A Human Future
Strategic Plan 2019–2022
Summary Version
Introduction

Skills Development Scotland (SDS) is the national skills agency. Our purpose is to drive productivity and inclusive growth through investment in skills, enabling businesses and people to achieve their full potential.

We are committed to supporting the Scottish Government’s ambition of “creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth”\(^1\).

Specifically, this includes collaborating with our enterprise and skills agency partners to achieve the Enterprise and Skills Strategic Board’s ambition of moving Scotland towards the top quartile of OECD countries for productivity, equality, wellbeing and sustainability.

Achieving this would bring more spending power for individuals, improved business competitiveness and profits and higher tax revenues to help fund better public services but it would also deliver improvements in equality, wellbeing and sustainability.

The Strategic Board’s Strategic Plan outlines how a joint-agency approach is vital. Over the next three years, we will collaborate with the Scottish Funding Council (SFC), Scottish Enterprise (SE), Highlands and Islands Enterprise (HIE) and the new South of Scotland Enterprise (SoSE) to deliver the actions identified in the Strategic Plan.

Each agency will continue to play its distinctive part but with a fresh clarity of direction on the shared ambition and collective actions that will help Scotland, its economy, businesses and people, excel in the present and seize the opportunities of the future.

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1 National Performance Framework
https://www.gov.scot/about/what-the-government does/
Towards a Human Future

In a context of rapid economic and technological change, it is essential that Scotland grows an innovative and globally ambitious business base and develops and retains a skilled workforce, to be capable of driving achievement of our economic and social aims.

We are in a time of increasing economic and political uncertainty and of significant change. Fiscal forecasts continue to predict weak growth in productivity and in tax revenues, resulting in tighter public sector budgets.

Our population is ageing and is forecast to grow at a slower rate due to a downturn in inward migration linked to the UK’s impending exit from the EU. These demographic changes may lead to skills shortages in Scotland’s sectors and regions. The pace and scale of the advancements in technology is exponential, driving disruption and change in the labour market. Consequently, we face a challenge in meeting the current and future skills needs of Scotland. In response, we must build resilience and adaptability in businesses and individuals.

To deliver effectively in this challenging environment, we are collaborating with the other agencies to understand the dimensions of change over the next 15 years. This collective understanding will provide a foundation for a shared vision for skills in 2035 which will allow us to jointly determine how best to leverage our innate human skills and drive success.

Over the shorter term, we are responding to the challenges and ambitions laid out by the Strategic Board in its Strategic Plan, published in 2018. The Plan has new and collective ways of working at its core. It includes four separate policy missions, identified as the areas most likely to drive productivity, equality, wellbeing and sustainability, and on which the agencies should focus.

These are:
- Business Models, Workplace Innovation and Fair Work
- Skills for the Future
- Business Creation and Growth
- Exports.

Our Strategic Plan 2019–22 also includes detail of how we will progress actions identified in the Scottish Government’s Economic Action Plan.
This table shows how the agencies will collaborate and contribute towards achieving the actions and recommendations set out in the Strategic Board’s Strategic Plan. Detailed cross-agency plans have been developed for the delivery of each action.

