

UK Employer Perspectives Survey 2010

Evidence Report 25
January 2011

UK Employer Perspectives Survey 2010

**Jan Shury, David Vivian, Ben Davies and Katie Gore
IFF Research**

**Caroline Perkins
UK Commission for Employment and Skills**

January 2011



Foreword

The UK Commission for Employment and Skills aims to help raise UK prosperity and opportunity by improving employment and skills levels across the UK, benefiting individuals, employers, government and society. Research plays a fundamental role in the work of the UK Commission as we provide impartial analysis on the scale and extent of the UK's skills needs and demands. To provide an authoritative evidence base, our research is robust and transparent; rigorous in its design and execution; based on a common framework of labour market analysis; informed by reviews of best practice; and draws on international benchmarking and analysis.

Sharing the findings of our research and policy analysis and engaging with our audience is very important to the UK Commission if we are to achieve our aim. Our Evidence Reports are our chief means of reporting our detailed analytical work, ensuring transparency. Other products include accessible summaries of these reports; Briefing Papers and Praxis papers. All our outputs are accessible in the Research and Policy pages at <http://www.ukces.org.uk/our-work/research-and-policy>.

This report presents the findings of the UK Commission's Employer Perspectives Survey 2010. Conducted between June and August 2010, the survey gathered the views of approximately 14,500 employers on the UK's employment and skills system. The aim of the survey is to provide evidence to stakeholders operating in the system across the four UK nations to inform policy and improve service delivery. The Employer Perspective Survey form part of a coherent series with the new UK-wide Employer Skills Survey which will be run and delivered by the UK Commission for the first time in 2011. The two surveys will run to a staggered biennial timeline.

We hope you find this report useful and informative. If you would like to provide any feedback or comments, or have any queries please e-mail employersurveys@ukces.org.uk.

Professor Mike Campbell
Director of Research and Policy Directorate

Lesley Giles
Deputy Director of Research and Policy Directorate

Acknowledgements

Thanks are due to the many individuals and organisations who were involved in the design and delivery of the Employer Perspectives Survey 2010.

IFF Research was commissioned to conduct the fieldwork, analyse the survey findings and write the main report and executive summary. IFF also inputted into the design of the questionnaire and sampling strategy.

At the UK Commission for Employment and Skills, Genna Kik was the project manager until the end of the fieldwork phase and Caroline Perkins managed the reporting phase of the project.

The development and direction of the project was guided by a steering group that comprised: Mark Spilsbury, Genna Kik, Caroline Perkins, Dr Susannah Constable and Ken Manson, UK Commission for Employment and Skills; Kathy Murphy, Mark Langdon and Dominic Rice, Department for Business, Innovation and Skills; Euan Dick and Sarah Munro, Scottish Government; Rachel Lloyd, Joanne Corke and Barbara Atton, Welsh Assembly Government; Tim Devine, Linda Bradley, Dave Rogers and Graeme Belshaw, Department for Employment and Learning, Northern Ireland; Rob Cirin, Young People's Learning Agency; Rebecca Rhodes, Skills Funding Agency; Bob Windmill and Dr Sally Walters, Alliance of Sector Skills Councils; Muriel Bankhead, SkillsActive; Daniel Ramsey, Mauricio Armellini and Laura Andrews, Department for Work and Pensions.

Thanks are also due to the 14,390 employers who gave up their valuable time to take part in this survey.

Contents

Executive Summary	xii
1 Introduction.....	1
1.1 Background.....	1
1.2 Survey methodology	3
1.3 Report structure	4
1.4 A guide to reading this report	5
2 The employer landscape and operating environment.....	8
2.1 The employer landscape.....	10
2.2 Workforce strategies.....	15
2.3 Workforce skill levels	20
2.4 Operating environment	21
3 Employer perspectives on... business support services.....	28
3.1 Awareness and use of business support services	30
3.2 Investors in People.....	44
4 Employer perspectives on... recruitment services	54
4.1 Introduction.....	55
4.2 Levels of recruitment activity.....	55
4.3 Use of and satisfaction with Jobcentre Plus and other recruitment channels	57
4.4 What do employers look for in new recruits?	65
4.5 Confidence in sourcing information and services on recruiting.....	68
4.6 Awareness, usage and satisfaction with government recruitment support initiatives.....	70
4.7 What importance do establishments give to the government's role in supporting recruitment?	81
5 Employer perspectives on... skills and training	84
5.1 Training and development of the workforce.....	87
5.2 Confidence seeking information, help and advice on skills or training related issues.....	92
5.3 Sources of advice and help on skills and training related issues.....	93
5.4 Awareness and engagement with government services	96
5.5 "Time to Train"	103

5.6	Awareness of and engagement with Sector Skills Councils	104
5.7	Satisfaction with Sector Skills Councils	108
5.8	Awareness of and involvement with government-recognised Apprenticeship schemes	111
5.8.1	Awareness of government-recognised Apprenticeship programmes and services	112
5.8.2	Involvement with government-recognised Apprenticeship schemes	115
5.9	Barriers to greater uptake of government recognised Apprenticeships.....	117
5.10	Understanding the role of Sector Skills Councils in Apprenticeship provision.....	119
5.10.1	Current and potential Apprenticeship provision by Sector Skills Council ...	121
5.10.2	Barriers to offering Apprenticeships by SSC	123
5.11	Use of vocational qualifications	125
5.11.1	Types of vocational qualifications funded / arranged	127
5.11.2	Take-up of S/NVQs by Sector Skills Council sector	129
5.12	Benefits of vocational qualifications to employers	130
5.13	Impact of employees achieving vocational qualifications	133
5.14	How vocational qualifications reward individuals	135
5.15	Barriers to greater uptake of vocational qualifications.....	139
5.16	Use of external training providers	140
5.17	Importance of government support services in training and workforce development	147
6	Cross-cutting themes	153
6.1	Introduction.....	153
6.2	Engagement with services and initiatives across the business, recruitment and skills support systems	153
6.2.1.	Overview.....	156
6.2.2.	Users of services/initiatives in all three areas	158
6.2.3.	The ‘non-engaged’.....	160
6.3	Engagement with economic downturn-related services and initiatives.....	162
6.4	Growing and shrinking employers: differences in views and behaviours....	166
6.4.1.	Growing employers	166
6.4.2.	Shrinking Employers.....	170
7	Conclusions	174
7.1	Overview.....	174
7.2	Supporting employers	174

7.3	Reaching the right audiences	176
7.4	Brand consistency	177
7.5	Benefits of Government support	177
7.6	Maximising the use of the survey	179
Appendix A: Technical report		180
	Sample design.....	180
	Sample source	181
	Establishment-based approach	182
	Excluding the self-employed	182
	SSC classification.....	182
	Questionnaire design	183
	Survey fieldwork	184
	Weighting.....	184
	Sampling error and statistical significance	185
Appendix B: Industry coding		187
Appendix C: List of Sector Skills Councils.....		190
Appendix D: Additional SSC based tables.....		196
Appendix E: The questionnaire		101

Table of Figures

Figure 2.1:	Profile of establishments – single or multi site.....	12
Figure 2.2:	Location of markets in which products or services are primarily sold or provided.....	14
Figure 2.3:	Extent to which establishments engage in business planning	15
Figure 2.4:	Location of HR decision-making	19
Figure 2.5:	Workforce skill levels – cumulative proportions of establishment workforces qualified to at least Level 3 and at least degree level	21
Figure 2.6:	Recent changes undergone by establishments.....	24
Figure 2.7:	Anticipated business challenges over next 12 months (spontaneous)	26
Figure 2.8:	Growth or contraction of establishments' workforce over past 12 months and next 12 months	27
Figure 3.1:	Business support schemes and initiatives covered by the survey	30
Figure 3.2:	Satisfaction with business support agencies, schemes and initiatives in England	36
Figure 3.3:	Satisfaction with business support agencies, schemes and initiatives in Scotland (prompted)	38
Figure 3.4:	Satisfaction with business support agencies, schemes and initiatives in Wales (prompted)	39
Figure 3.5:	Satisfaction with business support agencies, schemes and initiatives in Northern Ireland (prompted)	41
Figure 3.6:	Reasons for not using business support services (unprompted)	42
Figure 3.7:	Reasons for dissatisfaction with business support services (unprompted) ..	44
Figure 3.8:	Levels of engagement with Investors in People (prompted)	46
Figure 3.9:	Knowledge of Investors in People by country (prompted)	49
Figure 3.10:	Satisfaction with Investors in People by establishment size (number of employees) (prompted).....	51
Figure 3.11:	Reasons for not continuing Investors in People accreditation (unprompted)	53
Figure 4.1:	Channels used to try to fill vacancies (unprompted*)	59
Figure 4.2:	Satisfaction with Jobcentre Plus (prompted)	62
Figure 4.3:	Reasons for dissatisfaction with service received from Jobcentre Plus (unprompted)	64
Figure 4.4:	Attributes employers look for in candidates (prompted)	66
Figure 4.5:	Establishments' confidence in knowing where to look for information or services relating to recruiting by establishment size (prompted).....	69
Figure 4.6:	Government Initiatives and services for recruitment	71
Figure 4.7:	Satisfaction with recruitment schemes and initiatives in England (prompted).....	77
Figure 4.8:	Satisfaction with recruitment schemes and initiatives in Scotland (prompted).....	79
Figure 4.9:	Satisfaction with recruitment services and initiatives in Wales (prompted)...	80
Figure 4.10:	Importance of government support for recruitment (prompted).....	82
Figure 5.1:	Provision of training in the last 12 months (prompted)	87

Figure 5.2:	Confidence in seeking information, help and advice on skills or training by nation (prompted).....	92
Figure 5.3:	Organisations employers would approach for information or advice or more practical help on skills or training related issues (unprompted)	94
Figure 5.4:	Training and skills schemes and initiatives covered by the survey	97
Figure 5.5:	Satisfaction with training and skills initiatives in England (prompted).....	100
Figure 5.6:	Satisfaction with training and skills initiatives in Wales (prompted).....	102
Figure 5.7:	SSC Awareness by country 2004-2010 (prompted)	105
Figure 5.8:	SSC Awareness by size 2004-2010 (prompted).....	107
Figure 5.9:	Dealings with SSC (prompted).....	108
Figure 5.10:	Satisfaction with SSCs over time (prompted)	109
Figure 5.11:	Satisfaction with SSC by country and by size (prompted)	110
Figure 5.12:	Barriers to establishments offering Apprenticeships in future (unprompted)	118
Figure 5.13:	Types of recognised vocational qualification funded/arranged (prompted and unprompted)	128
Figure 5.14:	Take-up of NVQs and SVQs by SSC sector (prompted).....	130
Figure 5.15:	Perceptions of flexibility and value for money of vocational qualifications (prompted).....	132
Figure 5.16:	Perceived impacts of employees achieving vocational qualifications (prompted).....	133
Figure 5.17:	Whether achievement of a vocational qualification by employees leads to promotion/improved job status or a pay increase (prompted).....	135
Figure 5.18:	Reasons establishment has not funded/arranged training designed to lead to a recognised vocational qualification (prompted and unprompted)	139
Figure 5.19:	Satisfaction with external training providers (prompted)	145
Figure 5.20:	Reasons for not using Universities / FE Colleges (unprompted).....	148
Figure 5.21:	Importance of government support for training and development (prompted).....	148
Figure 6.1:	Use of different types of services and initiatives.....	156
Figure 6.2:	Engagement by establishments with vacancies or who have trained.....	159
Figure 6.3:	Proportion of establishments not engaging with government support services relating to recruitment, skills and business support by size	161
Figure 6.4:	Organisational change in establishments increasing staff numbers	167

Table of Tables

Table 2.1:	Population of establishments by sector	11
Table 2.2:	Business and training planning and budgets by broad sector ownership (%)	16
Table 2.3:	SUMMARY: Business planning.....	17
Table 2.4:	Location of HR decision-making by broad sector ownership (%)	19
Table 2.5:	SUMMARY: Organisational change	23
Table 3.1:	Awareness and use of pan-UK schemes and initiatives (prompted).....	33
Table 3.2:	Business support agencies, schemes and initiatives in England (prompted)	35
Table 3.3:	Business support agencies, schemes and initiatives in Scotland (prompted).....	37
Table 3.4:	Business support agencies, schemes and initiatives in Wales (prompted) ...	39
Table 3.5:	Business support agencies, schemes and initiatives in Northern Ireland (prompted).....	40
Table 3.6:	SUMMARY: Investors in People.....	47
Table 3.7:	SUMMARY: How beneficial it is to have Investors in People standard (asked of those who have heard of IiP).....	50
Table 4.1:	SUMMARY: Incidence of vacancies	56
Table 4.2:	SUMMARY: Channels used to fill vacancies	58
Table 4.3:	Comparing use of Jobcentre Plus by country (prompted)	60
Table 4.4:	Comparing use of Jobcentre Plus by size (prompted).....	60
Table 4.5:	Satisfaction with service received from other recruitment channels (mean scores) (prompted).....	61
Table 4.6:	Satisfaction with Jobcentre Plus by country (prompted)	63
Table 4.7:	Satisfaction with Jobcentre Plus – use only Jobcentre Plus vs. Jobcentre Plus and other channels (prompted).....	63
Table 4.8:	SUMMARY: Importance of attributes for new recruits - proportion rating each factor as ‘critical’ (prompted).....	67
Table 4.9:	Confidence in knowing where to go for information or services about recruitment, by country (prompted)	68
Table 4.10:	Awareness and use of recruitment support agencies, schemes and initiatives covering more than one nation (prompted) (%)	74
Table 4.11:	Recruitment schemes and initiatives in England (prompted)	76
Table 4.12:	Recruitment schemes and initiatives in Scotland (prompted)	78
Table 4.13:	Recruitment schemes and initiatives in Wales (prompted)	80
Table 4.14:	Recruitment schemes and initiatives in Northern Ireland (prompted)	81
Table 4.15:	SUMMARY: Importance of government’s role in supporting recruitment (prompted).....	83
Table 5.1:	Whether establishment has trained on-the-job or off-the-job, by establishment size in the last 12 months (prompted)	88
Table 5.2:	SUMMARY: Incidence of training	91
Table 5.3:	Usage of organisations aware of (unprompted)	96
Table 5.4:	Skills schemes and initiatives in England (prompted)	99

Table 5.5:	Skills schemes and initiatives in Scotland (prompted)	101
Table 5.6:	Skills schemes and initiatives in Wales (prompted)	101
Table 5.7:	Skills schemes and initiatives in Northern Ireland (prompted)	103
Table 5.8:	SUMMARY: Awareness and dealings with SSC (base: all covered by and asked about SSC)	106
Table 5.9:	Reasons for not engaging with Sector Skills Councils (unprompted)	111
Table 5.10:	Awareness of government-recognised Apprenticeship programmes and services (prompted)	113
Table 5.11:	Awareness of Government-recognised apprenticeship programmes and services, by establishment size (prompted)	114
Table 5.12:	Status of establishment regarding offering Apprenticeships, by nation (prompted)	115
Table 5.13:	SUMMARY: Involvement with Apprenticeships	116
Table 5.14:	Take-up and future interest in Apprenticeships by SSC sector	122
Table 5.15:	Barriers to offering Apprenticeships by SSC sector	124
Table 5.16:	SUMMARY: Whether fund or arrange training designed to lead to Vocational Qualifications (prompted)	126
Table 5.17:	Incidence of NVQ/SVQ training by country (prompted)	128
Table 5.18:	Employers' opinions of benefits of vocational qualifications (prompted)	132
Table 5.19:	Employers' opinions of benefits of VQs by country (prompted)	134
Table 5.20:	SUMMARY: Whether achievement of a vocational qualification by employees leads to pay increase (prompted)	136
Table 5.21:	Whether achievement of a vocational qualification by employees leads to promotion or improved job status (prompted) Summary	137
Table 5.22:	SUMMARY: Use of external training providers (prompted)	142
Table 5.23:	SUMMARY: Satisfaction with FE Colleges	143
Table 5.24:	SUMMARY: Satisfaction with Universities	144
Table 5.25:	SUMMARY Importance of government's role in supporting training and workforce development (prompted)	150
Table 6.1:	Services covered in engagement calculation	155
Table 6.2:	SUMMARY: Use of services in all three areas and in no areas	157
Table 6.3:	SUMMARY: Awareness and use of services related to the downturn	165
Table 6.4:	SUMMARY: Employers growing and shrinking	173
Table A.1:	Sampling error (at the 95% confidence level) associated with findings of 50 per cent	186
Table B.1:	Definitions of the 14 SIC Sectors	188
Table C.1:	SSC SIC07 definitions	193
Table D.1:	Incidence of vacancies in the last 12 months	196
Table D.2:	Importance of government's role in supporting recruitment (prompted)	197
Table D.3:	Incidence of training in the last 12 months	198
Table D.4:	Incidence of providing training designed to lead to a vocational qualification	199
Table D.5:	Importance of government's role in supporting training (prompted)	200

Glossary of terms

BIS	Department for Business, Innovation and Skills
BTEC	Business and Technology Education Council. BTEC most often refers to the vocational qualification of the same name, rather than the awarding body
CSR	Comprehensive Spending Review
CQFW	Credit and Qualifications Framework for Wales
DWP	Department for Work and Pensions
EFQM	European Foundation for Quality Management
EPS	Employer Perspectives Survey
ESS	Employer Skills Survey
EU	European Union
FE	Further education
HMRC	Her Majesty's Revenue and Customs
HNC	Higher National Certificate
HND	Higher National Diploma
IDBR	Interdepartmental Business Register
IIP	Investors in People
ISO	International Organisation for Standardization
LEP	Local Employment Partnership (Wales)
LSC	Learning and Skills Council
NESS	National Employer Skills Survey (England)
NISMS	Northern Ireland Skills Monitoring Survey
NOS	National Occupational Standards
NVQ	National Vocational Qualification
OCR	Oxford, Cambridge and RSA Examinations; a qualifications awarding body
ONS	Office for National Statistics
PACE	Partnership Action for Continued Employment (Scotland)
QCF	Qualifications and Credit Framework (England, Northern Ireland, Scotland)
RSA	Royal Society of Arts; see OCR
SESS	Scottish Employer Skills Survey
SIC	Standard Industrial Classification
SFA	Skills Funding Agency
SME	Small or Medium Enterprise
SOC	Standard Occupational Classification
SSC	Sector Skills Council
SSDA	Sector Skills Development Agency; predecessor body to UKCES

SVQ	Scottish Vocational Qualification
UKCES	UK Commission for Employment and Skills
UKVQRP	UK Vocational Qualifications Reform Programme
VQ	Vocational qualification
YPLA	Young People's Learning Agency

Executive Summary

Introduction

This report presents the findings of the UK Employer Perspectives Survey 2010. The Employer Perspectives Survey (EPS) is one of two major employer surveys conducted on a biennial basis by the UK Commission for Employment and Skills (the UK Commission).

The aim of the survey is to provide robust evidence for policy makers regarding employers' engagement and satisfaction with government support for recruitment and workforce development. The survey is unique in that it allows for comparisons to be made across the four nations of the UK, where different initiatives are in operation, and it compares employers' perspectives of services and initiatives across three areas of government policy: general business support; employment; and skills.

The UK Employer Perspectives Survey 2010 developed from employer surveys conducted by one of the UK Commission's predecessors, the Sector Skills Development Agency, and was designed to enable some comparisons to be made with previous survey findings. The Survey was also designed to complement the UK Commission's other major employer survey, a UK-wide Employer Skills Survey. Whilst the Employer Perspectives Survey is externally focused, in that it examines employer awareness and use of external support, the Employer Skills Survey is internally focused and seeks to understand employers' skills challenges and their responses to these challenges.

The UK Employer Perspectives Survey 2010 was conducted between June and August 2010, as the UK was emerging from recession and in the immediate aftermath of the election of the coalition government. Reductions in government spending were anticipated but the details were unknown.

Methodology

The UK Employer Perspectives Survey 2010 was a large-scale, representative, UK-wide, employer survey. Interviews were conducted with 14,390 employers by telephone. The sample was designed and weighted to be representative of the UK employer population as a whole. Interviews were conducted at an establishment rather than an organisational level, with the most senior person at the site with responsibility for human resources. In smaller

establishments this was typically the owner or managing director, and in large establishments this was typically the human resources manager.

Key findings

Employer use of government support

The majority of employers (56%) have used some form of government support in the areas of general business support, employment and skills over the last 12 months. Of the three areas, employers are most likely to have accessed general business support (38% of employers), followed by support for workforce development (29%). Less than one in five (18%) accessed government support for recruitment over the last 12 months.

Overall, 5% of employers accessed support for across all three areas, whilst 44% did not access any of support services and initiatives covered in the survey.

Employers most likely to be utilising government support across all three areas are:

- Large (with more than 250 employees)
- Third sector or public sector employers
- Those who have had vacancies over the last 12 months
- Those who have provided or arranged training for their staff over the last 12 months
- Those who are experiencing a change in their workforce size (either positively or negatively)

Employers who are least likely to have engaged with government support across any of the three areas over the last 12 months tend to be:

- Very small (with two to four people in employment)
- Private sector employers
- From the agriculture, personal household goods, financial intermediation and hotel and restaurant sectors
- Those with stable workforce numbers
- Those least concerned about their prospects for the next 12 months
- Those who have not provided or arranged training for their staff over the last 12 months

- Those who are least confident in knowing where to go for information, advice and practical help regarding recruitment and skills

In terms of support for recruitment and skills specifically, whilst 40% of employers have accessed support in these areas over the last 12 months, most believe that government has a limited role to play in supporting their recruitment and workforce development practices.

Employer perspectives on business support services

The survey explored employers' awareness of, use of, and satisfaction with a range of business support services, initiatives and organisations.

Where awareness of development agencies was explored (in Scotland and Northern Ireland), they achieved the highest awareness levels, followed by government provided on-line business support portals (i.e. businesslink.gov.uk, Business Gateway and NI Business Information). In England and Wales (where engagement with development agencies was not explored), awareness levels were highest for businesslink.gov.uk.

Across the UK, businesslink.gov.uk (and equivalent services in Scotland, Wales and Northern Ireland) is the service that employers are most likely to have used (24% of employers having used the service over the last 12 months).

Employers who have used the general business support services explored in the survey were generally satisfied with their experience. Those who weren't satisfied cited:

- Advice not being relevant (42% of dissatisfied users)
- Not able to provide advice on the subject required (22%)
- Advice not being clear (12%)
- Advice not leading to the desired result (11%)

Employers were also asked about the Investors in People quality standard. Awareness of Investors in People is high (around seven in ten UK employers are aware of the standard). One in ten employers are currently accredited with the standard and a further one per cent are working towards accreditation.

Employer perspectives on recruitment services

The survey explored employers' awareness of, use of, and satisfaction with, a range of services and initiatives designed to help people into employment.

The survey found that employers tend to use a range of channels when looking to recruit new staff. Although Jobcentre Plus (or the Jobs & Benefits Office in Northern Ireland) is the most common channel that employers use (39% using it over the last 12 months), employers using Jobcentre Plus usually do so in combination with other channels.

Employers who have used Jobcentre Plus in the last 12 months are relatively satisfied with the overall service they received, particularly in terms of its value for money. Employers who use Jobcentre Plus but are dissatisfied and those who don't use Jobcentre Plus agree that the service's shortcoming is the quality of applicants that it delivers.

Of the specific services and initiatives explored in the survey, Jobcentre Plus's New Deal (also known as Steps to Work in Northern Ireland) has the highest levels of awareness and usage. Employers who have used New Deal in their recruitment tend to be satisfied with it, although satisfaction is higher with a number of other (less commonly used) schemes and initiatives, in particular Backing Young Britain and the Graduate Talent Pool in England and the Future Jobs Fund in Scotland and in Wales.

Overall, most employers tend not to perceive much of a role for government in supporting their recruitment activity. On a scale of one to ten, where one signifies that 'government's role is largely irrelevant' and ten signifies that government represents 'a key resource which we draw on systematically and frequently', the average score that employers attribute to government's role is 2.9.

Employer perspectives on skills and training services

Employers were asked a series of questions to gauge their views on the support available from Government to help develop the skills of their staff.

Although four-fifths of employers claim to be confident in knowing where to go for particular types of information, help and advice on skills or training related issues, a large minority (39%) nonetheless struggle to spontaneously name a specific organisation that they might approach.

The survey explored employers' views of a number of specific skills and training initiatives. Three-fifths of UK employers (58%) were aware of at least one of these initiatives, with eight per cent having made use of at least one over 12 months prior to the survey.

In England, Train to Gain¹ is the initiative employers are most likely to be aware of (51%) and to have used over the last year (eight per cent). Among Scottish employers, Get Ready for Work is the most recognised and used initiative, with 43% of employers in Scotland aware of it and four per cent having used it in the last year. GO Wales, Flexible Support for Business and Workforce Development Programme are the most commonly used initiatives in Wales, used by between three and five per cent of employers. Meanwhile, in Northern Ireland, Skillsafe and Workforce Development Forum are the two most recognised initiatives (13% and 11% respectively), though "Made not Born" is the most commonly used scheme (two per cent of Northern Irish employers used it in the last year). In each country, satisfaction levels are generally high with each of the skills and training services and initiatives available.

A third of establishments (34%) covered by a Sector Skills Council (SSC) have heard of their particular SSC. Of these, close to a quarter (23%) have had dealings with their SSC in the past 12 months (equating to 8% of the total employer population covered by an SSC). Among those who have had dealings with their SSC, the average satisfaction score is 7.0 (where ten is highly satisfied and one is highly dissatisfied).

There are high awareness levels for specific Apprenticeship schemes recognised by the government, with over half of employers in Scotland and Wales aware of Modern Apprenticeships (52% and 53% respectively), while two-fifths of all UK employers are aware of either Advanced Apprenticeships, Apprenticeships for those aged 25+ or Higher Apprenticeships. Overall, five per cent of all establishments have staff currently undertaking Apprenticeships, with a further four per cent reporting that they offer them but have no staff taking them at present, and eight per cent planning to offer them in future.

¹ the end of Train to Gain was announced in the October 2010 Spending Review

Over two-thirds of training employers (69%) have used an external provider to help deliver their training over the last 12 months, while 45% have arranged or funded training designed to lead to a recognised vocational qualification. Among employers not investing in vocational qualifications, the most common underlying reason is that their staff simply do not want this type of training (mentioned by 28%). Other reasons, each cited by about a fifth of employers who have not arranged or funded such training, are focussed around the cost, a lack of knowledge, a perception that they are too complicated or that they take too long to complete.

Overall, employers tend to view government's role in supporting their training and development as relatively limited, with approaching half (45%) giving a rating of one out of ten for its importance in this area, compared with seven percent rating the importance of such government support as ten.

Conclusions

At a time when public spending is under increased scrutiny, the Employer Perspective Survey provides an insight into the degree of employer engagement with government services and the extent to which they are providing useful support.

The demand for support

The survey found that employer views the role of government in these areas is a little contradictory. We have a significant proportion of employers who whilst believing that the government does not have a significant role to play in providing support in these areas, nevertheless have actually engaged with the support services available. It is likely that these employers have expressed this view because they are not solely reliant on government support services and use these services along with other means (either internal resources or services provided by other external organisations). It is also possible that employers see the primary beneficiaries of some of these services as being their employees, rather than themselves as employers.

We then have the 44% of employers who have not accessed government support of any kind (including general business support) over the last 12 months. This 'non-involvement' may be due to a variety of reasons and, in the absence of any contradictory evidence, one may assume that they are likely to be operating effectively (or are at least surviving) without it. These employers may have their own internal recruitment and workforce development practices that meet their needs, or belong to strong peer-to-peer networks that provide the required advice or support.

However, we must also consider the possibility that although some of these employers do not perceive the need for government support services, this does not mean that they could not benefit from their use.

Reaching the right audiences

The intelligence provided by the survey regarding who is most likely to access different types of service enables us to consider where greater use of signposting and collaboration could raise employer awareness of the different support services available. Rather than the gatekeepers of the different services and initiatives putting their efforts into reaching their respective hard-to-reach audiences, they could identify the services that these groups do access (some of which may not be provided by the government) and ensure their products and services are adequately signposted from respective websites and by advisors.

Across the UK, the service with the highest awareness and usage figures amongst private and third sector employers is the businesslink.gov.uk website (and the different brands in the devolved administrations). However, some of the current dissatisfaction with the businesslink.gov.uk service is likely to reflect the generalist nature of the advice it provides. Employers tend to rate their satisfaction with industry and occupation specific recruitment and workforce development services more highly than generic services. Therefore, there may be merit in placing more emphasis on, or greater signposting to, industry and occupation specific services (such as those provided by professional/industry specific recruitment agencies, trade media, Sector Skills Councils and National Skills Academies) on the businesslink.gov.uk website.

Brand consistency

Awareness and use of different types of services and initiatives vary widely. In terms of awareness, unsurprisingly, organisations, services and initiatives that have been in existence for longer periods (such as Business Link, Investors in People, Scottish Enterprise and Highlands and Islands Enterprise) achieve the highest recognition rates along with initiatives that have been heavily promoted in recent years, such as Apprenticeships and Train to Gain. Increasing awareness of Sector Skills Councils over the six years since their inception is an illustration of the time taken to build brand awareness. Awareness and use of some newer services and initiatives, such as Job Centre Plus's Rapid Response Unit, is comparatively low.

In some cases, when the content or nature of services, initiatives or qualifications are amended or changed, there may be merit in retaining brand names rather than creating new identities, particularly if the brand is not viewed particularly negatively by employers and is well-established.

1 Introduction

1.1 Background

Context

A consistent plank of recent UK political and economic policy has been the critical role ascribed to the building of the country's skills base as a means of driving up productivity and competitiveness (and thereby creating more and better employment opportunities and advancing social mobility and equality).

The UK has consistently lagged behind its international competitors in terms of economic performance, and successive governments have attributed this in part to insufficient workforce skills.

The UK Commission for Employment and Skills (UKCES) was established in 2008 and has a remit to advise Government on policies and practices that will contribute to increased skills, employment and productivity. At the heart of the Commission's approach is the aim of strengthening the voice of employers.

More specifically, the Commission is looking to help bring about more 'demand-led' skills and employment systems that deliver the type of support that employers need, through delivery channels that suit them. In parallel the Commission argues for the need to stimulate the aspirations of employers and individuals such that there is increased demand for enhanced skills.

In the current context, with the country struggling to emerge from recession, this challenge becomes all the more important as a means of stimulating economic growth. And against a back-drop of reductions in government spending, it becomes vital to understand the role that employers believe government should be playing in bringing about these changes.

The Employer Perspectives Survey (EPS) 2010 was commissioned by UKCES to explore employers' engagement with the skills, employment and business support systems in the four countries of the UK. Based on interviews with 14,390 establishments, the survey provides a unique opportunity to benchmark and compare patterns of employer awareness, usage and satisfaction with a wide range of government funded support services and initiatives.

The specific aims of the survey were to:

- identify the context in which employers are operating in terms of structure, decision making, changes and challenges
- determine level of engagement and satisfaction with government services in the areas of: Business Support, Recruitment, Skills and Training, and Qualifications,
- determine whether employers are getting the support they need, whether from government sources or otherwise

To steer the survey's development and delivery, the Commission brought together a steering group of representatives from: the devolved administrations in Scotland, Wales and Northern Ireland, the Alliance of Sector Skills Councils, the Department for Business, Innovation and Skills (BIS) and the Department for Work and Pensions (DWP). Other stakeholders consulted in the development and delivery of the survey included the Young People's Learning Agency (YPLA), the Skills Funding Agency (SFA) and JobCentre Plus.

Historical development

The Employer Perspectives Survey (EPS) 2010 continues the research agenda of the (former) Sector Skills Development Agency's (SSDA) Employer Survey. The SSDA survey collected UK-wide information relating to employers' training practices, skills challenges, and business and operational strategies and examined employers' views of Sector Skills Councils and training providers. The survey was taken over by the Commission in 2008 and published as an Evidence Report, *Skills for the Workplace: Employer Perspectives* (2008).

The new *Employer Perspectives* series maintains much of the coverage of the previous Employer Perspectives survey and retains its over-arching focus: how employers use and engage with government support.

Employer Perspectives is intended to form a coherent series with the new UK-wide Employer Skills Survey (ESS) which will be run and delivered by the UK Commission for the first time in 2011. Reflecting the need for consistent and coherent understanding of skills challenges across four UK nations and the drive for greater value for money and efficiencies in government procurement of research services, the UK Employer Skills Survey will harmonise the employer skills surveys historically conducted in each of the

four countries of the United Kingdom: the (English) National Employer Skills Survey (NESS¹), the Scottish Employer Skills Survey (SESS), the Northern Ireland Skills Monitoring Survey (NISMS), and Future Skills Wales Employer Survey.

Whereas *Employer Perspectives* is externally focused, the new UK-wide Employer Skills Survey (ESS) will be more internally focused, looking at employers' skills issues and their responses. The ESS will thus help identify where government action can best be targeted to develop employer demand for skills and aid in the optimal utilisation of skills in the workplace, while EPS identifies and measures the extent to which initiatives and programmes effectively engage their target audience.

The two surveys will run to a staggered biennial timeline.

1.2 Survey methodology

Data collection

The Employer Perspectives Survey 2010 was conducted by telephone with 14,390 UK employers. Interviews were conducted by IFF Research from their call centre in central London between June and August 2010.

Interviews were conducted at an establishment rather than organisation level. This was because two establishments in the same organisation may have very different experiences if they operate in different parts of the country, depending on the local labour market and local patterns of relevant skills and information provision. Furthermore, within large organisations, while human resources policies and priorities might be set at overall organisation level, it is at the level of the establishment that final recruitment and training decisions tend to be made.

Telephone contact details for the employers sampled were largely sourced from the Experian Business Database, the most comprehensive source of establishment-level sample with telephone numbers. The database does, however, undercount establishments in the public sector and the Energy & Utilities sector. Therefore, sample for these establishments was sourced from the Office of National Statistics (ONS) Inter-Departmental Business Register (IDBR) database, with telephone numbers appended by UK Changes.

¹ NESS was previously managed by the Learning and Skills Council, with UKCES gaining responsibility for it as a result of changes in the structure of government. It is part of a long-running programme of skills research which has included the Employer Skills Surveys of 1999 and 2001, and the Skills Needs in Britain series during the 1990s

Interviews were sought with the most senior person at the site with responsibility for human resources issues. In smaller establishments this would typically be the owner or managing director; in larger establishments this was often the Human Resources Manager or Personnel Manager.

Further details can be found in the Technical Appendix to this report (Appendix A). The survey questionnaire can be found in Appendix E.

Sample design

The starting point for the sample design was to allocate a number of interviews to be undertaken in each nation as part of the core survey, with these national quotas set to ensure large enough base sizes in each constituent nation within the UK to allow analysis at the national level. This is necessary, in part, because employment and skills policy is devolved to the UK nations each of which has developed its own series of programmes and initiatives.

Quotas were then set to ensure the profile of the establishments surveyed was proportionate to the total business population, while also achieving enough interviews in sectoral sub-groups to enable robust analysis.

Half of all interviews were divided equally across broad Standard Industrial Classification (SIC) sectors, to ensure sufficient interviews to conduct robust analysis in the smallest sectors. The remaining half of interviews were allocated in proportion to the number of business units each broad SIC sector accounts for², to ensure the most populous sectors can be analysed with the greatest degree of precision. Quotas were then set on the size of establishments (in terms of the number of people they employ) within each sector.

Final data were weighted and grossed up to reflect the total business population of establishments.

Full details of the sample structure and quota targets are included in the technical appendices.

1.3 Report structure

This report is structured as follows:

² Based on ONS IDBR data, March 2009

Chapter 2: The business operating environment: This chapter answers the first of the survey objectives in detailing the context in which employers are operating. It shows the population statistics and structural make up of establishments in the UK, before going on to discuss current context including organisational change, challenges for the future and IT sophistication.

Chapter 3: Employer perspectives on Business Services: This chapter looks at business services used by employers and satisfaction with them. It goes on to explore involvement and perceptions of the Investors in People standard.

Chapter 4: Employer perspectives on recruitment: This chapter shows the proportion of establishments with vacancies in the past 12 months and channels they have used to fill them. It particularly looks at usage and satisfaction with Jobcentre Plus. Engagement with government recruitment services is explored including awareness, usage, satisfaction and ease of accessing services, along with how important the establishment feels government recruitment services are to them.

Chapter 5: Employer perspectives on the skills system: This chapter covers the training arranged by establishments for their staff, along with awareness, use, satisfaction and ease of accessing government skills services. It further looks at use of vocational qualifications and perceptions of these. It details the usage, awareness and satisfaction of Sector Skills Councils. Finally it looks at employers offering Apprenticeships and barriers to them doing so.

Chapter 6: Cross cutting themes: This chapter takes a more holistic view of the system, looking at engagement across the different policy areas to examine patterns of use and characteristics of those using multiple forms of support and those who do not engage at all. It examines particularly services aimed at young people, to see the characteristics of engagement here, as well services established to help during the economic downturn. Finally, it looks at establishments who are increasing and decreasing in size to examine their behaviour in terms of accessing support.

1.4 A guide to reading this report

Reporting conventions

Throughout the report, the following conventions are used within charts and tables:

* denotes a figure less than 0.5 per cent but greater than zero

Data in italics denotes a small base (unweighted base between 25 and 50) and therefore the need to treat findings with caution

Some data in the charts and tables may not add to 100 per cent due to rounding. In cases where answers add to more than 100 per cent because multiple responses were allowed, a note has been provided.

All of the differences which have been commented upon with this report are statistically significant. The significance tests are based on a 95% confidence interval. This means that where differences are reported we can be 95% sure that they are “real” differences, that is, if we were to ask the question of the entire population in each sub-group we would find the same relationship in their responses.

Terminology

For ease of reading, within this report we make reference to establishments, employers and businesses interchangeably. We use these terms to define the site in which the respondent was interviewed. It is important to note that this is an establishment or site based survey as opposed to an organisational level survey. Some establishments surveyed will be part of larger organisations.

The UK does not have a single employment and skills system. Policy and therefore services and initiatives vary across the nations and regions of the UK. Employers’ will not tend to differentiate and therefore, when we refer to Government within the report, we are referring to the state in general. In some contexts it is necessary to refer to the Government of specific nations, where this is the case the Government we are referring to is clearly stated.

Status of services and initiatives

A large number of employment and skills support services and initiatives provided for UK employers. Some are provided by Government, some through local and national membership organisations and some by private organisations. Some are available across the UK and others are nation-specific. Within the survey we asked employers the views on the main services and initiatives provided or supported by Government.

Please note, some of the services and initiatives employers were asked in the survey have changed or come to an end since the survey was conducted. We have highlighted where this is the case throughout the report.

Reporting of findings by sector

The majority of sectoral data within this report is categorised and presented using the 14 broad Standard Industrial Classification (SIC) sectors rather than Sector Skills Council defined sectors. The main reason being that this classification is less susceptible to change over time and therefore allows for timeseries comparisons to be made. In the areas of Apprenticeships and Vocational Qualifications, data is presented by broad SIC sector and Sector Skills Council sector. This was felt to be important given the role Sector Skills Councils play in these areas. We have also included headline data broken down by Sector Skills Council sector in Appendix D.

2 The employer landscape and operating environment

Chapter summary

Employer landscape

The majority of establishments are small. Around half (53%) employ between two and four people whilst 1% employ over 250 people³.

In terms of the characteristics of employers in the UK, the survey indicates that:

- 84% of establishments are operating within the private sector, 7% are public sector employers and 8% are third sector employers;
- Overall, 62% of establishments are single-site organisations, 6% are head offices of multi-site organisations, with the remaining 32% being subordinate establishments within a multi-site organisation;
- The large majority of establishments (88%) describe the primary market for their goods or services as being within the UK, with 44% saying this is predominantly at a local level, 15% regional, 13% national and 16% UK-wide. One in eight (12%) cite their primary market as international.

Workforce strategies

Seven in ten establishments (72%) engage in some form of formal planning; most commonly this takes the form of a business plan (58%) or a staff training plan (52%); a third (34%) have a training budget.

A quarter of all establishments (26%) engage in all three of these forms of business and workforce planning; around a quarter (27%), though, have none.

In all, 77% of establishments have sole responsibility for recruitment and training decisions, and a further 11% have primary responsibility with head office having some input; just four per cent have no decision-making responsibilities around HR issues.

³ Based on IDBR population statistics, March 2009

In terms of skills, one in eleven establishments (9%) operate with a wholly graduate-level workforce, with 100% of their workforce qualified to degree level or above. This is very much driven by the smallest employers. Approaching a third of establishments (31%) have more than half their workforce qualified to degree level or above. In contrast, over a third of establishments (37%) have no-one at the site qualified to degree level or above, and 12% have no member of staff qualified to Level 3⁴ or above.

Operating environment

The success of a business or organisation is often dependent on how well its leaders and people are able to adapt to change. According to the survey:

- Approaching two-thirds of establishments (63%) experienced one or more major change over the 12 months prior to the survey;
- For 59% of establishments, change was in the form of innovation (introducing or modifying goods, services, equipment, systems or working methods). Most common was the introduction of new products or services (39% of all establishments) and introducing new IT systems or infrastructure (24%);
- In terms of the next 12 months, for one in six establishments (17%), simply staying in business or remaining a going concern is a key issue. Other key challenges include a lack of customer orders or reduced customer spending (26%) and reduced funding or cashflow (21%);
- Only a small proportion of employers are most concerned with challenges associated with growing their business such as finding suitably skilled workers (4%).

Employers are more positive about prospects for expanding their workforce over the next 12 months (with 20% predicting workforce growth) than they experienced over the last 12 months (where 14% experienced growth). However, these findings need treating with a degree of caution as they do not establish / explore the predicted magnitude of such growth and predictions were made prior to the announcement of reductions in public expenditure within the Government's 2010 Comprehensive Spending Review.

⁴ Level 3 equates to A / AS Levels, NVQ Level 3 in England, Wales and NI and SCQF Level 6 (Higher, SVQ 3) in Scotland

This chapter provides contextual understanding of the employers covered in the 2010 Employer Perspectives Survey and the environment in which they were operating at the time of the survey (Summer 2010). This information will be drawn on in later chapters to help us understand which employers are utilising government support in the areas of recruitment and workforce development, which can help us consider where such interventions are having an impact and aiding growth.

Within this chapter we firstly describe the characteristics of the employers covered by the survey in terms of their size and the markets in which they operate, both sectorally and geographically⁵. We then describe how employers meet their labour requirements by examining the formality of their workforce development planning, the skill levels of their staff and where human resource decisions are taken.

Finally we describe the wider external environment in which employers were operating at the time of the survey and identify some of the drivers of change that are likely to impact on the labour market. We look at the operating challenges employers face, changes they have experienced over the last 12 months and their predictions for the year ahead.

2.1 The employer landscape

The structure of the UK economy is a key driver of labour requirement in the UK, and for individual employers the way they function within the economy will drive their labour market needs. Within this section we describe the characteristics of the employers covered by the survey in terms of the sectors and markets in which they operate, their ownership and their size.

Table 2.1 overleaf illustrates the proportion of employers which fall into each of the 14 sectors used throughout this report, at overall UK level and within each of the four countries of the UK. In terms of the number of establishments, the *Personal household goods* sector (which encompasses retail and wholesale) is the largest sector in the UK covering over a fifth of establishments, closely followed by the *Business services* sector. *Mining and quarrying* and *Electricity, gas and water supply* are the smallest sectors.

The four countries of the UK have a similar profile in terms of the sectoral distribution of employers, although the *Business Services* sectors of Scotland, Wales and Northern Ireland are considerably smaller in relative terms than in England. Indeed in Northern Ireland the *Construction* sector is larger than the *Business Services* sector.

⁵ These factors ultimately determine labour requirement – how many people are required in what roles and with what skills, something which will be explored fully in the Employer Skills Survey of 2011

At the other end of the scale, the Agriculture sector accounts for a smaller proportion of employers in England than elsewhere, and particularly than in Wales and Northern Ireland where it accounts for more than one in ten employers.

Table 2.1: Population of establishments by sector

Sector	All %	England %	Scotland %	Wales %	N. Ireland %
Agriculture	5	4	9	12	11
Mining & quarrying	*	*	*	*	*
Manufacturing	6	6	5	6	6
Electricity, gas, etc	*	*	1	1	1
Construction	10	10	9	10	14
Personal household goods	21	21	21	21	22
Hotels & restaurants	9	9	10	10	7
Transport, etc	7	7	6	5	5
Financial intermediation	2	3	2	2	2
Business services	20	21	16	14	12
Public administration	1	1	2	2	2
Education	3	3	4	4	5
Health and social work	7	7	8	7	7
Other community services	7	7	8	7	7

* denotes <0.5%

Based on IDBR population statistics, March 2009

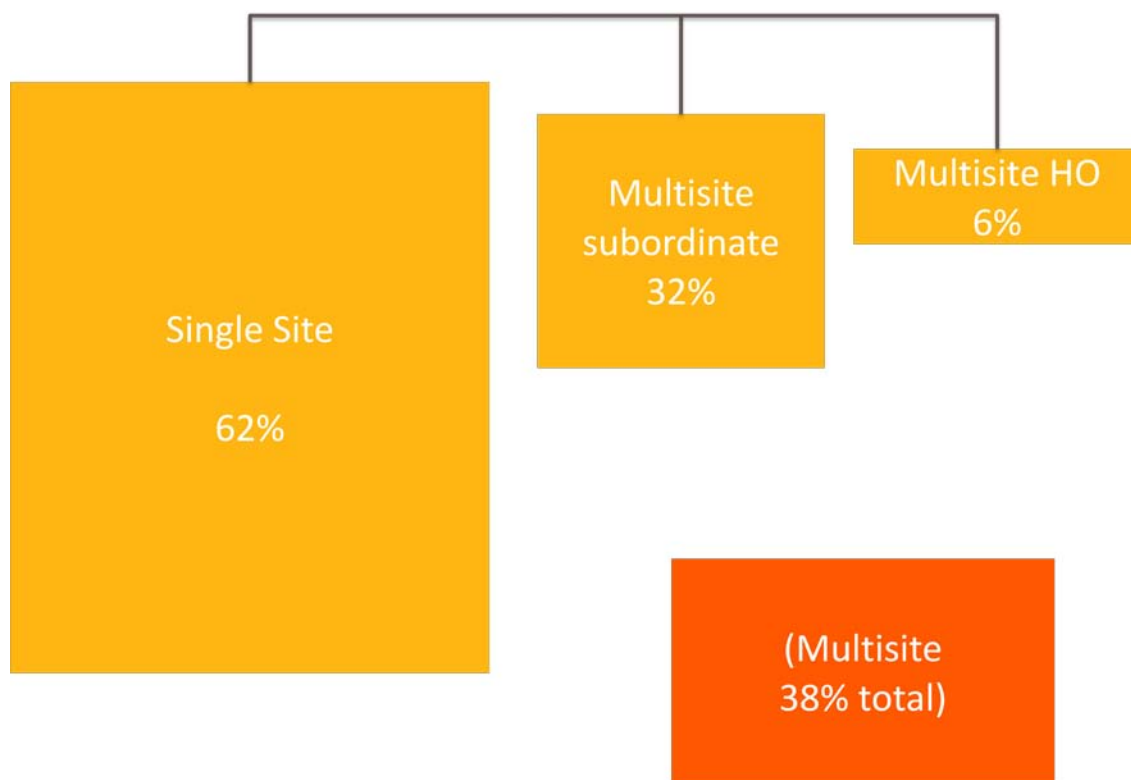
The survey also asked employers to describe their broad sector in terms of ownership – i.e. whether they were a private / commercial sector organisation, a government organisation or a third sector organisation. Overall, the survey indicates that 84% of UK employers (at an establishment level) are private sector employers, 7% are public sector employers and 8% are third sector⁶ employers.

⁶ The Third sector encompasses a wide spectrum of organisations, and essentially relates to community associations, self-help groups, voluntary organisations, charities, faith-based organisations, social enterprises, community businesses, housing associations, cooperatives and mutual organisations as well as many others. A defining feature of Third Sector organisations is that they consist of both paid and unpaid workers. (Definition taken from *Third Sector Statistical resource 2011, WCVA*).

The majority of establishments are small. Over half (53%) employ between 2 and 4 people whilst 1% employ over 250 people. Public sector employers tend to be the largest in terms of workforce size.

Overall 62% of the establishments surveyed were single-site organisations and 6% were head offices of multi-site organisations – leaving 32% as subordinate establishments within a multi-site organisation structure.

Figure 2.1: Profile of establishments – single or multi site



Base: All employers (wtd 1,774,876; unwtd 14,390)

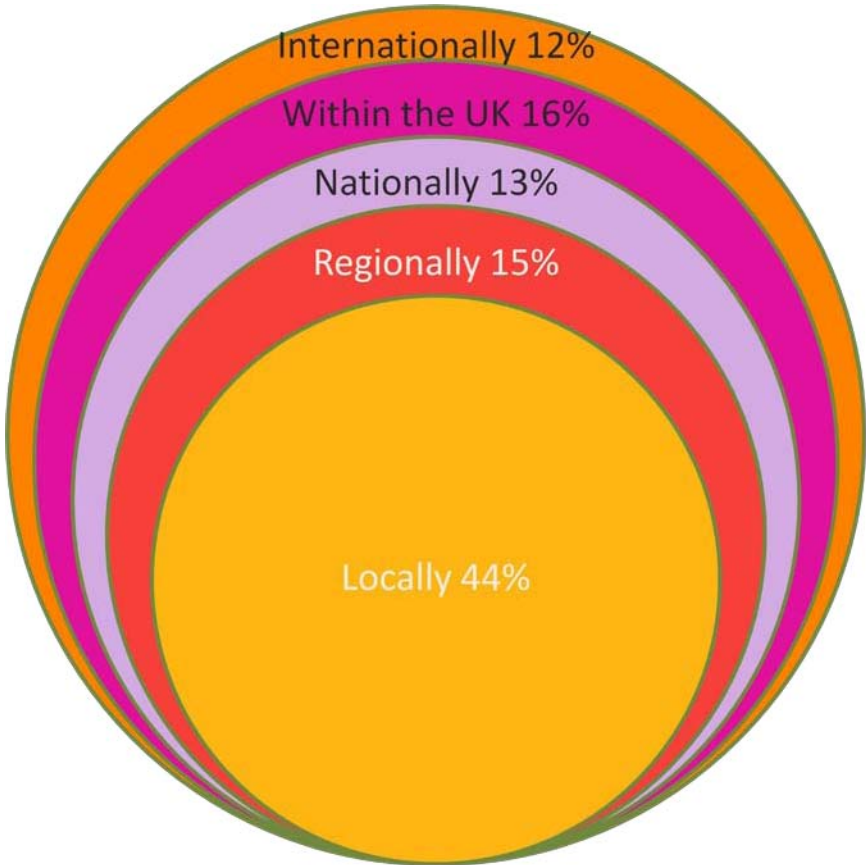
For the great majority of establishments (88%), the primary market for their goods or services is within the UK. Only one in eight (12%) cite their primary markets as international (Figure 2.1). These are most likely to be employers in the Mining and Quarrying (24% primarily operate internationally), Transport, Storage and Communications (22%) and Manufacturing (21%) sectors.

Within the UK, establishments are more likely to say their primary market is local (44% of all employers) than regional (15%), national (13%) or UK-wide (16%). As one would expect, public sector employers mostly operate within a domestic sphere; perhaps more surprisingly, the third sector closely mirrors the private sector in terms of the location of its markets, with 10% of employers operating primarily outside of the UK (compared to 13% of private sector employers).

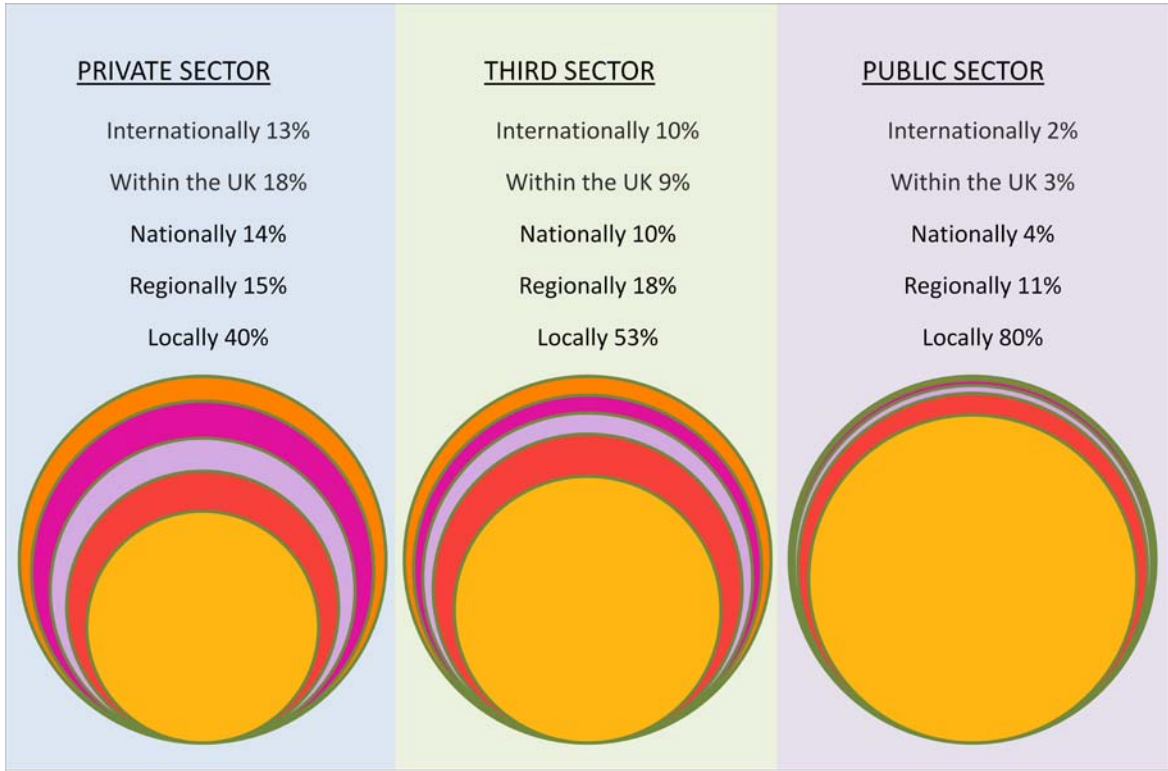
Establishments in England are slightly more likely to operate primarily at an international level than those in Northern Ireland, Scotland and Wales (12% vs. 10%, 9% and 8% respectively). Conversely, those in Northern Ireland, Wales and Scotland are more likely to identify their primary market as local than those in England (49%, 49% and 46% respectively, compared with 43% in England).

Establishments primarily operating internationally are likely to be larger; 11% of those with fewer than 25 staff, 17% of those with 25-49 staff, 19% of those with 50-249 staff and 25% of those with 250+ staff identify their primary market as international.

Figure 2.2: Location of markets in which products or services are primarily sold or provided



Base: All employers (wtd 1,774,876; unwtd 14,390)



*Base: All private sector (wtd 1,499,553; unwtd 10,954)
 All public sector (wtd 125,354; unwtd 2,140)
 All third sector (wtd 134,650; unwtd 1,171)*

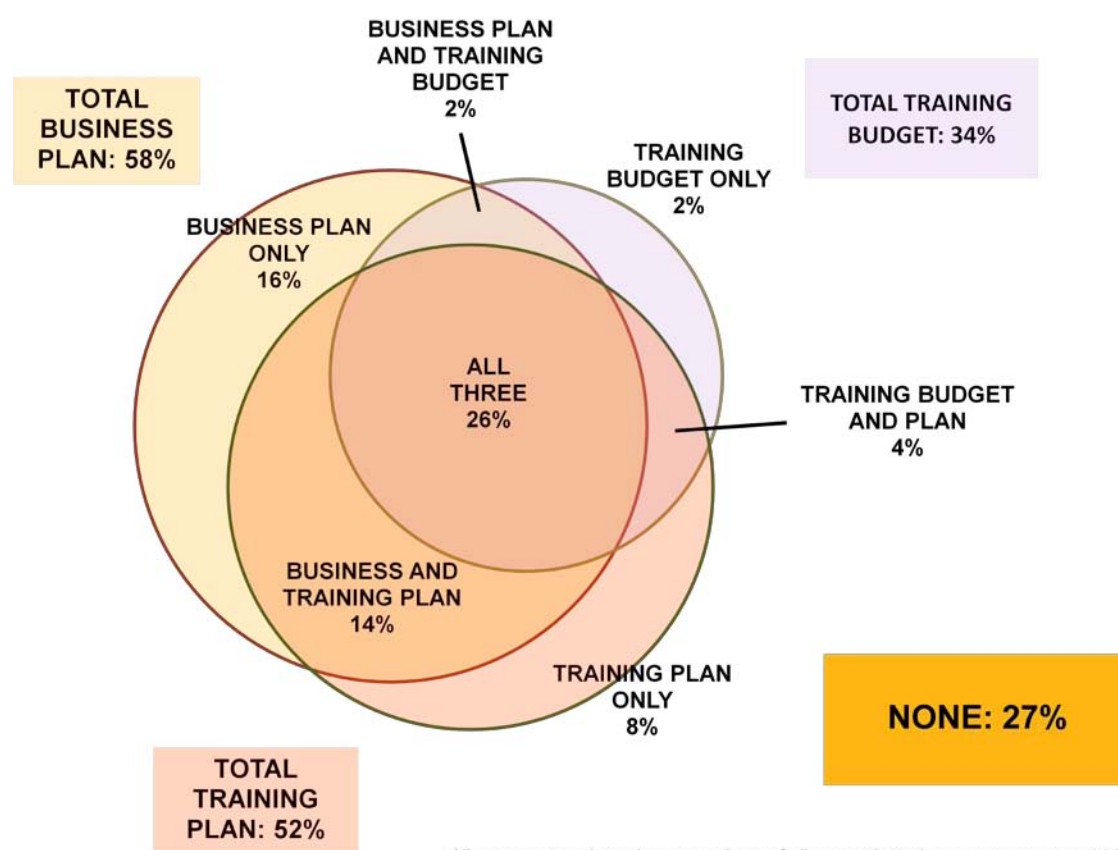
2.2 Workforce strategies

Business and workforce planning

To measure the sophistication with which employers manage their business and people, survey respondents were asked if their establishment was covered by a business plan, a staff training plan, and/or a training budget. For establishments that are part of a larger organisation this included organisation-wide plans and budgets.

Overall, seven in ten establishments (72%) engage in some form of formal planning. Most commonly this takes the form of a business plan (58% of establishments) followed by a staff training plan (52%). Having a dedicated training budget is slightly less common, cited by a third of establishments (34%) (Figure 2.3).

