

In focus

Key issues affecting the building
services engineering sector in
Northern Ireland

Facilitated by
Summit SKILLS
The Sector Skills Council
for Building Services Engineering

HORIZON

the sector skills agreement
for building services engineering

New entrants

BASIC SKILLS

- 33% of employers in the Northern Ireland are alarmed at the low level of literacy and numeracy of new entrants.
- Concerns are also expressed by Northern Ireland companies about the poor literacy and numeracy skills among new entrants.

DIVERSITY

- 83% of firms employ no women outside of administrative roles. Those that do, only employ a small percentage.
- 17% of firms have employees from ethnic minority groups working in technical roles.
- There are opportunities to utilise female staff to visit clients from vulnerable or ethnic groups who would be uncomfortable with a male operative.
- Should training be developed in diversity issues and behaviours to make the existing and future workforce more aware of needs of these groups?

MIGRANT WORKERS

- Only 17% of firms stated they employ migrant workers at present.
- However, the expected increase in the requirement for skilled operatives may change this situation.
- Is there a need to develop English courses and health & safety training for migrant workers to meet this potential future demand?

SKILLS REQUIREMENTS

- 80% of employers need their craft workforce to be trained to Level 3. However, the Department for Employment and Learning Northern Ireland funding is currently driven by Level 2 targets.
- As part of the Government's Jobskills review, industry has clearly stated that Level 3 is the only and preferred option for employers in Northern Ireland.
- In the country, the government is inviting views on extending apprenticeship funding to students over 25.
- Whilst training provision from Electrical Training Trust is well received by employers, there have been concerns expressed at the quality of training provision elsewhere in the country.
- 47% undertake training of management and supervisory staff.
- 70% felt there was a need for technician training at National and Higher National Certificate level.

SCENARIO PLANNING

- SummitSkills has two workforce forecasting models for labour requirement, produced by BSRIA and Experian.
- 64% of Northern Ireland employers expect that the market for their services will grow, which will fuel the need for suitably trained new entrants.
- Therefore, SummitSkills recommends that the more optimistic model (Experian) is applied to Northern Ireland planning.

THE BIG QUESTIONS:

- Q How important are each of these issues to business?
- Q What are the most effective ways of dealing with them?
- Q Are there solutions already in place that meet the needs identified?
- Q Can other solutions that are already in place be adjusted or developed?

Business & workforce development

SKILLS REQUIREMENTS

- A number of employers in Northern Ireland have identified a need for IT skills, communication skills and multi-skilling.
- 50% did not identify any further skills than current levels.
- 53% did not train their supervisory or management staff – this may be impacting adversely on productivity.
- Day release creates a problem for some employers – distance learning may be a solution.
- Whilst some firms mentioned new technology, health and safety, IT skills, sustainability, management skills and multi-skilling, 32% of employers did not foresee any future skills requirements for their company.

RETIREMENT AND NATURAL WASTAGE

- 97% of firms in the Northern Ireland do not carry out retirement planning. This is clearly not enough to make allowances for losing members of the workforce.
- Trade Associations offer training in retirement planning – should the principles of this training be rolled out more proactively?

RIVALRY & PARTNERING

- There is a significant amount of rivalry between firms with competition for contracts, to an extent that it may be damaging the companies within the sector who operate within it.
- Extended contracts and partnering arrangements, which encourage co-operation rather than competition, are beginning, to become more prevalent in other regions but are not as evident in Northern Ireland.
- Is further training needed to encourage and address the development of new partnering arrangements?

BARGAINING POWER WITH SUPPLIERS/CLIENTS

- The majority of firms cited negotiation, playing suppliers off against each other and prompt payment as influencing bargaining power with suppliers.
- Use of supply chain management was mentioned by only a few of the companies surveyed in the Northern Ireland.
- Would more efficiency be achieved through training for the sector on supply chain management techniques?

RESEARCH AND DEVELOPMENT

- 30% of companies engage in forms of research – the majority of firms who don't will be at a disadvantage.
- SummitSkills is well positioned to work as a broker to enhance the marketability and relevance of research to the industry.

NEW IT IMPLEMENTATION

- Northern Ireland employers are responding well to new IT which shows considerable commitment, with varying degrees of expertise amongst staff.
- Some workers may require further training to increase IT skills levels, to make full use of technologies available and improve productivity in the future.

ENTERPRISE

- 60% of firms feel that entrepreneurship is an important issue, of which all feel they have the necessary skills.
- Does the sector need to investigate development in entrepreneurial skills, either as bespoke courses or through integration in general vocational education?
- SummitSkills notes that as much new business and entrepreneurial activity begins with small firms started by craft operatives, this training should be extended to all levels within the curriculum, and should not be seen as a management or technician function.

BENCHMARKING

- The sector is able to access benchmarking systems, but the majority of companies choose not to do so.
- Only 7% of Northern Ireland firms engage in formal benchmarking, however 66% carry out informal benchmarking techniques.
- In order for more firms to benefit from formal techniques, should formalised benchmarking practices be integrated into training for managers and supervisors?

THE BIG QUESTIONS:

Q Which of the issues listed above need the most urgent attention?

Q How can they be dealt with?

Q Are there systems or programmes already in place that meet these needs?

Q Can existing solutions be adjusted or developed?

External influences

GLOBALISATION

- 37% of employers in Northern Ireland do not think that the market will be adversely affected by foreign competition.
- However, through open tendering systems companies may experience rivalry from the rest of the UK and abroad for work in home markets.
- If the employer perception is incorrect, it may leave the sector vulnerable once foreign competition becomes established.

TECHNOLOGY/ENVIRONMENTAL CHANGE

The driving force:

- The UK's energy policy commits to cut CO2 emissions by 60% by 2050.
- The Northern Ireland Executive is spending £59m over the next two years to develop and implement renewable energy in the country and specifically within new dwellings.

The skills need:

- 77% of employers feel they are comfortable in environmental skills; however, these appear to be restricted to existing legislative-driven technology such as condensing boilers.
- Less are confident in skills such as solar and photovoltaic.
- The sector is reactive rather than proactive in training in new technologies.
- To meet the increasing demand for installation and maintenance of renewable energy, ongoing certified training opportunities need to be expanded on the already established renewable academies in the country.

GOVERNMENT REGULATION

- Employers feel that there is insufficient inspection taking place on sites with regards to monitoring competence card regimes.
- Many companies point towards increased costs on business in light of the Building Regulations.

THE BIG QUESTIONS:

- Q How do these external influences impact on business?
- Q How can the sector ensure that it is prepared for change?
- Q Are there existing solutions that meet the needs identified?
- Q Can other solutions that are already in place be adjusted or developed?

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