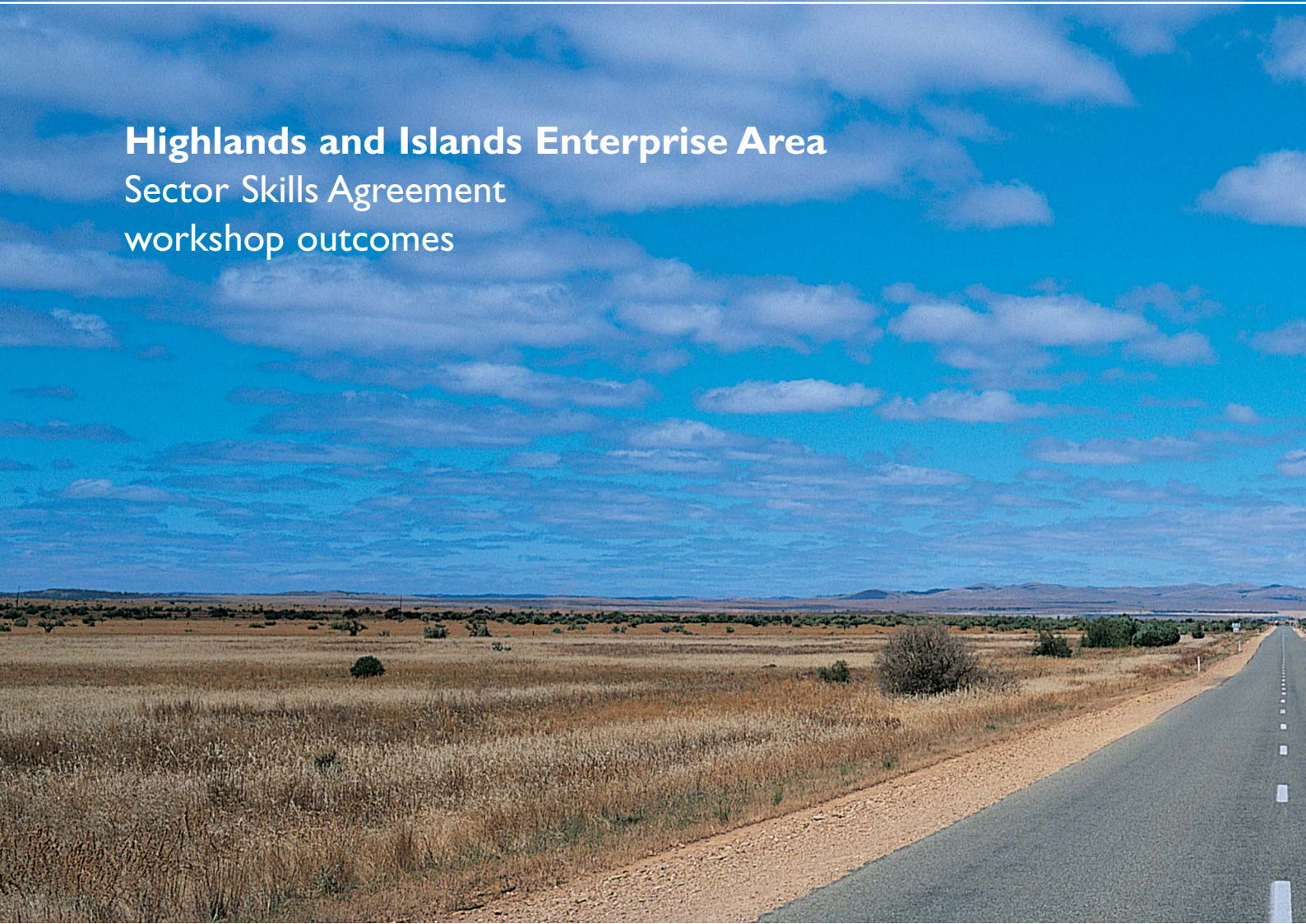


Viewpoint

Highlands and Islands Enterprise Area 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 Inverness and will contribute to the Sector Skills Agreement for the Highlands & Islands Enterprise area.