Figure 2.3: Extent to which establishments engage in business planning



A quarter of all establishments (26%) engage in all three forms of business and workforce development planning; and 27% have no plans (1% of respondents were unable to answer the question).

Unsurprisingly, the larger the establishment, the more likely they are to engage in each of the forms of business and workforce development planning: 81% of establishments with 250+ staff have all three types of plan (and just one per cent have none), compared to 14% and 38% respectively for establishments with two to four staff.

In overall terms, private sector employers approach business and training planning with far less formality than those in the public or third sector. One in five private sector employers have all three types of formal plan (22%) compared to over half of public sector employers (55%) and approaching that proportion of third sector employers (45%). This disparity holds true in terms of each of the individual types of plan.

Table 2.2: Business and training planning and budgets by broad sector ownership (%)

Sector	Total %	Private sector %	Third sector %	Public sector %
Business Plan	58	56	73	70
Training Plan	52	48	67	81
Training Budget	34	29	59	74
All three	26	22	45	55
None	27	30	13	6
<i>Base (unweighted)</i>	<i>14,390</i>	<i>10,954</i>	<i>1,171</i>	<i>2,140</i>
<i>Base (weighted)</i>	<i>1,774,876</i>	<i>1,499,553</i>	<i>134,650</i>	<i>125,354</i>

Differences between nations are less marked. Employers in Northern Ireland are, however, slightly more likely to have all three types of plan (30% do, compared to 26% in each of England, Scotland and Wales), mostly likely because the employer profile in Northern Ireland is characterised by a higher proportion of public sector establishments (who are more likely to engage in formal planning).

Employers in Scotland are slightly less likely to have a business plan (53%, vs. 59% in England and Northern Ireland and 58% in Wales), and employers in England are less likely to have training plans in place (51% do, vs. 56% in Scotland, 53% in Wales and 55% in Northern Ireland). There is no significant variation by nation in the incidence of training budgets.

Table 2.3: SUMMARY: Business planning

	Business Plan	Staff Training	Training Budget	None of the above	Don't know	Wtd base ⁷	Unwtd base ⁸
	%	%	%	%	%		
All	58	52	34	27	1	1,774,876	14,390
Country							
England	59	51	34	27	1	1,491,746	9,432
Scotland	53	56	36	27	1	139,915	1,981
Wales	58	53	34	26	1	83,720	1,987
Northern Ireland	59	55	37	26	1	59,495	990
Size							
2 – 4	49	34	20	38	1	931,960	2,102
5 – 9	60	62	38	20	2	391,793	1,995
10 – 24	71	75	52	11	1	261,884	3,077
25 – 49	79	82	68	6	1	101,183	2,625
50 – 249	83	86	76	3	2	76,106	3,204
250 & over	91	93	88	1	1	11,950	1,387
Sector							
Agriculture	48	32	18	43	*	94,845	336
Mining & quarrying	76	78	65	9	1	1,860	84
Manufacturing	54	47	25	31	1	110,171	1,083
Electricity, gas, etc	60	58	40	21	1	8,203	257
Construction	42	41	26	40	1	180,251	1,179
Personal household goods	55	52	29	29	1	378,884	2,240
Hotels & restaurants	58	53	31	25	2	159,718	1,376
Transport, etc	62	46	28	25	2	120,906	1,209
Financial intermediation	74	74	46	14	1	43,602	527
Business services	60	45	31	28	1	347,887	2,062
Public administration	75	79	77	6	1	22,475	699
Education	74	79	68	6	1	56,581	875
Health and social work	76	78	64	7	1	120,543	1,398
Other community services	59	58	46	24	3	128,950	1,065
Nature of ownership							
Public sector	70	81	74	6	1	125,354	2,140
Private sector	56	48	29	30	1	1,499,553	10,954
Third sector	73	67	59	13	*	134,650	1,171

⁷ Weighted base – numbers of employers represented by the number of interviews⁸ Unweighted base – numbers of employers interviews

Location of recruitment and training decisions

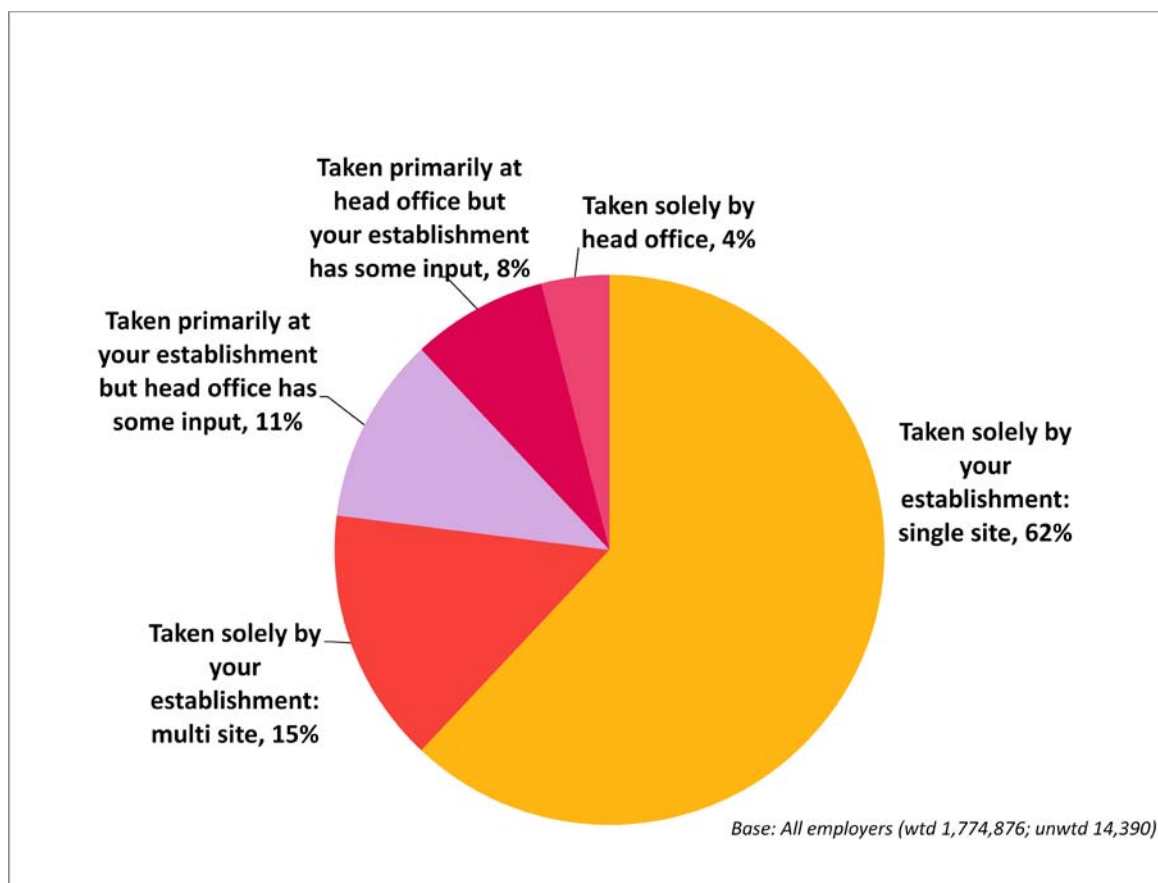
Overall, 77%, of establishments have sole responsibility for recruitment and training decisions, and a further 11% have primary responsibility with head office having some input.

- Where human resource decision-making is located within a multi-site organisation has implications for the establishment's engagement with government support services. While single-site employers and head offices of multi-site organisations are largely free to make their own decisions regarding the use of government support, those working for subordinate establishments within a larger organisation may have to comply with organisation-wide policies. This has strategic consequences for the delivery and promotion of government support services.

To gauge where decisions regarding the use of government support for recruitment and workforce development are most likely to be taken, survey respondents from multi-site subordinate establishments were asked to what extent their head office was involved in decisions regarding recruitment and training. Figure 2.4 presents the location of HR decision-making combining single and multi-site employers. Overall three quarters retain all HR decision making functions and powers at site (including 27% of multi-site employers, representing 15% of all employers). Only one in 25 of all employers had no input to these sorts of decisions, with a further one in twelve having some input to decisions primarily taken elsewhere.

- Whilst this provides a useful broad understanding it is worth noting that the type of decisions taken at different levels are likely to vary. In an establishment that is part of a large multi-site organisation it is likely that operational decisions (e.g. decisions regarding who to recruit or who requires training) are made by managers at individual establishments within frameworks (e.g. company policy on preferred recruitment channels or engagement with government funded training provision) designed and implemented at an organisational-wide level.

Figure 2.4: Location of HR decision-making



Reflecting the different structural make-up of the broad sector types, in overall terms private sector establishments were considerably more likely to have responsibility for their own HR decisions than those in the public sector.

Table 2.4: Location of HR decision-making by broad sector ownership (%)

Sector	Total %	Private sector %	Third sector %	Public sector %
Taken solely at establishment (single-site)	62	66	54	26
Taken solely at establishment (multi-site)	15	15	15	14
Primarily at establishment	11	9	14	21
Primarily at Head Office	8	6	13	27
Solely at Head Office	4	3	3	11
Base	14,390	10,954	1,171	2,140
Base (weighted)	1,774,876	1,499,553	134,650	125,354

2.3 Workforce skill levels

Workforce qualification levels can be used as a means of identifying employers with high level skills requirements. Potentially, employers with highly-qualified workforces will have quite different needs and patterns of use of government workforce development support services, compared to those employing a less qualified workforce⁹.

To gauge skill levels, employers were asked what proportion of their current staff are qualified to at least Level 3¹⁰, and what proportion are qualified to at least degree level¹¹ (Figure 2.4). This measure should be treated with a degree of caution for two reasons. Firstly, the highest level of qualification held by an individual does not necessarily determine how skilled they are in carrying out their current role. Secondly, employers are unlikely to know the qualification levels of all their employees and therefore many will provide an estimate. These issues withstanding, the findings provide a useful indication of the overall workforce skill levels.

Overall, the findings suggest that one in eleven establishments (9%) have a wholly graduate-level workforce, with 100% of their workforce qualified to degree level or above, and 31% of establishments have half or more of their workforce qualified to this level. In contrast, over a third of establishments (37%) have no-one at the site qualified to degree level or above, and 12% have no member of staff qualified to Level 3 or above.

More broadly, highly-qualified workforces (>80% of employees qualified to degree level or above) make up 18% of the third sector workforce, significantly higher than in the public or private sectors (where they make up 7% and 11% respectively). The lowest-qualified workforces (<20% of employees qualified to Level 3 or above) are more often in the private sector (where they make up 17% of the workforce) than the third or public sectors (9% and 4% respectively).

Employers with the lowest qualified workforces (<20% qualified to Level 3 or above) are significantly less likely to engage in business or workforce development planning – just 41% have a business plan, 38% a training plan and 18% a training budget compared to 58%, 52% and 34% respectively in the employer population as a whole.

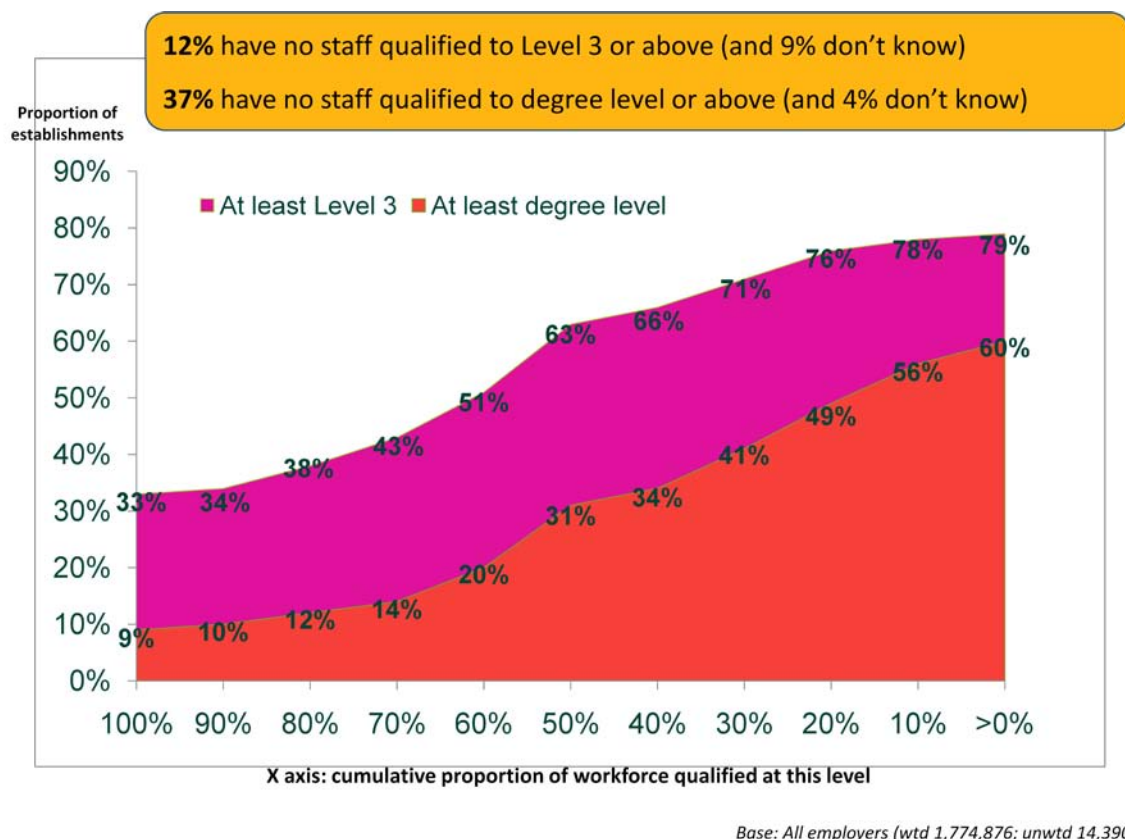
Interestingly, there is little variation in business and workforce development planning amongst employers with more qualified workforces – notably, those with >80% degree level or above are no more likely to plan than employers with mid-qualified workforces.

⁹ This will be analysed in later chapters of the report in relation to government recruitment, skills and training, and business support services.

¹⁰ Level 3 equates to A / AS Levels, NVQ Level 3 in England, Wales and Northern Ireland and SCQF Level 6 (Higher, SVQ 3) in Scotland

¹¹ For the purposes of this analysis 'degree level' this includes those with HNDs, HNCs and Foundation Degrees as well as any postgraduate degrees

Figure 2.5: Workforce skill levels – cumulative proportions of establishment workforces qualified to at least Level 3 and at least degree level



2.4 Operating environment

Whilst at the time of the survey (summer 2010) the UK economy had officially exited recession, the impact of the economic downturn was still being felt. The Coalition Government had recently been elected and the need to address the public sector deficit was clear, although details regarding the nature and size of spending cuts and tax increases were yet to be determined.

The Employer Perspectives Survey gauges business confidence and levels of innovation through a series of questions on challenges employers anticipate facing over the coming 12 months and changes they have experienced in the past year. For many these will reflect general economic conditions.

This information is built upon in the penultimate chapter of this report to examine the extent to which government support services are being used by employers with different business challenges. For example, are employers who are anticipating reducing staff numbers in the coming year aware of redundancy support services? Equally, are ambitious employers who are expanding their workforces and developing new products or services benefiting from government support to achieve this?

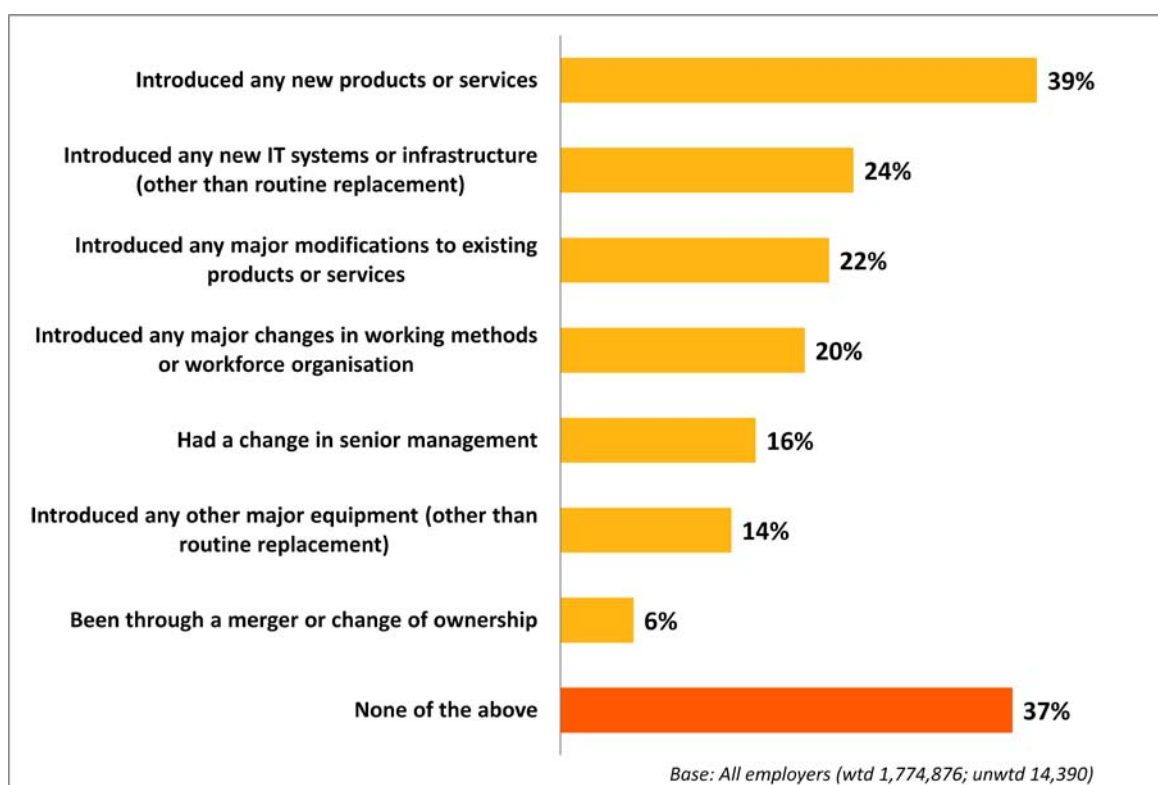
Changes experienced by employers over the last 12 months

- Employers were asked about the changes they had undergone in the past 12 months (Figure 2.6). For 59%, change was in the form of innovation (introducing or modifying goods, services, equipment, systems or working methods). Most common was the introduction of new products or services (39% of all establishments) and introducing new IT systems or infrastructure (24%). One in five establishments had introduced major changes in working methods or workforce organisation (20%).
- Looking at one specific aspect of innovation, employers were asked to rate their establishment's IT systems on a scale of one to five (where one indicated that compared to others in their industry they were well behind recent technological developments and five indicated that their systems were state of the art). Overall, 33% rated themselves as being state of the art / ahead of recent developments (a rating of four or five out of five), 23% rated themselves as being behind recent developments and 39% rated themselves as being average (a rating of one or two out of five; four per cent could not answer).
- In terms of other changes, one in six had a change in senior management (16%), and six per cent had been through a merger or change of ownership.

Table 2.5: SUMMARY: Organisational change

	New products / services	Major modifications to existing products / services	New IT systems or infrastructure	Any other new major equipment	Working methods / workforce organisation change	Senior management change	Merger / change of owner	None	Wtd base	Unwtd base
	%	%	%	%	%	%	%	%		
All	35	22	24	14	20	16	6	37	1,774,876	14,390
Country										
England	39	22	24	14	20	16	6	36	1,491,746	9,432
Scotland	35	19	25	15	20	17	6	39	139,915	1,981
Wales	40	23	24	16	19	15	7	33	83,720	1,987
Northern Ireland	34	20	24	15	22	15	4	39	59,495	990
Size										
2 – 4	34	19	21	13	17	10	5	43	931,960	2,102
5 – 9	43	22	23	15	20	17	7	33	391,793	1,995
10 – 24	44	27	30	15	23	24	6	28	261,884	3,077
25 – 49	45	30	32	18	26	27	6	24	101,183	2,625
50 – 249	46	32	38	21	29	33	7	21	76,106	3,204
250 & over	56	40	46	24	40	46	8	14	11,950	1,387
Sector										
Agriculture	22	15	14	22	12	4	2	52	94,845	336
Mining & quarrying	20	10	36	12	21	24	5	35	1,860	84
Manufacturing	42	24	21	24	20	14	8	34	110,171	1,083
Electricity, gas, etc	34	23	25	21	24	21	9	36	8,203	257
Construction	23	11	16	8	16	9	3	53	180,251	1,179
Personal household goods	52	25	27	13	20	17	7	30	378,884	2,240
Hotels & restaurants	41	23	20	10	12	17	8	39	159,718	1,376
Transport, etc	39	26	34	17	23	16	4	32	120,906	1,209
Financial intermediation	43	27	35	8	20	24	14	27	43,602	527
Business services	38	21	26	15	22	12	5	36	347,887	2,062
Public administration	26	25	34	8	26	35	5	33	22,475	699
Education	40	27	34	21	27	25	7	26	56,581	875
Health and social work	31	24	23	11	22	24	6	36	120,543	1,398
Other community services	38	23	26	18	22	21	5	35	128,950	1,065
Nature of ownership										
Public sector	39	21	23	14	19	14	6	38	125,354	2,140
Private sector	39	27	31	15	27	27	5	30	1,499,553	10,954
Third sector	36	27	30	13	25	30	7	29	134,650	1,171

Figure 2.6: Recent changes undergone by establishments



Establishments in Wales are more likely to report having made one or more changes (67%) than those in England (63%), Northern Ireland and Scotland (61% for each). Those in both England and Wales are more likely to report introducing new products or services than those in Northern Ireland and Scotland (39% and 40%, vs. 34% and 35%).

Public and third sector establishments are most likely to have experienced at least one of these changes: 70% of each have done so in the last year, compared to 62% of private sector establishments.

As might be expected, larger establishments are more likely to report having experienced one or more of these changes over the previous year, rising to 86% of those with at least 250 staff.

Anticipated operating challenges over the next 12 months

In order to ensure that assistance is effective and correctly targeted, Government support services need to understand the issues of greatest (perceived) importance to employers.

The operating challenges employers anticipate facing over the coming 12 months vary considerably. For one in six (17%), simply staying in business or remaining a going concern is a key issue (rising to 22% among those undergoing a sustained shrinkage in staff numbers). More general concerns around the economic downturn are widespread: it is implicit in many of the individual challenges mentioned and a further five per cent mentioned it in more general terms. A lack of customer orders or reduced customer spending is expected to be a problem for a quarter of employers (26%), and reduced funding or cashflow a problem for a fifth (21%).

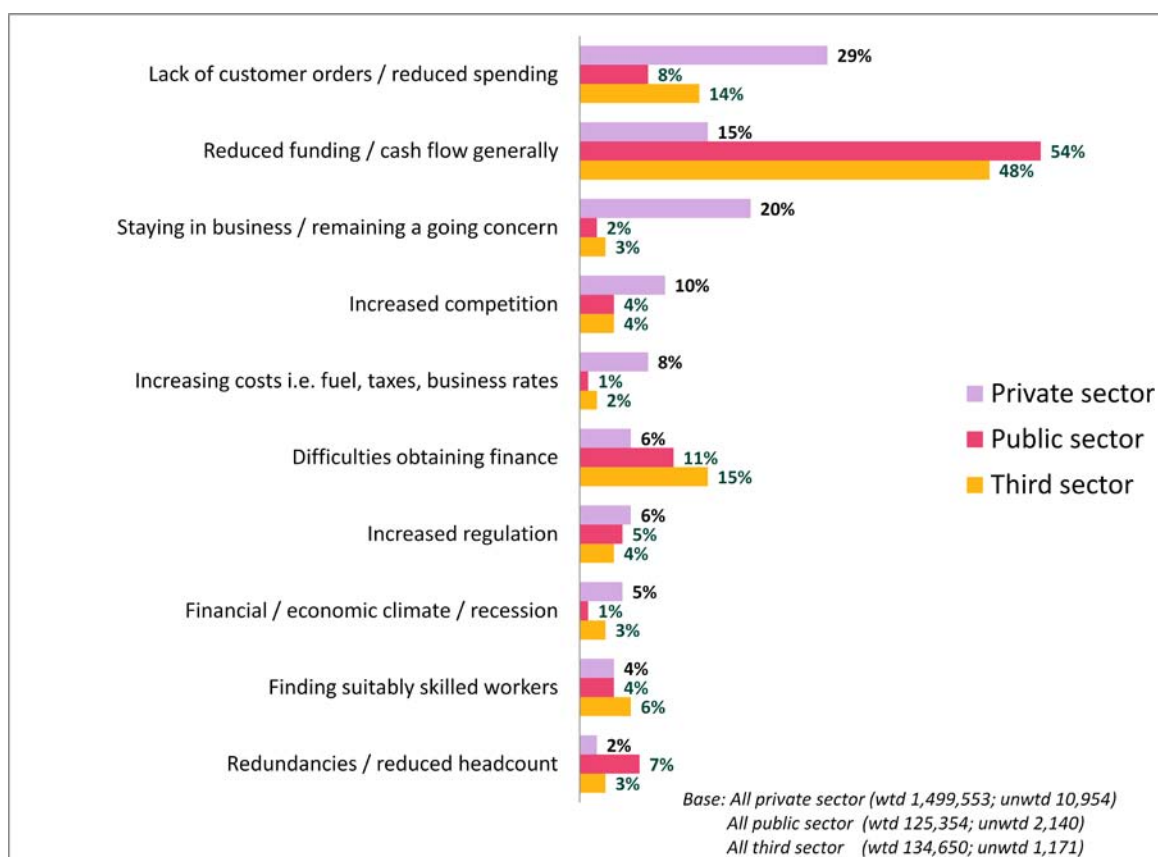
A small proportion of employers are most concerned with challenges around growing their business or organisation, such as finding suitably skilled workers (4%), marketing & sales (2%), or expansion and growth generally (2%). However, finding suitably skilled staff is considerably more likely to be a challenge for establishments that have grown over the past year and have ambitions to continue growing over the coming year (10% of this group cited this as an anticipated challenge).

Although differences by country are relatively slight, employers in Northern Ireland are more likely than average to mention anticipated funding/cashflow issues (26%) and also difficulties obtaining finance (10%).

There are a number of (unsurprising) differences between employers in the private, public and Third Sectors. Private sector employers are most concerned about a lack of customers or reduced spending – and are considerably more concerned about this challenge than their counterparts in the public sector. For employers in the public and third sectors, as one might expect it is reductions in funding that cause the greatest concern, followed by difficulties obtaining funding – a particular challenge for those in the Third Sector.

Employers anticipating significant challenges in finding suitably skilled workers are in a small minority across all three broad sector types, with around one in twenty employers in each case (four to six per cent) reporting this as an anticipated challenge.

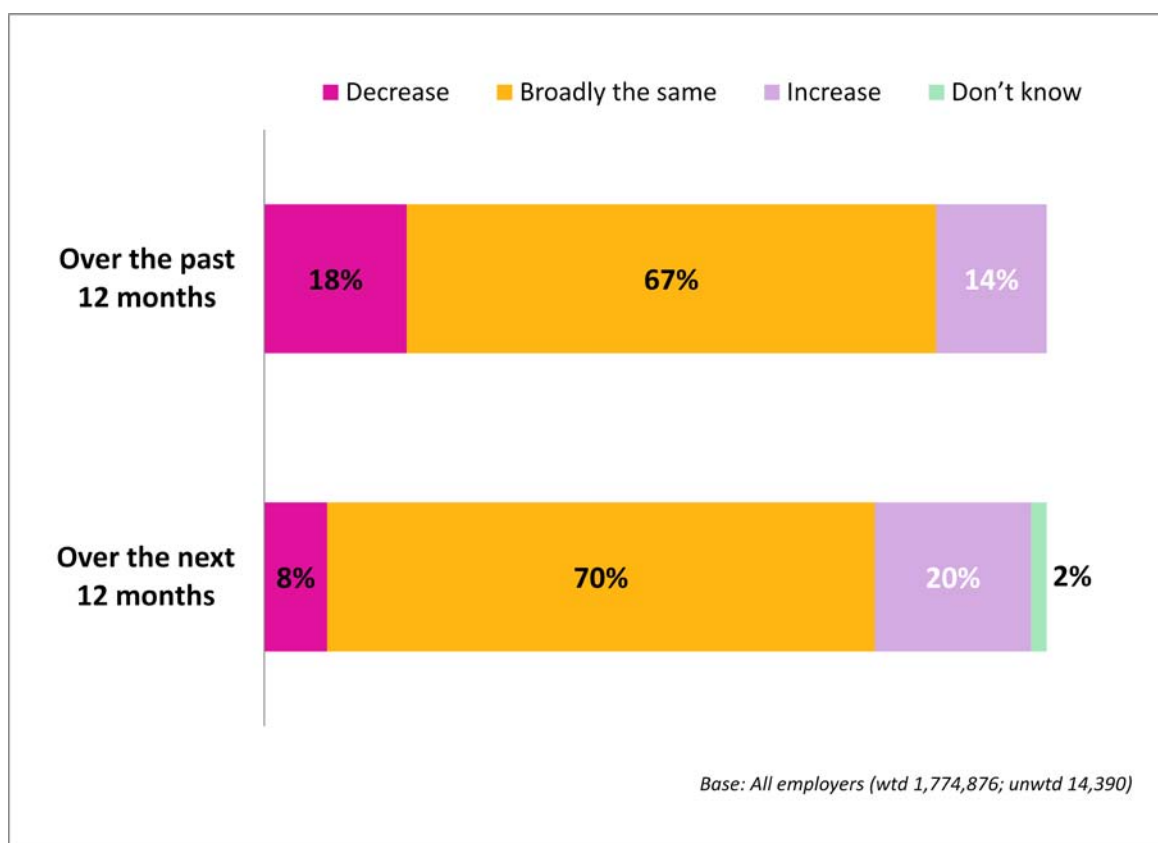
Figure 2.7: Anticipated business challenges over next 12 months (spontaneous)



Workforce growth and contraction

Establishments are more likely to be positive about their prospects for workforce growth over the next 12 months than they are when reporting the situation over the last 12 months (Figure 2.8). Whereas 18% report a contraction in their workforce in the past 12 months, only 8% predict their workforce will contract over the next 12 months. Conversely, whilst 14% report workforce growth over the past 12 months, this increases to 20% who predict workforce growth in the next 12 months.

Figure 2.8: Growth or contraction of establishments' workforce over past 12 months and next 12 months



When these past and anticipated workforce size movements are considered in combination, we see that in total 7% of all establishments report “sustained growth” (growth over the past 12 months as well as expected growth over the coming year), whilst just 3% report “sustained shrinkage” at the other extreme.

As the economy recovers from recession, more private sector firms are reporting a growth trajectory (7%) than are shrinking (3%). The third sector is reporting a very similar pattern (8% growing, 4% contracting). As one would anticipate, however, the workforce trajectory in the public sector is weighted towards contraction (6% of public sector employers) rather than growth (3%).

- These findings need treating with a degree of caution as they do not take into account the predicted magnitude of such growth and contractions and predictions were made prior to the announcement of spending cuts within the Government's 2010 Comprehensive Spending Review.

The use of and view of government support for recruitment and workforce development by establishments experiencing sustained growth and sustained shrinkage in terms of the overall size of their workforce are explored in chapter 6.

3 Employer perspectives on... business support services

Chapter Summary

The majority of UK employers (79%) are aware of specific government business support services available to them, and approaching three in ten (29%) have made use of at least one over the year prior to the survey.

In England, awareness and usage of business support services are highest for the BusinessLink.gov.uk website and Business Link local services, with 72% of English employers aware of one or both and 27% having used either (or both). One in five English employers are aware that Local Authorities can provide business support, though just three per cent have made use of such support.

The vast majority (98%) of Scottish employers are aware of business support services, with three in ten (29%) having used at least one of them over the previous 12 months. Whilst awareness levels are highest for Scottish Enterprise (92%) and Highlands and Islands Enterprise (64%, rising to 97% in the Highlands and Islands area), it is Business Gateway and BusinessLink.gov.uk that Scottish employers are most likely to make use of (16% and 11% respectively).

More than three in five Welsh employers (63%) are aware of business support services available in Wales, and 18% have used one or more over the 12 months prior to the survey. As in England, awareness levels are highest for the BusinessLink.gov.uk website, with one in ten (11%) having accessed and used it.

Overall, 95% of employers in Northern Ireland know of business support schemes and initiatives, and around a quarter (27%) have made use of at least one of these of the past 12 months. Awareness of Invest Northern Ireland is near-universal (93%), and approaching one in five Northern Irish employers (17%) have used them for business support.

In each country, levels of satisfaction are generally high with each of the business support services and initiatives available to them.

Around seven in ten UK employers (71%) are aware of the Investors in People standard, and one in four of those who have heard of Investors in People have had some involvement with it (equating to 12% of the overall employer population). One in ten employers (ten per cent) are currently accredited with the standard, and a further one per cent are working towards accreditation; meanwhile, two per cent are “lapsed” Investors in People, and four per cent are currently considering working towards the standard.

The UK Commission for Employment Skills has a remit to raise prosperity and opportunity by helping develop world-class employment and skills systems across the four UK nations. In recognition of the role that employers play in creating employment opportunities and improving workforce productivity, in recent years, employment and skills policy (within England in particular) has focused on ensuring that government support for employers is effectively meeting their needs. Moving forward, in light of reduced public expenditure, it is likely that greater emphasis will be placed on employers raising workforce skills and productivity with reduced reliance of public funding.

The primary aim of the 2010 Employer Perspectives Survey is to understand employer awareness, use and views of government supported services and initiatives in the employment and skills arenas. However, given that many employers may be more likely to seek government support for other issues (such as start-up advice or information on regulatory requirements) it was felt important also to understand employer engagement with more general business support services. In addition, some of these general services (such as Business Link) directly or indirectly provide some employment and skills related support or advice.

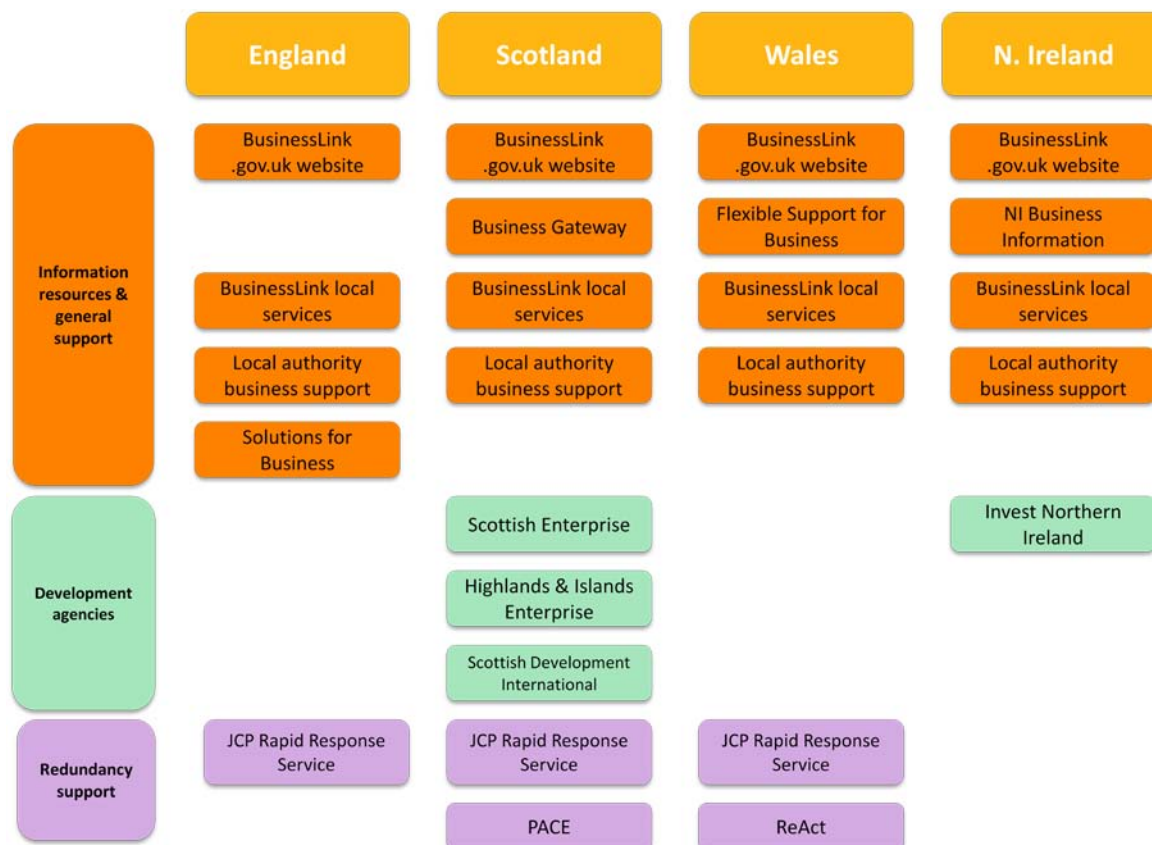
There are a large number of support services available to UK businesses, some provided by Government, and some through local and national membership organisations. Some are common across the UK and others are nation-specific. Some, such as Business Link, give general support across a range of areas, whereas others, such as Jobcentre Plus's Rapid Response Service, are more specific in nature.

This chapter examines employers' awareness of and engagement with the main business support initiatives in each of the four nations, as well as their satisfaction levels with the initiatives they have used. The list of services and initiatives asked about in the 2010 Employer Perspective Survey was guided by steering group members representing the Department for Business, Innovation and Skills and the devolved administrations in Wales, Scotland and Northern Ireland. The chapter then turns to explore levels of awareness, engagement, knowledge and satisfaction with the Investors in People (IiP) standard.

3.1 Awareness and use of business support services

Employers were asked about their awareness and use of a number of different schemes and initiatives providing business support which we have grouped under the *broad* themes “information resources and general support”, “development agencies”¹² and “redundancy support”. Figure 3.1 sets out the initiatives provided in each of the four nations, with a series of notes below outlining the focus and scope of each.

Figure 3.1: Business support schemes and initiatives covered by the survey



¹² Please note, employers were not asked about Regional Development Agencies in England.

Business support programmes

Business Gateway	Online business support portal for Scotland, based on BusinessLink.gov.uk.
Business Link local services	Local offices and advisors providing information, support, training courses and seminars.
BusinessLink.gov.uk website	Online business support portal providing information and links to government business support services.
Flexible Support for Business	Online business support portal for Wales, based on BusinessLink.gov.uk.
Highlands & Islands Enterprise	Development agency for the Highlands & Islands region of Scotland, supporting enterprise, exports and business development.
Invest Northern Ireland	Development agency for Northern Ireland, supporting enterprise, exports and business development.
Local authority business support	Business information, advice and support provided by local authorities.
NI Business Information	Online business support portal for Northern Ireland, based on BusinessLink.gov.uk.
PACE	Partnership Action for Continued Employment, a redundancy response initiative with local support teams for individuals made redundant or at risk.
Rapid Response Service	Jobcentre Plus redundancy response programme supporting individuals made redundant or at risk, and employers making redundancies.
ReAct	Support for individuals made redundant or at risk, and employers making redundancies.
Scottish Development International	Development agency helping Scottish businesses export their goods and services.
Scottish Enterprise	Development agency for the Southern region of Scotland, supporting enterprise, exports and business development.
Solutions for Business support	Package of support for employers provided by Business Link.

The vast majority of employers are familiar with at least some part of the publicly-funded business support landscape, and it is relatively common for employers to have made use of at least one of the initiatives. As many as four in five employers (79%) have heard of at least one of the business support initiatives explored in the survey, and overall approaching three in ten (29%) have made use of at least one over the course of the previous year (equating to 37% of all those aware of at least one).

Pan-UK schemes and initiatives

In the following sections we will explore awareness, usage and satisfaction with the schemes and initiatives explored among each country's employers. It should be noted that comparisons by country at this overall level should generally be treated with caution as they are a product of the number of services prompted. However, there are a number of initiatives which are common to all or most of the countries, and we now turn to examine how awareness and usage levels compare for these services specifically.

It is worth noting that there are certain complications around measuring awareness and use of Business Link in its different guises. As a result of Sir David Varney's 2006 Service Transformation Review, businesslink.gov.uk embarked on a three-year programme of bringing content and services for business from 95% of all government websites onto businesslink.gov.uk, to make it a single online portal for all UK business interaction with government. This convergence process – which has seen the addition to businesslink.gov.uk of range of content, including key HMRC transactions, Jobcentre Plus content and set-up/expansion resources for EU businesses – is being completed during 2010-11.

Following this process of change, the overarching aim of businesslink.gov.uk is now to become the single online entry-point for all UK businesses that directs businesses to the resources they need in a customer-focused manner. This gives it a different point of focus to Business Link local services, which is more clearly focused on “classic” business support.

Moreover, although businesslink.gov.uk works in partnership with the Devolved Administrations in providing website infrastructure and content, business advice and support is provided under different brands in the Devolved Administrations: Business Gateway in Scotland, Flexible Support for Businesses in Wales and NI Business Information in Northern Ireland.

Reflecting these complications, Table 3.1 presents awareness and use measures for BusinessLink.gov.uk or the national brands separately from measures for BusinessLink.gov.uk on its own and separately again from Business Link local services. The most valid bases for comparing across countries are either the “BusinessLink website and/or regional brands” category or the Business Link local services row.

Table 3.1: Awareness and use of pan-UK schemes and initiatives (prompted)

	UK	England	Scotland	Wales	Northern Ireland
Awareness	%	%	%	%	%
BusinessLink website and/or national brands	68	69	82	46	52
BusinessLink.gov.uk website	64	69	35	40	35
Business Link local services	35	40	10	15	6
Local authority business support	21	21	25	25	22
Jobcentre Plus Rapid Response service*	9	9	11	8	
Use					
BusinessLink website and/or national brands	24	25	22	13	14
BusinessLink.gov.uk website	23	25	11	11	10
Business Link local services	9	11	1	3	1
Local authority business support	3	3	4	5	7
Jobcentre Plus Rapid Response service*	*	*	1	*	
<i>Base (unweighted)</i>	14,390	9,432	1,981	1,987	990
<i>Base (weighted)</i>	1,774,876	1,491,746	64,996	40,709	29,183
<i>*Base for Jobcentre Plus Rapid Response service England/Scotland/Wales only (unweighted 13,400; weighted 1,715,381)</i>					
Use	<i>Base: all employers aware of service (shown in brackets after findings, u=unweighted base, w=weighted base)</i>				
BusinessLink website and/or national brands	35 (u: 9,845 w: 565,040)	36 (u: 6,719 w: 1,025,924)	27 (u: 1,607 w: 114,741)	29 (u: 972 w: 38,375)	27 (u: 547 w: 30,796)
BusinessLink.gov.uk website	36 (u: 8,670 w: 1,128,559)	36 (u: 6,719 w: 1,025,924)	31 (u: 709 w: 48,485)	27 (u: 873 w: 33,502)	30 (u: 369 w: 20,648)
Business Link local services	26 (u: 4,095 w: 621,574)	27 (u: 3,537 w: 591,935)	12 (u: 189 w: 13,494)	17 (u: 289 w: 12,330)	18 (u: 80 w: 3,815)
Local authority business support	15 (u: 3,014 w: 377,524)	14 (u: 1,829 w: 308,686)	15 (u: 487 w: 34,582)	18 (u: 493 w: 21,104)	30 (u: 205 w: 13,152)
Jobcentre Plus Rapid Response service	4 (u: 1,522 w: 156,413)	4 (u: 1,070 w: 134,710)	9 (u: 252 w: 15,223)	4 (u: 200 w: 6,480)	

Awareness and use of the internet information services varies quite considerably across the countries being highest in Scotland (where more than four in five employers – 82% - are aware of either BusinessLink.gov.uk or Business Gateway) and lowest in Wales and Northern Ireland (where, respectively, 46% are aware of BusinessLink.gov.uk or Flexible Support for Businesses and 52% are aware of BusinessLink.gov.uk or NI Business Information).

The high awareness in Scotland is not reflected in usage, however; relatively even numbers of employers in Scotland, Wales and Northern Ireland who are aware of the BusinessLink.gov.uk website and/or its local brand have made use of it (between 27% and 29%). Employers in England who are aware of the site are considerably more likely to have used it (36%).

Awareness and use of Business Link local services is considerably higher in England than in the rest of the UK.

Jobcentre Plus's Rapid Response service has slightly higher reported awareness among Employers in Scotland than in England and Wales, and Scottish employers who are aware of the service are far more likely to have made use of it (9% of all aware employers have used it in Scotland, compared to 4% in England and Wales).

Awareness and use of local authority business support is fairly consistent across all countries when measured against an all employer base. However, Northern Irish employers who are aware of such local authority business support are far more likely to make use of it (30% compared to 14% in England, 15% in Scotland and 18% in Wales).

We now turn to examine awareness and usage levels with the specific services offered within each country.

England

Just over three-quarters of all employers in England (77%) have heard of at least one of the business supported services mentioned, with three in ten (29%) having used at least one during the last year.

Awareness and usage levels are highest for the BusinessLink.gov.uk website and Business Link local services, with 72% aware of one or both and 27% having used either/both. Usage of Business Link (either the website or local services) increases in line with size of establishment, up to 37% among those with at least 250 staff.

Although one in five English employers (21%) are aware of business support provided by Local Authorities, just three per cent have made use of such support.

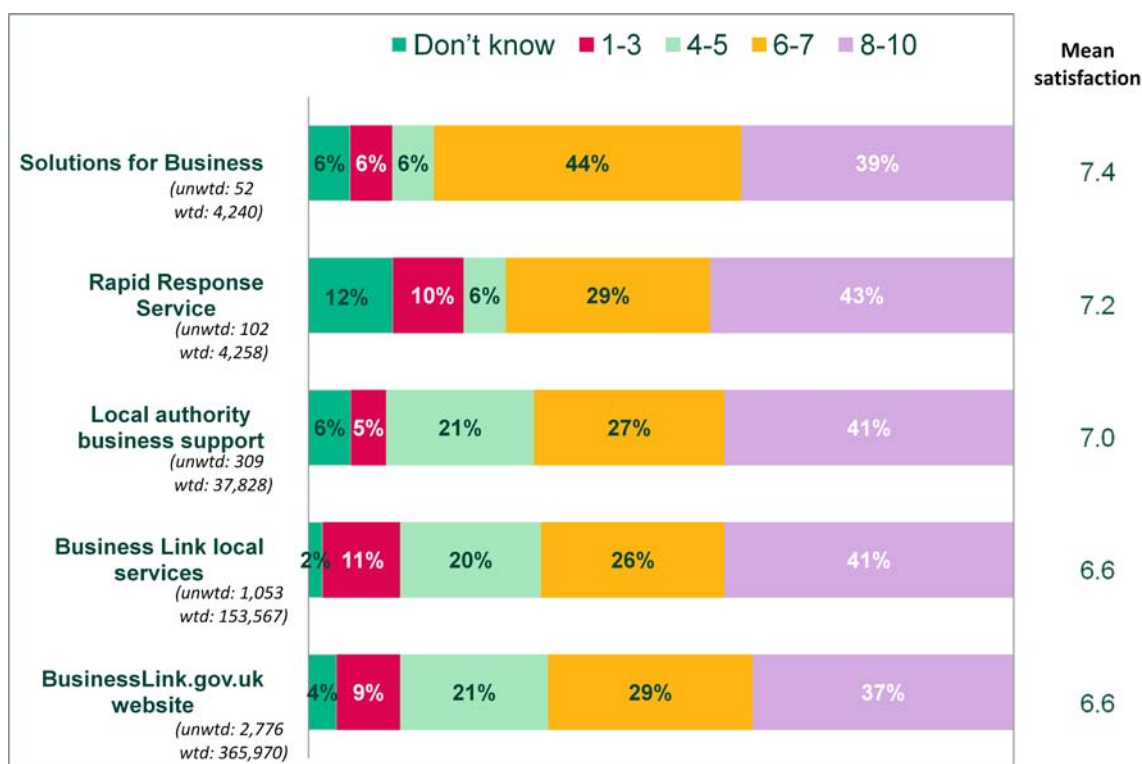
Table 3.2: Business support agencies, schemes and initiatives in England (prompted)

Agency/scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
BusinessLink.gov.uk website	9,432	1,491,746	69	25	6,719	1,025,924	36
Business Link local services	9,432	1,491,746	40	11	3,537	591,935	27
Local authority business support	9,432	1,491,746	21	3	1,829	308,686	14
Solutions for Business support	9,432	1,491,746	9	*	944	139,080	4
Jobcentre Plus's Rapid Response service	9,432	1,491,746	9	*	1,070	134,710	4

* denotes under 0.5%

Whilst satisfaction levels are reasonably high amongst those making use of each initiative, they are slightly lower for both the BusinessLink.gov.uk website and Business Link local services (each with a mean satisfaction score of 6.6). Reasons for this are discussed in the section “Reasons for dissatisfaction” below. Figure 3.2 shows satisfaction by scheme; satisfaction is measured on a scale of one to ten where one is “not at all satisfied” and ten is “extremely satisfied”.

Figure 3.2: Satisfaction with business support agencies, schemes and initiatives in England



Base: All who have used the service (numbers in brackets)

Scotland

Overall, 98% of employers in Scotland are aware of at least one of the business support services covered in the survey, with 29% having used any of them over the previous year.

Awareness of Scottish Enterprise as a source of business support is almost universal among Scottish employers (92% - 93% within the Scottish Enterprise area specifically), whilst close to two-thirds (64%) are aware of Highlands and Islands Enterprise playing this role (rising to 97% in the Highlands and Islands area specifically).

At an overall Scotland level, Business Gateway and the BusinessLink.gov.uk website are the services Scottish employers are most likely to access and make use of (16% and 11% respectively). At a regional level, 17% of employers in the Highlands and Islands region have accessed services through Highlands and Islands Enterprise, whilst 10% of employers within the Scottish Enterprise region having accessed services through Scottish Enterprise.

Table 3.3: Business support agencies, schemes and initiatives in Scotland (prompted)

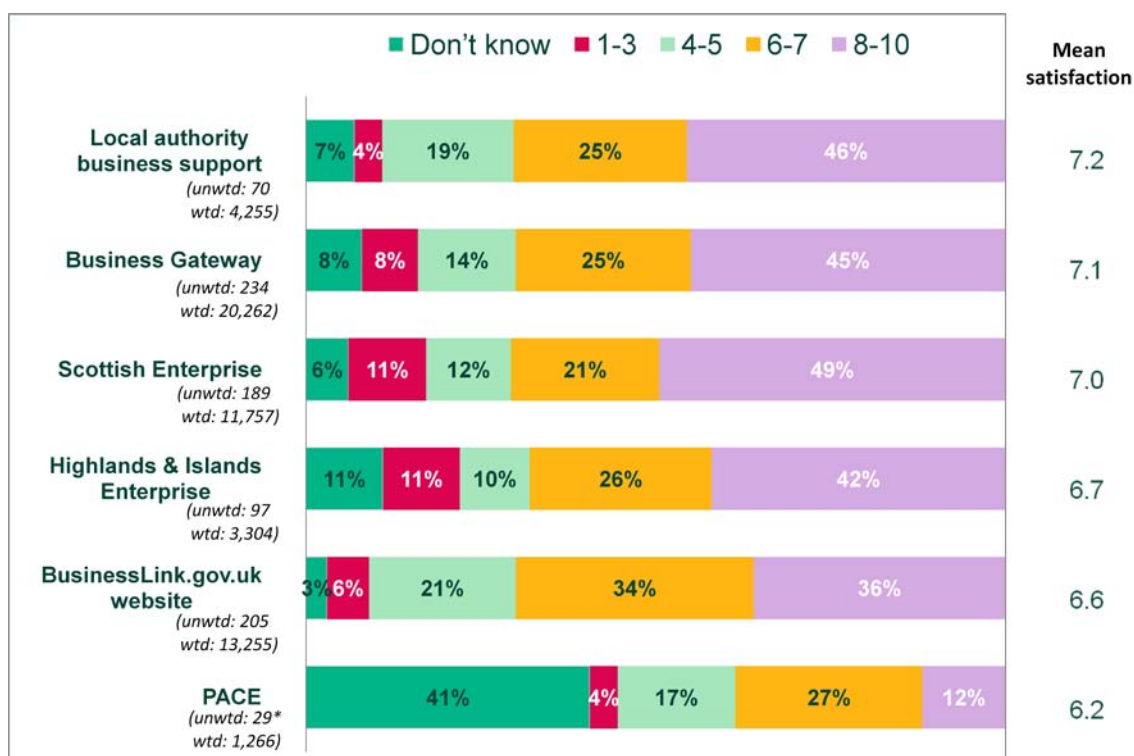
Agency/Scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
Scottish Enterprise**	1,981	139,915	92	9	1,809	128,416	10
Business Gateway	1,981	139,915	79	16	1,526	110,074	21
Highlands & Islands Enterprise**	1,981	139,915	64	3	1,345	89,090	5
BusinessLink.gov.uk website	1,981	139,915	35	11	709	48,485	31
Local authority business support	1,981	139,915	25	4	487	34,582	15
Scottish Development International	1,981	139,915	20	1	429	27,411	5
Partnership Action for Continuing Employment (PACE)	1,981	139,915	16	1	384	21,483	6
Rapid Response Service	1,981	139,915	11	1	252	15,223	9
Business Link local services	1,981	139,915	10	1	189	13,494	12

* denotes under 0.5%

** please note, whilst public sector employers are not the target group for the enterprise agencies they were retained in the sample for consistency

Figure 3.3 sets out satisfaction with the various schemes; satisfaction is measured on a scale of one to ten where one is “not at all satisfied” and ten is “extremely satisfied”. Satisfaction with the initiatives is again generally high, although it is worth noting that, for both Scottish Enterprise and Highlands & Islands Enterprise, one in ten (11%) who have used them for business support advice give a very low satisfaction score of between one and three. Those using PACE often struggled to give a satisfaction score for the service on the one to ten scale, with 41% unwilling to commit, most likely reflecting the nature of the service in terms of its employee-focused delivery.

Figure 3.3: Satisfaction with business support agencies, schemes and initiatives in Scotland (prompted)



Base: All who have used the service (numbers in brackets)

**N.B. it is not possible to report satisfaction of Scottish Development International, the Rapid Response Service and Business Link local services due to small sample sizes (fewer than 25 in each case). The figures for PACE should be treated with caution as they are based on fewer than 50 interviews.*

Wales

More than three in five Welsh employers (63%) are aware of one or more of the business support services covered in the survey, and 18% have used one or more of them over the previous 12 months.

Awareness levels are highest for the BusinessLink.gov.uk website (40%), with one in ten (11%) having accessed and used this (equating to 27% of all those aware).

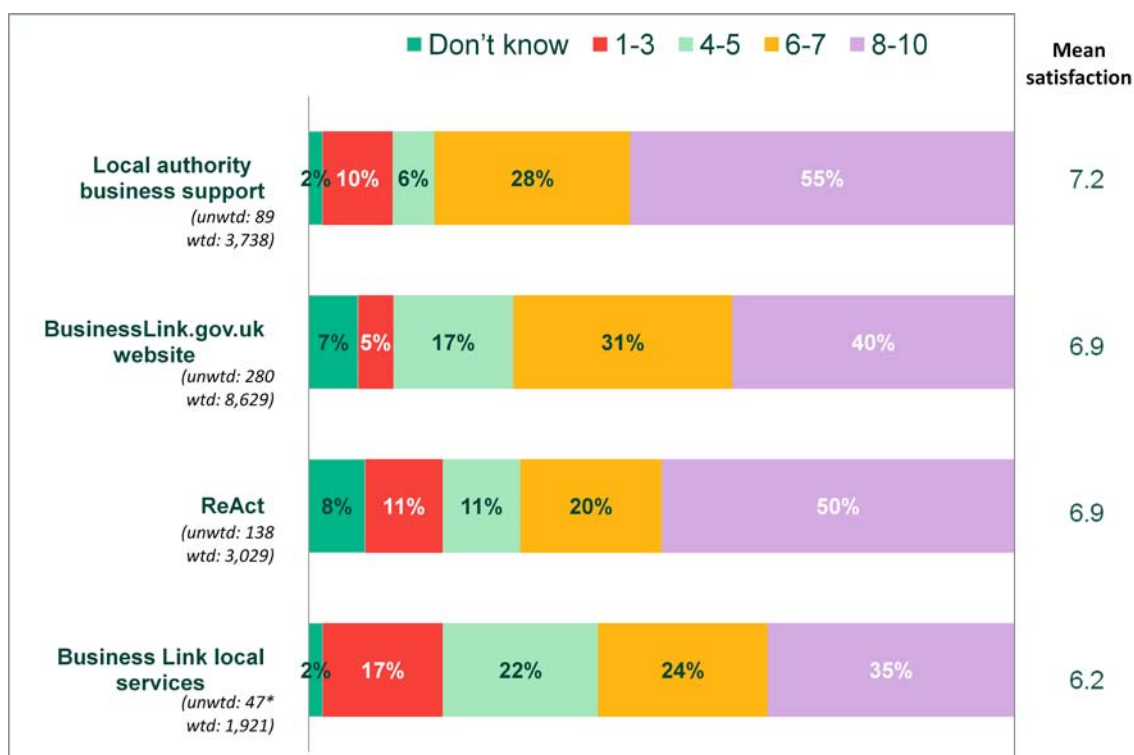
It should be noted that Flexible Support for Business is also mentioned in the skills section of the survey; whilst the awareness scores are combined across sections, the usage score relates solely to the business support context.

Table 3.4: Business support agencies, schemes and initiatives in Wales (prompted)

Scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
BusinessLink.gov.uk website	1,987	83,720	40	11	873	33,502	27
Local authority business support	1,987	83,720	25	5	493	21,104	18
Flexible Support for Business	1,987	83,720	25	4	331	13,953	23
ReAct	1,987	83,720	22	4	624	18,657	16
Business Link local services	1,987	83,720	15	3	289	12,330	17
Rapid Response Service	1,987	83,720	8	*	200	6,480	4

Where initiatives have been used, satisfaction levels are particularly high for business support provided by Local Authorities. Over half (55%) give a satisfaction score of between eight and ten, with overall mean satisfaction coming out at 7.2. Figure 3.4 sets out satisfaction by scheme; satisfaction is measured on a scale of one to ten where one is “not at all satisfied” and ten is “extremely satisfied”.

Figure 3.4: Satisfaction with business support agencies, schemes and initiatives in Wales (prompted)



Base: All who have used the service (numbers in brackets)

*N.B. It is not possible to report satisfaction of Flexible Support for Business and the Rapid Response Service due to small sample sizes (fewer than 25 in each case). The figures for Business Link local services should be treated with caution as the base is lower than 50.

