Introduction

This is the fourth survey in this biennial series. A number of changes were made to the questionnaire to reflect changing policy requirements. The study focused on the following areas:

- How to support the pipeline of talent into business
- Employers’ approaches to recruitment
- What employers look for in applicants and recruitment of education leavers
- Employer engagement with work experience
- Staff development and employers’ decisions on this
- Skills initiatives and vocational qualifications
- Employer engagement with and attitudes towards apprenticeships

Employer Perspectives Survey 2016

Wales: 1,997 interviews

Covers all business sectors of the economy

Sites with 2+ employees were eligible

With person responsible for training and HR issues

22 minute telephone interviews

Fieldwork carried out between May and August 2016

Questionnaire Coverage

- This is the fourth survey in this biennial series
- A number of changes were made to the questionnaire to reflect changing policy requirements.
- The study focused on the following areas:
Achieved interviews and confidence intervals

<table>
<thead>
<tr>
<th>By region</th>
<th>Population</th>
<th>Number of interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wales</td>
<td>87,068</td>
<td>1,997</td>
</tr>
<tr>
<td>By sector</td>
<td>Population</td>
<td>Number of interviews</td>
</tr>
<tr>
<td>Primary Sector &amp; Utilities</td>
<td>10,188</td>
<td>114</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>4,332</td>
<td>142</td>
</tr>
<tr>
<td>Construction</td>
<td>7,882</td>
<td>143</td>
</tr>
<tr>
<td>Wholesale &amp; Retail</td>
<td>17,336</td>
<td>483</td>
</tr>
<tr>
<td>Hotels &amp; Restaurants</td>
<td>9,262</td>
<td>222</td>
</tr>
<tr>
<td>Transport &amp; Comms</td>
<td>4,646</td>
<td>102</td>
</tr>
<tr>
<td>Financial Services</td>
<td>1,546</td>
<td>38</td>
</tr>
<tr>
<td>Business Services</td>
<td>14,052</td>
<td>232</td>
</tr>
<tr>
<td>Public Admin.</td>
<td>1,252</td>
<td>51</td>
</tr>
<tr>
<td>Education</td>
<td>2,834</td>
<td>107</td>
</tr>
<tr>
<td>Health &amp; Social Work</td>
<td>7,160</td>
<td>242</td>
</tr>
<tr>
<td>Arts &amp; Other Services</td>
<td>6,578</td>
<td>121</td>
</tr>
</tbody>
</table>

All the figures presented in this slide pack are subject to a margin of error; 2 percentage points at the overall level and typically between 4 and 9 percentage points across the region and sector sub-groups.
Survey population: size

% of all establishments

- 2 to 4 employees: 22%
- 5 to 9 employees: 3%
- 10 to 24 employees: 5%
- 25 to 49 employees: 15%
- 50 to 99 employees: 15%
- 100+ employees: 13%

% of all employment

- 2 to 4 employees: 2%
- 5 to 9 employees: 3%
- 10 to 24 employees: 54%
- 25 to 49 employees: 10%
- 50 to 99 employees: 10%
- 100+ employees: 10%

Source: ONS Inter-Departmental Business Register (IDBR), March 2015
Survey population: sector

Source: ONS Inter-Departmental Business Register (IDBR), March 2015
Survey population: region

Source: ONS Inter-Departmental Business Register (IDBR), March 2015
Employer attitudes

Staff happiness is as important as organisational performance
- Agree: 59%
- Disagree slightly: 25%
- Disagree strongly: 11%
- Neither agree nor disagree: 7%
- Base: All establishments (1,997)

Staff ability to do job is more important than formal qualifications
- Agree: 58%
- Disagree slightly: 24%
- Disagree strongly: 10%
- Neither agree nor disagree: 7%
- Base: All establishments (1,997)

Happy to pay towards training and development
- Agree: 36%
- Disagree slightly: 25%
- Disagree strongly: 10%
- Neither agree nor disagree: 9%
- Base: All establishments (1,997)

Always looking for new opportunities
- Agree: 32%
- Disagree slightly: 22%
- Disagree strongly: 10%
- Neither agree nor disagree: 12%
- Base: All establishments (1,997)

Investing in management skills is a top priority
- Agree: 26%
- Disagree slightly: 28%
- Disagree strongly: 12%
- Neither agree nor disagree: 23%
- Base: All establishments (1,997)
Entry to work
Employers with vacancies in the past 12 months

Wales: 49% of employers had vacancies in the last 12 months

Base: All Wales establishments (1,997)

Base: All Wales establishments: Education (107), Health & Social Work (242), Public Admin. (51), Hotels & Restaurants (222), Manufacturing (142), Arts & Other Services (121), Wholesale & Retail (483), Transport & Comms (102), Business Services (232), Construction (143), Financial Services (38), Primary Sector & Utilities (114)

(*) denotes a base size of between 25-49 employers and should be treated with caution
Recruitment channels used

**Internal resources**

<table>
<thead>
<tr>
<th>Channel</th>
<th>ANY</th>
<th>SOLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Word of mouth or personal recommendations</td>
<td>81%</td>
<td></td>
</tr>
<tr>
<td>Placed adverts on your own website using internal resources</td>
<td>51%</td>
<td></td>
</tr>
<tr>
<td>Placed adverts on social media using internal resources</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>Government recruitment service or scheme</td>
<td>44%</td>
<td></td>
</tr>
</tbody>
</table>

**External resources**

<table>
<thead>
<tr>
<th>Channel</th>
<th>ANY</th>
<th>SOLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Another form of paid-for recruitment service, including the press</td>
<td>32%</td>
<td></td>
</tr>
<tr>
<td>School, college or university job fairs or careers services</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Paid someone to place adverts on your website or social media</td>
<td>6%</td>
<td></td>
</tr>
</tbody>
</table>

Base: All Wales recruiting employers (1,320)

Note: multiple responses were allowed.

