Official Statistics

Employer Skills Survey 2024 – Scotland

October 2025

Scottish Government
Riaghaltas na h-Alba

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Key findings

Summary

Employer Skills Survey 2024 – Scotland

Employer Characteristics

Small employers with 2 to 4 employees make up **50%** of sites and employ **8%** of the workforce.

The largest sectors of the Scottish economy were Business Services (**20%** of all sites) and Wholesale and Retail (**19%**).

Vacancies and Skill-shortage vacancies

19% of employers had at least one vacancy at the time of the survey…
…and **7%** had at least one skill-shortage vacancy.

27% of all vacancies were skill-shortage vacancies – that is, they were hard to fill due to a lack of skills, knowledge or experience among applicants.

This was having an impact on **97%** of affected employers – most commonly increasing workload for other staff.

TO DO

Internal Skills Challenge

14% of employers had a skills gap within their workforce, and **3.8%** of all employees had a gap(s) in their skillset.

33% of employers reported skill under-use.

61% of employers anticipated a need to upskill their staff in the coming year.

Training and Workforce Development

63% of employers had provided any form of training to their staff in the previous year:

53% on the job

42% off the job

Overall, **60%** of employees had received training, which equated to **1,500,000** trained.

Apprenticeships

Overall, **16%** of employers currently had apprentices or offered apprenticeships

HPW

6% were classed as "High Performance Working employers".

Preparedness for work of education leavers

Most employers found education leavers to be 'well' or 'very well' prepared for work, though this was more likely when thinking about university leavers **(85%)** and college leavers **(81%)** than school leavers **(59%)**.

www.gov.scot
Source: Employer Skills Survey 2024
Source (employer characteristics):
ONS Inter-Departmental Business Register (IDBR) 2024

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Table 1: Key findings, Scotland (2017-2024)

	2017	2020	2022	2024
Vacancies and skill-shortage vacancies				
% of sites with any vacancies	20%	11%	25%	19%
% of sites with any hard-to-fill vacancies	8%	4%	16%	10%
% of sites with skill-shortage vacancies	6%	3%	10%	7%
% of all vacancies that are skill-shortage vacancies	24%	21%	31%	27%
Number of vacancies	75,400	47,500	118,200	74,700
Number of skill-shortage vacancies	17,800	10,100	36,800	20,000
Internal skills challenges				
% of sites with any staff not fully proficient	16%	12%	15%	14%
Number of staff not fully proficient	122,100	97,400	118,900	94,500
Number of staff not fully proficient as a % of total workforce	5.0%	4.0%	4.8%	3.8%
% of sites with an upskilling requirement	69%	74%	66%	61%
% of sites reporting skills under-use	35%	33%	37%	33%
% of staff under-utilised	9%	8%	9%	7%
Training				
% of sites training any staff over the last 12 months	71%	59%	64%	63%
% of sites providing off-the-job training in the last 12 months	51%	35%	40%	42%
% of workforce trained	62%	55%	59%	60%

Base: All sites in Scotland (2017: 6,017; 2020: 3,497; 2022: 5,207; 2024: 5,080).

Introduction

The Employer Skills Survey (ESS) 2024 is a large-scale UK-wide telephone survey with employers, commissioned by the Department for Education (DfE) with funding contributions from the Scottish Government, Department for the Economy in Northern Ireland and the Welsh Government. This report focuses on employers in Scotland and provides labour market information on the skills challenges faced by Scottish employers and the type of interventions employers engage in to address these challenges. Specifically, this report explores:

- The external skills challenge: skill-shortage vacancies, recruitment and Developing the Young Workforce;
- The internal skills challenge: skills gaps, under-utilisation of skills and the need for upskilling;
- Training and workforce development, including training expenditure;
- Apprenticeships;
- High Performance Working practices;
- Awareness and use of National Occupational Standards (NOS); and
- Artificial Intelligence (AI) and Net Zero practices

ESS has been conducted at a UK level every two years since 2011. Since 2019, the Employer Perspective Survey (EPS) has been incorporated into the ESS as one survey in England, Northern Ireland and Wales. However, Scotland was covered separately in its own national ESS in 2020 and national Employer Perspectives Survey (EPS) in 2019 and 2021, before joining back for the UK ESS 2022.[1] The 2024 approach in Scotland mirrored the 2022 approach.

The UK-wide ESS 2024 survey included a total of 5,080 interviews with Scottish employers, undertaken between June 2024 and January 2025 (22,712 interviews were conducted across the UK). This is a robust sample size which covers a range of sectors, regions and site sizes and the results are representative of employers

[1] Fieldwork for the Scottish ESS 2020 was undertaken during the COVID-19 pandemic. As such, where results from 2020 are reported, they should be considered within this context.

across Scotland. The sample was drawn at random from commercial data supplier, Market Location and supplemented with sample from the Inter-Departmental Business Register (IDBR) for subsectors where Market Location coverage was low. Following fieldwork, the data was weighted back to the ONS IDBR 2024 population to ensure it was representative.

Table 2: Interviews achieved, by nation

Nation	Interviews achieved
England	8,639
Northern Ireland	3,388
Scotland	5,080
Wales	5,605

Further information about the ESS method can be found in the Methodology section of this release and the technical report on the DfE website.

These statistics are designated as Official Statistics in accordance with the Statistics and Registration Services (SRS) Act 2007. They have been produced to high professional standards set out in the Code of Practice for Statistics. Further information on Official Statistics is published by the UK Statistics Authority.

Further data can be accessed in published data tables accompanying this report on the Scottish Government website. Accompanying 'Background Tables' include the underlying data used in the report.

Reporting conventions

The terms "site", and "employer" are used interchangeably throughout this report to avoid repetition.

The survey population is UK businesses with two or more employees; this means businesses with at least two people working on payroll including working proprietors. When reporting volume and density measures, we typically refer to 'employees' throughout the report rather than employment.

All differences referred to in the report are statistically significant at the 95% level of confidence. This applies to differences between survey subgroups, such as region, size and sector, and also to differences over time.

Where comparisons are made across regions, this refers to the Regional Outcome Agreement (ROA region). ‘Glossary’ shows how local authorities align to these ROA region categories.

All occupational data is coded to the latest Standard Occupational Classification from 2020 (SOC2020). Previous publications’ data were coded to the 2010 equivalent (SOC2010). This means that 2022 data on occupations presented in this report will differ from the equivalent 2022 figures presented in the 2022 report.

Throughout the report unweighted base figures are shown on tables and charts to give an indication of the statistical reliability of the figures. These figures are always based on the number of sites answering a question, as this is the information required to determine statistical robustness.

There will be instances throughout this report where data for particular subgroups are presented as ‘most likely to…’ or data is referred to as highest or lowest in relation to a particular measure. To be reported in this, data not only need to be the highest or lowest for a particular measure, they also need to be statistically significant at the 95% confidence level when compared with the average. For example, employers in the Education (40%) and Arts and Other Services (22%) sectors were more likely to provide placements for school students, while Wholesale and Retail employers were less likely (10%). The corresponding Background Table (37) shows that there are two sectors (Hotels and Restaurants and Information and Communications) which have lower proportions than Wholesale and Retail; these are not presented in the report as they are not statistically significant compared with the average.

In the tables, “zero” is denoted as a dash (“-”); and an asterisk is used (“*”) if the figure is larger than zero but less than 0.5%.

In the tables and charts, figures with a base size of fewer than 30 sites are not reported (a double asterisk, “**”, is displayed instead), and figures with a base size

of 30 to 49 are italicised and should be treated with caution as the margin of error for these results is larger and therefore the results are less statistically reliable.

Throughout the report the terms ‘incidence’, ‘volume’ and ‘density’ are used regarding vacancies, skill-shortage vacancies and skills gaps. The definition for each of these terms is given in Figure 1.

Figure 1: Definitions for key incidence, volume and density measures used in this report

	Vacancies	Skill-shortage vacancies	Skills gaps
Incidence	The number of establishments reporting at least one vacancy	The number of establishments that reported at least one skill-shortage vacancy	The number of establishments that reported any of their staff lacked full proficiency
Volume	The total number of vacancies	The total number of vacancies that are hard to fill as a result of skill shortages	The total number of employees that lack full proficiency
Density	The total number of vacancies as a proportion of all employment	The total number of skill-shortage vacancies as a proportion of all vacancies	The total number of employees that lack full proficiency as a proportion of all employment

Employer characteristics

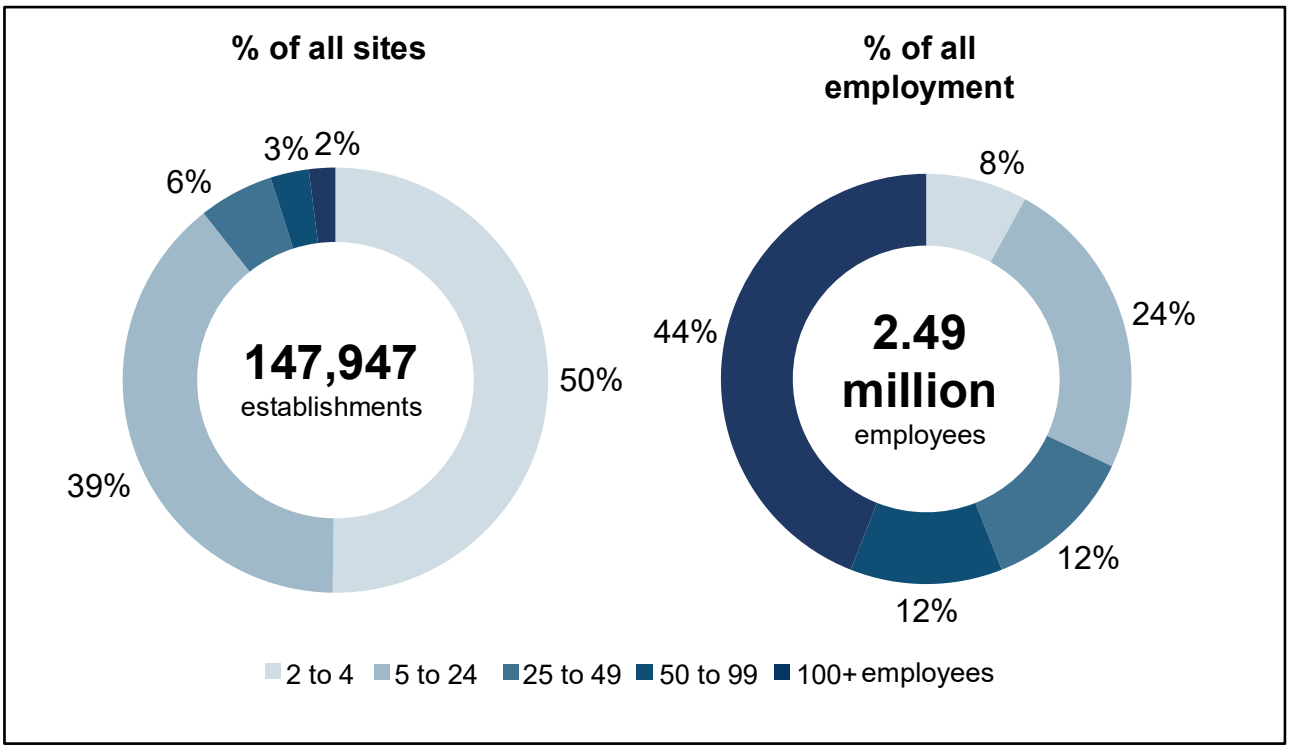
The survey population for the ESS 2024 included all sites that had at least 2 people on the payroll (including owners and working proprietors). A “site” is defined here as a single site of an organisation, meaning interviews were carried out with an individual at each local office (rather than a single “head office” location with a respondent answering on behalf of the whole organisation). This is in recognition of the fact that skills issues are felt most acutely at local level, and continues the approach taken by previous UK-wide ESS and Scottish surveys dating back to 2011.

Figure 2 shows the profile of Scottish employers and of employment by size for this population. Office for National Statistics (ONS) figures estimate that in March 2024 there were 147,947 sites in Scotland employing around 2.49 million people between them.

The employer population in Scotland is predominantly made up of small sites: half of employers have between 2 and 4 staff (50%) and almost two fifths have between 5 and 24 staff (39%). However, these smaller employers employ 8% and 24% of the workforce respectively. Employers with 100 or more staff make up 2% of sites but employ 44% of the workforce. These figures are unchanged from the population profile in the 2022 survey.

Smaller employers with 2 to 4 employees accounted for half of all sites in Scotland, but employed 8% of the workforce.

Figure 2: Employer and employment profile by site size in Scotland in March 2024



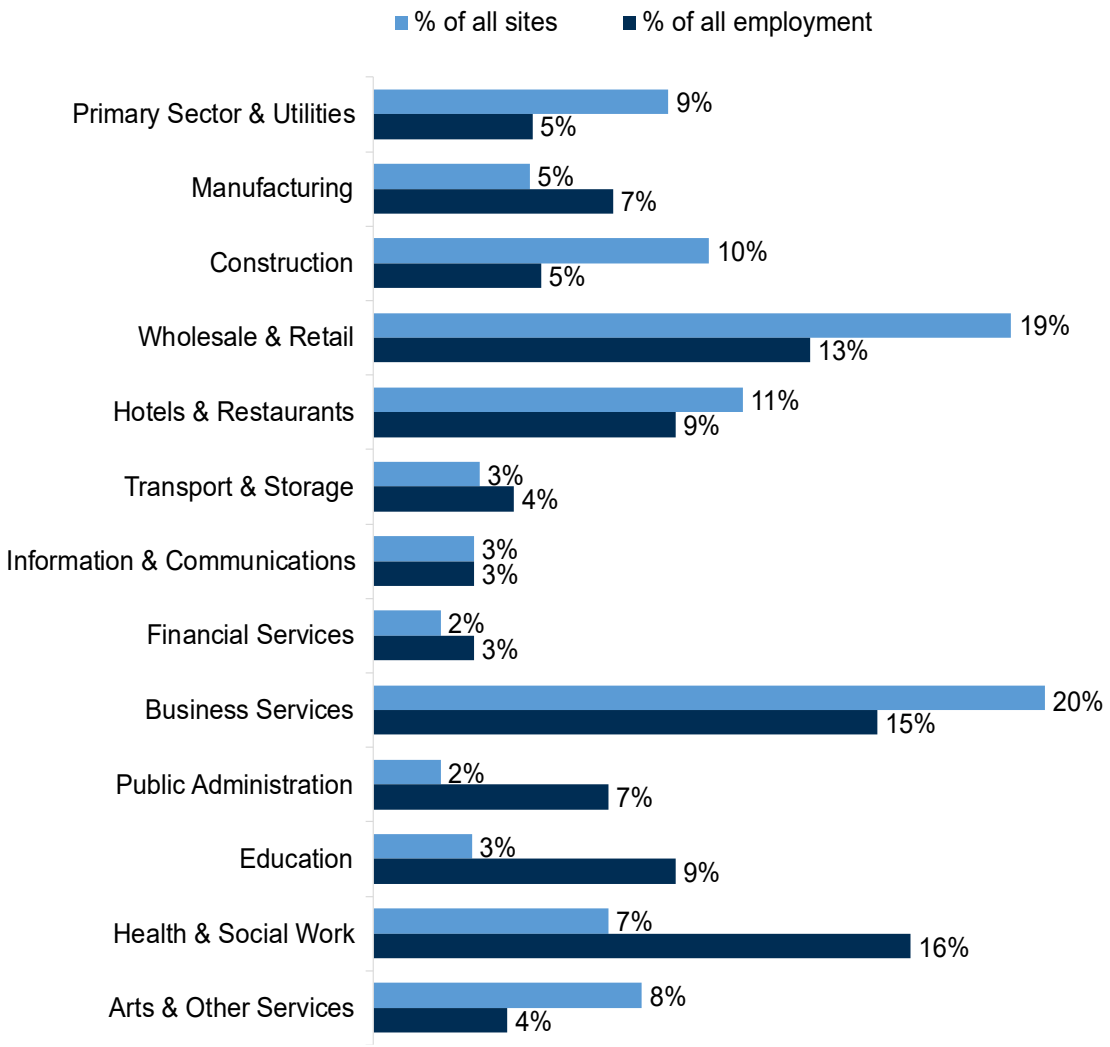
Source: ONS Inter-Departmental Business Register (IDBR), March 2024.

As shown in Figure 3, the largest sectors in the Scottish economy in terms of number of sites are Business Services and Wholesale and Retail (consisting of 20% and 19% of all Scottish sites respectively). The smallest sectors are Financial Services and Public Administration (both 2%).

In terms of employment, the largest sectors are Health and Social Work (16% of the total workforce), Business Services (15%) and Wholesale and Retail (13%). The smallest are Information and Communications (3%) and Financial Services (3%).

The largest sectors in the Scottish economy were Business Services and Wholesale and Retail, comprising 20% and 19% of the workforce respectively.

Figure 3: Employer and employment profile by sector in Scotland in March 2024



Source: ONS Inter-Departmental Business Register (IDBR), March 2024

Skill-shortage vacancies

This chapter explores the proportion of employers with vacancies at the time of the survey, and if they experienced difficulties filling these vacancies. It looks at instances where these difficulties were caused by a lack of skilled applicants, and the impact that this had on employers.

Vacancies

“Vacancy incidence” refers to the proportion of sites reporting at least one vacancy at the time of the survey. Overall, just under one in five employers in Scotland (19%) had a vacancy at the time of the survey. This represented a decrease from the 2022 survey, when a quarter (25%) of employers reported having a vacancy, though remained well above the figure of 11% seen in 2020 during the COVID-19 pandemic. The 2024 figure is in line with 2017 levels (20%), which was the last data point in the series before the pandemic. Overall, there were 74,700 vacancies across Scotland in 2024.

Vacancy incidence was highest in the Education (36%), Health and Social Work (35%) and Public Administration (28%) sectors and lowest in Financial Services and Primary Sector and Utilities (8% and 10% respectively). The largest decreases in vacancy incidence were in the Hotels and Restaurants (18% vs. 30% in 2022) and Health and Social Work (35% vs. 44% in 2022) sectors. By ROA region, the highest vacancy incidence was in Glasgow (24%), while the lowest was in the Borders Region (12%).

“Vacancy Density” refers to the number of vacancies as a percentage of total employment. This figure was 3.0% in 2024, meaning that for every 100 people employed in Scotland there were 3 vacancies. This was a decrease on the equivalent 4.8% figure in 2022 but remained above the 1.9% figure in 2020.

As in 2022, despite a higher incidence of vacancies among medium-to-large employers with 100 or more employees (72%), they had the smallest vacancy density of all size categories, with vacancies representing 2.4% as a proportion of their overall employment; for comparison, those with 2 to 4 staff had a vacancy

density of 3.9%. The size of this gap between the smallest and largest employers in vacancy density has narrowed since 2022, where the corresponding results were 3.9% for employers with 100 or more employees and 7.1% for those with 2 to 4 employees. The reduction in vacancy density from 7.1% in 2022 to 3.9% in 2024 for sites with 2 to 4 employees was the largest of all size groups.

By sector, the Information and Communications (5.3%), Transport and Storage (3.7%) and Hotels and Restaurants (3.6%) sectors reported the highest vacancy densities, while the lowest was in Education (1.8%).

Further data on the incidence and density of vacancies, as well as corresponding historic results from 2017, 2020 and 2022, can be found in Tables 3 to 8 of the Background Tables.

Hard-to-fill vacancies

Just over half (52%) of sites with vacancies reported that they had at least one vacancy which was proving hard to fill, a decrease compared with 2022 when the figure stood closer to two thirds of employers (64%). This equates to 10% of all sites in Scotland, with employers reporting a total of 32,700 hard-to-fill (HTF) vacancies.

HTF vacancy density (calculated as hard-to-fill vacancies as a proportion of all vacancies) was 44% in 2024, a decrease compared with the figure 55% in 2022. Smaller employers with 2 to 4 employees had the highest HTF vacancy density in 2024 (60%), while the largest employers with 100 or more employees had the lowest (31%).

Employers in the Primary Sector and Utilities (53%), Transport and Storage (51%) and Wholesale and Retail (51%) sectors had the highest HTF vacancy density, while it was lowest in the Public Administration (26%) and Education (35%) sectors.

Further data on the incidence and density of hard-to-fill vacancies, as well as corresponding historic results from 2017, 2020 and 2022, can be found in Tables 9 to 13 of the Background Tables.

When looking at the causes behind HTF vacancies, employers were most likely to report low numbers of applicants with the required skills (28%) (one of the components that qualifies as a skill-shortage vacancy, discussed further in 'Skill-shortage vacancies). This was followed by not enough people being interested in the type of work (19%), low numbers of applicants generally (16%) and poor terms and conditions offered (15%).

Compared with 2022, sites in Scotland were less likely to cite low numbers of applicants generally (16% in 2024 vs. 29%), factors related to COVID-19 (1% vs. 11% in 2022) and Brexit making it more difficult to recruit European Union (EU) nationals (5% vs. 8% in 2022). Generally, reasons related to the quantity of candidates decreased from 49% in 2022 to 35% in 2024. Conversely, employers were more likely to report a lack of work experience (11% in 2024 vs. 7% in 2022) and generally cite reasons relating to the quality of candidates (45% vs. 37%).

