

Bridging the Gap: Supporting a New Generation of Leaders

July 2026 | #FutureOfWork



Foreword

Ann Francke OBE, CMgr CCMi FIC | CEO, CMI

The youth unemployment figures dominating our headlines are not due to the individual failure of welfare, education or employment policy; they are rather the result of combined, significant shortfalls across all three systems which reinforce the devastating result: a million young people classified as NEETs. The numbers speak for themselves.

Let us discard the lazy, outdated myth of the 'entitled' or 'unambitious' young person. This is a cohort whose formative years have been severely disrupted by global lockdowns, economic upheaval and an AI revolution, all in the space of half a decade, and all affecting the workplace in unique and unpredictable ways.

We must face the reality of the data. CMI's latest research pinpoints a generation that, despite its willingness, is simply not prepared for the realities of the workplace. Both managers and young people acknowledge glaring gaps in essential skills: resilience, professional communication and basic expectations of workplace behaviour. This readiness gap doesn't just hamper their chances of securing that crucial first job; it stunts their progression once they are through the door.

Young people deserve a vastly better offer from educators, employers and the government. They need the opportunity to acquire core, early leadership skills before the job hunt even begins. At CMI, we know this works. We have the positive impact data on equipping students with practical management skills alongside their studies, through dual accreditation, diplomas and apprenticeships. It gives them a measurable edge and sets them up for success.

But we cannot ignore the uncomfortable inverse question: are our workplaces actually ready for today's young people?

You can give a young worker all the employability skills in the world, but if you drop them into a team led by an 'accidental manager' – someone promoted for technical competence but given zero formal management training – they will not flourish. A poor frontline manager will quickly destroy a young person's confidence, causing them to fall out of the workforce entirely or stagnate in unfulfilling, low-paid roles.

This tells us there is vital work to be done on both sides of the interview table. Employers must stop treating early-career onboarding as a box-ticking HR exercise. If you want to harness the innovation of a new generation, invest in their development and that of their managers to retain them and focus their fresh perspectives on the big strategic questions your organisation faces. Investing in the core tenets of professional leadership at every level is a proven business investment that will pay dividends in capable future leaders and long-term economic success.

Let me thank everyone who has shared their experiences and insights with this project. The solutions are never straightforward and quick fixes don't exist. However, to do nothing – as employers, educators or policymakers – is to risk a lost generation.

Ann Francke OBE, CMgr CCMi FIC | CEO, CMI

Executive Summary

The UK is facing a structural crisis in how young people transition from education into the workplace. This extends far beyond the 1 million young people aged 16 to 24 identified in Alan Milburn's recently released report who are classified as not in education, employment or training (NEETs). This challenge speaks to the quality of jobs that graduates and school leavers alike can access. It highlights what is standing in their way not just to get a job, but to successfully bed in with an organisation to build a career path toward becoming future leaders.

The key barriers identified are not specific to any one job description or role. They are cross-cutting, transferable skills and most often referred to as 'soft skills'. In reality, they are **core leadership skills**.

The rewards for the UK economy of addressing this crisis at pace cannot be understated. The reach goes far beyond a NEET cohort and a soaring welfare bill. For young people still in education, it is about gaining the tools and confidence to chase opportunities and stand out from other candidates when they enter the workforce. For those currently in early-career work, it is a chance to make the most of every opportunity and to see a progression route, to better understand how to harness their talent and signal their ambition.

This report draws upon the constructive views of thousands of managers working across the UK economy alongside nationally representative polling from YouGov of young people between the ages of 18-24. It includes the findings from in-depth interviews and focus groups with young people, both those not yet in work and those in the early days of their careers. It also includes the collaborative contributions of leading employers, providers and further education colleges towards designing new interventions. Collectively, it creates a clear view of where the gaps lie and, more importantly, what needs to happen to start filling them in.



Key findings:

The data paints a concerning picture of a core workplace and leadership skills deficit:

- 61% of managers agree that younger workers in their organisation are more likely to lack these so-called 'soft skills' compared to other age groups, and 91% believe their overall workforce performance is negatively affected by this gap in basic leadership skills in the workforce.
- Managers overwhelmingly prioritise foundational personal attributes and professional conduct when asked to identify skills gaps. 63% of managers cite a lack of resilience, followed by professionalism (45%), clear communication (43%) and the capacity to accept and act upon feedback (41%).
- Yet there is a clear discrepancy between employer expectations and young people's perceptions. Despite what managers report, polling by YouGov for CMI found that young people self-assess themselves on the same core leadership skills much more positively. For example, 45% of 18-24 year-olds said they felt they were equipped with self-management skills to a large extent when entering the workforce, but only 6% of managers said that a similar cohort (16-24 year-olds) demonstrated these skills to that extent.
- This speaks to a growing disconnect in understanding what these skills involve in a work setting. As a result seven in ten young people believe employers hold a negative bias towards their generation.
- Young people do not lack ambition, with 64% actively wanting to progress into management or leadership roles. Overcoming self-doubt and building professional confidence alongside practical work skills are their top priorities.
- There is a level of maturity and self-awareness in young people leaving formal education, with 78% of young people feeling that their education focused too heavily on academic theory rather than the practical skills required to succeed in a job. Identified areas of weakness among those already in work include how to speak to colleagues, manage disagreements or understand basic office etiquette.

Key findings continued:

While acknowledged as ‘digital natives’, young recruits themselves identify a clear digital skills gap when it comes to using professional technology tools rather than personal use applications, including spreadsheets, email and grasping data security requirements.

83% of young people agree they would feel much more confident stepping into a leadership role if they had a formal mentor or professional body supporting them.

A clear and disproportionate burden is falling on first-line managers who are often without the training they need to support these entrants to the workforce. This is an identified retention risk and significant cost to employers.