“Any recruitment channel” refers to employers who used an internal or external recruitment channel, in conjunction with others. “Sole recruitment channel” refers to those employers who used either internal or external resources as their only method of recruitment.
What employers look for when recruiting

<table>
<thead>
<tr>
<th></th>
<th>No value</th>
<th>Small amount of value</th>
<th>Significant</th>
<th>Critical</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevant work experience</td>
<td>10%</td>
<td>25%</td>
<td>42%</td>
<td>22%</td>
</tr>
<tr>
<td>Maths &amp; English GCSE</td>
<td>21%</td>
<td>30%</td>
<td>30%</td>
<td>17%</td>
</tr>
<tr>
<td>Vocational qualifications</td>
<td>19%</td>
<td>32%</td>
<td>34%</td>
<td>14%</td>
</tr>
<tr>
<td>Academic qualifications</td>
<td>25%</td>
<td>34%</td>
<td>26%</td>
<td>13%</td>
</tr>
</tbody>
</table>

Base: All Wales employers (2016: 1,997, 2014: 2,007)

Produced by IFF Research
What employers look for: relevant work experience

Wales: 64% of employers look for relevant work experience

Base: All Wales establishments (1,997)

Base: All Wales establishments: South East Wales (842) South West Wales (436), North Wales (519), Mid Wales (200)

Base: All Wales establishments: Education (107), Public Admin. (51), Construction (143), Health & Social Work (242), Primary Sector & Utilities (114), Financial Services (38), Transport & Comms (102), Arts & Other Services (121), Manufacturing (142), Hotels & Restaurants (222), Business Services (232), Wholesale & Retail (483)

* denotes a base size of between 25-49 employers and should be treated with caution
What employers look for: maths and English

Wales: 47% of employers look for maths and English

Base: All Wales establishments (1,997)

Base: All Wales establishments: South East Wales (842), Mid Wales (200), North Wales (519), South West Wales (436)

**Wales: 47% of employers look for maths and English**

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>South East Wales</td>
<td>52%</td>
</tr>
<tr>
<td>Mid Wales</td>
<td>47%</td>
</tr>
<tr>
<td>North Wales</td>
<td>45%</td>
</tr>
<tr>
<td>South West Wales</td>
<td>42%</td>
</tr>
</tbody>
</table>

Base: All Wales establishments: South East Wales (842), Mid Wales (200), North Wales (519), South West Wales (436)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Services</td>
<td>87%</td>
</tr>
<tr>
<td>Education</td>
<td>81%</td>
</tr>
<tr>
<td>Public Admin.</td>
<td>78%</td>
</tr>
<tr>
<td>Business Services</td>
<td>63%</td>
</tr>
<tr>
<td>Transport &amp; Comms</td>
<td>53%</td>
</tr>
<tr>
<td>Health &amp; Social Work</td>
<td>53%</td>
</tr>
<tr>
<td>Arts &amp; Other Services</td>
<td>45%</td>
</tr>
<tr>
<td>Wholesale &amp; Retail</td>
<td>43%</td>
</tr>
<tr>
<td>Construction</td>
<td>42%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>40%</td>
</tr>
<tr>
<td>Hotels &amp; Restaurants</td>
<td>33%</td>
</tr>
<tr>
<td>Primary Sector &amp; Utilities</td>
<td>27%</td>
</tr>
</tbody>
</table>

Base: All Wales establishments: Financial Services (38), Education (107), Public Admin. (51), Business Services (232), Transport & Comms (102), Health & Social Work (242), Arts & Other (121), Wholesale & Retail (483), Construction (143), Manufacturing (142), Hotels & Restaurants (222), Primary Sector & Utilities (114)

* denotes a base size of between 25-49 employers and should be treated with caution.

Produced by IFF Research
What employers look for: vocational qualifications

Wales: 48% of employers look for vocational qualifications

Base: All Wales establishments (1,997)

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>South East Wales</td>
<td>50%</td>
</tr>
<tr>
<td>North Wales</td>
<td>48%</td>
</tr>
<tr>
<td>South West Wales</td>
<td>46%</td>
</tr>
<tr>
<td>Mid Wales</td>
<td>42%</td>
</tr>
</tbody>
</table>

Base: All Wales establishments: South East Wales (842), North Wales (519), South West Wales (436), Mid Wales (200)

- **Base**: All Wales establishments (1,997)
- * denotes a base size of between 25-49 employers and should be treated with caution
What employers look for: academic qualifications

Wales: 39% of employers look for academic qualifications

Base: All Wales establishments (1,997)

Base: All Wales establishments: South East Wales (842), North Wales (519), South West Wales (436), Mid Wales (200)

** denotes a base size of between 25-49 employers and should be treated with caution
Recruitment

Wales: 68% of recruiting employers had taken on a young person in the last 12 months

Base: All Wales employers who had recruited (1,236)

North Wales: 70%
Mid Wales: 69%
South East Wales: 68%
South West Wales: 64%

Base: All Wales establishments who had recruited: North Wales (329), Mid Wales (97), South East Wales (558), South West Wales (252),

- ** denotes a figure not shown due to a base size of fewer than 25 employers
- * denotes a base size of between 25-49 employers and should be treated with caution

Base: All Wales establishments who had recruited: Hotels & Restaurants (168), Arts & Other Services (72), Wholesale & Retail (275), Primary Sector & Utilities (36), Manufacturing (95), Transport & Comms (62), Public Admin. (32), Construction (74), Education (81), Health & Social Work (184), Business Services (139), Financial Services (18)
Channels used to recruit young people

**Internal resources**
- ANY: 93%
- SOLE: 56%

**External resources**
- ANY: 36%
- SOLE: 13%

- **Word of mouth or personal recommendations**: 67%
- **Placed adverts on your own website using internal resources**: 35%
- **Placed adverts on social media using internal resources**: 28%
- **Another form of paid-for recruitment service, including the press**: 14%
- **Government recruitment service or scheme**: 14%
- **School, college or university job fairs or careers services**: 11%
- **Paid someone to place adverts on your website or social media**: 5%

Base: All Wales establishments that have taken on a young person in the last year (907)

Note: multiple responses were allowed.

