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It is central to our role and purpose that our work contributes to the creation of a strong, vibrant and diverse economy. Fundamental to this is the success of businesses, their ambition for growth and the availability of highly skilled people who can rise to the challenge.

In presenting this, our third, Corporate Plan, I am pleased to reaffirm our contribution to this shared national ambition by leading skills planning and development, supporting employers to secure and develop the skills they need, and enabling individuals to find fulfilling employment and progress in today’s competitive and dynamic world of work.

As we lay out our ambition for the next five years, we also reflect on our achievements and our positive collaboration with partners which provide a strong platform for continuing this work.

Responding effectively to employers’ skills needs and strengthening their role in the education and skills system has been central to our work, and will continue to be a cornerstone of our Corporate Plan 2015/20.

We have made significant progress improving skills support for employers, engaging them in shaping the solutions that will enhance Scotland’s skills performance. We have focused on building intelligence on demand for skills at a local and sector level, through the development of Skills Investment Plans and Regional Skills Assessments, and can already see change happening, with these plans being used to shape our skills investments and those of partners such as the Scottish Funding Council through their Outcome Agreements with Colleges and Universities.

1 Our achievements over the last strategy period, 2012-15, are summarised in Annex A.
Alongside this, we recognise the importance of skills in building individual confidence, raising aspiration, improving productivity and reducing barriers to participation. We have worked with our partners in the education system to develop and embed our approach to building career management skills, creating confident, resilient individuals who understand their strengths and are able to grasp the best opportunities available to them.

We offer a number of different employability-oriented services and products to individuals and employers and, within those, our Modern Apprenticeship programme exemplifies the value placed on work-based learning and skills gained on the job. We will continue to drive up levels of enthusiasm and the preparedness of school leavers for work by ensuring work-based learning and career management skills are an established part of the school education system.

There is much evidence that the creation of more joined up ‘career pathways’ with a strong emphasis on work-based learning and employer engagement is crucial in supporting effective transitions. This was reinforced by the Commission for Developing Scotland’s Young Workforce in its report and recommendations to the Scottish Government (June 2014) and the Scottish Government’s response, Developing the Young Workforce – Scotland’s Youth Employment Strategy. Similarly, we know that early engagement with school pupils to raise their awareness of the world of work and the diversity of opportunities available is central to overcoming narrow thinking about what makes a good career plan. We will continue to support Scotland’s people to build the skills, confidence and determination to be the driving force behind success, sustainable economic growth and a fairer society through all of our work with individuals and employers.

Striving through our own services to respond effectively to the demands of the economy and, in partnership with others, preparing individuals for the world of work and learning, we will improve the chances of people getting jobs, and of businesses accessing the skills they need.

**ULTIMATELY, THIS WILL DELIVER TANGIBLE IMPACTS IN TERMS OF ECONOMIC GROWTH AND FAIRNESS FOR COMMUNITIES ACROSS SCOTLAND.**
We recognise that this is an ambition for the long-term. But the progress we have made so far is testament to the commitment, capability and enthusiasm of our own people, of colleagues in education, of those in industry and of our other partner organisations. We are fully committed to delivering our services as innovatively, effectively and efficiently as possible. We have already demonstrated our ability to exploit new technology for the benefit of customers, with the successful introduction of our My World of Work and Our Skillsforce web services, and we will continue, where appropriate, to take a ‘digital first’ approach to developing our services for customers. Equally, we are committed to empowering our people so that we meet the needs and expectations of customers, create satisfying work and development opportunities for our employees, thus contributing to the life of the communities in which we work.

In this respect, our Plan lays out our ambition to become an employer of choice and an exemplar of fair work.

- **In 2015-16 we have already become an accredited Investor in Young People, a Living Wage Employer and achieved a Healthy Working Lives Bronze Award.**

These achievements, together with further commitments which include working towards 50:50 gender equality at Board level, demonstrate our support for the Scottish Government’s priority to build a fairer Scotland and our readiness to work with industry leaders to promote the benefits of a diverse workforce and fair workplace practices.

With Scotland’s economy continuing to stabilise and strengthen following the challenges of past years, we are galvanised by the opportunity to continue to make a difference for people, businesses and our communities across the country. Scotland’s Economic Strategy emphasises the links between investment, innovation, inclusive growth and internationalisation to the success of Scotland’s economy and society – themes which are aligned strongly to our own ambitions. Over the lifetime of our Plan, our investment in skills should reach around £1bn, supporting in the region of 500,000 skills and learning opportunities, and directly contributing to the creation or safeguarding of around 200,000 jobs. This is a significant contribution towards the achievement of Scotland’s economic and social goals and we look forward to working with you to achieve this ambition.
Introduction

About us
In this corporate plan we set out our ambitions for the next five years, relying on the strengths of our people, services and partnerships, and building on our achievements so far. We aim to deliver the very best possible outcomes for Scotland’s people, businesses and the economy by focusing on skills planning and development, putting those skills to work and building fairer and more diverse workplaces.

As Scotland’s skills body, we are central to driving the success of Scotland’s economy, working with partners to create a Scotland where:

- employers are able to recruit the right people with the right skills at the right time
- employers have high performing, highly productive, fair and equal workplaces
- people have the right skills and confidence to secure good work and progress in their careers
- there is greater equality of opportunity for all.

We do this by delivering services for individuals and employers that help them to achieve their ambitions. And by building strong partnerships with providers, funders and influencers of education and training, we drive a focus on delivering the programmes that will make a real difference to Scotland’s communities and economy. Investment in the right skills, at the right time and in the right place is at the heart of our approach to supporting individual achievement, as well as business and economic growth and a fairer Scotland.
Jenna Thomson,
Modern Apprentice,
GlaxoSmithKline

Introduction
Our approach

Together with partners, we drive the Skills Planning Model. This model aims to improve the response of education and training to the needs of industry and ensure people have the best possible chance of succeeding in the world of work.
The Skills Planning Model
Making Skills Work for Scotland

Understanding Skills Demand through:
- Direct employer engagement
- Input from our engagement with employer groups
- Insights through partner agencies and data research

Employers:
Are able to recruit the right people with the right skills at the right time.

Regional and Sectoral Skills Investment Plans

Investment in responsive education and training provision

Matching learning provision with demand to develop the right skills

Influencing choice through careers intelligence

Individuals:
Access a careers service that helps them pursue opportunities important to the economy and its employers.
We continue to forge stronger relationships between providers of education and training, and businesses and industry, so that Scotland’s economy is fuelled by a skilled workforce both now and in the future. By utilising the evidence base and aligning our work with what it tells us, we can respond to the needs of the economy and contribute to successful communities across Scotland.

As we move forward, we will continue to target and focus our services where they are needed most. This is especially the case for those young people struggling to make the transition into learning or work, and where existing provision does not respond effectively to the rapid changes in the economy, labour market and developments in industry and technology.

In this Corporate Plan for the coming five years (2015-2020) we describe our ambitious plans to drive economic growth through harnessing the potential of Scotland’s people and businesses, and by demonstrating the benefits of fair work through our own progressive workplace policies.

