

INSIGHTS PAPER

Unleashing the potential of young people

How can business leaders support young people to transition to the future world of work?

Introduction

Our world is facing unprecedented change, but also unparalleled opportunity.

As business leaders, we have a responsibility to ensure that everyone can benefit from emerging technological advancements and are included in the future world of work so people can leverage the opportunities for themselves and their communities.

Through our Futuremakers by Standard Chartered global initiative, we work with a range of partners to promote sustainable development as part of our commitment to promote economic inclusion for young people and deliver on our promise to be 'Here for Good'. We are proud of Futuremakers and our efforts to seek out best practice to support the livelihoods of young people, and find business leaders who are committed to ensuring that the next generation is prepared for success.

We hope our two Insights Papers will be a useful and practical addition to the discussion on the future world of work, offering practical ways forward for both young people and business leaders as we navigate uncertain, but exciting times ahead.

Julie Wallace

Global Head, Sustainability and Community Engagement,
Standard Chartered

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Key Findings

1. Globally **more than 200 million young people** are **out-of-work** or live in low-income poverty.

2. There is a significant **need for jobs and employment**, both as society seeks to rebuild from the pandemic, and as many young people enter the job market.

3. The **Fourth Industrial Revolution (4IR)** presents a **major opportunity**, but it will require job seekers to learn new skills and capabilities.

4. **Three-quarters** of young people said they would be **very willing to reskill**.

5. **74 per cent of CEOs** are **concerned about the availability of key skills** to grow their businesses.

200 million +

young people are out-of-work or live in low-income poverty

6. There has been a shift **in the most important skills to develop for a future workforce**, which are now social and emotional in nature, for example, empathy, creativity, leadership and adaptability.

7. **Business leadership is essential in addressing the skills gap** and employers are in the best position to identify the skills they need.

8. **Business must work with NGOs, community groups and other enterprises** to develop the skills of young people to prepare them for the future world of work.

Changes in the world of work are accelerating

Globally, more than [200 million](#) young people are out-of-work or live in low-income poverty, and the economic impact of the global COVID-19 pandemic has intensified this situation.

Furthermore, over the next decade, [1.8 billion](#) young people will transition from school to work and tomorrow's workforce will need to keep reskilling to stay relevant through much longer working lives.

Deep into the fourth industrial revolution (4IR), which is defined as “the ongoing automation of traditional manufacturing and industrial practices, using modern smart technology”, the world is changing at a more rapid pace than ever before. Technological breakthroughs in areas from artificial intelligence to biotechnologies have the power to reshape almost every sector in every country, and will certainly impact how the vast majority of us live and work.

Advances in [automation](#) and artificial intelligence also have the potential to exacerbate many of the challenges currently facing our society, including inequality and discrimination. Already, the richest [1 per cent of households](#) currently own half of the world's wealth.

“The future of work is no longer a distant proposition that we have time to prepare for. It is here, now.”

Tanuj Kapilashrami, Group Head,
HR, Standard Chartered

There is and will continue to be a significant need for jobs and employment, both as society seeks to rebuild from the pandemic, and as many young people enter the job market and prepare to start their careers in a changing and extraordinarily dynamic world of work. This, in addition to the 4IR, is making some jobs obsolete.

Despite the above predictions, there are still many unknowns about the future world of work and it will be vital that businesses, business leaders, and their future employees travel this journey together.

Young people, which for the purposes of this report and associated studies and programmes, are those between the ages of 16 and 35, will require good information and insights in order to prepare themselves for the future world of work and be able to access and attain the correct training and skills to be successful. How can we best support young people to build their expertise and gain the skills they need for the future world of work?

How can we best support young people to build their expertise?

Urgent demand for jobs and new skills

It is estimated that [65 per cent of children](#) in their fifth year of schooling now, will eventually do jobs that don't yet exist.

In addition, and according to the 2020 World Economic Forum's Future of Jobs [Report](#), about 50 per cent of all employees will need reskilling by 2025, as adoption of technology increases.

Automation and digital technologies will also disproportionately affect jobs held by women, with the IMF projecting that [11 per cent of jobs](#) currently held by women are at risk of elimination as a result of digital technologies—a higher percentage than for jobs held by men.

There is an urgent need for jobs, training and upskilling for current and future employees. Young people are generally highly [willing to reskill](#), with three-quarters saying they would consider this, and 72 per cent saying they would take on a second income stream to progress. Just over half would consider setting up a new business.

In a recent Standard Chartered Futuremakers survey of almost 450 young people across 24 countries, 95 per cent said they believed that they would need increased digital and technical skills for their future careers. However, according to Vodafone, [67 per cent of 18–24 year olds](#) don't believe they have received or are receiving sufficient careers advice for the digital economy.