“Any recruitment channel” refers to employers who used an internal or external recruitment channel, in conjunction with others. “Sole recruitment channel” refers to those employers who used either internal or external resources as their only method of recruitment.
Recruitment

Wales: 31% had recruited an education leaver in the last 12 months

Base: All Wales employers (1,997)

---

**Base: All Wales establishments:**
- South East Wales (842)
- North Wales (519)
- South West Wales (436)
- Mid Wales (200)

---

<table>
<thead>
<tr>
<th>Industry</th>
<th>South East Wales</th>
<th>South West Wales</th>
<th>North Wales</th>
<th>Mid Wales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>35%</td>
<td>30%</td>
<td>29%</td>
<td>25%</td>
</tr>
</tbody>
</table>

---

Base: All Wales establishments: Education (107), Hotels & Restaurants (222), Construction (143), Public Admin. (51), Business Services (232), Wholesale & Retail (483), Health & Social Work (242), Manufacturing (142), Arts & Other Services (121), Transport & Comms (102), Financial Services (38), Primary Sector & Utilities (114)

* denotes a base size of between 25-49 employers and should be treated with caution

Produced by IFF Research
Preparedness of education leavers for work

**Base:** All Wales establishments that have recruited each type of education leaver in the previous 2-3 years: 16 year-old school leavers (277), 17-18 year old school leavers (370), 17-18 year old FE leavers (358), University/HE leavers (449)

- **16 year-old school leavers**
  - Very poorly prepared: 13%
  - Poorly prepared: 38%
  - Well prepared: 38%
  - Very well prepared: 7%
  - 2016: 44%
  - 2014: 59%

- **17-18 year-old school leavers**
  - Very poorly prepared: 11%
  - Poorly prepared: 31%
  - Well prepared: 43%
  - Very well prepared: 10%
  - 2016: 52%
  - 2014: 60%

- **17-18 year-old FE leavers**
  - Very poorly prepared: 7%
  - Poorly prepared: 23%
  - Well prepared: 51%
  - Very well prepared: 12%
  - 2016: 63%
  - 2014: 75%

- **University/HE leavers**
  - Very poorly prepared: 3%
  - Poorly prepared: 12%
  - Well prepared: 59%
  - Very well prepared: 22%
  - 2016: 81%
  - 2014: 82%
Work experience offered in last 12 months

39% of employers in Wales offered work placements

**Education placements: 29%**
- Students at school: 20%
- Students at FE or 6th Form College: 13%
- Students at University: 11%

**Broad Adult Placements: 15%**
- Work trials: 10%
- Placements for unemployed: 7%
- Voluntary work (unprompted*): 1%
- Special needs/Disability programme: 1%

**Internships: 8%**
- Internships, either paid or unpaid: 7%
- Graduate programme (unprompted*): 1%

**Work Inspiration**
10% of employers engaged with schools, colleges or universities to offer ‘work inspiration’ activities, such as mentoring, holding site visits and visiting educational institutions to talk with students about careers.

*Where respondents had offered other types of work experience which did not fit within the pre-coded answer options, they were able to provide detail for an “other” type of experience.*

Base: All Wales establishments (1,997)
Note: multiple responses were allowed.
Work placement offering, by sector

Base: All Wales establishments: Education (107), Health & Social Work (242), Arts & Other (121), Public Admin. (51), Financial Services (38), Manufacturing (142), Business Services (232), Wholesale & Retail (483), Transport & Comms (102), Construction (143), Hotels & Restaurants (222), Primary Sector & Utilities (114)

* denotes a base size of between 25-49 employers and should be treated with caution
Work placement offering, by region

ANY PLACEMENT

39%  44%  34%  35%  37%

ANY EDUCATION PLACEMENT
ANY BROAD ADULT PLACEMENT
ANY INTERNSHIP

Total  29%  15%  8%  South East Wales  32%  18%  10%  Mid Wales  27%  10%  5%  North Wales  26%  15%  10%  South West Wales  26%  15%  8%

Base: All Wales establishments: South East Wales (842), Mid Wales (200), North Wales (519), South West Wales (436)
Types of work placement offered

- Placements for students from school: 20% (14%)
- Placements for students from FE College or 6th form: 13% (20%)
- Placements for students from university: 11% (21%)
- Work trials for potential new recruits: 10% (53%)
- Placements targeted at the unemployed: 7% (27%)
- Internships, either paid or unpaid: 7% (18%)
- Voluntary work (unprompted): 1% (**)

Base: All Wales employers (1,997)
Base: Establishments who had each type of placement in the last 12 months: school (539), FE College (358), university (325), work trials (262), unemployed (182), internships (192)

** denotes a figure not shown due to a base size of fewer than 25 employers
Mean number of work placements offered in the last 12 months, by region

Base: All Wales establishments who have had placements in the last 12 months: South East Wales (429), South West Wales (203), North Wales (238), Mid Wales (88)
Mean number of work placements offered in the last 12 months, by sector

Base: All Wales establishments who have had placements in the last 12 months: Education (86), Health & Social Work (149), Arts & Other (69), Public Admin. (28), Hotels & Restaurants (108), Wholesale & Retail (187), Transport & Comms (39), Business Services (105), Primary Sector & Utilities (35), Manufacturing (79), Construction (54)

** denotes a base size of 25-49 employers and should be treated with caution
*** denotes where data is not shown due to a low base of fewer than 25 employers
Employers offering work inspiration activities to students

Wales: 10% of employers offered work inspiration activities to students

Base: All Wales establishments (1,997)

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>South East Wales</td>
<td>12%</td>
</tr>
<tr>
<td>South West Wales</td>
<td>10%</td>
</tr>
<tr>
<td>North Wales</td>
<td>9%</td>
</tr>
<tr>
<td>Mid Wales</td>
<td>5%</td>
</tr>
</tbody>
</table>

Work Inspiration activities include mentoring, holding site visits and visiting educational institutions to talk with students about careers.

