



Executive Summary



Staffordshire Moorlands Employer Skills Needs

Prepared for: Moorlands Together LSP

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Prepared for: Moorlands Together Local Strategic Partnership (LSP)

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September 2011



Produced by BMG Research

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Executive Summary

Background and method

This research has been conducted on behalf of the Moorlands Together Local Strategic Partnership (LSP) and was project managed for the LSP by Leek College, Staffordshire Moorlands District Council, the Learning and Skills Council (LSC), Staffordshire County Council, Connexions and Job Centre Plus.

266 telephone interviews were conducted with employers in the Staffordshire Moorlands area in order to obtain information to help the partnership develop their strategic plans, plan their investment and deliver training programmes that meet local employer needs.

The data has been weighted so that responses are reliably representative of the actual employer population.

Employer Profile

The majority of employers (87%) employ 10 or fewer staff. This proportion is similar to that UK-wide.

Although most firms in construction employ few permanent staff, it is likely that they also employ many staff on a sub-contract basis. Similarly, whilst it appears that most of banking, finance and insurance firms are small employers, the majority (97%) are part of a larger organisation with sites elsewhere and will, therefore, not behave as small firms would normally.

The largest industry sector in the area, in business unit terms, is that of distribution, hotels and restaurants.

More than a quarter of public administration, education and health organisations employ at least 25 staff at their site and this suggests that these firms are the largest employers, in terms of employee numbers, in the area.

Recruitment

53% of employers have recruited permanent staff in the last 12 months. This increases to nine in ten organisations with 25 or more employees.

By sector, recruitment activity is above average within banking, finance and insurance (highlighting that these employers do not behave as typical small firms) and public administration, education and health.

In sectors where staff turnover is typically greater, such as agriculture, hotels and catering and construction, the more frequent coming and going of staff will tend to involve temporary, seasonal or otherwise casual staff.

From a range of what we might term 'disadvantaged' or special interest groups of people, employers are most likely to have recruited young people, aged 18-24. Very few have recruited people with disabilities, apprentices and migrant workers. That said, all but 2% of employers that have recruited anyone in the last 12 months have recruited from at least one of these groups.

Public administration, education and health are more likely than average to have recruited women returners. The banking, finance and insurance sector are also more likely to draw its recruits from this group and also are more likely than average to have recruited recent graduates, ethnic minority groups and older workers. Firms in distribution, hotels and restaurants recruit relatively heavily from school leavers and most have recruited 18-24 year olds.

71% of organisations that have recruited in the last 12 months report at least 75% of their new recruits living locally. Those that have looked further afield for new staff tend not to do this consciously, but advertise more widely as a matter of course.

Skill Shortages

Just 11% of those that have recruited in the last 12 months have experienced recruitment difficulties. This increases to two-fifths of organisations with 25 or more employees that have recruited.

There is a higher incidence of hard-to-fill vacancies in public administration, education and health (37%).

In terms of the extent to which hard-to-fill vacancies are experienced in various occupations, recruitment difficulties when recruiting for process, plant and machine operatives (28% of those that have experienced hard-to-fill vacancies), skilled trades (25%) and personal service occupations (20%) are particularly significant. However, as a proportion of all hard-to-fill vacancies reported, those in personal service occupations (all of which are reported by public administration, education and health organisations) are most common. Recruitment difficulties amongst process, plant and machine operatives and skilled trades occupations are mostly reported within distribution, hotels and restaurants.

Lack of appropriate skills is the main reason for recruitment difficulties.

Skill Gaps

Skill gaps concern the skills lacking amongst the existing workforce.

Most respondents consider all their staff fully proficient in their jobs. Thus just 15% of all respondents report any skill gaps.

Once again, the larger the employer the higher the incidence of skill gaps, which is likely to reflect more frequent recruitment, the wider range of skills required and movement between jobs in a larger company.

Skill gaps are most likely to be reported amongst sales and customer service staff, within elementary occupations and amongst managers.

