

LSIP: Business Skills Focus Group Report

Session Overview

This focus group was conducted by Business South on Thursday 29 January 2026 at God's House Tower, Southampton. The session focused on employment, workforce, and organisational challenges across the Central South economy, with input from senior business leaders and HR professionals.

A total of 87 participants, either Directors or HR professionals, were invited from 76 businesses across the Central South region. Nineteen participants from 16 businesses confirmed attendance in advance. Of these, two sent apologies within 24 hours of the meeting and two did not attend, resulting in 16 attendees representing 13 organisations taking part in the focus group. An additional 6 participants from 3 organisations contributed to the research following the focus group, as they were unable to attend on the day. In total, 16 businesses are represented in this sample.

The Focus Group were split up into 3 smaller tables to discuss the preset questions and shared their thoughts with the rest of the group at the end of the session.

Attendees

- **Hannah Leach** – Vice President, Culture and Learning, Carnival UK
- **Lisa Unsworth** – People and Organisational Development, Abri
- **Megan Carter** – Regional Director, AtkinsRéalis
- **Katheryn Cox** – HR Manager, Foreman Homes
- **Susan Dee** – Marketing and Social Value Manager, Morgan Sindall
- **Joe Taffurelli** – CEO, Ovio Solutions
- **Naomi Sadler** – Director, Sadler Energy and Environmental Services (SEES)
- **Mike Toy** – Stakeholder Engagement Lead, Southampton Solent University
- **John Flackett** – Co-Founder, Ai Lab
- **Helen Floor** – CEO, 1to1 Group
- **Phil Dominey** – Senior Regional Development Manager, South Western Railway*

- **Ian Dewhurst** – Business Development Associate Partner, Ridge*
- **Maddie Eisenstadt** – Future Talent Lead, Ridge*
- **Emilia Costantino** – People Coordinator, Ridge*
- **Mollie Ravenhall** – Talent Development Specialist, Ridge*
- **Catherine Holding** – Future Talent Learning & Development Manager, Savills*
- **Mandy Boughton** – President, Hampshire Chamber of Commerce
- **Heidi Roper** – Director at ViewHR
- **Zoe Huggins** – Executive Member, Hampshire County Council
- **Leigh-Sara Timberlake** – Group CEO, Business South
- **Kate Pearce** – Head of Strategy, Business South
- **Joe Gowers** – Action Group Coordinator, Business South

*Attendees who couldn't attend on the day were followed up with a 1to1 interview and contributed to the final report. Their responses are included in the Appendix.

Sectors Represented

- Cruise, Transport and Distribution
- Construction
- Recruitment
- Business Support Services
- IT and Telecommunications
- Higher Education

Research Summary

Participants were presented with an overview of existing research and the purpose of the Local Skills Improvement Plan (LSIP) by Mandy Boughton from Hampshire Chamber of Commerce. Large employers contribute critical scale, insight, and impact, particularly in key regional sectors, supporting the development of practical, technical, and business skills. Flexible, bite-size training options allow businesses to adapt learning to their needs, and participant input directly shapes future skills priorities. Overall, the initiative enhances transparency, strengthens pathways to skills, and amplifies employer voices in regional skills planning.

The workshop was introduced by Zoe Huggins, who has over 20 years of experience in education and local skills initiatives such as Connect to Work, and serves as Business South Director and Hampshire County Council Councillor. She highlighted how the LSIP contributes to the complex regional jigsaw, aligning with place-based strategies, industrial strategies, and curriculum planning. She outlined the seven UK research investment priority sectors, noting areas of regional fit such as defence, while identifying gaps in tourism and hospitality. Zoe emphasized the importance of aligning skills plans with economic strategies through boards like Hampshire Prosperity and Solent, and preparing for the forthcoming combined authority and elected mayor in 2028. The session guided participants through structured group discussions on current and future skills, training alignment, and barriers and solutions, with clear links to LSIP criteria. Zoe also addressed questions about funding, clarifying that current financial support is tied to the combined authority, with limited additional resources until the mayoral system is in place, and reinforced the value of collaboration between universities and businesses to ensure curriculum relevance.

Key Themes

The focus group highlighted key skills gaps, particularly among the COVID cohort, in:

- Communication
- Human skills
- Professional behaviours
- Work-readiness

Participants stressed that, while digital tools and AI are changing roles, human, service, and leadership skills remain essential. Addressing these gaps will require closer collaboration between employers and education providers, along with more practical and flexible training pathways.

1. Current Skills Needs and Gaps

Across sectors, participants identified significant gaps in both foundational and human skills. Communication and interpersonal skills, particularly among the COVID cohort, were highlighted as critical weaknesses, alongside professional behaviours and workplace

readiness. Technical and trade-specific skills were unevenly distributed, especially in office-based, administrative, leadership, and HR roles, with problem-solving and communication repeatedly identified as essential. Early- to mid-level roles were noted as particularly hard to fill due to skill gaps and salary expectations, reinforcing the need for earlier and more practical engagement between education providers and employers.