Base: All Wales establishments: South East Wales (842), North Wales (519), South West Wales (436), Mid Wales (200)

- **Education**: 35%
- **Public Admin.**: 31%
- **Health & Social Work**: 14%
- **Arts & Other Services**: 14%
- **Transport & Comms**: 14%
- **Business Services**: 11%
- **Financial Services**: 8%
- **Hotels & Restaurants**: 8%
- **Manufacturing**: 7%
- **Wholesale & Retail**: 7%
- **Construction**: 6%
- **Primary Sector & Utilities**: 3%

* denotes a base size of between 25-49 employers and should be treated with caution.

Base: All Wales establishments: Education (107), Public Admin. (51), Health & Social Work (242), Arts & Other (121), Transport & Comms (102), Business Services (232), Financial Services (38), Hotels & Restaurants (222), Manufacturing (142), Wholesale & Retail (483), Construction (143), Primary Sector & Utilities (114)
## Reasons for offering work experience opportunities

<table>
<thead>
<tr>
<th>INSPIRATION</th>
<th>Work placements</th>
<th>Work inspiration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Altruistic</td>
<td>70% (29%)</td>
<td>76% (51%)</td>
</tr>
<tr>
<td>Direct benefit</td>
<td>38% (26%)</td>
<td>37% (15%)</td>
</tr>
<tr>
<td>Circumstantial</td>
<td>12% (8%)</td>
<td>4% (6%)</td>
</tr>
</tbody>
</table>

- Gives them experience: 29% (52%)
- Doing our 'bit' / uphold relations with the local community: 26% (51%)
- Part of formal corporate social responsibility policy: 8% (15%)
- Existing links with educational institutions: 2% (6%)
- Helps with recruitment / as a trial: 6% (27%)
- Helps with the workload: <1% (5%)
- Raises our profile in the recruitment market: 5% (29%)
- Beneficial to the company (e.g. fresh ideas/up to date skills etc.): 3% (3%)
- Approached by student or educational institution: 4% (9%)
- Favour for family member or friend: 0% (3%)

Base: All Wales establishments who have had work placements / offered work inspiration in the last 12 months (958/290)

Note: multiple responses were allowed.
Reason for not offering work experience

- No suitable roles: 34%
- Do not have the time / resource to manage: 19%
- No one has approached us: 17%
- Not suitable due to the size of the establishment: 8%
- Recruitment freeze: 7%
- Does not offer us any business benefits: 6%
- Regulatory requirements: 6%
- Never thought about it: 6%
- Company policy / Head Office decision: 4%
- Recruit experienced staff through other avenues: 3%
- Age restrictions: 3%
- No need (unspec.): 2%
- Don't have the work to offer them: 2%

Base: All Wales establishments offering no work experience opportunities in the last 12 months (961)
Note: multiple responses were allowed.
People development
Summary of approach to training

67% had provided training for staff

- 54% provide internal training
- 32% provide both internal and external training
- 45% provide external training

33% don’t provide or fund any training

- 42% provide external training through private providers
- 10% provide external training through both private and public providers
- 12% provide external training through public providers

Base: All Wales employers (1,997)
FE Colleges as a source of training

Wales: 14%
Of employers who train used FE colleges as a source of training

Base: All Wales establishments who train
(1,589)

Base: All Wales establishments who train: North (411), Mid (146), South West (334), South East (698)

* denotes a base size of between 25-49 employers and should be treated with caution
Higher Education Institutions as a source of training

Wales: 7%
Of employers who train used Higher Education Institutions as a source of training

Base: All Wales establishments who train (1,589)

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Wales</td>
<td>8%</td>
</tr>
<tr>
<td>South West Wales</td>
<td>8%</td>
</tr>
<tr>
<td>South East Wales</td>
<td>7%</td>
</tr>
<tr>
<td>Mid Wales</td>
<td>5%</td>
</tr>
</tbody>
</table>

Base: All Wales establishments who train: North (411), South West (334), South East (698), Mid (146)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>30%</td>
</tr>
<tr>
<td>Health &amp; Social Work</td>
<td>17%</td>
</tr>
<tr>
<td>Public Admin.</td>
<td>16%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>8%*</td>
</tr>
<tr>
<td>Business Services</td>
<td>8%</td>
</tr>
<tr>
<td>Primary Sector &amp; Utilities</td>
<td>6%</td>
</tr>
<tr>
<td>Transport &amp; Comms</td>
<td>6%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>5%</td>
</tr>
<tr>
<td>Arts &amp; Other Services</td>
<td>4%</td>
</tr>
<tr>
<td>Construction</td>
<td>4%</td>
</tr>
<tr>
<td>Hotels &amp; Restaurants</td>
<td>3%</td>
</tr>
<tr>
<td>Wholesale &amp; Retail</td>
<td>1%</td>
</tr>
</tbody>
</table>

Base: All Wales establishments who train: Education (104), Health & Social Work (229), Public Admin (49), Financial Services (30), Business Services (192), Primary Sector & Utilities (57), Transport & Comms (82), Manufacturing (117), Arts & Other Services (92), Construction (101), Hotels & Restaurants (176), Wholesale & Retail (360),

