

Viewpoint

North West Sector Skills Agreement workshop outcomes



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

HORIZON

the sector skills agreement
for building services engineering

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 Manchester and will contribute to the Sector Skills Agreement for the North West.

1. 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?

SOLUTIONS FROM THE GROUP:

- Industry needs to be educated to understand advantages of implementing IT and the need to train staff. Promote the flexibility of IT – cost/time advantages.
- Workers who are lacking in required IT skills to be open to colleagues' expertise – mentoring systems could be set up.
- Be aware of a challenge – cultural "fit" – IT will never fully replace face-to-face communication – personal aspect is still important.
- More specialist IT provision.

2. 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:

- Benchmarking, sharing, partnering.
- Get and share advice from Higher Education and others
- Create a culture that encourages and invites ideas from top to bottom of company – all levels of staff.
- There is a wealth of existing information out there – need to tailor to our sector to make relevant.

3. 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:

- Implement benchmarking as part of company culture.

OTHER SOLUTIONS FROM THE GROUP:

- Adapt existing benchmarking tools to suit sector-specific needs.
- Relevant training provision to suit needs.
- Raise profile of benchmarking techniques and solutions.
- Study competitors for best practice.

4. 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 SOLUTION:

- Changes or revisions to funding streams – need 'whole of life' funding to extend right through to management/leadership training and beyond.

OTHER SOLUTIONS FROM THE GROUP:

- Employers – change in attitude needed towards skills and training.
- Present workforce used to mentor/advocate – encourage involvement – easier for large firms. Some do already.

5. Retirement

THE ISSUE:

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

Only 33% of regional firms actually 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 SOLUTIONS (IN ORDER OF VOTES):

- Develop older workers into trainers/assessors – a programme to retrain 50+ into mentors.
- = Employers need to do more forward planning – but need support from LSC.
- = Embrace/tap into “risk takers”.

OTHER SOLUTIONS FROM THE GROUP:

- Adjust provision and funding.
- Older workers to be aware of career planning – next steps and options when reaching retirement.

6. 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.

SOLUTIONS FROM THE GROUP:

- Engaging with subcontractors – taking a team approach. Clients also to promote partnering to encourage suppliers to do it.
- Increase understanding of contractual issues.
- Participate in partnering – transfer of skills and apprentices.
- Investigate tried & tested partnership models – ‘Fusion 21’ has worked for others.

7. Research and Development

THE ISSUE:

Too few industry members conduct research to share commercial knowledge.

Only 40% 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.

SOLUTIONS FROM THE GROUP:

- Regional and national government to sell R&D opportunities, perhaps offer in-house expertise to firms.
- Create and information archive for firms.
- Businesses need to create structure for R&D – make it a designated role within a company.
- Providers to expand knowledge – develop broad experience and promote.
- Higher Education to increase employer engagement.
- Create ‘collectives’ to benefit from R&D – groups of firms makes it more feasible for SMEs.
- Conduct initial benchmarking on who's doing what.

8. Bargaining Power

THE ISSUE:

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

Price and company reputation are seen by a majority of employers as the major bargaining factors. Supply chain management is recognised by only 5% of regional companies as a bargaining element. Would more efficiency be achieved through training in supply chain management techniques? And what else?

This issue was not discussed by the delegates. We would like your views on:

- Q: How important is this issue to business?
- Q: What are the most effective ways of dealing with it?
- Q: Are there solutions already in place that meet the needs identified?
- Q: Can existing solutions be adjusted or developed?

External influences

1. Globalisation

THE ISSUE:

Globalisation presents new opportunities and potential threats.

More than 3 out of 4 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 North West market.

SOLUTIONS FROM THE GROUP:

- Improve understanding of the term "Globalisation" – perhaps use "International trade" to make clearer. Small firms do not see as having an impact on them.
- Amend tender processes to include fair opportunities for local firms and request evidence of use of local labour.
- Promote benefits of partnerships with foreign firms – learning.
- Set up of niche 'business service' firms for specialist industry areas, and develop training related to this.
- Levy to ensure all train.
- Help SMEs win local contracts – team/partnering ('Elevate').
- Language training – to allow us to compete in overseas markets.

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 (IN ORDER OF VOTES):

- Relationship building: providers, industry, government to create a common understanding of the situation.
- Accreditation of training – quality and support from regional govt.

OTHER SOLUTIONS FROM THE GROUP:

- Improve communication of new incentives to business.
- Employers to improve planning – requires education: think beyond standard work.
- Adequate training provision.
- Creation of market – employers are reluctant to get involved until there is a critical mass.
- Create the demand for new technology – support customers in purchasing.
- Support for funding proposals to develop/train.