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:

- Help employers to understand the potential of new business in new renewables technologies, for example solar, heat pumps, and the opportunity to diversify into areas such as facilities management.
- Providers to consult with employers to understand their needs and uncover the gaps.
- Support firms to develop expertise in partnering.
- Government to encourage/facilitate partnership working by breaking down contracts into smaller packages to allow more small companies to compete.
- Develop management skills within business to help grow and look ahead. Could be a shared resource for smaller businesses.
- Skills on how to sell to firms – it's not necessarily teaching people to set up their own business, but how to develop general business skills.
- Offer more responsibility – increase productivity – shared ownership in business.
- Sustaining a business is just as important as growing.

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?

SOLUTIONS FROM THE GROUP:

- Providers to provide information on what's out there already, for example the use of existing data, statistics etc.
- Government to share data on the sector.
- Case studies – promote what is good and share best practice – look at National Occupational Standards.
- Key Performance Indicators packs are available to purchase. We need to promote/share information that this is available, via websites, SSCs etc.

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 (IN ORDER OF VOTES):

- Increase employer awareness of relevance of training and if it meets their needs. Make qualifications more visible and relevant.
- Upskill lecturers to ensure they are aware of the new products being developed by manufacturers.
- = Highlight the business case for investment in training: "why should I?"
- = SummitSkills to help make the sector aware of new developments in timely fashion, to help firms to plan ahead. Alert the business opportunities e.g. real life examples such as housing stock transfers.

OTHER SOLUTIONS FROM THE GROUP:

- Partnership to ensure solutions are cost effective. Manufacturers to be a part of this.
- Need confidence in qualification content – both practical and theory.
- Need fundamental availability of courses and better forecasting.

4. Retirement

THE ISSUE:

Too few employers plan far enough ahead to replace key staff before they retire.

The majority of firms have not considered the effect on their businesses of staff with key skills retiring, and changes in the population profile (e.g. fewer younger people) may affect traditional recruitment streams.

SOLUTIONS FROM THE GROUP:

- Consultation with employees due to retire, to ensure their skills are passed on in time.
- Providers – ensure they know what employers require
- Educate firms on if the proprietor is retiring – carrying the business on/succession planning.
- Employers to get into schools and use their employees to champion the sector.
- Promote other options at 65.
- Teachers placement programmes – link into retired workers to teach the teachers and the careers advisors.
- It's difficult for small firms, so develop a training plan to look at who is retiring and how to fill the gap – succession planning.

The following four 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.

6. Bargaining Power

THE ISSUE:

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

Whilst service and reputation do influence, the majority of employer see price as their major bargaining factor. Supply chain management was mentioned by only a small percentage of companies. 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 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.

8. Research & Development

THE ISSUE:

Too few industry members conduct research to share commercial knowledge.

Only 33% of 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?

External influences

1. Globalisation

THE ISSUE:

Globalisation presents new opportunities and potential threats.

Almost 9 out of 10 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 Scottish market.

SOLUTIONS FROM THE GROUP:

- Employers should be aware of what companies are tendering for work in the area, and what the opportunities are. Need forward planning and an awareness of market.
- Work with others to help understanding.
- Providers to investigate what languages are needed?
- Mapping qualifications – compatibility of skills.
- Policing and restrictions on incoming workers.
- Adaptability – attitudes to multi-skilling and ability for our workers to diversify to match foreign skills.
- Changing attitudes – pay and remuneration of workers.

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:

- Government incentives to make it work and encourage employers to get involved.
- Collaborative agreement in research/strategy.
- Promote payback periods to help understanding.

OTHER SOLUTIONS FROM THE GROUP:

- Employers to make a business decision on do I get involved or not? This helps to decide on training etc.
- Raise awareness of the changing market – so employers can make an informed decision.
- Partnership arrangements in contracts.
- Develop relevant industry recognised provision.
- Government to stimulate demand through incorporating new technology into public-let contracts.

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?

TOP SOLUTION:

- Centralise the card system – just one system – needs consultation with the sector.

OTHER SOLUTIONS FROM THE GROUP:

- Less handing down of edicts.
- Provision linked to that new card system.
- Government to assist in new process – keep it all together and avoid divergence.
- Industry to self-regulate, Government to facilitate with impartiality in network and/or ombudsman.
- Government to set example – insist on carded workforce for public contracts.

New entrants

1. Basic Skills

THE ISSUE:

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

36% of the area'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 (IN ORDER OF VOTES):

- Back to basics – inform how industry can advise, link with partners.
- Curriculum for excellence – tasters and employability. Skills for Work courses.

