

Viewpoint

East Midlands Sector Skills Agreement workshop outcomes



Business & workforce development

This is a 'work in progress' document. The solutions listed throughout these pages were suggested by delegates at the Horizon workshop in Nottingham and will contribute to the Sector Skills Agreement for the East Midlands.

1. Enterprise

THE ISSUE:

The sector aspires to be entrepreneurial but needs to develop these new skills.

A majority of employers see this as important. Many are even asking for training. People at all levels in our sector from craft to management need to come to grips with the skills it takes to be a good entrepreneur.

SOLUTIONS FROM THE GROUP:

- Identify the entrepreneurs that are already in the industry but are not recognised within the current system. There is a fear factor that they will set up elsewhere – these individuals need encouragement.
- Harness entrepreneurial skills within a company – people don't necessarily have to leave the organisation.
- Derby University does entrepreneurial short courses including business skills – need to promote more like this.
- LSC/RDA need to attend events and share views.
- Some training does cover elements of entrepreneurship but need to recognise and utilise them.

2. Benchmarking

THE ISSUE:

Lack of formalised benchmarking makes the sector blind to competition.

The majority of companies choose not to access formal benchmarking systems that are available, though many use informal techniques. Does benchmarking need to be more formalised through management and supervisor training? Or are there other solutions?

TOP SOLUTION:

- Companies – work together and deal with issues. Create benchmarking and mentoring groups within human resources teams and on the shop floor, to allow companies to work together and deal with issues. Tap into Business Link for ideas.

3. Skills requirements

THE ISSUE:

Skills requirements are changing more than the industry realises.

This applies to existing workers. Finding qualified craft operatives is increasingly difficult. Employers require greater awareness of changing skills needs to meet technological changes.

TOP SOLUTIONS:

- Employers need to address existing needs and ask: where does the company want to go? Make time to ask the question... big time scale planning.
- Training providers to share resources – for example new technology knowledge. CoVEs are doing something similar.

OTHER SOLUTIONS FROM THE GROUP:

- Training providers to move away from the traditional academic year, not September to July – there needs to be some flexibility.
- Basic safety training implemented as a priority.
- Government support for new technologies.
- Government focus beyond 16–19.
- More flexible/mobile training – for example distance learning, virtual colleges and workplace assessment.
- Flexibility in the further education system.
- Use of case studies.
- Address the fact that school leavers are driven to university – there is not enough focus on life time skills.
- Perception of industry – it's not an easy route. Need to change attitudes and image to make the industry sexy and inclusive for everyone.
- Get into schools more perhaps through Connexions.

4. Retirement

THE ISSUE:

Too few employers plan to replace staff before they retire or leave.

The majority of firms do not plan to replace staff retiring with key skills. And changes in the population profile (e.g. fewer younger people) may affect traditional recruitment streams.

TOP SOLUTION:

- Levy – make people train or lose out on benefits.

OTHER SOLUTIONS FROM THE GROUP:

- Constant training is the answer – retirement is not perceived to be a problem by those that continually train.
- Emphasise the importance of learning from others.
- Train and promote company culture and ethos, encourage aspirations and progression which helps the company to combat staff turnover.
- Apprentices bring in new ideas – respect their knowledge.
- Mentoring – passing skills on inside and outside of the company, schools and colleges etc.

The following three issues were not discussed by the delegates. We would like your views on:

- Q: How important are 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 existing solutions be adjusted or developed?

5. Rivalry

THE ISSUE:

Companies need to think more positively about partnering because competition isn't always good.

Skills shortages lead to rivalry to poach and secure trained staff. Rivalry extends to extreme competitive tendering. Extended contracts and partnering arrangements are becoming more common in the public sector; encouraging cooperation rather than competition.

5. Research and development

THE ISSUE:

Too few industry members conduct research to share commercial knowledge.

Only 17% of regional companies do any kind of research and development (R&D) of their own. Companies know of little R&D conducted by trade associations and professional institutions, including higher education institutions. Who should be doing and sharing more? Knowledge is power.

TOP SOLUTIONS FROM THE GROUP (IN ORDER OF VOTES):

- Have an industry body to collate a directory and maintenance system of sector research.
- = Identify current knowledge within research and development already out there – don't reinvent the wheel.
- = Promote the directory and promote the benefits of why conducting research and development for businesses is important. Demonstrate the business case to explain why I should invest and the commercial benefit to companies.

OTHER SOLUTIONS FROM THE GROUP:

- Post-graduate research with employers and universities (Loughborough being an example). The benefit to employers is cost saving, the benefit to HE is experiencing the 'real world'.