Skill-shortage vacancies

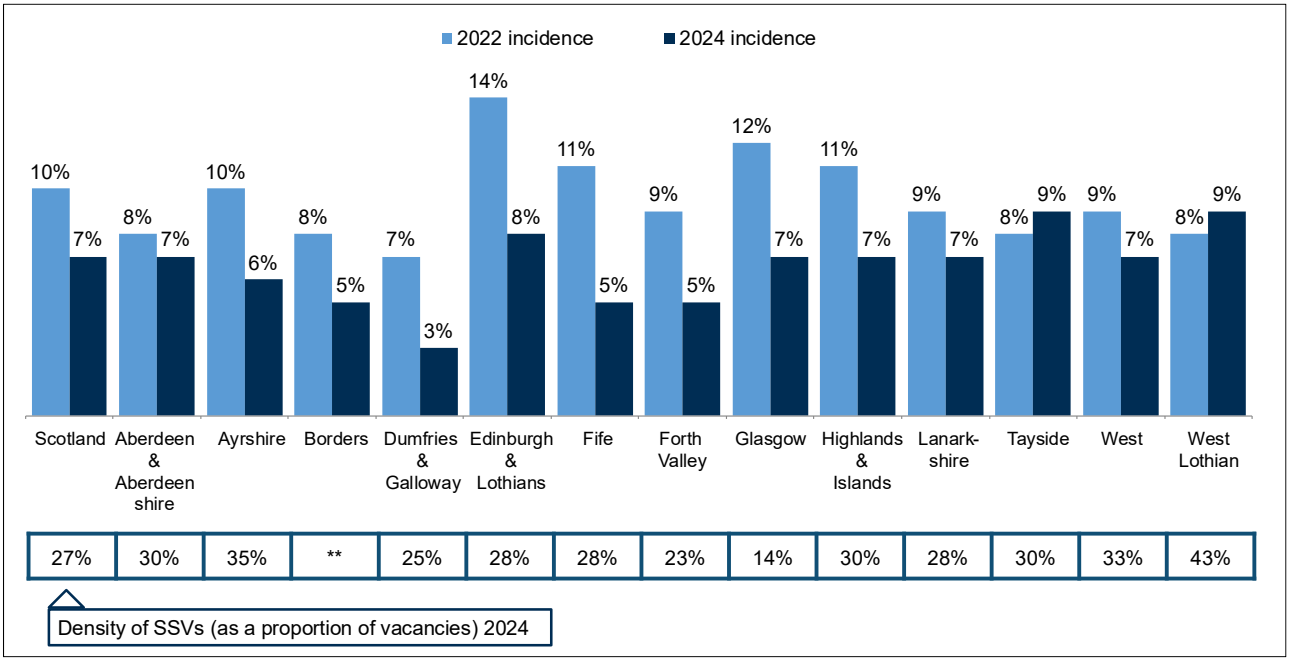
Skill-shortage vacancies (SSVs) refer to vacancies which are hard to fill because of difficulties finding applicants with the required skills, knowledge and/or experience. Looking at the level of SSVs in the market is a good indicator of skill supply issues in an area.

Just over a third (36%) of employers with vacancies reported at least one vacancy that was hard to fill due to a skill-shortage issue. This equates to 7% of all sites having SSVs (SSV incidence), together reporting a total of 20,000 SSVs. The proportion of all vacancies that are considered skill-shortage vacancies (SSV density) was 27%.

The 7% SSV incidence figure marks a decrease from 10% in 2022. The SSV density figure of 27% was also a decrease from 31% in 2022 but still above the 21% figure seen in 2020, during the COVID-19 pandemic.

The incidence of skill-shortage vacancies was highest in the Tayside and West Lothian ROA regions in 2024. In 2022 it was highest in Edinburgh and Lothians. Density of skill-shortage vacancies was highest in the West Lothian ROA region in 2024.

Figure 4: Incidence and density of skill-shortage vacancies by ROA region, 2024



Base: All sites in Scotland (2022: 5,207; ROA regional base sizes range from 165 in the Borders Region to 777 in the Highlands and Islands Region. 2024: 5,080; ROA regional base sizes range from 150 in the Borders Region to 690 in the Highlands and Islands Region). Base for density figures: Sites with vacancies (2024: 1,375; base sizes by ROA region vary from 43 in the Dumfries and Galloway Region to 196 in the Glasgow Region). **Density for the Borders region not shown for the Borders region due to low sample size. “Regions” refer to ROA regions – see “Definitions” section of this report for more detail.

Larger sites were more likely to report having SSVs than smaller ones in 2024; just under a quarter (23%) of sites with 100 or more staff had at least one SSV, compared to 3% of those with 2 to 4 staff.

By sector, sites in Manufacturing and Education were most likely to have at least one SSV (both 12%). Incidence of SSVs was least common among employer in the of Public Administration sector (2%).

As in 2022, smaller sites reported a higher SSV density than larger sites (37% of those with 2 to 4 employees compared to 14% of those with 100 or more employees). This was an even more marked difference than in 2022, when the figures stood at 39% and 25% respectively.

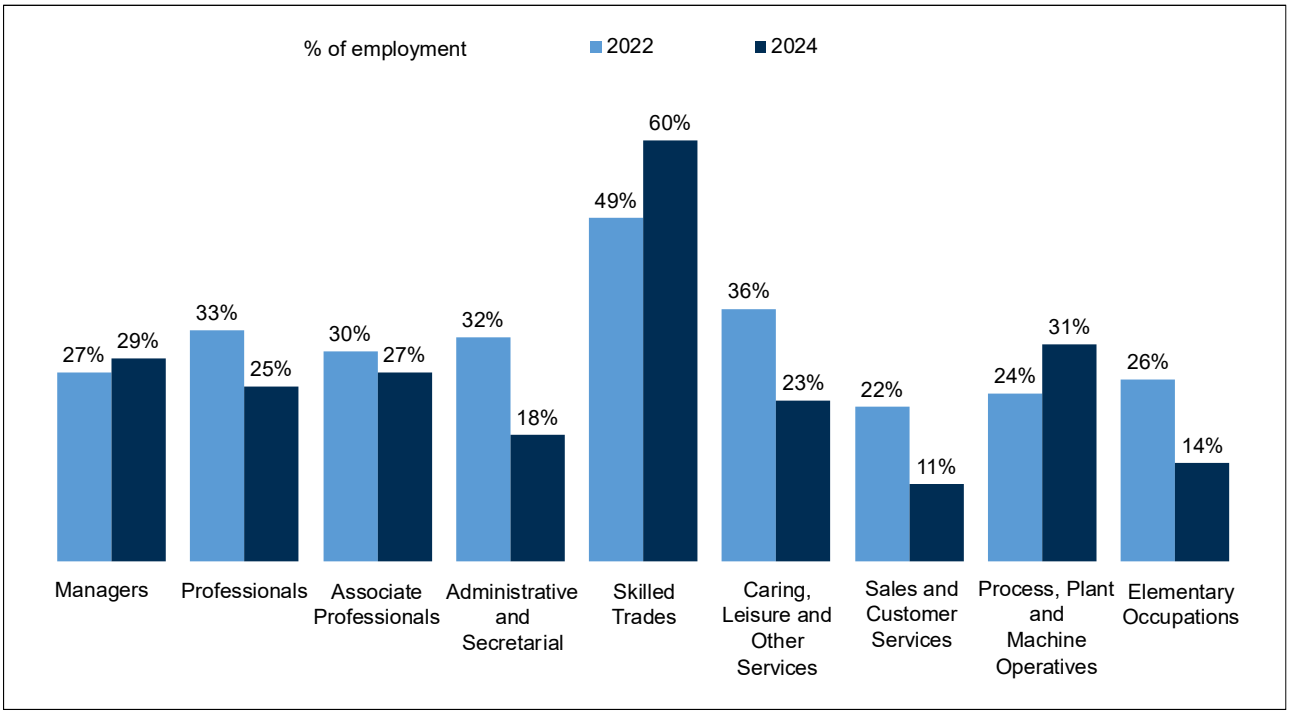
Further size and sector breakdowns, as well as corresponding historic results from 2020 and 2022, can be found in Tables 14 to 19 of the Background Tables.

The density of skill-shortage vacancies for each occupation is shown in Figure 5. Skilled Trades occupations (60%) had the highest SSV density and also saw the largest increase in SSV density compared with 2022 (up from 49%). The lowest SSV density was for Sales and Customer Services occupations (11%) and Elementary Occupations (14%).

The largest decrease in SSV density occurred in Administrative and Secretarial occupations, from 32% in 2022 to 18% in 2024.

Density of skill-shortage vacancies was highest for Skilled Trades occupations, which also saw the largest increase in SSV density in 2024 compared with 2022.

Figure 5: Density of skill-shortage vacancies by occupation: 2024 compared to 2022



Base: All sites with skill-shortage vacancies in Scotland (2022: 727; occupational base sizes range from 128 for Managers to 381 for Skilled Trades Occupations. 2024: 497; occupational base sizes range from 78 for Managers to 285 for Professionals).

Skills lacking in the available labour market

Employers were asked which skills they perceived to be lacking among applicants.

These were grouped into two broad categories:

- technical and practical skills, which are specific to the particular function of the job role; and
- people and personal skills, which are the “softer”, less tangible skills required to manage oneself and interact with other people in the workplace.

When grouping specific technical and practical skills lacking (more information about how these grouped reasons have been defined can be found in the full UK report, which will be available on the Department for Education’s (DfE) website in late 2025), more than half of SSVs (53%) were due, at least in part, to a lack of complex analytical skills, including specifically solving complex problems (43%) or complex numerical or statistical skills (30%). The prevalence of lacking complex analytical skills had increased from 2022, when they accounted for 46% of SSVs. It replaced operational skills (as the most common broad set of skills lacking (48% of SSVs in 2024). Lacking operational skills included a lack of knowledge of products or services offered (40% of SSVs) and a lack of knowledge about how the organisation works (35% of SSVs).

Around two in five (40%) of SSVs were attributed, in part, to a lack of basic skills, covering basic numerical and IT skills (each a contributing factor for 25% of SSVs).

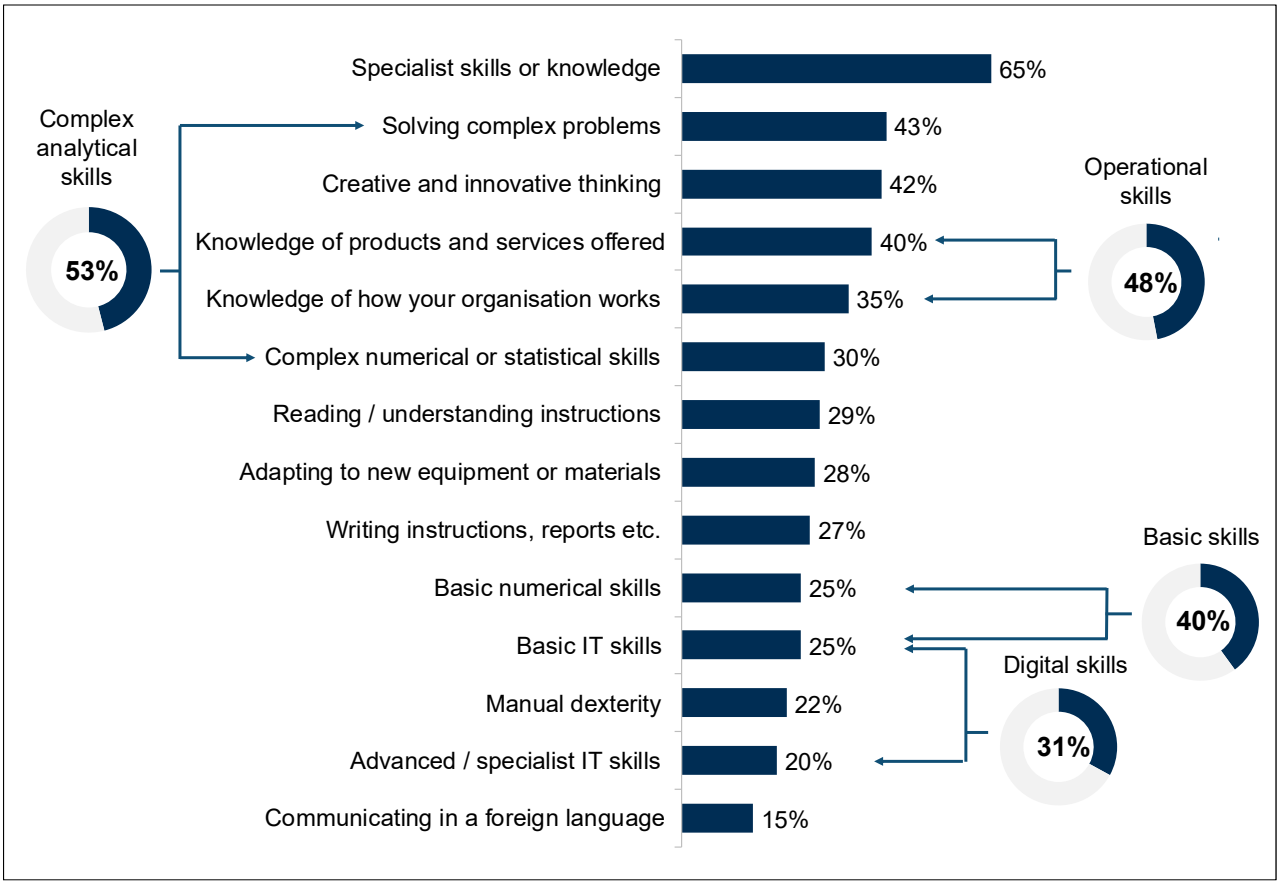
The most common specific technical skill identified by employers in Scotland to be lacking among applicants for vacancies was specialist skills or knowledge required for the role (65%, up from 57% in 2022).

In 2024 there was a notable increase in the proportion of employers reporting that their SSVs were caused by a lack of creative and innovate thinking (42% vs. 34% in 2022) and complex numerical or statistical skills (30% vs. 24%).

Overall, the proportion of SSVs affected by a lack of technical or practical skills in 2024 (87%) was similar to 2022 (84%).

Lack of specialist skills or knowledge was the most common technical and practical skill lacking for skill-shortage vacancies.

Figure 6: Technical and practical skills lacking among applicants to vacancies classed as skill-shortage vacancies among those followed up in 2024 (prompted)



Base: All sites with skill-shortage vacancies in Scotland (497). Figures shown are based on SSVs for 2 occupations randomly selected for each site. For example, “specialist skills or knowledge” was lacking among applicants for 65% of SSVs followed up. Respondents were able to select multiple skills for these questions; as such grouped skills will not equal the total of the individual skills included in that grouping.

A lack of digital skills contributed to three in ten (31%) SSVs, including a quarter (25%) attributed to a lack of basic IT skills and a fifth (20%) to a lack of advanced or specialist IT skills. Employers who identified lacking digital skills (either basic or more complex) were followed up to ask which specific digital skills were lacking. The most common were basic Microsoft Office application skills (39% of digital SSVs); foundation digital skills, including examples such as turning on devices, typing and changing passwords (28%) and advanced Microsoft Office skills (16%). This figure for lacking advanced Microsoft Office Skills was the only notable increase from 2022 (up from 6%).

Looking at people and personal skills lacking and the broader groups of skills contributing to skill-shortage vacancies, the most common skills lacking were self-management skills (54% of SSVs, the same proportion as in 2022). This comprised the two most common specific skills lacking: applicants not being able to manage their own time and prioritise tasks (46%) and manage their own feelings or those of others (38%).

Around two fifths (43%) of SSVs were caused due to a lack of management and leadership skills. The most common management or leadership skill to be lacking was managing or motivating staff (34% of SSVs). Sales and customer service skills were lacking for two fifths (39%) of SSVs; predominantly this was customer handling skills lacking (34%).

Overall, there was a decrease in the proportion of SSVs affected by a lack of people and personal skills (66% in 2024 vs. 72% in 2022).[2]

The most common people or personal skill lacking was applicants being able to manage their own time and task prioritisation.

[2] More information about how these groups have been defined (both technical and practical skills and people and personal skills) can be found in the full UK report, which will be available on DfE's website.

Figure 7: People and personal skills lacking among applicants to vacancies classed as skill-shortage vacancies among those followed up in 2024 (prompted)

Base: All sites with skill-shortage vacancies in Scotland (497). Figures shown are based on SSVs for 2 occupations randomly selected for each site. For example, "managing own time and task prioritisation" was lacking among applicants for 46% of SSVs followed up.

Full comparisons to previous years' data for skills lacking among applicants can be found in Tables 20 to 22 of the Background Tables.

The impact of skill-shortage vacancies on employers

Almost all (97%) employers that had experienced hard to fill vacancies that were entirely a result of skill shortages said these had an impact on their organisation. This was the same proportion as in 2022.

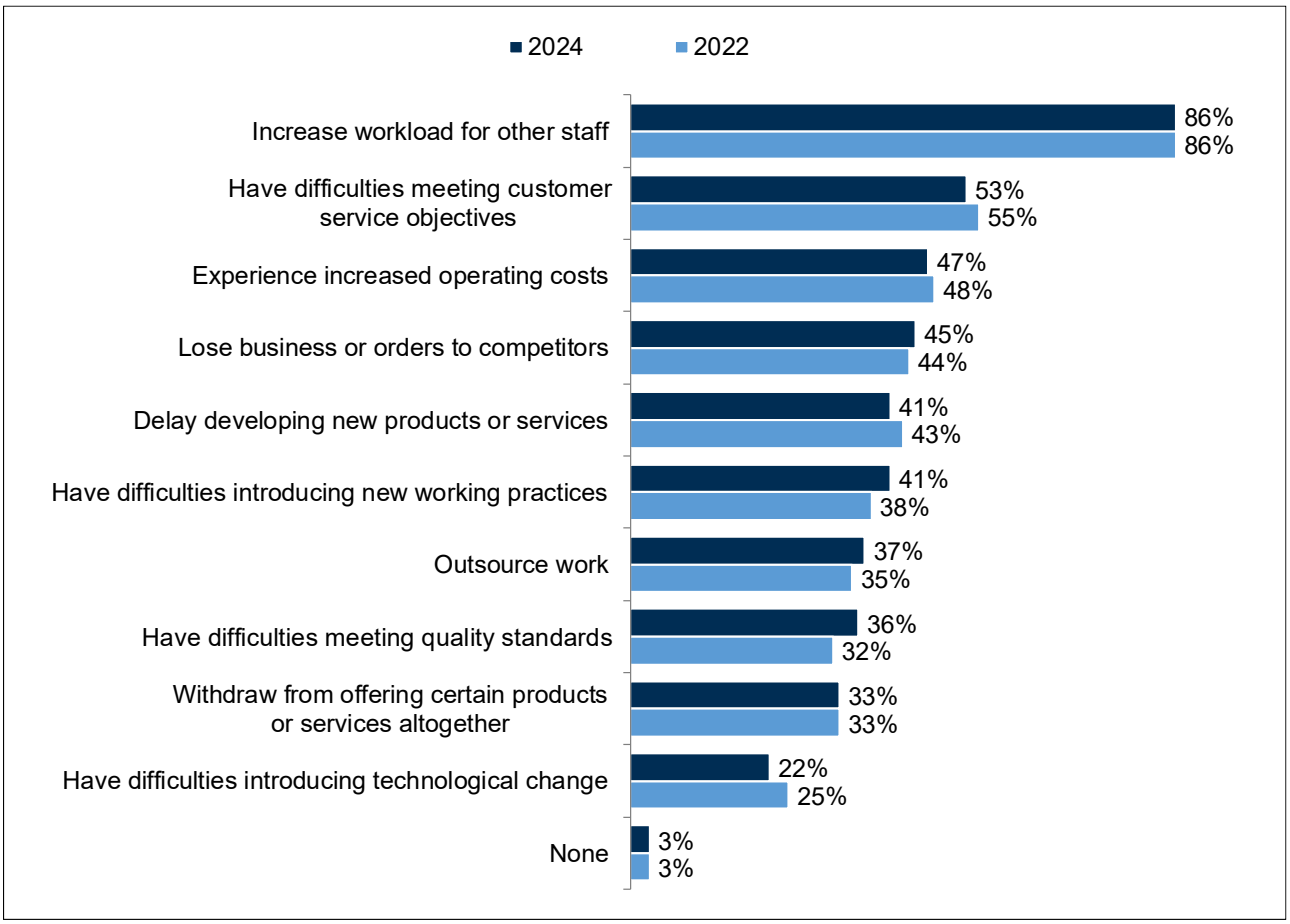
The most common impact of SSVs was an increased workload for other staff, reported by 86% of sites where all their hard-to-fill vacancies were caused at least in part by skill-shortages, the same proportion as in 2022. For one in ten (10%) of these sites, this was the only impact of SSVs on their organisation, again the same proportion as in 2022. Other common impacts were meeting customer service objectives (53%), experiencing increased operating costs (47%), and losing

business or orders to competitors (45%) as shown in Figure 8. There were no notable differences compared with 2022.

Full comparisons to previous years' data for the impact of SSVs can be found in Table 23 of the Background Tables.

The most common impact of skill-shortage vacancies on sites was an increased workload for existing staff.

Figure 8: Impact of skill-shortage vacancies, 2024 compared with 2022 (prompted)



Base: All sites in Scotland with hard-to-fill vacancies that are all as a result of skill shortages (2024: 453; 2022: 602).