* denotes a base size of between 25-49 employers and should be treated with caution
Commercial organisations as a source of training

Wales: 51%
Of employers who train used commercial organisations as a source of training

Base: All Wales establishments who train (1,589)

Base: All Wales establishments who train: South East (411), Mid (146), South East (698), South West (334)

Base: All Wales establishments who train: Education (104), Construction (101), Business Services (192), Public Admin (49), Primary Sector & Utilities (57), Health & Social Work (229), Manufacturing (117), Arts & Other Services (92), Wholesale & Retail (360), Transport & Comms (82), Hotels & Restaurants (176), Financial Services (30)

* denotes a base size of between 25-49 employers and should be treated with caution

Produced by IFF Research
Reasons for choosing to invest resource in public training providers

**Reasons for using**

- Relevant courses: 57% (2016), 65% (2014)
- Offer a regulated qualification*: 16% (2016), 16% (2014)
- They are local: 16% (2016), 14% (2014)
- Courses tailored to needs: 9% (2016), 7% (2014)
- Quality of courses: 8% (2016), 11% (2014)

* This reason was added as a pre-code answer in 2016

**Barriers to using**

**FE Colleges**

- Courses not relevant: 42% (2016), 44% (2014)
- Subject matter not relevant: 15% (2016), 8% (2014)
- Quality/standard unsatisfactory: 7% (2016), 8% (2014)
- Do not know enough: 6% (2016), 6% (2014)
- Prefer to train in-house: 5% (2016), 2% (2014)

**HEIs**

- Courses not relevant: 41% (2016), 43% (2014)
- Subject matter not relevant: 11% (2016), 9% (2014)
- Do not know enough: 7% (2016), 7% (2014)
- Lack of information available: 7% (2016), 4% (2014)
- Training more advanced than needed: 4% (2016), 4% (2014)

Base (2016/2014): All Wales employers who use FE Colleges or HEIs to deliver training (381/377)
Note: multiple responses were allowed.

Base (2016/2014): All Wales employers who have not used FE colleges for external training and were asked why (475/475)
Note: multiple responses were allowed.

Base (2016/2014): All Wales employers who have not used HEIs for external training and were asked why (567/535)
Note: multiple responses were allowed.
Take-up of vocational qualifications

**Wales: 26%**
Of employers had arranged or funded training designed to lead to a recognised vocational qualification in the last 12 months

Base: All Wales employers (1,997)

---

<table>
<thead>
<tr>
<th>Region</th>
<th>Take-up (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>South East Wales</td>
<td>29%</td>
</tr>
<tr>
<td>North Wales</td>
<td>28%</td>
</tr>
<tr>
<td>South West Wales</td>
<td>24%</td>
</tr>
<tr>
<td>Mid Wales</td>
<td>16%</td>
</tr>
</tbody>
</table>

---

**Base: All Wales employers: South East (842), North (519), South West (436), Mid (200)**

---

<table>
<thead>
<tr>
<th>Sector</th>
<th>Take-up (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>62%</td>
</tr>
<tr>
<td>Health &amp; Social Work</td>
<td>58%</td>
</tr>
<tr>
<td>Public Admin.</td>
<td>43%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>33%*</td>
</tr>
<tr>
<td>Construction</td>
<td>27%</td>
</tr>
<tr>
<td>Business Services</td>
<td>27%</td>
</tr>
<tr>
<td>Wholesale &amp; Retail</td>
<td>23%</td>
</tr>
<tr>
<td>Arts &amp; Other Services</td>
<td>21%</td>
</tr>
<tr>
<td>Hotels &amp; Restaurants</td>
<td>20%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>19%</td>
</tr>
<tr>
<td>Transport &amp; Comms</td>
<td>15%</td>
</tr>
<tr>
<td>Primary Sector &amp; Utilities</td>
<td>11%</td>
</tr>
</tbody>
</table>

---

**Base: All Wales establishments: Education (107), Health & Social Work (242), Public Admin. (51), Financial Services (38), Construction (143), Business Services (232), Wholesale & Retail (483), Arts & Other Services (121), Hotels & Restaurants (222), Manufacturing (142), Transport & Comms (102), Primary Sector & Utilities (114)**

*denotes a base size of between 25-49 employers and should be treated with caution
Business benefits and impacts of vocational qualifications

**Business benefits of vocational qualifications**

- Can be adapted to business needs:
  - 3% Disagree strongly, 3% Disagree slightly, 8% Neither agree nor disagree, 34% Agree slightly, 50% Agree strongly (2014: 82%, 2016: 85%)
  - 5% Disagree strongly, 12% Disagree slightly, 11% Neither agree nor disagree, 34% Agree slightly, 35% Agree strongly (2014: 75%, 2016: 70%)

- Offers good value for money:
  - 4% Disagree strongly, 4% Disagree slightly, 12% Neither agree nor disagree, 30% Agree slightly, 46% Agree strongly (2014: 77%, 2016: 76%)

**Impact of vocational qualifications**

- Better business performance:
  - 1% Disagree strongly, 3% Disagree slightly, 7% Neither agree nor disagree, 26% Agree slightly, 62% Agree strongly (2014: 86%, 2016: 89%)

- Improved staff retention:
  - 3% Disagree strongly, 5% Disagree slightly, 10% Neither agree nor disagree, 26% Agree slightly, 53% Agree strongly (2014: 76%, 2016: 79%)

Base: All Wales employers who had arranged/funded training towards vocational qualifications in the previous 12 months (2014/2016): 778/775

Figures will not add up to 100% as “don’t know” answers are not displayed.