86% of employed young people agree that it is important their line manager has received training on how to properly support and guide someone at the start of their career.

The vast majority (89%) of managers who had received training believe it enabled them to better support and develop new hires and younger employees.

A lack of work experience and mentoring opportunities is severely limiting the ability of young people to gain a better understanding of workplace expectations. Employers are not playing a big enough role in demystifying the world of work.



Recommendations

CMI's dual approach

To solve the challenge of workplace readiness, intervention must happen on two fronts: upskilling the managers who oversee early-career staff and fundamentally changing how we prepare young people during their education and formative working years.

Our research highlights exactly what the market is asking for: 69% of managers identify “training on basic workplace tools and professional skills” as the single most effective way to support young people entering the workforce. Alongside this, 50% highlight the need for dedicated onboarding or workplace-readiness programmes.

CMI is uniquely positioned to act as an active partner for young people. Crucially, qualitative findings highlight that the word “management” can feel intimidating, corporate and hierarchy-driven to young people. However, learning “leadership” as a mindset – taking responsibility, communicating well and inspiring others – feels aspirational and attainable.

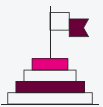
To directly address this, CMI is launching two new qualifications specifically designed to build this vital career confidence:

✔ Leadership Essentials:



Designed for those in apprenticeships or studying at college who are not yet in work. This programme focuses on demystifying the workplace, translating academic theory into practical skills and helping them feel confident and ready before they step into their first role, thereby reducing the future onboarding burden for employers.

✔ Aspiring Leaders:



Designed for those just starting or already in their formative years in the workplace. This programme boosts existing skills, helping them to map out their career trajectory, build resilience and gain the confidence to take on more responsibilities without needing constant managerial intervention.

Additionally, the **CMI Leadership Academy suite** offers managers, notably first-line managers, the training they need to ensure early-role recruits are nurtured and inspired to not just remain in work, but to thrive and find a professional career path.

Policy recommendations

To truly bridge the gap between education and the workplace, the solution cannot rest on one group alone. It requires a fundamental shift in policy and a collaborative approach between education providers, employers, professional bodies, policymakers, parents and young people themselves. Building on our research, we recommend the following:

1 Build work readiness to support labour market entry

Practical work-readiness through foundational leadership skills should become a core element of preparation for employment. Young people need explicit development in professional communication, workplace behaviour, resilience and the use of common workplace tools to support their way into the labour market.

This responds directly to employer demand. Nearly seven in ten managers (69%) identify training on basic workplace tools and professional skills as the most effective support for young people entering work. Educational institutions and employers should work together to deliver more structured programmes that bridge the gap between education and employment, helping young people develop the confidence and capabilities needed to succeed from day one.

To deliver this, educational institutions and employers can leverage CMI's new Future Leaders programmes. By enrolling pre-career students in Leadership Essentials and early-career employees in Aspiring Leaders, we can provide the credible, practical scaffolding needed to transform anxious students into confident, capable professionals.

2 Equip managers to support NEET and young people's recruitment and retention

Government plans to subsidise the recruitment of young people who are not in education, employment or training (NEET) must be matched by investment in the managers responsible for supporting them once they enter the workplace. Many young people entering work have limited employment experience and may face complex health, mental health or socio-economic challenges. Employers, particularly SMEs, need managers who are equipped to provide effective onboarding, coaching and development.

As part of its response to the Milburn Review, the government should extend Growth and Skills Levy funding through new Apprenticeship Units focused on those line managers responsible for supporting the successful integration of young people into work. This would address a significant gap in current policy, which concentrates support on young recruits while overlooking the capability of those responsible for managing them.

The case for action is clear. In addition to the compelling new data in this report, previous CMI research shows that 82% of managers are 'accidental managers' who enter management roles without formal training, while 89% of trained managers report that management development has improved their ability to support younger employees. Strengthening management capability will help improve retention, create clearer career pathways and ensure that NEET recruitment initiatives deliver long-term outcomes rather than short-term placements.

3 Expand work experience and mentoring opportunities

Young people need greater exposure to the workplace before securing permanent employment. Employers should be encouraged and supported to provide more placements, internships and paid work experience opportunities through a coordinated national approach that reduces the administrative burden.

Research shows that 64% of managers view paid work experience and internships as among the most effective ways of integrating young people into the workforce. These opportunities should be complemented by structured mentoring and peer-support networks. Mentorship is identified by 63% of managers as a highly effective intervention. CMI calls on its members as professional managers to do more to provide the mentoring and work experience opportunities that can help young people access networks, understand workplace expectations and navigate career transitions.

4 Create an earlier and more collaborative talent pipeline

Currently, there is a disjointed 'blame game' regarding youth employability. When asked who holds the greatest responsibility for preparing young people for work, 74% of managers point to educational institutions and 73% point to the young people themselves, while only 35% believe employers hold this responsibility.

We must break down these silos. While some localised programmes are making inroads in bringing stakeholders together in a coordinated approach, solving this crisis requires a deeply collaborative ecosystem where schools, colleges, training providers, professional bodies, businesses and parents work together. Furthermore, career intervention must start much earlier – even as early as primary school – to build long-term momentum, rather than waiting until the daunting transition period at age 18.

Research methodology

Research sources include:

- Four focus groups with 20 young people aged 18-25 in the UK
- A further 20 in-depth interviews with young people aged 18-24 in the UK
- CoLab focus groups of professionals working in youth skills, leading UK employers and further education colleges
- YouGov poll of 514 young people in the UK aged 18-24 commissioned by CMI
- CMI Managers' Voice polls of UK working managers with over 1000 responses per survey



[Read the full report here](#)