Northern Ireland

Overall, 95% of establishments in Northern Ireland are aware of at least one of the business support schemes and initiatives covered in the survey, with around a quarter (27%) having used one over the past 12 months.

Awareness of Invest Northern Ireland is near-universal (93%), and approaching one in five Northern Irish employers (17%) have used them for business support.

Table 3.5: Business support agencies, schemes and initiatives in Northern Ireland (prompted)

Scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
Invest Northern Ireland	990	59,495	93	17	942	55,561	19
NI Business Information	990	59,495	36	7	389	21,127	19
BusinessLink.gov.uk website	990	59,495	35	10	369	20,648	30
Local authority business support	990	59,495	22	7	205	13,152	30
Business Link local services	990	59,495	6	1	80	3,815	18

Figure 3.5 shows satisfaction by each individual scheme; satisfaction is measured on a scale of one to ten where one is “not at all satisfied” and ten is “extremely satisfied”.

Figure 3.5: Satisfaction with business support agencies, schemes and initiatives in Northern Ireland (prompted)



Base: All who have used the service (numbers in brackets)

*N.B. It is not possible to show data for Business Link Local Services due to small sample size (fewer than 25).

Satisfaction levels are particularly high for support provided by Local Authorities, 68% giving a satisfaction score of between eight and ten, and for Northern Ireland Business Information with 61% giving the highest score.

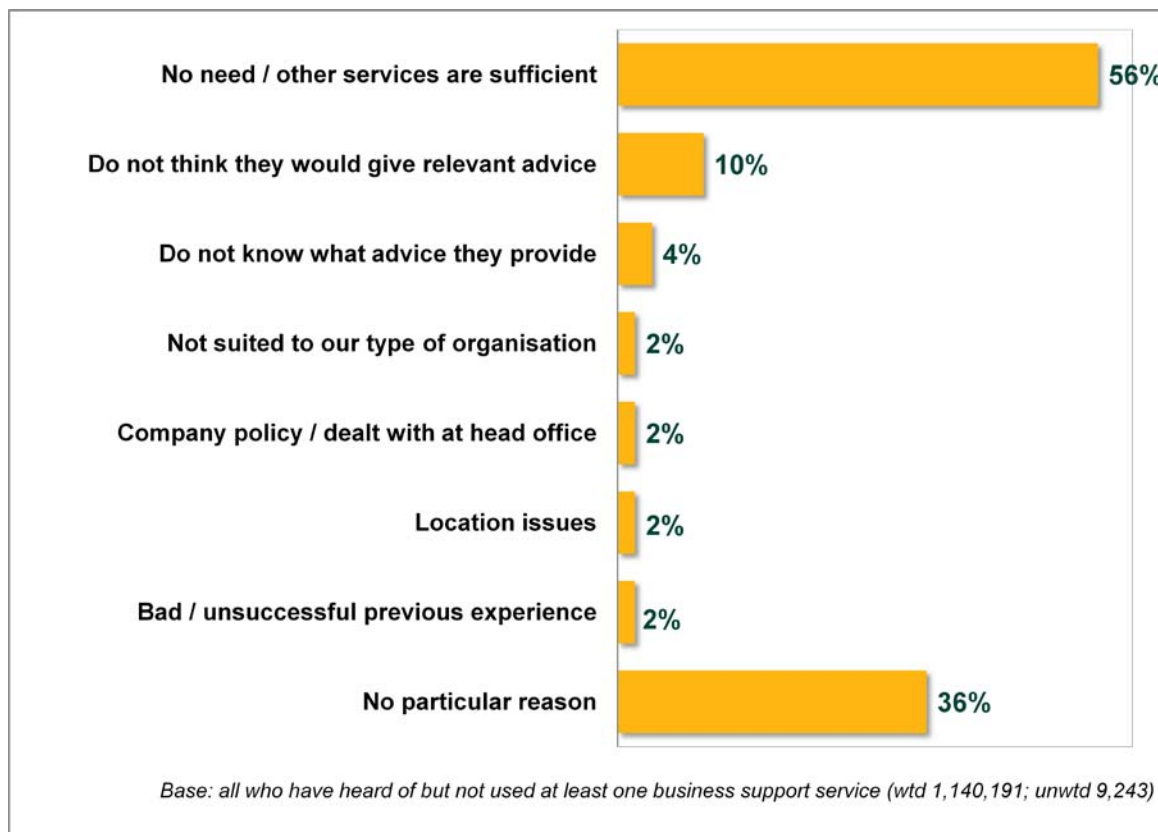
Reasons for not using business support services

For each business support service, employers who are aware of the service but have not used it were asked why they have not used it. As Figure 3.6 shows, the most common reason given across all business support services is that they have no need to do so.

A further third (36%) say there is no particular reason for not having used a service they are aware of. This could reflect lack of need or other services being sufficient; or they could be open to using the service if they need it in future.

Perhaps surprisingly, responses remain relatively consistent even among those employers undergoing change: employers with ambitions to grow their headcount in the next 12 months are slightly more likely to not use business support services because they think that the advice given would not be relevant (13% vs. 10% overall) and also less likely to say that they have no need for such support (51% vs 56% overall). The fact that there is so little difference perhaps reflects that their growth ambitions are founded upon plans and strategies which do not require external input.

Figure 3.6: Reasons for not using business support services (unprompted)



Only a small proportion give specific reasons for not using a business support service. These reasons include not believing the service would provide relevant advice (ten per cent), or not knowing what advice they would provide (four per cent). Public sector employers are more likely to say they didn't use a service because it wasn't suited to their type of organisation (eight per cent, vs. one per cent in the private sector), and smaller employers are slightly more likely to say that they feel a service would not provide relevant advice.

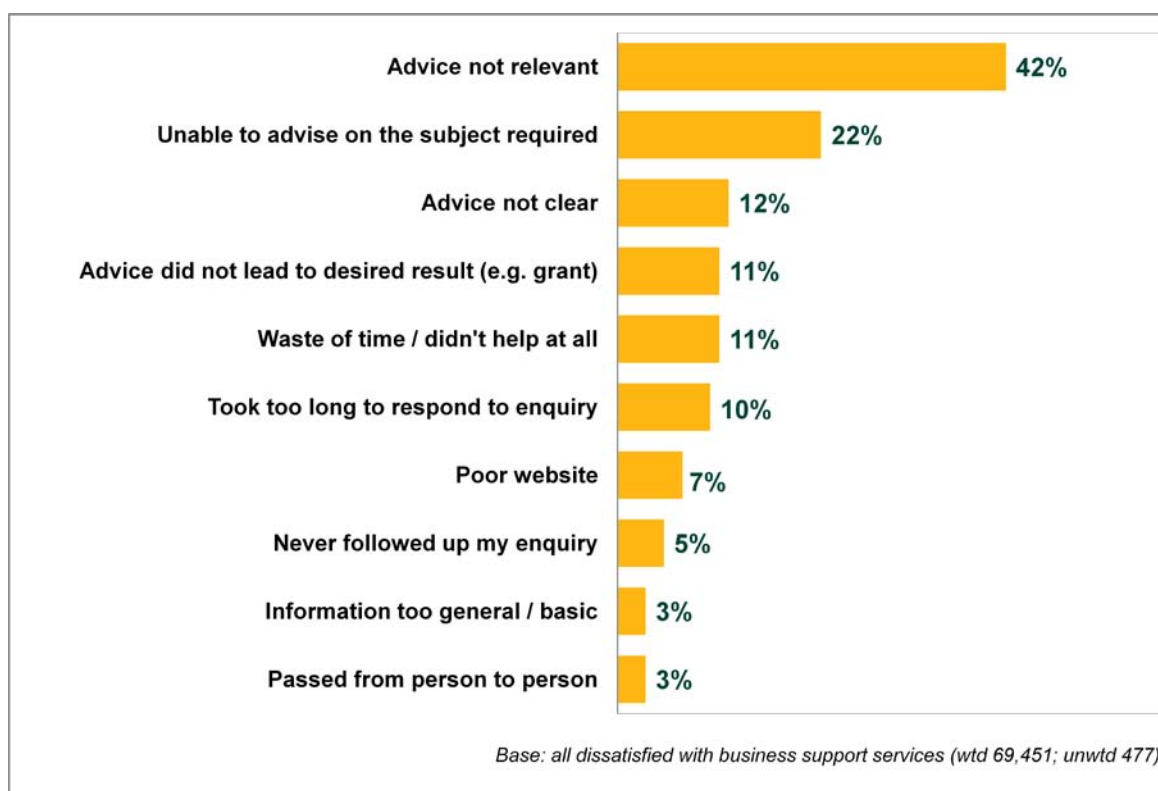
Employers give very similar reasons for not using each of the different services. The only notable variation is for Invest Northern Ireland, where those aware but not using this service are more likely to say this is because Invest Northern Ireland would not give relevant advice (14% vs. ten per cent overall), or that it is not suited to their type of organisation (seven per cent vs. two per cent overall). This perhaps reflects that while awareness of Invest Northern Ireland is almost universal, it is also relatively shallow – meaning that employers are less aware of the types of advice.

Reasons for dissatisfaction with business support services

Employers who give low satisfaction ratings for specific business support services (less than five on a scale of one to ten where one is 'not at all satisfied') were asked why they were dissatisfied with that service. The most frequently-given answer was that the advice was not relevant (42% of employers) – taken alongside reasons for not using services (Figure 3.7), it is clear that, unsurprisingly, relevant advice is the critical issue determining take-up and satisfaction with business support. Small businesses (private sector, single site employers, with fewer than 50 employees) express a particular concern for relevant advice, with 46% saying advice was not relevant against 26% of other private sector employers.

Other reasons for dissatisfaction include the service not being able to advise on the subject required (22%), which is a particular problem for Third Sector employers (49%) compared to for-profit employers (20%) or the public sector (nine per cent). Further issues include the advice not being clear (12% of all dissatisfied), or the advice not leading to the desired end result, such as being able to access a grant (11%).

Figure 3.7: Reasons for dissatisfaction with business support services (unprompted)



Reasons for dissatisfaction are broadly consistent between services, but some variations are apparent. Advice not being relevant is a particular issue for the BusinessLink.gov.uk website (mentioned by 42% of those dissatisfied), although this is to some extent to be expected as it is a universal information portal rather than an individually-tailored service. Relevance is also an issue for Business Link local services (mentioned by 37%), but less of a concern for local authority business support services (21%).

Local authority support, meanwhile, is more likely to be perceived as taking too long (23% of those dissatisfied, vs. ten per cent for all business support services), and being a waste of time / not helping at all (15%, vs. 11%).

3.2 Investors in People

Investors in People (IiP) is a business improvement tool designed to help organisations develop performance through their people. In 2010, the UK Commission for Employment and Skills assumed strategic responsibility for the Investors in People standard. Under these new arrangements the UKCES oversees the guardianship of the Investors in People standard and framework, including responsibility for ensuring continued high quality through the licensing of regional and national delivery centres across the UK. A number of questions were included within the survey to benchmark and provide

understanding of employers' awareness of and engagement with Investors in People.

To provide context, employers were also asked about their awareness of the two other main organisational quality standards that operate in the UK; ISO Standards or ISO 9000 and the EFQM Excellence Model¹³.

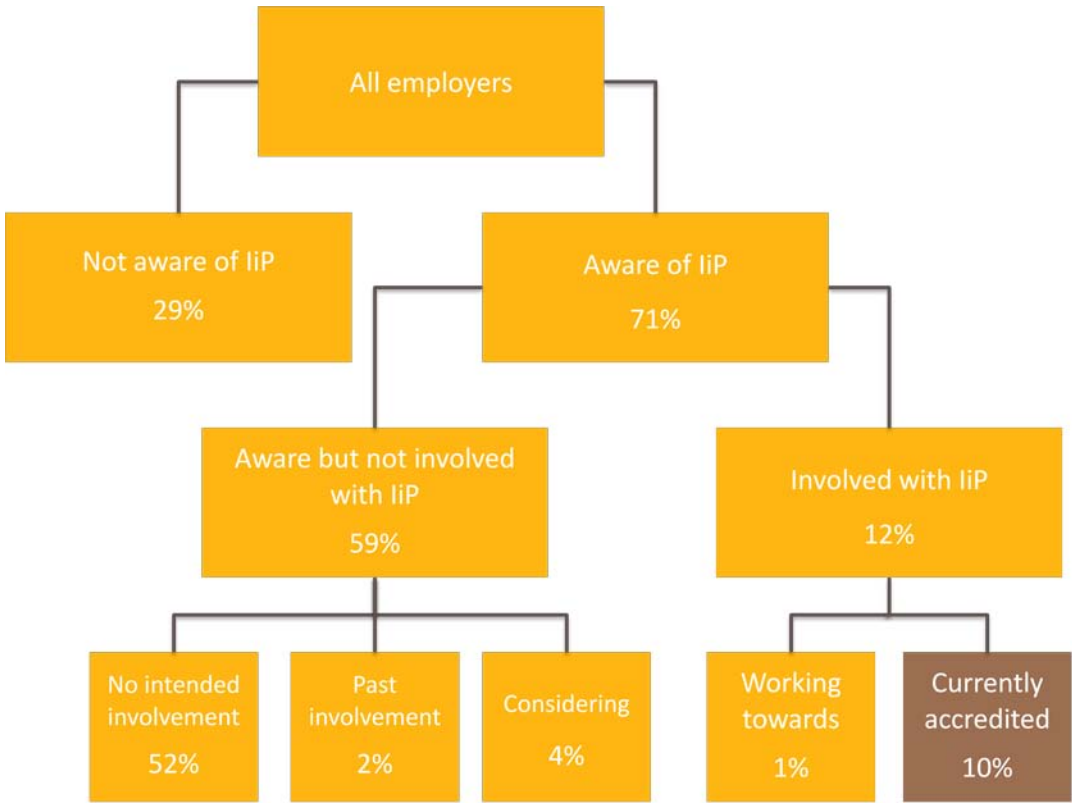
Overall 71% of employers are aware of the Investors in People standard. This compares to 55% of employers who are aware of ISO Standards or ISO 9000, and 11% who are aware of the EFQM Excellence Model.

Awareness and engagement with Investors in People

Awareness of Investors in People varies strongly with size: two thirds (67%) of the smallest employers with two to four staff are aware of the standard, rising to 91% of those with 250+ staff. Awareness is highest in the public sector (90% of employers), followed by 83% of employers in the third sector and 68% in the private sector. Correlating with this, awareness is highest in the Public Administration sector (92% of employers), and lowest in Agriculture (56%) and Personal Household Goods (59%) (see Appendix B for detail of the sector definitions).

¹³ ISO Standards are international standards on a variety of subjects. The ISO 9000 family of standards relate to quality management systems and are designed to help organisations meet the needs of customers and other stakeholders. The EFQM Excellence Model is a non-prescriptive framework based on nine criteria. It allows Managers/Leaders to understand the cause and effect relationships between what their organisation does and the results it achieves.

Figure 3.8: Levels of engagement with Investors in People (prompted)



Base: All establishments (wtd 1,774,876; unwtd 14,390)

Table 3.6: SUMMARY: Investors in People

	Currently accredited with IiP	Currently working towards IiP	Was an IiP in the past, but not now	Considering becoming an IiP	Heard of but no past or intended future involvement	Heard of but unsure of involvement	Not heard of	<i>Wtd base</i>	<i>Unwtd base</i>
	%	%	%	%	%	%	%		
All	10	1	2	4	48	4	29	1,774,876	14,390
Country									
England	10	1	2	4	49	4	29	1,491,746	9,432
Scotland	12	1	3	4	48	3	28	139,915	1,981
Wales	11	2	2	5	38	5	39	83,720	1,987
Northern Ireland	9	2	2	6	44	4	32	59,495	990
Size									
2 – 4	4	1	1	3	55	3	33	931,960	2,102
5 – 9	11	1	2	5	45	5	30	391,793	1,995
10 – 24	18	2	4	6	40	6	24	261,884	3,077
25 – 49	24	2	7	8	35	7	17	101,183	2,625
50 – 249	35	4	8	7	30	6	11	76,106	3,204
250 & over	44	2	8	5	24	7	9	11,950	1,387
Sector									
Agriculture	2	1	*	2	52	*	44	94,845	336
Mining & quarrying	18	-	5	2	47	5	23	1,860	84
Manufacturing	5	1	3	6	50	3	32	110,171	1,083
Electricity, gas, etc	9	3	2	5	55	2	24	8,203	257
Construction	6	1	2	5	54	1	30	180,251	1,179
Personal household goods	6	1	1	1	43	6	41	378,884	2,240
Hotels & restaurants	6	1	2	3	50	5	34	159,718	1,376
Transport, etc	8	2	1	6	50	5	29	120,906	1,209
Financial intermediation	13	1	7	5	45	7	23	43,602	527
Business services	8	1	2	6	59	4	20	347,887	2,062
Public administration	38	3	7	5	32	7	8	22,475	699
Education	24	2	9	7	37	4	16	56,581	875
Health and social work	2	2	5	7	38	6	14	120,543	1,398
Other community services	26	1	3	3	36	4	27	128,950	1,065
Nature of ownership									
Public sector	44	1	7	3	26	8	10	125,354	2,140
Private sector	7	1	2	4	50	4	32	1,499,553	10,954
Third sector	21	2	5	7	43	6	17	134,650	1,171

Around one in six employers who have heard of Investors in People have some involvement in the standard – 12% of the total employer population. For one in ten establishments (ten per cent), this involvement is current accreditation with the standard. A further one per cent are currently working towards Investors in People accreditation.

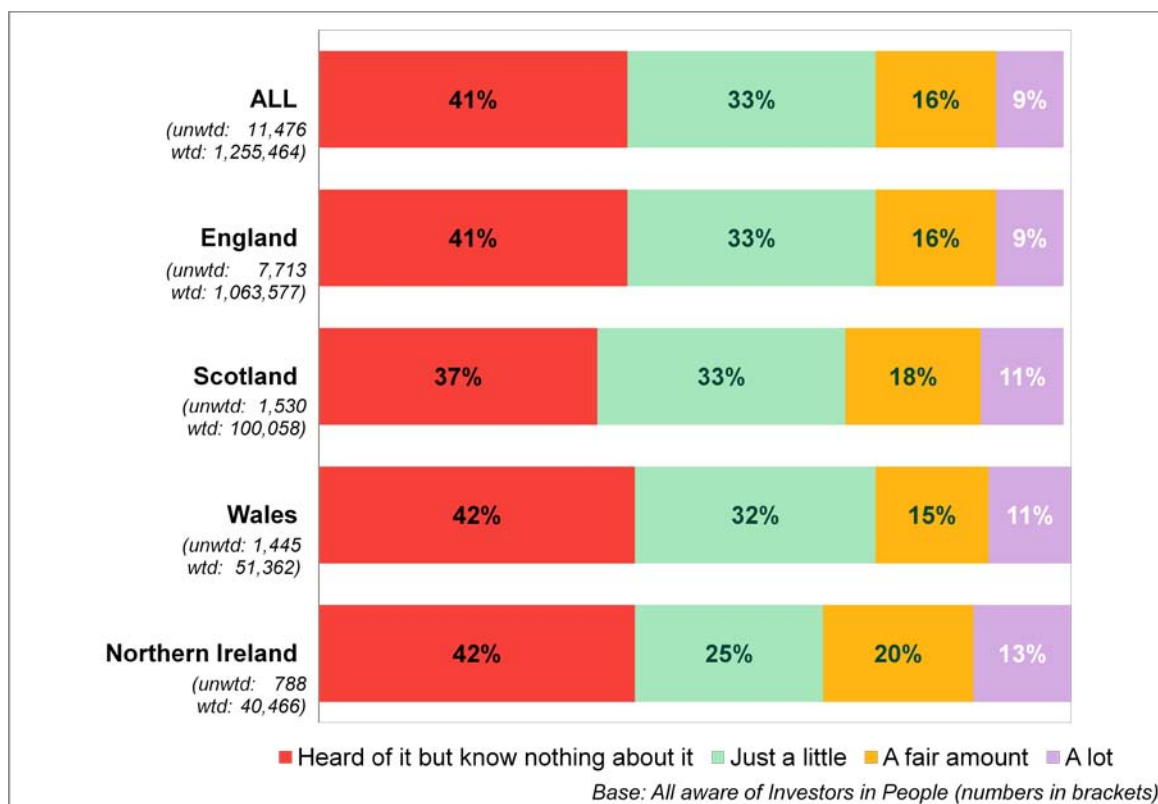
Despite lower awareness of Investors in People in Wales (61%, vs. 71% in the UK as a whole), accreditation levels are comparable (11% compared with ten per cent for the UK as a whole).

The trends across size and sector observed for awareness continue to hold true for accreditation with the standard. Four per cent of the smallest establishments (two to four staff) are accredited Investors in People, compared to 44% of those with 250+ staff. Accreditation is also much higher in the public sector (44% of employers) than the third sector (21%) or private sector (7%). Public Administration is consequently the sector with the highest levels of accreditation (38%) of employers, and Agriculture (two per cent) and Manufacturing (five per cent) the lowest.

All employers who are aware of Investors in People (71% of the total) were asked how much knowledge of the standard they have. The most popular response (41% of those asked) is that they have only heard of Investors in People and know nothing about it. A third (33%) know “just a little”, 16% know “a fair amount”, and nine per cent feel they know “a lot” about it. Even in currently accredited establishments, not all respondents know “a lot” about the standard – just 29% do so. This could be because they were not directly involved in the Investors in People accreditation process.

As Figure 3.9 demonstrates, knowledge of Investors in People is highest in Northern Ireland, with 13% of employers who are aware of the standard saying that they know “a lot” about it, and 20% “a fair amount”. Meanwhile, employers in England are slightly less likely to report knowing “a lot” (nine per cent).

Figure 3.9: Knowledge of Investors in People by country (prompted)



All employers who are aware of Investors in People were also asked how beneficial they thought the standard is for an establishment to have. This was asked on a scale of one to ten, where one represents “Highly detrimental” and ten “Highly beneficial”. Almost half (47%) answer in the beneficial range of six to ten out of ten, and 16% give answers at the detrimental end of the scale from one to four out of ten.

However, the most popular answer is five out of ten – a neutral point in the middle of the scale – given by 26% of respondents to the question, and a further ten per cent answer “Don’t know”. This indicates quite a high level of ambivalence and uncertainty around the benefits of Investors in People for more than a third of employers aware of the scheme.

Those currently accredited with the scheme are unsurprisingly much more likely to feel it is beneficial, with 81% giving a rating of between six and ten compared to just 41% of those aware but not involved.

As with all Investors in People questions, larger employers are more likely to give positive answers, with 71% of those with 250+ staff rating it from six to ten out of ten compared to 42% of the smallest employers with two to four staff.

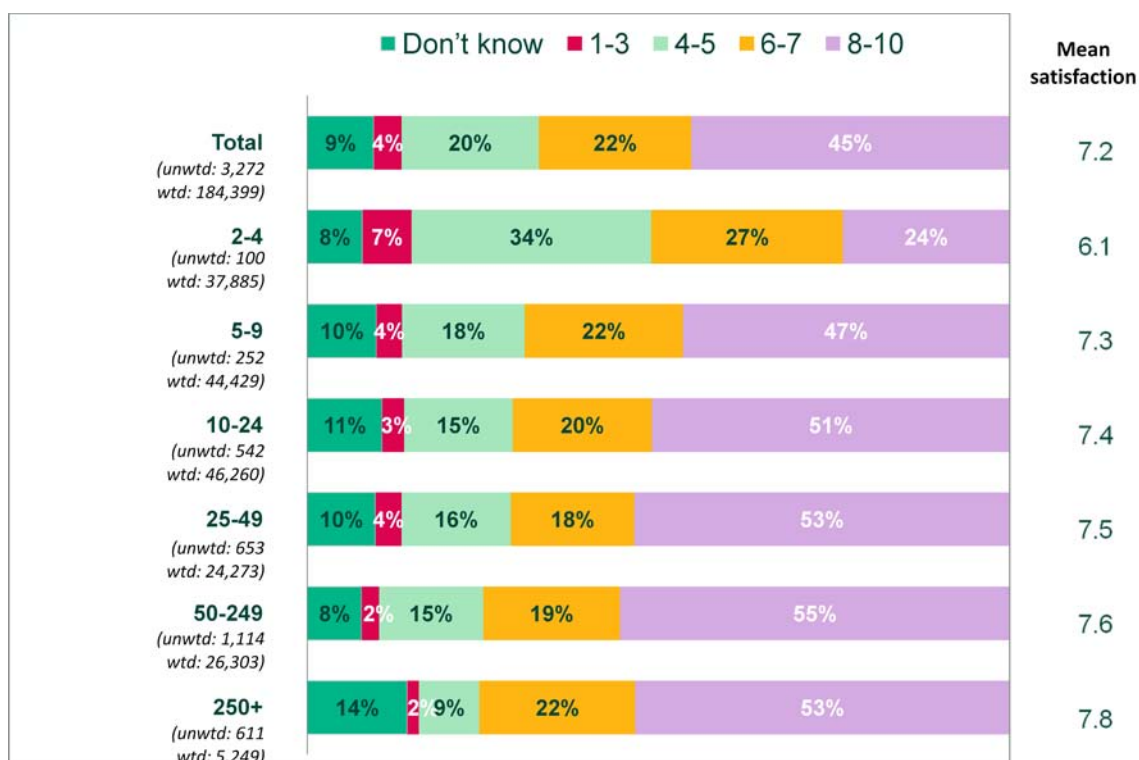
**Table 3.7: SUMMARY: How beneficial it is to have Investors in People standard
(asked of those who have heard of IiP)**

	1-4	5	6-10	Don't know	Mean	Wtd base	Unwtd base
	%	%	%	%	%		
All	16	26	47	10	6.1	1,255,464	11,476
Country							
England	16	27	47	10	6.1	1,063,577	7,713
Scotland	18	25	47	10	6.0	100,058	1,530
Wales	16	23	48	13	6.2	51,362	1,445
Northern Ireland	17	20	54	9	6.2	40,466	788
Size							
2 – 4	17	30	42	11	5.8	621,665	1,365
5 – 9	17	23	47	12	6.1	272,568	1,444
10 – 24	14	23	54	9	6.4	198,327	2,358
25 – 49	14	22	57	7	6.5	84,019	2,194
50 – 249	10	20	65	5	6.8	68,002	2,853
250 & over	9	16	71	4	7.1	10,882	1,262
Sector							
Agriculture	23	28	32	17	5.2	53,498	211
Mining & quarrying	33	25	35	7	5.2	1,439	64
Manufacturing	20	31	39	10	5.6	75,357	884
Electricity, gas, etc	16	25	49	10	6.1	6,229	197
Construction	18	29	40	13	5.9	125,595	941
Personal household goods	14	29	45	12	6.0	222,737	1,487
Hotels & restaurants	14	28	45	13	6.2	105,759	956
Transport, etc	17	22	51	10	6.1	86,393	921
Financial intermediation	12	22	60	6	6.4	33,584	454
Business services	18	27	45	9	6.0	278,370	1,766
Public administration	11	17	64	7	7.0	20,671	660
Education	15	22	56	6	6.3	47,517	802
Health and social work	12	19	63	6	6.6	103,712	1,231
Other community services	12	22	55	11	6.5	94,603	902
Nature of ownership							
Public sector	11	19	64	5	6.8	112,682	1,992
Private sector	17	27	44	11	5.9	1,020,286	8,349
Third sector	10	24	58	7	6.6	111,901	1,038

Employers who are currently accredited with Investors in People were asked how satisfied they are with the standard on a scale of one to ten, where one represents “Not at all satisfied” and ten “Extremely satisfied”. Two thirds (67%) answer in the positive range from six to ten out of ten, with approaching half (45%) giving high ratings of eight to ten; a fifth give neutral answers of four or five out of ten and just four per cent answer negatively at one to three out of ten. While the overall story is positive, then, as with employers’ assessment of the benefits of Investors in People, there is a sizeable minority who are ambivalent or uncertain.

Satisfaction with the standard varies most strongly by size. The largest employers (250+ employees) are the most satisfied (53% give an answer between eight and ten out of ten), with only a small decrease down to employers with five to nine staff, where 47% are very satisfied. Only just under a quarter (24%) of the smallest Investors in People employers (two to four staff) give a rating of eight to ten out of ten, however, indicating that the standard may be a challenge for smaller establishments to implement. Figure 3.10 shows this pattern in full.

Figure 3.10: Satisfaction with Investors in People by establishment size (number of employees) (prompted)



Base: All establishments currently accredited with IIP (numbers in brackets)

Satisfaction with the standard is largely consistent across England and Scotland (45% rated between eight and ten) with Wales slightly higher at (50%) and Northern Ireland higher still where 54% of establishments rate the scheme highly.

Satisfaction is highest in the public sector, with employers from the Education and Health and Social Work sectors giving among the highest ratings (56% and 54% respectively rating eight to ten out of ten). However Financial Intermediation (58%) and Manufacturing (50%) employers also give high ratings, despite these sectors having some of the lowest levels of awareness and accreditation of Investors in People.

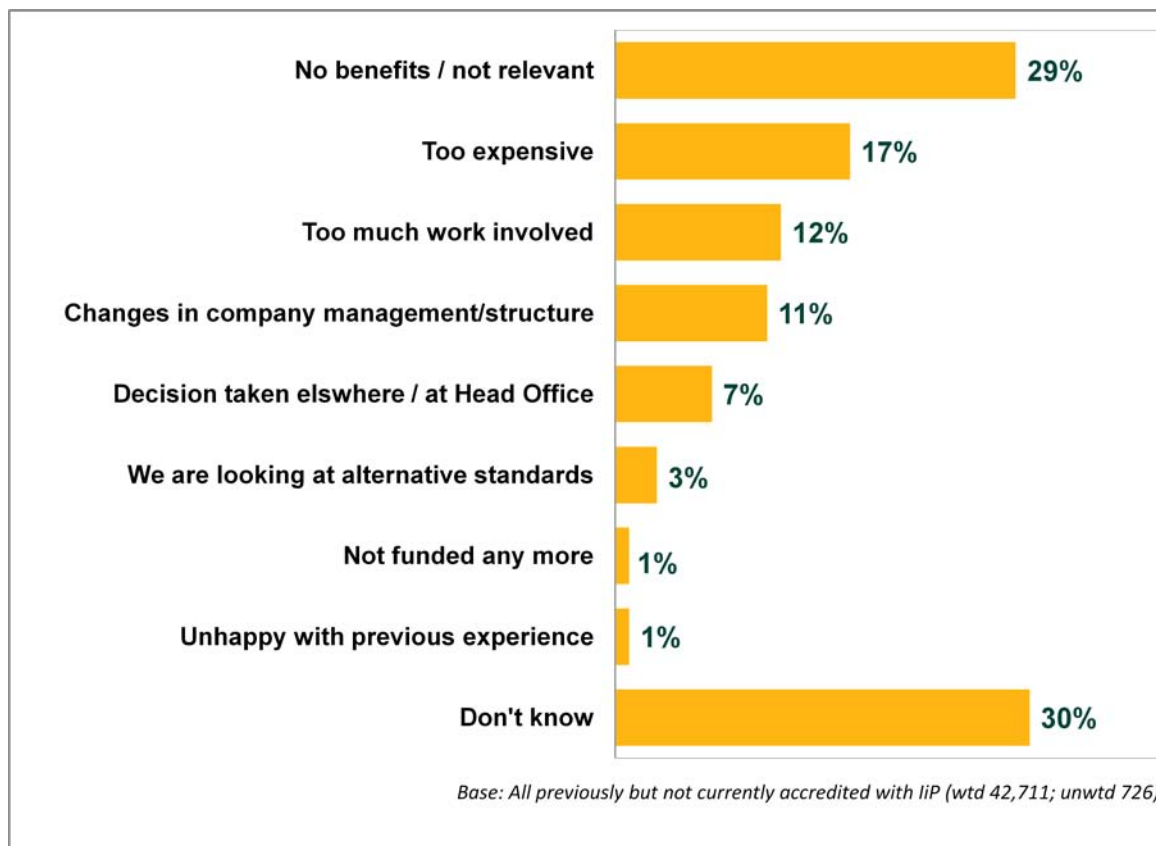
Employers who were previously accredited Investors in People but had let this lapse by the time of the interview were asked why they are no longer using the standard. The most frequent response is that the standard provided no benefits or is not relevant (29%), followed by 17% saying that it is too expensive and 12% saying too much work is involved.

Almost a third (30%) say they 'do not know', potentially because they have not been the Investors in People coordinator for their organisation.

Expense is significantly more likely to be mentioned as a problem by public sector employers (24%) than by private or third sectors employers (14% and 18% respectively), and by small businesses¹⁴ (20% compared with ten per cent for other private sector employers).

¹⁴ Private sector, single site employers employing less than 50 staff

Figure 3.11: Reasons for not continuing Investors in People accreditation (unprompted)



It should be noted, however, that while lapsed Investors in People employers gave slightly lower scores in terms of the benefits they received from their involvement than those still accredited, the difference was relatively small: 45% of lapsed liP employers gave a “beneficial score” of 6 or higher, compared to 48% of accredited liP employers, although the latter were more likely to give particularly high beneficial scores (28% gave a score of 8+ compared to 21% of lapsed liP employers).

4 Employer perspectives on... recruitment services

Chapter summary

Recruitment is clearly an issue of some importance to employers. Although the majority of employers do not post any vacancies in any given year, a good proportion do: 44% of employers have had at least one vacancy in the 12 months prior to the survey. Most employers tend not to perceive much of a role for government in supporting their recruitment activity: the mean importance score that employers attribute to government's role in supporting their recruitment activity is 2.9 on a scale of one to ten where one signifies that 'government's role is largely irrelevant – we just get on and do what we need to on our own' and ten signifies that government represents 'a key resource which we draw on systematically and frequently'.

Employers tend to use a range of channels when looking to bring new recruits in. They are most likely to use private sector services (whether paid for or free) than public services.

Jobcentre Plus (or the Jobs & Benefits Office in Northern Ireland) is the single most common channel that employers use, with two in five recruiting employers (39%) using it over the last 12 months. Most commonly these employers used Jobcentre Plus in combination with other channels, although 15% of all recruiting employers only used Jobcentre Plus (equating to 6% of all employers).

Employers who used Jobcentre Plus in the last 12 months tend to be satisfied with the overall service they received, and are particularly satisfied with the value for money that Jobcentre Plus delivers. Overall satisfaction of recruitment services is higher for other channels, however, employers who use Jobcentre Plus in conjunction with other recruitment channels tend to be less satisfied with the service than employers who only use Jobcentre Plus. The mean overall satisfaction with Jobcentre Plus among employers who only use Jobcentre Plus was 6.9, compared to 6.6 among employers who use Jobcentre Plus alongside other channels.

Employers who use Jobcentre Plus but are dissatisfied and those who don't use Jobcentre Plus agree that the service's shortcoming is the quality of applicants that it delivers.

Employers tend to be confident in knowing where to go for information or services relating to recruitment: nine in ten (89%) are very or fairly confident.

The service which has the highest levels of awareness and usage is Jobcentre Plus's New Deal (also known as Steps to Work in Northern Ireland) which is familiar to more than half of employers in each country and which three to four per cent of employers in England, Scotland and Wales have used in their recruitment, rising to seven per cent of employers in Northern Ireland.

Employers who have used New Deal in their recruitment tend to be satisfied with it, although satisfaction is higher with a number of other (less commonly used) schemes and initiatives, in particular Backing Young Britain and the Graduate Talent Pool in England and the Future Jobs Fund in Scotland and in Wales

4.1 Introduction

In this chapter we examine employer perspectives of government recruitment and employment services and initiatives. First we look at what proportion of employers have had vacancies in the past 12 months and what channels they have used to try to fill these vacancies, what qualities they look for in their recruits and how confident they are in knowing where to look for recruitment services or information to aid their recruitment. Then we look at awareness of what is available, the extent to which they make use of it and how satisfied they are with the service they receive.

4.2 Levels of recruitment activity

Just over two-fifths (44%) of establishments are “recruiting employers”, in that they have had vacancies for either full- or part-time staff *at some time during the previous 12 months*.

As one would expect, the incidence of vacancies increases in line with establishment size; 26% of the smallest employers (those with two to four employees) report having had a vacancy, compared to 93% of the largest employers (those with more than 250 employees).

There is little variance between the countries in the proportions of employers who have had vacancies.

Table 4.1: SUMMARY: Incidence of vacancies

	Yes	No	Wtd base	Unwtd base
	%	%		
All	44	56	1,774,876	14,390
Country				
England	44	56	1,491,746	9,432
Scotland	45	55	139,915	1,981
Wales	42	57	83,720	1,987
Northern Ireland	43	57	59,495	990
Size				
2 – 4	26	74	931,960	2,102
5 – 9	49	50	391,793	1,995
10 – 24	69	31	261,884	3,077
25 – 49	80	20	101,183	2,625
50 – 249	89	11	76,106	3,204
250 & over	93	6	11,950	1,387
Sector				
Agriculture	26	74	94,845	336
Mining & quarrying	43	57	1,860	84
Manufacturing	45	55	110,171	1,083
Electricity, gas, etc	52	48	8,203	257
Construction	25	75	180,251	1,179
Personal household goods	44	56	378,884	2,240
Hotels & restaurants	54	46	159,718	1,376
Transport, etc	43	57	120,906	1,209
Financial intermediation	49	50	43,602	527
Business services	41	58	347,887	2,062
Public administration	63	37	22,475	699
Education	66	34	56,581	875
Health and social work	62	37	120,543	1,398
Other community services	44	55	128,950	1,065
Nature of ownership				
Public sector	58	42	125,354	2,140
Private sector	41	58	1,499,553	10,954
Third sector	55	44	134,650	1,171

The incidence of vacancies is comparatively high in sectors composed primarily of public sector establishments (over three-fifths of establishments in the Public administration, defence & compulsory social security, Education & Health and Social Work SIC sectors reported having had a vacancy); these sectors also have a higher proportion of large employers. Incidence of vacancies is lowest in the Agriculture, hunting, forestry and fishing (26%) and Construction sectors (25%).

4.3 Use of and satisfaction with Jobcentre Plus and other recruitment channels

The most common channel that employers use to try to fill vacancies is Jobcentre Plus¹⁵: two-fifths (39%) of recruiting employers use this channel (17% of all employers)¹⁶.

Local newspapers and word of mouth are the next most common channels used by employers when recruiting; just over a quarter (28%) of establishments who had vacancies over the last 12 months used local newspapers, with a slightly smaller proportion (24%) using word of mouth or personal recommendation.

This is shown in (Figure 4.1) which also summarises the recruitment channels used into three categories: public free services, private free services and private paid for services. This analysis shows that, collectively, employers make more use of private recruitment services (both paid for and free) than they do of publically available ones.

¹⁵ Throughout the survey, respondents in Northern Ireland were asked about the Jobcentre or the Jobs and Benefits Office rather than Jobcentre Plus. Findings in the report related to Jobcentre Plus incorporate data collected about Jobcentre or the Jobs and Benefits Office in Northern Ireland.

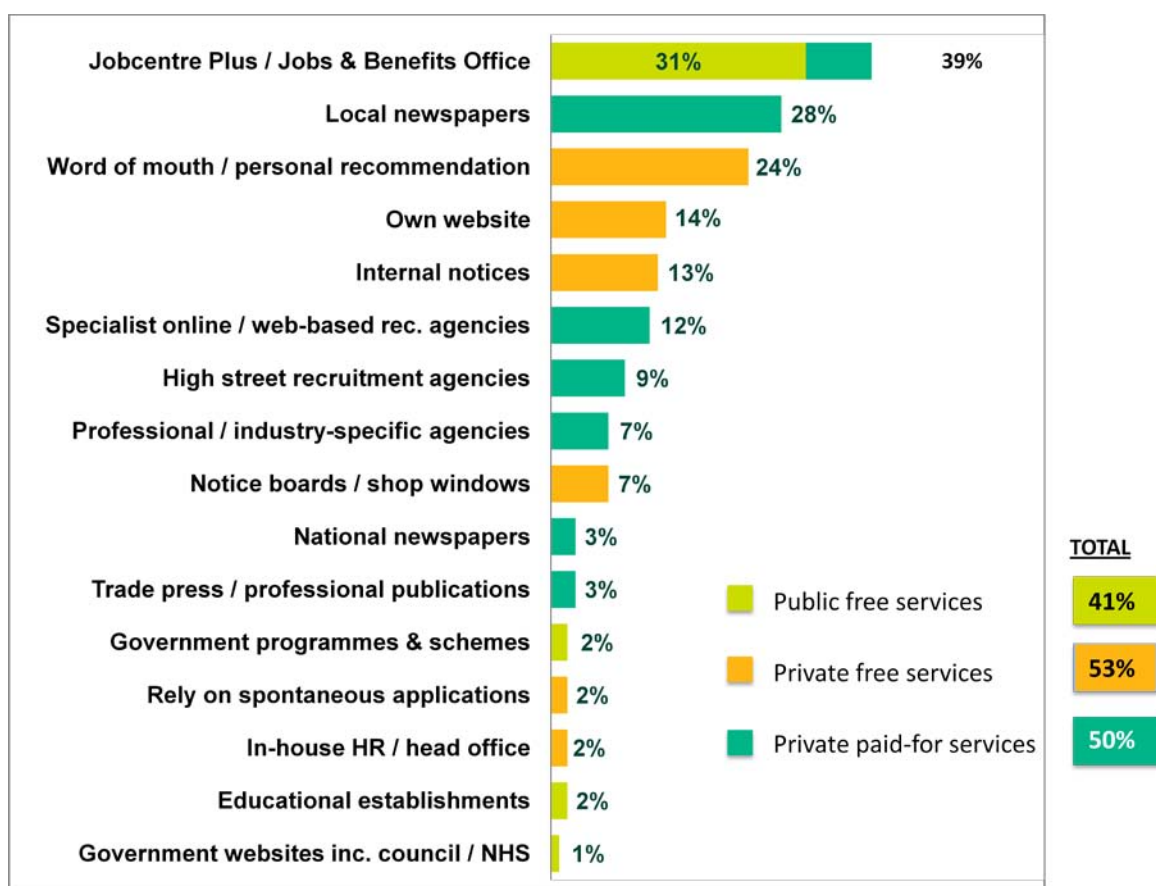
¹⁶ Use of recruitment channels was explored on an unprompted / spontaneous basis in the first instance; recruiting employers who had not spontaneously mentioned Jobcentre Plus as a channel they had used to fill their vacancies were then asked an additional, prompted question to check whether they had in fact used this channel. The darker shaded section of the Jobcentre Plus bar in figure 4.2 represents those recruiting employers who only mentioned Jobcentre Plus when prompted

Table 4.2: SUMMARY: Channels used to fill vacancies

	Jobcentre Plus / Jobs & Benefits Office	Local newspap- er	Word of mouth/ personal recommendation	Own website	Internal notices	Online/web- based rec. agencies	High street recruitment agencies	Professional/ specific rec.agencies	Notice boards/ shop windows	National newspapers	<i>Wtd base</i>	<i>Unwtd base</i>
	%	%	%	%	%	%	%	%	%	%		
All	39	28	24	14	13	12	9	7	7	3	774,850	9,785
Country												
England	39	27	24	14	13	12	9	7	6	3	651,204	6,836
Scotland	38	32	22	15	15	12	5	5	8	4	62,682	1,156
Wales	48	22	25	14	13	7	6	4	10	2	35,304	1,205
Northern Ireland	39	51	10	10	9	9	10	5	4	5	25,660	588
Size												
2 – 4	32	23	31	7	10	9	6	5	8	2	240,920	536
5 – 9	39	27	24	12	11	12	7	2	7	2	193,379	976
10 – 24	43	30	20	15	16	12	8	7	7	2	181,060	2,062
25 – 49	44	33	17	21	15	13	12	11	4	6	80,539	2,072
50 – 249	45	37	14	30	19	18	17	16	3	9	67,793	2,843
250 & over	53	33	11	47	31	26	23	21	5	13	11,159	1,296
Sector												
Agriculture	24	43	34	2	1	8	8	2	8	3	24,740	135
Mining & quarrying*	12	20	19	13	7	2	3	51	2	1	802	35
Manufacturing	43	22	27	6	5	10	15	10	1	1	49,451	705
Electricity, gas, etc	45	22	29	9	5	9	15	11	1	3	4,253	145
Construction	38	25	35	3	10	5	14	9	*	3	44,830	557
Personal household goods	42	24	20	14	17	8	7	4	15	1	165,362	1,484
Hotels & restaurants	45	21	24	14	16	13	3	2	10	2	85,617	1,075
Transport, etc	32	24	31	16	9	15	9	9	4	2	52,350	816
Financial intermediation	27	12	28	16	19	12	27	15	7	3	21,557	367
Business services	35	24	30	12	9	17	12	11	3	3	142,530	1,381
Public administration	42	33	7	26	20	13	6	5	2	6	14,069	514
Education	29	48	10	21	14	16	5	6	3	15	37,407	713
Health and social work	55	46	13	21	16	12	5	4	3	8	74,747	1,115
Other community services	31	31	17	20	23	13	3	4	4	4	57,137	743
Nature of ownership												
Public sector	28	38	5	27	24	12	4	5	1	11	72,233	1,619
Private sector	40	25	27	11	11	12	9	7	7	2	620,804	7,186
Third sector	44	46	13	23	22	16	5	4	6	10	73,747	891

*Figures for Mining and Quarrying should be treated with caution as the base is lower than 50.

Figure 4.1: Channels used to try to fill vacancies (unprompted*)



Base: All with vacancies in past 12 months (wtd 774,850; unwtd 9,785)

*Jobcentre Plus asked on both a prompted and unprompted basis; the 31% relates to the unprompted response and the 39% to both combined (i.e. overall use).

Employers in Wales are considerably more likely than those in the rest of the UK to have used Jobcentre Plus; almost half of them have done so (48%). They are also more likely than employers in England and Scotland to rely wholly on Jobcentre Plus for all of their recruitment needs.

Table 4.3 shows the proportion of all recruiting employers who use Jobcentre Plus as their sole recruitment channel, the proportion who use Jobcentre Plus alongside other recruitment channels and the proportion who do not use Jobcentre Plus across the UK as a whole and in each of the four countries. Use of Jobcentre Plus is at very similar levels in England and Scotland. A similar proportion of employers in Northern Ireland report using the Jobs & Benefits Office in Northern Ireland as report using Jobcentre Plus in England and in Scotland, but these Northern Irish employers are considerably more likely to only use the Jobs & Benefits Office. As well as being more likely to use Jobcentre Plus at all, Welsh employers are more likely than those in England and Scotland to focus all of their recruitment efforts on Jobcentre Plus.

Table 4.3: Comparing use of Jobcentre Plus by country (prompted)

	Total	England	Scotland	Wales	N. Ireland
	%	%	%	%	%
Use Jobcentre Plus only	15%	14%	14%	20%	17%
Use Jobcentre Plus and other channels	24%	24%	24%	28%	22%
Do not use Jobcentre Plus	61%	61%	62%	52%	61%
<i>Base: all recruiting (unweighted)</i>	9,785	6,836	1,156	1,205	588
<i>Base: all recruiting (weighted)</i>	774,850	651,204	62,682	35,304	25,660

As one would expect, there is considerable variation in the use of Jobcentre Plus and of other recruitment channels by size of establishment. The larger the employer the more likely it is that they use Jobcentre Plus at all¹⁷, but the less likely that they use Jobcentre Plus in isolation (Table 4.4). Just over half of the largest establishments who have had vacancies use Jobcentre Plus (53%) and one in twelve of them **only** use Jobcentre Plus for their recruitment needs (eight per cent). Among the smallest establishments who have had vacancies, one third use Jobcentre Plus (32%) and half of these (one in six of the smallest who have had vacancies) **only** use Jobcentre Plus.

Table 4.4: Comparing use of Jobcentre Plus by size (prompted)

	Sizeband						
	Total	2-4	5-9	10-24	25-49	50-249	250+
	%	%	%	%	%	%	%
Use Jobcentre Plus only	15%	17%	16%	15%	12%	9%	8%
Use Jobcentre Plus and other channels	24%	16%	23%	28%	32%	36%	45%
Do not use Jobcentre Plus	61%	68%	61%	57%	56%	55%	47%
<i>Base: all recruiting (unweighted)</i>	9,785	536	976	2,062	2,072	2,843	1,296
<i>Base: all recruiting (weighted)</i>	774,850	240,920	193,379	181,060	80,539	67,793	11,159

Satisfaction with recruitment channels used

Employers were asked to rate their overall satisfaction with the recruitment channels they use, on a scale of one to ten, where one represents 'not at all satisfied' and ten represents 'extremely satisfied'.

"Do-it-yourself" recruitment solutions attract the highest satisfaction scores; word of mouth / personal recommendation emerges as the channel which generated the highest level of satisfaction (7.8 mean score), while internal notices and the organisation's own

¹⁷ Indeed usage of all recruitment channels increased with size, with the exception of word of mouth recruitment which was more common among smaller recruiters.

website also score highly (both 7.5 mean score). The findings suggest that employers are more likely to attract the type of people they are looking for through these channels. Word of mouth and personal recommendation implies some quality judgement which, if correct, might lead to higher satisfaction. The scores could also reflect the low cost of these channels.

Jobcentre Plus scores low on satisfaction with its services compared to most of the other recruitment channels, although it is on a par with high street recruitment agencies and online / web-based recruitment – perhaps the nearest comparators to Jobcentre Plus in terms of the nature of the recruitment service offered. It should also be noted that most employers who use Jobcentre Plus are satisfied with the overall service they received, with 43% giving a score of at least eight out of ten.

The mean scores for all recruitment channels surveyed are shown in Table 4.5.

Table 4.5: Satisfaction with service received from other recruitment channels (mean scores) (prompted)

Recruitment channel	<i>Base</i>	Mean score
Word of mouth/ personal recommendation	1,396	7.8
Internal notices (notice boards/ intranet)	1,271	7.5
Own website	1,679	7.5
Professional/ industry specific recruitment agencies (including head-hunters)	712	7.2
National newspapers	334	7.0
Notice boards/ shop windows	331	7.0
Trade press/ professional publications	267	7.0
Job fairs/ graduate fairs	47*	6.9
High street recruitment agencies	883	6.7
Specialist Online/ web-based recruitment agencies	846	6.7
Jobcentre Plus	4,534	6.7
Local newspapers	2,495	6.5

**NB Figures for Job fairs/graduate fairs should be treated with caution as the base is lower than 50.*

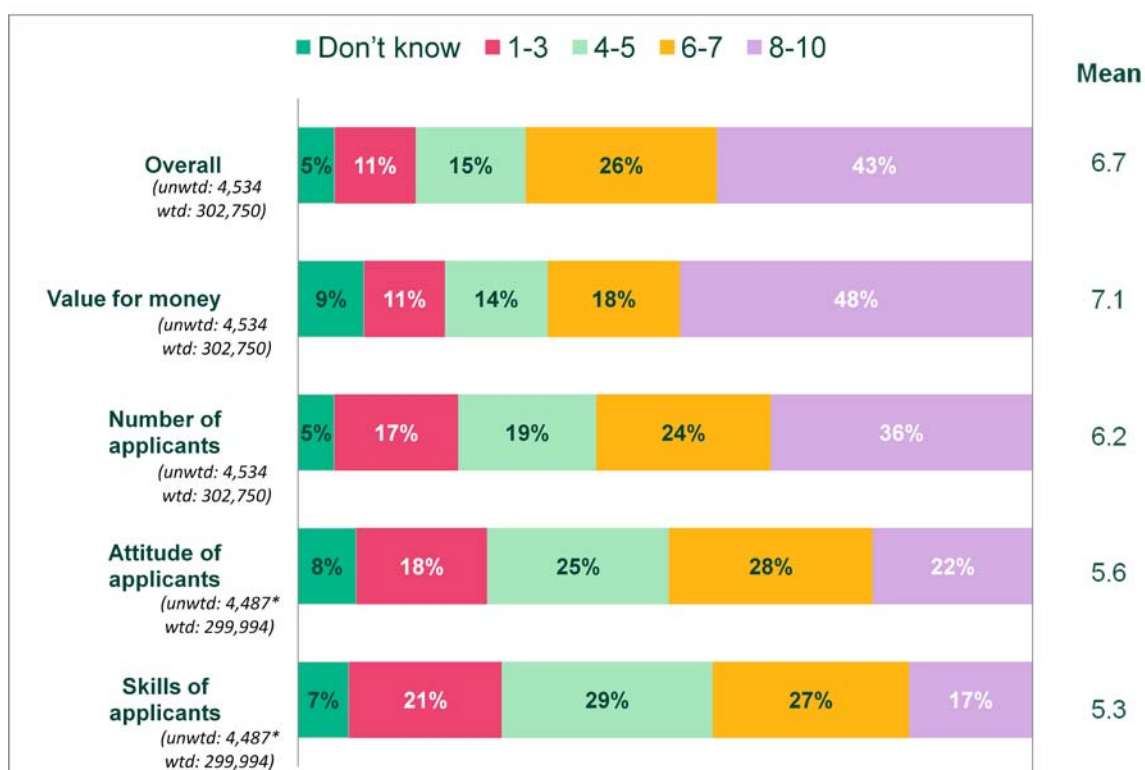
Satisfaction with elements of service received from Jobcentre Plus

Employers who use Jobcentre Plus / the Jobs & Benefits Office were further asked to rate their level of satisfaction with various elements of the service they received on the same ten-point scale (Figure 4.2).

They are most satisfied with the value for money that Jobcentre Plus represents; almost half of employers who use Jobcentre Plus give the service a score of at least eight out of ten for value for money – a mean score of 7.1. More employers are also satisfied with the number of applicants that Jobcentre Plus is able to put forward than are dissatisfied (mean score 6.2).

Employers who use Jobcentre Plus are less satisfied with the quality of the candidates that are put forward. More employers using Jobcentre Plus are dissatisfied with the skills of Jobcentre Plus candidates than are satisfied - i.e. more give a score of three or less than a score of eight or more (mean score 5.3); and Jobcentre Plus users are split relatively evenly between those satisfied and those dissatisfied with the attitude of the applicants (mean score 5.6).

Figure 4.2: Satisfaction with Jobcentre Plus (prompted)



Base: All employers using Jobcentre Plus / Jobs and Benefits Office
*attitude and skills of applicants only asked about if had any applicants applying

Satisfaction scores are relatively even across the countries of the UK, although employers using the Jobs & Benefits Office in Northern Ireland are less likely to be satisfied with the number of applicants put forward or their attitude but more likely to see the service as offering value for money (Table 4.6).

Table 4.6: Satisfaction with Jobcentre Plus by country (prompted)

Satisfaction with...	Total %	England %	Scotland %	Wales %	N. Ireland %
Overall	6.7	6.7	6.7	6.8	6.6
Number of applicants	6.2	6.2	6.3	6.4	5.9
Value for money	7.1	7.1	6.9	7.0	7.9
<i>Base: all using Jobcentre Plus / Jobs and Benefits Office (unweighted)</i>	4,534	3,084	513	675	262
<i>Base: all using (weighted)</i>	302,750	252,219	23,715	16,873	9,943
Attitude of applicants	5.6	5.6	5.6	5.8	5.3
Skills of applicants	5.3	5.3	5.2	5.5	5.2
<i>Base: all using who had applicants (unweighted)</i>	4,487	3,052	507	667	261
<i>Base: all using who had applicants (weighted)</i>	299,994	250,240	23,287	16,647	9,820

Employers who use Jobcentre Plus as their sole recruitment channel are considerably more satisfied with the service they received in all aspects than those for whom Jobcentre Plus is one amongst a repertoire of channels used. This does not, however, reflect that these *repertoire employers'* experience of other channels is better than their experience of Jobcentre Plus; indeed they give very similar overall satisfaction scores to both JobCentre Plus (JCP) (mean score 6.6) and to the other channel that they've used (mean score 6.5). The suggestion is perhaps that repertoire employers have more demands in terms of their recruitment, and that these demands are more difficult to meet.

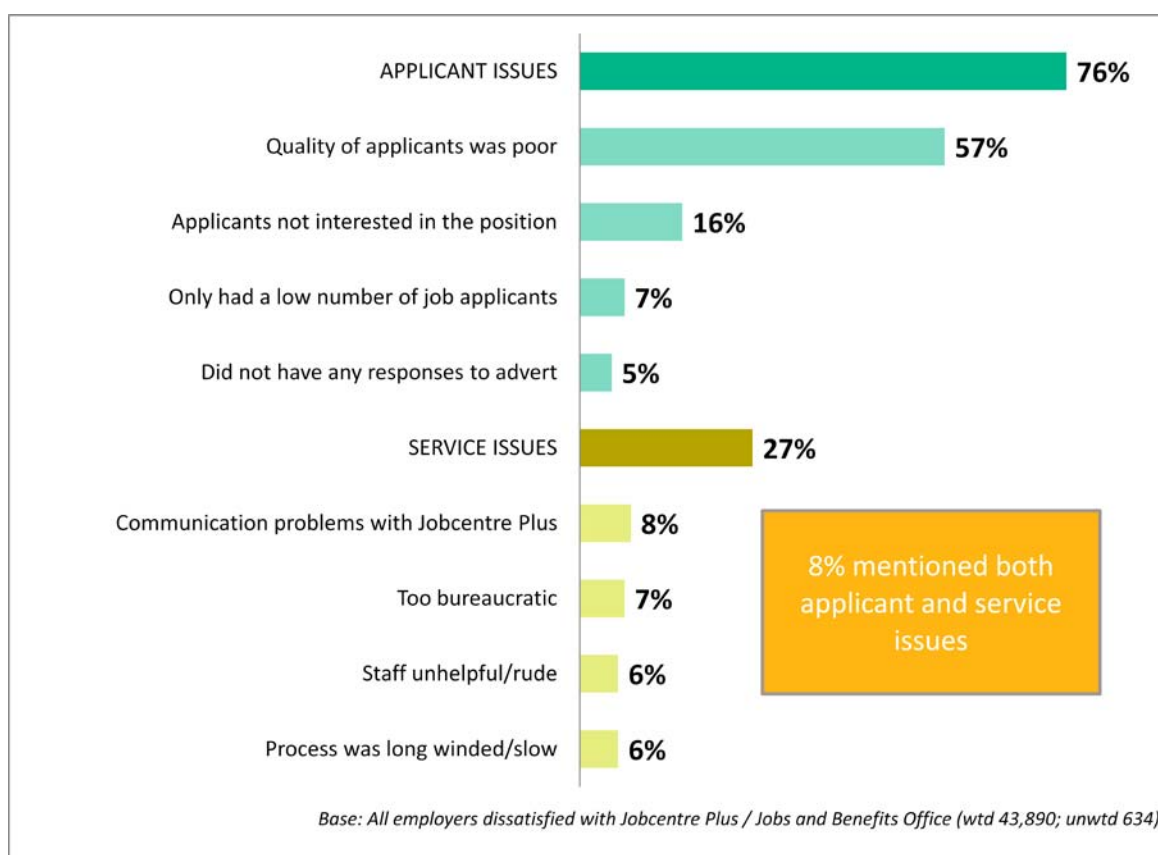
Table 4.7: Satisfaction with Jobcentre Plus – use only Jobcentre Plus vs. Jobcentre Plus and other channels (prompted)

Satisfaction with...	Total	Services used	
		JCP only	JCP and others
Number of applicants	6.2	6.5	6.0
Attitude of applicants	5.6	5.8	5.5
Skills of applicants	5.3	5.5	5.1
Value for money	7.1	7.2	7.0
Overall	6.7	6.9	6.6
<i>Base: all using Jobcentre Plus / Jobs and Benefits Office (unweighted)</i>	4,534	764	3,770
<i>Base: all using Jobcentre Plus / Jobs and Benefits Office (weighted)</i>	302,750	85,152	217,598

Reasons for dissatisfaction with Jobcentre Plus

Employers who are not satisfied with their overall experience of using Jobcentre Plus (defined in the questionnaire as giving an overall satisfaction score lower than five) were asked why they are dissatisfied. Responses are shown in Figure 4.3¹⁸. The principal reasons for dissatisfaction concerns the quality and motivation of the applicants that Jobcentre Plus puts forward: 57% of employers who are dissatisfied with Jobcentre Plus services report that the quality of applicants is poor or not as high as expected, while 16% feel that the applicants are not interested in the position or that they are simply 'going through the motions'. A low number of applicants, or none at all, is reported by seven and five per cent of employers respectively. The remainder are dissatisfied with the service received in terms of the process and the Jobcentre Plus staff; eight per cent of employers who are dissatisfied with their experience of Jobcentre Plus cite communication problems with Jobcentre Plus, seven per cent said that the process is too bureaucratic (in particular with reference to the restrictions applied to advertising content), six per cent report that Jobcentre Plus staff are unhelpful or rude and the same proportion said that the process is too long-winded and slow.