**THE STRATEGY MAP ON THE FOLLOWING PAGE SUMMARISES THIS WORK.**
<table>
<thead>
<tr>
<th>Goal 1:</th>
<th>Employers are better able to recruit the right people with the right skills at the right time.</th>
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</thead>
<tbody>
<tr>
<td>• Engage with employers to plan demand for skills both now and in the future.</td>
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<tr>
<td>• Utilise this intelligence to influence the development and funding of:</td>
<td></td>
</tr>
<tr>
<td>‒ Matching appropriate tertiary education provision</td>
<td></td>
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<tr>
<td>‒ Work-based education, training and learning pathways</td>
<td></td>
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<tr>
<td>‒ SDS products and services to respond to demand and equip people with the right skills for employers and our nation</td>
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<tr>
<td>• Deliver targeted programmes to help employers bridge the gap in industries where the supply does not meet demand in the short term.</td>
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<tr>
<th>Goal 2:</th>
<th>Employers have high performing, highly productive, fair and equal workplaces.</th>
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<tr>
<td>• Provide trusted advice and support to enable employers to:</td>
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<tr>
<td>‒ Invest in existing skills and plan for, and develop, new talent</td>
<td></td>
</tr>
<tr>
<td>‒ Create solid business plans that reflect long term skillsforce requirements and fairness</td>
<td></td>
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<tr>
<td>‒ Access the right products and services to grow their business through their skillsforce</td>
<td></td>
</tr>
<tr>
<td>• Establish evidence on the impact effective leadership and a culture of fairness and equality has on workplace productivity</td>
<td></td>
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<tr>
<td>• Through strategic engagement with industry, demonstrate and help deliver the benefits of adopting fair workplace and equality practices.</td>
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<tr>
<th>Goal 3:</th>
<th>People have the right skills and confidence to secure good work, progress in their careers and achieve their full potential.</th>
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<tbody>
<tr>
<td>• Drawing on our careers intelligence, help people develop career management skills so they can:</td>
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<tr>
<td>‒ Choose the right pathway through education and into work</td>
<td></td>
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<tr>
<td>‒ Acquire essential employability and work-based skills</td>
<td></td>
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<tr>
<td>‒ Take advantage of opportunities available to them within our economy and its employers</td>
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<tr>
<td>• Anticipate and plan ahead throughout their career</td>
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<tr>
<td>• Champion the wide range of pathways into work, ensuring each route is recognised and valued</td>
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</tr>
<tr>
<td>• Invest in programmes such as Modern Apprenticeships to help Scotland’s workforce confidently adapt to a changing economy and labour market.</td>
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<tr>
<th>Goal 4:</th>
<th>Increased equality of opportunity for all.</th>
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<tr>
<td>• Work with partners at a local level to create a joined-up pipeline of accessible skills support, delivering greater equality and diversity in the workforce</td>
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<tr>
<td>• Establish a clear understanding of the barriers to participation some people face by working closely with equalities experts</td>
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<tr>
<td>• Collaborate with partners to further shape services to break down systemic barriers and increase participation</td>
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<tr>
<td>• Collaborate with Scottish Government to help design and deliver devolved employability and skills programmes in Scotland.</td>
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<tr>
<th>Goal 5:</th>
<th>SDS is an employer of choice, an exemplar of fair work and internationally recognised for excellence, innovation and customer-focus.</th>
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<tbody>
<tr>
<td>• To deliver sector-leading services to customers by:</td>
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<tr>
<td>‒ Taking an innovative approach to leadership, skillsforce development and equality</td>
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<tr>
<td>• Harnessing our digital capability and making best use of our business intelligence</td>
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<tr>
<td>• Maintaining a focus on quality, efficiency, effectiveness and sustainability underpinned by a culture of continuous improvement.</td>
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### Values

- **We put the needs of our customers at the heart of all we do**
- **We demonstrate self motivation, personal responsibility and respect**
- **We continually improve to achieve excellence**
- **We make use of our combined strengths and expertise to deliver the best outcomes**
Skills are central to Scotland’s continued prosperity. Our work in leading skills planning and development to ensure Scotland has the right skills to support economic growth means we need a clear understanding of the dynamics of the economy, labour market and wider operating environment.

**Context**

**Skills Development Scotland Corporate Plan 2015-2020**

**The economy and labour market**

At the time of writing (Spring 2015) Scottish gross domestic product, output and employment have risen above pre-recession levels, and unemployment in Scotland has tended to be lower than the UK as a whole. Economic recovery and growth has, however, been uneven and unequal.

Economic challenges remain, including stimulating growth in youth employment which continues to lag behind the overall trend of rising employment. The number of people underemployed, either working fewer hours than they would like or over-skilled for the jobs they hold, remains high. Real wages sit below their 2008 level, putting pressure on household incomes and raising in-work poverty. Productivity rates in Scotland are low by UK and European standards.

Although the economic outlook is strong, there are continuing instabilities in the global and European markets to which Scotland’s economic prospects are tied.
Economic and skills policy

The figure opposite displays Scotland’s Economic Framework. This framework aims to give a clear direction of travel for all levels of government in Scotland. It integrates economic and social policy to offer a much broader approach to tackling inequality and improving our economic competitiveness.

Specific objectives are set to stimulate change in workplace policies to help tackle inequality, encourage diversity and raise performance, and to reduce youth unemployment, all of which we address throughout this plan.

Source: Scotland’s Economic Strategy, March 2015
A commitment to youth employment

Central to the commitment to reduce youth unemployment are steps to ensure young people are equipped with the skills they need to progress into and sustain employment. Developing the Young Workforce, Scotland’s Youth Employment Strategy (December 2014) sets out how the Scottish Government and its partners will implement the recommendations of the Commission for Developing Scotland’s Young Workforce (June 2014) by setting a framework for the creation of more work-based learning. With the headline to reduce youth unemployment by 40% by 2021, the strategy emphasises the need for employers to actively engage in education so that young people gain the right qualifications and experiences to prepare them for work.

It also seeks to address the inequalities faced by different groups of young people, including those from minority ethnic communities, those with disabilities and young people in the care system.

Our services already seek to meet the needs of people in these groups and we will place a stronger focus on how we do this in coming years.
Tackling inequality through fair and inclusive work

As detailed in the Programme for Government (November 2014), economic policy also seeks to tackle inequalities in income, address in-work poverty and improve productivity through fair and progressive workplace practices.

Alongside the commitment to employ young people, the Scottish Government is seeking to build a distinctively Scottish approach to economic development founded on a fair and inclusive society. Businesses benefiting from public sector support are to be encouraged to commit to a range of business practices such as paying the living wage, workforce and community engagement programmes and progressing gender balance and workplace diversity. Public sector bodies, including our organisation, are expected to lead by example and demonstrate the benefits to businesses of adopting these policies.

Public services and public spending

The Programme for Government also confirms the commitment to a strong public sector although the continued pressure on public spending intensifies the need for innovation and efficiency improvements. The principles laid down by the Christie Commission (2011) remain central to this, encouraging agencies to design and deliver services around the four pillars of reform: partnership, prevention, people and performance. New technology provides part of the solution.

Harnessing the benefits of technology

Technology continues to influence the world of work by transforming and creating job roles, and changing workplace practices and design. It also provides scope to transform the way services are delivered, which the Scottish Government promotes through the continued implementation of the Digital Public Services Strategy. Between 2013 and 2014, use of mobile devices to access the web grew by 12% in Scotland - the largest increase in mobile internet access of all UK nations. The majority of Scottish small and medium sized enterprises are now online (80%) and across Europe, more than 40% of children aged 9 to 16 access the internet from a mobile device daily.
Statutory duties
We are responsible for meeting a number of statutory requirements. These include the promotion of equal opportunities, carbon management, the Gaelic language and a recent addition - a new ‘Corporate Parenting’ duty, which aims to improve the educational attainment of young people in the care system. All of these requirements are built into our service delivery and compliance is monitored and reported.

The opportunity
These contextual and policy factors are challenging but they provide a clear direction for our services over the next five years. They also act as a basis for us to strengthen our role in developing the skills that Scotland needs, in a context that places equality and fair work principles at the heart of what we do.

The new strategy period also sees the prospect of further devolution of power to the Scottish Parliament within a new UK government structure, as recommended by the Smith Commission in 2014.

THE PARLIAMENT IS EXPECTED TO ASSUME NEW POWERS IN POLICY AREAS SUCH AS EMPLOYABILITY AND WELFARE, AND WE STAND READY TO AID THE SUCCESSFUL INTEGRATION OF THEIR DEVOLVED DELIVERY WITH OUR OWN AMBITIOUS PROGRAMMES.

Monicah Ayoub, Modern Apprentice, Glasgow Housing Association
Our ambition for business

**Goal 1**
Employers are better able to recruit the right people with the right skills at the right time.

*See page 22*

**Goal 2**
Employers have high performing, highly productive, fair and equal workplaces.

*See page 24*
Our role

We support and inspire employers to grow and develop their business through investment in skills. Building on our understanding of the needs of industry and our engagement with employers across Scotland, we are committed to driving Scotland’s economy and supporting individual participation in fair and rewarding work.

We aim to do this by continuing to bring the demand and supply for skills closer together, and building a world of work where there is fairer access to opportunities. Our increasing evidence base of skills demand intelligence, in the form of Skills Investment Plans and Regional Skills Assessments, informs how we design, deliver and invest in services for employers. It also informs our development of new learning pathways that help people understand and get into the world of work. Beyond our own services, we will work with partners to ensure the skills intelligence also guides partner investment in skills through college and university outcome agreements and other local programmes.