Recruitment

This chapter explores the recruitment practices of employers in Scotland, including the proportion of employers who have recruited in the last 12 months, and factors that employers look for in potential candidates. It also considers the extent to which employers have recruited employees directly from education, as well as employers' views on the preparedness for work of these education leavers. Finally, the chapter looks at employer provision of work placements, alongside reasons for not offering these types of placements.

Proportion of employers that recruited over the last 12 months

While the previous chapter examined employers' vacancies at the time of the survey, this section looks more broadly at employers' recruitment situation over the last 12 months. Half (50%) of employers in Scotland had recruited someone in the last 12 months. This represents a small decrease from the 52% of employers that had recruited in 2022.

As in 2022, larger employers were more likely to have recruited in the last 12 months, with 24% of employers with 2 to 4 staff having recruited, compared to 98% of those with 100 or more staff.

By sector, employers in the Health and Social Work and Education sectors were most likely to have recruited in the past year (75% and 74% respectively). Recruitment was the least common among Primary Sector and Utilities (25%) and Construction employers (34%). These sectors were also the most and least likely to have recruited in the 2022 survey.

What employers look for when recruiting

Based on a list of prompted factors that employers might consider when recruiting (see Table 3 for full list), the factor most commonly perceived as important was meta-skills, such as problem-solving, critical thinking, communication and leadership. Seven in ten (72%) employers considered this to be critical or significant when recruiting.

There were few changes in the importance employers placed on different factors when recruiting compared to 2022. The importance placed by employers on having Maths and English Nationals to a requisite level increased from 46% who felt this was of critical or significant importance in 2022, to 51% who reported this in 2024. Employers' perspectives on the importance of all other factors remained consistent.

Certain sectors were more likely to consider particular factors as important when recruiting. For example, employers in Construction were more likely to consider having completed a relevant apprenticeship as of critical or significant importance (55% vs. 28% overall). Similarly, employers in both the Education and Business Services sectors were more likely than other employers to value candidates holding particular academic qualifications (67% and 56% respectively vs. 34% overall).

Employers considered meta-skills such as problem-solving, critical thinking, communication and leadership as the most important factor they look for when recruiting.

Table 3: Importance of factors looked for in recruitment, 2024 compared to 2022 and 2021[3]

Factor	Proportion who considered factor 'Critical' or 'Significant'		
	2021	**2022**	**2024**
Having meta skills such as problem-solving, critical thinking, communication and leadership	70%	71%	72%
Having relevant work experience	59%	63%	62%
Having Maths and English to at least Nationals Level 5 or equivalent	53%	46%	51%
Having a relevant vocational qualification	47%	45%	43%

[3] 2021 results presented are taken from the Scottish Employer Perspectives Survey (EPS) 2021.

Factor	Proportion who considered factor 'Critical' or 'Significant'		
	2021	2022	2024
Having particular academic qualifications such as Nationals, Highers or a degree	39%	32%	34%
Having completed a relevant apprenticeship	n/a	n/a	28%
Having a degree or degree-equivalent qualifications	n/a	17%	19%

Base: All sites in Scotland (Module C 2024, Module D 2022): (2022: 1,213; 2024: 1,220). 2021 figures taken from the Scottish EPS 2021. Base: All sites (1,000).

Recruitment directly from education

Recruiting directly from education refers to employers who recruited an employee to their first job from either school, college or university. In the 2 to 3 years preceding the interview, 37% of employers had recruited directly from education. This represents an increase compared to 2022 (32%, see Table 4).

As in 2022, larger sites were more likely than smaller sites to have recruited an education leaver, with 86% of those with 100 or more employees having done so, compared to 23% of those with 2 to 4 employees. Within each size band, there were no significant changes in the proportion of employers recruiting education leavers compared to 2022.

Employers in the Education sector were most likely to have recruited directly from education (55%), while those in the Primary Sector and Utilities were least likely (22%). These sectors were also the most and least likely to have taken on education leavers in 2022. More information by size, sector and ROA region is available in Tables 28 to 30 of the Background Tables.

Just under a quarter (23%) of employers had recruited an employee in the last 2 to 3 years from a Scottish secondary school, 14% recruited from a Scottish college, and 16% recruited from a Scottish university. Compared to 2022, the proportion of

employers recruiting an education leaver increased across all 3 education settings, when the corresponding figures were 19%, 11% and 13% for schools, colleges, and universities respectively.

Employers were more likely than previous years to have recruited employees directly from school, college or university.

Table 4: Recruitment of education leavers, 2014 to 2024

Recruitment						Proportion of all employers
	2014	**2016**	**2019**	**2021**	**2022**	**2024**
Any education leaver	32%	32%	30%	35%	32%	37%
School leaver	19%	19%	20%	21%	19%	23%
College leaver	11%	11%	12%	15%	11%	14%
University leaver	13%	14%	11%	14%	13%	16%

Base: All sites in Scotland (Module C): (2014: 4,015; 2016: 4,009; 2019: 2,652; 2021: 1,000; 2022: 1,332; 2024: 1,220).

Employers were most likely to view university leavers as being ‘well’ or ‘very well’ prepared for work (85% of employers), followed closely by college leavers (81%). School leavers were the least likely to be seen as prepared for work (59% of employers) as shown in Table 5. There were no significant changes in employer perceptions of preparedness for work compared to 2022.

The majority of employers felt that education leavers were ‘well’ or ‘very well’ prepared for work.

Table 5: Perceived preparedness of education leavers for work, 2014 to 2024

Recruitment	Proportion of employers that felt leavers were very well / well prepared for work					
	2014	2016	2019	2021	2022	2024
Scottish school leaver	63%	65%	58%	68%	65%	59%
Scottish college leaver	81%	80%	74%	78%	82%	81%
Scottish university leaver	88%	84%	78%	80%	83%	85%

Base: Scottish school leaver recruiters (2014: 1,101; 2016: 1,052; 2019: 779; 2021: 297; 2022: 355; 2024: 380); Scottish college leaver recruiters (2014: 754; 2016: 707; 2019: 538; 2021: 215; 2022: 246; 2024: 256); Scottish university leaver recruiters (2014: 840; 2016: 827; 2019: 491; 2021: 203; 2022: 261; 2024: 273).

Among college and university leavers, the skills that employers perceived to be lacking were similar, with the same top 3 skills for both groups: a lack of life experience (8% for university leavers, 6% for college leavers); a lack of required technical skills (4% for university leavers; 2% for college leavers); and a poor attitude (4% for university leavers, 8% for college leavers). Compared to 2022, the top 3 skills lacking remained the same for university leavers. For college leavers, the proportion mentioning each skill remained similar, although a lack of technical skills replaced a lack of soft/personal skills in the top 3 skills mentioned by employers.

In line with other education leavers, school leavers were also most likely to be perceived as lacking in life experience (19%) and as having a poor attitude (e.g. poor worth ethic, punctuality) (16%). However, unlike for other education leavers, a lack of requisite soft/personal skills featured in the top 3 skills lacking for school leavers (10%). Compared to 2022, there was no change in the top 3 skills reported as lacking for school leavers.

Employers with 100 or more employees were more likely to feel that their school leaver recruits lacked life experience (34% vs. 19% overall), and had a poor attitude (38% vs. 16% overall).

Work placements

Around a third (32%) of employers had provided any form of work placement over the last 12 months. As shown in Table 6, this is similar to the proportion that had provided work placements in 2022 (29%) but represents an increase compared to 2021, the low point of the series.

Although the proportion providing work placements has remained similar to 2022, the volume of placements has increased. In the last 12 months, employers provided around 206,000 placements, up from the approximate 165,000 placements reported in the 2022 survey but still well below the volumes reported before the COVID-19 pandemic in 2019.

The proportion of employers providing work placements remained stable compared to 2022, but the volume increased for the first time since 2019.

Table 6: Proportion of employers providing work placements and volume provided (2016-2024)

	2016	2019	2021	2022	2024
Proportion providing work placement	39%	36%	27%	29%	32%
Volume of work placements provided	314,600	332,600	209,900	164,600	205,900

Base: All sites in Scotland (2016: 4,009; 2019: 2,652; 2021: 1,000; 2022 (Module C): 1,332; 2024 (Module B): 1,287).

The most common types of placements provided were for people at school (15%), followed by placements for those at college (11%) and university (10%), as shown in Table 7. Overall, this amounted to 25% of employers having provided

placements to people in education, a higher proportion than in 2022, when 19% provided these types of placement. This increase was particularly driven by higher proportions of employers providing placements to those at school (15% vs. 10% in 2022), and those at college (11% vs. 7% in 2022).

Of the prompted work placement types, employers were least likely to have provided internships (4%), and placements targeted at giving work to the unemployed (4%). These placement types were also the least common types of work placement in 2022.

Among those offering placements, the average number of placements provided ranged from 2.0 per site for placements for the unemployed to 4.2 per site for work trials for potential new recruits.

Employers most commonly offered work placements for those currently in education.

Table 7: Types of placements provided in 2024

	Proportion of employers that provided placement type	Total number of placements
Placements for people at school	15%	42,500
Placements for people at college	11%	30,900
Placements for people at university	10%	49,900
Work trials for potential new recruits	9%	51,200
Internships	4%	12,500
Placements targeted at giving work experience to the unemployed	4%	9,700

Base: All sites in Scotland (Module B) (1,287). Types of placements offered by fewer than 4% not shown.

As in 2022, likelihood of employers providing work placements in the preceding 12 months increased with employer size, ranging from 20% of those with 2 to 4 employees to 79% of those with 100 or more employees.

By sector, employers in the Education sector were by far the most likely to have provided work placements (73%), while a relatively high proportion of employers in the Health & Social Work and Arts & Other Services sectors had also done so (47% and 45% respectively). Conversely, those in the Wholesale & Retail sector were less likely to have provided work placements (22%).

Employers who had not provided any work placements in the last 12 months or engaged in work inspiration activities (e.g. careers talks, mock interviews etc.) most commonly said this was due to structural issues (66%). In particular, this included having no suitable roles (27%) and lacking the time and / or resource to manage these (21%). These were also the most common reasons in 2022, although a slightly lower proportion cited structural issues overall (71% in 2022).

Smaller employers were more likely to cite structural issues as the main reason for not providing work inspiration activities (71% for those with 2 to 4 employees, compared to 43% of those with 25 or more employees).

Around one in six (16%) employers gave reasons relating to lack of awareness. This included not being approached by anyone to offer placements (10%). A similar proportion (16%) cited reasons that indicated an active choice not to engage in offering placements or work inspiration activities, such as that their business had frozen all recruitment (7%).

More information by size and sector is available in Tables 35 to 36 of the Background Tables.

Developing the Young Workforce (DYW)

Developing the Young Workforce (DYW) is the Scottish Government's overarching approach to preparing young people for the world of work. In addition to school based careers and work related learning, DYW aims to provide more young people with a labour market-relevant range of work-based learning opportunities such as Foundation Apprenticeships, vocational qualifications, and a broader range of post-education employment opportunities. This work is supported by the partnerships between local industry and employers, and education providers, through the twenty-one employer-led DYW Regional Groups that were established by the Scottish Government in 2014, working with DYW coordinators in each mainstream secondary school.

Work placements at school

Overall, 15% of employers in Scotland reported providing work placements for young people at school over the last 12 months. This represents an increase from 2022 (10%) and 2021 (8%) but remains below 2019 levels (20%). As in 2022, smaller sites were less likely to offer work placements to school students in 2024 – 9% of sites with 2 to 4 employees reported providing these, compared with over half (52%) of those with 100 or more employees and 32% of those with 50 to 99 employees. Local and central government funded employers were most likely to provide this kind of placement (33% compared with 20% of charity or voluntary sector employers and 13% of private sector employers).

In terms of sector, employers in the Education (40%) and Arts and Other Services (22%) sectors were more likely to provide placements for school students, while Wholesale and Retail employers were less likely (10%). By ROA region, those in the Borders (31%) and Aberdeen and Aberdeenshire (20%) were most likely to have provided placements to school students.

Where employers provided placements for young people in school, the average number of school students taken on was 2 per site, in line with 2022. Around half (52%) took on 1 school student on a placement and a further one in five (22%) took on 2 school students.

Among the employers who offered placements to school students, 14% went on to recruit anyone who had been on such placements into a permanent or long-term paid role, either at the end of the placement or after they finished their studies. This was also in line with the 2022 proportion (21%).

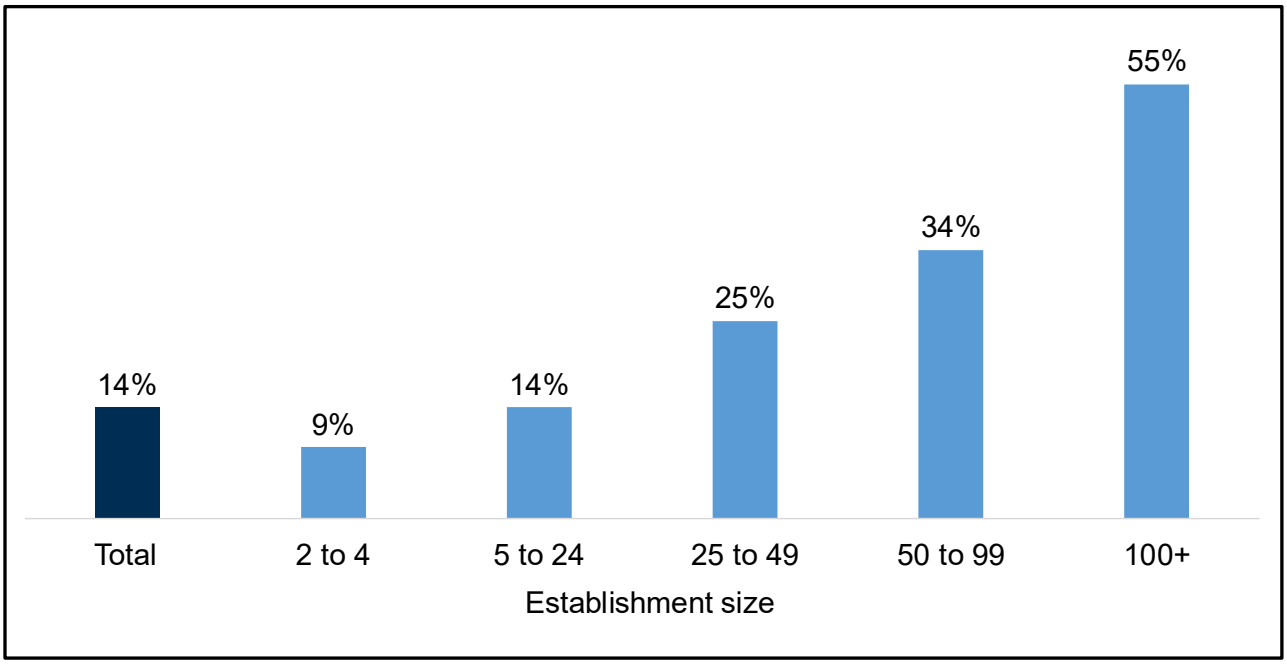
Work inspiration activities

Just under one in six (14%) employers in Scotland reported engaging with educational institutions to provide work inspiration activities in the last 12 months. Work inspiration activities include providing career talks to students, hosting site visits or conducting activities such as mock interviews. The proportion offering these activities increased from 2022 (11%) and represents a return to 2019 levels (15%).

As with work placements, larger employers were more likely to provide work inspiration activities, as shown in Figure 9. For example 55% of sites with 100 or more employees reported offering these activities compared with just 9% of those with 2 to 4 employees.

Work inspiration activities were more common among larger employers.

Figure 9: Proportion of employers offering work inspiration activities, by site size in 2024.



Base: All sites in Scotland (Module B): Total (1,287); 2 to 4 (300); 5 to 24 (648); 25 to 49 (188); 50 to 99 (94); 100 or more (57).

As in 2022, employers in the Education (34%) and Health and Social Work (24%) sectors were most likely to have engaged with educational institutions to offer work inspiration activities. Similarly, local and central government funded employers were also more likely to offer such activities (32%) compared with 20% of charity or voluntary sector employers and 13% of private sector employers.

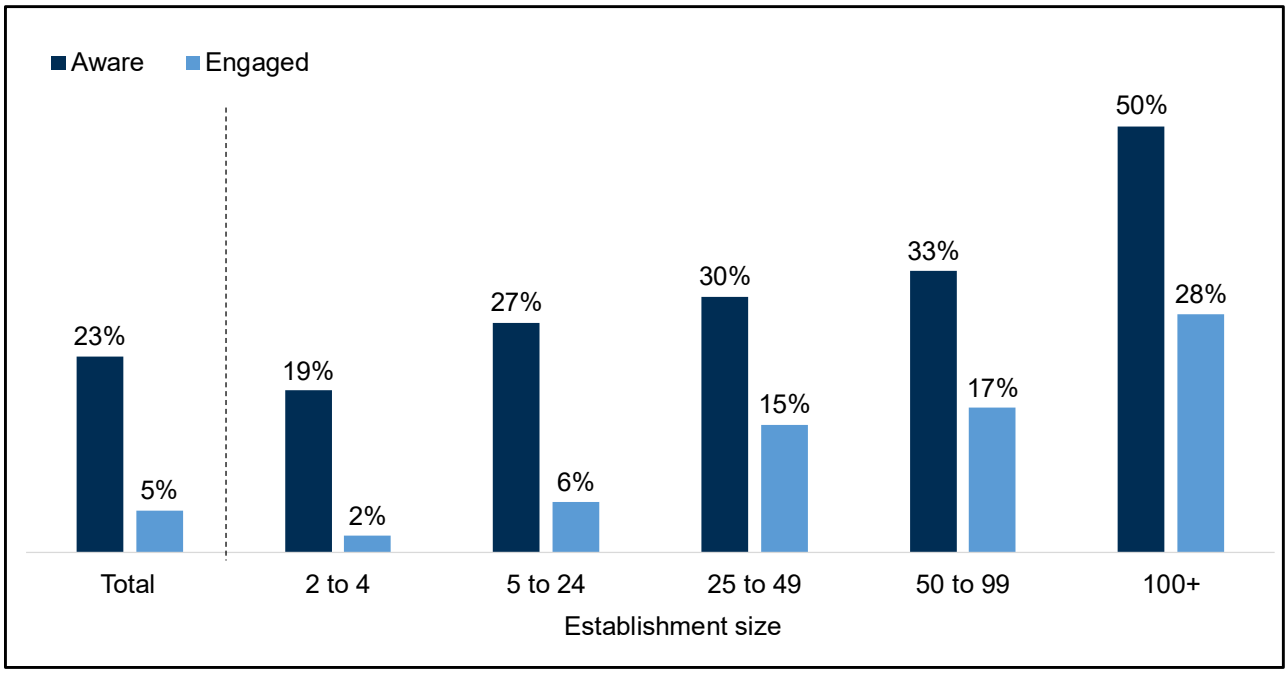
By ROA region, the Highlands and Islands (23%), Borders and West Lothian (both 18%) were most likely to have offered work inspiration activities.

DYW Regional Groups

Just under a quarter (23%) of employers in Scotland were aware of their local DYW Regional Group and 5% had engaged with them in the last 12 months. This is a decrease from 2022 (27% aware, 7% having engaged) although the proportion remains higher than 2021 levels (15% aware, 2% engaged).

Larger employers were more likely to have heard of and engaged with DYW Regional Groups.

Figure 10: Proportion of employers aware of, and that have engaged with DYW Regional Groups, by site size in 2024.



Base: All sites in Scotland (Module C): Total (1,220); 2 to 4 (346); 5 to 24 (552); 25 to 49 (189); 50 to 99 (79); 100 or more (54).

As shown in Figure 10, larger employers were more likely to both be aware of and have engaged with the DYW Regional Groups – for example, 50% of sites with 100 or more employees were aware and 28% had engaged with the DYW Regional Groups, compared with 19% and 2% respectively for sites with 2 to 4 employees.

Employers in the Education sector were most likely to be aware of and have engaged with the DYW Regional Groups (54% and 32% respectively). Health and Social Work employers were also more likely to be aware (31%), although there was no difference in engagement for employers in this sector.

The internal skills challenge

This chapter explores the prevalence and impact of current skills gaps within the Scottish workforce, i.e., the extent to which employers have staff that are not fully proficient in their job role. Some skills gaps may be temporary by nature, for example, where new staff have been recruited who are not yet fully trained or experienced. However, others can be more persistent and a result of under-investment in training and development, staff reluctance to develop existing skills, or high staff turnover. Persistent skills gaps can affect a site's productivity and ability to innovate.[4]

The Employer Skills Survey (ESS) measures the incidence, volume, density of skills gaps, overall and at a national, sectoral and occupational level. Also covered in this chapter are the specific skills that employers identified as lacking among their employees, and the causes and the impacts of these. Finally, this chapter also covers the incidence and density of skills being under-utilised as well as the expected need for upskilling in the next year.

- Skills gap incidence is the proportion of sites judging at least one employee not fully proficient.
- Skills gap density is the number of employees that were judged not fully proficient as a proportion of all employees.
- Skills gap volume is the number of employees that were judged not fully proficient.

Incidence, volume and density of skills gaps

Overall, 14% of employers had skills gaps within their current workforce. This marks a slight decrease compared to the 15% who reported this in 2022. In 2020, 12% of employers had skills gaps, though this was not a statistically significant difference from the 2024 result.

