

Viewpoint

Wales

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 Cardiff and will contribute to the Sector Skills Agreement for Wales.

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:

- Use teachers to help identify emerging stars.
- Put mechanisms in place – teach students how to network and how to use it – for under 20s.
- Help entrepreneurs to recognise themselves – encourage young enterprise schemes.
- Don't be elitist – be inclusive – not all academics.
- Support fledgling business so as not to fail early.

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:

- Better communication from top right down to bottom – government to micro business. (Tap into DTI – raise awareness – better marketing needed).
- Additional knowledge unit on existing qualifications – make it mandatory.
- Early stage training – benchmarking and business skills to raise awareness amongst new entrants.
- Asking customers – informal.
- Quality management systems.

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:

- Promote benefits of joining sector, we want the high achievers.
- Probation period for new entrants – 'try before you buy'.

OTHER SOLUTIONS FROM THE GROUP:

- Equal opportunities – diverse & positive.
- Use experienced workers and those reaching retirement to go into schools and act as role models, to promote industry.
- 1st year apprentice (role models) also to go into schools to promote.
- Don't forget 'all age' learning.

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 SOLUTIONS (IN ORDER OF VOTES):

- Financial support for relevant training (WAG does leadership & management training).
- Mentoring – needs formalising.

OTHER SOLUTIONS FROM THE GROUP:

- Depends on company size – waste for one man band.
- Firms with 10+ employees – identify needs in advance and create plan for all staff – skills for future. Create a 2-year retirement plan for example.
- Providers: help firms to identify suitable staff – create training environment for modern methods – management techniques.

5. Rivalry/Competition

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:

- Call it 'Competition' rather than rivalry.
- Helps firms to understand issues/benefits surrounding tackling rivalry.
- Creation of forums for micro-businesses – develop relationships and trust.
- Providers could facilitate events.
- WAG – make easier for businesses to pull together – change in practice.
- Supply chain management.
- Needs to top – down from public sector.
- Be careful with partnering – beware monopolies.

6. Research and development

THE ISSUE:

Too few industry members conduct research to share commercial knowledge.

Only 25% of companies do any kind of research and development of their own. Companies know of little research and development by trade associations and professional institutions, including higher education institutions. Who should be doing and sharing more? Knowledge is power.

TOP SOLUTION:

- Employers – get involved in trade associations and professional bodies and contribute.

OTHER SOLUTIONS FROM THE GROUP:

- SummitSkills to have bigger role, negotiation with end users, government.
- Providers, quality of students.
- Key skills interviews for new entrants.
- KEF (knowledge exploitation fund) liaison – take industry forward – SSC, industry, end-users.

The two issues below were not discussed at the event. 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?

7. Bargaining Power

THE ISSUE:

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

Price, reputation and service are seen by a majority of employers as their major bargaining factors. 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?

8. 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. 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.

Almost 4 out of 5 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 Welsh market.

TOP SOLUTION:

- Better enforcement on regulation.

OTHER SOLUTIONS FROM THE GROUP:

- Employ competent workers.
- Providers – help provision to create standardisation of workforce.
- Education process for procurement.
- Revise the policing structure.
- New license to operate and purchase – pan-Europe.

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):

- Move quickly, set up small steering groups to establish training need, project to train.
- Funding would help small firms to off-set costs of getting involved. Sell the profitability angle. Timing of provision is important, early morning, evening and weekends.
- SummitSkills to develop competency framework, need Wales-based.

OTHER SOLUTIONS FROM THE GROUP:

- Delivered in bite size chunks e.g. 'sector step-up'. Trade associations to get involved as well.
- Manufacturers to get involved early as possible.

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:

- Help micros to have a voice – be part of Trade Association – get involved at branch level. Then able to influence in early stages/consultation.

OTHER SOLUTIONS FROM THE GROUP:

- Legislation needs to be realistic, understandable and able to implement at ground level.
- Incentives – goodwill – mandatory trade association membership but with perks.
- Drive customer demand for competence/quality – e.g. trust mark.

New entrants

1. Basic Skills

THE ISSUE:

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

43% of the country'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. How must the SSA address this?

TOP SOLUTION:

- Raise the profile of the sector to encourage higher calibre of entrant.

OTHER SOLUTIONS FROM THE GROUP

- Utilise Basic Skills Agency – disseminate information. Develop a common understanding of what “Basic Skills” are
- Review careers advice – clear message on technical elements of sector.
- Highlight current initiatives e.g.: Basic Skills Pledge so employers can take advantage.
- In-house mentoring.
- Link between industry and education to start culture change – kids to have more interaction with adults.
- If we got procurement of entrants right – there wouldn't be a problem of basic skills.
- Partnerships e.g. Techniquist – building of the future, new technologies – develop a 'trendy' badge for the sector through PR.

2. Diversity

THE ISSUE:

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

80% of regional firms employ no women outside administrative roles. Women are interested in joining the sector later in life. Only 15% of firms employ people from ethnic minority groups. How can training and skills address this issue?

TOP SOLUTIONS (IN ORDER OF VOTES):

- Need culture change – but takes time – 10 years' lead time
- Shared apprentices/job rotation.

