# Digital Skills - Australia

**Prepared for:** salesforce

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# Methodology

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- This study was conducted online between 26th February to 7th March 2021.

- The sample comprised a national sample 1,043 middle managers and above from businesses with 1 to 100+ employees across a diverse range of industries and includes private, public and NFP organisations.

- YouGov designed the questionnaire, a copy of which has been included in this report.

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# Key findings

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Less than half of the managers surveyed (48%) are very confident that their organisation has the necessary digital skills to succeed (Q1)

- Less than half of the managers surveyed (48%) are very confident that their organisation has the necessary digital skills to succeed while four in ten (43%) are somewhat confident, 7% not at all confident and 2% unsure.

- Managers who are university educated (53%) are more likely than those who have vocational qualifications (38%) or a year 12 certificate (43%) to be very confident that their organisation has the necessary digital skills to succeed.

- Confidence in digital skills is also higher amongst managers from larger organisations with 56% of those from businesses with 100+ employees and 61% of those from organisations with 50-99 employees being very confident their organisation has the necessary digital skills to succeed compared to 40% amongst those from organisations with less than twenty employees.

- Managers in engineering/design/architecture (71%) and technology services (65%) are more likely to be very confident that their organisation has the necessary digital skills to succeed (compared to 48% overall).

- Not surprisingly, managers who believe senior management place a high level of importance on addressing the digital skills gap in their organisation (73%) are much more likely than those who believe the level of importance being placed is just moderate (38%) or low (18%) to be very confident that their organisation has the necessary digital skills to succeed.

- Similarly, managers who have undertaken digital skills training themselves in the past 12 months (54%) are more likely than those who have not (36%) to be very confident that their organisation has the necessary digital skills to succeed.

# Key findings (continued…)

Only one in three managers (34%) believe their senior management is placing a high level of importance on addressing the digital skills gap in their organisation (Q2)

- Only one in three managers (34%) believe that their senior management is placing a high level of importance on addressing the digital skills gap in their organisation while four in ten (42%) think it is moderate and one in ten (13%) believe only a low level of importance is given to addressing the digital skills gap in their organisation.

- Managers who are university educated (39%) are more likely than those who have vocational qualifications (25%) or a year 12 certificate (27%) to think their senior management is placing a high level of importance on addressing the digital skills gap in their organisation.

- The perception that senior management is placing a high level of importance on addressing the digital skills gap is also more prevalent amongst managers from larger organisations with 100+ employees (47%) and 50-99 employees (42%) than amongst managers from organisations with 20-49 employees (26%) and those from organisations with less than twenty employees (25%).

- Managers working in Engineering/design/architecture (50%), technology services (48%), business services (47%) and manufacturing (46%) are most likely to report senior management placing a high level of importance on addressing the digital skills gap.

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# Key findings (continued…)

<u>Three quarters (74%) of managers believe that the COVID-19 pandemic has accelerated the need for digital skills in their organisation (Q3)</u>

- Three quarters (74%) of managers believe that the COVID-19 pandemic has accelerated the need for digital skills in their organisation, with one in three (35%) saying it has significantly accelerated the need, while one in four (23%) say it has not accelerated the need for digital skills and 3% are unsure.

- Managers who are university educated (83%) are more likely than those who have vocational qualifications (61%) or a year 12 certificate (56%) to believe that the COVID-19 pandemic has accelerated the need for digital skills in their organisation.

- Interestingly, middle managers (82%) are more likely than more senior managers (68%) to believe that the COVID-19 pandemic has accelerated the need for digital skills in their organisation.

- Managers from larger organisations with 100+ employees (47%), 50-99 employees (40%) and 20-49 employees (40%) are more likely than those with less than 20 employees (22%) to significantly believe that the COVID-19 pandemic has accelerated the need for digital skills in their organisation.

- Managers working in Education (88%), financial services (87%), Engineering/design/architecture (86%) and health/medical services (84%) are most likely to believe that the COVID-19 pandemic has accelerated the need for digital skills in their organisation.

- Similarly, managers working in the public sector (90%) are more likely than those working in the private sector (72%) to believe that the COVID-19 pandemic has accelerated the need for digital skills in their organisation.

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# Key findings (continued…)

Two thirds of managers (65%) surveyed say they have undertaken digital skills training or learning in the past 12 months (Q4)

- Two thirds of managers (65%) surveyed say they have undertaken digital skills training or learning in the past 12 months. However just 16% claim this was a high level of training/learning, while 33% say it was a moderate level and 16% a low level of digital skills training/learning.

