

AI digital and tech transformation bottleneck risks major UK business growth

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One of the UK's leading training and apprenticeship providers has issued a stark warning that the predicted business growth in the UK economy is at serious risk of 'tanking'.

The warning comes amidst a perfect storm of a huge skills shortage in AI and data, set against rapidly developing digital transformation programmes across British businesses.

The company also warned that the skills shortage poses a serious threat not just to supply chain and productivity issues, but also national infrastructure services.

It comes as the International Monetary Fund (IMF) recently issued new projections claiming the UK to be the second fastest growing of the world's most advanced economies this year. The IMF predicts that in 2025 the UK economy will outperform other G7 economies, apart from the US. But at the same time, it also predicted that the UK will also face the highest rate of inflation in the G7 both this year in 2025 and 2026.

National apprenticeships and commercial training provider [S&A Academy](#) has however warned that such a prediction is threatened by the current digital transformation bottleneck. As more companies embrace the speed of data, AI and Generative AI in their tech and data integration processes, coupled with the lack of qualified talent and skills, presents a serious threat to economic growth.

Sectors such as insurance, finance, manufacturing, logistics and healthcare – where AI, data and automation are critical to future sector growth, are also being heavily impacted because of a lack of skilled professionals in those sectors.

Its wider impact is also being felt by a lack of clear strategy and leadership at senior management levels.

Data, AI and Generative AI has accelerated and overtaken traditional technology planning. This coupled with a resistance to change and wider cautionary concerns about security and older legacy systems has also contributed to digital bottlenecks.

S&A Academy – who are leaders in bespoke training and apprenticeships for executive leadership and management skills in tech, data, science and business – operates nationally across the UK. Its S&A Tech Academy was last year awarded a 100% ‘achievement rate’ for its apprenticeship training. The company has developed a new suite of apprenticeships specifically targeted at these skills’ shortage areas.

Managing Director of the S&A Academy Jemma Perks said: “We are facing a digital transformation crisis across the UK economy. The economic impact of skills shortages in the insurance, finance, manufacturing, logistics and healthcare sectors are happening now. We are currently seeing a real risk of operational disruption due to a lack of skills in these areas. This isn’t just a training issue; it’s a supply chain and productivity issue that affects British businesses and their consumers.

Demand for qualified and skilled professionals in tech, data and AI across insurance, finance, manufacturing, logistics and healthcare are outstripping the numbers of skilled professionals available. Across British companies there is a severe skills and talent shortage coupled with a resistance to change culture which is creating a perfect storm to throttle the British economy.

At the same time there is also strong demand for a newer generation of skilled professionals in data, tech and AI who can embrace change and transformation. This often means a ‘culture clash’ as established senior leaders in organisations are also reluctant to embrace change culture due to legacy systems, complex new technology and systems.”

Digital transformation is as much about the adoption of new technologies as it is about how businesses perform and operate to use those technologies more efficiently through data analysis and insights.

London and Manchester headquartered S&A Academy – the sister company to S&A Transform one of the UK’s top challenger consultancies – is an independent Ofsted regulated ‘Good’ provider of professional government funded apprenticeships, commercial training, corporate learning and development programmes (L&D).

S&A Academy is pioneering tailored training courses and apprenticeships to address the skills shortages in STEM occupations and help plug the gap. In doing so it will ensure that employees who undertake their courses are future proofed in digital transformation to embrace data, AI and Generative AI in their future workflows and workplace environments.

Ms Perks added: “In order for the British economy to grow at the levels predicted by the IMF and for us to keep up with the rapid advancement of tech, data and AI, we need to ensure that we have fully skilled tech workforces in data, AI and Generative AI, that are trained and upskilled to fully embrace the rapid pace of digital transformation.”