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2020 World Economic Forum
- Future of Jobs Report

Young people are, however, very positive about the impact that technology will have on their careers. 94 per cent of respondents to the Standard Chartered Futuremakers survey said they were positive or very positive, and spoke highly of digitisation.

Despite this optimism, there are particular concerns in some regions around the world. For example, in sub-Saharan Africa, many Africans are not learning [the skills](#) they need for 21st century jobs. Sub-Saharan Africa has the lowest literacy rate of any world region and 84 per cent of children and adolescents have not achieved the minimum proficiency for mathematics.



The Fourth Industrial Revolution presents a major opportunity for Africa's potential workforce, which will be among the world's largest by 2030, but it will require job seekers to learn skills and capabilities that are necessary to adapt to automation and other jobs. In addition, the absence of sufficient jobs will mean that young people will need to create their own jobs through enterprise.

The impacts of the COVID-19 pandemic have also been more keenly felt by young people. With entry-level and graduate recruitment restricted, young jobseekers are facing increasing difficulties transitioning to decent jobs. This is on top of lockdowns and restrictive measures, taken to stop the spread of the virus, disrupting their education and training. According to [the ILO](#), young workers are also concentrated in sectors that are most heavily impacted by the economic recession provoked by the pandemic.

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However, the pandemic has also fast-tracked virtual working. In the UK alone, it is estimated that more than one million people will not go back full-time into an office. This could potentially help young people to be more mobile than before. Companies may be more open to flexible working while opportunities for freelancing through platforms like "Upwork", which connects individuals and businesses, could see a dramatic increase.

Insights from business leaders

Change is happening at a faster rate than ever before and organisations are embracing new technologies to make their businesses more efficient. However, many are struggling to keep up with the pace of change.

According to the World Economic Forum, most leaders aren't ready for the pace of change in the world of work, and [74 per cent of CEOs](#) are concerned about the availability of key skills to grow their businesses. However, many employers acknowledge the urgency of addressing the skills gaps.

Business leadership is essential in addressing the skills gap and employers are in the best position to identify the skills they need. They have a key leadership role to play in providing avenues for skills development for current and future employees, particularly due to the uncertainty around what the future of work will look like.

Businesses are pivotal in helping to identify and establish the roles and needs of companies of the future. They should partner with educational institutions, NGOs, and community partners to ensure that their potential workforce of the future has accurate information about the business needs and are able to acquire the skills and knowledge required.

74%

of CEOs are concerned about the availability of key skills to grow their businesses.



According to a latest global [McKinsey survey](#), there has been a shift in the most important skills needed for a future workforce, especially post COVID-19 pandemic. They tend to be social and emotional in nature, for example, empathy, leadership and adaptability.

Crucially, these skills are human-centred and will be difficult to replicate through automation, and transferable across businesses and sectors.

As part of the research for this paper, we spoke with business leaders about the skills they believe their businesses will need in the future and what they think young people should know:

“For the evolving world of banking, we believe a combination of skills will be crucial – technical skills like digital, data and client advisory, but also human skills like managing ambiguity, building resilience, and leading inclusively.”

**Tanuj Kapilashrami, Group Head,
HR, Standard Chartered**

“Digital and agile capability and mindset will continue to be important skills for our organisation to deliver our strategy. However, living in a world of exponential change, we also believe in developing core human capabilities that will be relevant, whatever the future of work – being curious and able to adapt to change, empathy, resilience, imagination and creativity.”

**Becky Wender, Culture, Talent
and Learning Director, Avon**

“Today, nearly every job requires some level of digital fluency. To prepare, young people need to develop digital skills, and embrace an approach to lifelong learning. As digital technologies continue to evolve rapidly, a growth mindset will help young people keep their skills relevant and their opportunities open.”

**Kate Behncken, Vice President,
Microsoft Philanthropies**

“For any organisation that wants to attract and maintain top talent, being values driven is paramount. At Bloomberg LP, we’re committed to building a diverse and inclusive workforce with innovation and sustainability at the heart of what we do. The majority of our profits go to supporting philanthropic initiatives around the world to create lasting impact; we believe this is one of the key reasons why Bloomberg remains successful.”

**Vandna Ramchandani, Corporate
Philanthropy – APAC, Bloomberg Singapore**

“The most important skills for Unilever are the so-called 21st Century Skills of critical thinking, creativity, collaboration, and communication (the 4 Cs). Whilst the technical skills required to do a job are always changing, the ability to collaborate on creative problem-solving is a skillset that is perennial. At Unilever we want to tap young people’s super-power of purposeful action. Finding purpose and matching it with skills and know-how can change the world.”