- Managers who are university educated (75%) are more likely than those who have vocational qualifications (50%) or a year 12 certificate (50%) to have undertaken digital skills training or learning in the past 12 months.

- Managers from larger organisations with 100+ employees (75%), 50-99 employees (86%) and 20-49 employees (80%) are more likely than those from organisations with less than 20 employees (52%) to have undertaken digital skills training or learning in the past 12 months.

- Managers working in Engineering/design/architecture (79%), education (77%), health/medical services (76%), transportation (76%) technology services (75%) and financial services (74%) are most likely to have undertaken digital skills training or learning in the past 12 months.

- Similarly, managers working in the public sector (76%) are more likely than those working in the private sector (65%) to have undertaken digital skills training or learning in the past 12 months.

- Interestingly, managers who perceive their senior management to be placing a high level of importance on addressing the digital skills gap in their organisation (35%) are much more likely than those who say the importance being placed on addressing the gap is moderate (9%) or low (0%), to have undertaken a high level of digital skills training/learning in the past 12 months.

# Key findings (continued…)

The majority (65%) of managers who have undertaken digital skills training in the last 12 months say their organisation provided and/or supported the training (Q5)

- The majority (65%) of managers who have undertaken digital skills training in the last 12 months say their organisation provided and/or supported the training while one in four (24%) say they received government support. Just 17% of managers say they paid for the training in full themselves.

- Similarly, managers with university degrees (27%) are more likely than those with vocational qualifications (11%) to say they received government support for the training they undertook in digital skills in the last 12 months.

- Middle managers (79%) are more likely than senior managers (55%) to say their organisation provided and/or supported the training while senior managers are more likely to say it was government supported (27% compared to 19%) or that they paid for the training in full themselves (21% compared to 11%).

- Similarly managers from larger organisations with 100+ employees, 50-99 employees and 20-49 employees are more likely than those from organisations with less than 20 employees to say their organisation provided and/or supported the training (78%, 71% and 69% compared to 50%) or that they received government support (26%, 33% and 28% compared to 14%) while managers from organisations with less than 20 employees are more likely to say they paid for the training in full themselves (30% compared to 8%, 12% and 11%).

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# Key findings (continued…)

- Managers working in transportation and education are more likely to say the digital skills training they undertook in the last 12 months was provided and or supported by their organisation (79% and 78% respectively) or that it was Government supported (41% and 41%).

- Public sector managers (38%) are twice as likely as private sector managers (19%) to say the digital skills training they undertook in the last 12 months was supported by the government.

- Interestingly, managers who are very confident their organisation has the digital skills it needs to succeed (30%) are more likely than those who are somewhat confident (17%) to say the digital skills training they undertook in the last 12 months was supported by the government.

- Not surprisingly, managers who believe their senior management place a high level of importance on addressing the digital skills gap (71%) are more likely than those who think it is only given a moderate amount of importance (63%) to say their organisation provided/supported the digital skills training they undertook in the last 12 months.

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# Key findings (continued…)

Managers surveyed believe the most in demand digital skills for their organisation are social media skills (41%), data analytics (40%) and digital marketing (39%) (Q6)

- Managers surveyed believe the most in demand digital skills for their organisation are social media skills (41%), data analytics (40%) and digital marketing (39%).

- Other digital skills identified as being in demand for organisations include cybersecurity (33%), digital business analysis (31%) and digital design and visualisation (28%).

- Managers with a university degree are more likely than those with vocational qualifications or a year 12 certificate to think that the most in demand digital skills required for their organisation are data analytics (48% compared to 29% and 27%), cybersecurity (36% compared to 29% and 24%), digital business analysis (34% compared to 26% and 25%), digital design and visualisation (32% compared to 21% and 20%) and artificial intelligence (24% compared to 8% and 8%).

- Interestingly, senior managers are more likely than middle managers to believe the most in demand digital skill for their organisation is social media (46% compared to 34%) while middle managers are more likely to believe it is data analytics (50% compared to 33%) and cybersecurity (37% compared to 31%).

- Managers from organisations with 50-99 employees and 100+ employees are more likely than those with less than 20 employees or 20-49 employees to believe the most in demand digital skills for their organisation are cybersecurity (40% and 43% compared to 26% and 26%), digital design and visualisation (35% and 35% compared to 22% and 22%) and artificial intelligence (25% and 29% compared to 9% and 14%).

