The Importance of Labour Market Intelligence (LMI)
The UKCES Offer
North West

www.gov.uk/ukces
Growing importance of labour market intelligence for colleges
Applications of labour market intelligence

Content

Curriculum strategy

Business development

Local strategic dialogue

Careers information and advice
Sources of Information

Internal resources
- Direct employer engagement
- Curriculum panels
- College MIS
- College CRM
- Customer feedback

Partners
- LEPs
- National Careers Service
- Jobcentre
- Employer bodies
- Outcomes data

Products
- Official statistics
- Labour market models
- Surveys
- Business databases
- Business Intelligence services
UK Commission Intelligence Products

UK Commission Employer Skills Survey
- 90,000 interviews
- Employer investment in training and skills challenges

UK Commission Employer Perspectives Survey
- 18,000 interviews
- Employer views and interaction with the external skills system

Working Futures
- Labour market projections
- Picture of UK employment, productivity, labour supply and skills for the next ten years
Youth unemployment in the North West

North West

United Kingdom

Source: The Inter-Departmental Business Register (IDBR), March 2014
Skills shortage vacancies and skills gaps mean workers without the right skills to do their jobs...

Source: UK Commission’s Employer Skills Survey, 2013 base: all establishments in North West (8763)
While skill mismatches remain, too many employers remain unmoved to invest more in skills

Source: UK Commission’s Employer Skills Survey 2013, Base- all establishments in the North West (8,763)
Internal training used more than external training

- 70% of all employers provide training for their staff in 2012.
- 68% of all employers provide training in 2014.

- 58% of all employers provide internal training in 2012 (59%).
- 45% of all employers provide external training in 2012 (45%).
- 35% of all employers provide both internal and external training in 2012 (34%).

External providers used, across all establishments:

- Commercial organisations: 32% (32% in 2012).
- Suppliers*: 21%.
- Regulatory bodies*: 10%.
- Further Education Colleges: 14% (2012: 10%, 2014: 14%).
- Non-profit organisations: 9%.
- Customers*: 6%.
- Universities or HEIs: 6%.
- 41% Private or Commercial (2012: 36%).
- 11% Public (2012: 16%).

* Not asked in 2012.

Recruitment of education leavers varies by both location and sector

Of all establishments recruited education leavers

Base: All North West establishments (8763)

Source: UK Commission’s Employer Skills Survey 2013

LEPs in the North West

- UK: 28%
- Cheshire & Warrington: 27%
- Cumbria: 25%
- Greater Manchester: 31%
- Lancashire: 26%
- Liverpool City Region: 30%

Sector

- Primary sector and Utilities: 17%
- Manufacturing: 24%
- Construction: 18%
- Trade, accommodation and transport: 29%
- Business and other services: 26%
- Non-market services: 39%

Base: All establishments in the North West - Cheshire & Warrington (1436), Cumbria (1,021), Greater Manchester (2,985), Lancashire (1,851), Liverpool City Region (1,470)
Levels of recruitment of education leavers up from 2013, most considered prepared for work

**16 year-old school leavers**
- Very poorly prepared: 10%
- Poorly prepared: 30%
- Well prepared: 44%
- Very well prepared: 11%

**17-18 year-old school leavers**
- Very poorly prepared: 5%
- Poorly prepared: 25%
- Well prepared: 56%
- Very well prepared: 10%

**17-18 year-old college leavers**
- Very poorly prepared: 5%
- Poorly prepared: 19%
- Well prepared: 59%
- Very well prepared: 13%

**University/HE leavers**
- Very poorly prepared: 2%
- Poorly prepared: 10%
- Well prepared: 59%
- Very well prepared: 25%

Source: UK Commission’s Employer Skills Survey 2013

Base - All North West establishments that have recruited each type of education leaver in the previous 2-3 years: 16 year old school leavers (1,234), 17-18 year old school leavers (1,685), 17-18 year old FE leavers (1,740), University/HE leavers (1,833)
Where are the new jobs coming from?
Projected industry growth, 2012-2022
(North West)

Health and Social work: North West 10%, UK 11%
Professional services: North West 12%, UK 14%
Construction: North West 13%, UK 15%
Information Technology: North West 35%, UK 30%
Support Services: North West 7%, UK 9%
Agriculture: North West -20%, UK -18%
Education: North West -4%, UK -2%
Public admin. and defence: North West -10%, UK -9%
Rest of manufacturing: North West -9%, UK -9%

Source: Working Futures 2012-2022
What new workers will we need?
Projected occupation growth, 2012-2022
(North West)

<table>
<thead>
<tr>
<th>Occupation Type</th>
<th>North West</th>
<th>UK</th>
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</thead>
<tbody>
<tr>
<td>Professional Occupations</td>
<td>56%</td>
<td>59%</td>
</tr>
<tr>
<td>Caring, leisure and other service</td>
<td>68%</td>
<td>69%</td>
</tr>
<tr>
<td>Associate professional and technical</td>
<td>49%</td>
<td>51%</td>
</tr>
<tr>
<td>Managers, directors and senior officials</td>
<td>56%</td>
<td>59%</td>
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<tr>
<td>Sales and customer service</td>
<td>36%</td>
<td>33%</td>
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<tr>
<td>Elementary occupations</td>
<td>36%</td>
<td>35%</td>
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<tr>
<td>Process, plant and machine operatives</td>
<td>23%</td>
<td>26%</td>
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<tr>
<td>Skilled trade occupations</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>Administrative and secretarial</td>
<td>33%</td>
<td>30%</td>
</tr>
</tbody>
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000s of new jobs, 2012-2022

Source: Working Futures 2012-2022
LMI for All

- Open access LMI data portal
- Improves evidence base for careers decisions and strategic planning
- Places onus on third-parties to develop engaging interfaces
- Pilot is live now
Getting access

Employer Skills and Perspectives Surveys
- Open access via website to UK and regional reports, infographics and slide packs plus local data tables
- More information: employer.surveys@ukces.org.uk

Working Futures
- To find out more email: working.futures@ukces.org.uk

LMI for All
- More information: www.lmiforall.org.uk
The LMI Network connects users of labour market information and supports them in sharing ideas and expertise.

The LMI Network will be valuable for those who are responsible for analysing and using LMI such as: unemployment statistics, employer surveys, qualifications levels, pay rates, occupational and industrial make-up of an area.

It's free of charge network that supports peer-to-peer learning and support between LMI users.

Join today at: www.tiny.cc/LMINetwork

The LMI Network will help it's members to:

- Share their expertise and experience
- Identify research collaboration opportunities
- Share advice on technical issues, definitions and
- Methodological problems; and
- Signpost each other to reports, findings and events of interest.