2. Future Skills Needs

Participants predicted increasing demand for human, leadership, and service skills as technology and AI reshape roles. While AI and digital tools may improve efficiency, there was consensus that human interaction, service, and relationship-building remain critical. Sector-specific pressures vary: housing and construction face rapid regulatory change, while HR is expected to grow in demand, particularly for problem-solving and communication skills. Retaining local talent remains a priority, given the outsourcing of some technical roles overseas.

3. Training and Education Alignment

Current education and training pathways are seen as poorly aligned with business needs, particularly for vocational and service-focused sectors such as HR. Academic-focused programmes insufficiently develop employability, practical skills, or workplace readiness. There is limited local provision for apprenticeships and work placements, reducing opportunities for early-career exposure. Participants highlighted the need for more flexible, practical, and industry-informed training pathways.

4. Barriers and Solutions

Key barriers include limited awareness of training pathways, funding constraints, and a focus on academic skills rather than employability. SMEs particularly struggle to engage with education providers, and early-career education often does not meet the practical requirements of industry. Addressing these gaps requires clearer skills definitions, stronger leadership development, and approaches that balance human capability with digital tools.

Supporting Evidence

- Early-career professionals lack written communication and professional behaviours
 - *“Young people were relectant to pick up the phone and would prefer to hide behind emails and online portals.”* – **Joe Taffurelli, Ovio Solutions** (Q: Most pressing skills gaps)
 - *“It is shocking to see how many people don’t even know how to address or write a letter.”* – **Joe Taffurelli, Ovio Solutions** (Q: Most pressing skills gaps)
- Gaps in interpersonal skills and professional conduct
 - *“A sense of arrogance, rudeness, loudness, and entitlement.”* – **Katheryn Cox, Foreman Homes** (Q: Most pressing skills gaps)
- Lack of preparation and research among graduates
 - *“Didn’t know and hoped we would tell them.”* – **Naomi Sadler, SEES** (Q: Particular technical or soft skills missing)
- Weak written, social, and emotional skills
 - *“Written communication and basic standard skills, such as social and emotional skills, are seriously lacking. In fact, this has been added into the curriculum in Sweden.”* – **Anonymous** (Q: Most pressing skills gaps)
- Rapport-building and human skills are critical but underdeveloped
 - *“Soft/human skills and the ability to build rapport are vital. However, there is pressure on SMEs, especially in the service industry, to take on work experience.”* – **Anonymous** (Q: Which emerging skills will be critical for future competitiveness?)
- Early- to mid-level roles are difficult to fill due to salary expectations
 - *“Early- to mid-level career roles are hard to recruit for due to salary expectations.”* – **Anonymous** (Q: Which roles are hardest to recruit for?)
 - *“However, students are leaving with tens of thousands worth of debt with high interest and struggling to get onto the housing ladder, resulting in them demanding higher wages.”* – **Anonymous** (Q: Which roles are hardest to recruit for?)
- Sales roles are difficult to recruit for due to relationship-building demands
 - *“Sales positions are hard to fill, as an important skill for that is rapport and relationship building.”* – **Anonymous** (Q: Which roles are hardest to recruit for?)

- Greater collaboration needed to raise awareness of career pathways
 - *“We need to work better with local education providers to make potential applicants aware of opportunities.”* – **Joe Taffurelli, Ovio Solutions** (Q: Which roles are hardest to recruit for?)
- Businesses must lead with transformation rather than efficiency
 - *“Automation will result in job losses, and businesses need to lead with transformation, not efficiency. LSIP should help businesses better understand what is real versus myth so they can make informed decisions.”* – **Joe Taffurelli, Ovio Solutions** (Q: What impact will digitalisation, automation, or sustainability have on your workforce?)
- AI will not replace the need for service and communication skills
 - *“We need to realise that AI won’t do everything – so service and communication skills are vital.”* – **Anonymous** (Q: What impact will digitalisation, automation, or sustainability have on your workforce?)
- Academic pathways do not fully prepare students for vocational roles
 - *“There is too much focus on degree apprenticeships. With the apprentice levy coming in, businesses won’t be able to afford it.”* – **Anonymous** (Q: Training and education pathways aligning with business needs)
- Work placements are sometimes mismanaged
 - *“Work placements and internships are often mismanaged by business managers.”* – **Megan Carter** (Q: Are apprenticeships, internships, or placements meeting expectations?)
- Traditional education does not fully meet vocational service needs
 - *“Not very – it’s a vocational service not well met by traditional education.”* – **Anonymous** (Q: How well do current training and education pathways align with business needs?)
- More focus needed on resilience and relationship skills
 - *“They are good, but there is not enough focus on relationship or resilience training.”* – **Anonymous** (Q: How well do current training and education pathways align with business needs?)
- Managers need better preparation to support interns and apprentices
 - *“We need to educate managers on how to deal with interns, apprentices, and those on placements.”* – **Joe Taffurelli, Ovio Solutions** (Q: Are apprenticeships, internships, or work placements meeting your expectations?)
- Career events need to be more engaging