Figure 4.3: Reasons for dissatisfaction with service received from Jobcentre Plus (unprompted)



¹⁸ The figure shows the reasons for dissatisfaction given by more than five per cent of establishments

Reasons for not having used Jobcentre Plus

Respondents who have recruited but not used Jobcentre Plus (or the Jobs & Benefits Office in Northern Ireland) were asked whether there are any particular reasons why they have not done so. In two-fifths (41%) of cases, they report that there has been no need, as the other methods they have used have been successful and a further 17% state that they have not thought of using this channel.

A significant minority of respondents actively choose not to use Jobcentre Plus. Sixteen per cent of recruiting employers feel that Jobcentre Plus does not provide suitable applicants for their industry. This is a particular issue for employers in the Agriculture (30%), Transport, Storage & Communications (25%), and Real Estate & Business (25%) sectors, while those in Hotels & Restaurants (seven per cent) and Public Administration (8%) experience this problem the least. Additionally, 15% of employers report that Jobcentre Plus does not provide suitable applicants for the particular vacancies in question. Looking at this by country, employers in Northern Ireland are particularly likely to say that the Jobs & Benefits Office do not provide applicants suitable to their vacancies (18%), compared to just seven per cent of employers in Wales.

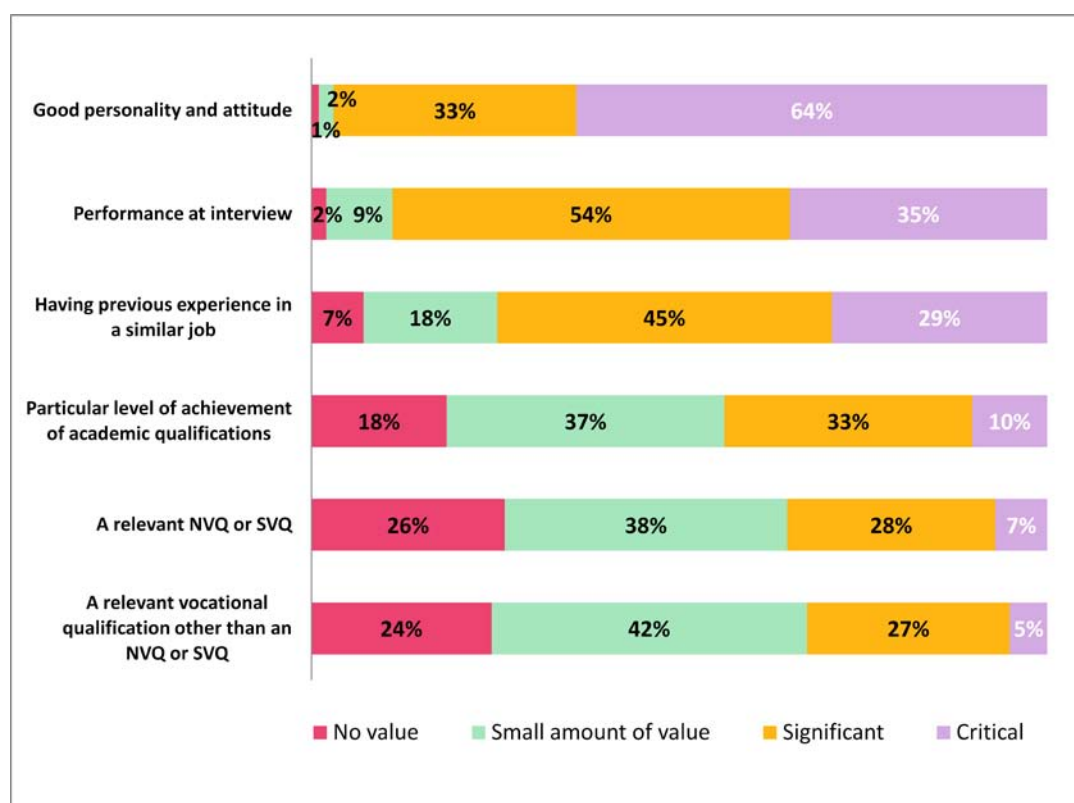
Eight per cent cite a previous bad experience with Jobcentre Plus in the past as the reason for not having used it more recently. Employers in Scotland are particularly likely to give this answer (11%), and employers in Northern Ireland the least likely (three per cent).

4.4 What do employers look for in new recruits?

The survey explores what employers look for from their recruits. Respondents were asked to rate the importance of six factors that a candidate might possess as either 'critical', 'significant', something they place a 'small amount of value' on or having 'no value'. Of course in practice employers will look for different attributes in candidates and employees in different job roles but it was not possible to explore this diversity within the limitations on space of the survey questionnaire. This section should therefore be read as giving an overview of the qualities that employers look for.

Overall by far the most important factor is a good personality and attitude which almost two thirds (64%) of employers consider to be critical, followed by performance at interview (35%) and having previous experience in a similar job (29%). Factors related to academic or vocational qualifications are deemed to be less important: ten per cent of respondents feel that having a particular level of achievement of academic qualifications is critical, seven per cent think having a relevant NVQ or SVQ is critical and five per cent deem having a relevant vocational qualification other than an NVQ or SVQ to be critical. This is likely to depend on the type of role being recruited. Figure 4.4 shows the full breakdown of responses for each of the factors.

Figure 4.4: Attributes employers look for in candidates (prompted)



Base: All employers (wtd 1,774,876; unwtd 14,390)

Employers in each of the four countries rate each of the attributes in a very similar manner, although those in Northern Ireland place as much importance on previous experience as on performance at interview (Table 4.8).

Table 4.8: SUMMARY: Importance of attributes for new recruits - proportion rating each factor as 'critical' (prompted)

	Good personality and attitude	Performance at interview	Previous experience in a similar job	Particular level of academic achievement	A relevant NVQ or SVQ	Relevant other VQ	Wtd base	Unwtd base
	%	%	%	%	%	%		
All	64	35	29	10	7	5	1,774,876	14,390
Country								
England	64	35	29	10	7	5	1,491,746	9,432
Scotland	65	34	32	11	9	6	139,915	1,981
Wales	66	32	29	9	7	7	83,720	1,987
Northern Ireland	61	36	36	13	9	7	59,495	990
Size								
2 – 4	65	34	32	9	7	5	931,960	2,102
5 – 9	66	36	28	11	8	5	391,793	1,995
10 – 24	62	37	26	11	7	5	261,884	3,077
25 – 49	60	36	25	15	9	7	101,183	2,625
50 – 249	55	37	25	15	8	6	76,106	3,204
250 & over	48	44	22	15	5	5	11,950	1,387
Sector								
Agriculture	59	23	39	4	4	3	94,845	336
Mining & quarrying	39	33	36	23	1	2	1,860	84
Manufacturing	51	32	30	8	5	5	110,171	1,083
Electricity, gas, etc	60	29	31	7	8	6	8,203	257
Construction	60	28	45	10	14	9	180,251	1,179
Personal household goods	67	40	23	8	5	4	378,884	2,240
Hotels & restaurants	77	40	18	5	3	3	159,718	1,376
Transport, etc	68	34	38	6	6	7	120,906	1,209
Financial intermediation	64	35	29	14	4	5	43,602	527
Business services	61	33	33	13	6	4	347,887	2,062
Public administration	50	30	21	14	8	5	22,475	699
Education	64	37	33	29	20	14	56,581	875
Health and social work	66	35	22	13	12	5	120,543	1,398
Other community services	70	40	21	10	11	7	128,950	1,065
Nature of ownership								
Public sector	61	38	22	21	13	8	125,354	2,140
Private sector	64	35	31	9	7	5	1,499,553	10,954
Third sector	69	37	19	8	7	5	134,650	1,171

There is some variation by establishment size, particularly in terms of the ‘softer’ measures. Smaller employers place a greater emphasis on personality and on previous experience than do larger employers who, conversely, place a greater emphasis on performance at interview. This reflects that for smaller employers “fit” is critical to successful recruitment (and integration) of new staff. Larger employers are more likely to have standardised approaches to recruitment (hence the importance of the job interview), to be better able to subsume a range of personality types within their workforce and to have a greater ability to provide training (hence a lesser emphasis on prior experience).

In terms of differences by sector, employers in the Hotel and restaurant industry place highest importance on the personality and attitude of applicants when recruiting, employers in the Construction industry place greater importance on previous experience than employers in other sectors and employers in the Education sector place greatest value on qualifications.

4.5 Confidence in sourcing information and services on recruiting

Most employers are confident that they know where to look for information and services relating to recruiting; almost half (47%) of all employers describe themselves as ‘very’ confident, while a further 42% are ‘fairly’ confident. This covers all types of information provider and service, whether private, public, charity or more generally. Employers in Scotland and Northern Ireland are less likely to say they are ‘very confident’ than those in England and Wales.

Table 4.9: Confidence in knowing where to go for information or services about recruitment, by country (prompted)

	Total	England	Scotland	Wales	N. Ireland
	%	%	%	%	%
Very confident	47%	48%	42%	46%	41%
Fairly confident	42%	41%	45%	42%	46%
Not very confident	6%	6%	9%	6%	8%
Not at all confident	3%	3%	4%	4%	2%
<i>Base: All (unweighted)</i>	14,390	9,432	1,981	1,987	990
<i>Base: All (weighted)</i>	1,774,876	1,491,746	139,915	83,720	59,495

As one might expect, and as seen elsewhere, there is some variation according to establishment size: 42% of the smallest employers describe themselves as ‘very’ confident, compared to 70% of the largest employers. This is likely to reflect that larger employers recruit more and are therefore more ‘practiced’ in their recruitment activities, and also that they are likely to have more resource to devote to their recruitment. The full breakdown of responses by establishment size is shown in Figure 4.5.

Figure 4.5: Establishments’ confidence in knowing where to look for information or services relating to recruiting by establishment size (prompted)



Base: All employers (numbers in brackets)

In terms of differences between sectors, confidence in knowing where to look for information or services related to recruiting is higher in sectors dominated by public sector establishments: 64% of establishments in Public administration, 62% in Education and 57% in the Health & social work sectors describe themselves as very confident. Conversely those in the Agriculture, hunting, forestry & fishing sector are least confident (34% state that they are very confident), while those in the Manufacturing (42%), Electricity, gas & water supply (42%), Construction (40%) and Personal household goods (41%) sectors are less likely than average to be very confident.

4.6 Awareness, usage and satisfaction with government recruitment support initiatives

Employers were asked about their awareness, usage of and satisfaction with a range of government recruitment support initiatives, provided through JobCentre Plus and other providers. The primary aim of these initiatives is to help individuals, particularly those who have been unemployed for a long time and those who are disadvantaged in some way, to find employment. From the employer's perspective, these initiatives provide access to pools of potential recruits. Some initiatives provide support to employers recruiting from these pools, such as supporting the recruitment process and providing subsidised training. Such initiatives are most likely to benefit employers who face recruitment difficulties or who need to fill a large number of vacancies within a short period. Many of the initiatives include elements of skills development, such as tailored training programmes.

Some of the initiatives (such as Backing Young Britain and the Future Jobs Fund) are aimed predominately at employers and whilst others are predominately aimed at individuals.

With the exception of New Deal (which began in 1998), many of the initiatives are relatively new and were introduced in the last couple of years. Some initiatives (such as Backing Young Britain and the Young Person's Guarantee) were established to specifically address problems created by the economic downturn.

Some of the initiatives have ceased since the survey was conducted and others will be ending or are subject to change.

The nature and type of employment initiatives available vary across the four nations. This is illustrated in Figure 4.6 below, In all four nations, most of the initiatives are delivered through JobCentre Plus offices or Jobs and Benefits offices in Northern Ireland. Others are delivered by government agencies or directly by government departments.

Figure 4.6: Government Initiatives and services for recruitment



Recruitment programmes.

Backing Young Britain	An initiative encouraging employers to offer jobs, Apprenticeships and work experience for young people in England, except those already on placements.
Bridge to Employment	A personalised training programme in Northern Ireland to re-skill people who are long-term unemployed.
Get Ready for Work	Preparation programme in Scotland for 16-19 year olds to enter work, college or further training.
GO Wales	Graduate Opportunities Wales, an initiative connecting business and graduates through arranging and funding training, internships and a database of job vacancies.
Jobcentre Plus's New Deal	Additional support for unemployed people after six months including training and voluntary opportunities and increased job-search support; in some areas this is now called "Flexible New Deal".
Local Employment Partnerships	A Jobcentre Plus initiative in England, Scotland and Wales in partnership with local employers to match up Jobseeker's Allowance claimants with suitable jobs – the term Local Employment Partnership has ceased to exist since the survey and the service now falls under Jobcentre Plus's offering to employers.
Six Month Offer	Increased support and conditionality for Jobseeker's Allowance claimants after six months continuous claim in England and Wales.
Steps to Work / New Deal	The New Deal in Northern Ireland was supplanted by Steps to Work in 2008, offering support for the unemployed to find work.
Training for Work	A voluntary training programme in Scotland for unemployed and disadvantaged adults.
Young Person's Guarantee:	Programme guaranteeing 18-24 year olds who have been searching for work for six months one of a job, work experience, or six months' training in England, Scotland and Wales. This has not been extended and will cease March 2011. The Young Person's Guarantee package of initiatives included the Graduate Talent Pool and the Future Jobs Fund.
· Graduate Talent Pool	An initiative to connect graduates with employers offering internships.
· Future Jobs Fund	Subsidy to encourage employers to create jobs for 18-24 year olds in England, Scotland and Wales – since the survey this has been discontinued for all

Around seven in ten employers (69%) have heard of at least one of the recruitment services explored in the survey, although just six per cent have made use of at least one of them over the course of the previous year.

We now turn to examine awareness and usage levels with the specific recruitment services explored, focusing first on those which span more than one country. Only Graduate Talent Pool and New Deal have been compared across all countries. In terms of the latter, New Deal has been replaced in Northern Ireland by Steps to Work, and findings have therefore been combined. However there are four services covering England, Scotland and Wales, and one that covers both England and Wales.

Table 4.10: Awareness and use of recruitment support agencies, schemes and initiatives covering more than one nation (prompted) (%)

	UK	England	Scotland	Wales	Northern Ireland
Awareness					
<i>Base: all employers (unwtd)</i>	<i>Base in footnote</i>	9,432	1,981	1,987	990
<i>Base: all employers (wtd)</i>		1,491,746	139,915	83,720	59,495
Jobcentre Plus's New Deal (inc Steps to Work)	55 ^c	55	59	54	51
Local Employment Partnerships	33 ^a	33	29	29	
Six Month Offer	17 ^b	17		18	
Future Jobs Fund	15 ^a	15	15	16	
Young Person's Guarantee	15 ^a	15	17	14	
Graduate Talent Pool	14 ^c	15	12	12	16

Use	UK	England	Scotland	Wales	Northern Ireland
Jobcentre Plus's New Deal (inc Steps to Work)	3 ^c	3	4	4	7
Local Employment Partnerships	1 ^a	1	1	1	
Six Month Offer	1 ^b	1		1	
Future Jobs Fund	1 ^a	1	1	1	
Young Person's Guarantee	*a	*	*	*	
Graduate Talent Pool	*c	*	*	*	1

Use	<i>Base: all employers aware of service</i>				
Jobcentre Plus's New Deal (inc Steps to Work)	6	6	6	7	13
Local Employment Partnerships	3	3	3	3	
Six Month Offer	7	7		8	
Future Jobs Fund	9	9	7	9	
Young Person's Guarantee	1	1	3	2	
Graduate Talent Pool	2	3	1	2	5

* denotes <0.5%

UK Base a: unwtd: 13,400 wtd: 1,715,381
b: unwtd: 11,419 wtd: 1,575,466
c: unwtd: 14,390 wtd: 1,774,876

Of the initiatives spanning more than one country, New Deal / Steps to Work recorded the highest levels of awareness at 55% of all establishments, although only 3% had been involved in it (reflecting that it is primarily a service designed for individuals rather than employers). Awareness is relatively even across the countries, although Northern Irish employers lag slightly behind. By contrast, Northern Irish employers are more likely to have **used** Steps to Work.

The other common schemes and initiatives lag considerably far behind in terms of usage and awareness, but record consistent measures across the countries.

The next sections of the chapter look at awareness and usages levels within the specific services offered in each country.

England

Sixty-nine percent of English employers are aware of at least one of the recruitment initiatives available in England at the time of the survey, with six per cent having made use of at least one of them.

The highest levels of awareness are recorded for Jobcentre Plus's New Deal which more than half of English employers (55%) are aware of, and which three per cent of English employers have used to recruit staff in the previous 12 months.

A third of employers in England are aware of Local Employment Partnerships, although the latter are less commonly used to recruit staff than New Deal, with only three per cent of all employers who are aware of them having used them in the past 12 months (one per cent of all English employers).

Similar proportions of employers are aware of the other schemes and initiatives explored in England, with awareness ranging between 15% and 22%. Use of these remaining initiatives by the general employer population to recruit staff is relatively limited, although nine per cent of employers who are aware of the Future Jobs Fund have made use of it in their recruitment, as have seven per cent of those aware of the Six Month Offer.

Table 4.11: Recruitment schemes and initiatives in England (prompted)

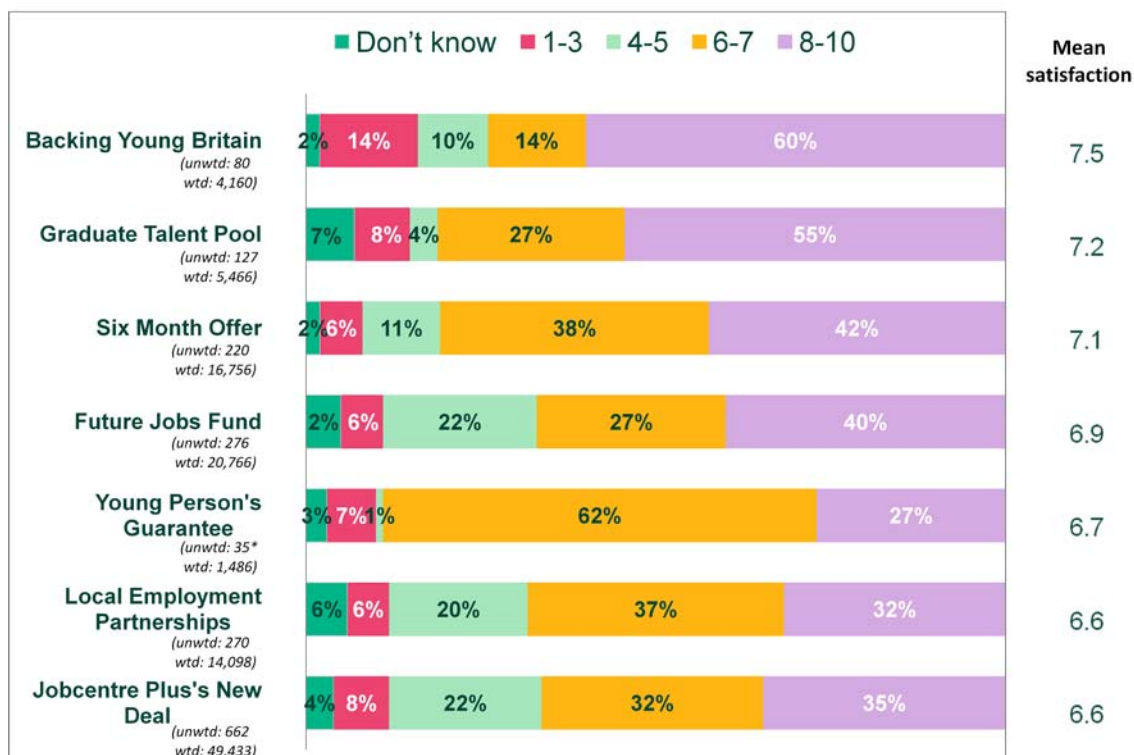
Scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
Jobcentre Plus's New Deal	9,432	1,491,746	55	3	5,723	816,597	6
Local Employment Partnerships	9,432	1,491,746	33	1	3,860	493,934	3
Backing Young Britain	9,432	1,491,746	22	*	2,404	323,593	2
Six Month Offer	9,432	1,491,746	17	1	2,200	257,715	7
Future Jobs Fund	9,432	1,491,746	15	1	1,919	227,277	9
Young Person's Guarantee	9,432	1,491,746	15	*	1,602	223,010	1
Graduate Talent Pool	9,432	1,491,746	15	*	2,164	220,534	3

* denotes under 0.5%

Employers who have used any of the initiatives to recruit staff were asked to rate their satisfaction with the service they received on the same ten-point scale used elsewhere in the questionnaire, where one signified that they were not satisfied at all and ten that they were extremely satisfied.

For each of the initiatives, mean satisfaction is relatively high – and considerably more employers are satisfied than not; indeed, for most of the initiatives, a larger proportion of employers give a score of 8 or above than a more moderate satisfaction score of six or seven. Satisfaction levels are particularly high for the Backing Young Britain initiative and the Graduate Talent Pool. Figure 4.7 sets out satisfaction by scheme; satisfaction is measured on a scale of one to ten where one is “not at all satisfied” and ten is “extremely satisfied”.

Figure 4.7: Satisfaction with recruitment schemes and initiatives in England (prompted)



Base: All who have used the service (numbers in brackets)

*Figures for Young Person's Guarantee should be treated with caution as the base is lower than 50.

Scotland

More than three-quarters of Scottish employers (77%) have heard of at least one of the Scottish recruitment initiatives that the survey explores (higher than in any other country), although only a small proportion have used any of them in their recruitment activity (six per cent of all Scottish employers).

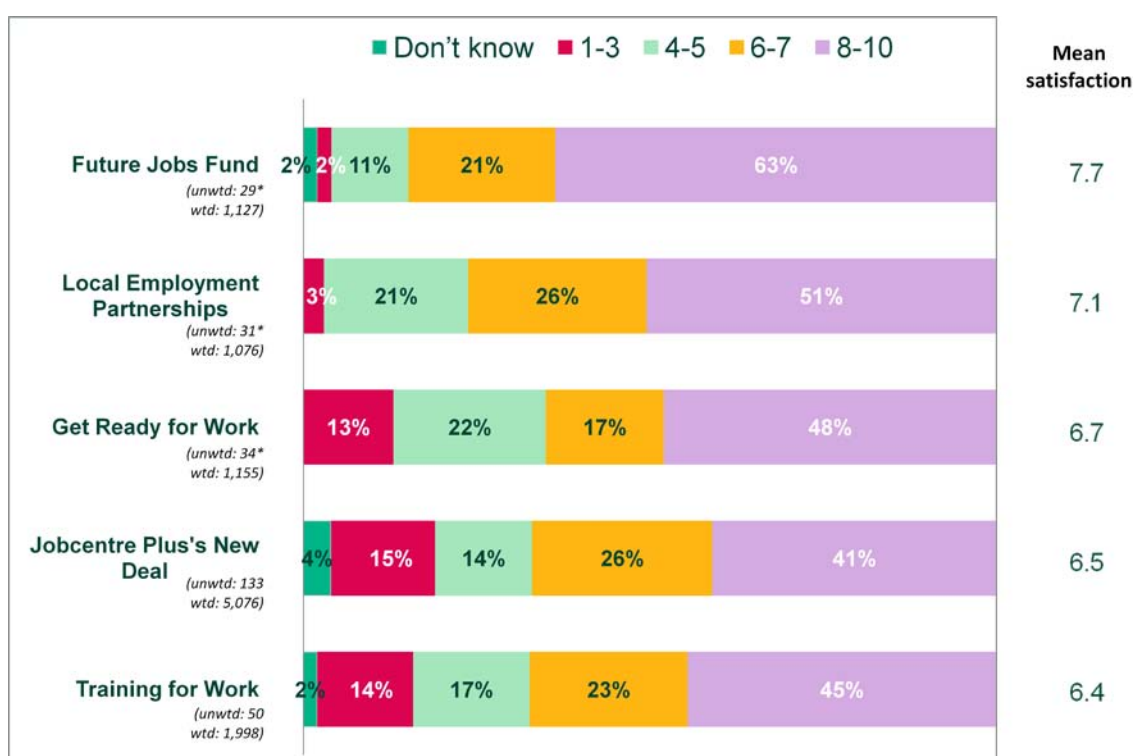
Jobcentre Plus's New Deal and Training for Work are both the best known (with 59% and 50% awareness respectively) and the most commonly used: four per cent of Scottish employers have used New Deal in their recruitment over the previous 12 months, and two per cent have used Training for Work.

Table 4.12: Recruitment schemes and initiatives in Scotland (prompted)

Scheme/initiative	% of all establishments				% of all aware that have used		
	<i>Base (unwtd)</i>	<i>Base (unwtd)</i>	% Aware	% Used	<i>Base (unwtd)</i>	<i>Base (unwtd)</i>	% Used
Jobcentre Plus's New Deal	1,981	139,915	59	4	1,265	83,016	6
Training for Work	1,981	139,915	50	2	1,079	69,259	4
Get Ready for Work	1,981	139,915	43	1	1,099	45,752	2
Local Employment Partnerships	1,981	139,915	29	1	696	40,092	3
Young Person's Guarantee	1,981	139,915	17	*	393	23,858	3
Future Jobs Fund	1,981	139,915	15	1	371	20,839	7
Graduate Talent Pool	1,981	139,915	12	*	286	16,818	1

The Future Jobs Fund stands out a little in the Table 4.12 from the perspective that a relatively high proportion of employers who are aware of it have used it: fifteen per cent of Scottish employers were aware of the Future Jobs Fund, and seven per cent of these have made use of it (although this only equates to one per cent of Scottish employers overall). It also stands out in the figure below as delivering very high levels of satisfaction among employers who have used it in their recruitment. Levels of satisfaction are quite high for each of the initiatives. Figure 4.8 shows satisfaction by scheme; satisfaction is measured on a scale of one to ten where one is “not at all satisfied” and ten is “extremely satisfied”.

Figure 4.8: Satisfaction with recruitment schemes and initiatives in Scotland (prompted)



Base: All who have used the service (numbers in brackets)

* Young Person's Guarantee and Graduate Talent Pool are not shown as the base sizes are below 25. Figures for Get Ready for Work, Local Employment Partnerships and Future Jobs Fund should be treated with caution as the base is lower than 50.

Wales

Almost seven in ten employers in Wales were aware of at least one of the recruitment initiatives explored in the survey (68%), and one in twelve have made use of one of them in their recruitment activity (eight per cent).

Jobcentre Plus's New Deal is also the initiative with the highest levels of employer awareness in Wales; and it is also the initiative that is most commonly used by Welsh employers in their recruitment.

Go Wales and Local Employment Partnerships (LEPs) follow behind New Deal in terms of awareness, with similar proportions of Welsh employers aware of each. It is far more common for employers to have used Go Wales in their recruitment (eight per cent have done so) than to have used LEPs (three per cent).

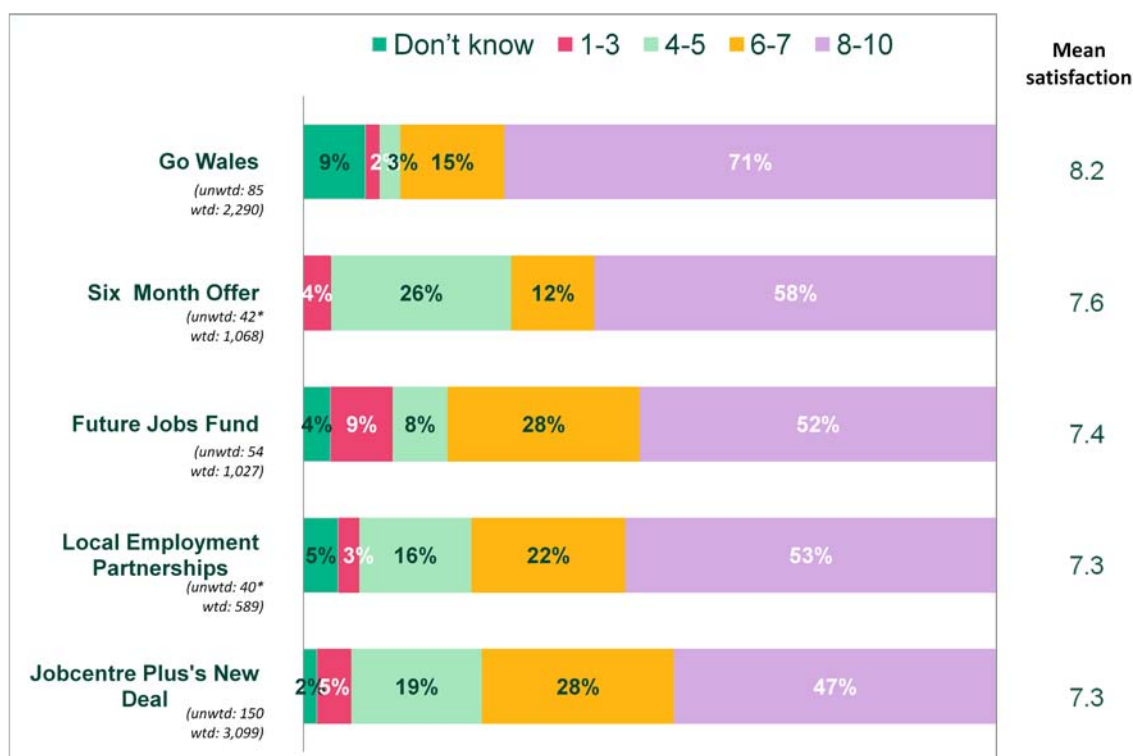
A relatively high proportion of employers who are aware of the Future Jobs Fund and of the Six Month Offer have made use of these initiatives in their recruitment.

Table 4.13: Recruitment schemes and initiatives in Wales (prompted)

Scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
Jobcentre Plus's New Deal	1,987	83,720	54	4	1,232	45,409	7
GO Wales	1,987	83,720	33	3	834	20,226	8
Local Employment Partnerships	1,987	83,720	29	1	722	24,434	3
Six Month Offer	1,987	83,720	18	1	460	15,262	8
Future Jobs Fund	1,987	83,720	16	1	398	13,351	9
Young Person's Guarantee	1,987	83,720	14	*	339	11,826	2
Graduate Talent Pool	1,987	83,720	12	*	318	10,140	2

Welsh employers who made use of government schemes and initiatives in their recruitment are particularly likely to be satisfied with the service they received, with particularly high satisfaction with GO Wales¹⁹. Figure 4.9 shows satisfaction by scheme; satisfaction is measured on a scale of one to ten where one is “not at all satisfied” and ten is “extremely satisfied”.

Figure 4.9: Satisfaction with recruitment services and initiatives in Wales (prompted)



Base: All who have used the service (numbers in brackets)

* Young Person's Guarantee and Graduate Talent Pool are not shown as the base sizes are below 25. Figures for Local Employment Partnerships and Six Month Offer should be treated with caution as bases are lower than 50.

¹⁹ We will see in the next chapter that employers are less satisfied with GoWales as a skills initiative

Northern Ireland

Four in ten Northern Irish employers have not heard of any of the government recruitment schemes and initiatives explored in the survey (59% have), but in overall terms similar proportions of employers as in the other countries have used at least one initiative (seven per cent).

Steps to Work / New Deal is both the initiative which employers are most likely to have heard of (half said that they have) and by far the most commonly used (13% of Northern Irish employers who have heard of Steps to Work / New Deal have used it in their recruitment activity over the previous 12 months).

A third of Northern Irish employers are aware of Bridge to Employment, with half that proportion aware of the Graduate Trainee Pool. Around one in twenty employers who are aware of each have actually used it in their recruitment.

Table 4.14: Recruitment schemes and initiatives in Northern Ireland (prompted)

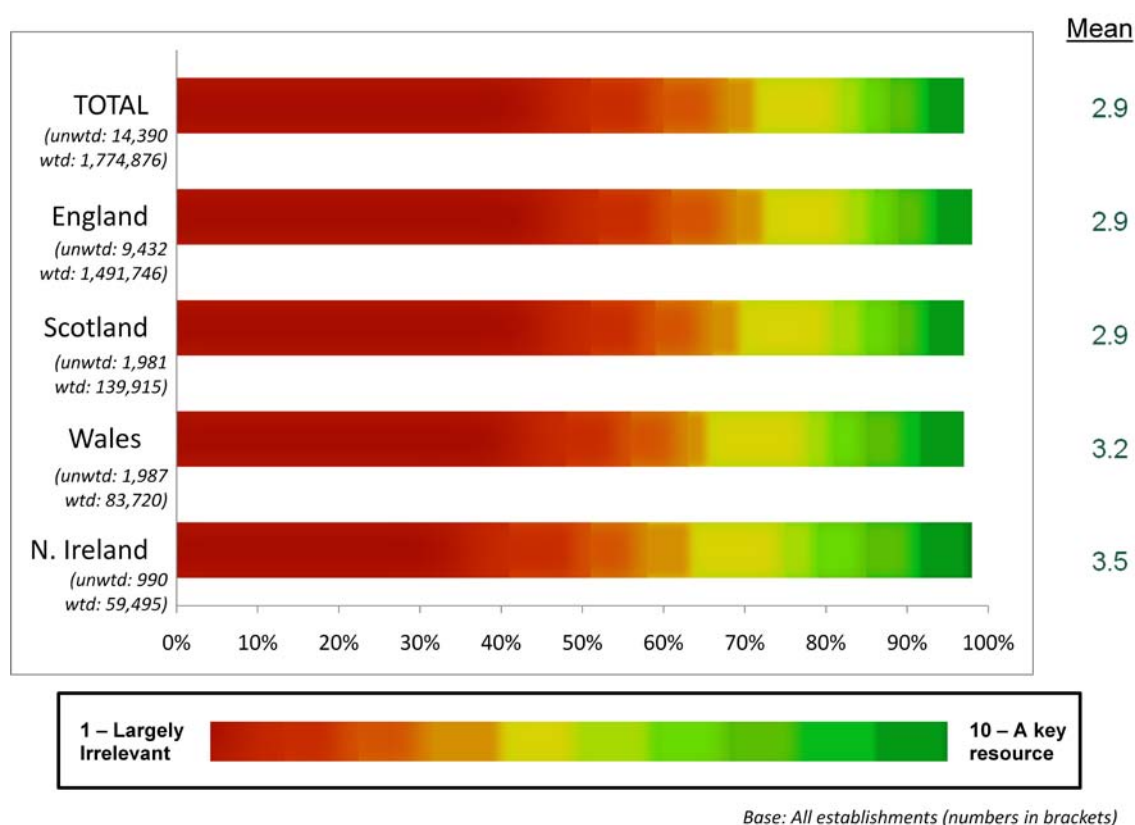
Scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
Steps to Work / New Deal	990	59,495	51	7	619	30,592	13
Bridge to Employment	990	59,495	31	1	384	18,223	4
Graduate Talent Pool	990	59,495	16	1	212	9,649	5

A third (34%) of Northern Irish employers who use Steps to Work / New Deal give a score of at least eight out of ten for their satisfaction with the initiative, and more than a half (53%) give a score of either six or seven, giving a high mean satisfaction score of 7.0. It is not possible to report satisfaction for Bridge to Employment or Graduate Talent Pool as the base sizes are lower than 25.

4.7 What importance do establishments give to the government's role in supporting recruitment?

Respondents were invited to rate the importance of the government's role in supporting recruitment on a scale of one to ten, where one signifies 'largely irrelevant – we just get on and do what we need to do on our own' and ten signifies that it is 'a key resource which we draw on systematically and frequently'. Figure 4.10 shows the spread of results along the scale, with the left (red) side representing low scores and the right (green) side representing high scores. A mean importance score is shown to the right of each bar.

Figure 4.10: Importance of government support for recruitment (prompted)



The overall mean score was 2.9, which indicates that employers' views tended towards the notion that the government has a limited role in supporting recruitment. Overall 51% give a rating of one out of ten, with just 16% rating it six or higher.

There is some variation by establishment size: the smallest establishments (two to four employees) give a mean score of 2.6, while the largest (250 or more employees) give a mean rating of 3.8 (Table 4.15 below).

The sectors which are largely dominated by public sector establishments tend to consider the government to have a more important role: establishments in the Public administration, defence and compulsory social security sector give a mean rating of 4.8, while establishments in the Health and Social Work and Education sectors give ratings of 3.9 and 3.8 respectively; indeed, overall public sector mean is 4.5 compared to 3.6 for third sector and 2.7 for the private sector.

The rated importance is higher among those who have had vacancies, at 3.4 out of ten, and higher still among those using Jobcentre Plus, with a mean of 4.5 among employers using only Jobcentre Plus to recruit in the last year, and 4.3 among those using Jobcentre Plus and other recruitment channels.

Table 4.15: SUMMARY: Importance of government's role in supporting recruitment (prompted)

	1-3	4-5	6-7	8-10	Don't know	Mean	Wtd base	Unwtd base
	%	%	%	%	%			
All	68	14	7	9	2	2.9	1,774,876	14,390
Country								
England	68	14	6	9	2	2.9	1,491,746	9,432
Scotland	67	15	7	9	3	2.9	139,915	1,981
Wales	63	16	7	12	3	3.2	83,720	1,987
Northern Ireland	58	17	9	13	2	3.5	59,495	990
Size								
2 – 4	73	13	5	7	2	2.6	931,960	2,102
5 – 9	64	16	8	10	2	3.1	391,793	1,995
10 – 24	61	16	9	11	3	3.3	261,884	3,077
25 – 49	57	16	11	14	2	3.6	101,183	2,625
50 – 249	56	18	10	14	3	3.6	76,106	3,204
250 & over	52	20	12	12	4	3.8	11,950	1,387
Sector								
Agriculture	81	9	5	4	2	2.1	94,845	336
Mining & quarrying	83	15	*	1	1	1.9	1,860	84
Manufacturing	70	13	7	8	2	2.8	110,171	1,083
Electricity, gas, etc	70	16	6	6	2	2.7	8,203	257
Construction	71	15	5	7	2	2.7	180,251	1,179
Personal household goods	67	15	6	10	2	2.9	378,884	2,240
Hotels & restaurants	69	16	6	7	2	2.7	159,718	1,376
Transport, etc	72	13	7	6	2	2.7	120,906	1,209
Financial intermediation	67	18	9	2	4	2.7	43,602	527
Business services	71	13	6	7	2	2.7	347,887	2,062
Public administration	42	17	10	26	6	4.8	22,475	699
Education	56	15	7	20	2	3.8	56,581	875
Health and social work	53	18	9	15	4	3.9	120,543	1,398
Other community services	61	14	7	14	3	3.4	128,950	1,065
Nature of ownership								
Public sector	44	16	11	23	6	4.5	125,354	2,140
Private sector	71	14	6	7	2	2.7	1,499,553	10,954
Third sector	57	17	9	15	3	3.6	134,650	1,171

5 Employer perspectives on... skills and training

Chapter summary

Although there are a core group of employers who view government support for training and development as important for their establishment, a far greater number see the role for government in this area as limited at best. On a scale of one to ten, where one is “largely irrelevant, we just get on and do what we need on our own” and ten is “a key resource which we draw on systematically and regularly”, 45% give a rating of one out of ten for the importance of government support for training and development, whereas only 22% rate it six or higher. There is strong relationship between level of engagement with the skills system and the value that employers place on government support in this area. Likewise those employers who are more confident in knowing where to go for information, advice and support on skills and training related issues are more likely to rate government support in this area as a key resource.

Employer confidence in knowing where to look for information and advice on skills or training related issues has increased with four fifths now saying that they are ‘fairly’ or ‘very’ confident (up from 72% in 2007/08). However, although the majority of employers claim to be confident in knowing where to go for particular types of information, help and advice on skills or training related issues, a large minority (39%) struggle to spontaneously name a specific organisation that they might approach. Furthermore, a third of those claiming to be fairly or very confident in knowing where to go for help (34%) were unable to name a specific organisation.

Employers were prompted on their use of a number of (mainly country specific) schemes and initiatives in the skills and training area. Three fifths of UK employers (58%) are aware of at least one specific initiative available to them, and eight per cent have made use of at least one over the year prior to the survey.

- In England, awareness and usage is mainly driven by Train to Gain with half of all employers (51%) aware of the initiative and eight per cent who have used it in the last year. All other schemes and initiatives are used by one per cent of employers or less.
- Get Ready for Work is the most recognised and used initiative in Scotland with 43% of employers aware of it and four per cent who have used it in the last year. Again, all other schemes and initiatives are used by one per cent of employers or less.
- GoWales, Flexible Support for Business and Workforce Development Programme are the most commonly used initiatives in Wales, used by between three per cent and five per cent of employers.
- In Northern Ireland, Skillsafe and Workforce Development Forum are the two most recognised initiatives (13% and 11% respectively). “Made not Born” is the most commonly used scheme (two per cent of employers used it in the last year) with all others used by one per cent of employers or less.

In each country, levels of satisfaction are generally high with each of the skills and training services and initiatives available.

A third of establishments (34%) covered by a Sector Skills Council (SSC) have heard of their particular SSC. This is an increase from 29% in 2007/08 and 27% in 2005. Employers in England and Wales are driving the increase with an increase amongst Welsh employers from 33% to 44% and amongst counterparts in England from 28% to 33%. SSC awareness in Scotland and Northern Ireland has, by contrast, remained relatively static since 2007/08. The proportion of employers who are aware of their SSCs having had dealings with them in the past 12 months is up sharply from 13% in 2007 to 23% in 2010. This equates to 8% of the total employer population that is covered by an SSC.

Satisfaction with SSCs has also risen. Amongst those who have had dealings with their SSC, the mean satisfaction score given is now 7.0, an increase from 6.4 in both 2005 and 2007/08.

The main reasons given for those aware but who have not engaged with their SSCs at all are that they have never had the need (44%), a lack of knowledge about what SSCs do (14%) and that they are not suited to their industry or relevant to what they do (14%).

Awareness of specific Apprenticeship schemes recognised by the government is high. Over half of employers in Scotland and Wales are aware of Modern Apprenticeships (52% and 53% respectively) while two fifths of all UK employers are aware of either Advanced Apprenticeships, Apprenticeships for those aged 25+ or Higher Apprenticeships. Overall, 5% of all establishments have staff currently undertaking Apprenticeships with a further 4% reporting that they offer them but have no staff taking them at present, and a further 8% who plan to offer them in future.

Amongst those not currently offering or planning to offer Apprenticeships, the main barriers are a perception that they are not relevant or suited to an employer's type of work (33%) and that they have no need for them as all their staff are trained and / or they have no plans to recruit (21%).

Against a backdrop of decline in the proportion of employers training in the last 12 months (60%, down from 65% in 2008), over two thirds of training employers (69%) had used an external provider to help deliver their training, while under half (45%) had arranged or funded training designed to lead to a recognised vocational qualification (using either an NVQs or SVQs in Scotland.) Among those employers arranging training leading to vocational qualification the majority agree that they lead to a range of benefits for their employees and establishment. Strongest agreement is that they lead to an increase in knowledge and understanding (94% agree) and that they lead to the development of new skills (90%). Three quarters of employers (76%) also perceive vocational qualifications to offer good value for money, an increase of seven percentage points from 2007/08.

Employers not investing in vocational qualifications perceive a number of barriers to doing so. The most common reason is that their staff do not want this type of training (mentioned by 28%). Other reasons, each cited by about a fifth of employers who have not arranged or funded such training, are focussed around the cost (either that they are too expensive to deliver or that there is not enough government funding or grants to cover the costs of them), a lack of knowledge about vocational qualifications, and a perception that they are too complicated or that they take too long to complete.

As discussed in the introduction to this report, shortcomings both in the availability of skills among the workforce and in employers' investment in skills development has contributed to the UK consistently lagging behind its international competitors in terms of economic performance and productivity. To meet these challenges, the UK Commission for Employment and Skills and its partners continue to develop a more demand-led skills system, delivering the type of support that employers need, through delivery channels that suit them. In parallel, evidence points to the need to stimulate employer ambition such that there is increased demand for enhanced skills and employability.

At a time when public spending is under increasing scrutiny, this chapter provides valuable insight into employers' current engagement with, and perceptions of, some of the key elements of this skills system, from Apprenticeships and other vocational qualifications to various publicly funded schemes and initiatives providing employers with information and advice on workforce skills development as well as more practical help on skills and training related issues. It also explores employer involvement with Sector Skills Councils, employer-led, UK-wide organisations designed to represent employer needs within the skills system. More specifically the chapter covers:

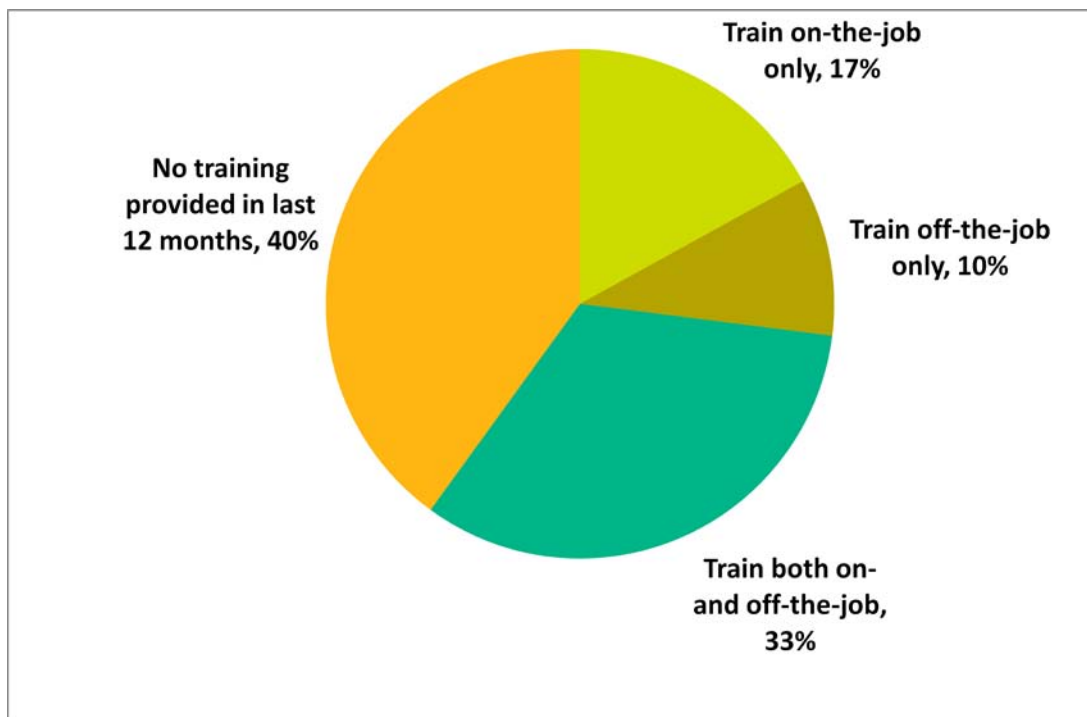
- Where employers would look for advice or information on skills and training-related issues, and their confidence in doing this;
- Awareness of and engagement with government initiatives in the skills arena.
- Use of and satisfaction with Sector Skills Councils;
- Awareness of and involvement with government recognised Apprenticeship schemes and barriers to greater take up;
- The types of training employers are arranging for their staff, including use and perceptions of vocational qualifications;
- Use of external training providers;
- The importance of government support to employers for training and development

First we explore the extent to which employers are providing training for their staff, examining whether the recession has impacted on training provision and contextualising the rest of the chapter through the identification of potential demand for training and workforce development services

5.1 Training and development of the workforce

Three fifths of establishments (60%) report having developed their workforce in the past 12 months by arranging or funding either on or off-the-job training²⁰. On-the-job training is more common than off-the-job training (overall, 50% report arranging/funding on-the-job training, compared with 43% arranging/funding off-the-job). A third of establishments say they have done both in the past 12 months (Figure 5.1).

Figure 5.1: Provision of training in the last 12 months (prompted)



Base: All establishments (weighted 1,774,876; unweighted 14,390)

The proportion of employers providing *any* training to their staff has decreased from the level seen in the last Employer Perspectives Survey where 65% of establishments had arranged or funded training in the previous twelve months²¹. Fieldwork for the last Employer Perspectives Survey took place between December 2007 and February 2008, before the downturn began to bite, thus providing a stark contrast to the economic landscape faced by employers interviewed in this survey.

²⁰ Off-the-job training and development takes place away from the individual's immediate work position, whether on the employer's premises or elsewhere; On-the-job and informal training and development describe any other training and development activities that would be recognised as training by staff, but do not encompass the sort of learning by experience which could take place all the time.

²¹ *Skills for the Workplace: Employer Perspectives. Evidence Report 1*, UKCES, November 2008

This suggests that economic conditions may now be having an impact on the ability of (some) employers to be able to develop their workforce through training. In England the 2009 National Employer Skills Survey found that while per capita spend on training and the proportion of the workforce receiving training had both decreased since 2007, the actual proportion of employers providing training remained steady. This was likely to reflect, in part, that training was being delivered by employers in different ways^{22 23}. However, in 2010 the proportion of employers providing training has declined. This is perhaps as a result of more intense cost-cutting measures or reflecting that continued cutbacks in recruitment mean that there are no or fewer new staff requiring training. As we'll see shortly this is being driven by both the public and private sector.

There is further evidence of a decline in training activity in England and Northern Ireland. In the latest Employer Perspectives Survey, 60% of employers in England and 62% of employers in Northern Ireland have arranged or funded training for their staff in the last 12 months compared to 68% of employers in the 2009 National Employers Skills Survey carried out in England and 74% of employers in the 2008 Northern Ireland Skills Monitoring Survey.

Three fifths of employers in Wales (60%) and almost two thirds of employers in Scotland (65%) have provided any training to their staff in the last year. This compares to 69% and 65% respectively in Employer Perspectives Survey 07/08.

As in previous years across all surveys, size is a key determinant of the likelihood to train and whether both on- and off-the job methods are adopted (Table 5.1).

Table 5.1: Whether establishment has trained on-the-job or off-the-job, by establishment size in the last 12 months (prompted)

	Number of employees						Over 250
	All	2-4	5-9	10-24	25-49	50-249	
Train on-the-job	50%	34%	59%	71%	82%	88%	91%
Train off-the-job	43%	29%	49%	62%	72%	80%	84%
Train either on/off-the-job	60%	44%	70%	80%	89%	93%	94%
No training in last 12 mths	40%	56%	30%	20%	11%	7%	6%
<i>Base: All (unweighted)</i>	14,390	2,102	1,995	3,077	2,625	3,204	1,387
<i>Base: All (weighted)</i>	1,774,876	931,960	391,793	261,884	101,183	76,106	11,950

²² For example through employers providing more in house training, delivering more training via e-learning or sending fewer staff on external courses and then cascading the learning through one or two individuals instead.

²³ *National Employers Skills Survey 2009*, UKCES, August 2010

There are large differences in the proportion of public, third and private sector employers providing training for their staff. Eighty six per cent of public sector employers have organised training for their staff in the last year, greater than both third sector employers (79% of whom have arranged training) and private sector employers (57%). The proportion of both public and private sector employers who have trained has decreased from 2007/08 from 89% and 62% respectively while remaining at 79% in the third sector. The lower rate of training in the private sector is partly related to size as these employers tend to be smaller; and public sector establishments are more likely to be part of a larger organisation. However, even when controlling for these factors in the analysis, the pattern remains.

Looking at training by broad sector, as seen in other national skills surveys and as one might expect given the above findings, training activity is most common in those specific sectors that are dominated or skewed towards public service establishments: Public Administration (87%); Education (87%); and Health and social work (83%). Again, this also reflects these sectors having larger-than-average establishment sizes, and also regulatory requirements for training in many health and education settings. Employers in the Agriculture sector are least likely to have arranged / funded training (only 47% report having done so).

There is also a relationship between propensity to train and the level of skills of the workforce. Employers with at least one in five of their staff qualified to either degree level or level 3²⁴ are more likely to provide training to their staff. However, this pattern is at least partly driven by the fact that those employers with a greater proportion of highly qualified staff are also more likely to be in the public sector.

Those employers with fairly stable staffing levels are much less likely to have arranged or funded training for their staff in the last 12 months (54%) than those who are growing (79%). Those whose staffing levels reduced in the previous year and who anticipated further reduction in the coming year are also more likely than the average to be arranging training for staff, possibly so the remaining staff can perform the roles of those who have departed alongside their usual job role, or alternatively as a means of aiding retention amongst those left or as a benefit to the staff in the context of difficult wage conditions and pay freezes across many employers (65% report having done so).

²⁴ Level 3 equates to A / AS Levels, NVQ Level 3 in England, Wales and NI and SCQF Level 6 (Higher, SVQ 3) in Scotland

Nevertheless, despite a fall in employer training provision, there remains a clear demand for training related services from a large part of the employer population, whether or not they look externally for it. Equally, there will be some amongst those not training that may face barriers to training such as not knowing how or where to find advice and practical help, who would benefit from services but do not know how to access them. The 2011 UK Employer Skills Survey will explore barriers to training; the following analyses examine employer confidence in seeking advice and practical help, and their engagement with what is currently out there in more detail.

Table 5.2: SUMMARY: Incidence of training

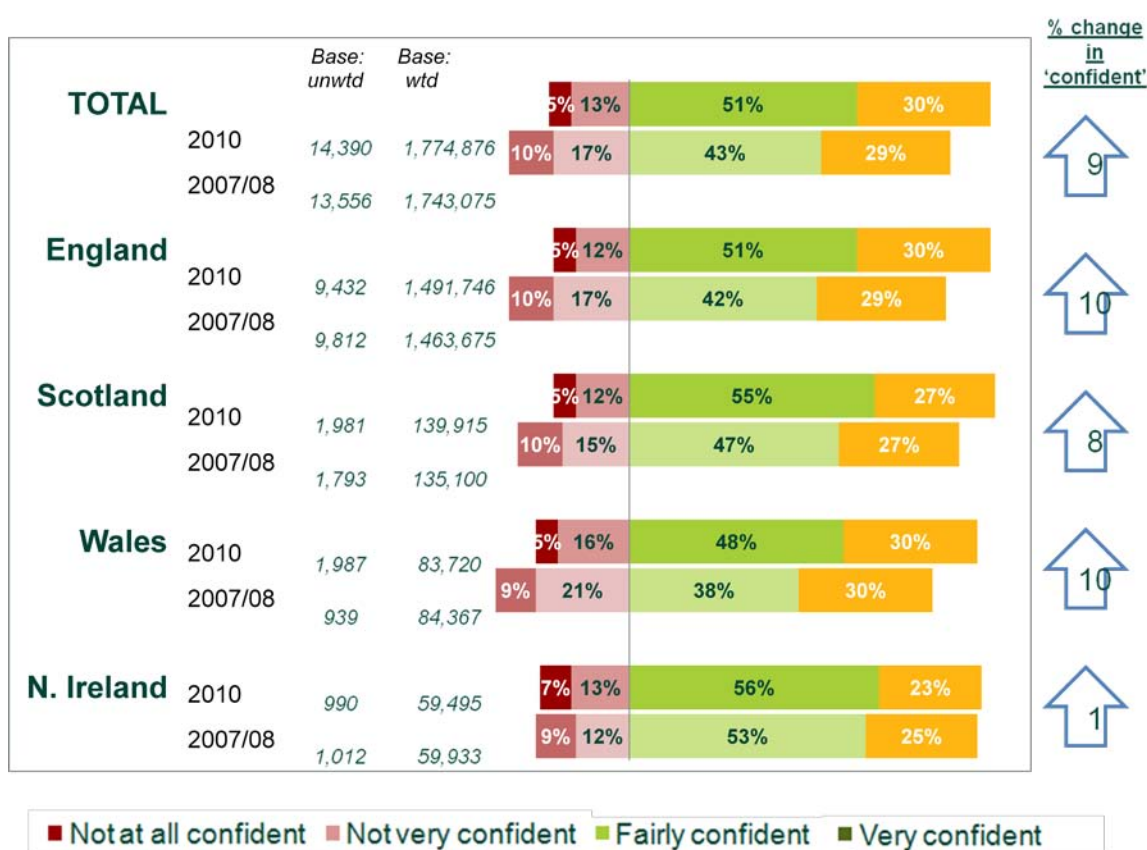
	Train off the job	Train on the job	Train on and off the job	Train on or off the job	Do not train	Wtd base	Unwtd base
	%	%	%	%	%		
All	43	50	33	60	40	1,774,876	14,390
Country							
England	43	50	33	60	40	1,491,746	9,432
Scotland	45	55	35	65	35	139,915	1,981
Wales	42	50	32	60	40	83,720	1,987
Northern Ireland	46	51	35	62	38	59,495	990
Size							
2 – 4	29	34	18	44	56	931,960	2,102
5 – 9	49	59	38	70	30	391,793	1,995
10 – 24	62	71	52	80	20	261,884	3,077
25 – 49	72	82	65	89	11	101,183	2,625
50 – 249	80	88	75	93	7	76,106	3,204
250 & over	84	91	81	94	6	11,950	1,387
Sector							
Agriculture	32	33	18	47	53	94,845	336
Mining & quarrying	70	61	47	85	15	1,860	84
Manufacturing	43	50	33	61	39	110,171	1,083
Electricity, gas, etc	55	65	48	72	28	8,203	257
Construction	44	40	28	57	43	180,251	1,179
Personal household goods	38	46	28	55	45	378,884	2,240
Hotels & restaurants	32	50	26	57	43	159,718	1,376
Transport, etc	36	43	27	52	48	120,906	1,209
Financial intermediation	52	60	42	70	30	43,602	527
Business services	40	49	30	59	41	347,887	2,062
Public administration	73	79	65	87	13	22,475	699
Education	71	81	65	87	13	56,581	875
Health and social work	67	75	58	83	17	120,543	1,398
Other community services	48	57	39	66	34	128,950	1,065
Nature of ownership							
Public sector	70	78	62	86	14	125,354	2,140
Private sector	39	46	29	57	43	1,499,553	10,954
Third sector	61	67	49	79	21	134,650	1,171

5.2 Confidence seeking information, help and advice on skills or training related issues

Confidence in knowing where to look for particular types of information, help and advice on skills or training related issues²⁵ has increased since 2007/08 with the percentage saying they are very or fairly confident up from 72% to 81%²⁶. Most of this increase has been at the “fairly confident” level, which is up from 43% to 51%. Also of note is that the percentage saying they are “not at all confident” has halved.