[4] Brunello, Giorgio and Wruuck, Patricia, Skill Shortages and Skill Mismatch in Europe: A Review of the Literature (May 2019). IZA Discussion Paper No. 12346, Available at SSRN: https://ssrn.com/abstract=3390340 or http://dx.doi.org/10.2139/ssrn.3390340

As in 2022, skills gaps were more common among larger employers, with 42% of those with 100 or more employees reporting a skills gap, compared to 5% of those with between 2 and 4 employees.

By sector, employers in Manufacturing and Education were more likely than average to have skills gaps (19% and 17% respectively). Both Manufacturing and Education employers were also among the most likely sectors to have skills gaps in 2022. Employers in Primary Sector & Utilities were the least likely to have skills gaps (6%), again in line with 2022.

Overall, a total of 94,500 employees were judged as not fully proficient in their role in 2024, representing 3.8% of the Scottish workforce. This represents a decrease in skills gap density compared to 2022, when 4.8% were not fully proficient, and is the lowest skills gap density for Scotland found in the ESS series which began in 2011.

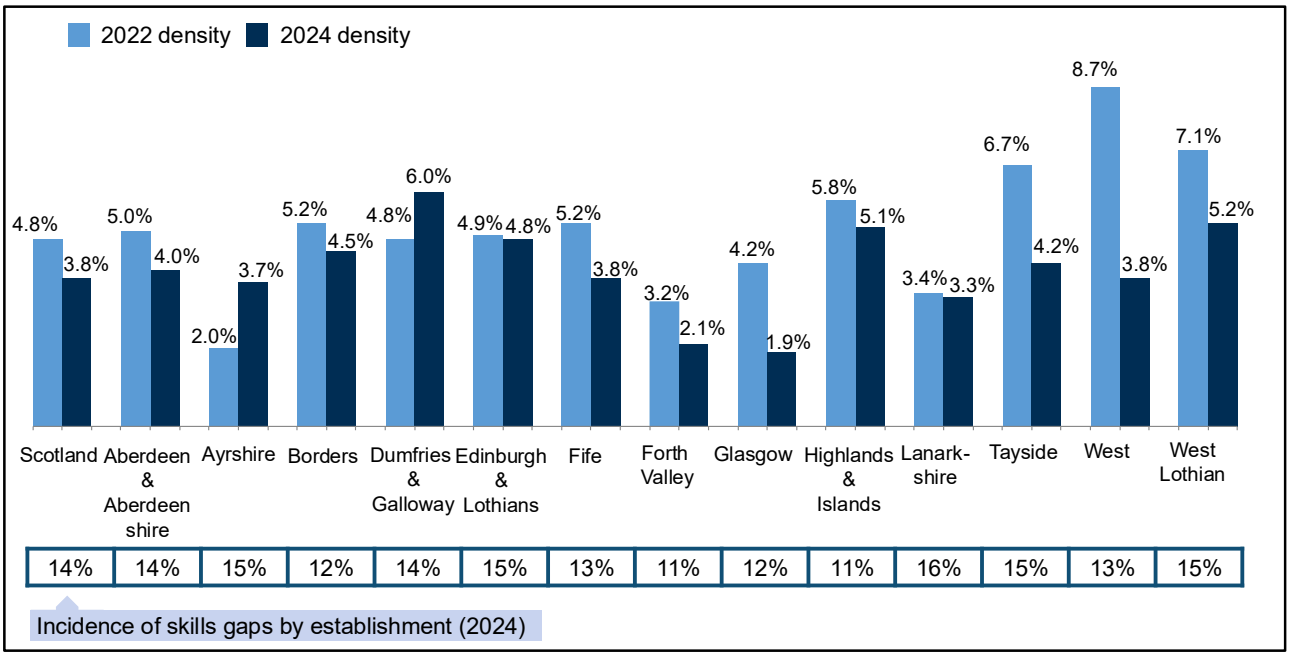
The proportion of staff that employers felt were not fully proficient was highest in Hotels and Restaurants (7.2%), Manufacturing (6.5%) and the Primary Sector & Utilities (6.3%). In contrast, employers in Information & Communications (1.7%), Education (2.1%) and Public Administration (2.2%) recorded the lowest skills gaps densities. Skills gap density remained stable compared to 2022 across most sectors, although there were statistically significant decreases in Education (2.1% in 2024 vs. 8.8% in 2022) and Construction (3.3% vs. 6.6% in 2022). Primary Sector & Utilities was the only sector where skills gap density increased significantly compared to 2022, rising from 2.9% to 6.3% in 2024.

By broad occupational group, the highest skills gap density was found among labour-intensive skill occupations (6.0%) (more information on broad occupational groupings can be found in the full UK report, which will be available on DfE's website). This was due to a strong concentration of skills gaps among Elementary occupations (7.3%), which form part of this broader occupational grouping. The next highest skills gaps densities were recorded in the Skilled Trade (5.1%) and Sales and Customer services occupations (5.1%). The occupations with the lowest skills gap density were Professionals (1.4%) and Managers (2.0%).

Skills gap density varied by ROA region (Figure 11). The highest proportion of staff with skills gaps was recorded in Dumfries and Galloway and West Lothian (6.0% and 5.2% respectively). By contrast, skills gaps density was relatively low in the Glasgow and Forth Valley regions (1.9% and 2.1% respectively).

Skills gaps were most common among employers in Lanarkshire ROA, though the highest skills gap density was found in Dumfries and Galloway ROA.

Figure 11: Incidence and density of skills gaps by ROA region, 2024 compared to 2022



Base: All sites in Scotland (2024: 5,080; ROA regional base sizes range from 150 in Borders Region to 690 in Highlands and Islands Region. 2022: 5,207; ROA regional base sizes range from 165 in Borders Region to 777 in Highlands and Islands Region.)

Further data on the incidence and density of skills gaps, and corresponding 2022 results, can be found in Tables 48 to 53 of the Background Tables.

Causes of skills gaps

Most skills gaps (84%) were caused at least in part by transient causes, such as employees being new to the role, or not having completed their training yet. Around one in seven (14%) were caused entirely by transient causes. A greater proportion of skills gaps in 2024 were at least partly due to transient causes compared with

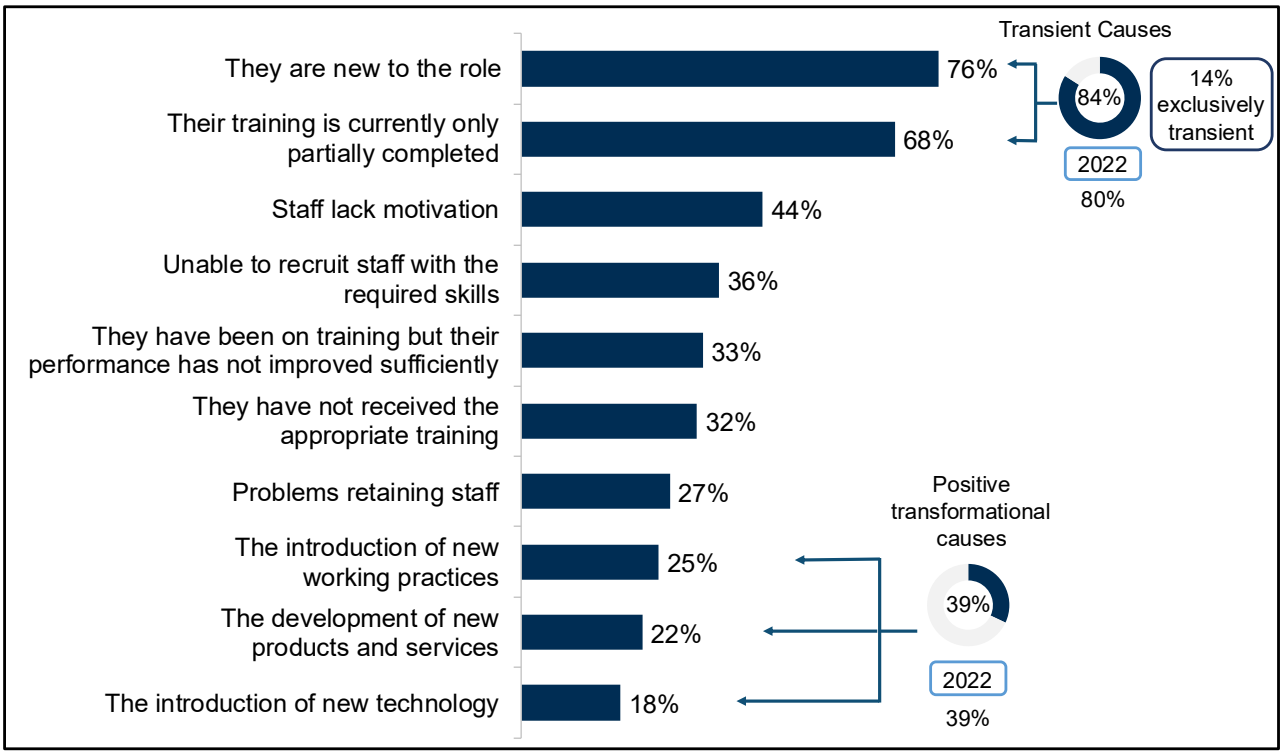
2022 (80% in 2022), however, in 2024 skills gaps were comparatively less likely to be solely due to transient causes (20% in 2022).

Nearly two fifths (39%) of all skills gaps were caused at least in part by positive transformational causes, including the introduction of new working practices (25%), the development of new products (22%) and the introduction of new technology (18%). Positive transformational causes as a whole accounted for the same proportion of skills gaps in 2022, although individually, there was a decrease in the proportion of skills gaps caused by the introduction of new working practices and new technology (31% and 26% in 2022 respectively).

Other common causes of skills gaps included staff lacking motivation (44% of skills gaps) and employers struggling to recruit staff with the required skills (36%). The full breakdown of the causes of skills gaps are presented in Figure 12.

Transient causes such as being new to the role or training being incomplete remain the most common cause of skills gaps.

Figure 12: Causes of skills gaps in occupations followed up (prompted)



Base: All sites in Scotland with skills gaps (2024: 967; 2022: 1,100). Figures shown are based on skills gaps for up to 2 occupations randomly selected for each site – so, for example, “they are new to the role” was a cause of 76% of skills gaps followed up.

Further data on the causes of skills gaps, and corresponding 2022 results, can be found in Table 54 of the Background Tables.

Skills lacking internally

Employers were asked what skills were missing among their workforce. Following the same approach as was covered earlier for skill-shortage vacancies, the lacking skills were split into two broad categories: technical and practical skills, specific to the particular function of the job role, and people and personal skills, the “softer”, less tangible skills required to manage oneself and interact with others in the workplace.

Considering technical and practical skills first, the most common specific skill lacking among those with skills gaps was specialist skills and knowledge required for the role (52% of skills gaps); this was also the most common skill lacking in 2022 (54%). When grouping lacking skills into broader categories, a lack of operational skills was most common (contributing to 49% of skills gaps). This included, specifically, knowledge of how the organisation works and knowledge of company products and services (each 38%). Though operational skills remained the most common group of skills lacking, the proportion of skills gaps affected was lower than in 2022 (54%) and 2020 (57%).

The next most common group of skills lacking was complex analytical skills (44% of skills gaps); this included a lack of complex problem-solving skills (38%) and complex numerical or statistical skills (20%). The proportion of skills gaps affected by a lack of complex analytical skills again represented a decrease compared to 2022 (52%). Basic skills including basic IT skills and basic numerical skills also decreased compared to 2022 (32% vs. 40% in 2022).

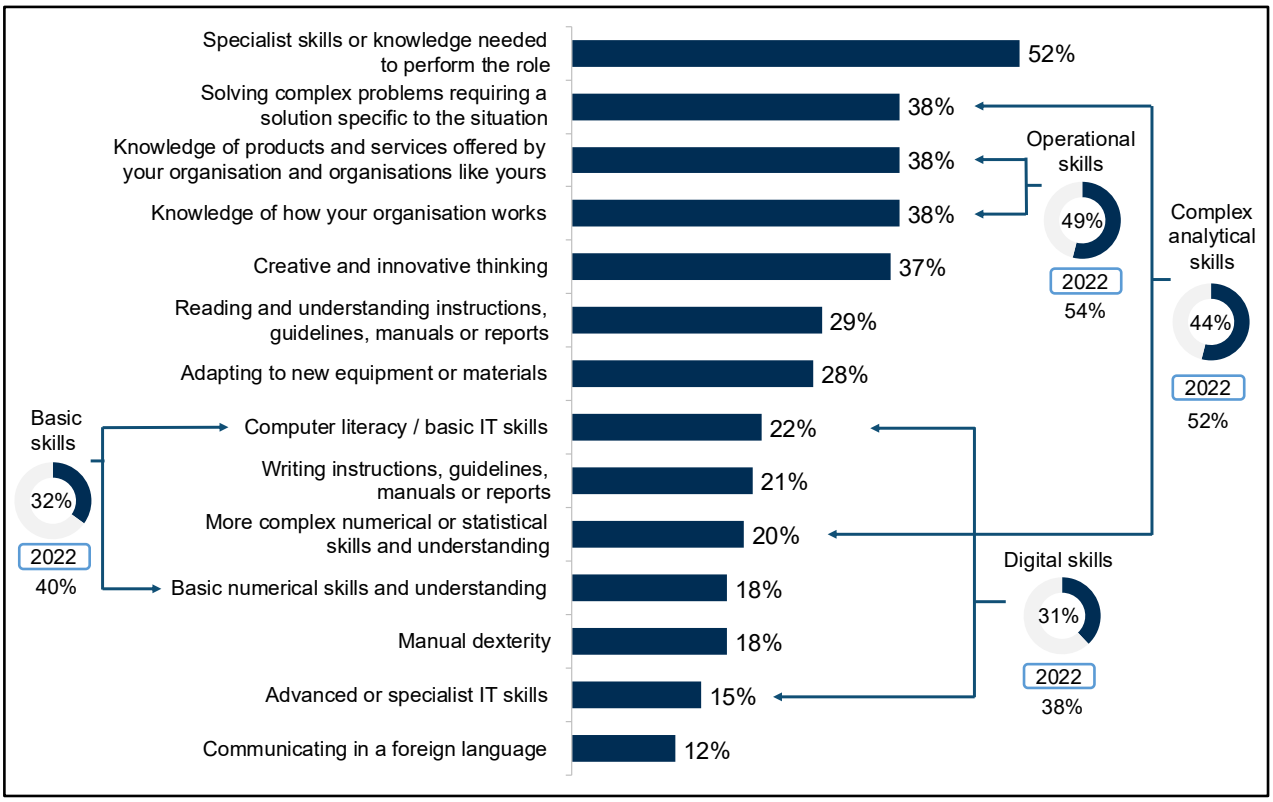
Digital skills gaps were a factor in 31% of skills gaps, lower than the 38% affected in 2022 and continuing a downward trend from 47% in 2020. The digital skills most commonly felt to be lacking were foundation digital skills (27%), basic Microsoft Office skills (23%), specialist knowledge of internal systems or hardware (21%), and advanced Microsoft Office skills (12%). Both basic and more advanced

Microsoft Office skills accounted for a much lower proportion of digital skills gaps than in 2022 (32% and 21% respectively).

The full list of technical and practical skills lacking among employees with skills gaps is shown in Figure 13.

Specialist skills are the most common technical and practical skill lacking among employees with skills gaps.

Figure 13: Technical and practical skills lacking among staff with skills gaps followed up (prompted), 2024 compared to 2022



Base: All sites in Scotland with skills gaps (2024: 967; 2022: 1,100). Figures shown are based on skills gaps for up to 2 occupations randomly selected for each site – so, for example, “specialist skills or knowledge” was lacking in 52% of these skills gaps.

Considering the types of people and personal skills lacking, when grouping these self-management skills were most commonly found to be lacking (70% of skills gaps). This was also the case in previous years (70% in 2022 and 72% in 2020). This included the ability of staff to manage their own time and prioritise tasks, which was the most common specific people and personal skill lacking (63%), and managing their own feelings or those of others (45%).

Skills relating to management and leadership of others were lacking among 50% of staff with skills gaps, lower than in 2022 (56%). Included in this grouping were a lack of skills in managing or motivating other staff (37%), persuading or influencing others (30%), and setting objectives for others and planning resources (19%).

Lacking sales and customer handling skills affected 43% of skills gaps, lower than the 52% observed in 2022. Considering these separately, lacking customer handling and sales skills affected 40% and 22% of skills gaps respectively. The overall reduction in sales and customer handling skills gaps were due to a reduction in customer handling skills gaps specifically (down from 48% in 2022). The proportion of skills gaps affected by a lack of sales skills remained similar (23% in 2022).

Though not allocated to a broader grouping, a lack of team working skills was a contributing factor in more than half of skills gaps (52%), making it the second most common specific people and personal skill lacking (as was the case in 2022, when it affected 54% of skills gaps).

Across all individual people and personal skills, there were no skills which accounted for a higher proportion of skills gaps in 2024 than they had in 2022. The largest decrease in prevalence was observed for lacking skills in setting objectives for others and planning human, financial and other resources, which decreased from 31% to 19%, bringing it back in line with 2020 levels. Figure 14 shows all people and personal skills lacking among employees with skills gaps.

Self-management skills remain the most commonly missing personal skills among those with skills gaps.

Figure 14: People and personal skills lacking among staff with skills gaps followed up (prompted), 2024 compared to 2022

Base: All sites in Scotland with skills gaps (2024: 967; 2022: 1,100). Figures shown are based on skills gaps for up to 2 occupations randomly selected for each site – so, for example, the "ability to manage own time and prioritise tasks" was lacking in 63% of these skills gaps.

Employers who had staff with skills gaps were asked whether these skills gaps could be at least in part attributed to their efforts towards being more sustainable or carbon neutral. Most employers disagreed that their skills gaps were due to this (83%), the same proportion as in 2022. Just over one in ten (11%) agreed that some of their skills gaps could be attributed to efforts towards sustainability.

Further data on skills missing and corresponding 2022 results, as well as data on sustainability efforts as reasons for skills gaps can be found in Tables 55 to 58 of the Background Tables.

The impact of skills gaps on employers

Overall, almost two thirds (65%) of employers with skills gaps reported that these had an impact on their organisation. This is consistent with results from 2022 (64%).

One in ten employers (11%) with skills gaps felt these had a major impact on their performance, similar to the 13% in 2022. Skills gaps were most likely to have a major impact on the smallest sites: 18% of those with between 2 and 4 employees reported a major impact, compared to 7% of those with 25 or more employees.

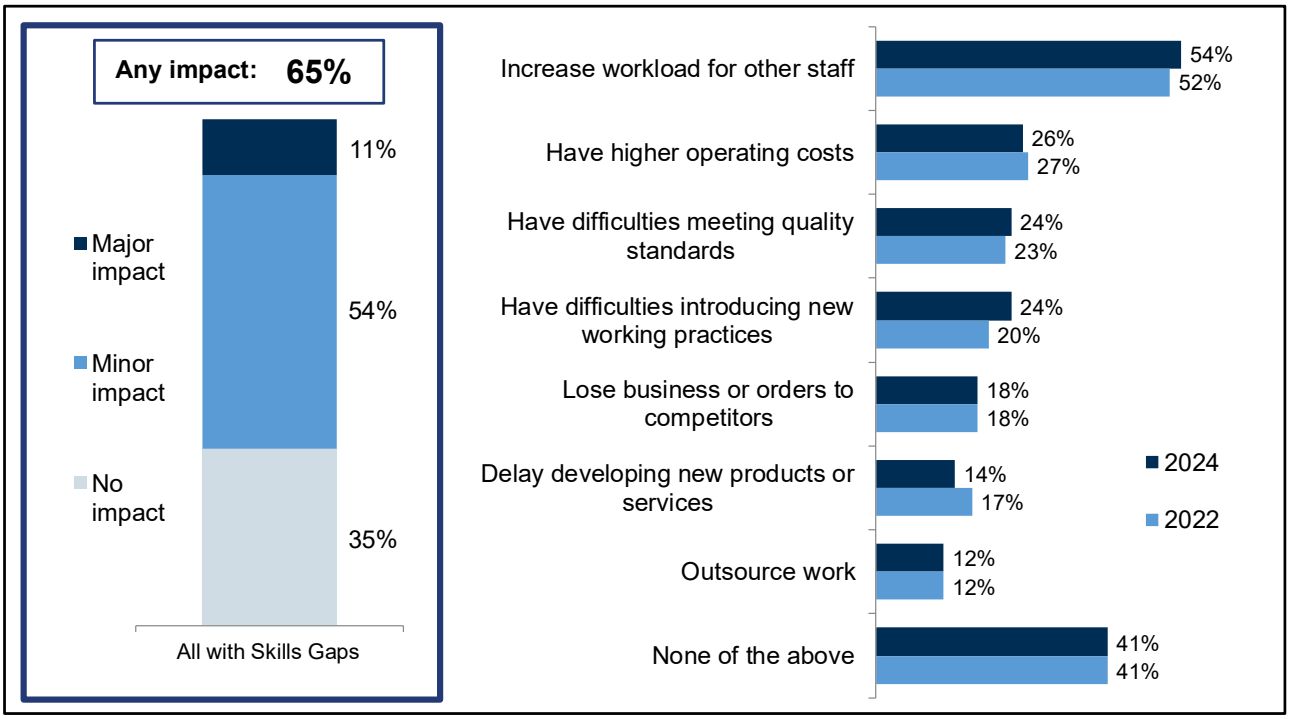
As in 2022, employers with only transient skills gaps were less likely to experience major impacts (1%), compared to those with at least some non-transient skills gaps (14%). This is an even smaller minority than in 2022, when 6% of those with only transient skills gaps reported major impacts.