Patrick Hull, VP HR Future of Work, Unilever

“Banks will benefit from a workforce that can tackle the latest data-based, digital and technical challenges while overlaying personal, ‘soft skills’. Participating beyond your day job, such as through employee networks, philanthropy or mentoring, can be incredibly rewarding for both the employee and those being supported.”

Sharne Barclay, VP, EMEA Campus Recruitment, Credit Suisse

Building tomorrow’s skills, together

Business must work with NGOs, community groups and other enterprises to develop the skills of young people to prepare them for the future of work, especially in communities where these skills are harder to come by and opportunities are lacking.

Global initiatives such as [Futuremakers](#) by Standard Chartered are vital to tackling inequality and promoting greater economic inclusion of young people in the places where they work.

One example of Standard Chartered’s work in Asia is in Bangladesh, where Futuremakers supports children and young adults with technical and vocational skills training, career



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counselling and soft-skills training including employability skills. Official figures put Bangladesh's [unemployment rate](#) for 15-24 year olds at 11.5 per cent, but it is said to be much higher. This had included young women like Aisha, 20, who was unable to continue her education beyond secondary school due to a lack of funds. Through a Futuremakers programme, Aisha secured a fully-funded technical and vocational skills training place, where she specialised in electronics. Aisha is now an Assistant Technician at an engineering firm and has ambitions to start her own electronics business. She says that building her self-confidence and belief were vital to her success.

In Sub-Saharan Africa, where there will need to be an emphasis on quality education, and increased internet access to improve the digital skills of young people for the future, Futuremakers is supporting young people through its Youth to Work employability programme, which is delivered across Ghana, Uganda and Zambia. Isaac, 26, completed an undergraduate degree in forestry, but was unable to find work after his studies. Through Youth to Work, he received business and management skills geared towards supporting small and medium-sized enterprises (SMEs). This resulted in Isaac founding a social enterprise that provides sustainable solutions (like access to eco-friendly energy sources) to Ugandans while creating economic opportunities for women and young people, like himself.

Since 2019, Futuremakers programmes have reached more than 366,000 young people, like Aisha and Isaac, across 35 markets.

360k+

young people reached across 35 markets since 2019



Forging a mutual path ahead

The pace of change taking place across our societies and the world of work is unprecedented, as is the level of uncertainty regarding what lies ahead.

However, power dynamics are shifting too. At one time, it was large multinationals that would hold sway, but many experts are heralding a future where talent is at a premium. The young people of today hold the key to the success of many businesses tomorrow. Furthermore, if businesses do not adapt to the needs of young people and help them transition to the future world of work, they will lose out in the long term.

Businesses must ensure they are open and transparent about their expectations for advertised roles and should provide opportunities for entry-level positions and on-the-job training. Across the board, business leaders have highlighted the value of transferable and personable skills of their future employees, but often this is not borne out in their hiring practices where experience and education levels are prioritised. Business leaders should consider this misalignment and interrogate and improve their practices.

Furthermore, if businesses are truly going to walk the talk around diversity and inclusion, then leaders must ensure that opportunities are open to young people from across a spectrum of locations and backgrounds. Diversity of thought



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and experience will help businesses build purposeful brands of the future.

Young people already have incredible insights and value to add, but must be given the opportunity to leverage their skills and contribute in a meaningful way. Ultimately, stronger connections should be forged between business leaders and future employees so they can learn from each other and build towards a more economically sustainable and just future.



futuremakers

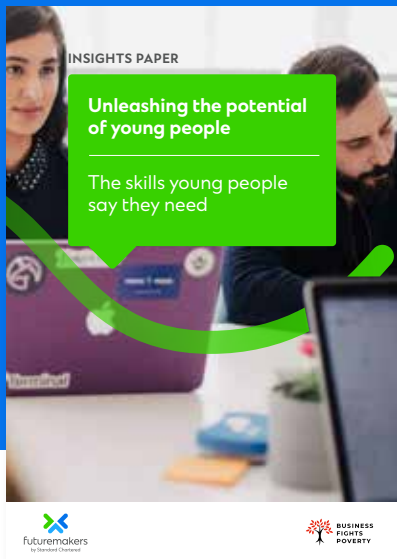
by Standard Chartered

Who we are

We are a global initiative championing economic inclusion for young people from low-income backgrounds, one success story at a time.

What we do

We run global community programmes that target three areas of development – education, employability, and entrepreneurship. We provide training and access to finance to enable economic inclusion.



Liked this paper?

Read our partner document and hear what skills young people are saying they need.

[Access the Insights paper here](#)