Our position in also providing services to individuals means we have an important role to play in fostering closer links between employers and the wider education system. This presents the opportunity to better prepare people, particularly young people, for the realities of the working world, whilst engaging employers in building a pipeline of new talent and supporting diversity in the workforce.
Making Skills Work for Employers: The Highlands and Islands Skills Investment Plan

The Highlands and Islands’ economy has been performing strongly over the last 10 years and the potential for growth from existing companies and inward investment is of national significance. This opportunity however also brings into focus some challenges in terms of investment in skills and the availability of skilled people.

SDS, in its commitment to addressing these challenges and making sure the region benefits from future economic growth, developed a Skills Investment Plan (SIP) in collaboration with its partners in the Highlands and Islands last October.

The plan focuses on a variety of themes including: meeting the needs of employers and the future economy; retaining young people in the region; attracting people of working age and engaging employers in the skills system.

Initiatives include increasing the uptake of Modern Apprenticeships across the Highlands and Islands, establishing industry-led skills provision across the region, and meeting immediate needs of employers in key economic sectors such as energy, tourism and the creative industries.

SDS will work in partnership with the Scottish Funding Council, Highlands and Islands Enterprise, the University of the Highlands and Islands and local authorities across the region in delivering these initiatives and achieving the aims of the plan.
Donna Philip, Team Leader, Grant Elder, Service Desk Analyst, Capgemini
What we have already achieved

During the previous strategy period we and our partners made significant progress in working together to drive a responsive skills and education system.

**WE HAVE:**

- Established relationships with Industry Leadership Groups and their Skills Groups, supporting publication and delivery of 10 sector Skills Investment Plans

- Developed 11 Regional Skills Assessments in consultation with partners, and a Skills Investment Plan for the Highlands and Islands Region

- Launched Our Skillsforce (winter 2012) to simplify employers’ interaction with the skills and learning system

- Created an Employer Services Team (spring 2013) to complement the online service and offer targeted support to address skills issues

- Funded in-work training, including almost 29,800 Flexible Training Opportunities

- Continued to deliver and improve Modern Apprenticeships
  - More than 75 Modern Apprenticeship frameworks are now available in a range of industries with around 15,000 employers engaged in the programme.
  - 96% of employers reported that completers were better able to do their job as a result of the Modern Apprenticeship
  - 75% of employers view Modern Apprenticeships as important to their business
  - 82% of employers would recommend the programme to others

- Increased industry focus of Joint Skills Committee, our joint advisory committee with the Scottish Funding Council, ensuring strategic skills advice to our respective boards includes a strong industry perspective

- Agreed a framework for action on work-based learning with Scottish Funding Council

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1 Construction, Chemical Sciences, Creative Industries, Energy, Engineering, Financial Services, Food and Drink, ICT and Digital, Life Sciences, Tourism.
Looking forward
What we aim to achieve and what we plan to do

In the next five years we want it to become common practice for employers to proactively develop their workforce, and become key influencers and co-designers of education in order to support the development of the workforce of the future. Our aspiration is that this deep engagement will lead to the development of a diverse and highly valued workforce for Scotland.

We will continue to build our relationships with Scotland’s employers and industry to drive their appetite for high skills performance, supporting business growth, and to help them access the skills and training support they need to achieve these ambitions. In championing leadership and high skills performance, we believe in encouraging businesses to think about how they can draw from a wider potential talent pool than they might normally.

We will make the case for the importance of workplace culture, including fairness, diversity and equality, in supporting the success of businesses and the people working for them.

Underpinning this work, we will continue to build on and use our evidence base to effectively inform investment in skills, and in the content and delivery approaches of education and training. Working to a common and robust evidence base will enable more strategic, collective decision making. This will support the development and delivery of a more coherent suite of education and skills provision on offer to individuals and employers that supports all of Scotland’s people to be in the best possible position to achieve their career ambitions.
Goal 1
Employers are better able to recruit the right people with the right skills at the right time

We will achieve this through:

- Engaging with employers to plan demand for skills now and in the future, including the development of regional skills strategies to complement existing sectoral Skills Investment Plans.
- Utilising this intelligence to influence the development and funding of:
  - matching appropriate tertiary education provision
  - work-based education, training and learning pathways
  - our products and services to respond to demand and equip people with the right skills.

Our sectoral and regional skills intelligence, developed in consultation with partners, will provide the foundation for a single skills narrative, against which we, educational institutions and other partners can plan more effectively to meet Scotland’s skills needs. Our aim is that this intelligence informs the shape of further and higher education provision, through the outcome agreement process, and other local skills provision. We will also ensure that the latest skills intelligence is reflected in clear and engaging career information for our customers.

Our investment in work-based learning will include a strategic expansion of the MA programme, with a planned increase of 5,000 starts annually by 2020, focused on higher level frameworks and science, technology, engineering and mathematics subjects. It will also include the further development and delivery of new foundation apprenticeships, offering pupils in the senior phase access to structured vocational learning across a range of frameworks and across different regions of Scotland. This expansion of the Apprenticeship programmes is being facilitated by funding support secured from the Scottish European Structural Fund 2014-2020 Programme.
- Delivering targeted programmes to help employers bridge the gap in industries where the supply of skills does not meet demand in the short term. For example, we know that improvements in Scotland’s digital skills and business capability will unlock potential growth and employment opportunities across sectors of the economy. Our work in this area will include our partnership with industry to develop a Digital Skills Academy, driving industry-led and delivered skills development in partnership with colleges and universities.
Addressing Skills Shortages in the IT Sector: the ICT Skills Investment Plan

Making sure skills supply keeps up with demand has become a critical issue. It’s estimated that in Scotland there is potential for 11,000 job opportunities in ICT/digital technologies every year until 2020, often paying well above average. However one of the challenges lies in ensuring people have the right skills to enter the sector.

In 2014 SDS worked with Scotland’s ICT and Digital Technologies sector to develop a Skills Investment Plan (SIP) for the industry. This plan outlines the core skills issues faced by the industry and provides direction on how the public sector and industry should respond.

Since the launch of the SIP, SDS has been working with the sector on a range of innovative solutions to the skills issues it faces. This systemic approach to addressing the industry’s needs includes:

- The development of an industry-led digital skills academy, which will respond to employers’ immediate needs by supporting individuals from transferable disciplines into the sector.
- Working with Scottish Enterprise to implement an international talent attraction strategy.
- Supporting young people to access digital opportunities such as coding clubs.
- Planning a multi-channel marketing campaign which will promote the digital sector as a career of choice to a wide range of audiences, including young people and their careers influencers.
- Working with Education Scotland to develop a framework to support the delivery of digital education in schools.

Gerry Docherty, Chair of the ICT and Digital Technology Skills Group said, “The digital technologies sector is the new profession for the 21st century. The opportunity it offers to Scotland’s economy is transformational, and bringing many more skilled individuals into the sector is at the heart of that transformation. The SIP is fittingly ambitious – we are supporting and extending what works in schools and universities, but at the same time we’re challenging convention by re-positioning the industry as a career destination of choice, and by creating radical new training options and entry routes to the sector.”
Goal 2

Employers have high performing, highly productive, fair and equal workplaces

We will build on the strengths of our service for employers, extending the scope of our employer engagement service to stimulate greater employer investment in developing the skills of the current and future workforce and further developing Our Skillsforce, as the leading source of information on skills development. Our partnership approach ensures that skills support is offered to large companies, growth companies, SMEs and inward investors in collaboration with our partner agencies.

WE WILL ACHIEVE THIS THROUGH:

• Providing trusted advice and support to enable employers to:
  – Invest in existing skills and plan for, and develop, new talent
  – Create solid business plans that reflect long term skillsforce requirements and fairness
  – Access the right products and services to grow their business through their skillsforce

Our Skillsforce (OSF)
OSF is our web service for employers, providing help on planning, recruiting and developing a skilled workforce. It brings together skills-related funding and support for businesses from SDS and our partners, including Jobcentre Plus and Scotland’s local authorities.
- Establishing evidence on the impact of effective leadership and a culture of fairness on productivity and, through strategic engagement with industry, help deliver the benefits of adopting fair workplace and equality practices.

Our approach to developing intelligence on skills demand has grown considerably in recent years. As part of the collaboration around fair work, we will deepen this work to build the evidence base around equality and diversity and how they relate to productivity. This will help us continue to target our investment and activity in the most effective way possible. Our relationships with Industry Leadership Groups and individual companies, and insight into how companies have turned around their performance through skills investment and workplace innovation will also support this work.