Produced by IFF Research
Barriers of training staff to vocational qualifications

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>VQs are too complicated for our needs</td>
<td>27%</td>
</tr>
<tr>
<td>VQs take too long to deliver</td>
<td>26%</td>
</tr>
<tr>
<td>VQs are too much bureaucracy</td>
<td>25%</td>
</tr>
<tr>
<td>VQs are not as rigorous as other qualifications</td>
<td>14%</td>
</tr>
<tr>
<td>Relevant VQs are not available to us</td>
<td>12%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>The government does not provide grants / funding to cover the costs</td>
<td>31%</td>
</tr>
<tr>
<td>VQs are too expensive to deliver</td>
<td>27%</td>
</tr>
<tr>
<td>Cutbacks in our training budget</td>
<td>21%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff don’t want VQs</td>
<td>35%</td>
</tr>
<tr>
<td>The training we already provide is sufficient</td>
<td>10%</td>
</tr>
<tr>
<td>Lack of information / knowledge about VQs</td>
<td>35%</td>
</tr>
</tbody>
</table>

Multiple responses were allowed

Base: All Wales employers who have not arranged training in the last 12 months that has led to a Vocational Qualification (2014/2016): 778/814

Produced by IFF Research
External help sought on skills and training

- **19%** Training Providers
  - Commercial or not for profit training provider: 14%
  - College: 9%
  - University: 4%

- **16%** Collectives & Representatives
  - Professional body: 11%
  - Other employers: 5%
  - Chamber of Commerce: 1%
  - Trade Union: 1%

- **17%** Public Sector
  - Welsh Government: 9%
  - Local Authority: 7%
  - Sector Skills Council: 5%
  - Gov.uk: 4%
  - Careers Wales: 5%
  - Local Enterprise Agency: 3%

- **6%** Other Private
  - Consultancy: 4%
  - Suppliers: <1%

Base: All Wales employers (1,997)
Employer collaboration on skills and training practices

Wales: 13%
Of employers have worked with others to develop skills or expertise in the workforce

Base: All Wales establishments (1,997)

- South West Wales: 17%
- South East Wales: 15%
- North Wales: 11%
- Mid Wales: 8%

Base: All Wales employers: South West (436), South East (842), North (519), Mid (200)

Education: 45%
Public Admin.: 34%
Health & Social Work: 28%
Arts & Other Services: 18%
Financial Services: 14%
Transport & Comms: 14%
Construction: 12%
Business Services: 10%
Hotels & Restaurants: 10%
Manufacturing: 9%
Primary Sector & Utilities: 8%
Wholesale & Retail: 8%

Base: All Wales establishments: Education (107), Public Admin. (51), Health & Social Work (242), Arts & Other (121), Financial Services (38), Transport & Comms (102), Construction (143), Business Services (232), Hotels & Restaurants (222), Manufacturing (142), Primary Sector & Utilities (114), Wholesale & Retail (483)

(*) denotes a base size of between 25-49 employers and should be treated with caution

Produced by IFF Research
Employer involvement in designing content of vocational qualifications

**Wales: 47%**
Of employers who have arranged or funded external training in the past 12 months that was designed to lead to a Vocational Qualification have had some involvement in the design of its content.

**Base: All Wales employers who have trained staff using vocational qualifications in last 12 months (775)**

- **South West Wales:** 50%
- **North Wales:** 49%
- **South East Wales:** 47%
- **Mid Wales:** 34%

**Base: All Wales employers who have trained staff using vocational qualifications in last 12 months:**
- South West (147), North (210), South East (358), Mid (60)

**Notes:**
* denotes a base size of between 25-49 employers and should be treated with caution
** denotes a figure not shown due to a base size of fewer than 25 employers
Employer involvement in designing content of external training

**Wales: 40%**
Of employers who have arranged external training in the past 12 months have had some involvement in the design of its content

Base: All Wales employers that provide external training (1,156)

**Base: All Wales employers that provide external training: South West (248), North (303), South East (501), Mid (104)**

*** denotes a figure not shown due to a base size of fewer than 25 employers
** denotes a base size of between 25-49 employers and should be treated with caution

Base: All Wales employers that provide external training: Education (94), Public admin. (39), Hotels & Restaurants (92), Health & Social Work (204), Arts & Other Services (67), Manufacturing (98), Construction (90), Transport & Comms (53), Business Services (153), Wholesale & Retail (207), Primary Sector & Utilities (43)

Produced by IFF Research
Awareness and use of the National Occupational Standards in Wales

- 5% of all Wales employers used NOS…
  - To develop training plans to meet the establishment’s training needs: 7% (2014: 9%)
  - For staff appraisals or performance management: 6% (2014: 8%)
  - To develop job descriptions or guide recruitment criteria: 6% (2014: 9%)
  - For succession planning or competency frameworks: 5% (2014: 7%)

Wales: 37% any awareness of NOS (2014: 40%)

- 9% of all Wales employers used NOS…
- 63% Not heard of NOS
- 18% Aware but don’t know what they are
- 14% Aware with some knowledge
- 5% Good knowledge

'Don’t know' responses are not shown

Base: All Wales establishments (2016/2014): 1,997/2,007

Produced by IFF Research
Apprenticeships
An overview

Wales: 15% of establishments offered apprenticeships

Base: All Wales establishments (1,997)

Base: All Wales establishments: North (519), South East (842), South West (436), Mid (200)

Base: Construction (143), Education (107), Health & Social Work (242), Manufacturing (142), Arts & Other Services (121), Wholesale & Retail (483), Transport & Comms (102), Financial Services (38), Public Admin. (51), Hotels & Restaurants (222), Business Services (232), Primary Sector & Utilities (114)

* denotes a base size of between 25-49 employers and should be treated with caution
Apprenticeships by region

2012 2014 2016 % of establishments that have/offer apprenticeships

Base for 2016: All Wales establishments: Total (1,997): North (519), South East (842), South West (436), Mid (200)
Apprenticeships by sector

