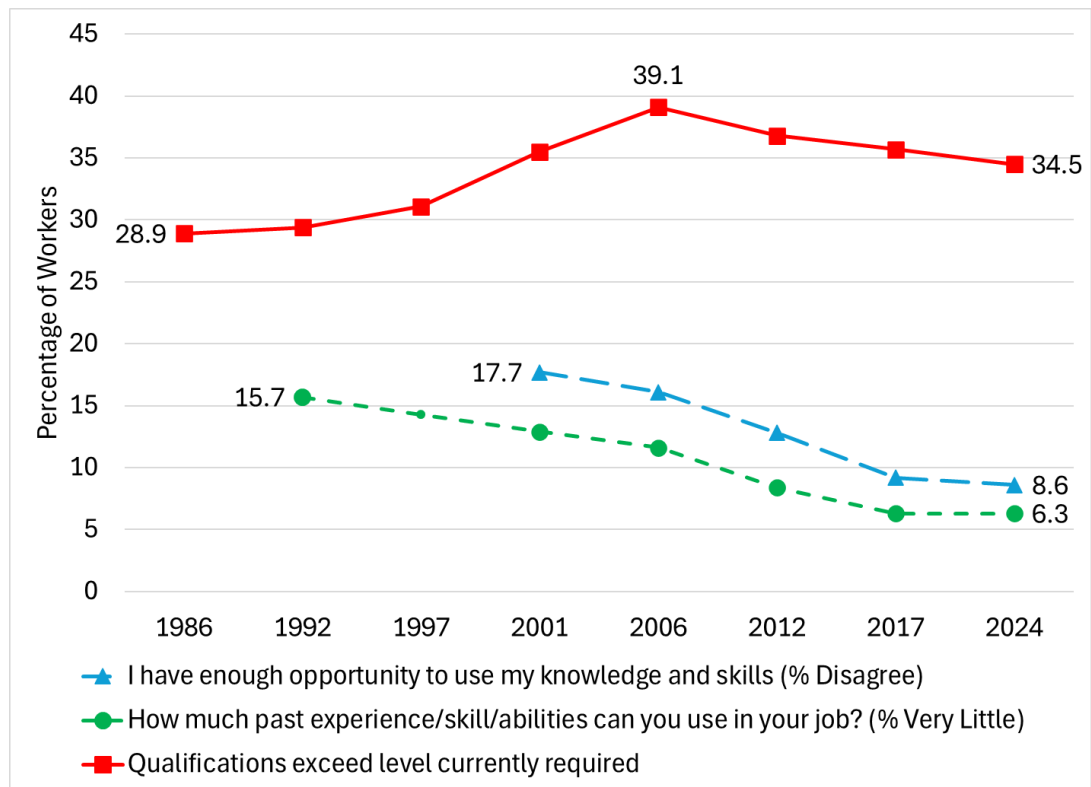


Figure 5: Qualifications and Skills Mismatch



To further examine issues surrounding the under-utilisation of skills, we next explore the responses to questions regarding whether respondents were able to use their skills at work effectively. It can be seen in 2024, less than one in ten workers (9%) report that they do not have enough opportunity to use their knowledge and skills. This figure has halved since 2001 (18%), although the rate of decline has diminished since 2017. In 2024, only 6% of workers report that they have little opportunity to use their past experience, skills, or abilities in their jobs. Again, this figure is half that reported in 2001 and a third of that reported from an earlier survey conducted in 1992 that also included this question. Once again, it has remained relatively stable since 2017. These long-term downward trends in qualifications and skills mismatch are important as those who have opportunity to use their skills at work are much more likely to regard their work as being meaningful.

6. Policy Implications

Skills are regarded as crucial to economic growth, with estimates suggesting that they have accounted for a third of UK productivity improvements in recent decades. Skills feature prominently in UK policy discourse. One of the seven pillars of economic growth announced in the Autumn 2024 budget relates to people, including a

commitment to increase the number of people in good jobs and to address skill challenges that are regarded as hampering economic growth. Skills England has been established in support these aims.

This report paints a positive picture of rising trends in skill requirements, more opportunities for learning at work and falling levels of skills mismatch. The recovery in job related training in 2024 demonstrates how the skills system has responded to the challenges of economic disruption and an historically tight labour market. Claims that the UK skills system was a 'mess', 'fragmented' and 'broken' would arguably appear to be overly pessimistic

The caveat to this is the funding crisis currently facing the Higher Education sector. Our analysis confirms that despite more workers holding graduate level qualifications, and contrary to assertions from the OECD, the rate of over-qualification in Britain continues to decline. As emphasised in the UK Government's Mission for Kickstarting Economic Growth, the increasing demand for graduate level skills highlights the strategic importance of our world class Higher Education sector. Universities need to be placed on a firmer financial footing to offer high quality education and support the talent pipeline regarded as being integral for supporting economic growth.

Further Reading

Henseke, G, Felstead, A, Gallie, D and Green, F (2024) 'Degrees of demand: a task-based analysis of the British graduate labour market', *Oxford Economic Papers*, 77(1): 144-165.

IFF Research (2024) Employer's Skills Survey 2022, London: Department for Education.

OECD (2024) Do Adults Have the Skills They Need to Thrive in a Changing World?: Survey of Adult Skills 2023, OECD Skills Studies, OECD Publishing, Paris

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All titles are downloadable free from the survey website: wiserd.ac.uk/project/ses/ses2024. The NatCen SES2024 Technical Report which outlines in detail how the data were collected along with the questionnaires used is also available. You may also like to take the www.howgoodismyjob.com quiz which is based on some of the questions used in the survey.

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