Through implementing Skills Investment Plans and supporting innovative approaches to workplace development across a range of sectors, we will bring a wealth of knowledge and opportunities to test the workplace innovation and fair work hypotheses in close collaboration with the Fair Work Convention, partner agencies and ambitious businesses across Scotland.

To maintain a strategic focus, we will aim to build this learning into systemic change, identifying the levers and drivers of change and using evidence to stimulate improvements in the way the education, skills and employment system responds to industry need, and to challenge industry to grasp new approaches to enhance Scotland’s productivity. The Scottish Business Pledge will be a vehicle we will use to encourage employers to commit to fair and inclusive business practices when they engage with our programmes and services.

Alongside partners, we will also contribute to the work of the National and Regional Invest in Young People Groups, supporting employers to take the lead in investing in young people and the education system.
**Case Study**

**Setting the Standards:**
**Michelin’s approach to workforce development**

“Michelin leads by example and has accessed SDS to support, guide and enable them - they’ve gone on to achieve above and beyond and really make it their own, which is why we are proud to work with such an inspiring organisation.”

Damien Yeates, Chief Executive, SDS

Michelin sets the standard in terms of the training it provides its own employees and those of other organisations such as DC Thomson, University of Dundee, NHS Tayside and global companies like National Oilwell Varco.

SDS provides Michelin with support in the implementation of its employee programmes, such as investment in skills, recruitment, succession planning, talent management and youth engagement.

Consistently putting young people at the heart of their business, Michelin’s Modern Apprenticeship programme, funded by SDS, is highly sought after and they recruit around 20 new apprentices each year.

“SDS’s priorities are aligned with those of Michelin. We want to see young people thrive in challenging and rewarding roles. By working with SDS, we are creating these opportunities for people – and for the businesses that need their skills.”

Donald Mackenzie, Factory Personnel Manager

Michelin’s unique position allows its trainees to move into roles from engineering to energy. Working closely with SDS, Michelin has been a trailblazer in promoting careers in manufacturing to schools in its area, organising behind-the-scenes tours for young people and their influencers, teachers, careers staff, parents and college staff.

Working closely with the teaching staff in a local secondary school, Michelin has developed a three year programme enabling its staff to mentor pupils, offering extended work experience places and ring-fenced jobs.
Our ambition for individuals

**MAKING SKILLS WORK FOR INDIVIDUALS**

**Goal 3**
People have the right skills and confidence to secure good work, progress in their careers and achieve their full potential.

SEE PAGE 34

**Goal 4**
Increased equality of opportunity for all.

SEE PAGE 38
Our role

Working at the heart of Scotland’s economy with links to industry, education and other partners, we play a key role in shaping the skills and work-related experiences that will support Scotland’s people, especially young people, to secure successful, fulfilling careers.

We put people at the centre of our service design and delivery, aligning our services to support individuals to understand their strengths, and to develop the career management skills, employability skills and skills for work they need to successfully transition between learning and work. Our services are delivered in conjunction with partners to ensure that they are integrated at the point of delivery and provide seamless support to move individuals towards education, training and jobs.

We recognise that there are people who, through their individual and family circumstances, risk not making successful transitions between learning and work, and who may not have access to the widest range of available opportunities. We have a responsibility – and an ambition – to do as much as we can to support equality of opportunity for all.

Robert Hall, Higher Level Modern Apprentice, Lowmac

Our ambition for individuals
What we have already achieved

**WE HAVE:**

- Redesigned our career information, advice and guidance service. This combines a universal offer with a targeted approach for customers needing the most support to make an effective transition into the labour market. The service supports the development of career management skills through a range of approaches in the classroom, through group sessions and intensive one-to-one coaching in school and for those in transition from school.

- Worked with our partners to help 92.3% of school leavers enter a positive destination in 2013/14, the highest recorded rate to date.

- Further enhanced My World of Work to help people develop career management skills including the creation of dedicated resources for parents and teachers. My World of Work had more than 500,000 registered users by the end of March 2015.

- Created a single Employability Fund package, offering flexible, labour market responsive employability support commissioned jointly with local partners.

- Developed the Certificate of Work Readiness in conjunction with employers to demonstrate that young people have the basic employability skills employers need.

- Supported more than 75,000 individuals to undertake a Modern Apprenticeship, enabling them to learn while they earn, and also facilitating access to Modern Apprenticeship opportunities through a new online service, apprenticeships.scot.
Looking forward
What we are trying to achieve and what we will do next

Over the next five years, customers will remain at the heart of what we do.

We will work with partners to extend work-based learning pathways in schools, and for individuals who have left school, to ensure that all young people are better equipped for the world of work and the opportunities that exist in a range of technical and professional roles. We will challenge traditional views on vocational and academic routes into work and promote the benefits of work-based learning so that the new options are understood, valued and actively pursued by young people, their parents and employers.

Proposals to extend work-based learning are now a major focus of Developing the Young Workforce, Scotland’s Youth Employment Strategy. This is facilitated by the broad approach of the Curriculum for Excellence which provides the scope to change the boundaries between different phases of learning, and to ensure that all young people have the opportunity to engage in work-related learning while at school, enabling the development of a wider range of pathways and options. These pathways can exploit the links between career management skills, technical and vocational skills. They can also deliver the mixture of knowledge, skill and capability required to meet modern labour market demands, while also providing the flexibility to meet the needs of all learners. We will develop this approach through foundation and graduate level (including advanced) apprenticeships.

Creating new pathways is only one part of the picture - young people need support to identify the opportunities that fit best with their strengths, interests and future aspirations. Over the next five years, we will align our career information, advice and guidance service with the intelligence we are developing on the opportunities presented in the economy, and the new pathways being developed to access these.

Our offer will be a wrap-around approach that supports young people to build their skills and understand how they can use these in their working lives.

Our work is not just focused on young people - we will continue to offer support to people facing career transitions, particularly redundancy, or the threat of redundancy, through Partnership Action for Continuing Employment (PACE). The strong links we have with business and our engagement with partners means we can facilitate packages of support, including advice, guidance and transition training to support entry to new industries.

Our ambition for individuals
Making Skills Work for Scotland’s People: helping young people like Andrew Barbour and Amanda Stewart fulfil their dreams

A Glasgow teenager is on his way to a career as an accountant thanks to the Certificate of Work Readiness. The Skills Development Scotland initiative was developed to help young people prove to employers they are ready for work. Participants complete a minimum of 190 hours’ work experience and are assessed by the employer at the end of the placement. The Certificate proved to be an important stepping stone for Andrew Barbour.

The 18-year-old from Govan, who is now completing his Modern Apprenticeship with Glasgow firm Ace Accounting Services, explains:

“I have always liked working with numbers so I hoped I could do something like accountancy when I left school.

“I wasn’t sure how to go about it and the Certificate of Work Readiness really helped me prepare. I’m learning a lot from the team here and it’s been a brilliant experience.”

Andrew’s boss Irene Gray explains:

“Andrew is brilliant – very clever and enthusiastic and keen to learn.

“We are just a small team, so getting the right staff is essential. Andrew joined us at the busiest time of the year, just before Christmas when all the self-assessment tax returns are due, and he handled it extremely well. He has picked up skills very quickly and is a valuable member of staff.”

Jim Bermingham, assessor verifier at Glasgow-based training provider MI Technologies, helped connect Andrew with Ace Accounting Services.

“We have years of experience in helping link companies with local young people, for the benefit of both trainee and employer,” he explains.

“Our role is to support both the young person and the business throughout the process, and it’s really rewarding to watch young people, like Andrew, make the most of the opportunity and progress into further training or employment.”
Amanda Stewart, Scientist at GlaxoSmithKline, said: “I’ll finish here with three years’ experience and a qualification. Someone who goes to college to get the qualification doesn’t have the experience.

“I work in the raw materials lab. We sample and test bulk dry goods, make sure everything is all right, passes specification, and then they can go into the plant for production.

“The job’s great but there are also volunteering opportunities. For example, the apprentices designed the garden, which gave us all a chance to engage with other people our own age.

“I’ve been to the science centre to promote apprenticeships, and visited schools. There are lots of activities you can get involved in, not just the day to day job.

“I have a mentor who I meet every month for a one-to-one chat. We discuss what I’ve done, anything new I’ve learned, anything I’d like to see myself do in the future, or any other experience I would like to try.