When asked about the nature of skill gaps, customer handling skills and technical, practical or job-specific skills are the most significant, the latter are particularly likely to be highly individual to the organisations that report them.

22% of all respondents anticipate a change in their skill needs in the next 2 to 3 years. The proportion is particularly high within the construction sector (49%).

Again, respondents are most likely to focus on technical, practical or job-specific skills when being specific about their changing skill needs. When prompted with a list of potential areas in which skill needs are expected to change, general IT skills and office administration skills become more significant.

It is clear that employers will strive to address their skill needs by means of their internal resources wherever possible. It can be inferred that cost is an issue here and that this even extends to providing 'on-the-job' training, where minimal production time is lost, wherever possible.

Training

The findings suggest that many employers rely on the employees themselves to identify their own training needs. In larger organisations, line managers, department heads/managers and human resources teams/training specialists are more likely to be available to help with this process.

A third of organisations have a formal policy with regard to undertaking staff training, although most support it as and when necessary. The larger the organisation, the more likely they are to take a positive or systematic approach to training or to have a written training policy. Overall, just 15% of all employers have a systematic approach but no written policy and 35% (rising to 65% of the largest employers) have a written policy.

24% of all respondents report that their organisation has a budget for training expenditure. This increases to 82% of organisations with 50+ employees.

When prompted with a list of local training providers, one in eight respondents are unaware of any. Around three-quarters are aware of Leek College (76%) and two-thirds are aware of Stoke College (68%) and/or Staffordshire University (66%). However, fewer than 60% of all respondents are aware of Newcastle College, University of Derby at Buxton, Macclesfield College and Moorlands Enterprise Centre and no more than a third are aware of Axia, Moorlands Training Services and Rock House Training.

Three-fifths of all respondents have used, or contacted, at least one of the training providers listed. This is most likely to be Leek College or Stoke College (both 17%).

When asked to rate various aspects of training providers' services, the proportion that do not feel able to are quite significant being at least a fifth, rising to more than half when rating Macclesfield College. Taking this into account, respondents are very positive about the relevance of content of training, the expertise and knowledge of trainers, delivery of practical skills, facilities and technology and the location of training providers.

26% of all respondents report that their organisation has funded or arranged any off-the-job training¹. This proportion increases to three-fifths of organisations with 25 or more employees.

66% of all respondents report that their organisation has funded or arranged on-the-job training. This too increases with organisation size to 89% of organisations with 50 or more staff.

The propensity to have delivered on-the-job training reflects that of off-the-job training suggesting higher levels of training overall within the sectors of public administration, education and health; banking, finance and insurance and distribution, hotels and restaurants.

However, despite the relatively high level of off-the-job training in manufacturing, on-the-job training is at a lower level than average.

The lack of need for training is the predominant reason for not delivering any. Issues to do with local training provision, in terms of information and availability are not significant factors.

As staff age they are less likely to receive training.

Organisations are most likely to deliver training through the use of internal resources. Usage of local training providers is at low levels.

Most of those respondents with experience of local training provision rate it highly.

In most cases, training expenditure has remained at similar levels this year, compared with last year. There is no strong evidence of financial support for staff development increasing year on year.

82% of respondents whose organisation have funded or arranged any training in the last 12 months say that the impact of that training activity has been assessed. Most respondents appear to be aware of some benefits and this is most likely to relate to developing a more productive workforce and developing specialist knowledge.

Just 3% of all respondents say that they have been unable to find a training provider locally. These respondents are mainly those from the public administration, education and health sectors.

53% of all respondents consider it easy to access information locally.

Telephone is the preferred media of communication, followed by website searches and face to face meetings.

Confirming conclusions drawn earlier, the preferred method of delivering training to staff is via on-the-job training.

¹ Training away from the individual's immediate work position, whether on their premises or elsewhere

Training Initiatives

89% of respondents are aware of apprenticeships or advanced apprenticeships. Just over half of all respondents (55%) also know what they are (or feel they do).