# Key findings (continued…)

- Differences also exist between industry sectors with digital design and visualisation identified as the most in demand digital skill by managers working in engineering/design/architecture (45%); digital business analysis by managers in technology services (50%) and transportation (49%); digital marketing by managers in retail (57%); data analytics by managers in technology services (60%); health/medical (50%) and transportation (49%); cybersecurity by managers in technology services (50%); and artificial intelligence by managers in technology services (40%) and financial services (31%).

- Not for profit organisations are more likely than public and private sector organisations to identify social media (57% compared to 36% and 40%), digital marketing (45% compared to 29% and 41%) and digital design and visualisation (42% compared to 33% and 26%). In contrast public sector organisations identified data analytics (52%) as the most in demand digital skill.

- Not surprisingly, managers who said that their senior management placed a high level of importance on addressing the digital skills gap were more likely to say each of the digital skills was in demand for their organisation, with the exception of social media skills.

Just half (49%) of the managers surveyed believe the government is doing enough to address the digital skills gap (Q7)

- Just half (49%) of the managers surveyed believe the government is doing enough to address the digital skills gap while 29% do not and 22% are unsure.

- Managers who are university educated (56%) are more likely than those who have vocational qualifications (34%) or a year 12 certificate (41%) to believe the government is doing enough to address the digital skills gap.

# Key findings (continued…)

- Similarly, managers from larger organisations with 100+ employees (55%), 50-99 employees (68%) and 20-49 employees (58%) are more likely that those with less than 20 employees (38%) to believe the government is doing enough to address the digital skills gap.

- Managers working in education (66%), transportation (64%), engineering/design/architecture (62%) and manufacturing (61%) are most likely to believe that the government is doing enough to address the digital skills gap.

- Public sector managers (60%) are also more likely than those in the private sector (48%) to believe the government is doing enough to address the digital skills gap.

The majority (58%) of managers believe that the government needs to provide more support for small business and regional businesses to embrace digital technology and reskill/transition their workforce to help accelerate digital skills in the workforce (Q8)

- The majority (58%) of managers surveyed believe that the government needs to provide more support for small business and regional businesses to embrace digital technology and reskill/transition their workforce to help accelerate digital skills in the workforce.

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# Key findings (continued…)

- Other actions managers believe government should take to help accelerate digital skills in the workforce include to provide more subsidies for courses in digital skills (49%), provide more tax incentives for organisations (38%) and create more campaigns to encourage business leaders/senior management to upskill their digital knowledge and skills (38%).

- Managers with university qualification are more likely than those with a year 12 certificate to believe that the government should provide more subsidies for courses in digital skills (52% compared to 35%), create more campaigns to encourage business leaders/senior management to upskill digital knowledge and skills (43% compared to 29%) and increase placements in higher education (34% compared to 19%) to help accelerate digital skills in the workforce.

- Managers from organisations with 100+ employees are more likely to believe that the government should create more campaigns to encourage business leaders/senior management to upskill their digital knowledge and skills (50%) and increase placements in higher education (40%) to help accelerate digital skills in the workforce.

- Interestingly, managers in engineering/design/architecture (43%), financial services (43%) and education (42%) are most likely to believe that the government should increase placements in higher education to help accelerate digital skills in the workforce.

- Private sector managers (51%) are more likely than public sector managers (42%) to believe that the government should provide more subsidies for courses in digital skills to help accelerate digital skills in the workforce, while public sector managers think the government should be creating more campaigns to encourage business leaders/senior management to upskill their digital knowledge and skills (46% compared to 37%).

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# Key findings (continued…)

Eight in ten (79%) managers surveyed believe there are barriers for their organisation acquiring additional digital skills (Q9)

- Eight in ten (79%) managers surveyed believe there are barriers for their organisation acquiring additional digital skills.

- Most commonly the key impediment was identified as a lack of resources to invest in digital transition (16%), a lack of knowledge and expertise (14%) and having a short term focus rather than focusing on long term gains (13%).

- Other barriers managers raised include a lack of relevant training and education courses (10%), having a culture resistant to change (9%) and a lack of suitable candidates/people with the right digital skills (8%).

- Interestingly, managers that are university educated (85%) are more likely than those with vocational qualifications (69%) or a year 12 certificate (67%) to believe there are barriers for their organisation acquiring additional digital skills and in particular are more likely to think the key impediment is having a culture resistant to change (11% compared to 5% and 5%).

- Middle managers (10%) are more likely than senior managers (5%) to believe the key impediment for their organisation acquiring additional digital skills is the lack of a vision or plan.