Employers in Wales and Northern Ireland are less confident with 21% in each saying they are not very or not at all confident compared with 17% in England and Scotland. In 2007/08 employers in Northern Ireland were the most confident overall, but this change is as a result of the other three nations increasing in confidence rather than any drop in the confidence of employers in Northern Ireland. Figure 5.2 shows the changes over time by nation.

Figure 5.2: Confidence in seeking information, help and advice on skills or training by nation (prompted)



Base: All establishments

²⁵ This refers to any type of information, help and advice and is not restricted to publicly funded provision

²⁶ 2007/08 figures from *Skills for the Workplace: Employer Perspectives. Evidence Report 1*, UKCES, November 2008

The increase is primarily driven by those in the smallest size bands, with confidence amongst the smallest employers (two to four staff) increasing nine percentage points from 69% in 2007 to 78% in 2010. Whilst this group are still less confident than the larger establishments, this is a notable increase and one which is encouraging given the potential role SMEs can play in the economic recovery. Indeed confidence amongst those defined as a “small business” (under 50 employees, private sector single site organisations) is also 78%.

Public sector employers are more confident than those in the private and third sectors, with 44% saying they are very confident where to look for such information compared to 29% in each of the third and private sectors.

Reflecting the greater likelihood of involvement with the skills system, those employers that have provided training in the last 12 months are more likely to say that they are confident in knowing where to seek advice and help (85%). However, it is encouraging that three quarters of those who have not provided training in the last 12 months (76%) also report that they are confident, meaning that if demand for workforce development can be stimulated then the majority should at least know where to go for advice or help.

5.3 Sources of advice and help on skills and training related issues

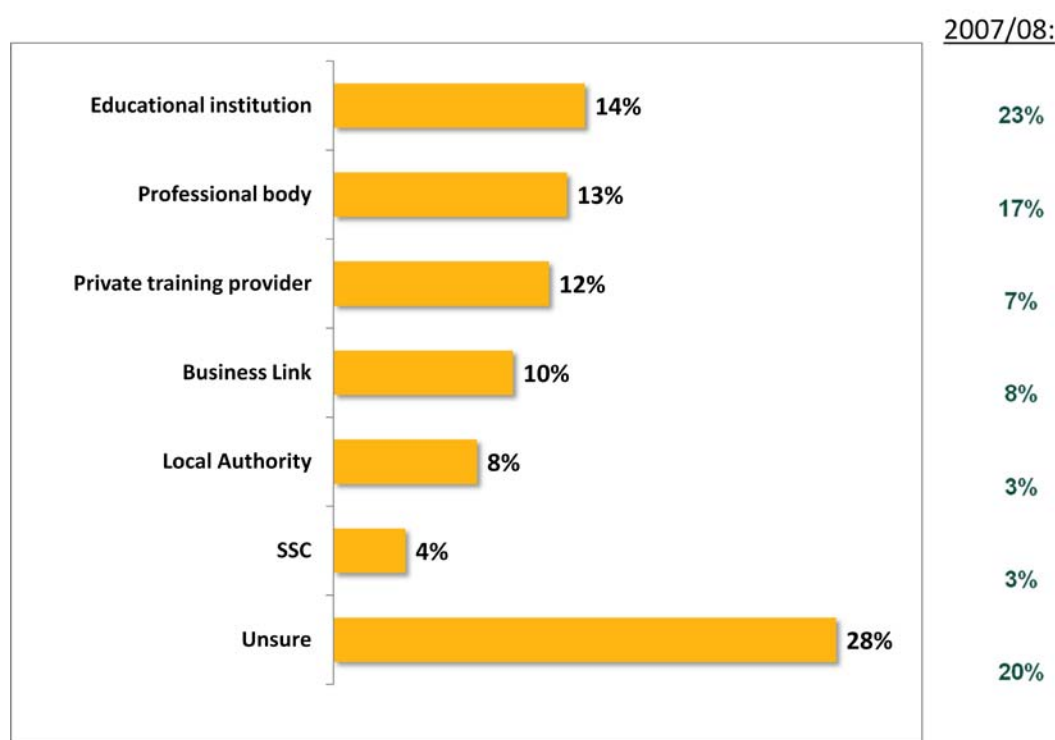
Although the majority of employers claim to be confident in knowing where to go for particular types of information, help and advice on skills or training related issues, a large minority struggle to spontaneously name specific organisations that they might approach. Two fifths of all employers (39%) are unable to name a single organisation and only 19% mention more than one organisation. Furthermore, a third of those claiming to be fairly or very confident in knowing where to go for help (34%) were unable to name a specific organisation. Indeed, approaching half of all employers (46%) say that they *either* lack confidence *or* are unable to cite a specific organisation.

On the face of it, it is these employers who form a key group for government to potentially target with publicly funded skills and training advisory services. However, this assumes a certain level of demand when in fact many of these employers will have no desire or need to source external advice or help on skills or training related issues and many are likely to be operating effectively without it. As will be discussed at the end of this chapter with regards the value employers place on government assistance, a large number of employers rely on their own internal workforce development practices and do not consider government to have a central role in the provision of support in this area. The challenge for government will be to identify those employers who lack confidence or awareness of where to go for support, who would be receptive to support, who see a role

for the government in supplying this support and finally, given the limited resources available, who demonstrate a tangible need for support, for example those employers who are growing or who are undergoing significant business challenges or changing workforce skills needs.

The most commonly mentioned types of organisation who employers say they would approach for information, advice or practical support for skills and training are educational institutions (14%), professional bodies (13%) and private training providers (12%). Reflecting higher levels of engagement with these types of organisations, those who arrange or fund training for vocational qualifications are more likely to cite these organisations with 20%, 16% and 19% mentioning them respectively. Figure 5.3 shows the top six organisations or organisation types mentioned by employers without prompting. This is broadly in line with previous waves of the research, the only difference being the Learning Skills Council in England dropping out of the list since closing in early 2010.

Figure 5.3: Organisations employers would approach for information or advice or more practical help on skills or training related issues (unprompted)



2010 Base: All establishments (wtd 1,774,876; unwtd 14,390)

(2007/08 Base: wtd 1,743,075; unwtd 13,556)
 NB In 2010 this question was not asked of those saying "not at all confident" at E2 although they are included in the base for the % calculation

A number of other organisations are mentioned by a minority of employers. Those cited

by at least one per cent of all employers include the jobcentre, an internal department or site (e.g. Head Office, HR or Training department), other companies or suppliers in their sector, Chamber of Commerce, government departments / agencies, learndirect, voluntary organisations and charities, trade unions, Train to Gain and awarding bodies.

There are few differences by nation; employers in Northern Ireland are slightly more likely to be able to name an organisation with just 23% saying they could not think of any, and those in Northern Ireland and Wales slightly more likely than the average to name an educational institution, but these are the only differences of note.

It is worth noting the low 'spontaneous awareness' of the network of employer-led Sector Skills Councils (SSCs) as organisations that employers would approach for information or more practical help on skills or training related issues. This is likely to reflect the fact that, to date, SSC's primary role has been to ensure that government funded training provision meets employer needs rather than directly providing information or practical help to employers. Later in this chapter we explore prompted awareness of SSCs for those employers covered by an SSC and report a relatively large increase in 'prompted awareness' since the last Employer Perspectives survey in 2007/08.

More generally, employers tend to cite training providers (be they colleges, private providers or professional bodies) rather than organisations who currently primarily work 'behind the scenes' such as the Skills Funding Agency in England, Skills Development Scotland or Sector Skills Councils. With the exception of professional bodies and Sector Skills Councils, the organisations employers are most likely to cite tend to operate locally, often within nationally set guidelines. That said, the relatively low proportion of employers citing *public* provision beyond Business Link and Local Authorities may also suggest that there is either a general lack of awareness of the range of support that is available or that as a result of the myriad of organisations (and initiatives) that together make up the skills system, no single organisation is likely to dominate (both because of the large number of brands involved potentially leading to confusion amongst employers regarding what support is available and from who). Alternatively it could again be a sign that there is little employer desire to turn to such services and that it is this lack of demand that is translating into a low level of awareness of specific organisations. These are issues we will revisit throughout this chapter as well as reviewing the extent to which employers value government support in these areas.

Those that are aware of specific organisations were asked whether they have approached these organisations for advice or information on skills or training related issues. Table 5.3 shows this as a percentage of those aware and as a percentage of all establishments. Between four per cent and eight per cent of all establishments use each of the organisations for advice and information.

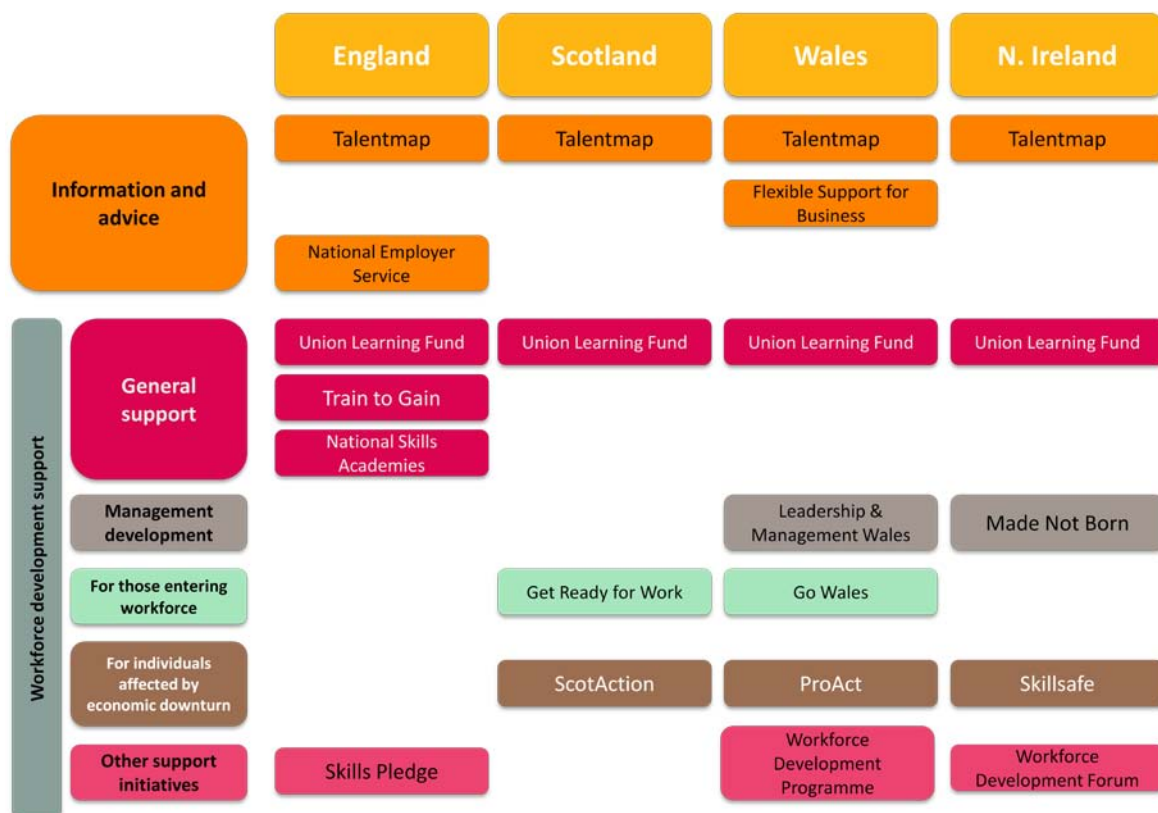
Table 5.3: Usage of organisations aware of (unprompted)

Organisation	Percentage of those aware			Percentage of all establishments		
	<i>Unwtd base</i>	<i>Wtd base</i>	%	<i>Unwtd base</i>	<i>Wtd base</i>	%
Private training provider	2,165	220,252	65	14,390	1,774,876	8
Professional body	1,835	230,359	57	14,390	1,774,876	7
Educational Institution	2,516	256,905	45	14,390	1,774,876	6
Business Link	926	168,868	53	14,390	1,774,876	5
Local Authority	1,315	140,741	48	14,390	1,774,876	4
Sector Skills Council	801	66,949	59	14,390	1,774,876	2

5.4 Awareness and engagement with government services

Employers were prompted on their use of a number of specific schemes and initiatives in the skills and training area grouped under the themes “information and advice services” and “workforce development support”, many of which are country specific. Figure 5.4 shows the initiatives covered by the survey with a series of notes below outlining the focus and scope of each.

Figure 5.4: Training and skills schemes and initiatives covered by the survey



Skills and training programmes

Talentmap	Online resource for employers to search for training and funding for training from providers across the private, voluntary and public sectors.
Flexible Support for Business*	Online business support portal for Wales, based on BusinessLink.gov.uk.
Leadership & Management Wales	Online resource for employers to search for management training courses and information.
Made Not Born	Leadership and management skills development programme in Northern Ireland.
Union Learning Fund	Government funding for trade union-led skills and training projects.
Train to Gain	Government funding in England for employers to train their workforces to improve skills and business performance.
ProAct	Funding for viable businesses in Wales to up-skill their employees during periods of reduced working hours caused by the economic downturn.
Skillsafe	Accredited training and an allowance for Apprentices in Northern Ireland placed on reduced working hours due to the economic downturn.
ScotAction	A programme responding to the economic downturn in Scotland by offering training and wage subsidies for people in employment, and training to assist unemployed people into work.
Get Ready for Work	Preparation programme in Scotland for 16-19 year olds to enter work, college or further training.
Skills Pledge	an initiative in England to encourage employers to pledge to improve the skills of their workforces.
National Employer Service	A specialist service of the Skills Funding Agency in England offering workforce development advice and funding support to national multi-site employers with 5,000+ staff.
Workforce Development Programme	Providing businesses in Wales with a skills adviser to review their workforce development planning to increase productivity
Workforce Development Forum	Within Northern Ireland, the Forums identify and articulate the skills needs for the local economy in their area and to encourage and promote a strategic response to those needs from existing local public and private sector training providers
National Skills Academies	Sector-specific training coordination and provision in England.
GO Wales	Graduate Opportunities Wales, an initiative connecting business and graduates through arranging and funding training, internships and a database of job vacancies.

**While Flexible Support for Business is principally a business support service and, as such is also covered in the earlier chapter, it does contain information and advice on skills and workforce development and was specifically requested to be explored discretely as part of the skills system by the Welsh Assembly.*

Nearly six in ten employers across the UK (58%) have heard of at least one of the specific services²⁷ prompted in the survey, and overall eight per cent have used at least one in the last 12 months.

We now turn to examine awareness and usage levels with the specific services offered within each country as well as exploring employer satisfaction with services used.

Comparisons by country should be treated with caution as they are a product of the number of services prompted; instead each country should be viewed in isolation specifically in relation to the services covered.

England

Overall 61% of establishments in England have heard of at least one of the services mentioned, and nine per cent have used at least one in 12 months prior to the survey. Table 5.4 shows awareness and usage of the individual services. Train to Gain has the highest awareness and usage, reflecting its broad scope and extensive marketing. In the context of the announcement of the end of Train to Gain in the October 2010 Spending Review, the eight per cent of employers who have used the service will be a key group to monitor in the future, both in terms of their ability and capacity to train their staff without such a service, as well as whether they will turn to other government skills services such as the new SME focused training programme.

Figures for the National Employer Service and National Skills Academy should be treated with some caution, as the generic names of these services lend themselves to “false positives”, that is, people saying they have heard of them when they are just familiar with the terms.

Table 5.4: Skills schemes and initiatives in England (prompted)

Agency/scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
Train to Gain	9,432	1,491,746	51	8	6,225	763,124	16
National Skills Academy	9,432	1,491,746	22	1	2,873	334,580	4
Skills Pledge	9,432	1,491,746	13	n/a	n/a	197,648	n/a
Union Learning Fund	9,432	1,491,746	5	*	818	71,681	6
Talentmap	9,432	1,491,746	3	*	555	40,243	4
National Employer Service**	5,736	570,489	15	*	907	87,213	3

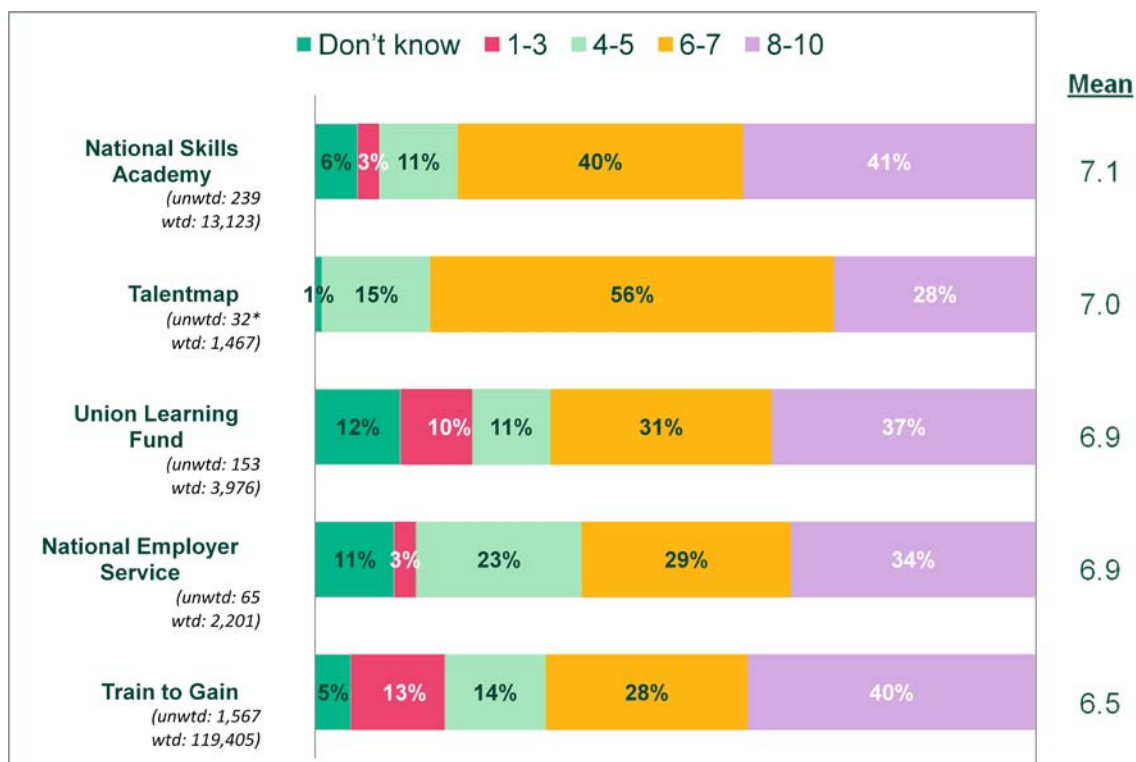
* denotes under 0.5%

**National Employer Service is aimed at organisations with 5,000 or more employees; the survey did not determine the size of multi-site organisations and as such the base for this question is all single site organisations with 5,000 or more employees and all multisite organisations.

²⁷ Please note, this differs to the broader measure of engagement with skills and training support presented in Chapter 6.

Satisfaction with the initiatives is generally high amongst those using them, with National Skills Academies scoring highest and Talentmap, the Union Learning Fund and the National Employer Service all also rated well. Satisfaction with Train to Gain is reasonably high although lower than other schemes with a larger proportion expressing dissatisfaction (three or less out of ten) reflected in a lower mean score. Figure 5.15 shows this in full; satisfaction is measured on a scale of one to ten where one is “not at all satisfied” and ten is “extremely satisfied”..

Figure 5.5: Satisfaction with training and skills initiatives in England (prompted)



Base: All who have used the service (numbers in brackets)

* Figures for Talentmap should be treated with caution as the base is lower than 50.

Scotland

Overall, almost half of establishments in Scotland (47%) are aware of at least one skills related service covered in the survey, although just five per cent have used any of those in the last 12 months. Get Ready for Work is the one specific scheme that drives up awareness, however the generic name may mean that people are giving false positives. Nevertheless it is still the initiative that is most commonly used at four per cent.

Table 5.5: Skills schemes and initiatives in Scotland (prompted)

Agency/scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
Get Ready for Work**	1,981	139,915	43	4	1,099	60,501	8
ScotAction	1,981	139,915	11	*	216	14,860	3
Union Learning Fund	1,981	139,915	4	1	103	5,456	15
Talentmap	1,981	139,915	2	*	58	2,690	8

* denotes under 0.5%

** Get Ready for Work was also covered in the recruitment section of the questionnaire; the awareness score is a combined figure of the two questions but the usage score is kept in the context of skills.

Satisfaction is reasonably high among those using Get Ready for Work, with 39% of employers who had used the service giving a satisfaction rating of between eight and ten out of ten where one is “not at all satisfied” and ten is “extremely satisfied”. The overall mean is 6.5 out of ten; 12% give a “dissatisfied” score of one to three out of ten.

ScotAction, Union Learning Fund and Talentmap have too few establishments in the survey using them to report on the satisfaction data (fewer than 25).

Wales

Overall, 51% of establishments in Wales are aware of at least one service, and 12% have used any of these in the last 12 months. GO Wales, Flexible Support for Business and Workforce Development Programme are the most commonly used, by between three and five per cent of employers. Please note, ProAct has now been replaced by Skills Growth Wales.

Table 5.6: Skills schemes and initiatives in Wales (prompted)

Agency/scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
GO Wales**	1,987	83,720	33	5	834	27,640	13
Flexible Support for Business***	1,987	83,720	25	4	480	17,396	17
Workforce Development Programme	1,987	83,720	19	3	498	16,049	18
ProAct	1,987	83,720	14	1	363	11,652	7
Leadership and Management Wales	1,987	83,720	13	1	349	10,989	10
Union Learning Fund	1,987	83,720	6	1	150	84,145	12
Talentmap	1,987	83,720	3	*	68	47,583	8

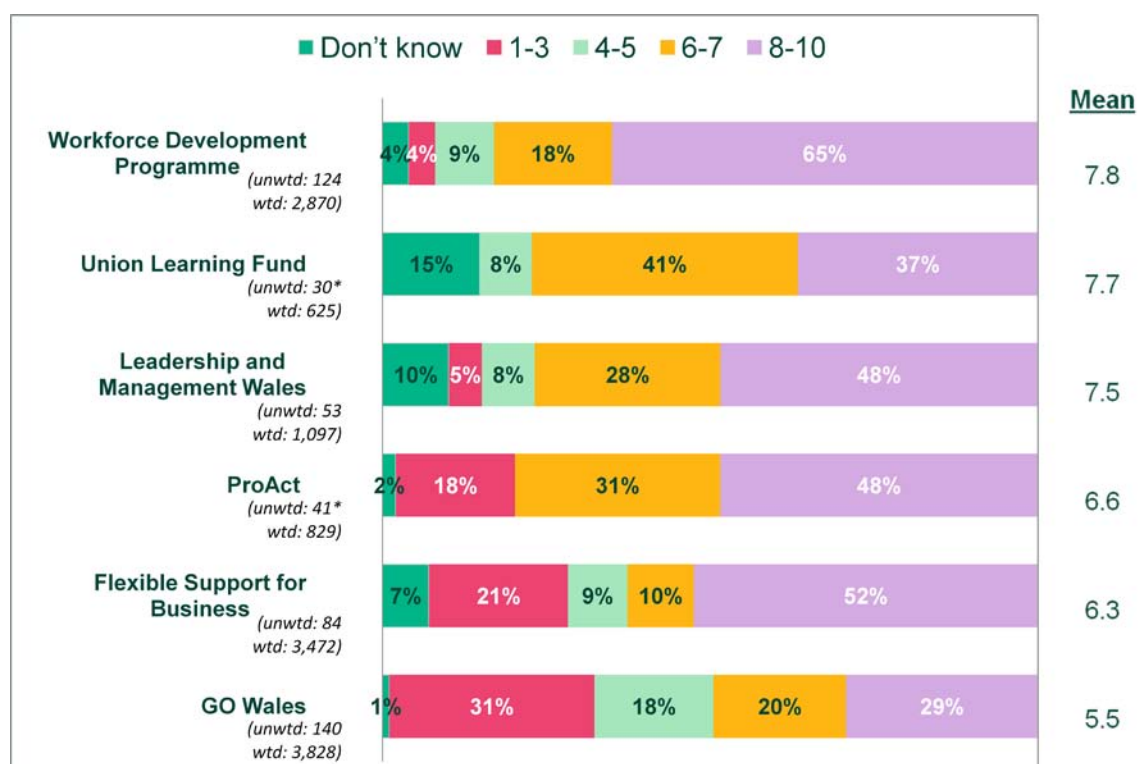
* denotes under 0.5%

**Go Wales was also covered in the recruitment section of the questionnaire; the awareness score is a combined figure of the two questions but the usage score is kept in the context of skills. Flexible Support for Business was also covered in the business support section of the questionnaire; the awareness score is a combined figure of the two questions but the usage score is kept in the context of skills.

Satisfaction varies considerably across the Welsh services, with the Workforce Development Programme, ProAct and Leadership and Management Wales rated highest in terms of mean scores (although care should be taken in interpreting these findings, both as a result of the low base sizes and also in case the generic names are resulting in some employers giving false positives). While GO Wales is rated positively by half of employers, one third expressed dissatisfaction and gave a score of between one and three out of ten.

Figure 5.6 shows satisfaction by scheme; satisfaction is measured on a scale of one to ten where one is “not at all satisfied” and ten is “extremely satisfied”.

Figure 5.6: Satisfaction with training and skills initiatives in Wales (prompted)



Base: All who have used the service (numbers in brackets)

* Figures for Talentmap are not shown as the base size is below 25. Figures for Union Learning Fund and ProAct should be treated with caution as the base is lower than 50.

Northern Ireland

Overall, a quarter of establishments in Northern Ireland (26%) are aware of at least one service, and four per cent have used any. Only three specific services were prompted in Northern Ireland. Skillsafe and Workforce Development Forum are the two most recognised schemes (13% and 11% respectively) while “Made not Born” is the most commonly used scheme (two per cent of all employers used it in the last year). Among those who are aware, there are a relatively high proportion of employers using the Union Learning Fund and “Made not Born”.

Table 5.7: Skills schemes and initiatives in Northern Ireland (prompted)

Agency/scheme/initiative	% of all establishments				% of all aware that have used		
	Base (unwtd)	Base (wtd)	% Aware	% Used	Base (unwtd)	Base (wtd)	% Used
Skillsafe	990	59,495	13	1	147	7,478	5
Workforce Development Forum	990	59,495	11	1	144	6,663	9
“Made not Born”	990	59,495	6	2	95	3,304	38
Talentmap	990	59,495	3	*	50	2,077	8
Union Learning Fund	990	59,495	3	1	68	1,808	28

* denotes under 0.5%

Base sizes of those using the Northern Irish schemes are too low to provide reliable data on satisfaction, and so have not been shown.

5.5 “Time to Train”

In April 2010 legislation came into effect in England, Scotland and Wales affording employees who had worked for a company for more than 26 weeks the right to request time for training. This applies to staff in organisations with more than 250 employees with a view to extending the right to staff of all sizes of organisation in April 2011. The Government is considering whether this extension should go ahead as part of its review of regulations and will announce its decision in due course. Employers must consider all requests they receive seriously but can decline a request where one or more of a number of business reasons defined in legislation applies.

Almost half (46%) of employers with over 250 staff in the survey have heard of this new right to request time to train. Those in England are more likely to have done so (48%) than employers in Scotland (31%) or Wales (35%).

Overall almost a quarter (24%) of employers who have heard of the new right to request time to train have also had some involvement in it, for example they may have had an employee who has requested time to train. This equates to 11% of employers with more than 250 staff in England, Scotland and Wales overall.

Private sector employers are slightly less likely than the public or third sector employers to have heard of the right to request time to train, at 45% (compared to 48% and 49% among public and third sectors respectively). Despite this, employers from the public sector are more likely to have been involved in the initiative with 34% of those who had heard of it having had some involvement (which equates to 16% of all employers in this sector), compared to 21% of third sector and 20% of private employers who were aware of it (which equates to ten and nine per cent of all employers in the third and private sectors respectively).

5.6 Awareness of and engagement with Sector Skills Councils

Sector Skills Councils (SSCs) are government-sponsored, employer-led organisations that cover specific economic sectors in the UK²⁸. Their role is to raise levels of skills and productivity with their sectors. To date, SSCs have primarily been remitted to achieve these aims by undertaking Labour Market research to understand the needs of employers within their sector, developing and updating National Occupational Standards, developing Apprenticeship frameworks and approving sector qualifications. There are currently twenty-three SSCs, covering about 85 per cent of the UK workforce. SSCs are licensed by the Government through the UK Commission for Employment and Skills (UKCES). Most SSCs were first licensed between 2004 and 2005.

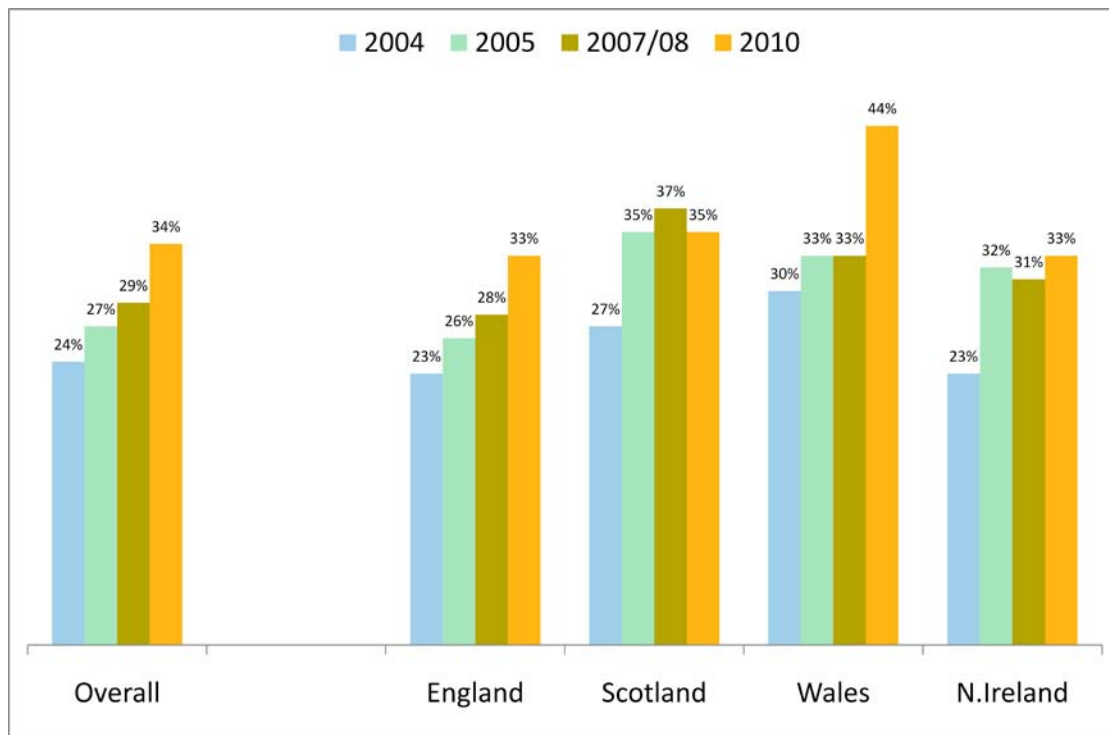
The overall awareness of Sector Skills Councils (SSCs) has continued its upward trajectory, with 34% of establishments covered by an SSC now saying they have heard of their particular SSC. This increase is particularly pertinent given the recent changes to SSCs' individual footprints²⁹ and the possible impact this could have, given that some employers were being asked awareness of an SSC who may have only had them in their remit for a very short period of time.

Employers in Wales are more likely to be aware of their SSC, with 44% saying they have heard of them compared to 33% in England and Northern Ireland and 35% in Scotland. Figure 5.7 shows awareness of own SSC by country and over time

²⁸ A list of SSCs and the sector's they cover can be found in the Appendices

²⁹ The industries covered by an individual SSC

Figure 5.7: SSC Awareness by country 2004-2010 (prompted)³⁰



Base: All covered by and asked about SSC

2004: wtd 1,268,923; unwt'd 12,228

2005: wtd 1,283,870; unwt'd 12,094

2007/08: wtd 1,388,694; unwt'd 12,554

2010: wtd 1,170,631; unwt'd 10,667

Employers in England and Wales are driving the increase since 2007/08, with awareness in Scotland and Northern Ireland static.

³⁰ Figures for 2004 from Skills for Business Network Evaluation: Survey of Employers, SSDA, September 2005; figures from 2005 from Skills for Business Network Evaluation: Survey of Employers, SSDA, August 2006; for 2007/8 from Skills for Business Network Evaluation: Survey of Employers, SSDA, November 2008.

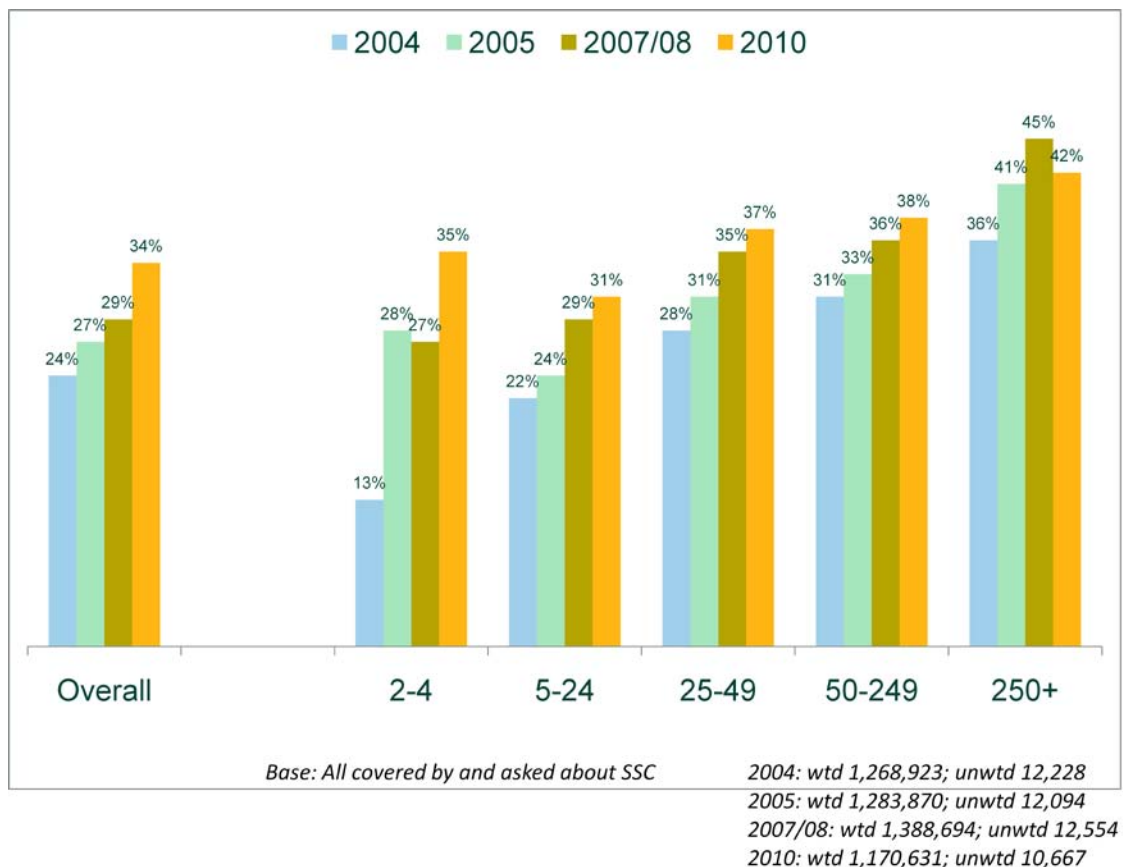
Table 5.8: SUMMARY: Awareness and dealings with SSC (base: all covered by and asked about SSC)³¹

	Aware	Not aware	Had dealings in last 12 months	Had dealings ever (not last 12m)	<i>Wtd base</i>	<i>Unwtd base</i>
	%	%	%	%		
All	34	66	8	6	1,170,631	10,667
Country						
England	33	67	8	6	986,251	7,187
Scotland	35	65	6	8	84,650	1,235
Wales	44	56	11	9	57,958	1,499
Northern Ireland	33	67	7	7	41,772	746
Size						
2 – 4	35	65	6	7	594,934	1,473
5 – 9	30	70	7	4	267,953	1,413
10 – 24	33	67	10	5	186,433	2,350
25 – 49	37	63	13	6	65,137	1,998
50 – 249	38	62	13	5	47,748	2,399
250 & over	42	58	16	5	8,426	1,034
Nature of ownership						
Public sector	48	52	15	7	58,037	1,381
Private sector	33	67	7	6	1,032,887	8,366
Third sector	36	64	13	4	71,186	838

³¹ Please note, we have not provided a breakdown of awareness of, or dealings and satisfaction with, individual SSCs as sample sizes were too small to report data for all SSCs.

The largest employers are most likely to be aware of their SSC, as was the case in previous years. The largest increase both in proportions and real terms however has been in the two to four employment band, which has improved by eight percentage points since 2007.

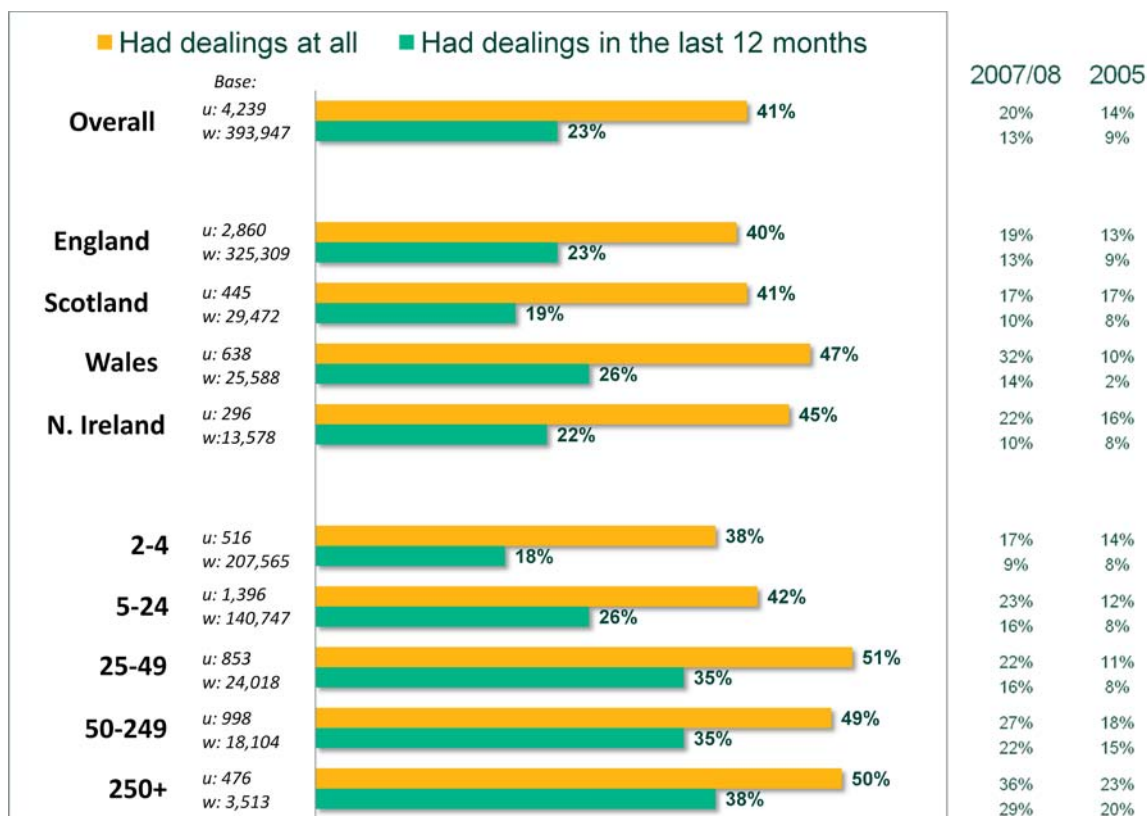
Figure 5.8: SSC Awareness by size 2004-2010 (prompted)



The proportion of employers who are aware of their SSCs having had dealings with them in the past 12 months is up sharply from 13% in 2007/08 to 24% in 2010; this equates to eight per cent of the total employer population that is covered by an SSC. Figure 5.9 shows this by country and by size. The largest increase in dealings has been in Scotland, where 41% now say they have ever had dealings, although it is in Wales that employers are more likely to have had dealings in the past year (26%). Smaller establishments are less likely to have had dealings, although the proportion having done so has more than doubled since 2007.

Establishments who train, and especially those that arrange or fund training for vocational qualifications, are more likely to have had dealings with their SSC in the last 12 months (35% and 40% respectively).

Figure 5.9: Dealings with SSC (prompted)



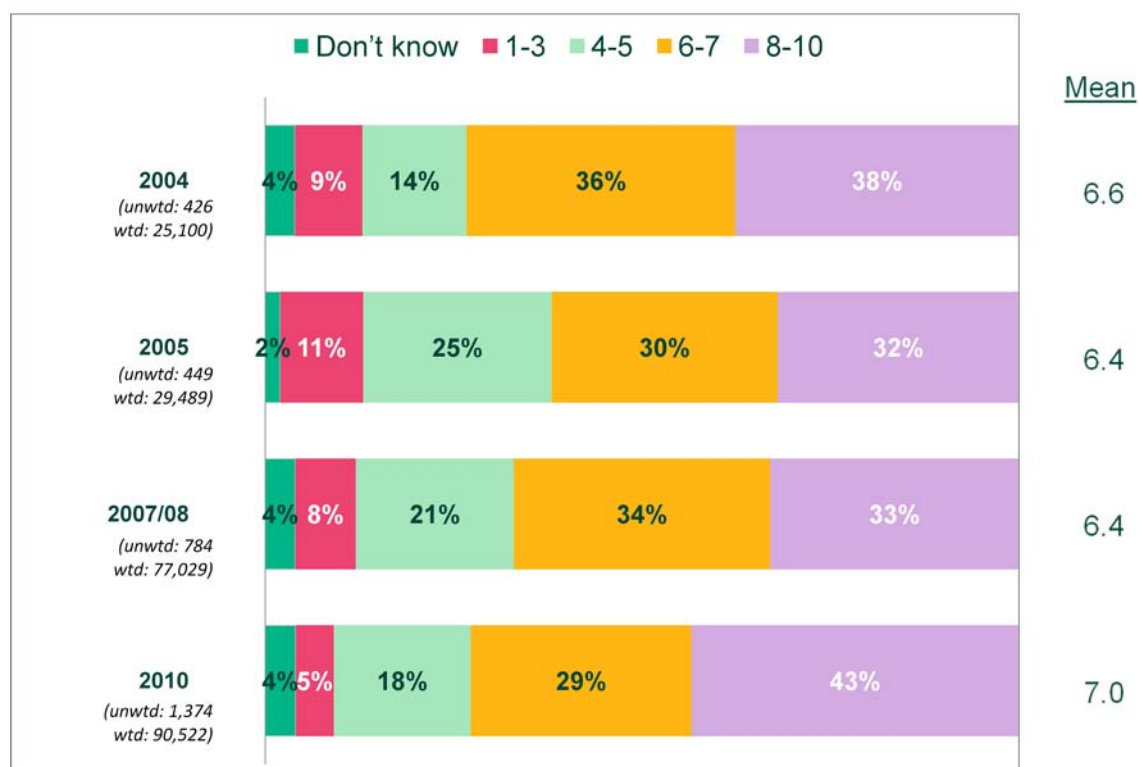
Base: All aware of own SSC

Overall, the proportion of employers covers by an SSC who have ever dealt with their SSC increased from 5% in 2007/08 to 14% in 2010.

5.7 Satisfaction with Sector Skills Councils

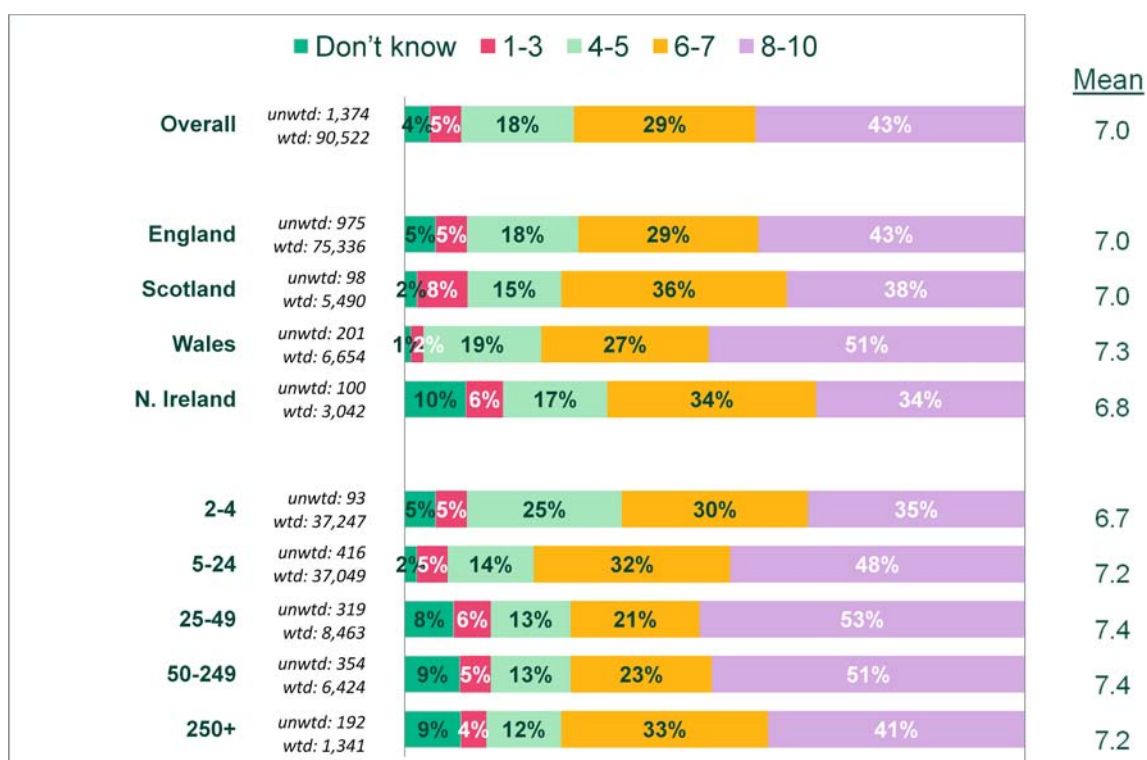
Satisfaction amongst those who have had dealings with their SSC appears to have recovered from a slight dip from 2005 to 2007/08 and is now higher than it was at the baseline measure when the SSCs were new. When asked to rate their satisfaction on a scale of one to ten where one is “Not at all satisfied” and ten is “Extremely satisfied” approaching half (43%) of employers who have used SSCs are now giving them a satisfaction score of 8 or higher. This is encouraging as the increased dealings with SSCs will only be sustainable long term if those using them are happy with the service and support they are getting. Figure 5.10 shows the time series.

Figure 5.10: Satisfaction with SSCs over time (prompted)



This rise in satisfaction is greatest amongst employers in Wales and those in the middle size bands. Figure 5.11 shows satisfaction with Sector Skills Council by country and size.

Figure 5.11: Satisfaction with SSC by country and by size (prompted)



Base: All who have used their SSC in the last 12 months

Reasons why employers might deal with their Sector Skills Council will vary. They include: seeking information regarding workforce development (in particular how to access government funding); helping to develop National Occupational Standards or qualifications; contributing to or accessing research findings and accessing SSC endorsed or provided training. Reasons for dissatisfaction may therefore vary according to the reason for dealing with the SSC in the first place. Overall, the most commonly cited reason for dissatisfaction is 'the length of the process' (31%). This is likely to relate to the qualification development process. A fifth (22%) felt that the service (or course) is too general and does not cater for their specific needs, whilst 11% feel the service they have accessed is too expensive. One in twelve (eight per cent) cite poor communication / things not being followed up and seven per cent cite a lack of information to be reasons for dissatisfaction.

In some cases, reasons for dissatisfaction are likely to be training system-wide issues that are not solely in the control of SSCs. Table 5.9 shows the reasons why employers have not engaged with their SSCs at all, despite being aware of them.

Table 5.9: Reasons for not engaging with Sector Skills Councils (unprompted)

Reason	%
Never had the need	44
Don't know what they do	14
Not suited to our industry/not relevant to what we do	14
Dealt with internally	8
Our needs are met elsewhere (Local authorities, other providers etc)	5
Time constraints	2
Other	2
No particular reason	9
Don't know	6
<i>Base (unweighted)</i>	1,934
<i>Base (weighted)</i>	210,523

5.8 Awareness of and involvement with government-recognised Apprenticeship schemes

Apprenticeships in England, Wales and Northern Ireland and Modern Apprenticeships in Scotland remain at the core of each government's approach to raising skills. Indeed, to aid the private sector in creating more jobs and to ensure that businesses have the highly skilled workforce needed to drive growth, in England the Government has recently boosted spending on adult apprenticeships by up to £250m by 2014-15, providing up to an additional 75,000 apprenticeship places by the end of the Spending Review period.

The recent Skills Strategy in England places Apprenticeships at the “*heart of the system... where responsibility for quality and investment is shared between Government, employers and learners; where those using the system are in the driving seat and can select training and qualifications that are designed and valued by business, prepare them for worthwhile*”³² As well as increasing numbers there will also be a reshaping of the programme so that Level 3 becomes “*the level to which learners and employers aspire*” and so that Apprenticeships “*provide the foundation for further learning at higher levels including, but not exclusively, Level 4 Apprenticeships*”. There are also plans to build on the established prestige of the Apprenticeship brand and celebrate achievement at each

³² *Skills for Sustainable Growth*, BIS, November 2010

level of the Apprenticeship system through graduation ceremonies, an Apprentice Roll of Honour and new alumni networks.

The survey thus provides a timely marker on current levels of engagement and satisfaction with Apprenticeships and Modern Apprenticeships in their various forms, as well as exploring barriers to engagement that, potentially, can be overcome.

5.8.1 Awareness of government-recognised Apprenticeship programmes and services

Employers were first asked whether they had heard of a number of specific Apprenticeship programmes recognised by government. Employers in each country were asked about a number of programmes common across the UK - Advanced Apprenticeships, Higher Apprenticeships and Apprenticeships for those aged 25 or more - as well as a number of country-specific Apprenticeships. Within England, large employers were asked their awareness of the National Apprenticeship Service. Table 5.10 shows the level of awareness of each individual scheme broken down by country.

Table 5.10: Awareness of government-recognised Apprenticeship programmes and services (prompted)

	All (% aware)	England	Scotland	Wales	Northern Ireland
Modern Apprenticeships ³³	-	-	52%	53%	-
Advanced Apprenticeships	31%	32%	26%	27%	24%
Apprenticeships for those aged 25+	23%	24%	22%	17%	19%
Apprenticeships NI	-	-	-	-	25%
Foundation Apprenticeships	-	-	-	21%	-
National Apprenticeships Service ³⁴	-	19%	-	-	-
Modern Skills Diploma	-	-	-	14%	-
Higher Apprenticeships	13%	13%	11%	11%	11%
Pathways to Apprenticeship	-	-	-	13%	-
Young Recruits Programme	-	-	-	11%	-
<i>Base (unweighted)</i>	<i>14,390</i>	<i>9,432</i>	<i>1,981</i>	<i>1,987</i>	<i>990</i>
<i>Base (weighted)</i>	<i>1,774,876</i>	<i>1,491,746</i>	<i>64,996</i>	<i>40,709</i>	<i>29,183</i>

It should be noted that Higher Apprenticeships are only offered for five occupational frameworks at present (eight further frameworks are at the planning stage) so comparatively low awareness is to be expected.

Looking at historical comparisons, the last National Employers Skills Survey in England asked awareness of Advanced Apprenticeships, Apprenticeships for those aged 25+ and Higher Apprenticeships. 41% were aware of at least one of these in 2009; this figure has increased to 42%.

The larger the establishment, the more likely they are to claim to be aware of each of the specific Government-recognised Apprenticeship programmes (Table 5.11).

³³ During 2010 the branding of Modern Apprenticeships in Wales changed to 'Apprenticeships'

³⁴ The National Employer Service is different to the other programmes employers were asked about. It is not an Apprenticeship *programme*, rather it is specialist *service* that supports, funds and co-ordinates the delivery of Apprenticeships throughout England

Table 5.11: Awareness of Government-recognised apprenticeship programmes and services, by establishment size (prompted)

		Number of employees						
		All	2-4	5-9	10-24	25-49	50-249	Over 250
ALL	<i>(unweighted base)</i>	14,390	2,102	1,995	3,077	2,625	3,204	1,387
	<i>(weighted base)</i>	1,774,876	931,960	391,793	261,884	101,183	76,106	11,950
Advanced Apprenticeships		31%	29%	32%	34%	37%	42%	46%
Higher Apprenticeships		13%	12%	12%	15%	15%	19%	22%
Apprenticeships for those aged 25+		23%	21%	23%	27%	29%	35%	44%
ENGLAND ONLY								
<i>(unweighted base)</i>		9,432	1,033	1,035	1,885	1,864	2,485	1,130
<i>(weighted base)</i>		1,491,746	788,149	327,070	218,379	83,760	64,237	10,151
National Apprenticeships Service		19%	17%	20%	20%	24%	27%	36%
WALES ONLY								
<i>(unweighted base)</i>		1,987	439	344	472	309	311	112
<i>(weighted base)</i>		83,720	46,012	18,057	11,573	4,399	3,176	503
Foundation Apprenticeships		21%	15%	28%	27%	33%	32%	38%
Pathways to Apprenticeship		13%	9%	15%	21%	16%	20%	35%
Young Recruits Programme		11%	8%	17%	13%	12%	12%	10%
Modern Skills Diploma		14%	11%	17%	17%	21%	17%	20%
N. IRELAND ONLY								
<i>(unweighted base)</i>		990	158	143	225	206	204	54
<i>(weighted base)</i>		59,495	30,783	12,993	9,126	4,150	2,183	260
Apprenticeships NI		25%	21%	26%	34%	24%	38%	56%
SCOTLAND AND WALES ONLY								
<i>(unweighted base)</i>		3,968	911	817	967	555	515	203
<i>(weighted base)</i>		223,635	113,028	51,730	34,379	13,273	9,686	1,539
Modern Apprenticeships		52%	45%	52%	62%	65%	79%	72%

Establishments in the Education sector are most likely to be aware of Higher and Advanced Apprenticeships (23% and 41% respectively), and those in Public Administration are most likely to be aware of Apprenticeships for those aged 25+ (37%), both reflecting that the public sector are more aware than the private or third sector of almost every Apprenticeship programme prompted.

5.8.2 Involvement with government-recognised Apprenticeship schemes

Overall, five per cent of establishments report having staff who are currently undertaking Apprenticeships. A further four per cent report that they offer them but have no staff taking them at present (Table 5.12). Amongst establishments that have heard of them but do not offer them currently, the proportion saying they have no plans to offer Apprenticeships in future (73%) outweighs those who do have plans (27%).

Table 5.12 Status of establishment regarding offering Apprenticeships, by nation (prompted)

	All	England	Scotland	Wales	Northern Ireland
Currently have staff undertaking Apprenticeships	5%	5%	7%	7%	6%
Currently offer but have no staff on Apprenticeships	4%	4%	4%	3%	3%
Plan to offer Apprenticeships in future	8%	8%	7%	10%	4%
<i>Base (unweighted)</i>	<i>14,390</i>	<i>9,432</i>	<i>1,981</i>	<i>1,987</i>	<i>990</i>
<i>Base (weighted)</i>	<i>1,774,876</i>	<i>1,491,746</i>	<i>139,915</i>	<i>83,720</i>	<i>59,495</i>

This is a slight rise compared to similar previous data; in the 2009 National Employer Skills Survey for England, four per cent of employers had staff currently undertaking Apprenticeships with a further four per cent offering Apprenticeships but with none currently.

Table 5.13 SUMMARY: Involvement with Apprenticeships

	Currently have staff undertaking Apprenticeships	Offer Apprenticeships but none currently	Plan to offer Apprenticeships in the future	<i>Wtd base</i>	<i>Unwtd base</i>
	%	%	%		
All	5	4	8	1,774,876	14,390
Country					
England	5	4	8	1,491,746	9,432
Scotland	7	4	7	139,915	1,981
Wales	7	3	10	83,720	1,987
Northern Ireland	6	3	4	59,495	990
Size					
2 – 4	2	2	8	931,960	2,102
5 – 9	5	4	8	391,793	1,995
10 – 24	8	6	7	261,884	3,077
25 – 49	12	7	6	101,183	2,625
50 – 249	19	7	10	76,106	3,204
250 & over	35	7	9	11,950	1,387
Sector					
Agriculture	2	1	6	94,845	336
Mining & quarrying	8	3	4	1,860	84
Manufacturing	8	5	10	110,171	1,083
Electricity, gas, etc	6	2	7	8,203	257
Construction	12	5	12	180,251	1,179
Personal household goods	5	3	6	378,884	2,240
Hotels & restaurants	3	3	6	159,718	1,376
Transport, etc	2	3	10	120,906	1,209
Financial intermediation	3	1	6	43,602	527
Business services	3	3	9	347,887	2,062
Public administration	9	5	6	22,475	699
Education	9	10	7	56,581	875
Health and social work	7	5	6	120,543	1,398
Other community services	4	4	10	128,950	1,065
Nature of ownership					
Public sector	5	5	7	125,354	2,140
Private sector	5	3	8	1,499,553	10,954
Third sector	4	4	8	134,650	1,171

Establishments that are growing and those that are shrinking in size are both more likely to have apprentices (eight per cent of those growing and nine per cent of those shrinking), and plan to offer Apprenticeships in future (eight per cent of those growing and 11% of those shrinking), than those establishments of a stable size. This could reflect that these establishments are more dynamic, with the growing ones taking on new people and with a higher staff turnover for those getting smaller.