Just 7% of all respondents report that their organisation has employed any staff undertaking an apprenticeship or advanced apprenticeship. Most are happy with the quality and the relevance of the training provided by apprenticeships.

49% of all respondents are aware of Train to Gain. Just 21% also know what they are (or feel they do).

Just 4% of all respondents report that their organisation has been actively involved in Train to Gain over the last 12 months. These respondents are to be found in three sectors mainly, including public administration, education and health, transport and communications and distribution, hotels and restaurants.

50% of all respondents are aware of Business Link Skills Brokers. Just 28% also know what they are (or feel they do).

Just 4% of all respondents have used the services of Business Link Skills Brokers in the last 12 months. The two sectors most likely to have used these services are public administration, education and health and distribution, hotels and restaurants. Most have been satisfied with the service received.

Of those that are not aware of the service, 38% would find a service where local businesses can have access to a skills adviser that will help them identify training and needs and source training provision to be beneficial. This increases to 55% of organisations with 50+ employees and 50% of construction companies. As many as 33% of construction firms and 31% of those in distribution, hotels and restaurants would find this service very useful.

Conclusions

In common with the UK as a whole, the majority of Staffordshire Moorlands business population consists of small employers. These businesses tend to have low levels of staff turnover in absolute terms and are much less likely to have formal training policies and systems in place than large firms. Training levels are low as a consequence, mainly due to a lack of perceived need, but also because training, particularly off-the-job, is potentially expensive both in terms of paying for the necessary facilities and sparing staff time away from their jobs. In the case of the latter, loss of productivity (a hidden cost that employers are only too aware of) is also a factor in the reluctance to fund and arrange training.

Recruitment from the local labour pool appears to be at healthy levels and there is little evidence of excessive skill shortages in the area. Many of the hard-to-fill vacancies reported by employers in the last 12 months tend to be amongst unskilled or low skilled occupations and such recruitment difficulties may be overcome by employers more readily offering more extensive training for new recruits.

Recognising where there are skills deficiencies is an important first step to addressing them, but the findings of this survey suggest that few employers in the area can clearly identify where skills need improving in their existing workforce. The vast majority of employers either consider their workforce to be sufficiently skilled all ready (a perception that may be accurate in some cases, but not all) and many of those that do acknowledge a skills gap are vague about the nature of them. To be sure, many of those skills of a technical, practical or job-specific nature may be easily identifiable on a case by case basis, but it is difficult in a general skills survey of this nature to quantify such skill needs when they vary so much in their precise nature from one organisation to another.

IT skills needs tend to be ubiquitous, but it is highly likely (given national statistics) that employers under-estimate literacy and numeracy skill needs amongst their workforce.

There is still heavy reliance on the employee themselves for the identification of training needs. This is particularly the case within smaller firms, which constitute the majority of employers in the area. It implies that the impetus for training then has to come from the employee themselves. This highlights the challenge that exists in increasing employer engagement and investment in skills.

Only a minority of employers take a positive and systematic approach to training. Amongst the majority, training happens as and when the need arises and we have established in this survey that it is up to the employees themselves to identify that need in many cases. Unless systematic approaches to identifying skill needs (i.e. employer-led) and planning for training are put in place delivery of training will remain 'haphazard' in a large number of organisations, particularly those employing few staff which make up the majority of businesses in the area.

The lack of appropriate training provision locally is not a significant issue but at an individual organisation level the inability to obtain specific training locally may be an obstacle to training. It is also difficult to draw firm conclusions about local training provision when many of those organisations that have not undertaken any, or no more than basic on-the-job, training have not sought external training provision and do not know therefore if there are gaps in local training provision.

Material knowledge of Apprenticeships and Advanced Apprenticeships (i.e. knowing what they are as well as being aware that they exist) is at low levels and is at even lower levels with regard to Train to Gain and Business Link Skills Brokers. The Partnership needs to improve knowledge of both these initiatives if they are to increase levels of involvement in line with the objectives of the Leitch Review of Skills.

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