- Larger organisations with 100+ employees (84%), 50-99 employees (87%) and 20-49 employees (81%) are more likely than those with less than 20 employees (72%) to believe there are barriers for their organisation acquiring additional digital skills and in particular believe the key impediments are having a culture resistant to change (13%, 10% and 11% compared to 5%) and the lack of a vision or plan (10%, 10% and 8% compared to 4%).

# Key findings (continued…)

- Managers in the health and medical sector are more likely to identify lack of relevant training and education courses (17%) and having a culture resistant to change (16%) as key impediments; managers in the education sector are more likely to identify a lack of resources to invest in digital transition (27%); managers in business services are more likely to identify a lack of suitable candidates/ people with the right digital skills (20%) and managers in financial services are more likely to identify having a culture resistant to change (17%) as the key impediment for their organisation acquiring additional digital skills.

- Public sector managers (94%) are most likely to believe there are barriers for their organisation acquiring additional digital skills and in particular to identify having a short term focus rather than focusing on long term gains (21% compared to 12% - private sector) as the key impediment. In contrast not for profit organisations are most likely to identify a lack of resources to invest in digital transition as the key impediment (28%).

The sector managers surveyed believe is most equipped in acquiring and developing digital skills is technology and communications (43%) (Q10)

- The sector managers surveyed believe is most equipped in acquiring and developing digital skills is technology and communications (43%). This was followed by financial services (13%) and education (9%).

# Key findings (continued…)

- Interesting, managers in each sector are more likely to rate their own industry as most equipped in acquiring and developing digital skills with 58% of managers in technology services rating their sector as most equipped compared to 43% of managers overall; 38% of managers in transport rating their sector as most equipped compared to just 4% overall; 31% of managers in financial services rating their sector as most equipped compared to 13% overall; 23% of managers in education rating their sector as most equipped compared to just 9% overall, 22% of managers in retail rating their sector as most equipped compared to just 6% overall; and 21% of managers in the health/medical field rating their industry as most equipped compared to 5% overall.

To improve its digital competitiveness ranking, managers believe Australia needs to focus on better technology infrastructure such as strong broadband and internet penetration (26%) and digital skills training, to have a highly skilled digital ready workforce (24%) (Q11)

- To improve its digital competitiveness ranking, managers believe Australia needs to focus on better technology infrastructure such as strong broadband and internet penetration (26%) and digital skills training, to have a highly skilled digital ready workforce (24%).

- Interestingly, managers in manufacturing (33%), education (31%) and technology services (30%) are more likely to think Australia needs to focus on digital skills and training to have a highly skilled digital ready workforce while managers in transport (20%), construction (20%) and engineering/design/architecture (19%) are most likely to think Australia needs to focus on improving its regulatory framework to make it easier for businesses to thrive and invest.

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# Key findings (continued…)

Seven in ten (72%) managers say their organisation has plans in place to fill their 'digital skills gap' (Q12)

- Seven in ten (72%) managers say their organisation has plans in place to fill their digital skills gap while three in ten (28%) do not.

- Most commonly, organisations are planning for supplementary skilling, reskilling and/or upskilling training (43%), outsourcing the requirements to another organisation or planning to introduce technology to plug the gap (27%) and hiring additional digital skilled talent (25%).

- Interestingly, managers with a university degree (79%) are more likely than those with a vocational qualification (61%) or year 12 certificate (55%) to say their organisation has plans in place to fill their digital skills gap.

- Similarly middle managers (76%) are more likely than senior managers (69%) to say their organisations have plans in place to fill their digital skills gap.

- Managers from larger organisations with 100+ employees (85%), 50-99 employees (80%) and 20-49 employees (77%) are more likely than those with less than 20 employees (58%) to say their organisation has plans in place to fill their digital skills gap.

- Managers in financial services (44%), engineering/design/architecture (42%) and transport sectors (41%) are more likely to say they plan to fill their digital skills gap by hiring additional digital skilled talent.

# Key findings (continued…)

- Public sector managers (83%) are more likely than private sector managers (71%) to say their organisation has plans to fill its digital skills gap and more likely to say it will do this through outsourcing the requirements to another organisation or planning to introduce technology to plug the gap (37% compared to 26% for private sector managers).