OTHER SOLUTIONS FROM THE GROUP

- Monitoring and dialogue between providers & industry to communicate requirements to education.
- Sector Skills Councils to help design syllabus to ensure work-related. Lots of work can be done with schools but needs to be employer relevant.
- Hours of training needs to fit in with working hours. Opening hours of providers need to be open to industry year-round. This would accelerate the learning of apprentices.

2. Diversity

THE ISSUE:

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

67% of firms in the Highlands & Islands Enterprise area employ no women outside administrative roles and very few when they do. Women are interested in joining the sector later in life. Only 7% of firms employ people from ethnic minority groups. Where do training and skills feature in this issue?

TOP SOLUTION:

- Promote sector to all and make it attractive so that a more diverse cross-section of the public will want to apply. If you change perceptions, diversity will then come naturally.

OTHER SOLUTIONS FROM THE GROUP:

- Join forces to promote careers in larger way rather than separately.

3. Migrant Workers

THE ISSUE:

Migrant workers are a hot news topic...!

33% of firms in the area 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 these workers. English for Speakers of Other Languages is among many skills that will be required...

TOP SOLUTION:

- Check regulations and competence between countries and map the shortfalls both ways.

OTHER SOLUTIONS FROM THE GROUP:

- Need to know where migrant workers are coming from, the origin of their qualifications, the standard of English and health and safety knowledge.
- Signage on site in relevant language.
- Ease of verification for foreign qualifications.
- Tuition in English and general language training.
- Ensure level playing field for migrant workers and UK workers – both have to adhere to the same rules.
- Keep promoting our own apprenticeships – there is still a need for us to train for the future.
- Need to harmonise credit frameworks across Europe.

4. Skills requirements

THE ISSUES:

The country is not undertaking sufficient supervisory and management training. Regionally there are concerns at the quality of training provision.

TOP SOLUTION:

- Differentiate the skills needed for general business as well as individual career progression.

SOLUTIONS FROM THE GROUP:

- Management training must be delivered on-site. Distance learning, web, learn direct bite sized chunks.
- Lobby government to fund management training.

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

TOP QUICK WIN SOLUTIONS FOR THE SSA – Easy to do, but important

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

SKILLS DEVELOPMENT

- Most important quick win solution for the SSA is to ensure that the qualifications required by the sector are provided to the sector so that the sector clearly understands what is available and what is appropriate and equally what is not.
- Look at radical change of apprenticeship and how delivered – enhance funding.
- Basic skills issues this must be solved it can impact on the future of the sector.

SSA PROCESS

- Make a significant contribution to the development of the sector across all areas.
- Provide supportive documentation.
- Develop the long haul strategy.
- Timely communication of the findings to all and the next steps to implementation.
- To remain active and focused in the tasks in hand.
- To act on all information contained within the SSA show employees and all stakeholders that this is not a talking shop.
- Relevant appropriate solutions.

INDUSTRY PROMOTION

- Better promotion of the industry.

EMPLOYER INVOLVEMENT

- Touch base with all employers in Highlands and Islands including small firms to raise awareness.
- Understand barriers to employer involvement.

TOP LONG HAUL SOLUTIONS FOR THE SSA – Difficult, far off, but important

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

QUALIFICATIONS

- Devise appropriate qualifications.

COMPETENCE CARDS AND REGULATION

- Centralising the industry card system – too many organisations. Needs to be compulsory not self-regulated.
- Common card system.
- Reduce government regulation (including health & safety).

EDUCATION SYSTEM

- Education at school level has to be improved.

SECTOR PROMOTION

- Promote the industry.
- Promote the industry through a professional medium (not small individual solutions/attempts).
- Attract the right people into the industry.

PARTNERSHIPS AND ENGAGEMENT

- To increase inclusion.
- Continual workshops and dialogue with industry to address current issues.
- Greater employer involvement.
- Continued liaison with employers and trade organisations HVCA/SELECT/SNIPEF/CITB to update on all progress/changes re skills.
- Findings communicated in a meaningful and understandable way to employers.

SSA OUTCOMES

- To allow the sector to operate in a more flexible manner.
- The most important long haul solution for the SSA is to get employers to recognise the value of training and for employers to subsidise/fund learning for its sector rather than the state.
- Show benefits.
- Be the catalyst for change as and when it is necessary.

SummitSkills Limited
Vega House, Opal Drive,
Fox Milne, Milton Keynes MK15 0DF

T: 01908 303960
F: 01908 303989
www.horizon-ssa.org.uk
email enquiries@summitskills.org.uk

skills
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