“If you’re a hands-on learner this is definitely something you should consider. I’ve had a great time in my two years at GSK, and I can’t wait to see more.”
**Goal 3**

People have the right skills and confidence to secure good work, progress in their careers and achieve their full potential.

**WE WILL ACHIEVE THIS THROUGH:**

- Drawing on our careers intelligence, help people develop career management skills so they can:
  - choose the right pathway through education and into work
  - make informed subject choices at school
  - acquire essential employability and work-based skills
  - take advantage of opportunities available to them within our economy and its employers
  - anticipate and plan ahead throughout their career.

We will do this through a range of our services and programmes, specifically our career information, advice and guidance service and our career management skills offer in schools which we will extend to younger pupils, starting with transition from primary to secondary school, especially to support transition into secondary school and to underpin subject choices at S2 or S3. Our improved careers intelligence will help challenge stereotypes and preconceptions as young people take these and other important decisions about their future careers.

In supporting the development of career management skills, we will share our expertise in this area through provision of guidance and support for teachers to build career management skills and work-related learning into their lessons. Similarly we will provide information and resources to support parents in their important influencing role. Our My World of Work (MyWoW) web service will continue to be a significant resource for pupils, teachers and parents in providing career relevant information. We have already launched the MyWoW Live! experience at the Glasgow Science Centre, bringing the world of work to life using interactive exhibitions, and inspiring young people to understand what career opportunities there might be. We will build on this experience by introducing this compelling new engagement model to the majority of Scottish cities.
Beyond the school setting, we will continue to work with partners in colleges, universities, Jobcentre Plus and local authorities to offer career and work coaching, and to facilitate access to employability skills development programmes where necessary.

- Championing the wide range of pathways into work, including new foundation apprenticeships and graduate level apprenticeships, and ensure that each is recognised and valued. We will engage extensively with teachers, practitioners, parents and employers to build knowledge of the different options and their benefits.

- Investing in programmes such as Modern Apprenticeships and transition training to help Scotland’s workforce to adapt to a changing economy and labour market. This will include continued delivery of the Scottish Government’s PACE programme to support employers and people facing redundancy situations.

**Foundation apprenticeships: a quick guide**

During 2014/15, we started to pilot our first two foundation apprenticeships, both focused on engineering. These are giving 75 S4-S6 pupils from schools in Fife and West Lothian access to structured vocational learning. The foundation apprenticeships will take two years to complete and are coherent programmes of learning which are reinforced and evidenced through National Occupational Standards, industry certification and work-based experience and application. Both incorporate Scottish Qualifications Authority National Certificates in Engineering and pupils in the Fife pathfinder will, in addition, complete a Higher certificate in Engineering Science.
**Bringing Career Management Skills to Life: The My World of Work Ambassador**

Last year, SDS introduced the My World of Work School Ambassador programme. In schools across Scotland, these ambassadors bring the online world of My WoW to life through a series of events and presentations throughout the academic year.

Pupils had the chance to host interactive sessions at parents’ evenings and school events, work with younger pupils to introduce them to the service and My Strengths tool, talk to their teachers about the resources in My World of Work’s Partner Zone, and make a video diary of their experiences.

Beatrice Antonette Macrohan, 17, is a pupil at Our Lady’s High School in Cumbernauld. She says:

“I wanted to become a My World of Work School Ambassador because I thought it would help me develop my personality, skills and confidence.

“I’m really enjoying being a My World of Work School Ambassador because it doesn’t just benefit me; it also benefits other people when making their career choices.

“My confidence has grown when asked to speak in front of people.”

**Workbased Learning through Foundation Apprenticeships:**

Emma Scott (Lochgelly High School) shares her experience

“I’d really like to be an architect when I’m older and I’m looking at university or an apprenticeship after finishing school.

“I heard about the [Engineering] Pathfinder Programme at school and thought it’d really help me. It will look good on my CV and shows I’m committed to my future career.

“I’m enjoying the work and the environment. You’re given more space to work on your own and you’re treated more like an adult.

“I’ve learned a lot on the course – it’s not all machinery, there are a lot of technical drawing skills to master on the course which has been great for me.”
Emma Scott, pupil at Lochgelly High School, Fife

Our ambition for individuals
WE WILL ACHIEVE THIS THROUGH:

- Work with partners at a local level to create a joined-up pipeline of accessible skills support, delivering greater equality and diversity in the workforce.
  This will include:
  - Career management skills coaching, focused on those school pupils and customers in the post-school groups who need most support to make effective transitions.
  - Employability Fund support used flexibly to meet the varying needs of local skills pipelines.
  - Additional support for those with particular needs including compliance with corporate parenting legislation to ensure young people in the care system are supported to progress effectively towards and into work.
  - Embedding data sharing with partners to ensure all 16-19 year olds are offered an opportunity in training, learning or work under the Opportunities for All policy.
  - Establish a clear understanding of the barriers to participation some people face by working closely with equalities experts.
  We will undertake research to better understand the barriers faced by particular groups in taking up training opportunities, such as a Modern Apprenticeships, and the perceptions of jobs and career pathways that explain patterns of gender segregation across frameworks. We will use the results to develop plans and promotional activity, in conjunction with the Scottish Funding Council and other partners including BEMIS, to reduce imbalances for different groups.

- Collaborate with partners to further shape services to break down systemic barriers and increase participation.
  For example, we have already undertaken a series of pilot action research projects, in partnership with bodies including Barnardos and REMPLOY, which aim to support disabled young people to progress from Employability Fund training into a Modern Apprenticeship or employment. In another project with the Institute of Physics, we are seeking to address gender bias, by encouraging greater uptake of Physics by girls in secondary school.
Mainstreaming the results of these and other projects will help challenge stereotypes and drive change in the skills system. In this way, we will work towards improving representation as envisaged in the following targets from Developing the Young Workforce, Scotland’s Youth Employment Strategy:

- to reduce to 60% the percentage of Modern Apprenticeship frameworks where the gender balance is 75:25 or worse
- to increase number of Modern Apprenticeship starts from minority ethnic communities to equal the population share
- to increase the positive destinations for looked-after children by four percentage points each year to reach parity

- Collaborate with Scottish Government to help design and deliver devolved employability and skills programmes in Scotland

Together with Scottish Government, we will consult with a wide range of stakeholders ahead of beginning work to design and deliver a Work Programme for Scotland.

In doing so, we will ensure that these new devolved services to support people back into employment align with the successful employability skills pipeline and local partnership model used to deliver the Employability Fund.

Arman Hussain, Modern Apprentice, Morgan Stanley
Supporting Equality & Diversity in the Workforce: Suzanne Birney discusses her decision to choose a Modern Apprenticeship

Suzanne Birney, 20, is a Design and Draughting Modern Apprentice with Doosan Babcock in Renfrewshire. She was named Scotland’s Modern Apprentice of the Year 2014.

Suzanne, from Erskine, said: “Choosing a Modern Apprenticeship was the best option for me.

“Others who went to university haven’t been able to get a job in their field after graduating. I’ve been able to get a wide range of qualifications, and years of industry experience.”

Suzanne studied at Glasgow Clyde College to achieve her qualifications. In September last year she started in year two of a degree course in Mechanical and Electronic Systems Engineering at Glasgow Caledonian University.

She said: “Earning while you’re learning is a fantastic way to motivate yourself. You feel like you’re getting an immediate benefit from the work you’re doing.

“The best thing about a Modern Apprenticeship is that I feel as though I’ve given my career a head start. Right now I’m miles ahead of where I would be if I’d gone to university.

“For other girls interested in a Modern Apprenticeship I would say, ‘If you’re given an opportunity, do it!’ The experience of applying alone prepares you for later in life, regardless of what you want to do.”
Our ambition for individuals
Our ambition for
our organisation

Goal 5
SDS is an employer of choice, an exemplar of fair work and internationally recognised for excellence, innovation and customer-focus.

SEE PAGE 48
The challenging economic context that underpinned our previous corporate strategy shows signs of improving. However, the fiscal challenge in the public sector remains, meaning that we must continue to drive improvements and find efficiency in how we do what we do. Furthermore, we must be accountable to the public and able to articulate the impact of the work we do and how we allocate resources, requiring us to build meaningful evidence to inform our work.