6. Bargaining Power

THE ISSUE:

Clients and companies must see bargaining power as something beyond price.

Price was seen as the major bargaining factor with clients, with service, company name and reputation close behind. Supply chain management was not recognised by regional companies as a bargaining element. Would more efficiency be achieved through training in supply chain management techniques? And what else?

7. Information Technology

THE ISSUE:

Information technology could be more effectively used to improve productivity.

Almost all regional companies use IT daily. But more training is needed to ensure IT is used effectively. IT training tailored to sector needs could improve performance and cost efficiencies. How can people be helped to get the most out of IT?

External influences

1. Globalisation

THE ISSUE:

Globalisation presents new opportunities and potential threats.

3 out of 5 regional employers don't think the market will be affected by foreign competition. Foreign competition is unfamiliar currently but Europe and Asia are potential threats. Open tendering is an opportunity for foreign traders to access the East Midlands market.

TOP SOLUTIONS FROM THE GROUP (IN ORDER OF VOTES):

- Registered qualified workforce – will help to keep the public image positive.
- Government should regulate for a qualified workforce and this will improve the sectoral image.
- Heighten awareness of what's out there and raise awareness amongst employers.

OTHER SOLUTIONS FROM THE GROUP:

- Keep provision fresh and updated don't regurgitate old stuff.
- May also need regulation to ensure and encourage buy in.
- Invest in bringing people in from overseas to teach new entrants and existing people working within the building services engineering sector.
- Migrant workers who are properly skilled to teach – migrant tutors – this is a new and cheap idea – however not all would like the idea.
- Integrate new technology into craft training.

2. Technology/Environment

THE ISSUE:

The sector is not aiming far enough ahead in new and environmental technology.

Most recognise this as a major issue but have no plan to address it. Employers' environmental skills tend to be driven by legislation; the sector reacts to change rather than plans for it. Technology is changing faster and planning future skills well ahead will become more important.

TOP SOLUTIONS:

- Funding provision for renewable technology courses.
- Government initiatives – promote green issues and encourage demand e.g. legislation for new homes. A role model to follow would be countries like Germany, Denmark, Canada, New Zealand. This demand then rolls down to provision.
- Environment awareness in schools, children can then bring these ideas into homes.

OTHER SOLUTIONS FROM THE GROUP:

- Employers explore with other bodies and learn.
- Develop recognised training.
- Research into appropriate provision/technology – overseas exploration.
- Government push to increase demand from customers, this would then increase installer demand – a push to create a pull.

3. Government

THE ISSUE:

Government regulation is placing burden on the sector that needs more support.

Legislation and building regulations are seen to have increased business costs and red tape. The skills card regime is felt to be implemented piecemeal and insufficiently inspected. The good guys feel penalised. What can skills and training do to help?

SOLUTIONS FROM THE GROUP:

- Change in legislation and regulation to enforce current system and to stop fake cards.
- Make cards clearer to ensure understanding.
- Flexible assessment and NVQs for existing workers to gain qualifications and skills cards.
- IT-based update of skill cards and qualifications.
- 'Holding account' for contract payments to ensure that the proper job is done before payment is made to avoid cowboys – this is done on some major contracts instead of retentions.

New entrants

1. Basic Skills

THE ISSUE:

Lack of basic skills is a rising issue for our sector.

1 in 3 of the region's employers are alarmed at low level literacy and numeracy, as well as poor attitudinal skills of new entrants. Young people with lack of basic skills are attracted to this sector, and their basic skills will be more stretched in the future by IT demands. How must the SSA address this?

TOP SOLUTIONS:

- LSC/RDA to work closely with SSCs to understand needs.
- Commit to Level 2 literacy and numeracy. ITQ and Train2Gain will help towards this need to embrace and incorporate into culture. Not just entry level – it's an issue for all – not even graduates are fully up to speed.

OTHER SOLUTIONS FROM THE GROUP

- Need understanding of terminology and what it means to industry and workforce in terms of 'skills for life' and 'basic skills' – misinterpretation could be detrimental.
- Call it 'skills for life' and demonstrate how they are used everyday.
- Working closer with schools.
- Tackle embarrassment factor – get through the back door e.g. union learning reps can also help to champion causes.
- Utilise best practice from others that have already benefited. Simple basic format for information and create a general awareness of what help is available.
- Union Learning Reps can help, or learning champions. Helps to tackle embarrassment factor of employees admitting problems.

3. Migrant Workers

THE ISSUE:

Migrant workers are a hot news topic but the sector shows minimal impact in the East Midlands... yet!