Involvement with Apprenticeships (both offering them and having staff taking them) is strongly linked with size (Table 5.13). Among the largest establishments with over 250 staff, around a half of employers are currently involved with Apprenticeships or plan to offer them in the future. This decreases to 13% among the smallest establishments.

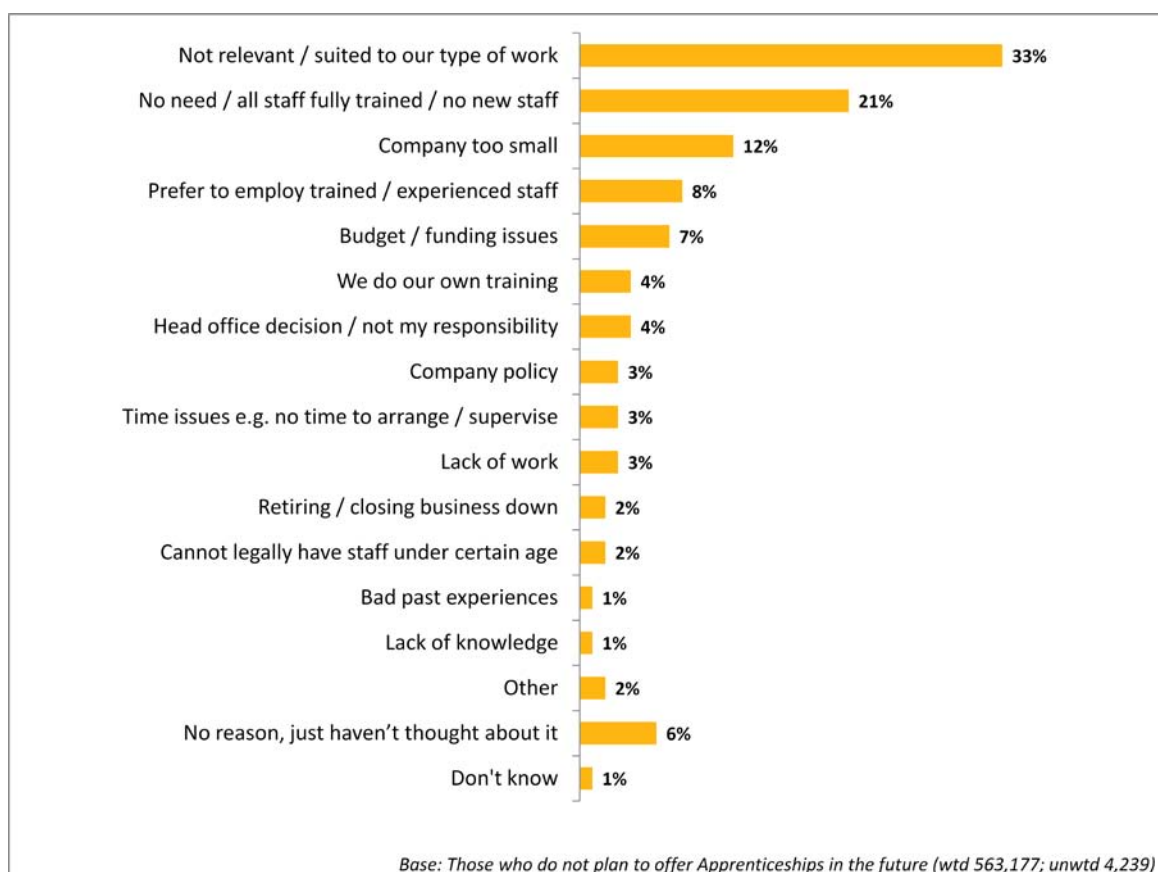
Those in the construction sector are most likely to report having staff taking Apprenticeships currently (12%) and to plan to offer them in the future (12%). The transport, storage and communication sector has very few establishments with apprentices currently (two per cent), but is one of the most likely to be planning to offer them in future. A little later in this chapter we specifically explore engagement with Apprenticeships according to sector as defined by Sector Skills Councils (SSCs). This reflects the role that SSCs have in defining the occupational frameworks for Apprenticeships within their industry 'footprints' and provides a more detailed sectoral breakdown.

5.9 Barriers to greater uptake of government recognised Apprenticeships

As discussed above, an increase in funding for Apprenticeships in England was announced in the October 2010 Spending Review and recent Skills Strategy. The anticipated increase in numbers of Apprenticeships on offer will only bear fruit if employers feel willing and able to employ apprentices. It is therefore important to understand current barriers to offering Apprenticeship schemes, and in turn how to stimulate demand.

Figure 5.12 shows that amongst the establishments that have heard of Apprenticeships but have no plans to offer them in future, the most mentioned barriers are a perception that Apprenticeships are 'not relevant or suited to our type of work' (33%), and that 'all staff are fully trained / no new staff being taken on'.

Figure 5.12: Barriers to establishments offering Apprenticeships in future (unprompted)



Exploring what sorts of establishments are giving some of the more common reasons may aid understanding of how to target communications regarding Apprenticeship schemes.

- “Not relevant to our type of work”: most prevalent among mid-size organisations (25 to 249 staff), with 43% citing this as the reason. They are most likely to be in Northern Ireland, where 51% give this response. More than two fifths of employers in the Education, Electricity/gas/water, Health/Social work and Transport/storage/communication and sectors give this reason for not offering Apprenticeships. In the case of the latter, it is interesting to note that employers in this sector are also more likely than average to say that they intend to offer Apprenticeships in the future. This apparent contradiction could be a reflection of the breadth of this sector. Apprenticeships may not be relevant to the type of work of employers in some industries within this sector but relevant to others. Those who arrange or fund training are more likely to give this response (38%) than those who do not (27%), as are those with higher levels of business sophistication (40%, compared to 25% of those with lower levels). Apprenticeship schemes targeted at specific sectors may encourage this group; but given that they are recruiting and training themselves they may not be the priority. That said, establishments that are

expecting an increase in staff next year are more likely than the average to give this reason (45%) so there may be a need there in future and it will be important that they know the option is there should they require it.

- “No need – all staff trained/no new staff”: This comprises mainly smaller establishments (23% of establishments with fewer than ten staff said this), particularly from the Agriculture, Hotel/restaurant and Finance sectors. These establishments may be open to the idea if they were to take on new staff, it is just that at this moment in time they do not anticipate doing so.
- “Budget / funding issues”: These are mainly a problem for the smallest establishments (nine per cent of establishments with two to four people), particularly in the third sector (17%). The Construction (17%), Other community (15%) and Health and social work (11%) sectors are most likely to have this as a concern.

5.10 Understanding the role of Sector Skills Councils in Apprenticeship provision

Sector Skills Councils (SSCs) are responsible for defining the occupational frameworks for Apprenticeships within their industry ‘footprints’, setting out the content and format of the qualifications and working with representatives from the relevant industry sectors to develop and review programme content. Consequently, it is important to explore engagement with Apprenticeships according to sectors as defined by SSC footprints (Table 5.14). Details on the sectors covered by each SSC can be in the table below.

Sector Skills Council	Sector Coverage
Asset Skills	Property, housing, cleaning services, parking and facilities management
Cogent	Bioscience, chemical, nuclear, oil and gas, petroleum and polymer industries
ConstructionSkills	Construction
Creative & Cultural Skills	Craft, cultural heritage, design, literature, music, visual and performing arts.
e-skills UK	Information technology and telecommunications
Energy & Utility Skills	Electricity, gas, waste management and water industries
Financial Services Skills Council	Financial services, finance and accounting sectors
GoSkills	Passenger transport
Improve Ltd	Food and drink manufacturing and processing
Institute of the Motor Industry	The retail motor industry
Lantra	Environmental and land-based industries
Lifelong Learning UK	Career guidance, community learning and development, further education, higher education, libraries, archives and information services, work-based learning
People 1st	Hospitality, leisure, travel and tourism
Proskills UK	Process and manufacturing industry
SEMTA	Science, engineering and manufacturing technologies (including Composites)
Skills for Care and Development	Early years, children and young people's services, and social work and social care for adults and children
Skills for Health	The health sector
Skills for Justice	Community safety; courts, tribunals and prosecution; custodial care; fire and rescue; forensic science; law enforcement; offender management and support; policing; victim, survivor and witness support; youth justice and the children's workforce. Legal services joined the footprint in 2010/11.
Skills for Logistics	Freight logistics industry and Wholesale
SkillsActive	Active leisure, learning and well-Being
Skillset	Broadcast, film, video, interactive media, photo imaging, publishing and advertising. Fashion and textiles (from 1 April 2010).
Skillsmart Retail	Retail
SummitSkills	Building services, engineering

5.10.1 Current and potential Apprenticeship provision by Sector Skills Council

While overall 5% of all employers currently have staff undertaking Apprenticeships at their site, employers in engineering industries such those covered by the Institute of the Motor Industry (19%), SummitSkills (18%) and Semta (15%) are substantially more likely to have current Apprentices. This is likely to partly reflect the engineering sector's long tradition of apprentices as well as the involvement of these SSCs in promoting Apprenticeships in their sector.

Employers least likely to have current Apprentices are those covered by Skillset (one per cent), Creative & Cultural Skills (two per cent), e-Skills UK (two per cent), Lantra (two per cent) and Skillsmart Retail (two per cent). Again this is likely to be explained in part by the nature of the industries covered by these SSCs, which are significantly more likely to be made up of small employers with just two to four staff (representing 60% of establishments covered by Skillset, 73% of those covered by Creative & Cultural Skills and 68% of those by e-Skills UK. These are relatively new sectors with an emphasis on freelancers and self-employment rather than sustained, employer-led training (60% of all employers have arranged training in the last year, compared to 53% of employers covered by Skillset and 52% Creative & Cultural Skills). Lantra also covers mostly micro-establishments (78%) which are less likely to train (only 47% have done in the last 12 months), and are thus potentially less likely to feel able to support an Apprentice.

Table 5.14: Take-up and future interest in Apprenticeships by SSC sector

SSC			Currently have staff undertaking Apprenticeships	Currently offer but have no staff on Apprenticeships	Plan to offer Apprenticeships in future
	<i>Unwtd base</i>	<i>Wtd base</i>	%	%	%
Asset Skills	433	83,118	3	2	8
Cogent	211	15,330	4	1	8
Construction Skills	1,334	172,445	8	5	10
Creative & Cultural Skills	295	22,618	2	1	11
Energy & Utility Skills	244	8,204	6	1	7
e-Skills UK	286	54,183	2	7	11
Financial Services	563	63,973	3	1	6
GoSkills	244	12,707	4	3	3
Improve	222	9,763	7	6	13
Institute of the Motor Industry	409	59,078	19	5	7
Lantra	603	118,592	2	2	7
Lifelong Learning UK	936	27,381	5	8	9
People 1 st	1,424	179,658	4	4	7
Proskills UK	357	33,872	6	3	7
Semta	447	54,172	15	7	10
Skills for Care	913	77,432	10	6	6
Skills for Health	538	46,796	4	3	4
Skills for Justice	198	6,568	4	3	3
Skills for Logistics	1,019	119,477	3	3	8
SkillsActive	385	23,367	5	6	10
Skillset	382	41,212	1	3	14
SkillsSmart Retail	1,243	228,802	2	3	5
SummitSkills	306	44,244	18	5	12
NOT COVERED ³⁵	1,398	271,884	4	4	7
ALL	14,390	1,774,876	5	4	8

Looking at employers who currently offer Apprenticeships but have no staff on them, less variation is apparent by SSC. SSCs with the highest levels of current Apprentices (e.g. Institute of the Motor Industry and SummitSkills) both have five per cent of employers offering Apprenticeships with no take-up, very close to the overall rate of four per cent. Sectors with low levels of current Apprentices are also less likely to offer Apprenticeships.

³⁵ Not all employers are in a sector covered by a Sector Skills Council. See Technical Appendix for more details.

Employers are more likely to report that they plan to offer Apprenticeships in future – overall, 8% do. Rates are highest for employers covered by Skillset, the Sector Skills Council for the creative media industries (14%), despite this group of employers having some of the lowest levels of current and offered Apprenticeships. This may reflect efforts by the SSC to promote Apprentices to employers who have not previously considered them or thought them viable for their industry.

The lowest rates of planning to offer Apprentices in future are found amongst employers in the Skills for Justice (three per cent), GoSkills (three per cent), Skills for Health (four per cent) and Skillsmart Retail (five per cent) sectors. Over all three measures, employers covered by these SSCs are some of the lowest-engaged with Apprenticeships.

5.10.2 Barriers to offering Apprenticeships by SSC

Table 5.15 shows that the barriers to offering Apprenticeships reported varied widely by SSC sector. The argument that Apprenticeships were not relevant (or applicable, or suitable) to the employer's kind of work was made most often in the Skills for Health (58%) and Cogent (57%) sectors. It is also an issue for about half of all employers covered by GoSkills (50%) and Asset Skills (47%). The employers least likely to report this problem are those covered by the Institute of the Motor Industry, Construction Skills and SummitSkills (all 18%), which are engineering- and building-related sectors with higher levels of Apprenticeship uptake (see Table 5.15 above).

Employers covered by Lantra are most likely to report 'no need' for Apprenticeships, for example due to all staff being fully trained (30%). This is also the most common barrier for Construction Skills employers (29%) who are otherwise one of the industry groups most engaged with Apprenticeships. Quite commonly around a quarter of employers gave this answer – the SSC sectors that stand out are those who did so less frequently. These sectors are Skills for Health (three per cent), Skills for Justice (eight per cent) and Cogent (eight per cent). All these sectors have lower-than-average interest in or uptake of Apprenticeships, but this indicates it is not for reasons of lack of need or all staff being fully trained. Skills for Health employers do answer more frequently that they prefer hiring experienced staff (19%), however.

Company or organisation size is a barrier to offering Apprenticeships most particularly in the Semta (32%), the Institute of the Motor Industry (IMI) (29%), and Creative & Cultural Skills (23%) sectors – in fact, for Semta and IMI employers, it was the most frequently mentioned problem.

Table 5.15: Barriers to offering Apprenticeships by SSC sector

SSC			Not relevant to our type of work	No need / staff fully trained	Company too small	Prefer experienced staff	Budget / funding issues
	Bases:	Bases:	%	%	%	%	%
Asset Skills	122	32,740	47	24	2	9	2
Cogent	57	5,635	57	8	10	5	14
Construction Skills	287	41,270	18	29	7	6	14
Creative & Cultural Skills	101	7,538	30	14	23	1	9
Energy & Utility Skills	81	2,858	44	20	2	13	2
e-Skills UK	94	17,406	38	25	13	10	8
Financial Services	200	26,618	27	28	5	13	*
GoSkills	54	3,026	50	22	8	22	1
Improve	62	3,808	29	21	15	3	7
Institute of the Motor Industry	72	12,178	18	23	29	9	1
Lantra	193	40,711	27	30	9	8	7
Lifelong Learning UK	339	10,080	32	15	11	6	11
People 1 st	400	59,554	38	25	20	1	2
Proskills UK	82	9,444	20	24	19	6	8
Semta	86	13,966	20	25	32	7	19
Skills for Care	319	26,833	38	10	18	9	14
Skills for Health	168	12,076	58	3	2	19	3
Skills for Justice	56	2,453	45	8	2	6	11
Skills for Logistics	319	37,767	40	22	7	10	5
SkillsActive	130	7,419	41	26	8	5	6
Skillset	124	11,053	27	19	18	4	5
Skillsmart Retail	379	70,889	32	14	7	6	4
SummitSkills	49*	7,413	18	9	13	3	12
NOT COVERED	465	109,541	32	21	8	11	13
ALL	4,239	563,177	33	21	12	8	7

* denotes <0.5%

**figures for SummitSkills should be treated with caution as the base is lower than 50.

5.11 Use of vocational qualifications

The current expansion of Apprenticeships follows extensive reforms to vocational qualifications more widely over the last few years. These reforms were one of the key recommendations at the heart of the Leitch Review³⁶ and have since been directed by the UK Vocational Qualifications Reform Programme (UKVQRP). The purpose of the UKVQRP has been to create a vocational qualification (VQ) system that is more responsive to the needs of employers and learners ensuring the content of qualifications covers what employers want, the system is simpler for employers and learners to understand, and learners have greater flexibility in the way they can achieve qualifications.

The UKVQRP is due to conclude shortly, at which point it is anticipated that for England, Wales and Northern Ireland, all accredited VQs will be on the new regulated unit- and credit-based Qualifications and Credit Framework (QCF) or Credit and Qualifications Framework for Wales (CQFW) and that programme activity will be integrated into the mainstream operations of the various delivery partners³⁷. For England, Wales and Northern Ireland, the survey provides us with an early opportunity to assess whether and how the value employers place on VQs has changed now that some of the reformed qualifications are in the early stages of delivery. This section explores usage of VQs as well as general perceptions of VQs and benefits of, and barriers to, their take-up.

Of those who have arranged or funded on or off-the-job training for their workforce in the past 12 months, under half (45%) say that they have arranged/funded training designed to lead to a recognised vocational qualification in this period (27% of all employers). Employers who have arranged or funded on- or off-the-job training in England (46%) and Wales (45%) are more likely to have arranged or funded training designed to lead to a recognised vocational qualification than their counterparts in Northern Ireland (41%) or Scotland (40%).

The larger the establishment, the more likely they are to have arranged or funded training designed to lead to a recognised vocational qualification.

³⁶ *Prosperity for all in the global economy – world class skills*, HM Treasury, December 2006

³⁷ For Scotland, VQs are available through the Scottish Credit and Qualifications Framework (a non-regulatory framework)

Table 5.16: SUMMARY: Whether fund or arrange training designed to lead to Vocational Qualifications (prompted)

	Yes - % of all	Wtd base	Unwtd base	Yes - % of all who train	Wtd base	Unwtd base
All	27	1,774,876	14,390	45	1,072,283	11,568
Country						
England	28	1,491,746	9,432	46	894,347	7,757
Scotland	26	139,915	1,981	40	90,736	1,503
Wales	27	83,720	1,987	45	50,396	1,520
Northern Ireland	25	59,495	990	41	36,802	788
Size						
2 – 4	14	931,960	2,102	31	414,152	991
5 – 9	31	391,793	1,995	44	274,938	1,439
10 – 24	44	261,884	3,077	55	210,776	2,493
25 – 49	58	101,183	2,625	65	90,193	2,339
50 – 249	71	76,106	3,204	76	71,046	3,000
250 & over	78	11,950	1,387	83	11,178	1,306
Sector						
Agriculture	14	94,845	336	31	44,143	196
Mining & quarrying	48	1,860	84	57	1,575	70
Manufacturing	23	110,171	1,083	38	67,145	864
Electricity, gas, etc	38	8,203	257	52	5,917	199
Construction	32	180,251	1,179	56	102,443	900
Personal household goods	22	378,884	2,240	39	208,947	1,663
Hotels & restaurants	23	159,718	1,376	41	90,269	1,017
Transport, etc	19	120,906	1,209	37	63,404	932
Financial intermediation	31	43,602	527	44	30,667	444
Business services	22	347,887	2,062	37	203,981	1,663
Public administration	62	22,475	699	71	19,649	641
Education	55	56,581	875	64	49,105	803
Health and social work	57	120,543	1,398	68	100,170	1,286
Other community services	30	128,950	1,065	46	84,867	890
Nature of ownership						
Public sector	50	125,354	2,140	58	107,613	1,958
Private sector	24	1,499,553	10,954	43	848,106	8,451
Third sector	42	134,650	1,171	54	105,978	1,059

As well as being more likely to train overall, public sector employers are also more likely to train to vocational qualifications (58% of those who trained arranged VQs) than employers in the third or private sectors (where 54% and 43% respectively of those who trained arranged VQs).

Again, those sectors more likely to have arranged/funded any training designed to lead to a recognised vocational qualification are those with a higher proportion of public sector employers: namely Public Administration (where 71% of employers who train have arranged VQs); Health and social work (68%); and Education (64%).

Establishments lower in business sophistication (i.e. they do not have a business or training plan, nor a training budget) are much less likely to train to vocational qualifications, with just 24% of those who train doing so.

Establishments who arrange or fund training for VQs are generally more engaged with the wider skills system, being more likely to use FE Colleges and Universities than other establishments who train (as discussed above) and being more likely to have used any of the skills and training related government services listed in the survey (20% compared to six per cent of those who train but not to VQs). They are also slightly more confident in where to go for information on skills and training related issues (either because the experience of training to VQs has given them this confidence or because existing confidence has led them down a pathway to VQs)

5.11.1 Types of vocational qualifications funded / arranged

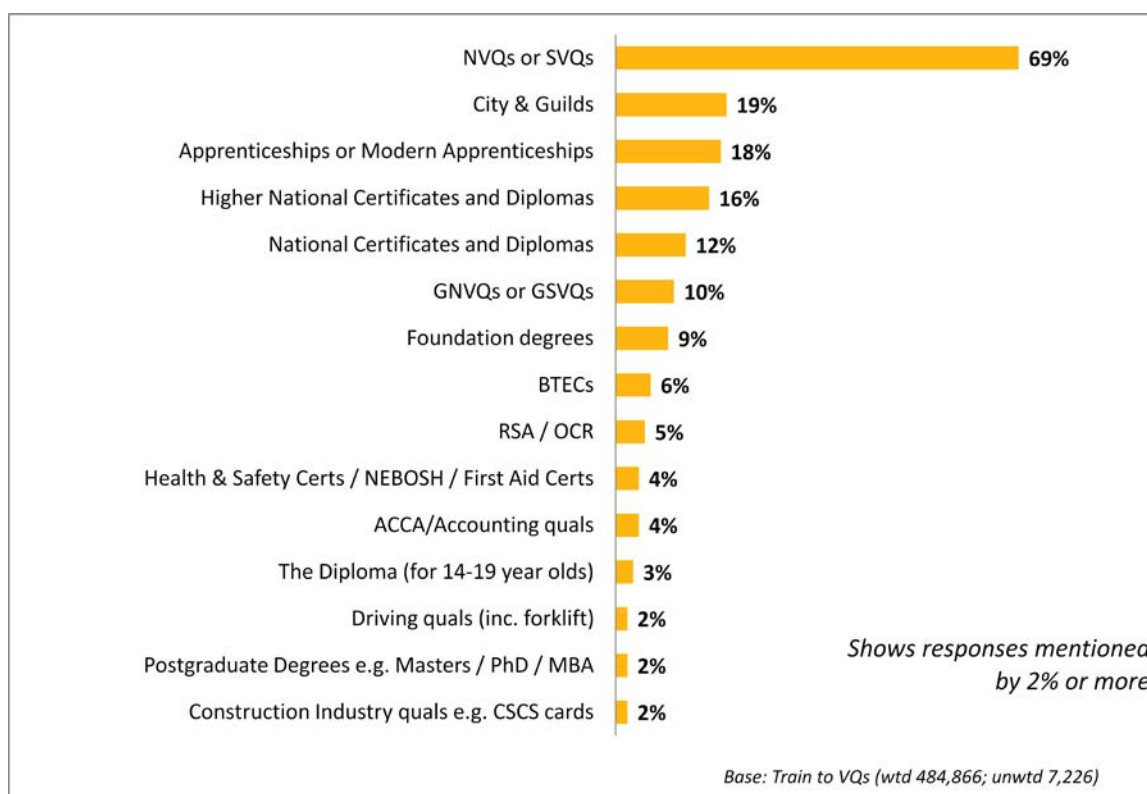
Establishments reporting that they have arranged/funded training designed to lead to a recognised vocational qualification in the past 12 months were then asked which types they had arranged/funded. They were prompted with a list of qualifications³⁸ and were also given the opportunity to identify other qualifications (Figure 5.13).

By far the most popular is the National Vocational Qualification (NVQ), mentioned by two-thirds (69%) of employers, a higher proportion than was reported in 2007/08 (58%). Scottish Vocational Qualifications (SVQs) are mentioned by a further three per cent, bringing the total for NVQs and SVQs to 70% of all employers training to vocational qualifications. City & Guilds qualifications and Apprenticeships / Modern Apprenticeships³⁹ were each mentioned by around a fifth of employers training to VQs.

³⁸ In some cases employers identified the awarding organisation (e.g. City and Guilds) rather than the name of the qualification itself.

³⁹ Apprenticeships are training programmes containing S/NVQs (and other qualifications),

Figure 5.13: Types of recognised vocational qualification funded/arranged (prompted and unprompted⁴⁰)



Seventy per cent of English employers who train to vocational qualifications arrange for training leading to an NVQ, higher than the 62% who do so in Wales and the 59% who do so in Northern Ireland. In Scotland, 64% of employers who train to vocational qualifications arrange for training leading to either a SVQ or NVQ.

Table 5.17 Incidence of NVQ/SVQ training by country (prompted)

	All (% agree)	England	Scotland	Wales	Northern Ireland
Percentage of all offering VQs to staff who train to NVQ/SVQs	69%	70%	64%	62%	59%
Base (all who offer VQs):					
Unweighted	7,226	5,154	742	894	436
Weighted	484,866	411,163	35,844	22,825	15,033
Percentage of all employers who train to NVQs/SVQs	19%	19%	16%	17%	15%
Base (all employers)					
Unweighted	14,390	9,432	1,981	1,987	990
Weighted	1,774,876	1,491,746	139,915	83,720	59,495

⁴⁰ All prompted except 'Health and Safety / NEBOSH / First Aid Certificates', 'Accounting qualifications', 'Driving Qualifications', 'Postgraduate degrees' and 'Construction Industry Qualifications'

Employers in Northern Ireland are more likely than those in other countries to arrange training for BTECs and RSA / OCR qualifications (each are used by ten per cent of employers who train to VQs).

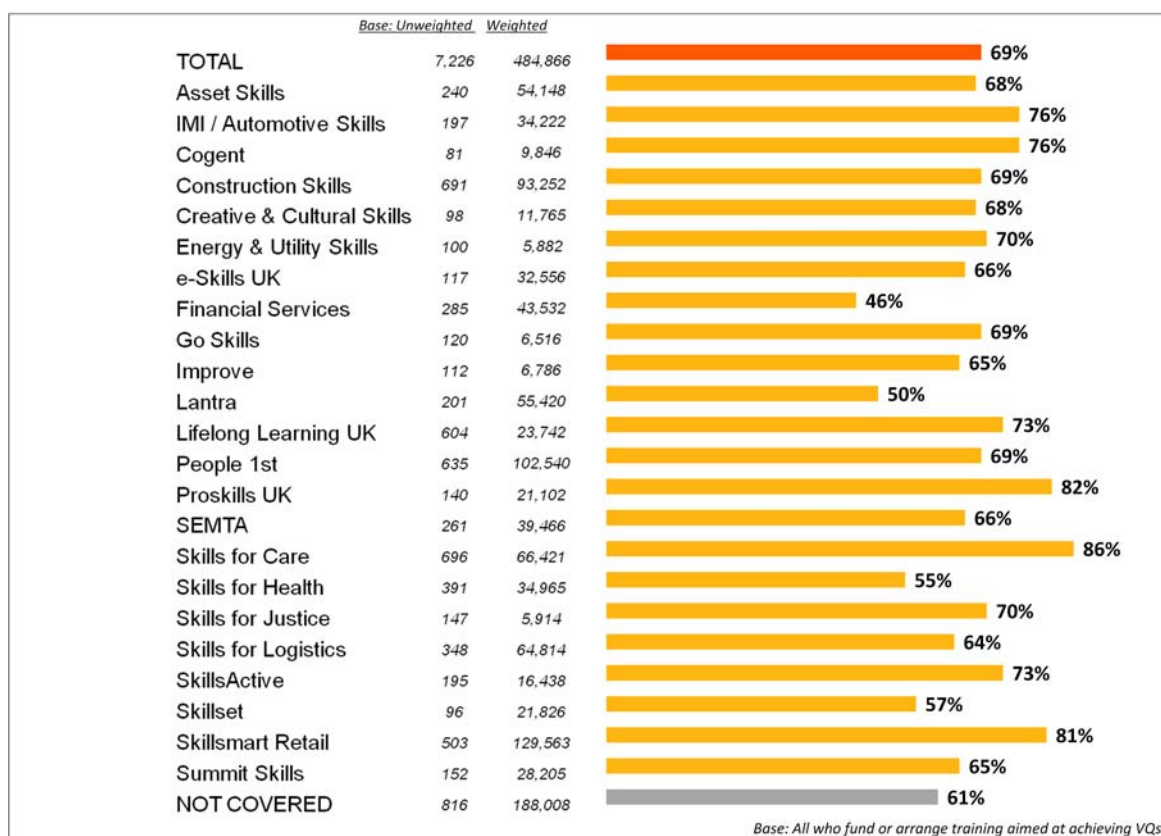
5.11.2 Take-up of S/NVQs by Sector Skills Council sector

Sector Skills Councils are involved in the vocational qualifications landscape not only through defining Apprenticeship frameworks, but also in setting the occupational standards on which National and Scottish Vocational Qualifications (NVQs and SVQs) are based. Consequently it is interesting to look at the rate of take-up of S/NVQs by Sector Skills Council (SSC) sector to understand where SSCs may best be engaging employers in the vocational qualification system. Analysis here must be tempered, however, by the recognition that vocational qualifications are likely to be more suited to employers and individuals in some sectors than others.

Establishments that arranged training to vocational qualifications were asked which qualifications they had trained to (Figure 5.14). Employers covered by Skills for Care are by some margin the most likely to train to S/NVQs (86%), mostly due to the mandatory requirements on much of the social care sector to have NVQ Level 2 qualified staff. Proskills UK employers (82%) and Skillsmart Retail (81%) employers have the next highest levels of training to S/NVQs.

Rates are lowest among Financial Services employers (46%) and Lantra (50%) – both sectors which also had a low take-up of Apprenticeships. Instead, employers in these sectors are more oriented towards other types of vocational qualification, such as ACCA / accounting qualifications for Financial Services employers (38%, vs. 4% overall), and City & Guilds for Lantra employers (23% vs. 19% overall). Lantra employers are also notably less likely to train overall (47% vs. 60% overall) or offer vocational qualifications if they do train (35% vs. 45% overall).

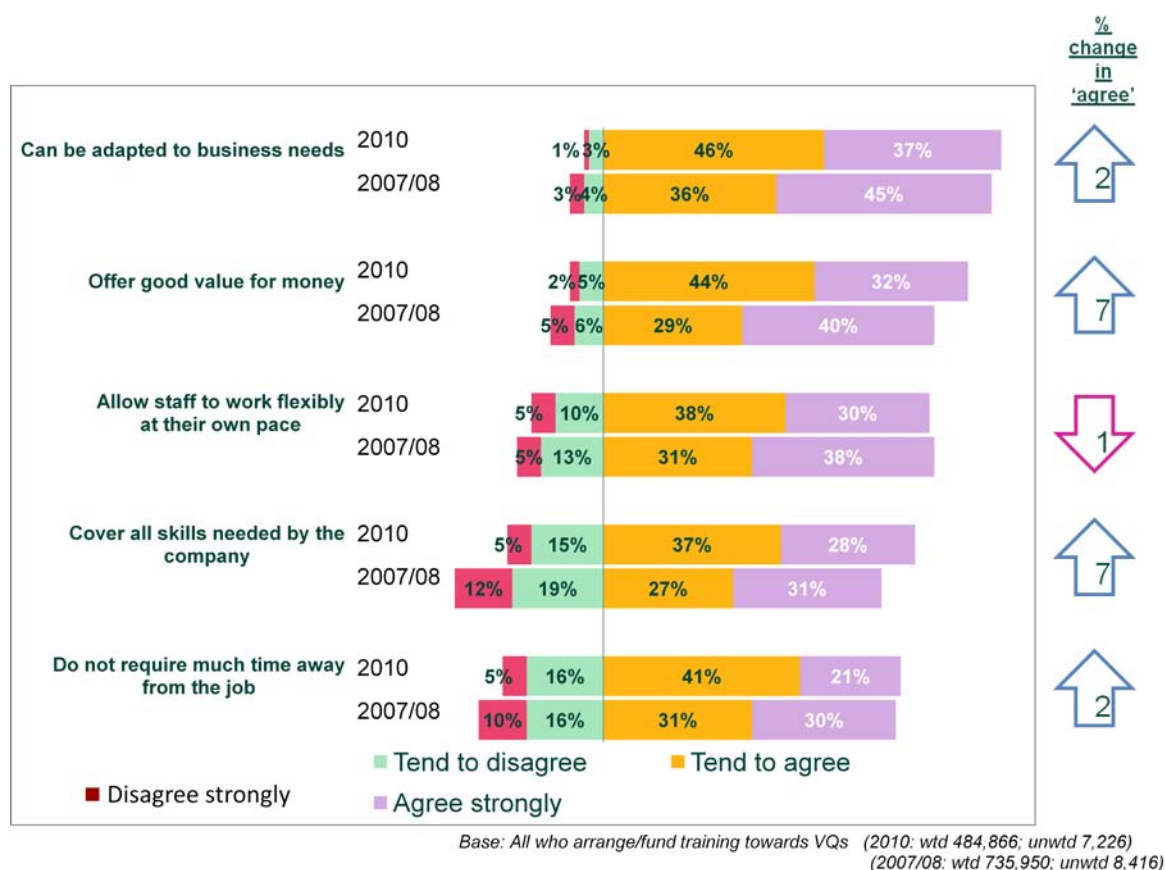
Figure 5.14: Take-up of NVQs and SVQs by SSC sector (prompted)



5.12 Benefits of vocational qualifications to employers

Establishments that have arranged/funded training designed to lead to a recognised vocational qualification in the past 12 months were asked about how well suited these qualifications are to their needs. Respondents were read a series of positive statements about the qualifications, and were asked to what extent they agreed or disagreed with each. The majority of establishments agree (either 'strongly' or 'slightly') with each of these statements about vocational qualifications (Figure 5.15). The strongest agreement is that they 'can be adapted to business needs' and that they 'offer good value for money' (83% and 76% agree 'strongly' / 'slightly' respectively). There is slightly weaker agreement with the remaining statements, with around two thirds agreeing ('strongly' / 'slightly') with each of them, but around a fifth disagreeing ('strongly' / 'slightly').

Figure 5.15: Perceptions of flexibility and value for money of vocational qualifications (prompted)⁴¹



The proportion of employers arranging training that leads to a recognised VQ who agree that such qualifications ‘cover all the skills needed by the company’ has increased by seven percentage points since 2007/08 while agreement that they ‘do not require much time away from the job’ and that they ‘can be adapted to business needs’ have both increased by two percentage points⁴². In the context of reforms to VQs over the last few years it is encouraging that employers are recognising the flexibility of vocational qualifications.

There has been a marked increase in the proportion of employers arranging training that leads to a recognised qualification who believe that they ‘offer good value for money’. This has increased from 69% in 2007/08 to 76% in 2010, an increase of seven percentage points. As well as a genuinely improved perception of VQs in this area, we suspect that this also reflects, especially in the current economic climate, that getting the most from their training spend is being seen as more important by employers. The level of agreement is high across the board, but particularly among those that feel government support is more important to them.

⁴¹ 2007/08 figures from *Skills for the Workplace: Employer Perspectives. Evidence Report 1*, UKCES, November 2008

⁴² All employers were asked for their perceptions of VQs in 2007/08 so that data has been rebased on all those arranging training leading to a vocational qualification to produce a comparable figure

There is fairly little difference between countries in the percentages agreeing that vocational qualifications ‘Can be adapted to business needs’ and ‘Offer good value for money’ (Table 5.18). Employers in Wales, however, are more likely to agree that vocational qualifications ‘Allow staff to work flexibly at their own pace’ (72% of those who train to VQs agree); ‘Cover all skills needed by the company’ (70%); and ‘Do not require much time away from the job’ (66%). By contrast, employers in Northern Ireland are significantly less likely to agree with the latter two statements.

Table 5.18 Employers’ opinions of benefits of vocational qualifications (prompted)

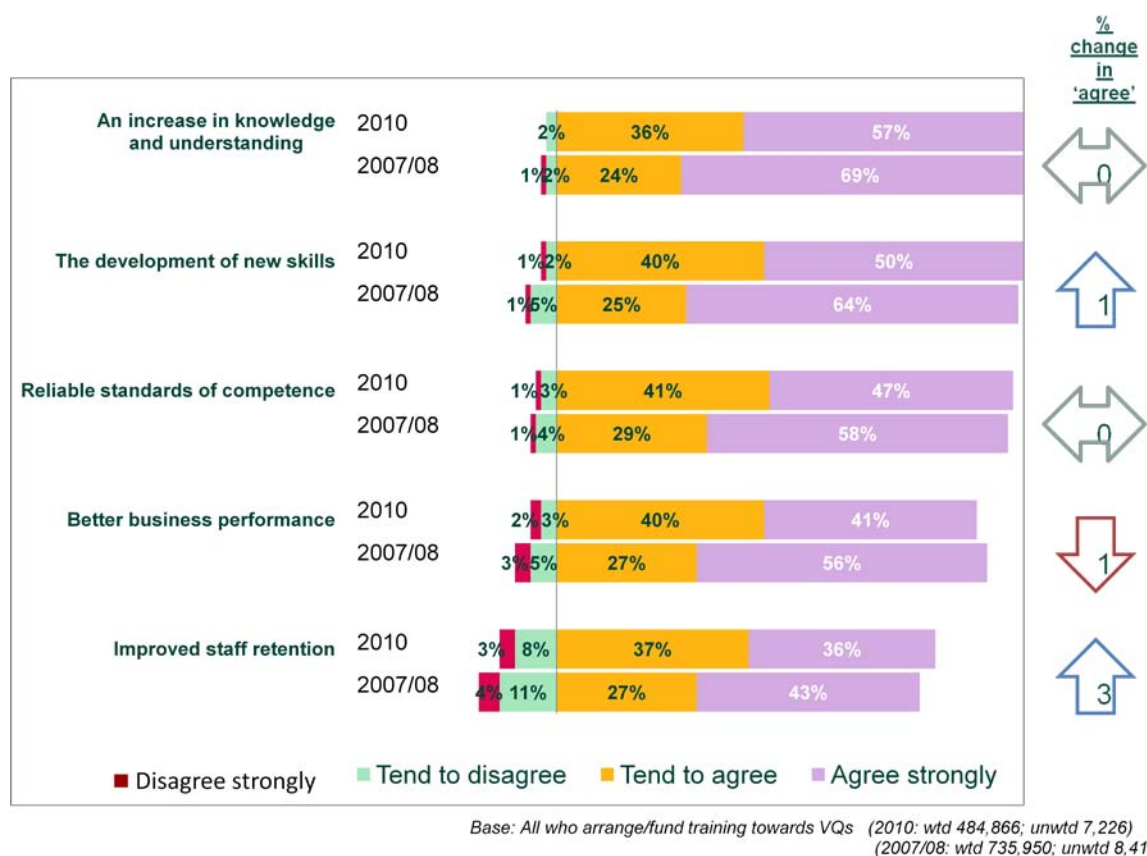
	All (% agree)	England	Scotland	Wales	Northern Ireland
Can be adapted to business needs	83%	83%	84%	86%	85%
Offer good value for money	76%	76%	73%	75%	77%
Allow staff to work flexibly at their own pace	68%	68%	66%	72%	65%
Cover all skills needed by the company	65%	65%	65%	70%	60%
Do not require much time away from the job	62%	62%	60%	66%	54%
<i>Base (unweighted)</i>	7,226	5,154	742	894	436
<i>Base (weighted)</i>	484,866	411,163	35,844	14,214	8,794

Although there are few differences in perception by employer size, establishments with over 250 employees are *less* likely to agree (‘strongly’ / ‘slightly’) that these vocational qualifications ‘cover all the skills needed by the company’ (58% agree) while establishments with two to four employees are most likely to *disagree* that vocational qualifications ‘offer good value for money’ (nine per cent disagree).

5.13 Impact of employees achieving vocational qualifications

Establishments that have arranged/funded training designed to lead to a recognised vocational qualification in the past 12 months were also asked about the *impacts* of their employees achieving these qualifications. Employers were read a series of statements about the potential impacts, and were asked to what extent they agreed or disagreed with each. The majority of establishments agree (either 'strongly' or 'slightly') that vocational qualifications lead to each of these impacts (Figure 5.16). The strongest agreement is that they lead to 'an increase in knowledge and understanding' (94% agree; 57% 'strongly') and that they lead to 'the development of new skills' (90% agree; 50% 'strongly'). The weakest agreement is that they improve staff retention (73% agree; 36% 'strongly'; and conversely 11% strongly / slightly disagree).

Figure 5.16: Perceived impacts of employees achieving vocational qualifications (prompted)⁴³



Views as to the benefits of VQs remain largely stable when compared to views in 2007/08, with a slight increase recorded for 'improved staff retention' (an increase of three percentage points).

⁴³ 2007/08 figures from *Skills for the Workplace: Employer Perspectives. Evidence Report 1*, UKCES, November 2008

As can be seen in Table 5.19, employers in Northern Ireland are generally more likely to report positive impact of VQs on their employees and their establishments, echoing findings from 2007. This is despite being comparatively disappointed with the flexibility of VQs compared to employers in other countries.

Table 5.19 Employers' opinions of benefits of VQs by country (prompted)

	All (% agree)	England	Scotland	Wales	Northern Ireland
An increase in knowledge and understanding	94%	93%	95%	95%	94%
The development of new skills	90%	90%	90%	88%	92%
Reliable standards of competence	88%	88%	88%	90%	90%
Better business performance	81%	80%	83%	81%	84%
Improved staff retention	73%	72%	75%	75%	77%
<i>Base (unweighted)</i>	<i>7,226</i>	<i>5,154</i>	<i>742</i>	<i>894</i>	<i>436</i>
<i>Base (weighted)</i>	<i>484,866</i>	<i>411,163</i>	<i>35,844</i>	<i>14,214</i>	<i>8,794</i>

Larger employers are generally more likely to report benefits, with establishments with 50-249 or over 250 employees more likely to agree ('strongly' / 'slightly') that VQs lead to 'the development of new skills (93% and 94%); 'better business performance' (86% and 85% respectively); and 'improved staff retention' (78% and 78%).

Considering sector differences for each potential benefit:

- "VQs lead to an increase in knowledge and understanding": employers in the Agriculture sector are more likely to *disagree* ('strongly' / 'slightly') (six per cent disagree);
- "VQs lead to the development of new skills": those in Agriculture, Electricity, gas and water supply and Financial intermediation are more likely to *disagree* that these (seven per cent disagree in each of these sectors);
- "VQs lead to reliable standards of competence": those in Manufacturing are most likely to agree ('strongly' / 'slightly') (93% do so); whereas those in Agriculture and Construction are most likely to *disagree* that this is the case (ten per cent and eight per cent disagree in these sectors);

- “Vocational qualifications lead to better business performance”: those in Electricity, gas and water supply, Transport, storage and communications and Hotels and Restaurants are more likely to *disagree* (nine per cent, eight per cent and seven per cent respectively);
- “Vocational qualifications lead to improved staff retention”: those in Education and Financial Intermediation are more likely to agree (80% in each case); whilst those in Agriculture and Construction are more likely to *disagree* that this is the case (19% and 16% disagree).

5.14 How vocational qualifications reward individuals

Amongst establishments that have arranged/funded training designed to lead to a recognised vocational qualification in the past 12 months, achieving such a qualification is more likely to lead to a *pay increase* than to a *promotion or improved job status* (ten per cent say a *pay increase* is ‘always’ the outcome and 19% ‘generally’ the outcome; whereas three per cent say *promotion/improved job status* is ‘always’ the outcome and 15% ‘generally’ the outcome). The same proportions of establishments report that a *pay increase* and *promotion or improved job status* ‘rarely/never’ results from achieving such a qualification (30% in relation to each – Figure 5.17).

Figure 5.17: Whether achievement of a vocational qualification by employees leads to promotion/improved job status or a pay increase (prompted)

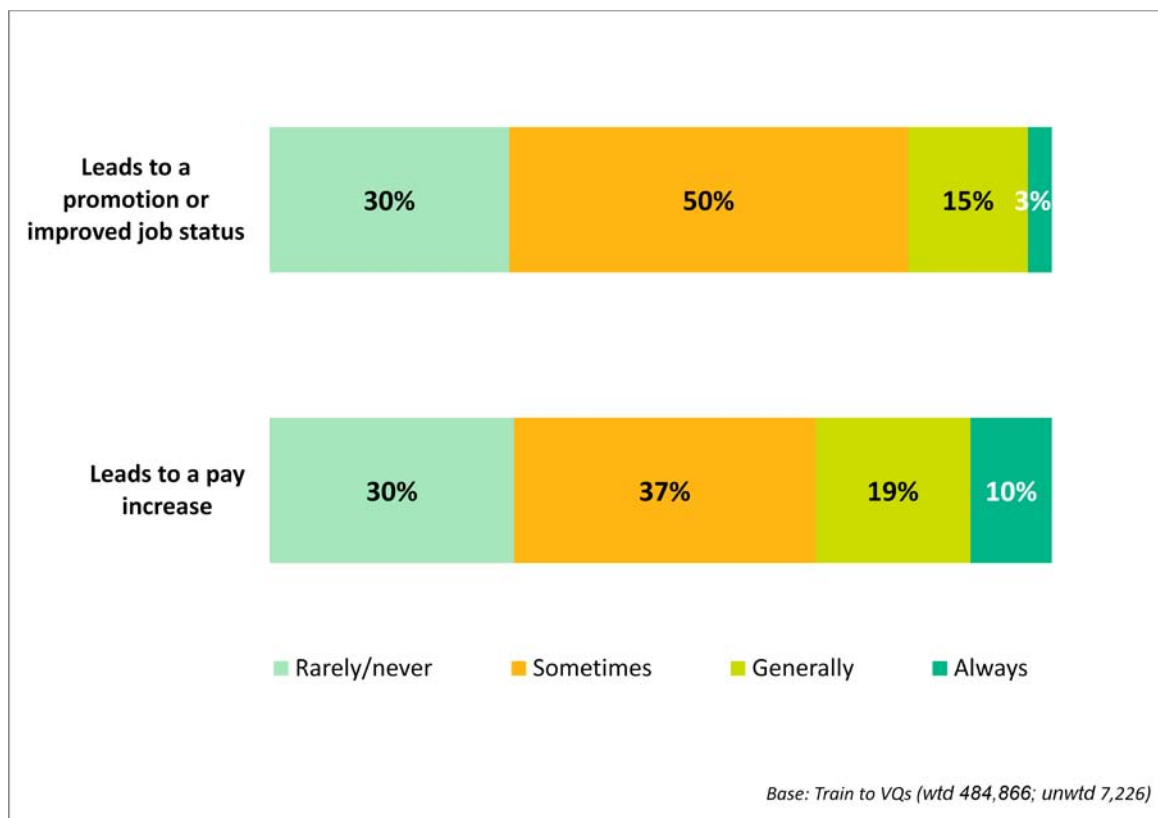


Table 5.20 SUMMARY: Whether achievement of a vocational qualification by employees leads to pay increase (prompted)

	Always lead to a pay increase	Generally lead to a pay increase	Sometimes lead to a pay increase	Rarely/Neve r lead to a pay increase	Don't know	Wtd base	Unwtd base
	%	%	%	%	%		
All	10	19	37	30	3	484,866	7,226
Country							
England	10	19	37	30	3	411,163	5,154
Scotland	15	19	30	33	2	35,844	742
Wales	10	15	38	33	3	22,825	894
Northern Ireland	9	22	35	29	6	15,033	436
Size							
2 – 4	13	20	34	31	3	126,347	305
5 – 9	11	20	35	30	5	120,778	635
10 – 24	10	21	37	29	2	115,829	1,332
25 – 49	9	19	40	29	3	58,715	1,562
50 – 249	8	15	41	33	3	53,874	2,292
250 & over	3	10	42	41	4	9,323	1,100
Sector							
Agriculture	3	11	57	28	2	13,579	78
Mining & quarrying*	6	17	31	45	2	900	49*
Manufacturing	12	15	47	23	2	25,195	498
Electricity, gas, etc	7	18	37	35	4	3,083	108
Construction	8	27	44	19	2	57,688	623
Personal household goods	19	23	27	27	4	81,576	872
Hotels & restaurants	6	25	34	31	4	37,288	605
Transport, etc	3	15	36	42	3	23,411	482
Financial intermediation	10	18	47	21	3	13,395	264
Business services	11	18	45	24	2	76,280	942
Public administration	7	10	29	46	7	13,912	516
Education	8	17	37	37	2	31,267	582
Health and social work	13	20	27	36	4	68,557	1,053
Other community services	4	11	36	45	4	38,733	554
Nature of ownership							
Public sector	5	12	32	49	3	62,650	1,419
Private sector	12	22	39	24	3	361,614	4,999
Third sector	7	10	29	48	7	56,746	750

*Figures for Mining and Quarrying need to be treated with caution as the base is lower than 50.

Table 5.21 Whether achievement of a vocational qualification by employees leads to promotion or improved job status (prompted) Summary

	Always lead to a promotion or improved job status	Generally lead to a promotion or improved job status	Sometimes lead to a promotion or improved job status	Rarely/never lead to a promotion or improved job status	Don't know	Wtd base	Unwtd base
	%	%	%	%	%		
All	3	15	50	30	2	484,866	7,226
Country							
England	3	16	49	30	2	411,163	5,154
Scotland	4	15	50	28	2	35,844	742
Wales	2	11	54	31	2	22,825	894
Northern Ireland	4	16	52	24	3	15,033	436
Size							
2 – 4	4	15	39	40	2	126,347	305
5 – 9	5	16	50	26	3	120,778	635
10 – 24	2	17	51	27	2	115,829	1,332
25 – 49	3	14	56	25	2	58,715	1,562
50 – 249	2	13	60	23	2	53,874	2,292
250 & over	*	12	59	26	3	9,323	1,100
Sector							
Agriculture	2	5	38	56	0	13,579	78
Mining & quarrying	0	14	41	45	0	900	49*
Manufacturing	8	11	57	21	3	25,195	498
Electricity, gas, etc	2	15	53	27	2	3,083	108
Construction	3	21	49	26	1	57,688	623
Personal household goods	4	19	43	32	2	81,576	872
Hotels & restaurants	4	21	50	22	4	37,288	605
Transport, etc	*	7	49	40	3	23,411	482
Financial intermediation	*	25	50	24	1	13,395	264
Business services	4	15	54	24	2	76,280	942
Public administration	1	13	48	36	2	13,912	516
Education	2	11	57	28	2	31,267	582
Health and social work	2	12	52	31	2	68,557	1,053
Other community services	3	13	43	38	3	38,733	554
Nature of ownership							
Public sector	2	12	49	35	2	62,650	1,419
Private sector	4	17	50	27	2	361,614	4,999
Third sector	1	11	47	38	4	56,746	750

* denotes <0.5%

**Figures for Mining and Quarrying need to be treated with caution as the base is lower than 50.

The proportion of employers reporting that achieving VQs always or generally leads to improved job status / a promotion or a pay rise has fallen since 2007/08, which is likely to be a reflection of the tighter labour market and economic conditions faced at the time of the latest survey. In 2007/08, 20% of employers said that VQs always or generally lead to a promotion or improved job status and 30% to a pay increase. This has fallen to 18% and 29% respectively.

Looking at differences by country, employers in Scotland are significantly *more* likely to award pay increases after the achievement of a VQ: for 15% this is 'always' the case and for 19% it is 'generally' so. Regarding promotions or improved job status after VQs, the key difference is that employers in Wales are considerably *less* likely to say these are awarded 'always' (only two per cent of those who train to VQs) or are 'generally' the outcome (11%), and *more* likely to say that this is only 'sometimes' (54%) or 'rarely' (31%) the outcome.

Smaller establishments are considerably more likely to award pay increases after a VQ is achieved: for 13% of those with two to four staff this is 'always' the case and for 20% it 'generally' occurs. Enthusiasm for pay increases drops off after 50 employees and particularly at the 250+ size band, where only three per cent 'always' and ten per cent 'generally' award pay increases for the achievement of VQs. The pattern is quite different for promotions or improved job status, however. Here, four in ten of the very smallest employers with two to four staff say that achieving a VQ 'rarely/never' leads to this outcome (40%) – making them the most likely size band to say so. This is quite possibly because these employers may not have much flexibility in reallocating job roles between a very small workforce.

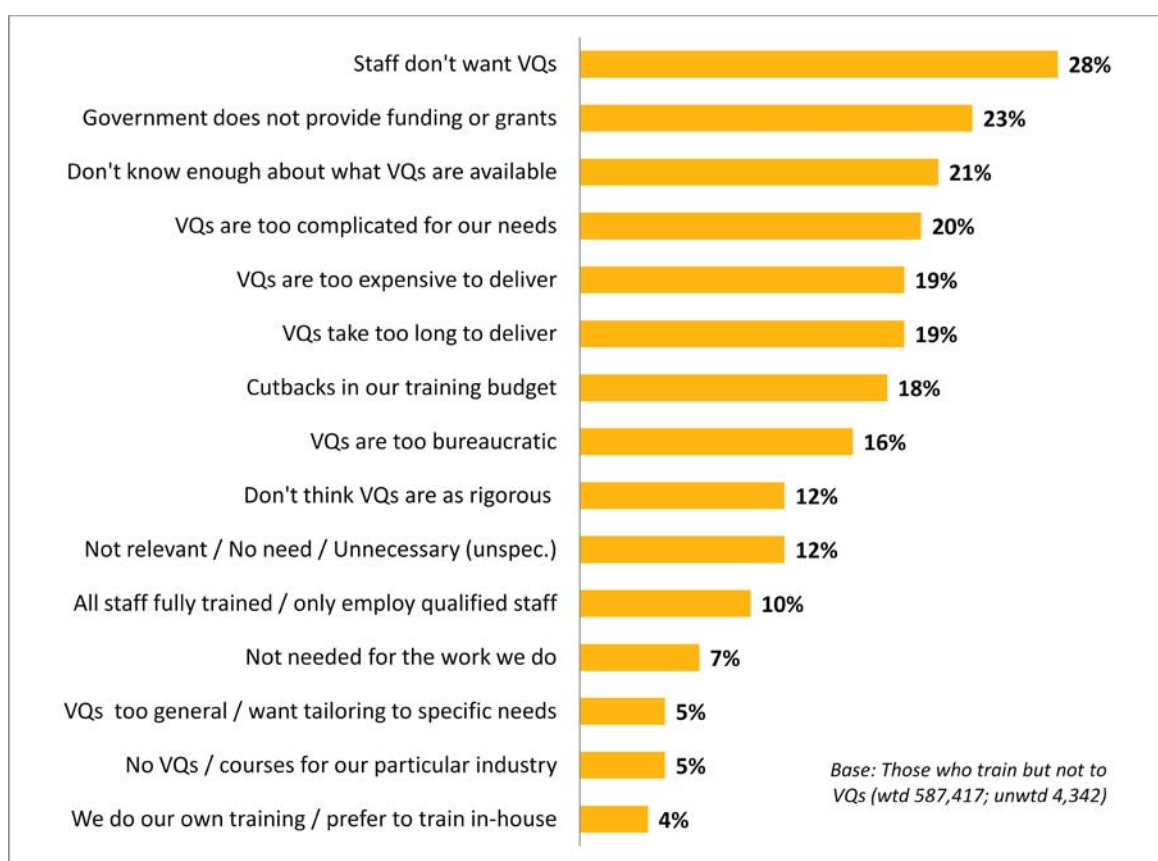
The private sector is considerably more likely to award pay rises for employees who achieve VQs: 12% say this 'always' occurs and 22% say it 'generally' does, compared to seven per cent and ten per cent respectively in the third sector, and five per cent and 12% respectively in the public sector. The same is true for promotions and improved job status, outcomes where four per cent of private sector employers say they occur 'always' and 17% 'generally', compared to one per cent and 11% respectively of employers in the third sector and two per cent and 12% respectively in the public sector. The Manufacturing sector is particularly likely to award promotions or improved job status after a VQ is achieved: eight per cent of employers say this 'always' happens.

5.15 Barriers to greater uptake of vocational qualifications

Those establishments reporting that they have *not* arranged/funded any training designed to lead to a recognised vocational qualification in the past 12 months were asked why they have not done so (Figure 5.18). This provides us with important information on what aspects of VQs might be holding back uptake of VQ training and give us clues as to how this may be increased.

The most mentioned reasons are that staff do not want vocational qualifications (mentioned by 28%) and the lack of government funding or grants to cover the cost of these (23%). However, a number of other reasons are cited by around one fifth of employers who have not arranged or funded such training.

Figure 5.18: Reasons establishment has not funded/arranged training designed to lead to a recognised vocational qualification (prompted and unprompted⁴⁴)



⁴⁴ All prompted except 'All staff fully trained / only employ qualified staff', 'Not needed for the work we do' and 'VQs too general / want tailoring to specific needs', 'No VQs / courses for our particular industry', 'We do our own training / prefer to train in house' and 'Not relevant / no need / unnecessary'

Establishments in Northern Ireland are less likely to say that 'staff do not want qualifications' (only 20% do so) and are more likely to cite finance as a barrier, with higher than average scores on 'the Government does not provide funding or grants to cover the costs' (41%), 'vocational qualifications cost too much to deliver' (38%) and 'cut backs in training budgets' (33%). The other three nations are most likely to cite that their staff do not want vocational qualifications.

Third sector employers are the most concerned about cost, with 39% citing lack of government funding and 32% cut-backs in their training budgets.

Those with lower skilled staff (<20% of staff with Level 3 qualifications) are more likely to say their staff do not want qualifications (37%), and that vocational qualifications are too complicated for their needs (30%).

Establishments lower on business sophistication (no business plan, training plan or training budget), are more likely to say that vocational qualifications are too complicated for their needs (26%). As mentioned previously, very few of this group train to vocational qualifications (indeed only a third train at all).

5.16 Use of external training providers

Earlier in this chapter we reported that three fifths of all establishments had developed their workforce in the past 12 months by arranging or funding on or off-the-job training and suggested that, despite initially holding out well, the recession may now be having an impact on the ability of (some) employers to be able to develop their workforce through training. Among establishments who have arranged or funded training in the last year, over two thirds (69%) have used some form of external training provider to help deliver training.