Our commitment to supporting a strong, vibrant and diverse economy in Scotland extends beyond our service delivery responsibilities. This emphasis echoes the Scottish Government’s focus on leveraging public bodies to deliver a broad range of benefits through the way they do business. As outlined in the Programme for Government, businesses will be encouraged to commit to a Scottish Business Pledge – a suite of working practices, such as paying the living wage, operating a staff innovation programme, reducing gender inequalities in the workplace and supporting workforce engagement and development including the recruitment and training of young people. We are well placed, with our focus on skills, to build capacity in our organisation and demonstrate exemplary practices and will show leadership and demonstrate the benefits of these working practices to the wider economy.

The Programme also underlines the importance of public bodies delivering against Scotland’s Digital Public Services Strategy with a focus on using new tools and techniques to deliver more effective online services and utilise data more efficiently. We are also committed to furthering our progress in reducing carbon emissions to help achieve the Scottish Government’s ambitious target and supporting growth in the low carbon sector.

In respect of all of these challenges, we have already responded, transforming the way in which many of our services are delivered, and our resources and business processes deployed.

**WE ARE WELL PLACED TO RESPOND WITH FURTHER INNOVATION IN OUR BUSINESS SUPPORT AND EMPLOYMENT PRACTICES TO SUPPORT BETTER SERVICES FOR CUSTOMERS.**

**Our role**
Our ambition for our organisation: How the digital environment helps us stay focused

In a constantly changing technological landscape, we know our customers expect to access our products and services from a wide range of digital platforms and get the best possible customer experience.

By using targeted and integrated content throughout our websites, we can respond directly to the needs of our specific audiences, getting them quickly to where they want to be.

This is reflected in the continuing development of My World of Work, our award-winning web service for young people helping them make the best decisions for their futures, giving them real information on what opportunities are available and how to get them. In our most recent survey 88% of My World of Work users said they would recommend the service to others.

Our Skillsforce provides employers with key information and guidance on what support is available to get the skills they need to succeed – such as how to recruit Modern Apprentices, offer the Certificate of Work Readiness, access Flexible Training Opportunities and develop their skillsforce.

Describing his experience of using Our Skillsforce, Grace Emerton, Havelock Europa said, “Advice helped us secure funding to develop our people.”

More recently we launched apprenticeships.scot, which brings together the benefits of Modern Apprenticeships for both young people and employers.

By taking advantage of the evolving digital landscape including social media and the customer intelligence derived from our analytics, we continue to develop digital offers that respond to and anticipate customer need.
Our ambition for our organisation
We pursued an ambitious change programme – transforming service delivery, improving efficiency, driving responsible and sustainable business practices and a culture of continuous improvement.

**WE HAVE:**

**Built a culture of continuous improvement by:**
- developing a systematic self-evaluation process to drive innovation and improvement across our business, improving quality and reducing cost
- assessing all training providers against our quality standards
- providing a better service to customers, doing more for less.

**Exploited digital capability to:**
- broaden our reach and extend access to our services through development of our online services, My World of Work, Our Skillsforce and Apprenticeships.scot
- lead the shared ICT service for SDS, Scottish Enterprise and Highlands & Islands Enterprise saving over 25% on core ICT services.

**Developed our own workforce by:**
- establishing a skills pipeline for the business with a significant increase in the number of interns and modern apprentices
- launching the SDS Academy to help ensure that our staff have the skills and knowledge required to deliver service transformation and continuous improvement.

**Implemented responsible and sustainable business practices through:**
- our carbon management plan, achieving a 32% reduction by the end of March 2015, through the increased use of electronic meeting facilities, a reduction in business travel and energy consumption
- improving our estate and sharing premises with partner organisations where appropriate
- outlining our commitment to mainstreaming equality and diversity through the publication of our Equality & Diversity Mainstreaming Report in 2013.

Savings of over 25% on core ICT services.
Looking forward
What we aim to achieve and what we will do next

Building on our achievements to date, we will focus on the developments that will continue to further improve the systems and processes that support delivery of our services to customers. In the next five years, we aim to be a leader in the public sector in terms of how we run our business, empowering our people to put their skills and capability to the task of delivering our ambitious agenda as described throughout this corporate plan.

With our people driving the success of our services, we must ensure that we continue to make the most of the benefits digital technologies can bring – both in terms of helping us to reach more people through online services, and in strengthening our internal processes and intelligence. Alongside our increased understanding of the economy and labour market, we can build a more detailed picture of what our customers need from us, and the difference we make through improving our capture and analysis of service data. This will have the benefit of helping us make well-informed spending decisions, and support us to reflect on the effectiveness of what we do.

Our commitment to continuous improvement runs throughout our work in this area, and into specific services, and will continue to be at the heart of the way we work during this five year period.
Goal 5
SDS is an employer of choice, an exemplar of fair work and internationally recognised for excellence, innovation and customer-focus.

We aim to deliver sector-leading services to customers by:

• Taking an innovative approach to leadership, skillsforce development and equality

As a key element of this, we are progressing a transformational change in our culture and leadership style with the introduction of Everyday Leadership – a values-driven culture aimed at fostering greater personal responsibility and a culture of innovation and continuous improvement to underpin the implementation of our corporate plan. Our new values are central to how we will achieve our goals.

We will also strive to become an exemplar in our commitment to progressive work practices that support increased equality and diversity in the workplace. In addition to our recent achievement of living wage accreditation, we will further develop our positive partnership approach to employee and Trades Union relations and maintain our commitment to the employment of young people through our intern and modern apprenticeship programme. In doing so, we will work closely with the Fair Work Convention, set up in April 2015 to develop and promote a fair employment and workplace framework.

Our new Equality Mainstreaming Report for the period 2015-17 will include an equal pay statement and show how the composition of our workforce and recruitment relates to national demographic and equality groupings. In this regard, we will work towards achieving gender equality at senior level, committing to a target of a 50:50 gender balance on our Board by 2020. We have also recently achieved the Investors in Young People standard and a Healthy Working Lives Bronze Award and continue to progress our policies in these areas.
Harnessing our digital capability and making best use of our business intelligence

We will continue to make the best possible use of technological advancements, adopting the principle of ‘digital first’ ensuring that all services are available online where it makes sense to do so to meet customer demands. We will also capitalise on the value of our customer information, in order to drive further innovation and improvement in our services, enabling them to be delivered more effectively and efficiently.

Maintaining a focus on quality, efficiency, effectiveness and sustainability underpinned by a culture of continuous improvement

This will include a continued drive to further reduce our carbon footprint by 42% by 2020 and to improve the efficiency and sustainability of all of our services. Underpinning everything we do will be our drive towards a culture of continuous improvement, working towards achieving external recognition that demonstrates the positive impact of our business excellence approach on service delivery to our customers and staff.

Caitlin Chalmers,
Modern Apprentice,
Fife Council
CASE STUDY

Our ambition for our organisation: sustainable procurement

As an organisation we have a duty to demonstrate and deliver long term value for both society and the public purse. We understand the importance of our procurement process and the difference it can make to the tax payers' pocket.

While we strive for greater efficiency, we also strive to be a responsible buyer. Considering the ethics of what we buy; about the training, apprenticeships and the rates of pay our suppliers provide; about the environmental impact of our choices and about local jobs and local communities.

Through community benefit clauses we've worked hard to influence our suppliers to employ more MAs and to encourage this across their supply chains.

Working in partnership with Scottish Government on the ground-breaking initiative ‘Procurement People of Tomorrow’ we received the Chartered Institute for Purchasing and Supply award for Best Contribution to the Reputation of the Procurement Profession.

More recently we were recognised for our innovative and ground-breaking procurement strategy – being awarded the coveted Government Opportunities Excellence in Public Procurement Award for Leadership.

We are also the only central government team in Scotland to have scored a 94% success rate for their Procurement Capability Assessment (PCA).

WE'RE PROUD OF OUR OWN ACHIEVEMENTS AND THOSE OF OUR SUPPLIERS AND KNOW THAT TOGETHER THERE IS MORE WE CAN DO FOR PEOPLE... AND THE ENVIRONMENT.
CASE STUDY

Our ambition for our organisation: Steven Kelly shares his experiences of the SDS Young Talent Programme

SDS’s Head of HR Carolyn Anderson explains: “As Scotland’s national skills agency it’s important we lead by example in developing young people... creating equal opportunities for them to start building their CVs and to get the experience they need to succeed.”

Steven Kelly joined SDS in 2013 as an intern. He now has a permanent role at STV as a Digital Designer.

“I joined the Service Design and Innovation team and got involved in a wide variety of projects, developing our products and services. I had the chance to see each project through from the initial inception, planning and research stages to development, building prototypes and testing.