Figure 15 shows the specific impacts of skills gaps experienced by employers. As shown, these impacts were very similar to those reported in 2022. Increases in workloads for other staff remained the most common impact (54%); indeed, for around one in seven employers (14%), this was the only impact experienced. Other common impacts of skills gaps included higher operating costs (26%), difficulties meeting quality standards (24%), difficulties introducing new working practices (24%) and losing business or orders to competitors (18%).

Further data on the impact of skills gaps can be found in Tables 59 to 62 of the Background Tables.

Almost two thirds of employers with skills gaps reported that these had an impact, most commonly by increasing workloads for other staff.

Figure 15: Overall impact of skills gaps and specific implications of skills gaps (prompted), 2024 compared to 2022



Base: All sites in Scotland with skills gaps (2024: 967; 2022: 1,100).

Under-use of skills and qualifications

One in three (33%) Scottish employers said they have any under-utilised staff, i.e. staff that have both qualifications and skills higher than the level required by the job. This represents a decrease compared to 2022 (37%) but is in line with 2020 (33%). Overall, 7% of employees were under-utilised at their job; again a decrease compared with 2022 (9%) but in line with 2020 (8%).

The proportion of employers with under-utilised staff was similar across size bands. By sector, employers in the Hotels and Restaurants sector were most likely to have under-utilised staff (50%), as in 2022 (49%). Employers in the Arts and Other Services sector were also slightly more likely than average to have under-utilised employees (43%). Construction employers were the least likely to have under-utilised staff (24%).

By region, employers in Lanarkshire ROA were less likely than other regions to have under-utilised staff (25%). Dumfries and Galloway ROA and the West ROA were most likely (both 36%).

At an employee level, a greater proportion of the workforce were under-utilised in the Hotels and Restaurants (14%), Arts and Other Services (13%) sectors. By employer size, smaller sites were more likely to have under-utilised staff; 20% were under-utilised at sites with 2 to 4 employees while just 4% of those at sites with 100 or more staff members were under-utilised.

Further data on under-use of skills and qualifications can be found in Tables 63 to 66 of the Background Tables.

Upskilling

Upskilling refers to the employer anticipation of the need for their staff to acquire new skills in the next 12 months. Overall, just over three fifths (61%) of employers foresaw a need to upskill their staff in the next year.

The proportion of employers with upskilling needs decreased compared to 2022, when 66% reported a need for upskilling in the next 12 months. This continued the downward trend from 2020 (74%), and marks the lowest proportion reported in the ESS series since it began in 2011.

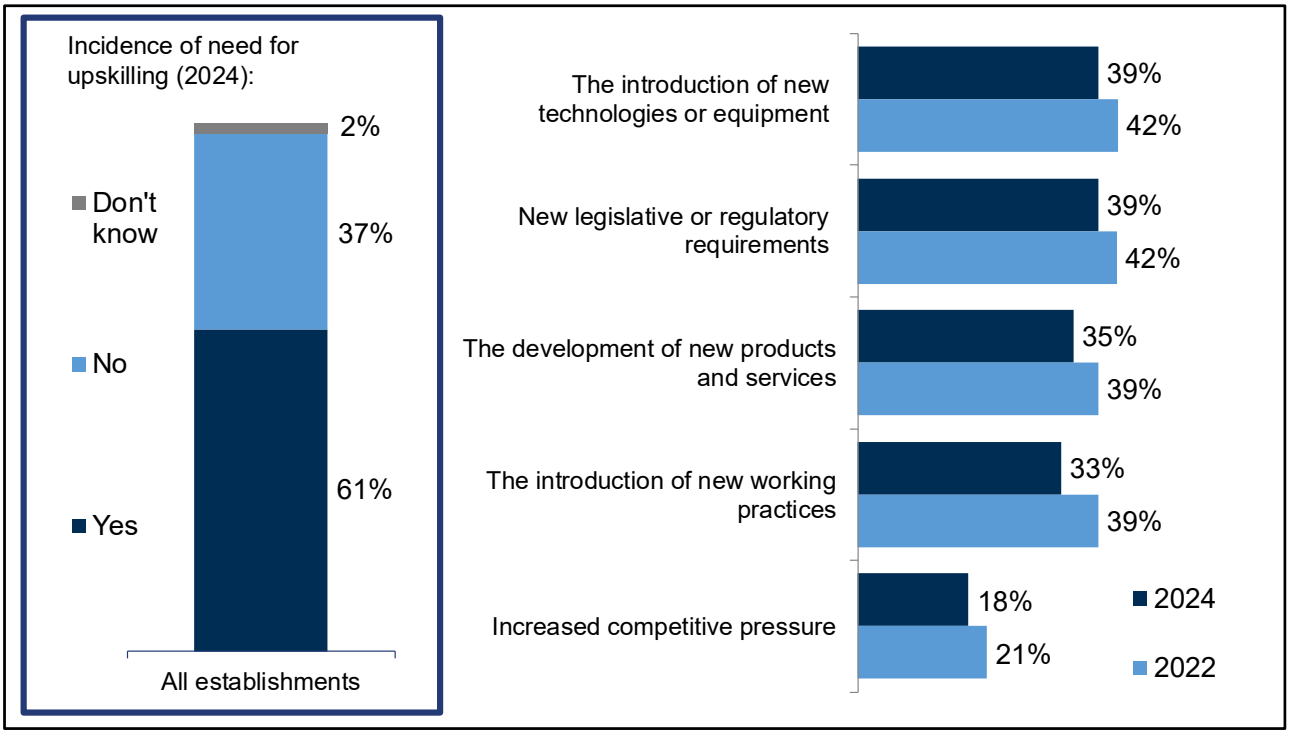
As in previous years, the need for upskilling was more pronounced among larger employers, with 76% of those with 25 or more employees reporting this compared with 53% of employers with between 2 and 4 employees.

By sector, employers in the Public Administration sector were by far the most likely to report a need to upskill (90%).[5] Employers in Education and Health and Social Work were also more likely than average to need to upskill (69% and 68% respectively). Hotels and Restaurants was the sector least likely to have a need for upskilling (53%), in line with the finding in the previous section that this sector was most likely to report under-utilised staff. There were no sectors where the need for upskilling increased compared to 2022. Business Services and Health and Social Work saw the largest reductions in terms of the proportion of employers with upskilling needs compared to 2022 (60% and 68% in 2024 compared to 70% and 78% respectively in 2022).

[5] Note, this figure should be interpreted with some caution due to low base size (39).

Just over three fifths of employers foresee a need for upskilling, mainly due to new technologies and legislative requirements.

Figure 16: Overall proportion of employers with a need for upskilling and the reasons for needing to upskill, 2024 compared with 2022



Base: All sites in Scotland (2024 (Modules A and B): 2,613; 2022 (Modules B and D): 2,547).

Reasons for a need for upskilling

The most common reasons for needing to upskill staff in the next 12 months were the introduction of new technologies or equipment and new legislative or regulatory requirements (each mentioned by 39% of employers). While the ranking of these reasons was mostly consistent with 2022, the proportion of employers citing each upskilling need decreased slightly across all prompted reasons.

Larger employers were more likely to cite each of the prompted reasons for needing to upskill, but were especially more likely than smaller employers to mention the introduction of new technologies or equipment (58% among those with 100 or more employees, compared with 32% of those with 2 to 4 employees) and new working practices (55% vs. 24%).

By sector, employers in Public Administration, Financial Services, Education, and Health and Social Work were most likely to cite new legislative requirements as a

reason for upskilling needs (75%, 69%, 49% and 47% respectively). Employers in the Information and Communication sector were most likely to mention the introduction of new technologies or equipment as a reason for upskilling needs (57%).

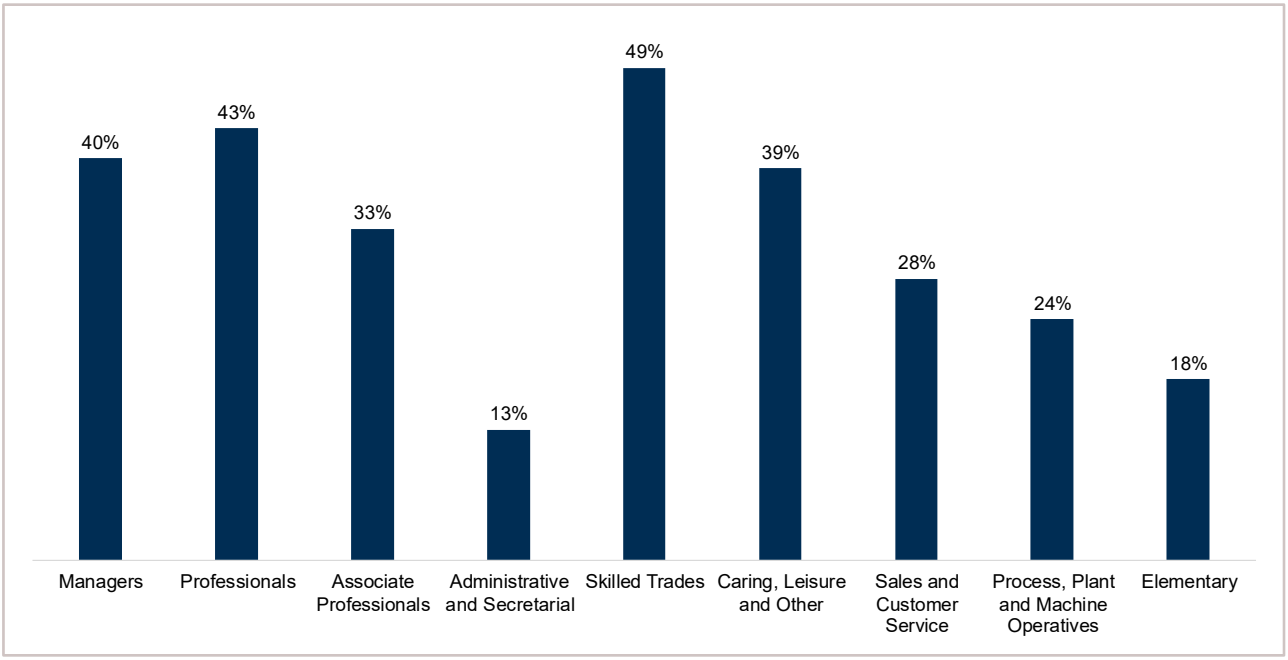
The full list of reasons for an upskilling need can be found in Tables 67 and 68 of the background tables.

Occupations most affected by the need for upskilling

Skilled Trades (49%) were the occupation most affected by the need for upskilling, followed by Professional occupations (43%), Managers (40%) and Caring, Leisure and Other Services (39%). The proportion of sites that identified an upskilling need among their staff in each occupation is presented in Figure 17.

The need for upskilling was most prevalent among Skilled Trade occupations.

Figure 17: Occupations most affected by the need for upskilling in 2024



Base: All sites in Scotland that identified an occupation in need of upskilling and employ that particular occupation: Managers (1,650); Professionals (435); Associate Professionals (303); Admin and Secretarial (1,026); Skilled Trades (526); Caring, Leisure and Other Services (299); Sales and Customer Service (491); Process Plant and Machine Operatives (282); Elementary Occupations (602).

Skills expected to need upskilling

Looking at groups of technical and practical skills that employers felt their employees needed to develop in the next 12 months, operational skills were most commonly identified as needing development (51%). Just under half (48%) identified a need to upskill digital skills and a similar proportion (45%) felt employees needed to develop their complex analytical skills.

In terms of specific technical and practical skills, employers most commonly reported a need to adapt to new equipment or materials (50%), to develop specialist skills or knowledge needed to perform the role (48%), and to improve knowledge of products and services offered by the organisation (45%). These were also the top three skills expected to need upskilling in 2022.

Among sites that said IT or digital skills would need development in the next 12 months, the most common specific skills mentioned were skills using new or updated company software or systems (38%). Overall, just over a fifth (22%) mentioned the need to develop basic digital skills such as using Microsoft Office applications (12%) or foundation digital skills (11%) like turning on devices, changing passwords, or accessing the internet.

When grouping people and personal skills together, the most common upskilling needs related to self-management skills (48%). This included the ability to manage own time and prioritise tasks (39%; this was the most common specific people and personal upskilling need), and managing their own feelings (34%). Upskilling needs for management and leadership skills were also common (43%), including managing or motivating other staff (33%), setting objectives for others (24%) and persuading or influencing others (23%). Employers also foresaw a need for their employees to improve their team working skills (38%), and sales and customer handling skills (36%).

The full list of skills that employers expected to need upskilling in the next 12 months can be found in Tables 70 to 72 of the Background Tables.

Training and workforce development

This chapter explores the training landscape in Scotland in 2024, covering the proportion of employers that had funded or arranged training over the previous 12 months, the number of staff this training had been provided for and the types of training provided. It also explores the barriers that prevent employers providing any, or more, training. Lastly, the chapter summarises employers' investment in training (i.e., training expenditure).

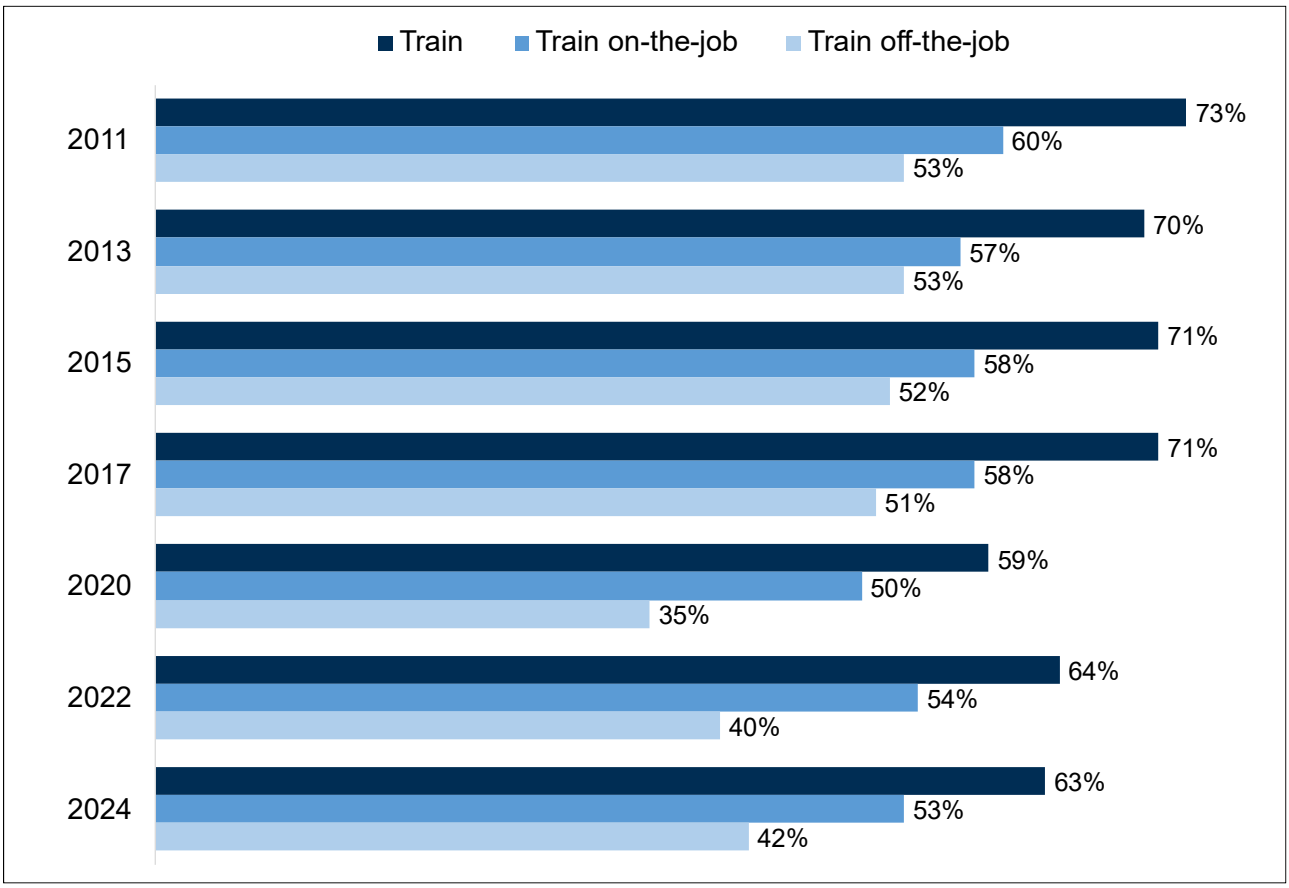
Incidence of training and workforce development

Overall, 63% of employers in Scotland had arranged or funded training for staff in the 12 months preceding the survey. This was similar to 2022 (64%) and higher than in 2020 (59%), but still lower than the seven in ten employers that reported providing training between 2011 and 2017, as shown in Figure 18.

More than half (53%) of employers had provided on-the-job training for any staff in the last 12 months, similar to the proportion in 2022 (54%). Over two fifths (42%) had provided off-the-job training for staff in the previous 12 months, up from 40% in 2022. Figure 18 shows the change in training provision over time.

Just under two thirds of employers provided training to their staff in the last 12 months.

Figure 18: Proportion of employers providing training in the last 12 months (overall, on-the-job and off-the-job) over time (2011-2024)



Base: All sites in Scotland (2011: 2,487; 2013: 6,014; 2015: 6,035; 2017: 6,017; 2020: 3,497; 2022: 5,207; 2024: 5,080).

The proportion of employers providing training to their staff over the last 12 months increased with site size, from 46% of employers with 2 to 4 staff, to 76% of sites with 5 to 24 staff, to 91% of those with 25 or more staff.

As shown in Figure 19, training incidence also varied by sector. Employers in the Education, Health and Social Work and Public Administration sectors were the most likely to provide training (88%, 86% and 84% respectively). Conversely, fewer than half (47%) of Primary Sector and Utilities sites provided training to their staff in the previous 12 months, and as in 2022 this was the only sector where less than half of employers had provided training to their staff.

There was only one sector where there was a significant change compared to 2022 in the proportion of employers providing any training in the previous 12 months: this was a decrease in the Wholesale and Retail sector from 65% in 2022 to 59% in

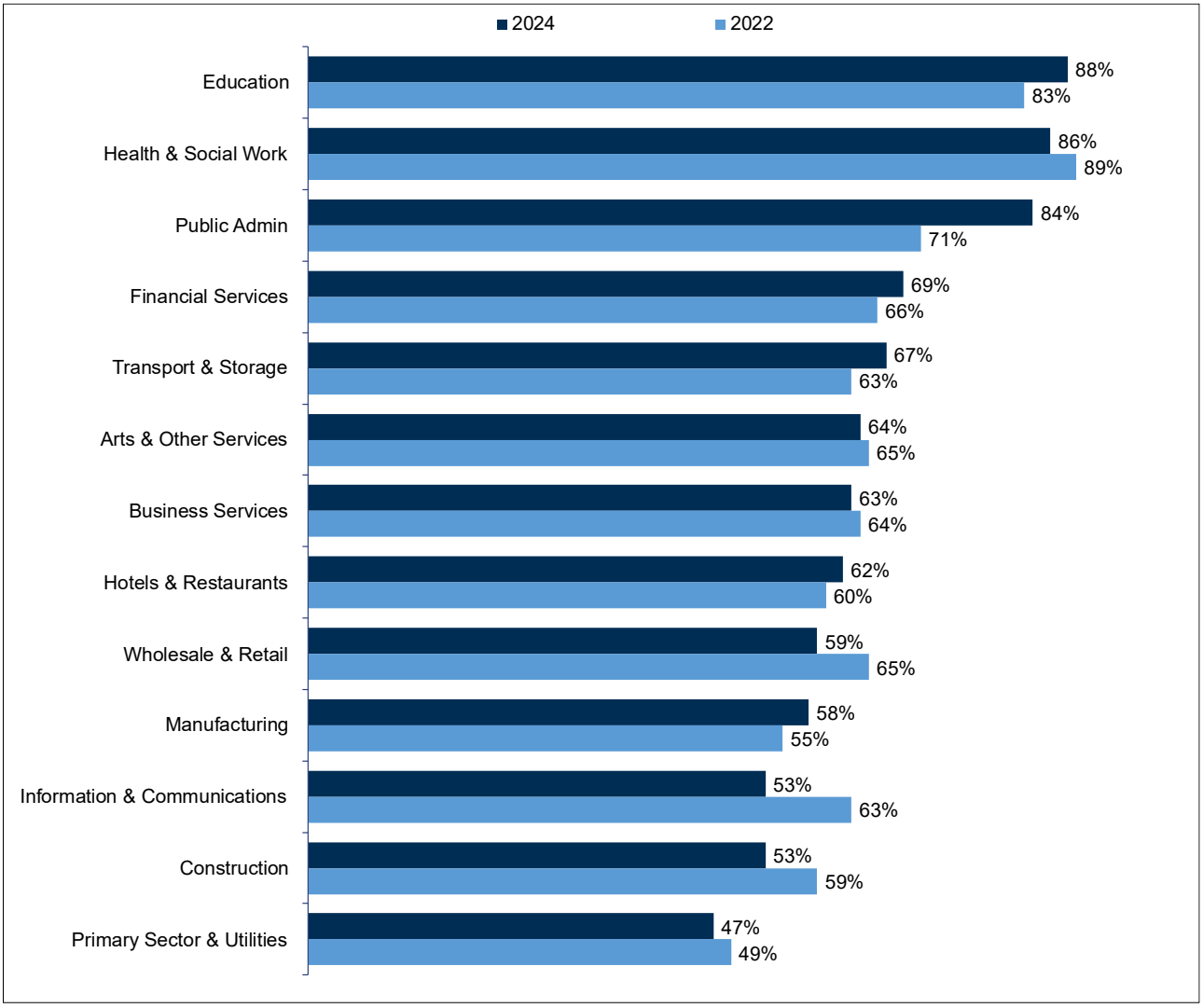
2024. (It is worth noting that the 2022 figure of 65% was a large increase compared to the 51% in 2020).