% of establishments that have/offer apprenticeships

2012 2014 2016

Base: All Wales establishments (2016): Total (1,997), Education (107), Public Admin. (51), Health & Social Work (242), Arts & Other (121), Construction (143), Manufacturing (142), Wholesale & Retail (483), Hotels & Restaurants (222), Business Services (232), Financial Services (38), Primary Sector & Utilities (114), Transport & Comms (102)

*** denotes a figure not shown due to a base size of fewer than 25 employers
** denotes a base size of between 25-49 employers and should be treated with caution
Reasons for offering apprenticeships, amongst employers who have recently started to offer them

46% Acquiring talent

- Good way to get skilled staff: 31%
- Ensure young people continue to enter the company/industry: 19%
- Want to upskill current staff: 11%
  - We could shape our own apprenticeship framework: 3%
  - To train people from scratch/to our needs: 3%
- Demand among existing staff: 2%
- Improve staff morale/retention: 2%

21% Nurturing talent

- Good way to give young people a chance: 21%
  - To help people into work: 3%
  - To help the community/corporate social responsibility: 2%

26% Altruistic

- Availability of grants: 6%
- Good value for money/cost effective: 4%
- Anticipating the apprenticeship levy: <1%

10% Financial

Base: All Wales establishments that started offering apprenticeships in the last three years (127).
Note: multiple responses were allowed.
Reasons for not offering apprenticeships

- Apprenticeships are not suitable for our size: 19%
- Not looking to recruit new staff: 19%
- Apprenticeships are not offered for our industry: 11%
- Cannot afford to: 8%
- Do not have the time to train them: 3%
- No need as all staff are fully skilled: 10%
- Does not suit our business model: 9%
- Prefer to recruit experienced staff: 5%
- Prefer other forms of training: 3%
- Past apprentices were of a poor standard: 1%
- Never have before so not considered it: 4%
- No one has enquired about doing one: 2%
- Do not know enough about them: 2%

Perceived structural barriers: 62%
Actively choosing not to: 27%
Lack of awareness: 11%

Base: All Wales establishments not offering apprenticeships (1,559)
Note: multiple responses allowed.
Types of external training providers used for apprenticeships

63% of establishments offering apprenticeships had used an external provider to deliver at least some of the training for their apprentices.

- A Further Education or 6th form college: 55%
- A commercial training provider: 39%
- A professional body: 25%
- A non-profit making organisation: 14%
- A university or higher education institution: 8%
- Other: 2%

Base: All Wales establishments who have or offer formal apprenticeships (438)

Base: All Wales establishments whose apprentices receive external training (358)

Note: multiple responses were allowed.
Employer involvement in designing external training content of apprenticeships

Wales: 49% of employers whose apprentices receive external training have had involvement in the design of the content.

Base: All Wales establishments whose apprentices receive external training (358)

**Note:** employer involvement by sector is not shown due to low base sizes.

"**" denotes a base size of between 25-49 employers and should be treated with caution.
Wales: 32% employers not currently offering apprenticeships were aware of apprenticeships and had at least a (self described) good knowledge of what they involve.

Base: All Wales establishments not offering apprenticeships (1,559)

Awareness and knowledge of apprenticeships

<table>
<thead>
<tr>
<th>Region</th>
<th>Awareness (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>South West Wales</td>
<td>35%</td>
</tr>
<tr>
<td>South East Wales</td>
<td>33%</td>
</tr>
<tr>
<td>Mid Wales</td>
<td>32%</td>
</tr>
<tr>
<td>North Wales</td>
<td>28%</td>
</tr>
</tbody>
</table>

** denotes a base size of between 25-49 employers and should be treated with caution.

Base: All Wales establishments not offering apprenticeships: Construction (90), Public admin. (43), Transport & Comms (77), Business Services (192), Education (79), Manufacturing (91), Wholesale & Retail (397), Financial Services (31), Primary Sector & Utilities (100), Arts & Other (101) Hotels & Restaurants (183), Health & Social Work (175)
Awareness of specific government-recognised apprenticeship schemes

- **Apprenticeships for those aged 25 plus**
  - 2016: 27%
  - 2014: 26%
  - 2012: 19%

- **Foundation Apprenticeships**
  - 2016: 27%
  - 2014: 30%
  - 2012: 25%

- **Higher Apprenticeships**
  - 2016: 26%
  - 2014: 28%
  - 2012: 17%

Base (2012/2014/2016): All Wales establishments (2,001 / 2,007 / 1,997)
Awareness and use of Apprenticeship services

<table>
<thead>
<tr>
<th>Service</th>
<th>2016</th>
<th>2014</th>
<th>2012</th>
<th>2012/14</th>
<th>AWARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apprenticeship Matching Service</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>29%</td>
</tr>
<tr>
<td></td>
<td>28%</td>
<td>8%</td>
<td>6%</td>
<td></td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td>6%</td>
<td></td>
<td></td>
<td></td>
<td>6%</td>
</tr>
<tr>
<td>Young Recruits Programme</td>
<td>1%</td>
<td>3%</td>
<td>1%</td>
<td>1%</td>
<td>19%</td>
</tr>
<tr>
<td></td>
<td>18%</td>
<td>20%</td>
<td>10%</td>
<td></td>
<td>24%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12%</td>
</tr>
<tr>
<td>Group Training Associations</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>7%</td>
</tr>
<tr>
<td></td>
<td>6%</td>
<td>8%</td>
<td>6%</td>
<td></td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7%</td>
</tr>
</tbody>
</table>

Base (2012/2014/2016): All Wales establishments (2,001 / 2,007 / 1,997)
Future demand for apprenticeships

All Wales establishments

Base: 1,997

Offers apprenticeships 15%

Whether plan to offer in future?