The proportion of those training using each main type of provider in the last 12 months was as follows:

- 54% used private training providers (equivalent to 33% of all employers).
- 23% used FE colleges (equivalent to 14% of all employers);
- 19% used third sector or not for profit providers (equivalent to 11% of all employers);
- 13% used universities (equivalent to eight per cent of all employers);

Over a quarter of establishments who have arranged or funded training in the last year have used no external providers at all, with 29% saying they cover all of their own training needs. These tend to be the smaller establishments – just ten per cent of those with 250 or more employees have not used any compared to 34% of those with fewer than ten.

The proportion of training establishments in England who have not used any external providers is, at 29%, similar to the 28% reported in the latest National Employers Skills Survey conducted in England (NESS 2009). However, the proportion using FE colleges is considerably lower at 23% compared to the 28% reported in NESS among those who have arranged or funded training in the last year. As a proportion of all employers this represents a decrease from 19% to 14%.

Table 5.22: SUMMARY: Use of external training providers (prompted)

	Private Training Providers	Further Education Colleges	Third Sector / not for profit providers	University / Higher Education Institution	No external providers	Don't know	Wtd base	Unwtd base
	%	%	%	%	%	%		
All	54	23	19	13	29	2	1,072,283	11,568
Country								
England	55	23	19	13	29	2	894,347	7,757
Scotland	51	25	17	12	32	2	36,802	1,503
Wales	48	25	19	14	33	1	50,396	1,520
Northern Ireland	56	24	25	17	27	2	36,802	788
Size								
2 – 4	48	17	16	6	34	2	414,152	991
5 – 9	51	20	20	10	34	2	274,938	1,439
10 – 24	60	25	19	16	25	2	210,776	2,493
25 – 49	66	33	22	22	20	2	90,193	2,339
50 – 249	74	46	23	34	14	2	71,046	3,000
250 & over	76	59	28	54	10	4	11,178	1,306
Sector								
Agriculture	52	18	21	5	25	5	44,143	196
Mining & quarrying	84	20	8	13	8	1	1,575	70
Manufacturing	58	24	10	11	31	1	67,145	864
Electricity, gas, etc	80	19	14	13	13	2	5,917	199
Construction	67	33	14	11	22	1	102,443	900
Personal household goods	43	15	10	8	44	1	208,947	1,663
Hotels & restaurants	41	17	13	5	43	3	90,269	1,017
Transport, etc	55	16	12	8	33	1	63,404	932
Financial intermediation	47	8	11	11	42	2	30,667	444
Business services	57	23	16	11	27	2	203,981	1,663
Public administration	56	36	29	32	22	2	19,649	641
Education	64	42	32	37	15	3	49,105	803
Health and social work	65	35	45	26	9	2	100,170	1,286
Other community services	56	23	30	13	24	4	84,867	890
Nature of ownership								
Public sector	59	31	33	28	18	5	107,613	1,958
Private sector	54	22	13	10	32	2	848,106	8,451
Third sector	54	27	50	20	19	2	105,978	1,059

Table 5.23: SUMMARY: Satisfaction with FE Colleges

	1-3	4-5	6-7	8-10	Mean	Don't know	Wtd base	Unwtd base
	%	%	%	%		%		
All	3	11	30	54	7.4	2	247,699	4,062
Country								
England	3	11	30	54	7.5	2	203,293	2,815
Scotland	3	15	30	50	7.3	2	23,084	478
Wales	2	11	31	55	7.5	1	12,363	517
Northern Ireland	5	14	30	51	7.1	1	8,958	251
Size								
2 – 4	5	13	25	55	7.4	1	72,022	168
5 – 9	2	13	31	54	7.5	*	54,707	321
10 – 24	2	10	31	54	7.5	2	51,985	651
25 – 49	2	10	34	53	7.4	2	29,893	784
50 – 249	1	8	36	51	7.4	4	32,521	1,354
250 & over	2	10	30	48	7.4	10	6,570	784
Sector								
Agriculture	1	3	31	64	8.1	*	7,959	46*
Mining & quarrying								
Manufacturing	3	13	35	47	7.1	2	16,345	386
Electricity, gas, etc	4	4	33	52	7.6	7	1,151	46*
Construction	4	14	34	48	7.2	*	33,944	423
Personal household goods	4	17	26	51	7.2	1	31,942	343
Hotels & restaurants	1	11	19	67	7.7	2	15,054	211
Transport, etc	2	22	31	42	7.0	3	10,093	224
Financial intermediation	2	32	28	36	6.8	2	2,469	86
Business services	3	4	26	63	7.8	4	46,049	624
Public administration	1	8	31	54	7.6	5	7,116	315
Education	1	9	33	54	7.5	3	20,447	425
Health and social work	1	10	31	57	7.7	1	34,914	627
Other community services	9	13	38	40	6.9	*	19,898	285
Nature of ownership								
Public sector	2	10	32	52	7.5	4	32,986	912
Private sector	3	11	29	55	7.5	2	183,679	2,652
Third sector	4	13	34	48	7.2	1	28,765	458

* denotes <0.5%

**figures for Agriculture and Electricity, gas, etc should be treated with caution as the base is lower than 50.

***figures for Mining and quarrying are not shown as the base is lower than 25.

Table 5.24: SUMMARY: Satisfaction with Universities

	1-3	4-5	6-7	8-10	Mean	Don't know	Wtd base	Unwtd base
	%	%	%	%		%		
All	3	7	24	63	7.7	4	136,591	2,815
Country								
England	3	6	23	63	7.7	4	112,766	1,987
Scotland	2	6	27	60	7.7	5	10,560	290
Wales	*	12	26	59	7.7	2	7,185	327
Northern Ireland	2	2	35	58	7.7	4	6,080	211
Size								
2 – 4	8	6	17	69	7.6	0	25,346	66
5 – 9	2	8	22	66	7.7	2	28,454	167
10 – 24	2	5	27	61	7.8	5	32,970	385
25 – 49	*	8	31	57	7.6	4	19,784	483
50 – 249	1	6	26	60	7.8	7	24,030	996
250 & over	*	6	27	55	7.7	12	6,009	718
Sector								
Agriculture								
Mining & quarrying								
Manufacturing	*	8	31	59	7.5	1	7,508	243
Electricity, gas, etc	0	16	35	38	7.2	10	755	32*
Construction	*	4	26	67	7.8	3	11,176	182
Personal household goods	1	4	18	72	7.9	5	16,556	176
Hotels & restaurants	1	25	22	40	7.1	13	4,787	83
Transport, etc	18	5	28	45	6.6	3	5,361	149
Financial intermediation	10	7	28	48	6.8	7	3,434	109
Business services	7	6	18	66	7.7	3	22,847	481
Public administration	2	10	23	53	7.5	12	6,263	284
Education	*	7	26	63	7.8	4	18,352	401
Health and social work	1	6	26	64	7.9	4	26,306	461
Other community services	0	2	32	65	7.9	2	10,627	186
Nature of ownership								
Public sector	*	5	30	57	7.7	7	30,367	876
Private sector	4	8	22	63	7.6	3	83,655	1,547
Third sector	*	4	25	67	7.8	4	21,529	362

* denotes <0.5%

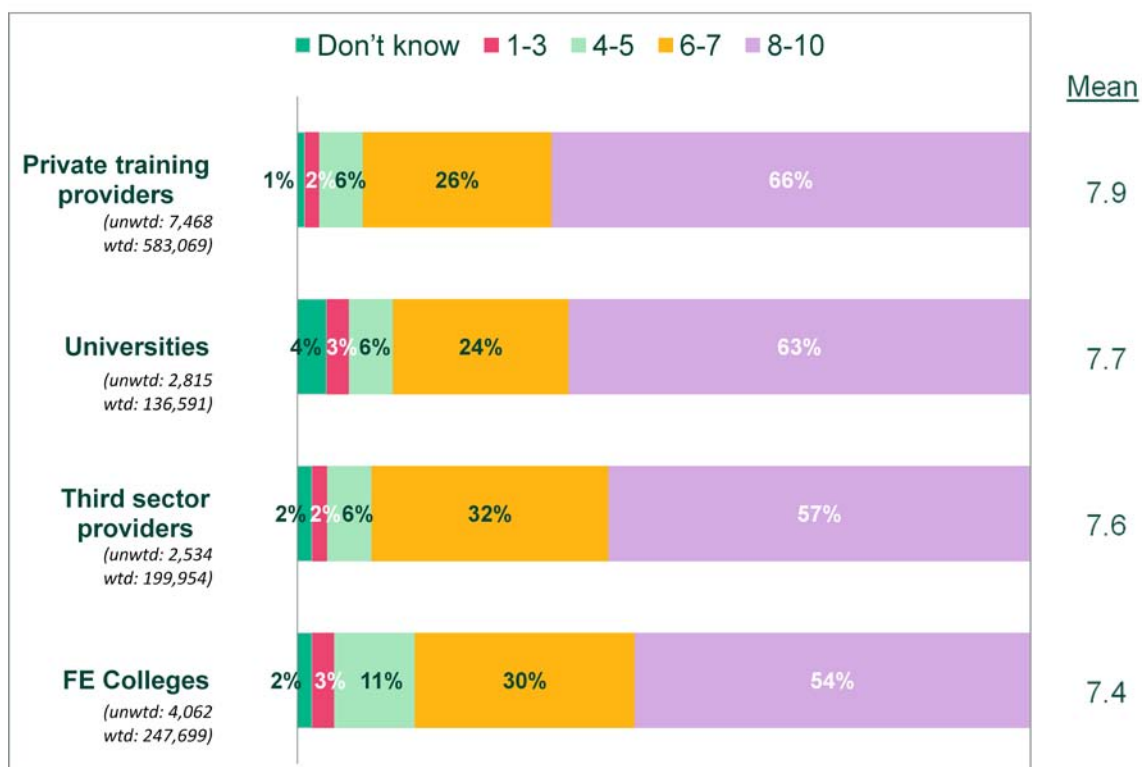
**figures for Electricity, gas, etc should be treated with caution as the base is lower than 50.

***figures for Agriculture and for Mining and quarrying are not shown as the base is lower than 25.

Public sector employers are more likely to use external training providers than private sector employers; this is particularly the case for FE Colleges (31%) and universities (28%).

Satisfaction with the external training providers is high as might be expected among users. Employers are most satisfied with private training providers, as Figure 5.19 shows.

Figure 5.19: Satisfaction with external training providers (prompted)



Base: All who have used FE Colleges / Universities / Private Training Providers / Third sector providers

Smaller establishments have polarised views; they are more likely to be dissatisfied than larger ones across the board yet they are also the most likely to give a rating of ten out of ten for satisfaction. It seems with this group, who by default have very little internal resource for training, that their needs are more specialised and that it is less likely that the providers will be able to meet them. So when a provider meets their needs they rate them very highly.

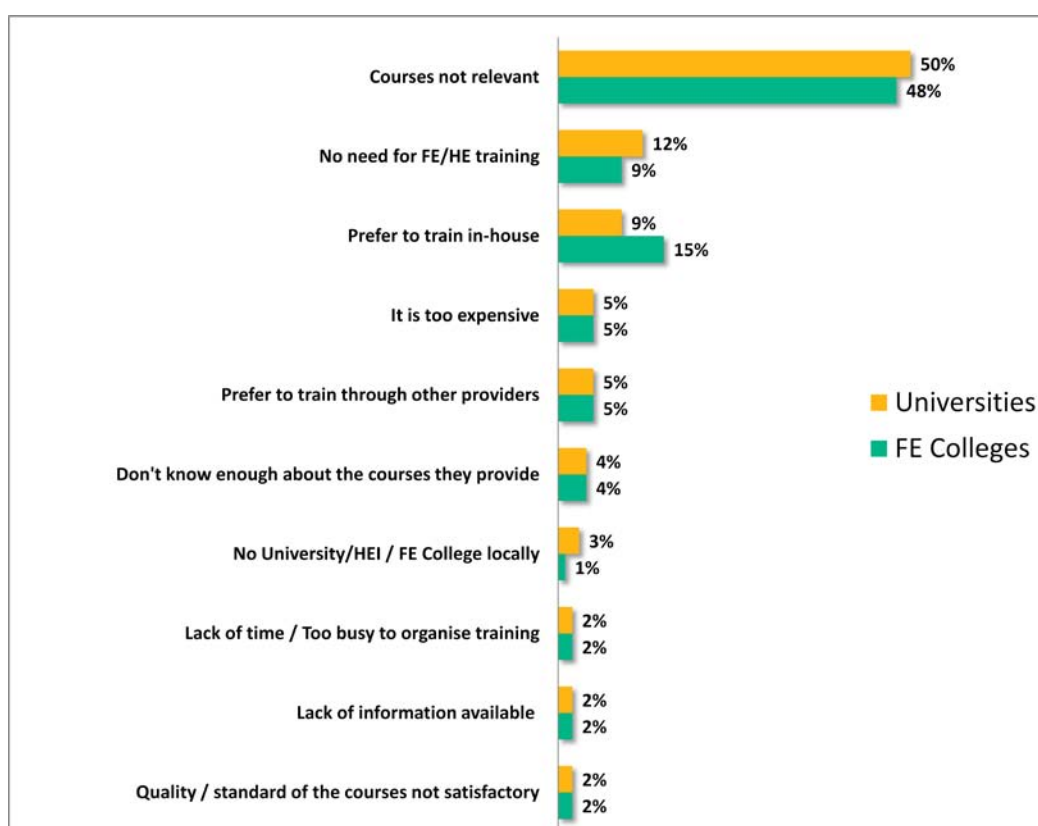
The reasons given for being dissatisfied with FE Colleges centres around course content, with 41% saying the courses are too basic, too general and too theoretical. Over a quarter (28%) of those dissatisfied say it is because of the quality of teaching, with the teachers not knowledgeable enough or lacking in experience, 19% say the Colleges are poorly managed and 11% say there is poor communication between college, employer and student. Reasons for being dissatisfied with Universities are similar⁴⁵ with 57% citing the course content, 24% the quality of teaching and 16% that they are poorly managed. The proportion dissatisfied with the course content is slightly but not significantly lower for those who arrange or fund training for vocational qualifications. Those dissatisfied with Private training providers have similar concerns (course content 52%, quality of teaching 25%) along with value for money (14%); employers dissatisfied with third sector providers⁴⁶ however are most likely to cite the quality of teaching (39%) above course content (29%), and are more likely to say poor management (21%) than for the other types of provider.

Amongst those not using universities and FE Colleges, the most common reason for both is that the courses they provide are not relevant. This ties in with the previous finding that those who are not satisfied with these providers say this is because the courses are too basic, too general and too theoretical.

⁴⁵ Unweighted base for dissatisfaction with universities is very low (38); treat figures with caution.

⁴⁶ Unweighted base for dissatisfaction with third sector providers is low (46); treat figures with caution

Figure 5.20: Reasons for not using Universities / FE Colleges (unprompted)



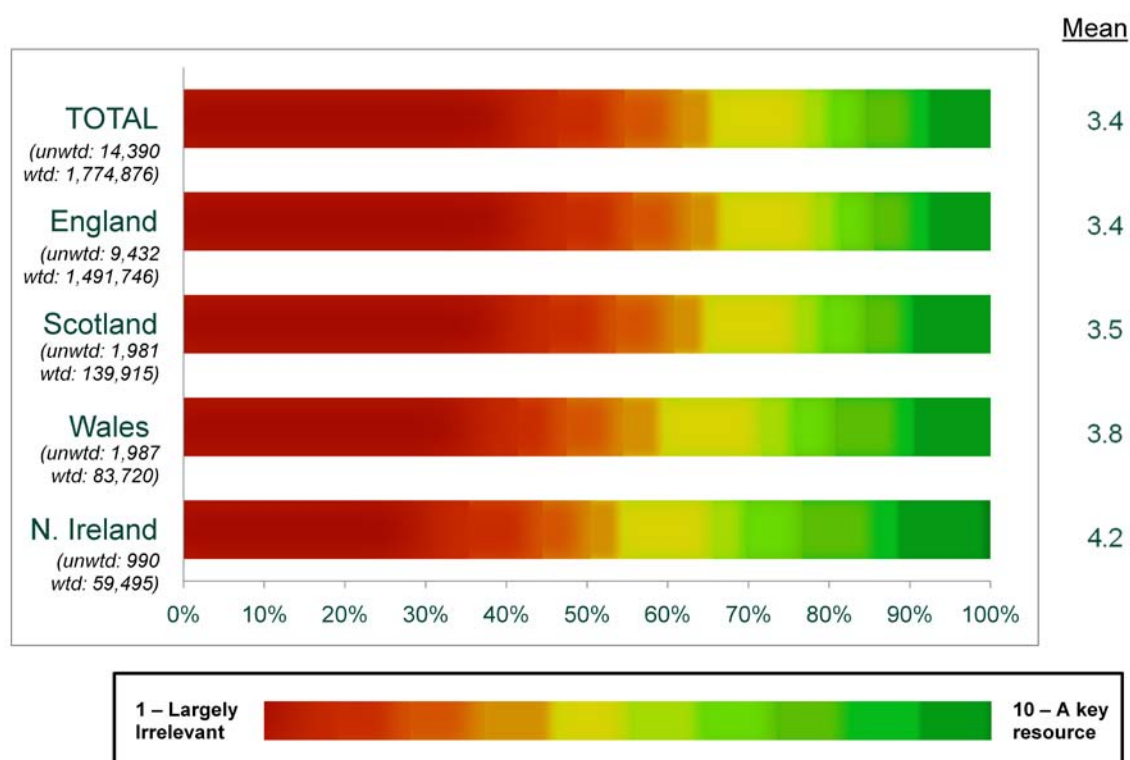
Base: All not using universities and asked why not (wtd 552,986; unwtd 5,445)
All not using FE Colleges and asked why not (wtd 444,737; unwtd 4,225)

5.17 Importance of government support services in training and workforce development

Although the majority of employers have provided training over the last 12 months we have seen throughout this chapter that employer engagement with the skills system is generally fairly low. While a quarter of employers may have recently arranged or funded training designed to lead to a recognised vocational qualification, far fewer employers have taken on Apprentices, had dealings with their Sector Skills Council or been involved with various publicly funded schemes and initiatives providing employers with information and advice on workforce skills development as well as more practical help on skills and training related issues.

Undeniably therefore, there is certainly scope and potential to increase levels of employer engagement with the skills system, stimulating employer ambition to boost demand for enhanced workforce skills and, and for the systems that support them. However, this does need to be tempered by the fact that that many employers have little desire or need to engage with the skills system and to source government advice or help on skills or training related issues, and indeed may well be operating effectively without it. This is evidenced in the survey where employers were asked to rate how important government support for training and development is to their establishment on a scale of one to ten, where one is “largely irrelevant, we just get on and do what we need on our own” and ten is “a key resource which we draw on systematically and regularly”. Figure 5.21 shows the spread of results along the scale, with the left (red) side representing low scores and the right (green) side representing high scores. A mean importance score is shown to the right of each bar.

Figure 5.21: Importance of government support for training and development (prompted)



As reflected by a relatively low mean score of 3.4, the majority of employers do not view government support for training and development as particularly important for their establishment. Approaching half of all employers (45%) give a rating of one out of ten, whereas only 7% rate it ten. Employers do, however, place more importance on government support for training and development than they do recruitment services, where, as seen earlier, 51% rate one out of ten and 4% rate it ten.

While at an overall level, employers' views tended towards the notion that the government has a limited role in supporting training and development, this was not consistent by geography, size or sector (Table 5.25):

- Employers in Northern Ireland are more likely to place importance on government support in training and development with 32% rating it as 'important (6+/10) compared to 22% overall and 35% giving a rating of one out of ten compared to 45% overall. This is reflected in a mean score of 4.2 out of ten compared to 3.4 overall.
- Size is very much a key driver with larger employers far more likely to view government support as more important to the establishment than their smaller counterparts. Only seventeen per cent of those with fewer than five employees rate government support as important, rising to two fifths of those with at least 250 employees (41%). Mean scores reflect this with an increase seen with each size band, from 3.0 amongst the smallest employers to 5.2 amongst the largest.
- Public sector establishments are far more likely to give a higher score with a mean of 5.3; this compares to a mean of 3.2 among the private sector and 4.3 among the third sector.

Table 5.25: SUMMARY Importance of government's role in supporting training and workforce development (prompted)

	1-3	4-5	6-7	8-10	Don't know	Mean	Wtd base	Unwtd base
	%	%	%	%	%			
All	61	15	8	14	2	3.4	1,774,876	14,390
Country								
England	62	15	7	14	2	3.4	1,491,746	9,432
Scotland	60	15	10	22	3	3.5	139,915	1,981
Wales	54	17	8	18	2	3.8	83,720	1,987
Northern Ireland	50	15	10	22	3	4.2	59,495	990
Size								
2 – 4	67	14	5	12	2	3.0	931,960	2,102
5 – 9	59	16	10	13	2	3.4	391,793	1,995
10 – 24	52	17	11	17	2	4.0	261,884	3,077
25 – 49	47	16	12	22	3	4.4	101,183	2,625
50 – 249	39	20	13	25	3	4.8	76,106	3,204
250 & over	34	21	14	27	4	5.2	11,950	1,387
Sector								
Agriculture	70	11	7	10	2	2.8	94,845	336
Mining & quarrying	76	10	3	6	4	2.4	1,860	84
Manufacturing	60	17	8	14	1	3.5	110,171	1,083
Electricity, gas, etc	62	16	10	11	1	3.3	8,203	257
Construction	54	17	6	20	3	3.9	180,251	1,179
Personal household goods	66	13	7	11	3	3.1	378,884	2,240
Hotels & restaurants	65	17	7	9	2	3.0	159,718	1,376
Transport, etc	67	15	8	9	2	3.0	120,906	1,209
Financial intermediation	71	15	8	4	2	2.7	43,602	527
Business services	67	15	6	11	1	3.1	347,887	2,062
Public administration	35	13	13	33	6	5.5	22,475	699
Education	38	18	11	30	3	5.0	56,581	875
Health and social work	37	19	11	29	4	5.0	120,543	1,398
Other community services	53	14	11	19	3	4.0	128,950	1,065
Nature of ownership								
Public sector	33	19	14	29	6	5.3	125,354	2,140
Private sector	64	15	7	12	2	3.2	1,499,553	10,954
Third sector	48	17	11	21	2	4.3	134,650	1,171

Beyond geography, sector and size, those employers who train their staff are more likely to view government support for training and development as important, with over a quarter (27%) giving a score of at least six out of ten compared to 14% of those who have not arranged or funded any training over the last 12 months (and a mean of 3.9 compared to 2.8). Likewise those employers who are more confident in knowing where to go for information, advice and support on skills and training related issues are more likely to rate government support in this area a key resource (or those who are highly engaged with government support are more confident as a result - it is difficult to untangle the cause and effect here).

Those employers with the highest levels of engagement with “the system” in relation to skills and training are most likely to view government support as important. In terms of engagement with specific elements of the skills system:

- Employers who currently have staff undertaking Apprenticeships are much more likely to deem training-related government support as ‘important’ (57% vs. 23% among those don’t currently have Apprentices). This holds true for all sizebands, though is particularly noticeable at the very smallest end, with 59% of those with two to four employees with current Apprentices viewing government support as important vs. 18% of those of the same size without current Apprentices
- Similarly, those establishments who have had dealings with their own SSC over the course of the last 12 months are twice as likely to view government support as important – 50% vs. 25% for those who haven’t engaged with their SSC – *again this is the case within all sizebands, with the gulf particularly marked among the smallest employers*
- In a similar vein those employers who have funded/arranged training towards a VQ again view government support in a more positive light, with 36% regarding it as important (vs. 19% among those who haven’t trained staff towards VQs) – *once more this pattern’s still there even once size is stripped out of the equation.*
- Perceived importance of government support also increases with extent of engagement with specific government services⁴⁷. Those using three or more services give a mean rating of 7.6 out of ten compared to 5.6 for those using one and 3.2 for those who use none.

⁴⁷ In terms of the specific skills and training schemes and initiatives that were prompted in the survey and discussed in Section 5.4

So it is clear that there is strong relationship between level of engagement with the skills system and the value that employers place on government support in this area. What is perhaps more debateable is whether these employers engaged in the first place because they viewed government support as having a potentially important and useful role to play in developing the skills of their workforce or whether their involvement has subsequently opened their eyes to how useful and important this external support is.

Either way, as discussed earlier, there are a large group of employers for whom the targeting of support for training and skills development at a time of economic uncertainty and of limited available resource, is likely to be inefficient. These include those employers who view government support as largely irrelevant as a result of already having a fully proficient workforce and who are willing and able to make their own arrangements when training and development needs arise. There are also those employers who are happy with the status quo, small private sector employers in particular who perhaps have little ambition to grow and/or to develop the skills of their workforce and therefore to draw upon external support. The challenge for government will be to identify those employers who perhaps lack awareness or the confidence in knowing where to go for support, who would be receptive to receiving support, who see a role for the government in supplying this support and finally, given the limited resources available, who demonstrate a tangible need for support, for example those employers who are growing or who have an ambition to grow, those who are developing the business or undergoing structural change, or those with new or changing workforce skills needs.

6 Cross-cutting themes

6.1 Introduction

The 2010 Employer Perspectives Survey was designed to gather employers' views on different aspects of business support, recruitment and skills systems. So far we have reported employers' views on the support available within each of these three areas in isolation. However, the survey also provides us with a unique opportunity build a broader understanding of patterns and trends in engagement across the three types of services.

Therefore, in this final chapter we examine three key cross-cutting themes that we believe will be of particular interest to policy makers:

- Employer engagement with services and initiatives across the system;
- Employer engagement with economic downturn-related services and initiatives;
- The views and behaviours of employers who are growing, compared to those who are reducing their workforces.

6.2 Engagement with services and initiatives across the business, recruitment and skills support systems

The breadth of the survey provides us with an opportunity to examine employer engagement with different types of support. It enables us to consider:

- whether there are core groups of employers who a) do not access any services or initiatives or b) access multiple services and initiatives across the three systems;
- whether certain types of employer are more likely to engage with different parts of the system.

It also allows us to consider, to some extent, whether services and initiatives are reaching those who are likely to benefit most from the intervention.

Overall employer engagement with business, recruitment and skills services and initiatives can be estimated by counting the number of employers who have used services covered by the survey in each of the three areas.⁴⁸

For the purposes of categorising services and initiatives into the three main areas of business, recruitment and skills, most services and initiatives were categorised according to their main aim with redundancy related services and initiatives categorised as business services. Some services with multiple aims were included in more than category so that employers could answer depending on whether they had used the service for business support, recruitment or skills development.

For the purposes of this analysis, users of the following services and initiatives in the last 12 months were considered to be “engaged” in that area⁴⁹:

⁴⁸ These overall usage scores provide an indication of employer engagement in the three areas. They should be treated as indicative for two reasons:

- Whilst comprehensive, there wasn't scope within the survey to ask employers about all government supported services and initiatives in the three areas. Some employers could be accessing specific local or sectoral initiatives that due, to their scale or coverage, weren't included within the survey
- Not all services and initiatives fit neatly into the three areas of business, recruitment and skills. Some, such as Business Link, offer support across all three areas, whilst many recruitment initiatives include an aspect of skills development for participating individuals.

⁴⁹ See Chapters 3 (for business services), 4 (for recruitment services) and 5 (for skills services) for a brief description of each

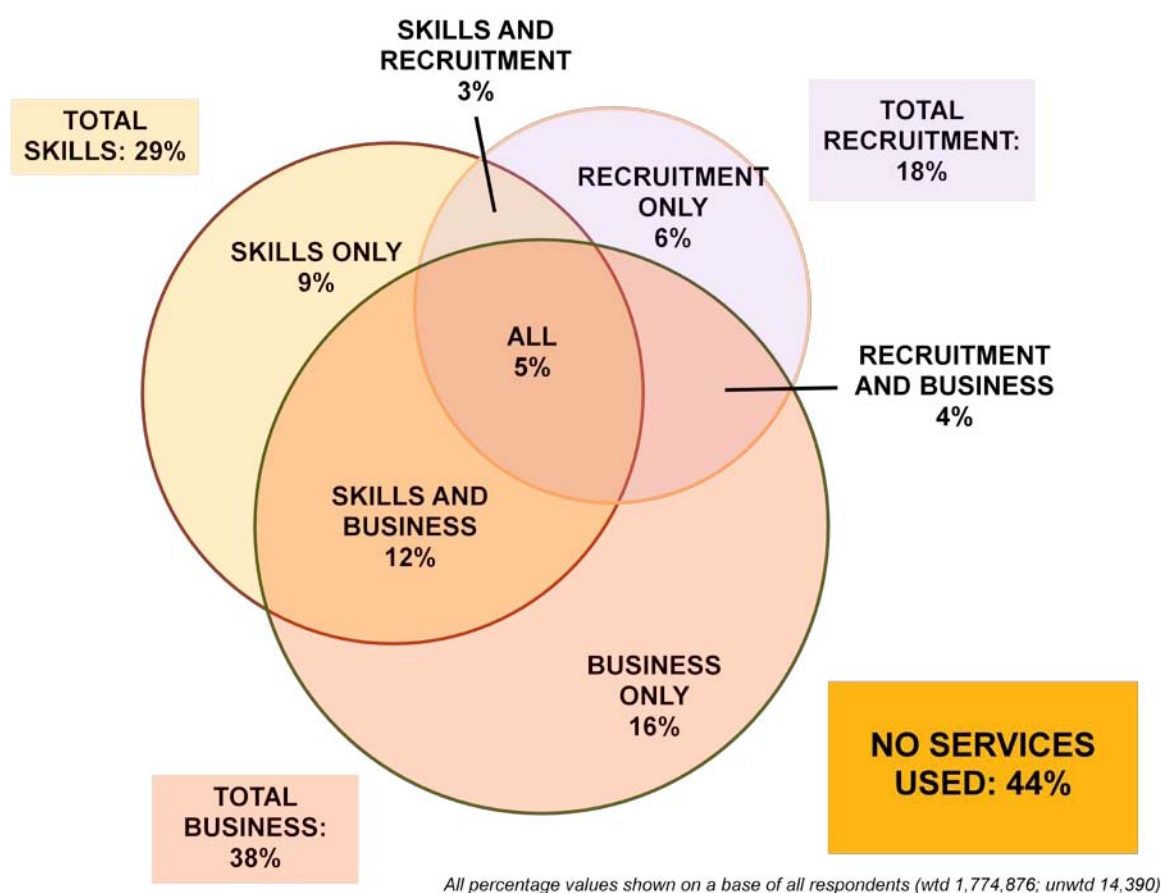
Table 6.1: Services covered in engagement calculation

Business services	Recruitment services
Business Link.gov.uk website Business Link local services, i.e. not the website Business support services provided by your Local Authority Investors in People (current, past or working towards) EN/WL/SC: Rapid Response Service (Jobcentre Plus's Redundancy Support Service) EN: Solutions for Business support services SC: Business Gateway SC: Scottish Enterprise SC: Highlands and Islands Enterprise SC: Scottish Development International SC: PACE, Partnership Action for Continuing Employment WL: Flexible Support for Business WL: ReAct NI: Invest Northern Ireland NI: NI Business Information (www.nibusinessinfo.co.uk)	Jobcentre Plus Graduate Talent Pool EN/WL/SC: Jobcentre Plus's New Deal EN/WL/SC: Local Employment Partnerships EN/WL/SC: Future Jobs Fund EN/WL/SC: Young Persons Guarantee EN: Backing Young Britain SC: Training for Work SC: Get Ready for Work WL: Go Wales NI: Bridge to Employment NI: Steps to Work / New Deal
Skills services	
Sector Skills Council Business Link Apprenticeship schemes Leadership and Management Advisory Service Local Authority National Apprenticeship Service Talentmap Union Learning Fund EN: National Skills Academy EN: National Employer Service EN: Train to Gain SC: Scottish Enterprise SC: Highlands and Islands Enterprise SC: Business Gateway SC: Skills Development Scotland SC: ScotAction SC: Get Ready for Work	WL: Flexible Support for Business WL: Department for Children, Education, Lifelong Learning and Skills WL: Local Enterprise Agency WL: ProAct WL: GoWales WL: Leadership and Management Wales WL: Workforce Development Programme WL: Flexible Support for Business NI: Skillsafe NI: 'Made Not Born', Leadership and Management Development NI: Workforce Development Forum NI: NI Business Information NI: Invest Northern Ireland Any other government service mentioned spontaneously when asked where would go for skills help
Key: EN = England, SC = Scotland, WL = Wales and NI = Northern Ireland	

6.2.1. Overview

On this basis, overall, 38% of employers have used one or more business support service in the 12 months prior to the survey, 29% have used one or more skills or training service, and 18% have used one or more recruitment service. Figure 6.1 shows to scale the overlap between the services used.

Figure 6.1: Use of different types of services and initiatives



Over half of employers have used government support services in any of the three areas over the last 12 months, whilst 44% of employers have not used any of these services.

The tendency is for employers who have used services in one area to be more likely to have used services in another area, with more than half of employers using services in each area having also used services in at least one of the others.

The largest overlap in terms of overall number of employers using different types of services is between those using business support and skills services. 17% of all employers have used the services in both areas (which accounts for 46% of all those using business support services, and 59% of all those using skills services). 40% of employers have used support for either recruitment or skills.

Table 6.2 SUMMARY: Use of services in all three areas and in no areas

	Engaged in all three areas	Not engaged in any of the three areas	Engaged in recruitment services	Engaged in skills services	Engaged in business services	<i>Wtd base</i>	<i>Unwtd base</i>
	%	%	%	%	%		
All	5	44	18	29	38	1,774,876	14,390
Country							
England	6	44	18	29	38	1,491,746	9,432
Scotland	4	41	18	30	39	139,915	1,981
Wales	6	44	22	34	29	83,720	1,987
Northern Ireland	4	42	18	31	36	59,495	990
Size							
2 – 4	2	54	9	23	31	931,960	2,102
5 – 9	5	43	20	28	38	391,793	1,995
10 – 24	10	28	32	39	46	261,884	3,077
25 – 49	14	21	37	46	55	101,183	2,625
50 – 249	22	15	44	54	65	76,106	3,204
250 & over	31	9	55	62	72	11,950	1,387
Sector							
Agriculture	2	51	6	36	27	94,845	336
Mining & quarrying	1	39	5	21	49	1,860	84
Manufacturing	9	44	20	28	42	110,171	1,083
Electricity, gas, etc	6	38	24	22	46	8,203	257
Construction	4	39	10	47	31	180,251	1,179
Personal household goods	2	56	19	18	26	378,884	2,240
Hotels & restaurants	4	50	25	19	28	159,718	1,376
Transport, etc	4	40	15	27	43	120,906	1,209
Financial intermediation	3	48	15	19	38	43,602	527
Business services	6	45	16	25	44	347,887	2,062
Public administration	13	17	29	45	63	22,475	699
Education	12	21	22	56	62	56,581	875
Health and social work	16	22	37	52	56	120,543	1,398
Other community services	5	40	16	29	47	128,950	1,065
Nature of ownership							
Public sector	9	21	21	46	62	125,354	2,140
Private sector	5	47	17	27	35	1,499,553	10,954
Third sector	10	34	27	38	51	134,650	1,171

6.2.2. Users of services/initiatives in all three areas

Overall, across the UK, 5% of establishments have accessed services or initiatives across all three areas. There are some differences by nation, with 6% in England and Wales having accessed services compared to 4% in Scotland and Northern Ireland.

Size of establishment is the key driver of engagement, with larger employers far more likely to be making use of services and initiatives provided across all three areas. In many ways this is unsurprising, not least because larger employers are likely to recruit and train more often due to the size and turnover of their workforce.

Employers engaging with all three types of support services are also more likely to be from the third or public sectors, with ten per cent of third sector and nine per cent of public sector establishments reporting using all three compared to just five per cent of private sector establishments.

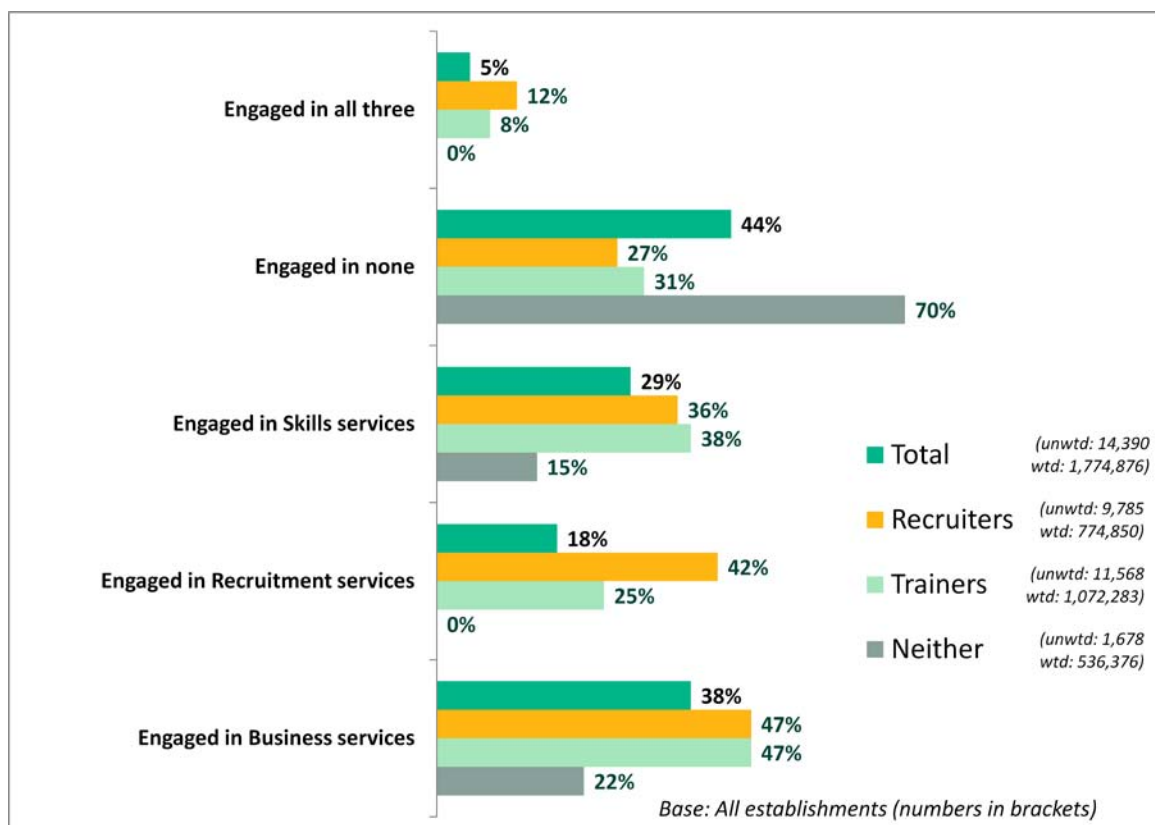
By sector, differences are particularly pronounced for skills and business support, with 46% of public sector establishments having used government skills support compared to an average of 29% overall, and 62% having used business support compared to 38% overall (the latter being driven primarily by an increased propensity for public sector employers to be accredited with the Investors in People standard). The relationship is less strong for recruitment services, with 20% of public sector establishments having used government services compared to 18% of the overall population.

Naturally, employers who have had vacancies are more likely to engage in recruitment services and those who have trained are more likely to engage in skills services, and (as seen in Chapters 4 and 5) public sector employers are more likely to have had vacancies or arranged training for staff in the past 12 months. However, even when controlling for recruitment and training activity in the analysis, engagement with business support and skills systems remains closely tied to sector - 38% of public sector establishments who have not trained or had vacancies engage in business support services (compared to 22% of those who have neither trained nor had vacancies overall) while 22% engage in skills services (compared to 15% overall).

Establishments who have had vacancies in the last 12 months are more likely than average to have engaged in all three types of service, simply because those who have not had vacancies cannot have used recruitment services. However those with vacancies are also more likely to have engaged with business services (47%) and skills services (36%) than those who have not had vacancies (31% and 24% respectively). Similarly establishments who have trained staff in the previous 12 months are more likely to have engaged in all three types of service with eight per cent having done so, compared to just one per cent of those who have not trained staff. In fact establishments who train are much more likely than those who have not to be using each of the types of support.

This cross-cutting involvement that spans the business support, recruitment and skills systems, alongside the earlier reported finding that those employers who have used services in one area are likely to have used services in another area, stresses the importance of joined up design and delivery of publicly funded support. It also demonstrates the need for initiatives to provide clear signposting not only to other initiatives within the relevant business support, recruitment or skills system but also, potentially, to initiatives of a different type.

Figure 6.2: Engagement by establishments with vacancies or who have trained



6.2.3. The ‘non-engaged’

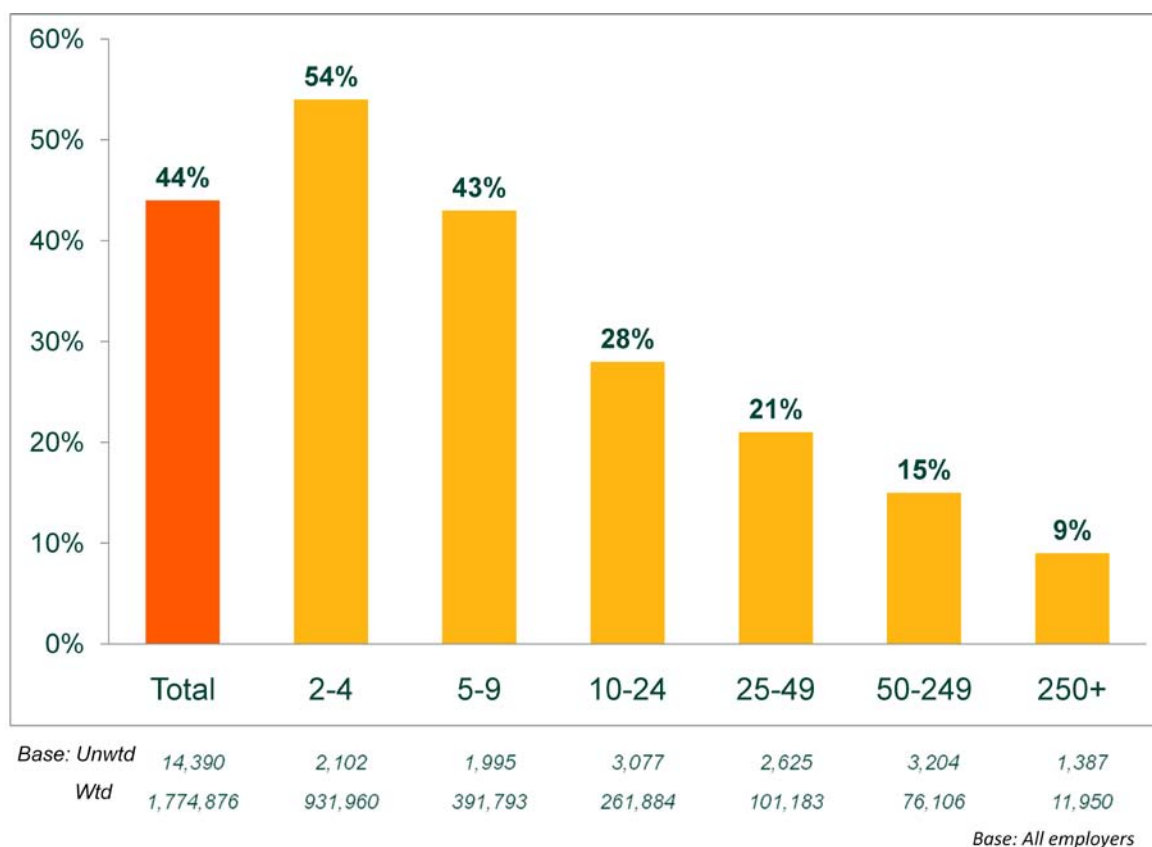
Approaching half (44%) of establishments have not accessed government support in any of the three areas over the past 12 months. It is important to note that this shouldn't necessarily be seen as a negative. Such establishments are likely to fall into three broad categories:

- Those who never tend to access government support as they are self-sufficient and operate effectively without it
- Those who never tend to access government support but would benefit from doing so
- Those who usually or sometimes access government support in these areas but haven't done so over the past 12 months

In terms of broad patterns, non-engagement differs slightly between nation; 44% of establishments in England and Wales hadn't used any services or initiatives, 42% in Northern Ireland and 41% in Scotland.

There are large differences by establishment size, with just over half of those with very small workforces (between two and four people) not engaging with government support in any of the three areas compared to just one in ten of those with 250 or more staff (Figure 6.3).

Figure 6.3: Proportion of establishments not engaging with government support services relating to recruitment, skills and business support by size



Establishments not engaged with government support services in these three areas are more likely to be from the private sector, with 47% of private sector organisations not engaged compared to 34% of third sector and just 21% of public sector. Establishments in the agriculture, personal household goods, financial intermediation and hotels and restaurant sectors are particularly unlikely to engage in any services. Sectors dominated by public sector organisations are far less likely to have establishments with no engagement (see Table 6.2). Again this is at least partly driven by size, with public sector establishments likely to be larger and larger establishments more likely to be engaged.

Establishments not engaging with government services in any of the three areas tend to be more “stable” than those who are engaging, three quarters saying the number of staff at their establishment is broadly the same as it was a year ago (74% compared to 67% overall) and three quarters saying they expect it to remain the same (75% compared to 70%). They have fewer concerns about financial matters, with just 14% saying they are concerned about reduced funding or cash flow compared to 21% overall and 4% are concerned about having difficulties obtaining finance compared to 7% overall, and they are more likely to say they do not have any concerns in the coming year (19% compared to 15% overall).

In terms of their activities as an employer, those not engaging with government services in any of the three areas are less likely to train (39% have trained staff in the last 12 months compared to 60% overall), and less likely to have had vacancies (25% have compared to 44% overall) and therefore their demand for such services is understandably lower. Whilst they are less confident in knowing where to go for information, advice and more practical help regarding recruitment and skills, the majority still do say they are confident (86% and 76% confident for recruitment and skills respectively, compared to 89% and 81% of all establishments). This again suggests that the core of this group do not engage because they simply feel they don't need the external support offered. However there are two (overlapping) groups who are not confident of where to look for information or advice, yet are either recruiting or training: one per cent of all establishments fall into this group for recruitment, and three per cent for skills. These two groups represent possible targets for government support although, as discussed in previous chapters, the importance they place on such support and therefore their likely level of receptiveness to external support is varied at best.

6.3 Engagement with economic downturn-related services and initiatives

Along with a tightening of the labour market, the economic downturn saw many sectors hit by poor market conditions with reduced budgets and sales, and establishments found themselves having to make efficiency savings either as a pre-emptive measure or a forced one to survive the downturn. For many, this limited their ability to take on new staff, and also on occasion led to them having to make staff redundant.

In order to help employers survive the downturn whilst minimising the tightening of the labour market, governments across the UK introduced a range of schemes incentivising the employment of staff, encouraging training, and in the worst case scenario helping employers who were having to make redundancies. The main schemes relevant to the survey are:

- Young Person's Guarantee (including Graduate Talent Pool and Future Jobs Fund) (England, Scotland and Wales; Graduate Talent Pool also NI)
- Rapid Response Service (England, Scotland, and Wales)
- Backing Young Britain (England only)
- ScotAction (Scotland only)
- PACE (Scotland only)
- ProAct (Wales only)
- ReAct (Wales only)
- Skillsafe (Northern Ireland only)

Overall, over four in ten employers (42%) are aware of at least one of these services and two per cent have used at least one of them. This section will look at whether those most in need – who are reducing staff numbers or who have concerns about staying in business and financial / funding issues (such as lack of customer orders, obtaining finance etc) and the downturn – are aware of these services and whether they are making use of them.

Establishments who are decreasing in size are slightly more likely to be aware of any of the services aimed at addressing the downturn, with 47% aware of at least one. However they are no more likely than average to have used them; in fact it is the employers who are increasing in size who are more likely to have done so with six per cent reporting having done so. Given that a number of the schemes are aimed at encouraging recruitment it follows that the establishments using them may be increasing in size, as this may occur as a result of using the service. Looking specifically at the schemes aimed at helping employers faced with having to make redundancies however, establishments decreasing in size are more likely to have used these schemes (two per cent have done so), but they are no more likely to be aware of them (just ten per cent are aware of any redundancy scheme, compared to 11% overall).

Employers who say their main concern for the coming year is the threat of redundancy or reduced headcount are only slightly more likely to be aware of the redundancy services available to them, with 12% aware. Whilst not all of these employers will need to resort to redundancy, this evidence does suggest that there is a large group of employers at threat of having to make redundancies who are not aware of the support services that are on offer to them.

Those whose worries centre around staying in business / remaining a going concern are less likely to have used any of the services (one per cent) and also slightly less likely to be aware of them at 40% compared to 42% overall. These employers are no less confident as to where to go for advice and support, but it seems that they could benefit from more information about what is available as over half of them are not aware of the services set up to help them. Employers whose main concerns are financial⁵⁰ are no more or less likely to be aware of or be using the services than the employer population as a whole. It should be noted that these findings will be somewhat skewed by the fact that larger employers and those in either the public or third sector, are considerably more likely to have heard of and to have been engaged with these services while at the same time are less likely to cite financial worries or to remaining a going concern

⁵⁰ Employers who listed any of the following as among their main concerns: "Lack of customer orders/customers spending less", "Reduced funding / cashflow generally", "Increasing costs", "Difficulties obtaining finance", "Financial/economic climate/recession", "Increasing customer bad debts".

Table 6.3 SUMMARY: Awareness and use of services related to the downturn

	Aware of any services targeting the downturn %	Using any services targeting the downturn %	Wtd base	Unwtd base
All	42	2	1,774,876	14,390
Country*				
England	42	2	1,491,746	9,432
Scotland	46	1	139,915	1,981
Wales	44	2	83,720	1,987
Northern Ireland	25	6	59,495	990
Size				
2 – 4	37	1	931,960	2,102
5 – 9	42	2	391,793	1,995
10 – 24	47	3	261,884	3,077
25 – 49	52	4	101,183	2,625
50 – 249	58	7	76,106	3,204
250 & over	71	15	11,950	1,387
Sector				
Agriculture	26	*	94,845	336
Mining & quarrying	39	1	1,860	84
Manufacturing	45	1	110,171	1,083
Electricity, gas, etc	44	1	8,203	257
Construction	35	1	180,251	1,179
Personal household goods	36	1	378,884	2,240
Hotels & restaurants	39	2	159,718	1,376
Transport, etc	42	2	120,906	1,209
Financial intermediation	43	*	43,602	527
Business services	42	2	347,887	2,062
Public administration	63	8	22,475	699
Education	56	6	56,581	875
Health and social work	62	8	120,543	1,398
Other community services	51	4	128,950	1,065
Nature of ownership				
Public sector	59	6	125,354	2,140
Private sector	38	1	1,499,553	10,954
3 rd sector	62	10	134,650	1,171

**Note that cross-country comparison should be treated with caution as they are a product of the number of services prompted within each country*

6.4 Growing and shrinking employers: differences in views and behaviours

Two groups of employers are of particular interest: those who are growing their workforces and therefore providing future job opportunities and those who are reducing their workforces and are likely to be experiencing difficulties. The survey allows us to identify employers who have increased staff numbers over the past 12 months and plan to continue grow their workforce further over the next 12 months (growing employers) and those who have reduced staffing over the last 12 months and expect to reduce staff further over the next 12 months (shrinking employers). Whilst the survey did not gather information about the magnitude of changes to workforce numbers, the broad direction of change trends provide a useful indicator.

Firstly in this section we examine the characteristics of employers falling into these two groups then we go on to look at their behaviours. We are particularly interested in gauging whether government provided services and initiatives and services are reaching those who could benefit the most.

6.4.1. Growing employers

In total, 7% of establishments indicate that their staff numbers are on an upwards trajectory, that is, they have increased in the past 12 months and they expect them to increase further in the next 12 months. This section examines this group of establishments and their behaviour relating to engagement with government services. It is likely that with increasing staff levels they will have more need than the average for recruitment and training services, and the possibility that they are undergoing organisational change as part of the expansion could indicate an increased need for business support as well.

The number of establishments increasing in size is higher in England (7%) than in Scotland or Northern Ireland (both 6%) or Wales (5%). They are more likely to be larger establishments than the average (12% of those with 50 or more staff are increasing compared to 7% overall) and from the private (7%) or third (8%) sectors (in public sector just 3% are increasing staff numbers). Sectors most likely to be increasing in size are Transport, storage and communication (where 13% are increasing), Electricity, gas and water supply (12%), Manufacturing (10%) and Financial Intermediation (10%).

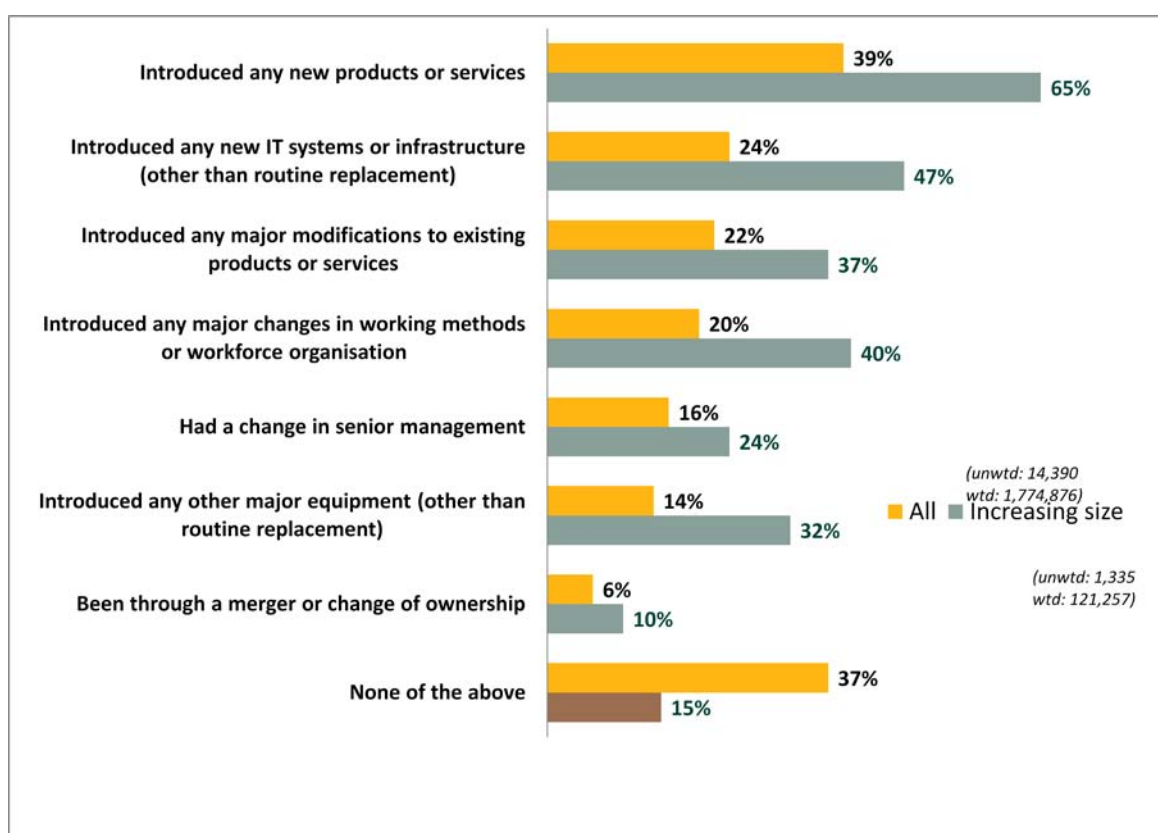
The wider the establishment's customer base, the more likely they are to be increasing in size with 14% of those with an international market increasing compared to just 4% of

those with a local market. This is not purely related to the size of the establishment (as established above larger establishments are more likely to be increasing in size and are more likely to serve wider markets); the relationship holds even when size is controlled for in the analysis.

Context of the increase

Establishments who are increasing in staff numbers are much more likely to report having gone through recent organisational change, with 85% reporting having done so compared to 63% of all establishments. Figure 6.4 shows the type of changes this group has experienced compared to the average.

Figure 6.4: Organisational change in establishments increasing staff numbers



Establishments increasing in size are more likely than average to have been through every type of change mentioned in the survey. Almost two thirds (65%) have introduced new products and services in the last year, and almost half (47%) have introduced new IT systems. This suggests that the establishments that are growing in size are dynamic employers who are actively making changes to increase the size of the business or organisation.

In terms of business challenges for the coming year, establishments who are growing are far more likely to say they don't see any particular challenges in the coming year (23% compared to 15% overall); of those that do anticipate challenges they are far more likely than average to cite finding suitably skilled workers (10% compared to four per cent overall) and the general challenge of expansion or growth (five per cent, compared to two per cent overall). By contrast, they are much less likely to be concerned about a lack of customer orders (17% vs. 26% overall), reduced funding or cashflow (16% vs. 21% overall) or staying in business (10% compared to 17% overall).

Engagement with government support – growing employers

Business services

Establishments increasing in size are more likely to have used business support services, with 50% reporting having done so compared to 38% overall. This could be related to the higher than average levels of organisational change experienced by these establishments as described above. In particular, they are more likely than average to use the Business Link website (34% compared to 23% overall), Invest Northern Ireland (32% compared to 18% of those within Northern Ireland overall), Business Gateway (33% compared to 16% of those within Scotland overall), and Scottish Enterprise (21% compared to 9% in Scotland overall).

Recruitment

In terms of recruitment channels, establishments in this group are slightly more likely to have used Jobcentre Plus to advertise their vacancies than the average (with 43% reporting having done so compared to 39% of those with vacancies overall), however they are more likely to have done so in conjunction with other services rather than using Jobcentre Plus alone. Similarly they are more likely than other establishments who have had vacancies to have used any of the other government recruitment services mentioned in the survey, with 19% having done so compared to 15% overall. They are particularly more likely to be using New Deal – in England, Scotland and Wales 16% are using Jobcentre Plus's New Deal compared to 11% overall and in Northern Ireland this figure is 52% compared to 24% overall⁵¹. Those increasing staff numbers in Northern Ireland are also more likely to use include Bridge to Employment (24% compared to 4% in Northern Ireland overall).

Establishments increasing in size rate the importance of government services to their recruitment slightly higher than the average, giving a mean rating of 3.5 out of 10, compared to an overall mean of 2.9.

Training

Establishments who are growing in size are much more likely to have arranged or funded training for staff, with 79% reporting having done so compared to 60% overall. Despite this, they are not much more likely to be training to vocational qualifications (48% compared to 45% overall), or any more confident on where to look for information about training and skills.