By ROA region, employers in West Lothian (70%) followed by Glasgow (68%) and Edinburgh and Lothians (65%) were the most likely to have provided training, while employers in Dumfries and Galloway were least likely (55%).

Further data on the prevalence of training, with corresponding 2022 results, can be found in Tables 73 to 75 of the Background Tables.

Employers in Education and the Health and Social work sectors were the most likely to have provided training to their staff in the last 12 months, as was the case in 2022.

Figure 19: Proportion of employers providing any training in the last 12 months by sector, 2024 compared to 2022



Base: All sites in Scotland. (2024: 5,080; sector base sizes range from 69 for Public Administration to 996 for Wholesale and Retail 2022: 5,207; sector base sizes range from 55 for Public Administration to 1,109 for Wholesale and Retail).

Scottish employers had provided around 9 million training days over the last 12 months, equating to 6.0 days per annum per person trained ('per trainee') and 3.6 days per employee. These figures are lower than in 2022 (when the equivalent figures were around 9.6 million training days, equating to 6.7 days per annum per trainee and 3.9 days per employee).

The number of training days per trainee per annum was highest for sites with 25 to 49 and 50 to 99 staff (7.4 and 7.6 days respectively) and lowest, as in 2022, among employers with 100 or more staff (4.6 days). Training days per trainee were highest

in Health and Social Work (7.9), and lowest in Primary Sector and Utilities sites (3.7) and Transport and Storage (4.4 days).

The proportion of staff trained

Across the Scottish workforce, 60% of employees had received training in the previous 12 months. The proportion of staff trained was similar to 2022 (59%), higher than in 2020 (55%), but lower than pre-pandemic levels (62% in 2017 and 2015, and 65% in 2013).

As in 2022, staff in sites with 50 to 99 employees were the most likely to receive training (70%) while those in sites with 2 to 4 employees were the least likely (37%).

Employees in Information and Communications (77%) and in the Education sector (71%) were the most likely to have received training over the last 12 months. In comparison a minority of staff in Public Administration, Construction and in Manufacturing (42%, 46% and 47% respectively) had received training in this time period, as shown in Table 8. Employers in Health and Social Work, Information and Communications and Transport and Storage had trained a higher proportion of their staff over the last 12 months in 2024 than in 2022, while the reverse was true in Primary Sector and Utilities, Construction, Wholesale and Retail, and Public Administration.

By ROA region, the highest proportion of staff were trained by employers in Glasgow (66%), followed by Aberdeen and Aberdeenshire (63%) and West (63%). In a number of ROA regions there were marked changes compared with 2022, most notably a large increase in Ayrshire (from 27% in 2022 to 62% in 2024, following a large decrease from 2020 to 2022) and decreases in the Borders (from 60% in 2022 to 48% in 2024) and in Tayside (from 64% in 2022 to 53% in 2024).

Further data on the proportion of staff trained, with corresponding 2022 results, can be found in Tables 77 to 79 of the Background Tables.

Employers in the Information and Communications and the Education sectors trained the largest proportion of their staff in the last 12 months. In terms of volume, Health and Social Work employers trained the highest number of staff, followed by Business Services employers.

Table 8: Number and proportion of staff trained, by sector in 2024

	Number of employees trained	% of staff trained
Scotland	1.5m	60%
Primary Sector and Utilities	72,400	59%
Manufacturing	83,000	47%
Construction	63,900	46%
Wholesale and Retail	185,000	56%
Hotels and Restaurants	139,600	64%
Transport and Storage	71,000	64%
Information and Communications	56,300	77%
Financial Services	-	-
Business Services	247,500	64%
Public Administration	71,600	42%
Education	156,500	71%
Health and Social Work	272,000	66%
Arts and Other Services	67,800	60%

Base: All sites in Scotland (5,080). Percentages are based on all employment rather than all sites; figures therefore show the proportion of all staff within each subgroup trained over the last 12 months. Results for Financial Services not shown – see the Data and Methodology for more information.

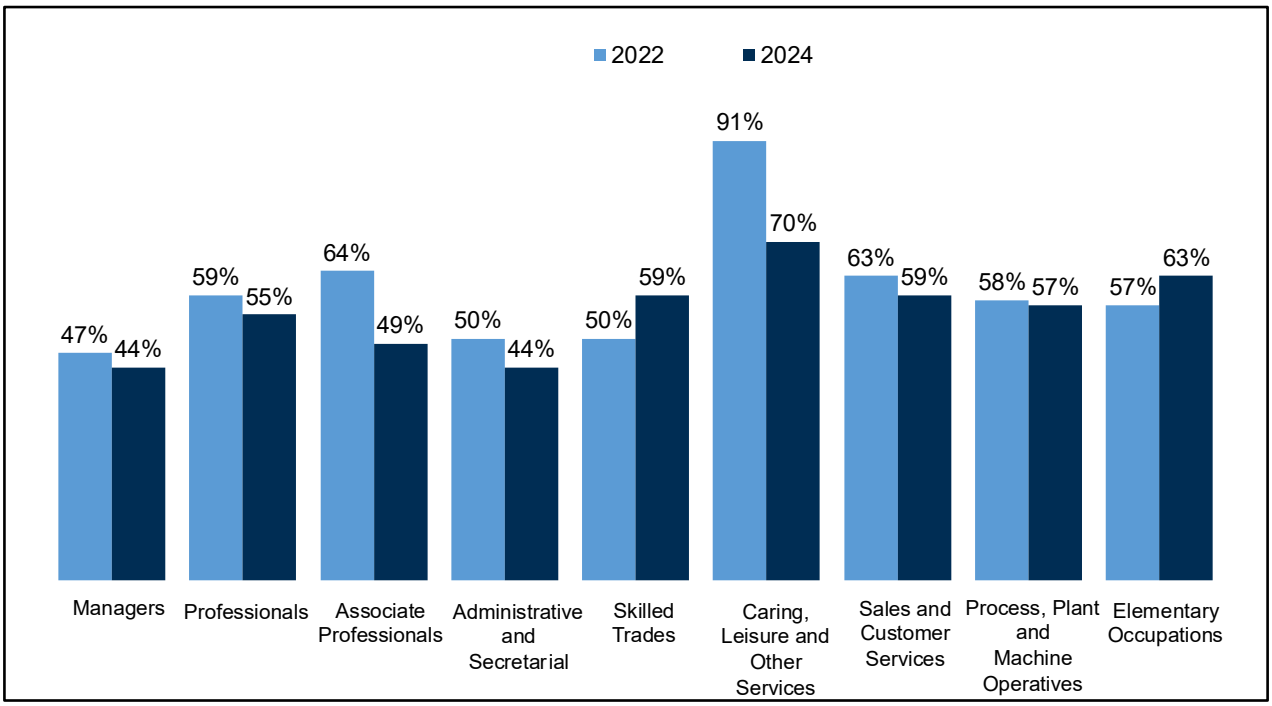
As shown in Figure 20, staff in Caring, Leisure and Other Services occupations were the most likely to have received training in the previous 12 months (70%). This was also the case in 2022, but then a far higher proportion of staff in this occupation had received training (91%).

Managers and those in Administrative and Secretarial roles were the least likely to have received training in the previous 12 months (both 44%).

As well as the decrease already described for staff in Caring, Leisure and Other Services occupations between 2022 and 2024, there were notable decreases (of 5 percentage points or more) in the proportion of Associate Professionals trained in the last 12 months (from 64% in 2022 to 49% in 2024) and in the proportion of Administrative and Secretarial occupations trained (from 50% in 2022 to 44% in 2024). Notable increases occurred in the proportion of two occupational groups trained over the previous 12 months: Skilled Trades (from 50% in 2022 to 59% in 2024) and Elementary Occupations (from 57% to 63%).

Staff in Caring, Leisure and Other Services occupations remained the most likely to have received training in the last 12 months, though a lower proportion had been trained than in 2022.

Figure 20: Proportion of staff trained over the last 12 months by occupation, 2024 compared to 2022



Base: All sites in Scotland (2022: 5,207 with occupational base sizes ranging from 123 for Caring, Leisure and Other Services Occupations to 655 for Managers. 2024: 5,080 with occupational base sizes ranging from 481 for Process, Plant and Machine Operatives to 2,386 for Managers).

Types of training provided

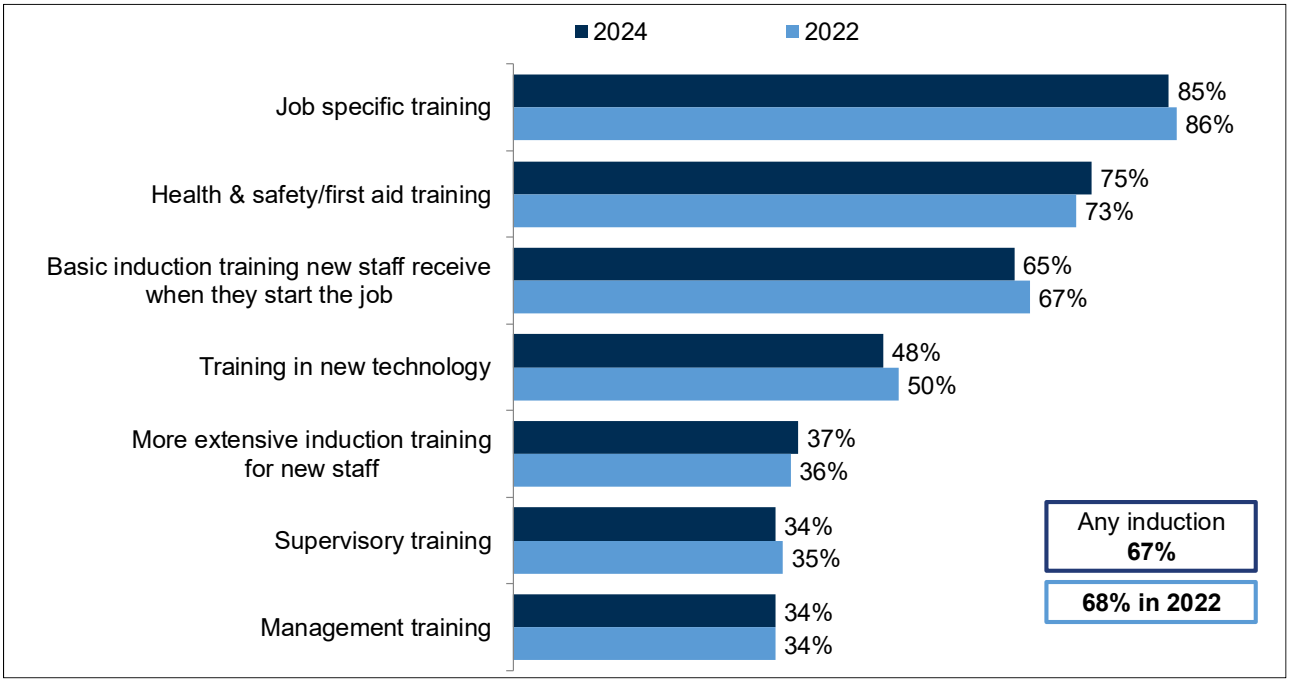
Employers who provided training to staff in the last 12 months were most likely to have provided job specific training (85%) and health and safety or first aid training (75%); these were also the most common forms of training offered in 2022 (86% and 73% respectively).

Two thirds of training employers (67%) reported providing any form of induction training, similar to 2022 (68%) but an increase on 2020 (59%).

Results were very similar in 2024 compared with 2022, with the only statistically significant change being an increase in the proportion of employers that trained that had provided health and safety or first aid training (75% in 2024, up from 73% in 2022).

The most common type of training provided by employers was job specific training.

Figure 21: Types of training provided, 2024 compared to 2022



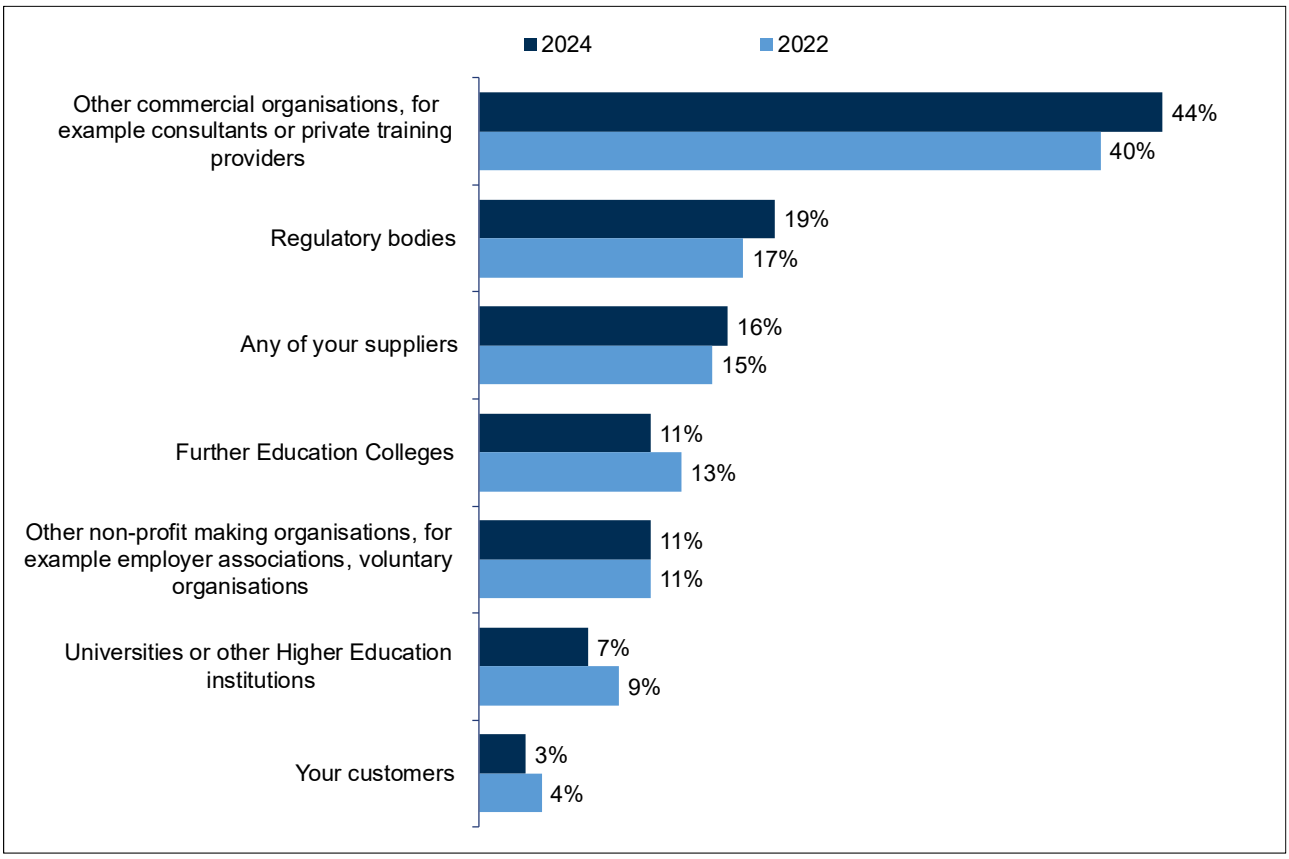
Base: All sites that train in Scotland (2024: 3,672; 2022: 3,822).

Overall, 59% of employers that had trained employees in the previous 12 months had arranged or funded external training for their staff (up from 54% in 2022), equivalent to just over a third (36%) of all employers.

The most common source of external training used by training employers was commercial organisations (44%, up from 40% in 2022) as shown in Figure 22.

Training employers continued to be most likely to use other commercial organisations as their source for external training.

Figure 22: Sources of external training used by training employers, 2024 compared to 2022



Base: All sites providing training in Scotland (2024 (Module B): 910; 2022 (Module B): 996).

Just over four in ten (43%) training employers, equivalent to 27% of all employers, had provided training to a nationally recognised qualification in the past 12 months, very similar to results in 2022 (42% and 27% respectively). Around 230,000 staff had been trained to a nationally recognised qualification in the last 12 months, equivalent to 15% of those trained and 9% of all employees (exactly the percentages found in 2022). This training was most commonly to SCQF Level 7 or above (12% of training employers had trained staff to a qualification of this level, the same proportion as in 2022).

Around seven in ten training employers (69%) had provided online training or e-learning in the previous 12 months, up from 66% in 2022.

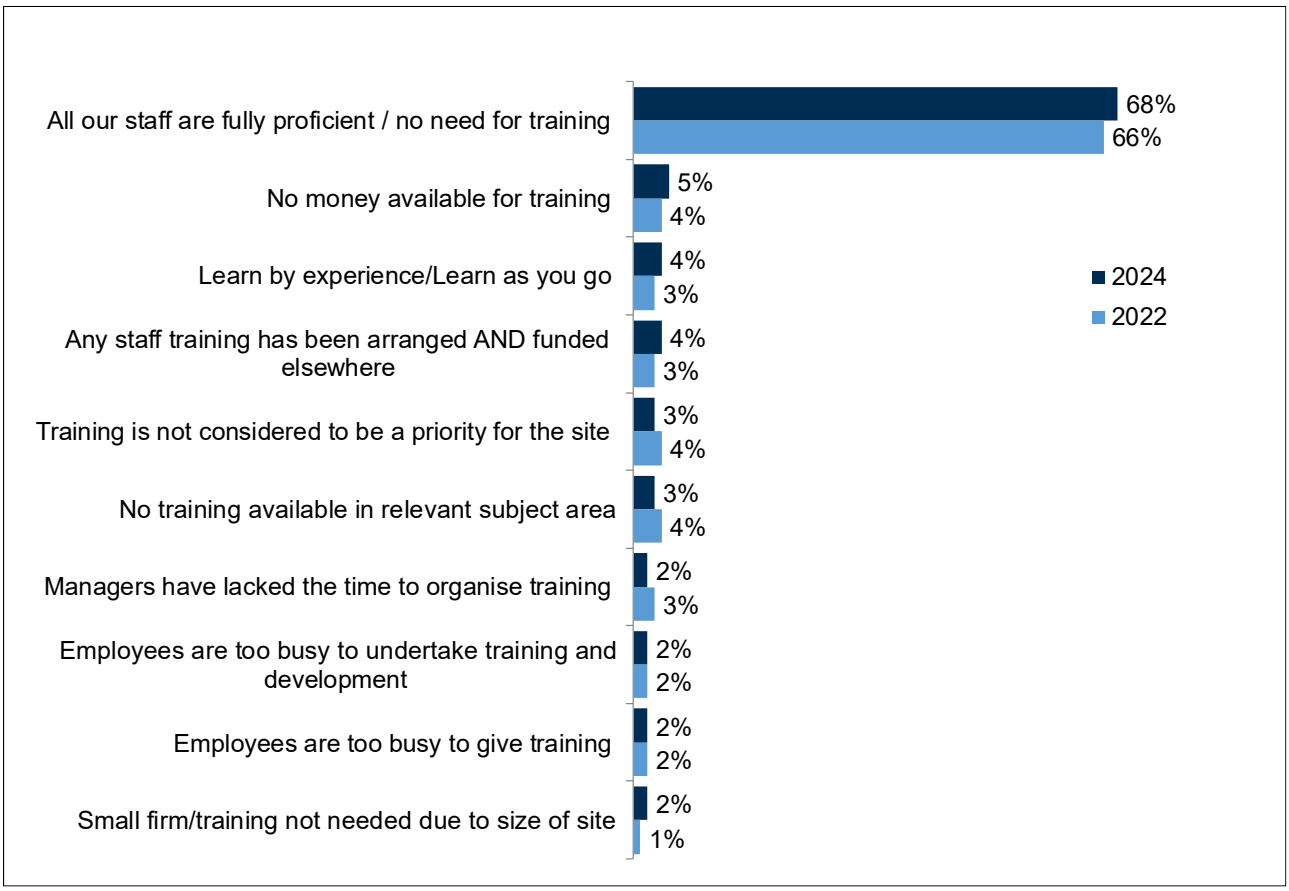
Further data on the types of training arranged and funded by employers, with corresponding 2022 results, can be found in Table 81 of the Background Tables.

Barriers and limits to training

By far the most common reason for not providing training was that all employees were considered fully proficient and had no need for further training (68%, similar to the 2022 figure of 66%). The second most common reason not having the money available for training (5%). Results were very similar to 2022. The full list of reasons is shown in Figure 23.

Employers that did not train were most likely to report that the reason for not providing training was because all staff were fully proficient.