Base: 438

- Yes, plan to offer in future: 68%
- No: 6%
- Don't know: 6%

Does not offer apprenticeships 80%

Whether plan to offer in future?

Base: 1,559

- Yes, plan to offer in future: 17%
- No: 67%
- Don't know: 15%

26% of all Wales establishments plan to offer apprenticeships in future
Future demand for apprenticeships, by region and sector

* denotes a base size of between 25-49 employers and should be treated with caution

Base: All Wales establishments: North (519), South East (842), South West (436), Mid (200)
Reasons for planning to start offering apprenticeships

69% Acquiring talent

- Good way to get skilled staff: 38%
- Ensure young people continue to enter the company/industry: 22%
- To expand the business: 21%

13% Altruistic

- Good way to give young people a chance: 10%
- To help people into work: 4%

24% Nurturing talent

- Want to upskill current staff: 7%
- To train people from scratch/to our needs: 6%
- We can shape our own apprenticeship framework: 4%
- Improve skills/knowledge of new and existing staff: 3%
- Demand among existing staff: 3%

4% Financial

- Availability of grants: 3%
- Good value for money/cost effective: 1%
- Anticipating the apprenticeship levy: <1%

Base: All Wales establishments that plan to start offering apprenticeships in future (266). Note: multiple responses were allowed.
Change in apprentice numbers (past and future)

Base: All Wales establishments with current apprentices (292)

Change since first started offering apprenticeships:
- Increase: 19%
- Stay about the same: 68%
- Decrease: 2%
- Don’t know: 11%

Expected change in next 2 years:
- Increase: 30%
- Stay about the same: 63%
- Decrease: 3%
- Don’t know: 4%

Base: All Wales establishments with current apprentices and plan to continue offering apprenticeships in future (259)

Note: breakdowns by region and sector are not show due to low base sizes.
Conclusions
How establishments support the pipeline of talent into businesses and entry routes into employment

- Despite issues relating to hard-to-fill and skills-shortage vacancies (as highlighted in ESS 2015, where 23% of vacancies in Wales were skills-shortage vacancies), employers use a fairly limited number and range of recruitment channels to bring talent into their business.

  - The majority of employers who recruited someone (81%) used word of mouth / personal recommendations to access the potential labour market. (13% used this as their sole method of recruitment).

  - As well as limiting the range of potential applicants that employers have access to, this has the impact of restricting jobseekers’ routes to employment.

- Employers value work experience above qualifications (whether academic or vocational) as a means of gauging the quality and potential of new recruits.

- Developing forms of work experience and work inspiration that genuinely respond to employers’ needs to develop and access experienced new recruits offers potential to improve individuals’ entry to the labour market.
How to increase the provision of apprenticeships

- In light of recent policy initiatives to increase the uptake of apprenticeships (such as the Welsh Government’s target of supporting a minimum of 100,000 apprentices by the end of the current Assembly in 2021), EPS 2016 presents a positive picture in terms of increases in the proportion of establishments offering apprenticeships.

- Among employers that had started offering apprenticeships in the last three years, the most common reasons for having done so related to them being viewed as a means to acquire new talent. Among employers not offering apprenticeships, perceived structural barriers were common (e.g. perceiving apprenticeships to be unsuitable for their size or sector).

  - The findings on reasons why employers engage or not engage with apprenticeships may serve as useful tools to inform communications with employers to support increased engagement with apprenticeships.

- Around a quarter (26%) of establishments in Wales were planning to offer apprenticeships in future.

- Potential to increase apprenticeship numbers also exists among establishments already offering them and planning to offer them in future. Almost a third (30%) of these employers expected to increase the number of apprentices they employ over the next two years.
How to stimulate employer input into the design, delivery and content of skills initiatives

- New for EPS 2016, the survey provides a measure of the extent of collaboration and employer input into the skills system.

- Around half (49%) of employers using an external training provider to deliver some of their apprenticeship training reported that they had some involvement in designing or tailoring the training content. This is similar to the 47% that had arranged training for their staff leading to a vocational qualification (VQ) being involved in designing the training content, but higher than the 40% of employers that had arranged external training in general for their staff that were involved in designing the training content.

- The higher level of involvement of employers in designing the training content delivered to their apprentices, or in relation to VQs, suggests that employers were more engaged in these types of training, or there is greater receptiveness among apprenticeships / VQ training providers to receive input from employers.
Regional differences

- A greater proportion of employers in South East Wales look for academic qualifications when recruiting compared with other regions.

- Whilst employers in all regions place a high value on relevant work experience when recruiting, there was a greater propensity for South East Wales employers to have offered work placements.

- The proportion of employers offering apprenticeships was lowest in Mid Wales (11%) and highest in North Wales (17%). The region with the largest percentage point increase in the proportion of employers offering apprenticeships was North Wales (increasing from 12% of employers offering apprenticeships in 2014 to 17% in 2016).

- It should be noted, however, that the size and sector profile of employers within each region may account for some of these findings.
Sector differences

- Work experience appears to be of most importance to employers in the Education sector: 87% look for relevant work experience when recruiting and 71% had offered work placements in the past 12 months.

- Offering apprenticeships was most common in the Construction sector (26%), followed by Education (24%), Health and Social Work (23%) and Manufacturing (22%). The offering of apprenticeships was lowest in the Business Services sector (8%) and Primary Sector and Utilities (6%).

- The take-up of training toward vocational qualifications (VQs) was highest in the Education and Health and Social Work sectors (62% and 58% respectively), and lowest in Transport and Communications (15%) and Primary Sector and Utilities (11%).

- Construction employers were more likely than those in other sectors to have used further education colleges as a source of training for their employees, whereas employers in the Education sector were most likely to have used higher education institutions as a source of training.