<table>
<thead>
<tr>
<th>AGENT</th>
<th>ACTION</th>
<th>DESCRIPTION</th>
<th>HIE</th>
<th>SE</th>
<th>SDS</th>
<th>SFC</th>
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</thead>
<tbody>
<tr>
<td>BCG</td>
<td>A1</td>
<td>Establish a campaign to foster entrepreneurship and ambition across society, with particular focus on inclusivity (inc. women, minority ethnic groups, rural considerations etc.).</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>BCG</td>
<td>A2</td>
<td>Create a main online entry point as part of a wider transformation to a truly digitally-enabled business support service providing rapid, tailored support.</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>BCG</td>
<td>A3</td>
<td>Boost overseas acquisitions through specialist support for scale up from a new public/private/Scottish National Investment Bank collaboration.</td>
<td>✔️</td>
<td>✔️</td>
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<td>EXP</td>
<td>A1</td>
<td>Co-ordinate a national exporting service – a ‘One Scotland’ approach to export delivery organisations and services.</td>
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<td>✔️</td>
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<td>✔️</td>
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<tr>
<td>EXP</td>
<td>A2</td>
<td>Explore new public/private sector partnerships which will provide support to scale-up, and refresh export support resources.</td>
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<td>✔️</td>
<td>✔️</td>
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<tr>
<td>EXP</td>
<td>A3</td>
<td>Develop digital, sales and international language training programmes for exporters.</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>BMWI</td>
<td>A1</td>
<td>Deliver an ‘Innovating Workplaces’ campaign to create awareness of productivity issues of business models, workplace innovation and fair work.</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>BMWI</td>
<td>A2</td>
<td>Utilise data-led approaches to proactively identify and support sectors and firms who can exploit opportunities for growth or to enhance their resilience.</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>BMWI</td>
<td>A3</td>
<td>Co-ordinate a programme of business models and workplace innovation activity that is driven by agency-fluid teams.</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>FS</td>
<td>A1</td>
<td>Implement the 5-stage skills alignment model and a one system approach for learners and employers.</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>FS</td>
<td>A2</td>
<td>Define the meta-skills for use in future skills provision.</td>
<td>✔️</td>
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<td>✔️</td>
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<tr>
<td>BCG</td>
<td>R2</td>
<td>Engage with Business Gateway on support for start-ups. Adopt a focus on inclusivity (inc. women, minority ethnic groups and rural considerations).</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>BCG</td>
<td>R3</td>
<td>Build on the existing Brexit readiness work of public agencies and business organisations to strengthen the Scottish-level response.</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
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<tr>
<td>BCG</td>
<td>R4</td>
<td>Support Scotland’s businesses to respond to challenges by leveraging maximum funds from the Industrial Strategy Challenge Fund.</td>
<td>✔️</td>
<td>✔️</td>
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Our strategy map for 2019–22, shown here, summarises the change we want to achieve, and the actions we will take to progress towards our shared ambition for Scotland. Our planned activity under each of our four strategic goals is summarised in the following pages.
Enabling Scotland’s people

Over the next three years we will:

Enable learners and workers to make informed learning and career choices:
  - Provide all-age, impartial and independent career information, advice and guidance
  - Develop the career management skills of our customers
  - Increase the availability and accessibility of high quality career intelligence
  - Engage with and equip career influencers, including teachers, parents/carers and employers, to better support young people.

Empower people to achieve equitable learning and employment outcomes:
  - Work with partners to understand and address disadvantage
  - Increase equality of access to learning and employment opportunities
  - Use experiential technology to increase access to work-related experiences
  - Actively challenge stereotypes and unconscious bias.

Provide effective learning pathways into productive employment:
  - Offer work-based learning at SCQF Levels 4–6 in schools and expand provision of Foundation Apprenticeships
  - Increase the uptake of Modern and Graduate Apprenticeships as both a route of entry into, and means of progression in, work
  - Achieve greater balance between work-based and academic learning pathways.

Help create an increasingly productive and resilient workforce for Scotland:
  - Enable working age people to re-skill or up-skill to better meet the needs of employers
  - Provide enhanced, tailored support for people facing redundancy situations
  - Support those looking to return to their careers, including women returners
  - Deliver employability support to people unemployed and seeking work.
Mobilising Scotland’s businesses

Over the next three years we will:

Deliver an aligned and integrated service offer for employers:

- Develop a new agency-fluid team to support inward investment to Scotland and business growth
- Jointly establish a digital portal for all enterprise and skills agency employer services, improving access to the right support
- Improve cross-agency data sharing and analysis to inform service development and delivery.

Inspire and enable employers to take a strategic approach to workforce planning:

- Offer tailored advice and guidance to help businesses identify and meet their current and future skills needs
- Provide mechanisms for employers to re-skill and up-skill their existing workforce
- Maximise the uptake of work-based learning products from employers.

Promote the development of productive and innovative workplace practices:

- Raise awareness of productive business models and innovative workplace practices, through a programme of cross-agency activity
- Use data to proactively identify and support sectors or businesses able to benefit from adopting new approaches
- Develop approaches to improving leadership and management skills across Scotland.

Drive understanding and adoption of fair work practices:

- Promote the benefits of adopting fair work practices
- Support the development of progressive and inclusive workplace cultures.
Influencing the Learning and Skills System

Over the next three years we will:

**Strengthen industry and partner ownership of the skills system:**
- Ensure industry understands the value of engaging with the skills system, has a representative voice, and increasingly uses it to influence learning and skills provision
- Facilitate industry influence on the design of work-based learning through the Scottish Apprenticeship Advisory Board.

**Build a high-quality evidence base using robust and comprehensive data:**
- Maintain and expand the richness and accessibility of the evidence base
- Clarify the critical skills needs of the Scottish economy
- Better understand and demonstrate the longitudinal economic outcomes from existing learning pathways.