Figure 23: Reasons for not providing training to staff, 2024 compared to 2022



Base: All sites not providing training to staff in Scotland (excluding don't know responses) (2024: 1,309; 2022: 1,316). Chart shows reasons mentioned by at least 2% of respondents in 2024.

Reasons for not training varied by sector. Those in Construction were more likely than employers across Scotland in general to cite staff being fully proficient (76%) as a reason, while this was less of an issue than average, though still the primary reason, in Health and Social Work (49%) and Wholesale and Retail (61%). No

money being available was more of an issue than average in Education (14%) and Arts and Other Services (10%), as was staff learning by experience in the Hotels and Restaurants sector (9%), and training being arranged and funded elsewhere in the organisation in Education (17%), Health and Social Work (12%) and Wholesale and Retail (6%).

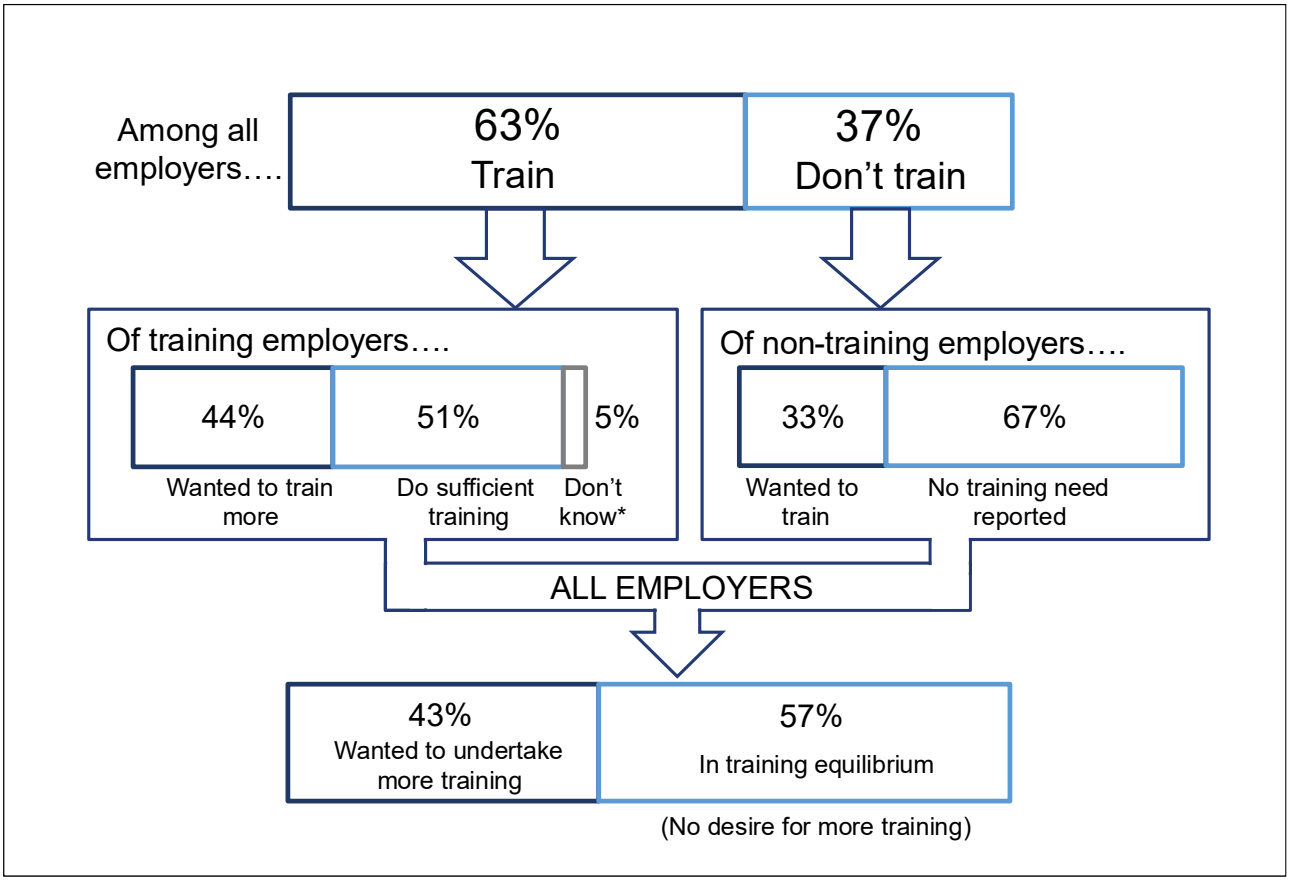
Overall, 44% of training sites reported that they would have preferred to provide more training than they had done in the previous 12 months (similar to the 46% found in 2022). This was more common among larger sites (60% among those with 100 or more employees compared with 38% among those with fewer than 5 employees). The two main reasons why employers that trained who would have liked to provide more training felt unable to do so was not being able spare staff time (53%, up from 47% in 2022) and a lack of funds for training (43%, up from 36% in 2022).

Sites in the Highlands and Islands, Dumfries and Galloway and Ayrshire ROA regions were more likely than other ROAs to report difficulty finding training providers who can deliver training where or when they want (15%, 13% and 12% respectively, compared to 6% overall).

If an employer had provided all of the training that they wished to (including those who provided no training out of choice) they are said to be in “training equilibrium” (see Glossary). Overall, 57% of employers were in training equilibrium for the year preceding the survey, while 43% wanted to undertake more training than they did as shown in Figure 24. These proportions are unchanged from 2022.

While the majority of employers were in training equilibrium (no desire for more training), just over two fifths reported wanting to undertake more training.

Figure 24: Training equilibrium status of employers in 2024[6]



Base: All sites in Scotland (5,080); training employers in Scotland (3,672); non-training employers in Scotland (1,408). *Training employers who responded "don't know" to whether they wanted to provide more training have been classed as being "not in training equilibrium".

Employer investment in training

This section is based on the follow-up 'Investment in Training' survey which was conducted with employers that had indicated they provide training during the main Employer Skills Survey. In total, 1,395 Scottish employers took part in the Investment in Training survey. This section summarises overall training expenditure and how this has changed over time, alongside spend per trainee and employee.

[6] Results for non-trainers have been determined from their reasons for not training, rather than a direct question. Those answering that they had not provided any training because training was not considered to be a priority for their site, because all their staff were fully proficient, or they had no need for training were regarded as being in skills equilibrium and having no perceived need to undertake training. Those not giving any of these reasons were classified as wanting to have undertaken training. Additionally, training employers that answered 'don't know' when asked if they would have liked to train more were classified as not being in training equilibrium.

As shown in Table 9, overall employer training expenditure in Scotland has decreased since 2022, when inflation[7] is taken into account, from £4.6 billion to £4.4 billion. Annual training spend per trainee (£2.9k) and per employee (£1.8k) were also lower than in 2022 (£3.2k and £1.9k respectively).

The main driver of these overall changes compared with 2024 has been sites with 5 to 24 employees, with overall training spend, spend per trainee and spend per employee all decreasing (from £1.6bn to £1.3bn, £4.6k to £4.0k and £2.7k to £2.3k respectively).

Further information on employer investment in training, including the split between on-the-job and off-the-job training costs and investment, and how spend on individual components is broken down, can be found in the full UK technical report.

Total employer training expenditure and spend per trainee in real terms (i.e. based on 2024 prices) was lower in 2024 than in 2022.

[7] Inflation is when prices rise and the rate of inflation measures how quickly they do so. 2011 to 2022 training expenditure figures have been adjusted to reflect inflation, so that in effect they are presented in '2024 prices.' This means that investment in training figures may differ from those presented in previous reports. The adjustments used were an uplift of 43.4% for 2011; 35.9% for 2013; 33.9% for 2015; 29.5% for 2017; 24.2% for 2019; and 10.0% for 2022. Source: ONS, Consumer price inflation tables 2025 (2025), Table 38.

Table 9: Total training expenditure and spend per person trained and per employee (2024 compared to 2022), in 2024 prices

Year	2022			2024		
Group	Total	Per trainee	Per employee	Total	Per trainee	Per employee
Unit	£	£	£	£	£	£
Total	4.6bn	3.2k	1.9k	4.4bn	2.9k	1.8k
Size	Total	Per trainee	Per employee	Total	Per trainee	Per employee
Unit	£	£	£	£	£	£
2 to 4	0.4bn	4.7k	1.8k	0.4bn	5.9k	2.2k
5 to 24	1.6bn	4.6k	2.7k	1.3bn	4.0k	2.3k
25 to 49	0.7bn	3.8k	2.5k	0.7bn	3.3k	2.1k
50 to 99	0.5bn	2.8k	1.8k	0.8bn	3.7k	2.6k
100 or more	1.3bn	2.1k	1.2k	1.2bn	1.8k	1.1k

Base: All sites in Scotland completing the Investment in Training survey (2022: 1,546, 2024: 1,395). NB: Figures over 1 billion (bn) are rounded to the nearest 100 million, figures under 1 billion are rounded to the nearest million (m). Figures reported in thousands (k) are rounded to the nearest hundred.

Apprenticeships

This chapter explores the key characteristics of apprenticeships in Scotland and future plans for offering apprenticeships. For context, the 2024 survey found that around one in six (16%) Scottish employers offered apprenticeships and 10% currently had apprentices; both results are the same as in 2022.

When discussing apprenticeships in this chapter, this refers to apprenticeships that follow a formal framework or standard, and lead to a nationally recognised qualification.

Key characteristics of current apprenticeship offering

Among Scottish employers who offered apprenticeships, the majority (70%) offered modern apprenticeships. Around one in six offered graduate apprenticeships (16%) and foundation apprenticeships (15%). Around four in five (82%) offered any of these apprenticeship types.

A minority of apprenticeship employers (10%) offered both modern and foundation apprenticeships, 9% offered both modern and graduate apprenticeships, while 4% offered both foundation and graduate apprenticeships. Just 3% of employers offered all three apprenticeship types.

The majority of apprenticeship employers (92%) offered apprenticeships to young people under the age of 25. Just under half of apprenticeship employers (47%) exclusively offered them to young people. The same proportion (47%) offered apprenticeships to those aged 25 and above, with just 1% offering them to this age group exclusively.

This is fairly consistent with 2022 findings, as shown in Table 10.

Employers were most likely to offer apprenticeships to those under 25.

Table 10: Age groups to whom apprenticeships were offered, 2022 compared to 2024

Apprenticeship group	Proportion of employers with apprenticeships who offer to this group	
Age group	**2022**	**2024**
Under 25	92%	**92%**
Exclusively under 25	46%	**47%**
Aged 25 and above	49%	**47%**
Exclusively aged 25 and above	3%	**1%**
Unknown	5%	**7%**

Base: All sites who have/offer apprenticeships in Scotland (2022: 293; 2024: 297).

A larger proportion of employers recruited people to do apprenticeships (90% of those offering them) than offered them to existing employees (49%), and the gap in these results had widened since 2022 (when 87% offered to new recruits and 52% to existing employees). The proportion that offered apprenticeships to existing employees has continued to decline from the corresponding figure of 62% in the 2021 Scottish Employer Perspectives Survey. Only 7% of apprenticeship employers solely offered apprenticeships to existing employees in 2024. This is shown in Table 11.

Employers were more likely to offer apprenticeships to new recruits than to existing staff.

Table 11: Employment groups to whom apprenticeships were offered, 2024 compared to 2022

Employment group	Proportion of employers with apprenticeships who offer to this group	
Age group	**2022**	**2024**
Any new recruits	87%	**90%**
Any existing employees	52%	**49%**
New recruits or existing employees	40%	**41%**
Exclusively new recruits	47%	**48%**
Exclusively existing employees	11%	**7%**
Unknown	2%	**3%**

Base: All sites who have/offer apprenticeships in Scotland (2022: 293; 2024: 297)

Nearly three quarters (74%) of employers who offer apprenticeships said they had been doing so for more than 3 years, while nearly one in five (18%) had introduced them within the last 3 years.

Future apprenticeship plans

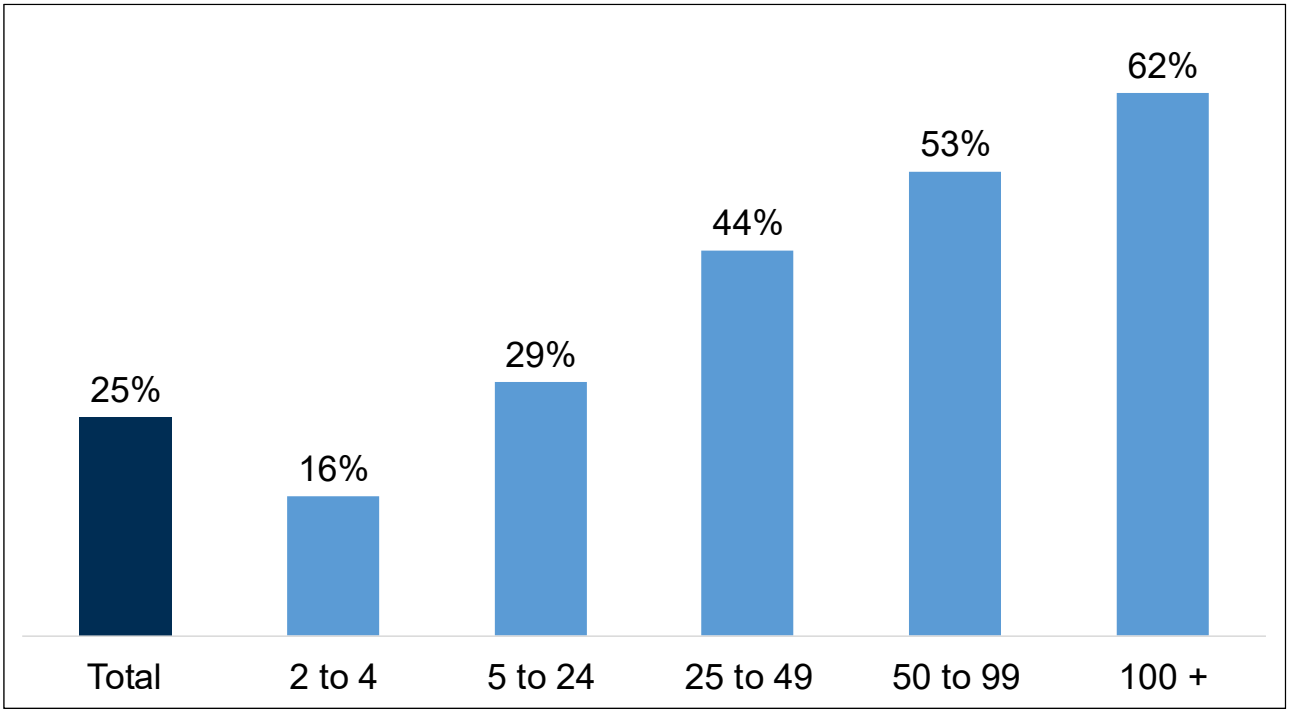
A quarter (25%) of employers plan to either continue or start offering apprenticeships in the future. This is lower than in 2022 (31%), and continues a downward from 2021, when 40% planned to offer apprenticeships in future.

This reduction is mainly influenced by a large reduction in the proportion of non-apprenticeship employers who are planning to start offering apprenticeships (12%, compared with 20% in 2022 and 28% in 2021). The proportion of apprenticeship employers planning to continue offering remained similar (92% vs. 89% in 2022). The likelihood of employers planning to offer apprenticeships in future increased

with size, ranging from 16% of sites with 2 to 4 employees to 62% of employers with 100 or more employees. Though this pattern has been consistent in previous waves, the difference of 46 percentage points between the lower and upper size bands is a larger disparity than in 2022 (37 percentage points).

The proportion of employers planning to offer apprenticeships in the future increased by site size, with larger employers more likely to offer them.

Figure 25: Proportion of employers planning to offer apprenticeships in the future by site size in 2024



Base: All sites in Scotland (Module A) (1,327)

Nearly two fifths of all employers operating in Construction (39%) and Education (39%) planned to offer apprenticeships in the future, which was the highest among all sectors.

Among employers who were not currently offering apprenticeships but planned to start, the majority of these employers saw them as a way of acquiring talent (79%), including half (50%) who saw them as a good way to get skilled staff and 29% who saw them as a way to ensure young people continue to enter their industry or organisation. Around one in seven employers hoped to use them to nurture talent (15%), including 7% who hoped to use them to upskill current staff, while 13%

described more altruistic motivations around offering young people a chance at employment.

High performance working (HPW) practices

“High Performance Working” (HPW) practices are practices recognised to ensure employee skills are harnessed and nurtured and used to their best effect. To be classed as a “High Performance Working employer” a site must have adopted 7 or more of the 10 practices covered by the survey[8].

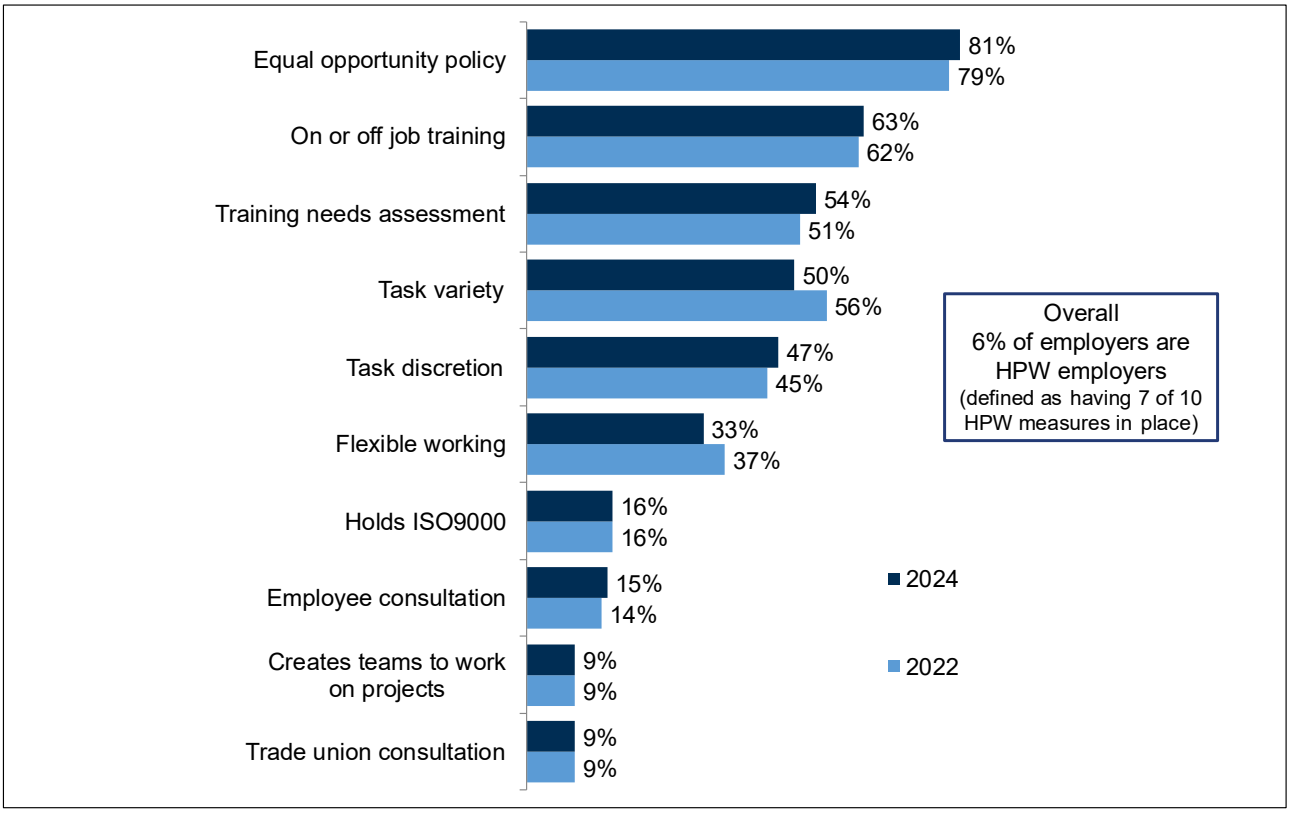
The proportion of employers classed as HPW employers and change over time

Overall 6% of employers adopted 7 or more High Performance Working practices (classified as a High Performance Working employer). The proportion is in line with those classed as HPW in 2022 (7%). Sites offering some specific HPW practices has, however, decreased since 2022. The proportion of sites with practices around task variety has decreased from 56% in 2022 to 50% in 2024, and those who practice flexible working has decreased from 37% to 33%. Other practices saw no statistically significant change in the proportion of employers adopting them when compared with 2022.

Overall, 6% of employers were classed as High Performance Working employers. The most common High Performance Working practice was having an equal opportunities policy.

[8] In 2024 the list of HPW practices was reduced from 11 to 10, with the removal of the ‘work shadowing’ practice. The threshold at which to classify an employer as ‘high performing’ was kept at 7 practices. Comparisons between years for the proportion of employers classed as ‘high performing’ should therefore be interpreted with this change in mind.

Figure 26: Prevalence of High Performance Working practices, 2024 compared with 2022



Base: All sites in Scotland (2024: 5,080; 2022 (Module D): 1,213).

The proportion of HPW employers increased with site size, from 1% of employers with 2 to 4 employees up to 34% of employers with 50 to 99 employees. However this pattern did not continue for sites with 100 or more employees. The proportion of these sites adopting HPW practices has decreased between 51% in 2022 and 24% in 2024.