- Not surprisingly, managers who are very confident their organisation has the digital skills it needs to succeed are more likely to say their organisation has plans in place to fill their digital skills gap (80% compared to 69% amongst managers who are somewhat confident and 46% amongst those who are not at all confident of this). In particular, managers who are very confident their organisation has the digital skills to succeed are more likely than those who are somewhat or not at all confident to say their organisation has plans for supplementary skilling, reskilling and/or upskilling training (50% compared to 41% and 15%) and hiring additional digital skilled talent (32% compared to 21% and 10%).

- Similarly, managers who say senior management place a high level of importance on addressing their digital skills gap (85%) are more likely than those whose senior management place a moderate (75%) or low level (36%) of importance to say their organisation has plans in place to fill their digital skills gap.

# Questionnaire

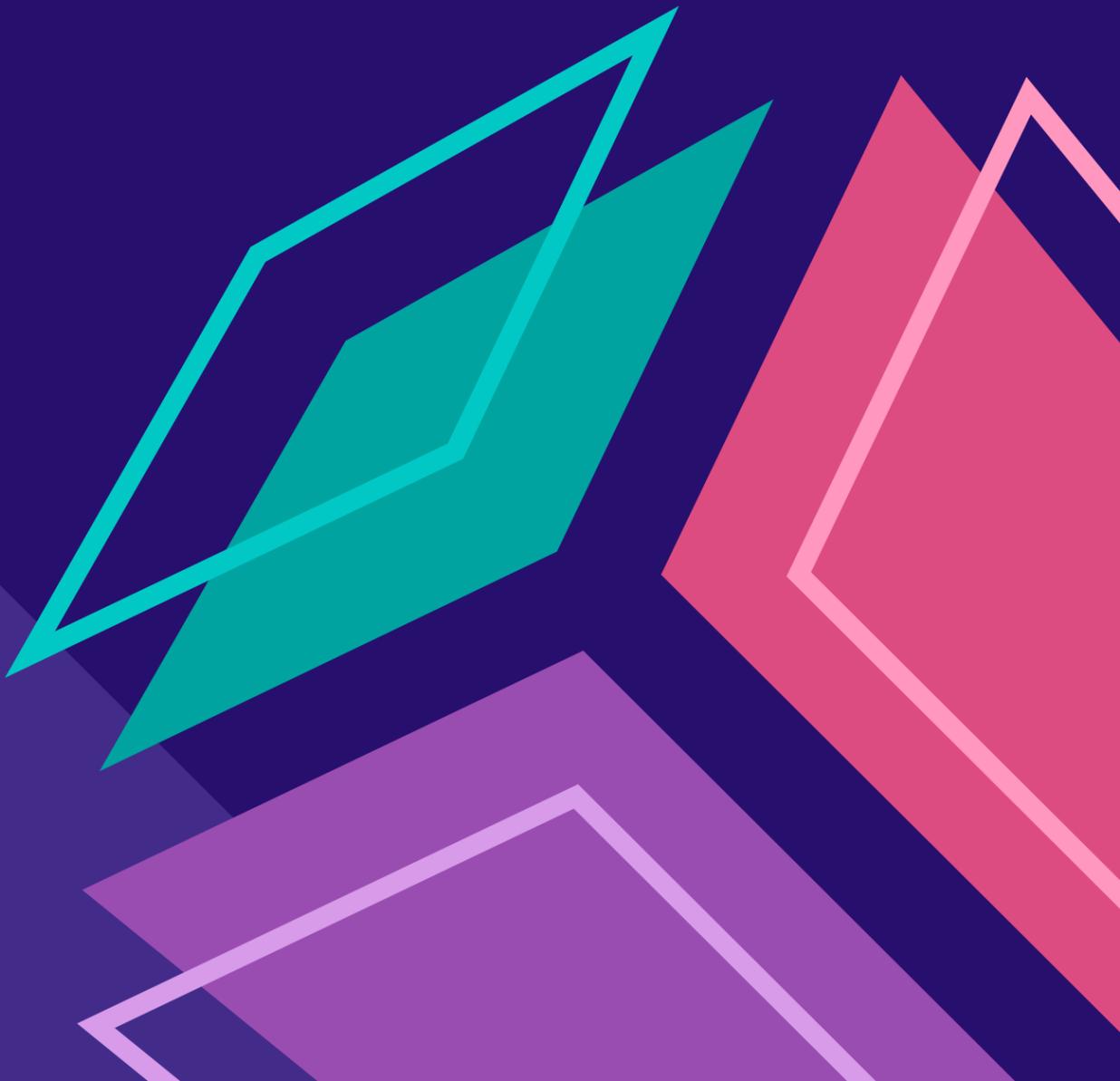# Thank you

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