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:

- Standardisation of the numerous skill cards – government to investigate – leading to one 'site passport' – an Ace card.
- More emphasis on Accreditation of Prior Learning.
- There is too much emphasis on health & safety (although good) – need more skills focus.
- Benchmarking CORGI – how this has become successful and recognised by public.
- Make competence based – Part P – industry rather than company.
- Benchmark against current standards rather than reinvent the wheel.
- Higher government involvement/consultation with employers when devising new regulations.

New entrants

1 Basic Skills

THE ISSUE:

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

Almost half 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:

- Increase interaction between schools and employer groups to improve understanding of what skills employers require.
- Higher Education targets reduced to allow/encourage more entrants through a technical route.

OTHER SOLUTIONS FROM THE GROUP:

- One focused message from government to employers on what the various qualifications/curriculum items are.
- Industry role models to encourage study.
- QCA/LEAs to be involved closely in SSA/solutions.

2 Diversity

THE ISSUE:

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

Almost 9 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. Only 1 in 5 regional businesses employ people from ethnic minority groups. Where do training and skills feature in this issue?

TOP SOLUTIONS (IN ORDER OF VOTES):

- Make industry sexy: it is viable option. Use TV role models – the “Ally McBeal effect”.
- Educate parents to demonstrate career benefits.

OTHER SOLUTIONS FROM THE GROUP:

- Funding for later-life career changers.
- Research into motivators of non-traditional groups – many ethnic minority groups are keen to start businesses but not start as apprentices, which can eventually lead to running a firm.
- Promotion of sector in media of careers – relevant/targeted e.g. women's daytime TV and radio.

3 Migrant Workers

THE ISSUE:

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

Only 1 in 5 regional 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...

TOP SOLUTION:

- Data needed on migrant workers – where, how trained, their skills needs.

OTHER SOLUTIONS FROM THE GROUP:

- One European Standard for workers – common qualifications and practice.
- ESOL provision to suit employers as well as individual. – LSC is developing.
- Study best practice in other firms – how they do it and succeed.
- Adapt practice from other successful industries e.g. football

4 Employer requirements vs Government funding

THE ISSUE:

Employers see Level 3 qualification as the minimum standard for a fully trained craft operative.

Nearly all employers need their craft workforce trained to Level 3. Many see Government funding policy disadvantaging older apprentices (19+). Regionally there are concerns at the quality of training provision.

TOP SOLUTIONS (IN ORDER OF VOTES):

- Adjust funding streams.
- Training providers to promote higher levels – benefits of progression.
- Abolish age discrimination – should develop a culture lifelong learning with no age caps on funding.
- Need to recruit at right levels.

OTHER SOLUTIONS FROM THE GROUP:

- Employers to implement mentoring systems.

The 'quick win' and 'long haul' solutions are the views and suggestions of the delegates at the Horizon workshop in Manchester.

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

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

FUNDING AND PROVISION

- Funding and training provision.
- Secure funding for 19+ (bringing adults into industry could resolve so many other issues long term).
- Education. Provide funding streams for all ages.
- Appropriate training funding for 19+ yrs. Influence T2G. Collaborative public sector solution (LSC, JCP, NWDA, HEFCE). One offer.
- Skills training to be funded better and better organised across the board.
- Employer led funding to provide training employers need.
- Funding Streams. Not Barriers. Diversity workforce & address skills gap. Lifelong learning.
- Revise funding streams. Return to training levy.
- Funding issues.

NEW ENTRANTS

- Improve school leaving standards. Quality recruitment.

INDUSTRY PROFILE AND ROLE MODELS

- Raise profile of sector – new entrance choice.
- Industry ambassadors into schools. (Look at Setnet & ConstructionSkills models).
- Recruit and train older workers to teach, train, assess and promote careers in the sector – because we need to harvest their expertise.

ENGAGEMENT AND PARTNERSHIP WORKING

- Engage employers. Without employers the SSA has no foundation.
- Completely open communication between HE & industry.

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

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

- SSA to be an ongoing process that engages with sector to deliver skills needs for region.

STANDARDS AND QUALIFICATIONS

- On accreditation level – too many competency cards a differing levels – confusion.
- Standardisation of qualifications and training delivery.

RECRUITMENT INTO SECTOR AND INDUSTRY IMAGE

- Recruitment issues for the industries. Long term viability.
- Everyone has a chance of a career.
- Better promotional activities throughout industry.
- Turn around the image of craft and technician careers – why – because there aren't enough jobs in McDonalds and call centres.
- Education of youngsters.
- Level of competence/basic skills of young people. Working effectively with schools. Ensuring ongoing success of the sector.

PROVISION AND FUNDING

- Change funding to meet the needs of the sector. Level 3 qualifications for all after 19+.
- Improve training provision with adequate employer funding.
- Re-align funding strand. Fair access to funding.

GOVERNMENT INFLUENCE

- Change Government attitude. Without changes all efforts will fail.
- Legislation enforcement – all skilled persons in workforce.

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