Specific High Performance Working Practices varied substantially by site size. Larger employers (100 employees or more) were more likely to provide on or off-the-job training (94%), have a trade union (31%) and have employee consultation (72%) compared with the average (63%, 9% and 15% respectively). Larger employers with 100 or more employees were also more likely than average to hold ISO9000 (39%), create teams to work on projects (52%) and have an equal opportunity policy (99%) in comparison to the average (16%, 9% and 81% respectively).

In comparison, smaller sites with 2 to 4 staff were more likely to have task variety (54%), task discretion (59%) and flexible working 41% (compared to averages of

50%, 47% and 33% respectively). Sites with 2 to 4 staff were also more likely to not embed any High Working Practices (5%), compared to an average of 3%.

In line with 2022, by sector, employers in Public Administration (17%), Information and Communications (16%) and Health and Social Work (16%) were more likely to be HPW employers compared to other sectors. In addition, by sector, employers in Education were more likely to be HPW employers (15%) compared to the average (6%). Local or central government funded (18%) sites were also most likely to be HPW employers (compared to 6% on average).

National Occupational Standards (NOS)

National Occupational Standards (NOS) describe the knowledge, skills and understanding needed to do a particular job to a nationally recognised level of competence.

NOS can be used by awarding bodies which can create qualifications to train individuals for a job, to create job descriptions and by individuals who can research different types of jobs and match their skills and experience to those needed.

In ESS 2024, employers in Scotland were asked about their awareness and use of NOS.

Awareness of NOS

Overall, nearly half of Scottish employers (48%) had some awareness of NOS. This included one in five (20%) being aware and having some knowledge of what they are, 8% agreeing they have ‘good knowledge of what they are’, and just over a fifth who were aware but did not know what they are (21%). Overall, half of employers in Scotland had not heard of NOS (50%).

It was more likely for large sites with 100 or more employees to have any awareness of NOS (62%) compared to smaller sites (43% of those with 2 to 4 employees). Similarly, 14% of large sites with 100 or more employees deemed themselves to have good knowledge of NOS, compared to the average (8%).

In contrast, smaller sites with 2 to 4 employees were more likely to not have heard of NOS (55%) when compared to sites with 5 or more employees (44%).

Use of NOS

Most employers (81%) had not used NOS, with 17% using NOS in some way. NOS was most commonly used to develop training plans to meet the employer’s needs (13%) and for staff appraisals or performance management (10%).

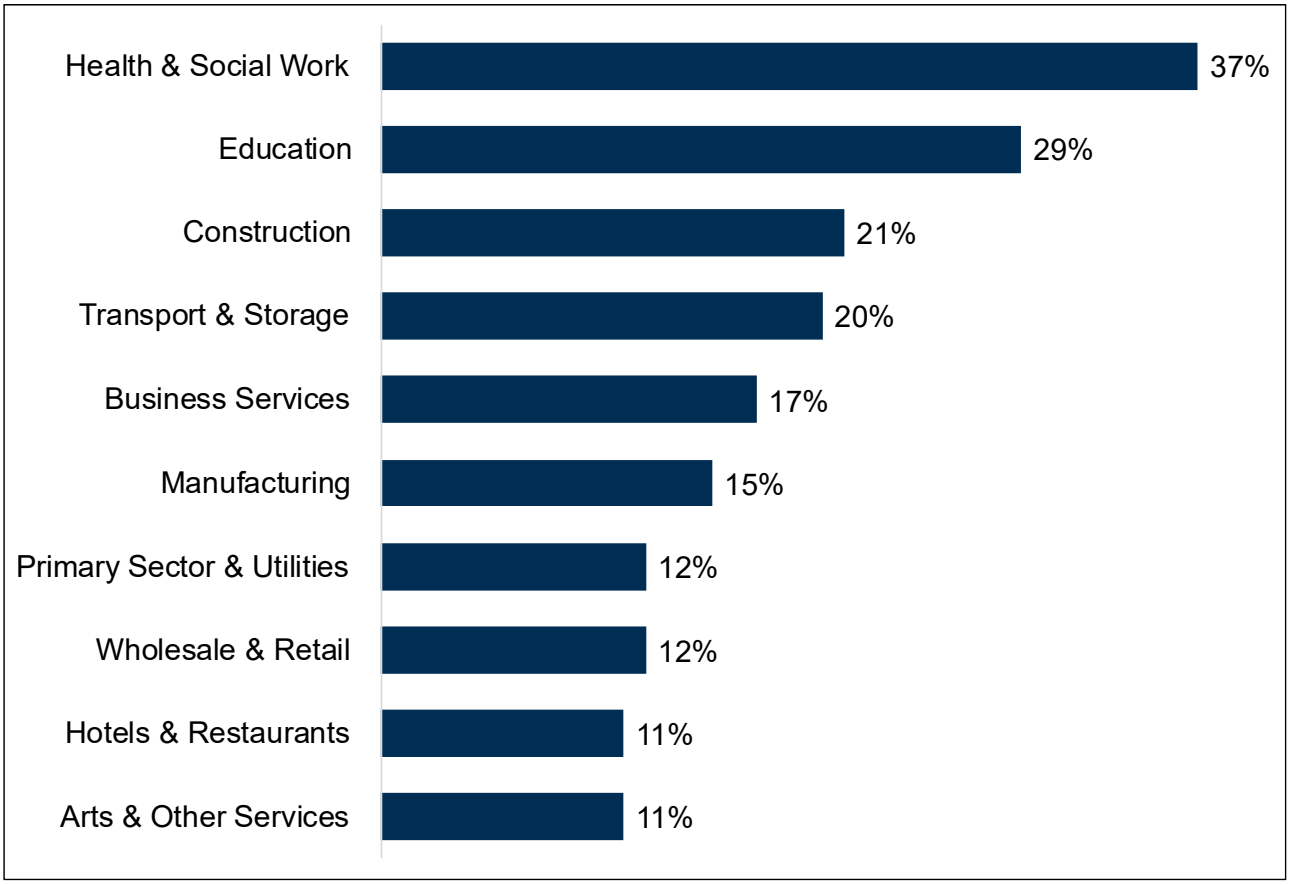
By site size, those with 2 to 4 employees were most likely to have not used NOS (84%), compared to those who employed 100 or more employees (71%). In

addition, 16% of larger sites with 100 or more employees were more likely to have used NOS in 4 or more ways.

As shown in Figure 27, by sector, use of NOS was most common among sites in the Health and Social Work (37%) and Education (29%) sectors.

As shown in Figure 27, by sector, use of NOS was most common among sites in the Health and Social Work (37%) and Education (29%) sectors.

Figure 27: Use of National Occupational Standards by sector



Base: All sites in Scotland (2024 (Module D): 1,246). Where base sizes are under 30 within a sector, this data has not been charted.

Artificial Intelligence (AI) and Net Zero

New questions were asked in 2024 that asked about AI use by employers, as well as their Net Zero strategy.

AI use by employers refers to machine or software uses that imitate human behaviour such as problem-solving, learning, playing and communicating (for example natural language processing). This use could be at any level and for any task, including recent generative tools such as ChatGPT or Microsoft Co-pilot, and more complex solutions including machine and robotic automation.

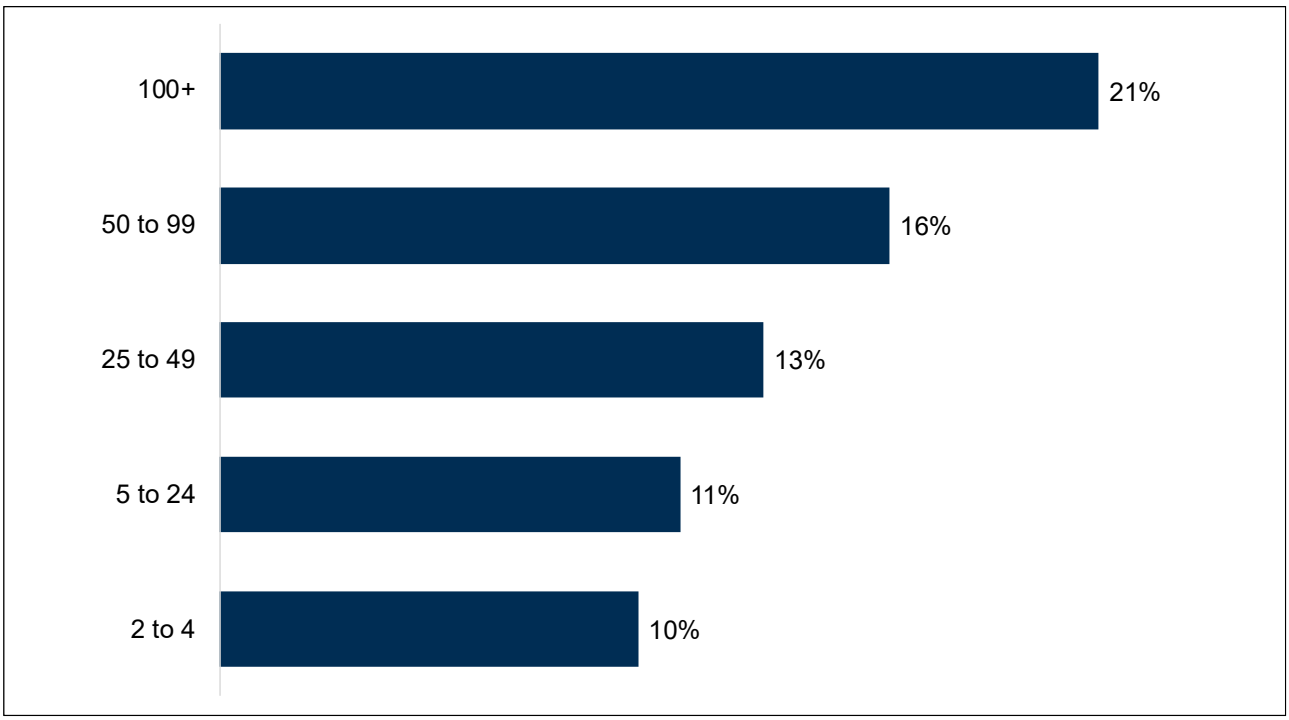
A Net Zero site means that the site's carbon emissions are equal to, or less than, the amount of carbon being removed from the atmosphere by the site.

Artificial Intelligence

Just over one in ten sites reported using AI (11%), and the majority said they do not use AI at their site (86%). Of the employers who reported using AI (11%), the majority of these sites had 100 or more employees (21%). Smaller employees (with 2 to 4 employees) were most likely to have not used any AI (88%).

Overall, AI use was most common among employers with 100 or more employees (21%) and those with 50 to 99 employees (16%).

Figure 28: Use of AI by site size in 2024



Base: All sites in Scotland (2024: 5080).

By sector, AI was most commonly used within Information and Communication (33%), Financial Services (21%) and Education (21%). AI use was least common in Construction (93%), Primary Sector and Utilities (92%) and Transport and Storage (91%).

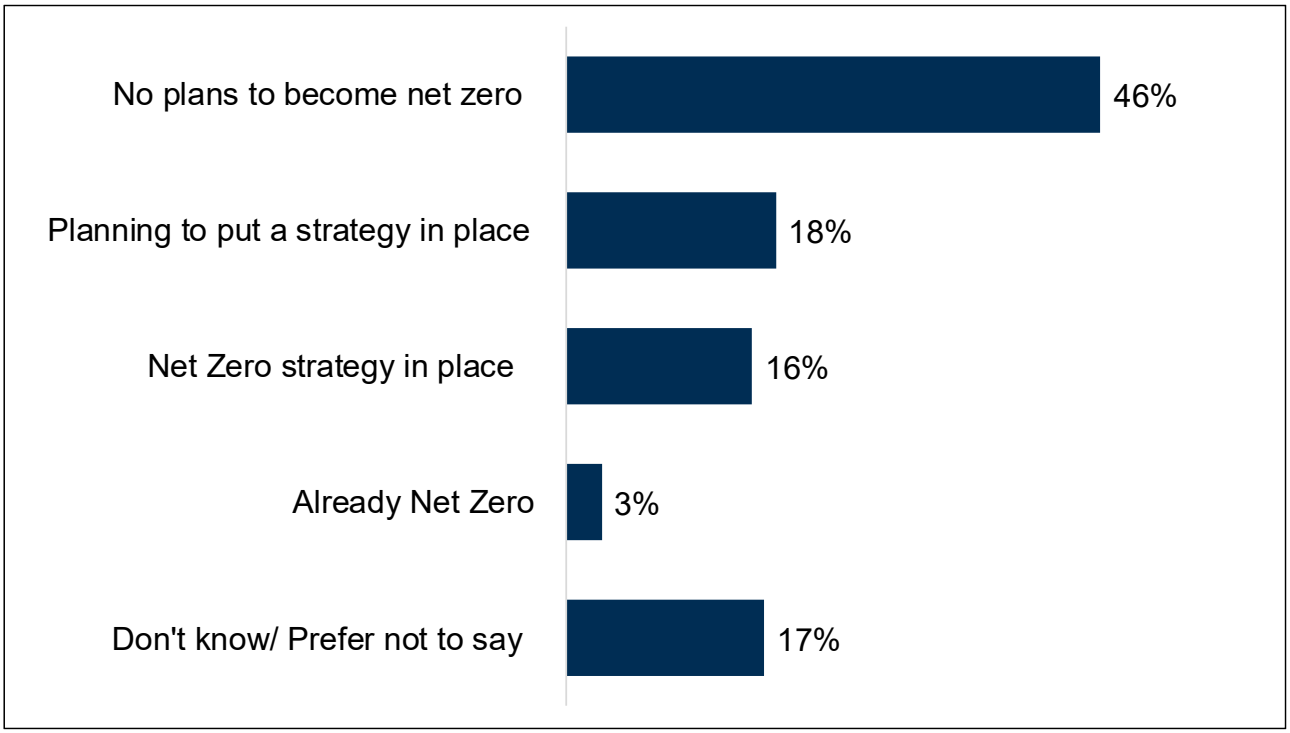
Most sites who used AI had started in the last 12 months (67%). Employers were asked if they were likely to adopt AI. Employers with 100 or more employees were more likely to adopt AI (14%), compared to the average (8%). Of those sites planning to adopt AI, a small proportion indicated it would be in the next year (2%), with slightly larger proportions expecting it to be in one to three years (4%) or over three years (2%). Among smaller employers, the majority had no plans to adopt AI (81% of those with 2 to 4 employees, and 76% of those with 5 to 24 employees).

Of the employers who had used AI, almost nine in ten (87%) expected to embed AI into their processes and operations to at least some extent. Of these employers, 60% expected to embed to some extent, and 27% to a great extent. Employers with 50 to 99 employees were more likely than average to expect to embed AI to a great extent (41% compared to the 27% average).

Net Zero

Overall, 16% of sites already had a Net Zero strategy in place. Employers with 100 or more employees were most likely to have a strategy in place (35%). A small proportion of sites reported already being at Net Zero (3%). Around half (46%) had no plans to become Net Zero; this was more likely among smaller employers with 2 to 4 employees (53%) and those in the Construction sector (56%).

Figure 29: Whether the site has Net Zero strategy in place



Base: All sites in Scotland (2024: 5,080).

Data and Methodology

The 2024 ESS survey is the third time ESS findings have been published as Official Statistics by the Scottish Government (the first was the Scottish ESS 2020). The Scottish Government has also previously published EPS 2019 and EPS 2021 as Official Statistics. ESS 2011, 2013, 2015 and 2017 figures referred to in this publication were published in research reports by the UK Government Department for Education (DfE).

The population from which the sample was taken is based on all 'sites' in Scotland that had at least two employees (including owners and working proprietors), but not including any workers not on the payroll, like self-employed contractors or agency staff. This approach matches previous rounds of the survey and has been taken as it tends to be much easier for survey respondents to think in terms of the overall 'headcount' for their site – including both working proprietors and employees – than to separate out these two groups.

However, the ESS survey excluded the self-employed (with no employees). The question approach for this group would need to be somewhat different, since they are by definition not employers. There is also an absence of robust population figures for this group, meaning robust and representative sampling and weighting is difficult to achieve.

The survey encompassed sites across the whole of the UK, covering all sectors of the economy (the commercial, public and charitable spheres). The profile of this population for sampling was established through Office for National Statistics (ONS) data from the 2023 Inter-Departmental Business Register (IDBR), the most up to date business population figures available at the time of the survey. For weighting, the 2024 IDBR figures were used as the most up to date figures available.

It should be noted that due to no interviews being achieved in the 100 or more / Financial Services category for Scotland, it was not possible to weight back to the employment population for this cell. Though Scottish employers in the 100 or more / Financial Services cell only account for 2% of all Financial Services employers in

Scotland, they account for 77% of the Financial Services employee population in Scotland, meaning that only 23% of this population could be accounted for by weighting. Volume and density results for Financial Services employers in Scotland are therefore not included in Official Statistics publications. Examples of figures not presented for this sector in Scotland include the volume of skill-shortage vacancies experienced by employers and the volume of employees with skills gaps.

ESS 2024 was the second in the series to use a Random Probability Sampling (RPS) approach, where all sample issued is processed according to agreed protocols until all leads are exhausted, meaning that units sampled from given population cells have an equal and known probability of being sampled.

Telephone interviews were conducted between June 2024 and January 2025. Data was collected via Computer-Assisted Telephone Interviewing (CATI). A total of 5,080 interviews were achieved with employers in Scotland. Large sections of the survey were modularised to ensure that ESS and EPS legacy questions could be covered without adding significantly to interview length. Sites were randomly allocated to one of four modules. A core section of the survey was asked of all modules, while modular questions were assigned to one or more modules, depending on the needed sample size. Table 12 shows the number of completed interviews in each module, for Scottish sites.

Table 12: Interviews achieved in Scotland, per module

Module A	Module B	Module C	Module D
1,327	1,287	1,220	1,246

The overall response rate for Scotland was 63%, calculated as ‘achieved interviews’ as a proportion of all respondents who started the survey. This is in line with UK-level response rate (65%), and response rates in England (63%), Northern Ireland (66%), and Wales (71%).

Further detailed technical information is available in the accompanying technical report, published on the DfE website. Data regarding which codes are used for

grouped categories can be found within the full UK report that will be published later this year. Further data can be accessed in published data tables accompanying this report on the Scottish Government website. Accompanying ‘Background Tables’ include underlying data used in the report.

Glossary

Vacancy density

The number of vacancies as a proportion of all employment.

Hard-to-fill vacancies

Vacancies that employers struggle to fill.

Skill-shortage vacancy (SSV)

A specific type of hard-to-fill vacancy that occurs when an employer cannot find applicants with the required skills, qualification, or experience to do a job.

SSV density

The number of SSVs as a proportion of all vacancies.

Skills gaps

Skills gaps exist when an employer thinks a worker does not have enough skills to perform their job with full proficiency. Skill gaps apply to existing employees.

Skills gaps density

The number of employees that lack full proficiency as a proportion of all employment.

Off-the-job training

Training that takes place away from the employee's immediate work location / position. It can be elsewhere on the employer's premises or off the premises as long as it is funded and arranged by the employer.

On-the-job training

Training that the employer funds or arranges which takes place where the employee normally works (for example, at their desk). These would be activities recognised as training by staff rather than the sort of learning by experience which could take place all the time.

Training equilibrium

Employers that are in 'training equilibrium' had no desire to undertake more training than they had delivered in the previous 12 months (or in the case of non-training employers, there was no desire for any training).

Results for training employers are derived from a survey question which explicitly asked if they would like to have provided more training than they were able to over the past 12 months.

Results for non-training providing sites have been determined from their reasons for not training, rather than a direct question. Those answering that they had not provided any training because it was not considered to be a priority for their site, because all their staff were fully proficient, or they had no need for training were regarded as being in training equilibrium and having no perceived need to undertake training. Those not giving any of these reasons were classified as wanting to have undertaken training (i.e., not in training equilibrium). Additionally, training employers that answered 'don't know' when asked if they would have liked to train more were classified as not being in training equilibrium.

Regional Outcome Agreement (ROA) definitions

Throughout the report we breakdown results by region using ROA categories. The constituent local authorities for each ROA region category are shown below. Note, some local authorities appear in more than one ROA; for instance, East Renfrewshire is included both in the Glasgow ROA region and the West ROA region.

- **Aberdeen and Aberdeenshire:** Aberdeen City, Aberdeenshire
- **Ayrshire:** East Ayrshire, North Ayrshire, South Ayrshire
- **Borders:** Scottish Borders
- **Dumfries and Galloway:** Dumfries and Galloway
- **Edinburgh and Lothians:** East Lothian, Edinburgh City, Midlothian
- **Fife:** Fife
- **Forth Valley:** Clackmannanshire, Falkirk, Stirling
- **Glasgow:** East Dunbartonshire, East Renfrewshire, Glasgow City

- **Highlands and Islands:** Argyll and Bute, Na h-Eileanan Siar, Highland, Moray, Orkney Islands, Shetland Islands
- **Lanarkshire:** East Dunbartonshire, North Lanarkshire, South Lanarkshire
- **Tayside:** Angus, Dundee City, Perth and Kinross
- **West:** East Renfrewshire, Inverclyde, Renfrewshire, West Dunbartonshire
- **West Lothian:** West Lothian

More details about the methodology and weighting process can be found in the technical report on the DfE website.

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We are always interested to hear from our users about how our statistics are used, and how they can be improved.

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