**Influence the prioritisation of resources in line with the evidence base:**
- Establish a new agency-fluid team, led by a Director of Skills Alignment, responsible to SDS and SFC
- Develop provision plans for the delivery of skills in Scotland based on an assessment of the current and future demand for skills, and align our commissioning and contracting decisions with these
- Work with educators, community planning partnerships and other partners to influence the national, regional and local economic landscape
- Build confidence in the effectiveness of the 5-stage skills alignment model by piloting the approach
- Identify the sectors and geographies that need most support to achieve shared prosperity
- Recommend discrete interventions to provide ‘critical skills’ in the economy.

**Ensure work-based learning is efficient, responsive and future-focused:**
- Implement a strategy for the future standards architecture of work-based learning in Scotland
- Work to embed meta-skills in learning and skills provision
- Drive innovation, employer demand and policy thinking in Scotland through the Centre for Work-based Learning
- Support the development of a sustainable funding model for learning and skills provision.
SDS as an Organisation

Over the next three years we will:

**Adopt high-performing workplace practices, leading change in others:**
- Continue to build a culture of ‘Everyday Leadership’, helping our people to perform to the best of their capability
- Demonstrate exemplary fair work practices, including our continued commitment to promoting wellbeing and harnessing diversity
- Model innovative workplace practices and pilot anticipated 2035 employer behaviours.

**Make efficient, effective and sustainable use of our resources:**
- Steward public finances well, demonstrating propriety, value for money and the best return on investment
- Use continuous improvement techniques to streamline and optimise our ways of working
- Drive quality and excellence throughout the business, gaining EFQM business excellence accreditation
- Continue to improve our environmental sustainability.

**Improve customer experience and customer service through enhanced use of data and technology:**
- Increase and enhance our data sharing and analysis activity to predict customer need and drive improvements in service delivery
- Improve our products and services, with a focus on enhanced digital services to increase customer reach and satisfaction
- Use enabling technology within SDS which drives efficient and innovative ways of working.

**Drive better outcomes through deeper collaboration and partnership working:**
- Work closely with national, regional and local partners to identify and achieve our shared goals
- Explore options for greater use of cross-agency and agency-fluid enabling services
- Work with partners to understand and share best practice, learning from each other’s expertise.
Assessing Performance and Impact

We are determined to make a difference to the productivity, prosperity and wellbeing of Scotland’s people, employers and economy, by building a more demand-led skills system and enabling individuals and businesses to reach their full potential through investment in their skills.

Our Corporate Performance Framework
We have built a comprehensive Corporate Performance Framework that we use to monitor delivery of our activities and services and to ensure that we can report accurately on progress in achieving our strategic goals. The framework includes a series of key performance indicators (KPIs) that we use to monitor delivery of our services and the difference they are making.

The table on the next page shows our alignment with the National Performance Framework indicators and with the broad ambitions of the Strategic Board. We have also agreed cross-agency shared outcomes and will be working with partners and the Analytical Unit to detail the performance measures that will demonstrate the achievement of the Board’s Plan.

Annual planning and performance review
Throughout the life of this Strategic Plan, we will publish an annual Operating Plan that will set out more specific milestones and targets towards our strategic ambition. We will also publish an Annual Review reporting on progress against our targets each year.
### National Performance Framework Indicators
- Population skills profile
- Skills shortage vacancies
- Skills utilisation
- Young people’s participation
- Economic participation
- Economic growth
- Innovative businesses
- Workplace learning
- Wealth inequalities
- Gender pay gap
- Gender balance
- Mental wellbeing
- Employee voice
- Employees on a Living Wage
- Contractually secure work
- Carbon footprint
- Waste generated

### Strategic Board Impacts
- Productivity
- Equality
- Wellbeing
- Sustainability

#### SDS Corporate Performance Outcomes

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<tr>
<th>SDS Corporate Performance Outcomes</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
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<tr>
<td>Informed choices</td>
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<td>Equitable outcomes</td>
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<td>Effective pathways</td>
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<td>Resilient workforce</td>
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<td>Integrated services</td>
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<td>Workforce planning</td>
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<td>Workforce practices</td>
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<td>Fair work</td>
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<td>Industry ownership</td>
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<td>Evidence base</td>
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<td>Future of work-based learning</td>
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<tr>
<td>High-performing workplace</td>
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<td>Customer experience</td>
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<td>Use of resources</td>
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<td>Deeper collaboration</td>
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