“SDS invested in my development in a number of ways - I was lucky enough to have the opportunity to attend the Future of Web Development conference in London, as part of my Aspire goals [personal objectives] to build on my industry knowledge.

“During my time at SDS I always felt well supported, with regular meetings with my manager keeping track of my progress. I was also paired with a buddy in a senior role who I met once a week for an informal chat about how I was doing.

“MY INTERNSHIP GAVE ME THE FREEDOM TO FIND MY NICHE AND HELPED TO PROVIDE ME WITH THE CONFIDENCE, SKILLS AND EXPERIENCE I NEEDED TO PROGRESS IN MY CAREER.”
In the course of setting out our strategy through this corporate plan we have identified a set of significant underpinning themes that are central to improving productivity and tackling inequality and to creating a strong, vibrant and diverse economy in Scotland.

These are: workplace innovation and fair work, the principle of digital first and significant partnership working.

These drive the services we offer customers, and the way we will work across our organisation, as we have described throughout this plan and explain in further detail here.

**Workplace Innovation and Fair Work**

The principles of fair work and workplace innovation, which underpin the Scottish Economic Strategy, are the interlinking means through which we will work with partners to address the themes of competitiveness and tackling inequality. We support the concept that fair and inclusive workplaces are likely to be more successful businesses. Developing and embedding fair working practices can mean doing things differently, from developing new pay structures and recruitment approaches, to building trust and providing differentiated development support to enable individuals to reach their potential.

We want to work with Scotland’s businesses to innovate and see what is possible when we embrace a commitment to fairness, a belief in everyday leadership and value the creativity and strengths of our employees. Alongside partner agencies, we will seek to encourage employers to commit to fair and inclusive growth and the Scottish Business Pledge when they engage with our programmes and services.

This, for many organisations, and perhaps Scotland as a nation, means a shift in culture. Working with the Fair Work Convention, we will learn from international good practice and research into high performing workplaces and the links between innovation, fairness and productivity. Through this we will make the case for change, embed this learning in our organisation and champion this approach through our work with Scotland’s employers.

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**Fundamental pillars for improving productivity and tackling inequality**

Skills Development Scotland Corporate Plan 2015-2020
Digital First

The opportunity presented by ICT and digital technologies is increasingly recognised across Government and industry as the key to unlock Scotland’s economic potential. In employment terms there is an unprecedented demand for ICT and digital technology professionals. Moreover, there is a body of evidence that indicates that if Scottish businesses fully embraced technology the benefits would have a distinct impact in terms of improved productivity, increased turnover and reduced costs.


In our work with industry and the education system we have an opportunity to bring the ambitions of the digital strategy to life through the implementation of the ICT and Digital Skills Investment Plan. This will develop the skills of the current and future workforce to innovate and take Scotland a step further in becoming a digital economy. As an organisation in our own right however, we must also grasp this opportunity to exploit digital and ICT innovation to improve how we do our business if we are to have the credibility to champion change in this way.

WE WILL WORK WITH OUR PARTNERS ACROSS SCOTLAND TO DEVELOP AND EMBED A PRINCIPLE OF ‘DIGITAL FIRST’ IN ALL THAT WE DO.

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Working with Partners

Partnership working continues to be key to making public services work better for customers. As a national organisation with a firm presence in communities across Scotland we work with the Scottish Government and other public bodies to shape and implement strategies that drive Scotland’s economic growth and social inclusion. We are contributing to a real agenda for change through a ‘Team Scotland’ approach. This is developing through working with national agencies such as Scottish Enterprise, Highlands and Islands Enterprise, the Scottish Funding Council and Visit Scotland through the Strategic Forum and Economy Board.

We are and will continue to argue for a strong focus on skills as a vehicle to grow the economy and support individual achievement through bringing our expertise and knowledge developed through our relationships with the people and businesses across Scotland. Along with this, we bring our capability in developing and using skills demand intelligence to support a strategic approach that is grounded in the reality of the challenges facing Scotland’s people and industries.

Translating this national strategic work into meaningful delivery in Scotland’s communities has been at the heart of our work since we were established. Through developing relationships with local authorities and Community Planning Partnerships we will continue to ensure our services and investments contribute to the wider social and economic development agenda locally and that services join up as much as possible.

The challenge set in Scotland’s economic strategy presents an opportunity for us to try new approaches through these themes, and we look forward to working with Scottish Government and partners to implement these ambitions and demonstrate their impact on productivity, wellbeing and national prosperity.
Fundamental pillars for improving productivity and tackling inequality
Keeping Track of Progress and Measuring Success

We are determined to make a difference to the skills and prospects of the people and businesses of Scotland, and are committed to ensuring we can measure and track progress in delivering our ambitious five year plan.

Building on our work in recent years, we are extending and enhancing our performance framework to ensure we have the systems and measurement frameworks in place to determine the difference we are making for customers, partners and our staff, and to track the impact of our services.

We have a comprehensive performance framework that we use to monitor progress across all of our activities and services and ensure these are clearly directed at achieving our corporate goals and outcomes. An overview of this framework is given in Figure 1 on page 59. It shows the key activities and outputs that will help deliver against our five corporate outcomes (our goals) and sets out a series of outcome indicators that will help us determine if we are on track to achieve them. It also identifies three areas where our work is likely to have greatest economic impact.

Our contribution to the National Performance Framework

As a public body, our performance is also aligned to the Scottish Government’s National Performance Framework\(^6\). This has been designed to measure and report on progress in achieving the Scottish Economic Strategy. Progress towards the two mutually supportive goals of increasing competitiveness and tackling inequality is supported by 16 National Outcomes and 50 National Indicators.

\(^6\)At the time of writing, the National Performance Framework was being updated by the Scottish Government. Our strategy is mapped to the existing national outcomes and indicators and will be realigned once the refreshed framework has been published.
We have mapped the contribution of our services to eight national outcomes as shown in Figure 2 on page 60. This diagram also shows the eight national outcome indicators to which SDS makes the most significant contribution. These include improving the skills profile of the population and increasing the proportion of young people in learning, training or work, corresponding closely with the indicators in our own performance framework.

Our performance measurement and reporting will continue to be further developed to ensure we can demonstrate our contribution to these important indicators. To enhance our performance reporting capability and deliver responsive customer services we are also updating key customer relationship management systems and, underpinning our role as a producer of official statistics, introducing new data quality processes.

**Annual planning and performance review**

Our annual Operating Plans will set out more specific commitments each year, against which we will report internally and externally, charting our progress towards achieving our five year goals.
### Impacts
- More young people in work (reduced youth unemployment).
- Greater diversity of workforce delivering positive benefits for employers.
- Reduced carbon emissions contributing to slowed environmental depletion.

### SDS Outcome Indicators
<table>
<thead>
<tr>
<th>Outputs</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed sectoral and regional investment plans</td>
<td>Building and maintaining skills intelligence base</td>
</tr>
<tr>
<td>Plan milestones achieved</td>
<td>Influencing provision and spend</td>
</tr>
<tr>
<td>Programmes to address skills gaps and shortages implemented</td>
<td>Targeted programmes to close skills gaps</td>
</tr>
</tbody>
</table>

### Outputs
- Delivery of advice and programmes to enhance workforce skills, e.g. Skills for Growth, Flexible Training Opportunities
- Delivery of targeted and universal CIAG and employability services in line with service offers
- Increased uptake of work-based learning options
- Changes in service to address barriers
- Services delivered to representative groups and those most in need

### Activities
- Provision of information and advice through Our Skillsforce and dedicated Employer Engagement team
- Demonstrating benefits of fair workplace practices
- Building CMS and work-based skills through CIAG services, My World of Work, employability and foundation, modern and graduate apprenticeship programmes
- Engagement with parents, teachers and employers.
- Breaking down systemic barriers to participation
- Delivering services that achieve representative participation across equality groups and target those most in need
- Delivering transformational change in our approach to leadership
- Implementing continuous improvement practices to make best use of our digital capability, customer intelligence, and deliver efficient and sustainable services

### Outcomes (our Goals)
1. Employers are better able to recruit the right people with the right skills at the right time
2. Employers have high performing, highly productive, fair and equal workplaces
3. People have the right skills and confidence to secure good work, progress in their careers and achieve their full potential
4. Increased equality of opportunity for all
5. SDS is a good employer, focused on delivering excellent services
At the time of writing this Corporate Plan (Spring 2015) the National Performance Framework remained as detailed in 2011 and had not yet been updated to reflect the refreshed Scottish Economic Strategy published in July 2015.