OTHER SOLUTIONS FROM THE GROUP:

- Flexible working hours – crèche, female w/c.
- Providers – start awareness at school level – CITB / JTL apprenticeships in school.
- Role models/ambassadors. Females and males together – team. Male employers saying “I'm doing it”
- Look at Scandinavian examples.
- There are financial rewards – go for it!
- Education Business Partnerships can help with logistics of 200+ schools.

3. Migrant Workers

THE ISSUE:

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

20% 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.

SOLUTIONS FROM THE GROUP:

- Facilitate environment to allow employers to take more people on – if we match/train young people we would not need to recruit migrant workers.
- Skills gap analysis of migrant workers.
- Funding for language provision.
- We could learn from migrant workers – use ongoing training of own staff – different cultures can learn from.
- Don't rely on in future. Poland will eventually take back.

4. Employer requirements vs. Government funding

THE ISSUE:

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

78% of employers need their craft workforce trained to Level 3. Also the country is not undertaking sufficient supervisory and management training. Regionally there are concerns at the quality of training provision.

TOP SOLUTIONS (IN ORDER OF VOTES):

- Re-adjust focus of funding – NVQ – work based.
- Realistic courses – not just bums on seats.

OTHER SOLUTIONS FROM THE GROUP:

- Taking on more apprentices of a better calibre – already set high bar – grade C minimum.
- Employed-status apprenticeships – but need provision to match.
- Make representation to government minister – already happening.

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

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

- Train the trainer, develop network of training providers for environmental technical solar power, and micro generation etc. Because the capacity needed to meet targets and save the planet is not currently available.
- Funding for employers.
- Stop funding colleges for the sake of statistics and bums on seats. They will still have the same number of courses.
- Reduce training costs because money is not used properly.
- Change funding to a training to ensure work based learning.
- Expand funded training into targeted areas for all ages of the workforce – addresses home grown solution to maintaining skills levels.
- Ensure full frameworks – NVQ2, technical certificate and key skills. Having just technical certificate gives a bad image to the industry.
- Tailor training to company requests.
- Address the funding wasted in short term – technical certificate training which does not lead to employment.
- More funding for apprentices.
- Financial support, address the disparity in funding for work based vocational training in Wales – compared with the rest of the UK. Why? This is needed to encourage employers to participate in apprenticeship.

SECTOR IMAGE

- More details for careers people on what the building services engineering industry is about – better understanding.
- PR campaign promoting sector – role models because there is low awareness – establish competitive advantage.
- Awareness of men and women working together in an unrepresented trade because increase a positive, professional partnership.

SKILLS REQUIREMENTS

- Additional skills needed in next 5 years to meet new technology at skills and technical levels.
- Identify actual needs for training not just from figures produced by Government.

EMPLOYER ENGAGEMENT

- Listen to employers regardless of what you think – they know their needs.
- Techniquet is keen to form partnerships across Wales.
- Steering groups to start industry focusing on the future – long term sustainability starting now.
- Steering group to facilitate change with regard to training the in the environment and technology area.
- Greater support from sector employers of skills to their long term sustainability.
- Provide flow chart of where SSA sits in market place.

TOP LONG HAUL SOLUTIONS FOR THE SSA –

Difficult, far off, but important

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

ENGAGEMENT WITH SCHOOLS/EDUCATION

- Engagement with education at all levels – why? Sector profile, better applicants' impact on development of skills, attitudes and expectations.
- Skills and attitude in school year 5 – better educated employees.
- Develop our industry in the community.
- Education from 13–14 upwards and interaction with employers.
- Promote links with schools at a much earlier stage.
- Set up links to school to promote sector, (must be before 12–13 years.)

COMPETENCE SCHEMES

- Market trust mark to gain public recognition. Customers drive up demand so economically valuable for employers to meet regulation and stamp out black market.

TARGETING NEW ENTRANTS

- Go for higher calibre of people. Re-brand sector because it will affect numerous people.
- Make out industry more appealing to the youth of tomorrow.
- Counter-initiative but make it harder to get into industry. Raise entry level qualifications, only accepts individuals with high calibre potential. This will generate self esteems and aspirational challenges to high performing individuals to enter the area.
- Diversity – more women and ethnic minority working in the industry... create another skills base.

FUNDING AND TRAINING PROVISION

- Sustainability training government led energy efficiency solar/ground source.
- Fund the employer via government apprenticeships by regulating finances. Work based, better qualified.
- Funding for local training – apprenticeship, 19+ age groups and modules.
- Focus funding – think now about filling employment for tomorrow.
- Seek improved and better focussed funding for employed status training, because financial incentives will increase up take of apprentices.
- Appropriate apprenticeships that include full training including renewable energy and L4 that prepares for self employment. Work force fit for purpose.

EMPLOYER ENGAGEMENT, UNDERSTANDING AND ACTION

- Provide business model to employers to participate in craft, technician and graduate training.
- Must get employers in, encouraged to recruit more young people. Young people are important for business and social reasons.
- Having a working ethical partnership in business because we can be in a win-win situation.
- Culture change in the industry important because the world is a fast changing place and the sector will be left behind otherwise.