Only 7% of firms claim to employ migrant workers. Retirement and people leaving the sector will need more migrant workers to replace them. Skills training needs to be planned to accommodate this near future trend. English for Speakers of Other Languages is among many skills that will be required...

SOLUTIONS FROM THE GROUP:

- Not seen as a threat – what problem?
- Need for comparative qualifications – perhaps a web-based system for comparison.
- Monitor numbers and skill levels of migrant workers.
- Tighter regulation.
- Web-based system for comparison.
- Sufficient ESOL trainers – great need for these.
- Demonstration of situation in London – it is an issue and will eventually be elsewhere.
- It is a problem in this region in other sectors.

2. Diversity

THE ISSUE:

While overt anti-diversity comments are fewer these days, the sector is still not diverse.

7 out of 10 regional firms employ no women outside administrative roles and very few when they do. Women are interested in joining the sector later in life. A third of businesses employ people from ethnic minority groups. Where do training and skills feature in this issue?

SOLUTIONS FROM THE GROUP:

- Identify gaps and benefits of diversity – this will need spelling out.
- Develop case studies of employers who have benefited and put employees in schools as ambassadors.
- Activities, open days, childcare vouchers.
- Training providers follow up, support and monitor beyond training, which will help to minimise drop out.
- Government to positively discriminate – clients to ask for a female/ethnic workforce/operative. BUT: can you advertise that you are looking for a specific type of person? Is it allowed?
- Move away from stereotyping in schools and by parents
- Establish schools and college links.

4. Employer requirements vs Govt funding

THE ISSUE:

How do we bridge the gap between government funding and employer requirements?

Employers see Government funding policy for Level 3 as disadvantaging older apprentices (19+) whom employers find attractive. Regionally there are concerns at the quality of training provision.

SOLUTIONS FROM THE GROUP:

- Providers to collate evidence on demands for 19+ and to present a strong lobby case.
- Flexible learning programmes – making funding going further, for example e-learning.
- Fast tracking transferable skills e.g. Rover.
- Providers responsive to demand. Employers will pay for quality – but need to define what is quality.
- Further Education to learn from practice of private providers
- Centres – satellite – in house training with employers and tutors.
- Develop learning champions in partnership with college.
- University of Derby – Learning through Work initiative – best practice.

These 'quick win' and 'long haul' solutions are also the views and suggestions of the delegates at the Horizon workshop in Nottingham.

TOP QUICKWIN SOLUTIONS FOR THE SSA –

Easy to do, but important

(suggestions have been grouped into similar topics for ease of viewing/assessment)

FUNDING AND TRAINING PROVISION

- Provide funding for the over 19s.
- Change technical certificate Level 2 plumbing – remove lead and steel and add renewables.
- Talk to colleges about the potential of starting a 'green' course but there has to be demand from new entrants and essentially clients to support this.

GOVERNMENT INVOLVEMENT

- Encourage LSC/EMDA involvement and support.

SECTOR IMAGE

- Raise the profile of the sector through education establishments.

COLLECTING, SHARING AND PROMOTING INFORMATION

- An industry body to collate directory and maintain system of sector research.
- Ask each delegate for one case study of best practice and use.
- Identify current knowledge and benefits out there for employers.
- Build a single vision of the ideal career plan for an employee in each SummitSkills trade from school-employer-college-further education-company setup etc. Then build variations on this plan.
- Promote today's event of the SSA across the sector. Ask everyone in the room to tell ten people about it.

TOP LONG HAUL SOLUTIONS FOR THE SSA –

Difficult, far off, but important

(suggestions have been grouped into similar topics for ease of viewing/assessment)

REGISTERED WORKFORCE/LEGISLATION

- Registered qualified workforce.
- Registration of the building services engineering sector.
- Regulate the industry – this would then ensure skills, safety, quality and good reputation.
- Define through government legislation what a tradesman is versus a DIYer and what they can and cannot do especially in plumbing. All tradesmen should be registered like a doctor/lawyer.
- Government legislation to enforce training/qualifications e.g. levy.

GOVERNMENT INFLUENCE

- Government change on funding support.
- Encourage training – lobby parliament to react quicker to changes.

CHANGING MINDSETS

- Getting people to change attitudes.

IMPLEMENTING THE SSA

- Ensure that the action plan from the Sector Skills Agreement works with all stakeholders and we learn from other Sector Skills Councils.

RESEARCH AND DEVELOPMENT

- Research and Development – finding out what's already been published and put together a resource pack of useful websites.



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