### SDS goals

1. Employers are able to recruit the right people with the right skills at the right time

2. Employers have high performing, highly productive, fair and equal workplaces

3. People have the right skills and confidence to secure good work and progress in their careers

4. Increased equality of opportunity for all

5. SDS is a good employer, focused on delivering excellent services

### National outcomes

- We live in a Scotland that is the most attractive place for doing business in Europe
- We realise our full economic potential with more and better employment opportunities
- We are better educated, more skilled and more successful, renowned for our research and innovation
- Our young people are successful learners, confident individuals, effective contributors and responsible citizens
- We have tackled the significant inequalities in Scottish society
- We have improved the life chances for children, young people and families at risk
- Our public services are high quality and continually improving
- We reduce the local and global impact of our consumption

### National indicators

- Improve Scotland’s reputation
- Improve the skills profile of the population
- Increase the proportion of young people in learning, training or work
- Increase the proportion of graduates in positive destinations
- Reduce Scotland’s carbon footprint
- Reduce waste generated
- Increase renewable electricity production
- Improve people’s perceptions of the quality of public services

### Contribution

1. +
2. + + +
3. + + +
4. + + +
5. + +

**Major contribution**  
**Support contribution**

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1. At the time of writing this Corporate Plan (Spring 2015) the National Performance Framework remained as detailed in 2011 and had not yet been updated to reflect the refreshed Scottish Economic Strategy published in July 2015.
Corporate Plan 2012-2015 Review

Annex A: Our Achievements, Building Strong Foundations

The success of businesses, their ambition for growth and the availability of highly skilled people who can rise to the challenge are all fundamental to Scotland’s economic prosperity.

Our Corporate Plan for 2015-2020 reaffirms our role in leading skills planning and development, supporting employers to secure and develop the skills they need, and enabling individuals to find fulfilling employment and progress in today’s competitive and dynamic world of work. It is central to our purpose that our work contributes to both economic growth and the cultivation of an equitable and fair society.

As we lay out our ambitions for the future, it is appropriate to reflect on our achievements and our collaboration with partners during the previous Corporate Plan period (2012-15).

These achievements provide a strong platform for continuing our work and achieving our vision for Scotland’s people and businesses.
We have bold ambitions for Scotland’s employers. We want employers to be better able to recruit the right people with the right skills at the right time and have high performing, highly productive, fair and equal workplaces.

During 2012-15, working with our partners, we laid the ground work to support our ambitions. We:

Established relationships with Industry Leadership Groups and their Skills Groups and published 10 sector Skills Investment Plans.

Developed 11 Regional Skills Assessments in consultation with partners, and a Skills Investment Plan for the Highlands and Islands Region.

Launched Our Skillsforce in 2012 to simplify employers’ interaction with the skills and learning system.

Corporate Plan 2012-2015 Review

What we achieved for employers

10 sector Skills Investment Plans

Construction, Chemical Sciences, Creative Industries, Energy, Engineering, Financial Services, Food and Drink, ICT and Digital, Life Sciences, Tourism

Around 300,000 users of Our Skillsforce

83% of businesses who visited Our Skillsforce said they would visit again.
Created an Employer Services Team in 2013 to complement the online service and offer targeted support to address skills issues.

- 3,500 businesses provided with advice
- 4,600 engagements with employers
- 5,900 businesses supported with flexible training opportunities
- 2,350 places provided through employer recruitment incentives

Provided redundancy support to nearly 900 employers.

Continued to deliver and improve Modern Apprenticeships.

More than 75 Modern Apprenticeship frameworks are now available in a range of industries with around 15,000 employers engaged in the programme.

What do employers think?

- 96% of employers better able to do their job as a result of Modern Apprenticeships
- 75% of employers view MA as important to their business
- 82% of employers would recommend the programme to others
Corporate Plan 2012-2015 Review
What we achieved for individuals

We want people to have the right skills and confidence to secure good work, progress in their careers and achieve their full potential. These opportunities should be available for all.

During 2012-15 we supported individuals by:

Redesigning our career information, advice and guidance service to deliver a universal offer with a targeted approach for customers needing the most support. The service supports the development of career management skills through group sessions, and intensive one-to-one coaching.

Working with our partners to enable school leavers to enter a positive destination.

Almost 1.4 million engagements
Over 550,000 people supported
98% of SDS centre users would recommend the service to others
92.3% of school leavers in a positive destination – the highest ever rate
Further enhancing My World of Work to help people develop career management skills including the creation of dedicated resources for parents and teachers.

Creating a single Employability Fund package, offering flexible, responsive employability support jointly commissioned with local partners.

Developing the Certificate of Work Readiness with employers to give young people the basic employability skills that employers require. Almost 2,400 young people have completed the certificate.

Supporting individuals to undertake a Modern Apprenticeship, enabling them to learn while they earn.

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Number</th>
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</thead>
<tbody>
<tr>
<td>Employability fund starts</td>
<td>34,000</td>
</tr>
<tr>
<td>Active learners supported through Individual Learning Accounts</td>
<td>105,000</td>
</tr>
<tr>
<td>Modern Apprenticeship starts</td>
<td>76,000</td>
</tr>
<tr>
<td>Users satisfied with My World of Work</td>
<td>86%</td>
</tr>
<tr>
<td>Modern Apprentices satisfied with programme</td>
<td>93%</td>
</tr>
</tbody>
</table>

86% of users satisfied with My World of Work

93% of Modern Apprentices satisfied with programme

Around 540,000 on My World of Work

Over 76,000 Modern Apprenticeship starts
Corporate Plan 2012-2015 Review

What we achieved as an organisation

We pursued an ambitious change programme – transforming service delivery, improving efficiency, driving responsible and sustainable business practices and creating a culture of continuous improvement.

During 2012-15 we:

Broadened our reach and extended access to our services: through development of our online services, My World of Work, Our Skillsforce and Apprenticeships.scot.

Led the shared ICT service for SDS, Scottish Enterprise and Highlands & Islands Enterprise.

Established a skills pipeline for the business with a significant increase in the number of interns and modern apprentices.

Launched the SDS Academy to support service transformation and continuous improvement.

Built a culture of continuous improvement by developing a self-evaluation process to drive innovation and improvement.

Assessed all training providers against our quality standards.

Provided a better service to customers, doing more for less.

Focused on creating a sustainable business through our carbon management plan.

Improved our estate and sharing premises with partner organisations.


- Saved over 25% on core ICT services
- 70 Interns
- 24 Modern Apprenticeships
- 30% target reduction in our carbon footprint: on track
External recognition for our services

My World of Work won the Best Practice in the Use of Technology in Career Development award at the UK Career Development Institute Awards in 2014.

Our Procurement team won the UK Supply Management Award 2014 for enhancing the reputation of the procurement profession for the ‘Procurement People of Tomorrow’ initiative, a joint venture with the Scottish Government and City of Glasgow College, and won the 2014 GO Awards (Scotland) for Leadership in Procurement.

Our Evaluation, Research and LMI team was recognised as demonstrating leading and good practice in the UK and across Europe for labour market intelligence (LMI) by the EU Skills Panorama and the UK Commission for Employment and Skills.

A strongly positive Modern Apprenticeship evaluation by Audit Scotland who said in 2014 that “SDS administers Modern Apprenticeships well in challenging circumstances. It is meeting a demanding starts target at the same time as reducing its costs.”

A programme of external review of our Career Information, Advice and Guidance services by Education Scotland began in 2014. The results of the first four reviews were extremely positive, with two-thirds of the gradings across Education Scotland’s key indicators either very good or excellent.
Scottish Government is focused on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. Our achievements during 2012-15 give us a solid foundation from which to support the achievement of this ambition for employers, individuals and SDS alike.

By stimulating partners’ and our own services to respond effectively to the demands of the economy, and preparing individuals for the world of work and learning, we will help businesses to get the skills they need and people to get the career they want.

A thriving economy depends on well-motivated, fairly rewarded workers and we will continue to work with businesses to support and develop the principles of fair and inclusive workplaces. Ultimately, this will deliver tangible impacts in terms of economic growth and fairness for communities across Scotland.

In this way SDS will make a significant contribution to a Scotland that values skills, realising the potential of its people and businesses to build a competitive, inclusive and resilient economy.

To find out more about our plans for the future go to www.sds.co.uk
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