- *“Career events are not engaging for students – how do we make them more interactive?” – **Anonymous** (Q: What improvements would you like to see in collaboration with colleges, universities, or training providers?)*
- Disconnect between graduate expectations and employer realities
 - *“There is a disconnect with the skills on applicants’ CVs, salary expectations, and work ethic, and those on placement aren’t willing to put in hard work – it feels like free-range parenting.” – **Anonymous** (Q: Are apprenticeships, internships, or work placements meeting your expectations?)*
- Universities need stronger engagement with industry
 - *“How do businesses engage with traditional education institutions? Universities need to go to industries more. However, on a positive note, our local universities and colleges are visible at events.” – **Joe Taffurelli, Ovio Solutions** (Q: What improvements would you like to see in collaboration with colleges, universities, or training providers?)*
- Reinstatement of Level 7 apprenticeship funding needed
 - *“The removal of Level 7 apprenticeship funding has been an issue, and we would like it to return.” – **Anonymous** (Q: What improvements would you like to see in collaboration with colleges, universities, or training providers?)*
- Gaps in practical teaching
 - *“Colleges are not teaching practical physics, such as building calculations.” – **Katheryn Cox** (Q: Are apprenticeships, internships, or work placements meeting your expectations?)*
- AI supports efficiency but does not replace human judgement
 - *“AI helps free up time to fact-check.” – **Anonymous** (Q: Impact of digitalisation, automation, or sustainability on workforce requirements)*
 - *“It is important to be effective with AI, not to over-rely on it, and to engage critical thinking skills.” – **Anonymous** (Q: What impact will digitalisation, automation, or sustainability have on your workforce?)*
- Lack of clarity around what “skills” means
 - *“Businesses don’t know what skills they need – especially around emerging tech.” – **Joe Taffurelli, Ovio Solutions** (Q: Barriers preventing businesses from addressing skills gaps)*
 - *“Skills is a buzzword, but what does it even mean?” – **Joe Taffurelli, Ovio Solutions** (Q: Barriers preventing businesses from addressing skills gaps)*
 - *“We need a shared consensus on how to define skills.” – **Megan Carter** (Q: Barriers preventing businesses from addressing skills gaps)*

- Structural and funding barriers
 - *“Devolution will impact deliverability, ownership, and advocacy of investment.”* – **Megan Carter** (Q: Barriers preventing businesses from addressing skills gaps)
 - *“Businesses are the only constant until a mayor is elected.”* – **Participant** (Q: Barriers preventing businesses from addressing skills gaps)
- Financial constraints and training accessibility
 - *“It is important to be financially effective and understand the training available.”* – **Anonymous** (Q: What barriers prevent your business from addressing skills gaps?)
 - *“It would be beneficial for funding to be provided directly to companies to train young people, rather than through the education network.”* – **Anonymous** (Q: What support would make the biggest difference?)
 - *“DWP Kickstart worked; it was fantastic, but expensive.”* – **Anonymous**
- Cooperative placements strengthen retention
 - *“Cooperative schemes where companies support year-in-industry placements and then employees return to work for the company a year after graduation.”* – **Anonymous** (Q: Innovative solutions or partnerships that have worked well)
- Networking and peer collaboration are effective
 - *“We have found networking events and collaborating with peers have worked well for us.”* – **Anonymous** (Q: Innovative solutions or partnerships that have worked well)
- Need for a coordinated regional placement system
 - *“One service that would connect all work placement providers, universities, and companies would be beneficial to keep talent in the region.”* – **Joe Taffurelli, Ovio Solutions** (Q: What support would make the biggest difference?)

Recommendations

1. Improve core skills development

- a. Targeted programmes for communication, human skills, problem-solving, and workplace behaviours.

- b. Incorporate practical employability skills into early education and vocational training.

2. Align training with business needs

- a. Expand apprenticeships, internships, and year-in-industry placements, particularly in HR.
- b. Encourage industry input into curricula and micro-credential programmes.
- c. Develop centralised services for placements to better match students with workplace projects.

3. Support SMEs and workforce retention

- a. Funding and guidance to support early-career development within SMEs.
- b. Reverse mentoring and knowledge-sharing to identify emerging skill needs.
- c. Promote awareness of career pathways to retain local talent.

4. Balance technology adoption with human skills

- a. Use AI and digital tools to improve efficiency without replacing essential service, relationship, and leadership skills.
- b. Integrate digital capability training with human skills development.

5. Partnerships and collaborative approaches

- a. Strengthen school-business partnerships to increase awareness of sector opportunities.
- b. Encourage cooperative placement schemes where students gain real business experience and can return as employees.
- c. Foster networking and peer-learning opportunities across sectors to share best practice.

6. Further investigation

- a. Assess vocational gaps in HR and other service-focused sectors.
- b. Evaluate approaches to make apprenticeships, placements, and internships more accessible and attractive.
- c. Examine regional talent retention strategies and the impact of outsourcing technical roles.