They are more likely to be engaged in the skills system with 35% having some involvement with some of the services, compared to 29% overall. They are actually *less* likely to be aware of their Sector Skills Council (SSC), with just 28% compared to 34% overall reporting having heard of them; however of those that are aware they are much *more* likely to have had dealings with them with 39% having done so in the last 12 months compared to 23% overall, a difference not fully explained by this group being more likely to train as among those who train the figure is still 11 percentage points higher (39% compared to 28%). This suggests that it is worth SSCs targeting businesses who are increasing in size as whilst current awareness is low, there is potential for the establishments to benefit from their SSC in helping them to develop their staff.

These establishments rate the importance of government services to their training as being slightly higher than the average, giving a mean of 3.8 compared to 3.4 overall.

⁵¹ NB Figures for Northern Ireland should be treated with some caution as the base is 43 employers.

6.4.2. Shrinking Employers

In contrast to growing employers, three per cent of employers are showing sustained shrinkage, that is, they have fewer staff now than they did a year previously, and expect to have fewer staff than now in a year's time. The differences by country are not large but employers in Northern Ireland are more likely to be shrinking (five per cent) than those in Scotland (four per cent), England (three per cent) or Wales (three per cent). As with establishments growing in size, it is larger establishments who are more likely to be shrinking with seven per cent of those with over 50 staff reporting they are shrinking compared to just three per cent of those with fewer than 50 staff.

Whereas it was private and third sector employers who were most likely to be growing in size, conversely it is public sector employers who are most likely to be shrinking, with six percent reporting they have fewer staff than last year and expect to have fewer next year; this compares to three per cent in the private sector and four per cent in the third sector. It follows that the sectors in which establishments are most likely to report that they are shrinking are those dominated by public sector employers, being primarily driven by the public administration sector (11% shrinking), with education also more likely than average (five per cent). Establishments involved in construction are also more likely to report they are shrinking (five per cent). There is no real difference based on the market the establishment is focused on (local, national, international etc), all falling within two and four percent.

Context of the decrease

Whilst shrinking employers are less likely than those growing to have undergone organisational change (as identified by the survey) in the previous year, they are still marginally more likely than average to have done so with two thirds (67%) having done so compared to 63% overall. This is mainly due to them being more likely to have had a change in senior management (24% compared to 16% overall), and over a third (34%) have introduced major changes in working methods or workforce organisation, possibly as a result of their downsizing. They are also slightly more likely than average to have introduced or modified products and services, but it is not clear whether this is the cause of or a reaction to their shrinking.

Shrinking employers have more concerns for the future than other employers with just two per cent saying they have no particular concerns compared to 15% overall. The concerns are most often financial ones; they are more likely to have concerns about lack of customer orders (31% compared to 26% overall), reduced funding and cash flow generally (30% compared to 21% overall), and staying in business / remaining a going concern generally (22% compared to 17% overall).

Engagement with government support – shrinking employers

Business services

Employers who are shrinking are more likely than average to engage with government provided business services, with 46% reporting having done so (compared to 38% overall). However this is driven by a greater propensity to be accredited with Investors in People (21% of shrinking employers are, compared to ten per cent overall), which in turn is likely to be driven by an increased propensity for shrinking employers to be larger employers from the public sector (the group most likely to be accredited with Investors in People overall).

Recruitment

Despite reducing the number of staff they had overall, a third of shrinking employers report that they have had vacancies in the past 12 months (33%), although unsurprisingly this figure is lower than the average of 44%. Those who have had vacancies in this group are less likely to have used Jobcentre Plus (27%, compared to 39% overall), and less likely to have used any of the other government recruitment initiatives (only four per cent have done so, compared to six per cent overall). However amongst those who have had vacancies, they are more likely to have used the Future Jobs Fund than other employers, with seven per cent reporting having done so compared to four per cent overall.

There is no discernable difference in the importance employers who are shrinking give to government support for recruitment, with a mean of 3.1 out of ten compared to 2.9 overall, and they are no more or less likely to be confident about where to go for information, support and advice on this area.

Training

Employers who are shrinking are more likely to arrange or fund training for their staff than other employers, with 65% having done so in the previous year. As mentioned in Chapter 5, this may be to enable remaining staff to perform the roles of those who have departed alongside their usual job role, or alternatively as a means of aiding retention amongst those left or as a benefit to the staff in the context of difficult wage conditions and pay freezes across many employers (and is also partly driven by the fact that shrinking employers tend to be larger establishments, and larger establishments are more likely to train). As such, shrinking employers are more likely to be engaged with government provided skills services (37% were, compared to 29% overall). They are slightly more likely to be aware of their SSC (39%, compared to 34% overall), and more likely to have had dealings with them (13% have had dealings in the past year compared to 8% overall).

Employers who are shrinking are more likely to say they are confident in where to go for information about training and skills, with 87% rating themselves as confident compared to 81% overall. They also give more importance to government skills services, giving a rating of 3.9 out of ten compared to 3.4 overall.

Table 6.4 SUMMARY: Employers growing and shrinking

	Growing %	Shrinking %	<i>Wtd base</i>	<i>Unwtd base</i>
All	7	3	1,774,876	14,390
Country				
England	7	3	1,491,746	9,432
Scotland	6	4	139,915	1,981
Wales	5	3	83,720	1,987
Northern Ireland	6	5	59,495	990
Size				
2 – 4	5	2	931,960	2,102
5 – 9	8	4	391,793	1,995
10 – 24	9	4	261,884	3,077
25 – 49	12	5	101,183	2,625
50 – 249	12	7	76,106	3,204
250 & over	12	12	11,950	1,387
Sector				
Agriculture	2	2	94,845	336
Mining & quarrying	*	1	1,860	84
Manufacturing	10	3	110,171	1,083
Electricity, gas, etc	12	4	8,203	257
Construction	5	5	180,251	1,179
Personal household goods	7	3	378,884	2,240
Hotels & restaurants	6	4	159,718	1,376
Transport, etc	13	2	120,906	1,209
Financial intermediation	10	2	43,602	527
Business services	8	3	347,887	2,062
Public administration	5	11	22,475	699
Education	6	5	56,581	875
Health and social work	6	2	120,543	1,398
Other community services	5	3	128,950	1,065
Nature of ownership				
Public sector	3	6	125,354	2,140
Private sector	7	3	1,499,553	10,954
3 rd sector	8	4	134,650	1,171

7 Conclusions

7.1 Overview

The 2010 Employer Perspectives Survey establishes employer understanding of, engagement with, and satisfaction with, a range of government provided support services. Within this report we have examined employer perspectives on three aspects of government provided support: business services; recruitment; and skills and training. We then looked across all three areas and considered some cross-cutting themes. In this final chapter we consider what broad conclusions can be drawn from the study and how the information collected could help inform policy makers.

7.2 Supporting employers

Government provides a range of generic and tailored business support services and initiatives aimed at aiding growth, raising productivity and supporting individuals within the labour market. At a time when public spending is under increased scrutiny, the Employer Perspective Survey provides an insight into the degree of employer engagement with these interventions and the extent to which they are providing useful support.

The survey found that employer views the role of Government in these areas is a little contradictory, in that:

- on the one hand, the majority of employers do not believe that the Government has an important role to play, such that
 - just over half (51%) think the Government's role in supporting employer recruitment is 'largely irrelevant' and only 4% that it is a 'key resource'. The average score, on a scale of one to ten is 2.9, indicating that, on the whole, employers believe that Government should have a limited role in supporting recruitment; and
 - 45% of employers thought that Government support for training and development was 'largely irrelevant' whereas only 7% thought that it was a 'key resource'. The average score of 3.4 again indicates that whilst employers place more importance on government support for training and development than they do for recruitment services, nevertheless, on the whole, employers believe that Government only has a limited role to play in supporting their training and development;

- on the other hand, a substantial proportion (40%) of UK employers have used some form of Government support in the areas of recruitment or skills over the last 12 months.

How do we interpret this seemingly conflicting data?

We have a significant proportion of employers who whilst believing that the Government does not have a significant role to play in providing support in these areas, nevertheless have actually engaged with the support services available. It is likely that these employers have expressed this view because they are not solely reliant on Government support services and use these services along with other means (either internal resources or services provided by other external organisations).

It is also possible that employers see the primary beneficiaries of some of these services as being their employees, rather than themselves as employers. For example, employers may provide their staff with the opportunity to work towards formal qualifications, not primarily to improve their skills (which could be improved by in-house or informal training) but to demonstrate to their staff that they are valued. This, in turn, could benefit the employers if it results in higher levels of staff satisfaction and motivation.

We then have the 44% of employers who have not accessed Government support of any kind (including general business support) over the last 12 months. This 'non-involvement' may be due to a variety of reason and, in the absence of any contradictory evidence one may assume that they are likely to be operating effectively (or are at least surviving) without it. These employers may have their own internal recruitment and workforce development practices that meet their needs, or belong to strong peer-to-peer networks that provide the required advice or support.

However, we must also consider the possibility that although some of these employers do not perceive the need for Government support services; this does not mean that they could not benefit from their use. High proportions of those who have not accessed support are small (with less than 10 employees) and operate within the private sector, in consumer services in particular. Many may be so-called 'lifestyle' businesses whose owners do not have ambitions to grow and have little perceived need for support. A key consideration is to encourage these businesses to develop a sense of ambition by effectively articulating the potential benefits of growth and the support available.

In terms of targeting limited resources to best effect however, it may be most beneficial to target support towards those with most potential and desire to grow. Service providers

may have greatest impact in terms of raising skills and productivity if they target businesses that are growing in size, who are not currently aware what support is available, but could benefit from that support.

7.3 Reaching the right audiences

The intelligence provided by the survey regarding who is most likely to access different types of services enables us to consider where greater use of signposting and collaboration could raise employer awareness of the different support services available. Rather than the gatekeepers of the different services and initiatives putting their efforts into reaching their respective hard-to-reach audiences, they could identify the services that these groups do access (some of which may not be provided by the government) and ensure their products and services are adequately signposted from respective websites and by advisors.

Across the UK, the service with the highest awareness and usage figures amongst private and third sector employers is the businesslink.gov.uk website (and the different brands in the devolved administrations).

The Government in England announced plans to improve the businesslink.gov.uk website in its White Paper *'Local Growth – releasing every place's potential'* which was published in October 2010. Plans involve improving links to services and advice provided by the private and voluntary sector and improving the targeting of support. The survey provides intelligence that could aid these developments:

- Overall the survey suggests there is scope to improve employer satisfaction with the businesslink.gov.uk website (and similar portals in the devolved nations), particularly in terms of improving the relevance of advice.
- Small businesses and public sector employers express a particular concern regarding the relevant advice provided through this channel, whilst for third sector organisations, a 'lack of advice on the required subject' is a particular problem.
- Some of the current dissatisfaction with the businesslink.gov.uk service is likely to reflect the generalist nature of the advice it provides. Employers tend to rate their satisfaction with industry and occupation specific recruitment and workforce development services more highly than generic services.

Given the above, there may be merit in placing more emphasis on, or greater signposting to, industry and occupation specific services (such as those provided by professional/industry specific recruitment agencies, trade media, Sector Skills Councils and National Skills Academies) on the businesslink.gov.uk website.

It may be necessary to explore alternative or complimentary ways of communicating the whole range of government support services and initiatives available to employers who are least likely to use the businesslink.gov.uk website (and similar portals in the devolved nations). Employers falling into this category include: public sector employers and employers from parts of the service sector.

7.4 Brand consistency

Awareness and use of different types of services and initiatives varies widely. In terms of awareness, unsurprisingly, organisations, services and initiatives that have been in existence for longer periods (such as Business Link, Investors in People, Scottish Enterprise and Highlands and Islands Enterprise) achieve the highest recognition rates along with initiatives that have been heavily promoted in recent years, such as Apprenticeships and Train to Gain. Increasing awareness of Sector Skills Councils over the six years since their inception is an illustration of the time taken to build brand awareness. Awareness and use of some newer services and initiatives, such as Job Centre Plus's Rapid Response Unit, is comparatively low.

In some cases, when the content or nature of services, initiatives or qualifications are amended or changed, there may be merit in retaining brand names rather than creating new identities, particularly if the brand is not viewed particularly negatively by employers and is well-established. This would not only reduce the costs involved in creating and promoting new brands, but is likely to reduce confusion amongst employers regarding what support is available and potentially make it easier to engage employers with initiatives that benefit from their input (such as designing vocational qualifications).

7.5 Benefits of Government support

Generally speaking, those who have used the services and initiatives covered by the survey are satisfied with their experience.

However, in the case of recruitment, the survey allows us to compare satisfaction with publically provided services (through JobCentre Plus) with privately provided and 'do-it-yourself' services and in doing so reveals higher satisfaction with the latter. In the case of JobCentre Plus, much of the dissatisfaction is driven by the perceived poor quality of job applicants. However, this is, in part, likely to be driven by one of the main reasons why Government intervenes to provide this service in the first place: to help those who are disadvantaged in the labour market, and hence to profile of service users.

Overall, across the spectrum, satisfaction appears to be greatest for the more narrowly defined services or initiatives than for more generic services. This is, in part, likely to reflect pre-conceived expectations and the extent to which expectations of services and initiatives were met.

Whilst the reasons for dissatisfaction with different types of services and initiatives vary considerably, in relation to the nature of the service being provided, two common complaints are the generic nature of services / courses resulting in them lacking relevance and, to a lesser extent, poor communication between service providers and their users. The latter potentially being an easy win in terms of improving employer engagement with services and therefore improving their impact.

7.6 Maximising the use of the survey

Within this report we have presented the main findings from the 2010 Employer Perspectives Survey. The scale and scope of the survey has resulted in wealth of valuable information that could be used to inform the decisions of a wide range of policy makers.

In recognition of the value of the survey, the UK Commission will provide partner organisations access to the survey data. To register your interest in accessing the data, please e-mail employersurveys@ukces.org.uk.

Appendix A: Technical report

This section provides detail on the key aspects of the survey methodology used for the Employer Perspectives Survey 2010.

Sample design

The sampling design took into account nation, establishment size and Standard Industrial Classification (SIC) code sector, with minimum targets set to ensure a representative sample in each Sector Skills Council (SSC) sector as well. Quotas were set using the following approach to ensure – as far as possible - enough interviews in each subgroup to allow for robust analysis.

- An initial sample size of 13,500 interviews was set, which consisted of 9,500 interviews in England, 2,000 in Scotland, 1,000 in Wales and 1,000 in Northern Ireland.
- Sector targets were set at a UK level on the initial 13,500 interviews as follows: half of the 13,500 were split evenly by sector, and the other half split proportionately representative to the percentage of establishments in each sector in the UK, as defined by ONS's Inter-Departmental Business Register (IDBR) database. Definitions of the 14 sector groups are shown below.
- Targets within each sector were then split over 7 sizebands.
 - There was a set target of 150 interviews with establishments with just 1 employee
 - Targets for the remaining 6 sizebands were set within sector proportionately, based on IDBR counts for that sizeband within that sector.
- Targets were also set for country within sector. The country targets were as described above, and these were split proportionately between sectors based on IDBR counts.
- A minimum target of 400 interviews was set for each SSC sector; this did not interlock with any of the other quotas. Where the population of establishments was not large enough to meet this target (Energy and Utility Skills and Skills for Justice), a quasi-census approach was adopted i.e. all records for that SSC sector were called and managed in such a way as to maximise response in that area.

- Wales then boosted their sample by an extra 1,000 interviews focused in 10 of the 14 SIC sectors, bringing the total up to 14,500 interviews. These extra interviews were split between the ten SIC sectors proportionately representative to the population of establishments in Wales in each sector.
- As a final stage in the quota setting process, targets were compared to the available sample, and where sufficient sample was not available to allow a chance of hitting the targets adjustments were made, keeping overall targets as close as possible to their original figures.

Sample source

Sample was drawn from the Experian database – the same source as provided sample for the previous 2007/08 survey and the various nation specific skills surveys that have been run over the past two years.

In some sectors “top up” sample was ordered direct from IDBR and telephone numbers sourced via UK Changes, a secure telematching service. This was for sectors where the coverage of the Experian database is not as complete as for others, and those which have few establishments in them to start with, to maximise coverage in these areas. The sectors affected by this were establishments covered by Skills for Justice, Energy and Utility Skills and public sector organisations that would previously have been covered by Government Skills when it was a Sector Skills Council.

Establishment-based approach

An establishment-based approach has been adopted for the Employer Perspectives survey, since this is the level at which respondents are most likely to be able to provide a detailed and accurate picture of *day-to-day operational dealings with and experiences of skills, employment and Government support initiatives*. For example, apprentices will be recruited, trained and employed at a local level, even if the paperwork and the policy decision to engage is done / made elsewhere. So, it is quite possible that different sites or branches of larger organisations will have had different levels of interaction and differing experiences of “the system”.

Excluding the self-employed

The self-employed (with no employees) were excluded from the survey, because of the absence of robust population figures for this group, and since this would have necessitated a supplementary sample source (with a large proportion of the self-employed falling “below the radar” of both the IDBR and Experian’s business database). The question approach / context for this group would have also needed to be different, since they are by definition not “employers”

SSC classification

At the time of the survey, the SIC footprints of the Sector Skills Councils were undergoing a period of change. Definitions were being updated to reflect changes in the number of SSCs and the 2007 update to the SIC classification system. Establishments in this survey were allocated to an SSC based on where their 2007 SIC codes and revised SSC footprints. The full list SSC SIC 2007 codes can be found in Appendix C.

The survey had to overcome two challenges when asking establishments about their own SSC: a) that it might change during survey fieldwork and b) that if the establishment disagreed with the SIC allocated to it on the sample, the SSC allocated on the sample might also be inaccurate. The survey sought to overcome this challenge in the following manner:

- Establishments were allocated a Lead SSC on the sample, which was the SSC they were presumed to be covered by. They were asked directly in the survey whether they were aware of this specific SSC.

- Some establishments had a “Secondary SSC” allocated to them – these were establishments who were marked on the sample as having a SIC code for which the SSC was not clear cut and there was a possibility of change when the new definitions were finalised. These establishments were also asked directly about this secondary SSC.
- If the original SIC classification was inaccurate it is possible neither of these methods would pick up the SSC the establishment was covered by, so they were also asked on an unprompted basis where they might go to find information on training and skills (question E3), and any that mentioned an SSC were followed up with a check of which SSC this was.
- Follow up questions on usage and satisfaction were then asked of every SSC the establishment was aware of.

This maximised the number of establishments asked about their correct SSC. Discounting the 10% of establishments surveyed not covered at all by an SSC, 82% of those who are covered were asked about their correct SSC. 18% of employers covered by an SSC were not asked the questions regarding SSCs. This was primarily because they disagreed that their SIC definition (as coded within the Experian database) described the activity of their establishment and therefore were not allocated to an SSC during the live interview.

Questionnaire design

The questionnaire was designed by IFF Research in conjunction with the Project Steering Group. As discussed in the introduction, the 2010 survey was designed to partner a proposed UK-wide Employer Skills Survey, and as such a pilot questionnaire for this proposed survey was designed alongside the Employer Perspectives Survey questionnaire, to eliminate overlap and ensure the two surveys complimented each other to provide a full view of the skills environment. To this end, the Employer Perspectives Survey was designed to cover “outward facing” issues, that is, issues that involved external involvement, and the Skills Survey was anticipated to be “inward facing”, that is, covering issues internal to the organisation.

The Employer Perspectives Survey 2010 was designed with five previous surveys primarily in mind, and drew on experiences of others too. The five surveys most relevant were the 2007/08 Sector Skills Development Agency (SSDA) survey which was the direct precursor to this one, and the separate skills surveys used in each of the four nations of the UK. For each area covered by the previous surveys, questions from each survey were examined and used to feed into the design of the new questionnaire, in some cases by directly lifting the question and in others by combining aspects from the different surveys to create a new question.

The questionnaire was then piloted with 50 interviews being completed, and 10 of these being followed up with a cognitive interview to check understanding of the questions. The findings from the pilot then informed a few questionnaire amendments which were tested in a small-scale pilot before the main stage of fieldwork began.

The questionnaire is presented in Appendix E.

Survey fieldwork

A total of 14,390 interviews were completed at IFF's London based telephone centre, using computer aided telephone interviewing (CATI) technology. Fieldwork took place between 2nd June and 20th August 2010.

Interviews were conducted with the person at the site with most responsibility for staff issues such as training, recruitment or resourcing.

Weighting

Survey data was weighted and grossed to population figures of some 1.77 million establishments. These population estimates were derived from the 2009 Inter-Departmental Business Register (IDBR). Target weighting was adopted for the six size bands by the 14 SIC sectors within nation; a rim weight was then added to ensure a representative regional spread using the 9 English regions, 2 Scottish and 4 Welsh regions. In the case of instances where no interviews were conducted in cells where the IDBR indicated that establishments existed, or where a low number of interviews were conducted in relation to the population of that cell (which would have resulted in high relative weights being applied to these establishments), cells were merged. This was done within sector, i.e. by merging size bands.

To analyse data by SSC, the same approach was taken but SSCs replaced the 14 SIC sectors. It has been mentioned previously that the base for the SSC awareness and dealings was different to that of the overall population due to a small proportion of the sample not being asked about their own SSC. This data was examined both with the original SSC weight and with a revised weight applied to just the establishments asked about their own SSC; differences were found to be negligible and the decision was taken that the simplicity of keeping one weight for all data outweighed the very minor differences that would be found if the data for SSC awareness and dealings used this separate (third) weight.

Sampling error and statistical significance

Sampling error for the survey results overall and for key sub-groups by which analysis is presented in the report is shown in Table A.1. Figures have been based on a survey result of 50 per cent (the 'worst' case in terms of statistical reliability), and have used a 95 per cent confidence level. Where the table indicates that a survey result based on all respondents has a sampling error of +/- 0.35 per cent, this should be interpreted as follows: 'for a question asked of all respondents in this group where the survey result is 50 per cent, we are 95 per cent confident that the true figure lies within the range 49.65 per cent to 50.35 per cent'. As a note, the calculation of sampling error has taken into account the finite population correction factor to account for cases where we are measuring a significant portion of the population universe (i.e. even if two sample sizes are the same, the sampling error will be lower if in one case a far higher proportion of the population was covered).

Table A.1: Sampling error (at the 95% confidence level) associated with findings of 50 per cent

	Number of interviews	Population	(Maximum) Sampling Error
Overall	14,390	1,774,876	+/- 0.8%
By country			
England	9,432	1,471,476	+/- 1.0%
Scotland	1,981	139,915	+/- 2.2%
Wales	1,987	83,720	+/- 2.2%
Northern Ireland	990	59,495	+/- 3.1%
By size of establishment			
2-4	2,102	931,960	+/-2.1%
5-9	1,995	391,793	+/-2.2%
10-24	3,077	261,884	+/-1.8%
25-49	2,625	101,183	+/-1.9%
50-249	3,204	76,106	+/-1.7%
250+	1,387	11,950	+/-2.5%
By sector			
Agriculture	336	94,845	+/-5.3
Mining & quarrying	84	1,860	+/-10.5
Manufacturing	1,083	110,171	+/-3.0
Electricity, gas, etc	257	8,203	+/-6.0
Construction	1,179	180,251	+/-2.8
Personal household goods	2,240	378,884	+/-2.1
Hotels & restaurants	1,376	159,718	+/-2.6
Transport, etc	1,209	120,906	+/-2.8
Financial intermediation	527	43,602	+/-4.2
Business services	2,062	347,887	+/-2.2
Public administration	699	22,475	+/-3.7
Education	875	56,581	+/-3.3
Health and social work	1,398	120,543	+/-2.6
Other community services	1,065	128,950	+/-3.0
By Nature of Ownership			
Public sector	2,140	125,354	+/-2.1
Private sector	10,954	1,499,553	+/-0.9
Third sector	1,171	134,650	+/-2.9

Appendix B: Industry coding

Each establishment was allocated to one of 14 sectors, based on their Standard Industrial Classification (SIC). SIC 2007 was used to classify establishments using the following method. Using the four- and sometimes five-digit Standard Industrial Classification (SIC) supplied for each record from the Experian database, a description of business activity was read out to each respondent. If they agreed that this description matched the main activity undertaken at the establishment, then the SIC on Experian's database was assumed to be correct. If however the respondent felt the description did not correspond to their main business activity at the site, a verbatim response was collected to find out what they do (see question A5 on the survey; questionnaire shown in Appendix C). At the analysis stage this was coded to a four-digit SIC which was then used as the basis for allocation into sector.

Table B.1 shows the 14 sectors and their corresponding SIC 2007 definitions.

Table B.1: Definitions of the 14 SIC Sectors

Sector	SIC 2007
1. Agriculture, Hunting and forestry, fishing	A - Agriculture, forestry and fishing (01-03)
2. Mining & Quarrying	B - Mining and quarrying (05-09)
3. Manufacturing	C - Manufacturing (10-33)
4. Electricity, gas and water supply	D - Electricity, gas, steam and air conditioning supply (35) E - Water supply, sewerage, waste management and remediation activities (36-39)
5. Construction	F - Construction (41-43)
6. Personal household goods	G - Wholesale and retail trade; repair of motor vehicles and motor cycles (45-47)
7. Hotels and restaurants	I - Accommodation and food service activities (55-56)
8. Transport, storage and communication	H - Transport and storage (49-53) J - Information and communication (58-63)
9. Financial intermediation	K - Financial and insurance activities (64-66)
10. Real estate, renting and business activities	L - Real estate activities (68) M - Professional, scientific and technical activities (69-75) N - Administrative and support service activities (77-82)
11. Public admin, defence, compulsory social security	O - Public administration and defence; compulsory social security (84)
12. Education	P - Education (85)
13. Health and Social work	Q - Human health and social work activities (86-88)
14. Other community, social and personal service activities	R - Arts, entertainment and recreation (90-93) S - Other service activities (94-96)

Sector	SIC 2007
<i>NOT COVERED</i>	<p>T - Activities of households as employers; undifferentiated goods and services producing activities of households for own use (97-98)</p> <p>U - Activities of extraterritorial organisations and bodies (99)</p>

Appendix C: List of Sector Skills Councils

There are currently twenty-three SSCs, covering about 85 per cent of the UK workforce. SSCs are licensed by the Government through the UK Commission for Employment and Skills (UKCES). Most SSCs were originally licensed between 2004 and 2005.

Asset Skills

Sector Coverage: Property, housing, cleaning services, parking and facilities management

Visit their website at: <http://www.assetskills.org/>

Cogent

Sector Coverage: Bioscience, Chemical, nuclear, oil and gas, petroleum and polymer industries

Visit their website at: <http://www.cogent-ssc.com/>

ConstructionSkills

Sector Coverage: Construction

Visit their website at: <http://www.cskills.org/>

Creative & Cultural Skills

Sector Coverage: Craft, cultural heritage, design, literature, music, visual and performing arts.

Visit their website at: <http://www.ccskills.org.uk/>

e-skills UK

Sector Coverage: Information technology and telecommunications

Visit their website at: <http://www.e-skills.com/>

Energy & Utility Skills

Sector Coverage: Electricity, gas, waste management and water industries

Visit their website at: <http://www.euskills.co.uk/>

Financial Services Skills Council

Sector Coverage: Financial services, finance and accounting sectors

Visit their website at: <http://www.fssc.org.uk/>

GoSkills

Sector Coverage: Passenger transport

Visit their website at: <http://www.goskills.org/>

Improve Ltd

Sector Coverage: Food and drink manufacturing and processing

Visit their website at: <http://www.improveltd.co.uk/>

Institute of the Motor Industry

Sector Coverage: The retail motor industry

Visit their website at: <http://www.motor.org.uk/>

Lantra

Sector Coverage: Environmental and land-based industries

Visit their website at: <http://www.lantra.co.uk/>

Lifelong Learning UK

Sector Coverage: Career guidance, community learning and development, further education, higher education, libraries, archives and information services, work-based learning

Visit their website at: <http://www.lluk.org/>

People 1st

Sector Coverage: Hospitality, leisure, travel and tourism

Visit their website at: <http://www.people1st.co.uk/>

Proskills UK

Sector Coverage: Process and manufacturing industry

Visit their website at: <http://www.proskills.co.uk/>

SEMTA

Sector Coverage: Science, engineering and manufacturing technologies (including Composites)

Visit their website at: <http://www.semta.org.uk/>

Skills for Care and Development

Sector Coverage: Early years, children and young people's services, and social work and social care for adults and children

Visit their website at: <http://www.skillsforcareanddevelopment.org.uk>

Skills for Health

Sector Coverage: The health sector across the UK

Visit their website at: <http://www.skillsforhealth.org.uk/>

Skills for Justice

Sector Coverage: Community safety; courts, tribunals and prosecution; custodial care; fire and rescue; forensic science; law enforcement; offender management and support; policing; victim, survivor and witness support; youth justice and the children's workforce. Legal services joined the footprint in 2010/11.

Visit their website at: <http://www.skillsforjustice.com>

Skills for Logistics

Sector Coverage: Freight logistics industry and Wholesale

Visit their website at: <http://www.skillsforlogistics.org>

SkillsActive

Sector Coverage: Active Leisure, Learning and Well-Being

Visit their website at: <http://www.skillsactive.com/>

Skillset

Sector Coverage: Broadcast, film, video, interactive media, photo imaging, publishing and advertising. Fashion and Textiles (from 1 April 2010).

Visit their website at: <http://www.skillset.org/>

Skillsmart Retail

Sector Coverage: Retail

Visit their website at: <http://www.skillsmartretail.com>

SummitSkills

Sector Coverage: Building services, engineering

Visit their website at: <http://www.summitskills.org.uk/>

Table C.1: SSC SIC07 definitions

SSC	SIC 2007 codes covered
ASSET SKILLS	55.90, 68.10, 68.20, 68.31, 68.32, 77.33, 81.10, 81.21, 81.22, 81.29
COGENT	06.10, 06.20, 09.10, 19.10, 19.20, 20.11, 20.12, 20.13, 20.14, 20.15, 20.16, 20.17, 20.20, 20.41, 20.42, 20.51, 20.52, 20.53, 20.59, 21.10, 21.20, 22.19, 22.21, 22.22, 22.23, 22.29, 24.46, 47.30, 82.92
CONSTRUCTIONSKILLS	41.10, 41.20, 42.11, 42.12, 42.13, 42.21, 42.22, 42.91, 42.99, 43.11, 43.12, 43.13, 43.29, 43.31, 43.32, 43.33, 43.34, 43.39, 43.91, 43.99, 71.11, 71.12* *71.12 is shared with Semta however the code was allocated to Construction Skills for this survey as it has the larger share of establishments (71.12/2 & 71.12/9) **Construction Skills also includes 74.90/2 however the majority of establishments in this SIC codes at 4 digits (74.90) are not covered by an SSC so the 4-digit code was not allocated for the survey.
CREATIVE AND CULTURAL	18.20*, 32.12, 32.13, 32.20, 59.20, 74.10, 85.52, 90.01, 90.02, 90.03, 90.04, 91.02, 91.03 *18.20 is shared with Skillset and e-Skills, however the code was allocated to Creative and Cultural for the survey as it has the largest share of establishments (18.20/1)
ENERGY & UTILITY SKILLS	35.11, 35.12, 35.13, 35.14, 35.21, 35.22, 35.23, 36.00, 37.00, 38.11, 38.12, 38.21, 38.22, 38.31, 38.32, 39.00, 49.50
E-SKILLS UK	58.21, 58.29, 61.10, 61.20, 61.30, 61.90, 62.01, 62.02, 62.03, 62.09, 63.11, 63.12, 95.11, 95.12 *E-skills also includes 18.20/3, however the 4-digit code 18.20 was allocated to Creative and Cultural Skills for the survey as it has the larger share of establishments.
FINANCIAL SERVICES	64.11, 64.19, 64.30, 64.91, 64.92, 64.99, 65.11, 65.12, 65.20, 65.30, 66.11, 66.12, 66.19, 66.21, 66.22, 66.29, 66.30, 69.20 *Financial Services also includes 64.20/5 & 70.22/1 however the majority of establishments in these SIC codes at 4 digits (64.20 & 70.22) are not covered by an SSC so the 4-digit code was not allocated for the survey.
GOSKILLS	49.10, 49.31, 49.32, 49.39, 50.30, 51.10, 52.23, 85.53 *GoSkills also includes 52.21/2 & 52.21/3, however the 4-digit code 52.21 was allocated to Automotive Skills/IMI for the survey as it has the larger share of establishments.
GOVERNMENT SKILLS	82.99, 84.11, 84.12, 84.13, 84.21, 84.22, 84.30
IMPROVE	10.11, 10.12, 10.13, 10.20, 10.31, 10.32, 10.39, 10.41, 10.42, 10.51, 10.52, 10.61, 10.62, 10.71, 10.72, 10.73, 10.81, 10.82, 10.83, 10.84, 10.85, 10.86, 10.89, 10.91, 10.92, 11.01, 11.02, 11.03, 11.04, 11.05, 11.06, 11.07, 46.38
INSTITUTE OF THE MOTOR INDUSTRY	45.11, 45.19, 45.20, 45.31, 45.32, 45.40, 52.21*, 77.11, 77.12 *52.21 is shared with GoSkills and Skills for Logistics, however the code was allocated to Automotive Skills for the survey as it has the largest share of establishments (52.21/9)

SSC	SIC 2007 codes covered
LANTRA	01.11, 01.12, 01.13, 01.14, 01.15, 01.16, 01.19, 01.21, 01.22, 01.23, 01.24, 01.25, 01.26, 01.27, 01.28, 01.29, 01.30, 01.41, 01.42, 01.43, 01.44, 01.45, 01.46, 01.47, 01.49, 01.50, 01.61, 01.62, 01.63, 01.64, 01.70, 02.10, 02.20, 02.30, 02.40, 03.12, 03.21, 03.22, 46.61, 47.76, 75.00, 77.31, 81.30, 91.04 *Lantra also includes 64.20/1 & 74.90/1 however the majority of establishments in these SIC codes at 4 digits (64.20 & 74.90) are not covered by an SSC so the 4-digit codes were not allocated for the survey. *Lantra covers 93.19/1 however 93.19 was included with SkillsActive for the survey.
LIFELONG LEARNING UK	85.31, 85.32, 85.41, 85.42, 85.59, 85.60, 91.01
PEOPLE 1ST	55.10, 55.20, 56.10, 56.21, 56.29, 56.30, 79.11, 79.12, 79.90, 82.30, 92.00, 93.21
PROSKILLS	05.10, 05.20, 07.10, 07.21, 07.29, 08.11, 08.12, 08.91, 08.92, 08.93, 08.99, 09.90, 13.92*, 16.10, 16.21, 16.22, 16.23, 16.24, 16.29, 17.11, 17.12, 17.21, 17.22, 17.23, 17.24, 17.29, 18.11, 18.12, 18.13, 18.14, 20.30, 23.11, 23.12, 23.13, 23.14, 23.19, 23.20, 23.31, 23.32, 23.41, 23.42, 23.43, 23.44, 23.49, 23.51, 23.52, 23.61, 23.62, 23.63, 23.64, 23.65, 23.69, 23.70, 23.91, 23.99, 31.01, 31.02, 31.03, 31.09, 95.24 *13.92 is shared with Skillset, however was allocated to Proskills for the survey as it has the larger share (13.92/1)
SEMTA	22.11, 24.10, 24.20, 24.31, 24.32, 24.33, 24.34, 24.41, 24.42, 24.43, 24.44, 24.45, 24.51, 24.52, 24.53, 24.54, 25.11, 25.12, 25.21, 25.29, 25.30, 25.40, 25.50, 25.61, 25.62, 25.71, 25.72, 25.73, 25.91, 25.92, 25.93, 25.94, 25.99, 26.11, 26.12, 26.20, 26.30, 26.40, 26.51, 26.52, 26.60, 26.70, 26.80, 27.11, 27.12, 27.20, 27.31, 27.32, 27.33, 27.40, 27.51, 27.52, 27.90, 28.11, 28.12, 28.13, 28.14, 28.15, 28.21, 28.22, 28.23, 28.24, 28.25, 28.29, 28.30, 28.41, 28.49, 28.91, 28.92, 28.93, 28.94, 28.95, 28.96, 28.99, 29.10, 29.20*, 29.31, 29.32, 30.11, 30.12, 30.20, 30.30, 30.40, 30.91, 30.92, 30.99, 33.10, 33.11, 33.12, 33.13, 33.14, 33.15, 33.16, 33.17, 33.19, 33.20, 46.72, 71.20, 72.10, 72.11, 72.19 * 29.20 is shared with SkillsActive, however the code was allocated to SEMTA for the survey as it has the largest share of establishments (29.20/1 & 29.20/2) **Semta also includes 71.12/1; however the 4-digit code 71.12 was allocated to Construction Skills for the survey as it has the larger share of establishments.
SKILLS FOR CARE AND DEVELOPMENT	85.10, 87.10, 87.20, 87.30, 87.90, 88.10, 88.91, 88.99
SKILLS FOR HEALTH	86.10, 86.21, 86.22, 86.23, 86.90
SKILLS FOR JUSTICE	84.23, 84.24, 84.25
SKILLS FOR LOGISTICS	46.11, 46.12, 46.13, 46.14, 46.15, 46.17, 46.18, 46.19, 46.21, 46.22, 46.23, 46.31, 46.32, 46.33, 46.34, 46.35, 46.36, 46.37, 46.39, 46.43, 46.44, 46.45, 46.46, 46.47, 46.48, 46.49, 46.51, 46.52, 46.62, 46.63, 46.64, 46.65, 46.66, 46.69, 46.71, 46.73, 46.74, 46.75, 46.76, 46.77, 46.90, 49.20, 49.41, 49.42, 50.20, 50.40, 52.10, 52.22, 52.24, 52.29, 53.10, 53.20 *Skills for Logistics also includes 52.21/1, however the 4-digit code 52.21 was allocated to Automotive Skills/IMI for the survey as it has the larger share of establishments.
SKILLSACTIVE	32.30, 55.30, 77.21, 85.51, 93.11, 93.12, 93.13, 93.19*, 93.29 *93.19 is shared with Lantra but was included with SkillActive (which covers 93.19/9) for the survey. ** SkillActive also includes 29.20/3; however the 4-digit code 29.20 was allocated to Semta for this survey as it has the larger share of establishments.

SSC	SIC 2007 codes covered
SKILLSET	<p>13.10, 13.20, 13.30, 13.91, 13.93, 13.94, 13.95, 13.96, 13.99, 14.11, 14.12, 14.13, 14.14, 14.19, 14.20, 14.31, 14.39, 15.11, 15.12, 15.20, 20.60, 46.16, 46.24, 46.41, 46.42, 58.11, 58.12, 58.13, 58.14, 58.19, 59.11, 59.12, 59.13, 59.14, 60.10, 60.20, 63.91, 63.99, 73.10, 73.11, 73.12, 74.20, 95.23, 96.01</p> <p>*Skillset also covers 13.92/2 & 13.92/3 however these were included with Proskills who share the larger portion of the SIC code at 4 digits.</p> <p>** Skillset also includes 18.20/2, however the 4-digit code 18.20 was allocated to Creative and Cultural Skills for the survey as it has the larger share of establishments.</p>
SKILLSMART RETAIL	<p>47.11, 47.19, 47.21, 47.22, 47.23, 47.24, 47.25, 47.26, 47.29, 47.41, 47.42, 47.43, 47.51, 47.52, 47.53, 47.54, 47.59, 47.61, 47.62, 47.63, 47.64, 47.65, 47.71, 47.72, 47.73, 47.74, 47.75, 47.77, 47.78, 47.79, 47.81, 47.82, 47.89, 47.91, 47.99, 77.22, 77.29, 82.20, 96.03</p>
SUMMITSKILLS	35.30, 43.21, 43.22, 95.21
Not Covered	<p>03.11, 12.00, 32.11, 32.40, 32.50, 32.91, 32.99, 50.10, 51.22, 64.20, 69.10, 70.10, 70.21, 70.22, 72.20, 73.20, 74.30, 74.90, 77.32, 77.34, 77.35, 77.39, 77.40, 78.10, 78.20, 78.30, 80.10, 80.20, 80.30, 82.11, 82.19, 82.91, 85.20, 94.11, 94.12, 94.20, 94.91, 94.92, 94.99, 95.22, 95.25, 95.29, 96.02, 96.04, 96.09, 97.00, 98.10, 98.20, 99.00</p>

Appendix D: Additional SSC based tables

Table D.1: Incidence of vacancies in the last 12 months

	Yes %	No %	<i>Wtd base</i>	<i>Unwtd base</i>
All	44	56	1,774,876	14,390
Asset Skills	50	49	83,118	433
Cogent	53	47	15,330	211
Construction Skills	26	74	172,445	1,334
Creative & Cultural Skills	40	60	22,618	295
Energy & Utility Skills	53	47	8,204	244
e-Skills UK	45	55	54,183	286
Financial Services	45	55	63,973	563
GoSkills	47	53	12,707	244
Improve	58	42	9,763	222
Institute of the Motor Industry	40	60	59,078	409
Lantra	28	71	118,592	603
Lifelong Learning UK	57	43	27,381	936
People 1 st	54	46	179,658	1,424
Proskills UK	31	69	33,872	357
Semta	42	58	54,172	447
Skills for Care	63	36	77,432	913
Skills for Health	49	51	46,796	538
Skills for Justice	61	38	6,568	198
Skills for Logistics	41	59	119,477	1,019
SkillsActive	52	48	23,367	385
Skillset	39	61	41,212	382
SkillsSmart Retail	51	49	228,802	1,243
SummitSkills	25	75	44,244	306
NOT COVERED	46	53	271,884	1,398

Table D.2: Importance of government's role in supporting recruitment (prompted)

	1-3	4-5	6-7	8-10	Don't know	Mean	Wtd base	Unwtd base
All	68	14	7	9	2	2.9	1,774,876	14,390
Asset Skills	61	16	7	13	3	3.3	83,118	433
Cogent	70	18	7	3	3	2.5	15,330	211
Construction Skills	76	14	3	5	2	2.4	172,445	1,334
Creative & Cultural Skills	79	9	4	7	0	2.5	22,618	295
Energy & Utility Skills	71	15	6	6	2	2.6	8,204	244
e-Skills UK	74	16	4	7	0	2.7	54,183	286
Financial Services	68	16	9	2	5	2.6	63,973	563
GoSkills	72	12	3	10	4	2.6	12,707	244
Improve	64	16	7	12	1	3.1	9,763	222
Institute of the Motor Industry	65	13	8	14	1	3.2	59,078	409
Lantra	81	9	4	5	2	2.2	118,592	603
Lifelong Learning UK	51	13	9	23	4	4.2	27,381	936
People 1 st	68	16	6	7	2	2.7	179,658	1,424
Proskills UK	71	19	4	6	0	2.7	33,872	357
Semta	75	7	9	6	3	2.7	54,172	447
Skills for Care	50	18	10	18	4	4.1	77,432	913
Skills for Health	55	26	9	7	3	3.3	46,796	538
Skills for Justice	37	7	9	38	10	5.6	6,568	198
Skills for Logistics	69	14	7	8	2	2.8	119,477	1,019
SkillsActive	61	17	7	12	3	3.3	23,367	385
Skillset	67	13	10	8	2	2.9	41,212	382
Skillsmart Retail	66	15	7	8	3	2.8	228,802	1,243
SummitSkills	64	18	8	9	1	3.1	44,244	306
NOT COVERED	65	16	7	10	2	3.1	271,884	1,398

Table D.3: Incidence of training in the last 12 months

	Train on the job	Train off the job	Train on and off the job	TRAIN	Do not train	Wtd base	Unwtd base
All	50	43	33	60	40	1,774,876	14,390
Asset Skills	51	46	32	65	35	83,118	433
Cogent	52	47	35	64	36	15,330	211
Construction Skills	41	40	27	54	46	172,445	1,334
Creative & Cultural Skills	44	27	19	52	48	22,618	295
Energy & Utility Skills	65	54	47	72	28	8,204	244
e-Skills UK	50	46	36	60	40	54,183	286
Financial Services	59	50	41	58	32	63,973	563
GoSkills	44	33	25	51	49	12,707	244
Improve	61	54	46	70	30	9,763	222
Institute of the Motor Industry	45	41	28	58	42	59,078	409
Lantra	35	33	20	47	53	118,592	603
Lifelong Learning UK	80	70	64	87	13	27,381	936
People 1 st	51	34	27	57	43	179,658	1,424
Proskills UK	56	41	34	62	38	33,872	357
Semta	53	58	38	73	27	54,172	447
Skills for Care	77	71	62	86	14	77,432	913
Skills for Health	73	47	45	75	25	46,796	538
Skills for Justice	74	70	55	90	10	6,568	198
Skills for Logistics	46	36	27	54	46	119,477	1,019
SkillsActive	60	50	40	70	30	23,367	385
Skillset	43	37	26	53	47	41,212	382
Skillsmart Retail	46	40	28	57	43	228,802	1,243
SummitSkills	40	52	27	64	36	44,244	306
NOT COVERED	61	53	45	69	31	271,884	1,398

Table D.4: Incidence of providing training designed to lead to a vocational qualification

	Yes - % of all	Wtd base	Unwtd base	Yes - % of all who train	Wtd base	Unwtd base
All	27	1,774,876	14,390	46	1,072,283	11,568
Asset Skills	34	83,118	433	52	54,147	355
Cogent	20	15,330	211	31	9,846	163
Construction Skills	29	172,445	1,334	53	93,252	1,051
Creative & Cultural Skills	11	22,618	295	21	11,765	229
Energy & Utility Skills	38	8,204	244	53	5,882	187
e-Skills UK	15	54,183	286	25	32,556	243
Financial Services	29	63,973	563	43	43,532	475
GoSkills	27	12,707	244	52	6,516	179
Improve	31	9,763	222	45	6,786	181
Institute of the Motor Industry	23	59,078	409	40	34,221	312
Lantra	16	118,592	603	35	55,420	403
Lifelong Learning UK	50	27,381	936	57	23,741	861
People 1 st	24	179,658	1,424	42	102,540	1,079
Proskills UK	27	33,872	357	44	21,102	256
Semta	34	54,172	447	47	39,466	389
Skills for Care	60	77,432	913	70	66,421	843
Skills for Health	55	46,796	538	73	34,965	491
Skills for Justice	69	6,568	198	77	5,914	177
Skills for Logistics	21	119,477	1,019	38	64,813	733
SkillsActive	38	23,367	385	53	16,437	301
Skillset	9	41,212	382	17	21,826	289
Skillsmart Retail	25	228,802	1,243	44	129,562	932
SummitSkills	33	44,244	306	52	28,204	230
NOT COVERED	32	271,884	1,398	47	188,008	1,209

Table D.5: Importance of government's role in supporting training (prompted)

	1-3	4-5	6-7	8-10	Don't know	Mean	Wtd base	Unwtd base
All	61	15	8	14	2	3.4	1,774,876	14,390
Asset Skills	59	21	5	14	1	3.5	83,118	433
Cogent	65	19	5	8	3	2.8	15,330	211
Construction Skills	59	17	5	16	3	3.5	172,445	1,334
Creative & Cultural Skills	69	13	10	8	0	2.9	22,618	295
Energy & Utility Skills	62	16	10	11	1	3.3	8,204	244
e-Skills UK	61	16	9	14	1	3.4	54,183	286
Financial Services	70	16	8	4	2	2.7	63,973	563
GoSkills	71	14	5	9	1	2.7	12,707	244
Improve	50	28	13	9	0	3.6	9,763	222
Institute of the Motor Industry	49	20	8	24	0	4.2	59,078	409
Lantra	72	11	6	10	2	2.7	118,592	603
Lifelong Learning UK	34	22	10	30	4	5.2	27,381	936
People 1 st	63	19	7	9	2	3.0	179,658	1,424
Proskills UK	66	10	8	15	1	3.3	33,872	357
Semta	54	17	8	16	4	3.8	54,172	447
Skills for Care	31	18	12	35	4	5.5	77,432	913
Skills for Health	62	15	9	12	1	3.3	46,796	538
Skills for Justice	22	10	16	41	12	6.6	6,568	198
Skills for Logistics	66	14	7	10	2	3.1	119,477	1,019
SkillsActive	59	11	10	16	3	3.6	23,367	385
Skillset	66	12	10	13	0	3.3	41,212	382
Skillsmart Retail	68	12	7	8	4	2.8	228,802	1,243
SummitSkills	56	15	7	20	2	3.8	44,244	306
NOT COVERED	60	12	9	17	2	3.6	271,884	1,398

Appendix E: The questionnaire

Screenener

ASK TELEPHONIST

- S1 **Good morning / afternoon. My name is NAME and I'm calling from IFF Research. Can I just check, is this [COMPANY NAME FROM SAMPLE]?**

Yes – correct	1	CONTINUE
No – company name wrong	2	TAKE CORRECT COMPANY NAME AND CONTINUE
Hard appointment	3	MAKE APPOINTMENT
Soft appointment	4	
Refusal	5	CLOSE
Refusal – company policy	6	
Refusal – taken part in recent survey	7	
Residential Number	8	
Company closed	9	

ASK ALL

- S2 **Please can I speak to the person at this site who has most responsibility for staff issues such as training, recruitment or resourcing?**
IF NECESSARY: We need to speak to someone at this site rather than someone at another branch or office of your organisation. Could I speak to the person at this site who would have the best overview of human resource and personnel issues?

Yes – speaking	1	CONTINUE
Yes – transferred	2	CONTINUE
Hard appointment	3	MAKE APPOINTMENT
Soft appointment	4	
Refusal	5	CLOSE
Refusal – company policy	6	
Refusal – taken part in recent survey	7	
Not available during fieldwork period	8	
Nobody at site able to answer the questions	9	
Sole trader	10	
Residential number	11	
Company closed	12	

If S2=10

- S2CHK **Could I just check, do you own all or part of the business you work in?**

INTERVIEWER NOTE: IF THEY ARE THE ONLY PERSON AT THAT SITE BUT DO NOT OWN THE BUSINESS, THEY ARE ELIGIBLE FOR THIS SURVEY.

Yes, owns business	1	THANK & CLOSE
---------------------------	---	---------------

No, not an owner	2	CONTINUE TO S3 SHOW TEXT: In that case we are still keen to speak to you for this research.
-------------------------	----------	--

S3 IF TRANSFERRED: Good morning / afternoon, my name is NAME, calling from IFF Research, an independent market research company.

ALL: We're conducting a survey on behalf of the UK Commission for Employment and Skills and its partners such as [ENGLAND: the Department for Business, Innovation and Skills (BIS) WALES: the Welsh Assembly Government SCOTLAND: the Scottish Government NI: the Northern Ireland Assembly].

The survey aims to help the Government and support organisations for your industry to meet the skills, employment and business support needs of companies like yours. Your co-operation will ensure that the views expressed are representative of all employers in your industry.

Can I just check, are you the best person at this site to answer questions on this subject? Are you available to take part now?

INTERVIEWER NOTE: For this study, UKCES are also working in partnership with a number of publicly-funded providers of training and advice, such as Sector Skills Councils and Regional Development Agencies.

Continue	1	CONTINUE
Referred to someone else at establishment NAME_____	2	TRANSFER AND RE-INTRODUCE
JOB TITLE_____		
Hard appointment	3	MAKE APPOINTMENT
Soft appointment	4	
Refusal	5	THANK AND CLOSE
Refusal – company policy	6	
Refusal – taken part in recent survey	7	
Not available in deadline	8	

REASSURANCES TO USE IF NECESSARY

The interview will take around 20 minutes to complete.

Please note that all data will be reported in aggregate form and your answers will not be reported to our client in any way that would allow you to be identified.

If respondent wishes to confirm validity of survey or get more information about aims and objectives, they can call:

MRS: Market Research Society on 0500 396 999

IFF: Jessica Owens or Katie Gore: 0207 250 3035

UKCES: Genna Kik: 01709 774 831

ASK ALL WELSH (DMREG=4)

S4) Would you prefer the interview to be carried out in Welsh or English?

Welsh	1	AGREE CONVENIENT TIME FOR WELSH CALL BACK
English	2	CONTINUE

Section A – Firmographics and business challenges

ASK ALL

I would like to start by asking you some questions about your organisation and the site at which you work.

- A1 **How many staff work at this establishment? By that I mean both full-time and part-time employees on your payroll. Please also include yourself and any working proprietors, but exclude the self employed, non-employee trainers, outside contractor/agency staff and any employees under 16.**

PROBE FOR BEST ESTIMATE AND RECORD NUMBER

CLOSE IF DK/REF

CATI TO CODE RANGE AUTOMATICALLY AND CHECK QUOTA

1	1
2-4	2
5-9	3
10-24	4
25-49	5
50-249	6
250 or more	7

IF A1=1:

- A1A **And do you own all or any part of the organisation?**

Yes	1
No	2

IF A1>1:

- A1B **And how many of the people who work at this site own all or any part of the organisation?**

INTERVIEWER NOTE: IF THEY ARE PUBLIC SECTOR THIS WILL BE 0.

PROBE FOR BEST ESTIMATE AND RECORD NUMBER

CLOSE IF DK/REF

DUMSEG

DUMMY QUESTION TO DETERMINE SAMPLE SEGMENT

2+ EMPLOYEES OR 1+ WORKING PROPRIETORS AND 1 EMPLOYEE	1	A1>1 AND (A1 MINUS A1b > 0)
2+ WORKING PROPRIETORS 0 EMPLOYEES	2	A1>1 AND (A1 MINUS A1b = 0)
1 EMPLOYEE 0 WORKING PROPRIETORS	3	A1=1 AND A1a=2
1 WORKING PROPRIETOR 0 EMPLOYEES	4	A1=1 AND A1a=1

- A2 IF DUMSEG=4, THANK AND CLOSE
Is this establishment...?
 READ OUT. SINGLE CODE.

The only establishment in the organisation, or	1
One of a number of establishments within a larger organisation	2

IF MULTI-SITE ORGANISATION, SAY: **From now on, when I use the word “establishment”, I mean the site at which you work.**

- A3 ASK IF MULTI-SITE ORGANISATION (A2=2):
Can I just check, is this site...?
 READ OUT

A branch	1
A division / subsidiary	2
An area / regional office	3
The head office	4
A franchised organisation	5
DO NOT READ OUT Other (specify)	6
DO NOT READ OUT Don't know	X

THERE IS NO QUESTION A4

- ASK ALL
 A5 **I have [SIC DESCRIPTION ON SAMPLE] as a general classification for your establishment. Does this sound about right?**

Yes	1
No	2

- IF NO (A5=2):
 A6 **How would you describe the main business activity of this establishment?**
 PROBE FULLY:

What is the main product or service of this establishment?
What exactly is made or done at this establishment?
What material or machinery does that involve using?
Who does it sell its product/services to?

WRITE IN. MUST CODE TO 4-DIGIT SIC03 / SIC07.

ASK ALL

A7 **Would you classify your organisation as one ...? READ OUT. CODE ONE ONLY**

MAINLY seeking to make a profit	1
A charity or voluntary sector organisation or a social enterprise	2
A local-government financed body ADD IF NECESSARY: such as a school or a body delivering leisure, transport, social care, waste or environmental health services	3
A central government financed body ADD IF NECESSARY: such as the Civil Service, any part of the NHS, a college or university, the Armed Services, an Executive Agency or other non-departmental public bodies	4
DO NOT READ OUT: None of the above, other (specify)	5

THERE IS NO QUESTION A8

ASK ALL

I'd now like to ask a few questions to understand a little more about your establishment and the markets you operate in.

A9 IF PRIVATE SECTOR (A7=1): **Are your products or services primarily sold...?**
IF PUBLIC/THIRD SECTOR (A7=2-4): **Does your establishment primarily serve the population...?**
READ OUT. SINGLE CODE.

Locally – within an individual town or local area	1
Regionally – within a specific area of [England/Scotland/Wales/Northern Ireland]	2
Nationally – within [England/Scotland/Wales/Northern Ireland]	3
Within the UK	4
Internationally – outside the UK	5
DO NOT READ OUT: Don't know	X
DO NOT READ OUT: Not applicable	Y

A10 **What business challenges, if any, do you see your establishment facing in the next 12 months?**

DO NOT READ OUT; CODE ALL THAT APPLY. PROBE FULLY – IF SAY “RECESSION” PROBE WHAT SPECIFICALLY REFERRING TO

Reduced funding / cash flow generally	1
IF PRIVATE (A7=1): Staying in business / remaining a going concern	2
Increased competition	3
Lack of customer orders / customers spending less	4
Redundancies / reduced headcount	5
Finding suitably skilled workers	6
Increased regulation	7
Difficulties obtaining finance	8
Increasing customer bad debts	9
Other (specify)	10
No challenges	11
DO NOT READ OUT: Don't know	X

THERE IS NO QUESTION A11

ASK ALL

A12 **Over the past 12 months, has the number of people employed at this establishment...? READ OUT AND CODE ONE ONLY.**

Broadly remained the same,	1
Increased	2
Decreased	3
DO NOT READ OUT: Was not in business 12 months ago	4
DO NOT READ OUT: Don't know	X

THERE IS NO QUESTION A13

ASK ALL

A14 **And over the next 12 months, do you expect the number of people employed at this establishment to... ? READ OUT AND CODE ONE ONLY.**

Broadly remain the same,	1
Increase	2
Decrease?	3
DO NOT READ OUT: Do not expect to be in business in 12 months time	4
DO NOT READ OUT: Don't know	X

Section B – Business Strategy

- B1 **Is this establishment covered by any of the following?** READ OUT. CODE ALL THAT APPLY.

Business plan	1
Staff training plan	2
Training budget	3
DO NOT READ OUT: None of the above	4
DO NOT READ OUT: Don't know	X

IF MULTI-SITE ORGANISATION AND NOT HEAD OFFICE (A2=2 AND (NOT A3=4))

- B2 **And thinking about decisions relating to recruitment and training, would you say that they are...?** READ OUT. SINGLE CODE.

Taken solely by your establishment	1
Taken primarily at your establishment but head office has some input	2
Taken primarily at head office but your establishment has some input	3
Taken solely by head office	4
DO NOT READ OUT: Don't know	X

ASK ALL

- B3 **Over the past 12 months has this establishment...?** READ OUT. CODE ALL THAT APPLY

Introduced any new products or services	1
Introduced any major modifications to existing products or services	2
Introduced any new IT systems or infrastructure (other than routine replacement)	3
Introduced any other major equipment (other than routine replacement)	4
Introduced any major changes in working methods or workforce organisation	5
Had a change in senior management	6
Been through a merger or change of ownership	7
None of the above	8
DO NOT READ OUT: Don't know	X

- B4 **Thinking about your establishment's IT systems, where would you place your establishment on a scale of one to five where a score of one indicates that, compared to others in your industry, your IT systems and/or networks are well behind recent technological developments, and a score of five that, compared to others in your industry, your IT systems are state of the art**

1 – Well behind recent developments	1
2	2
3	3
4	4
5 – State of the art	5
Don't know	X

THERE IS NO QUESTION B5 OR B6

ASK ALL

- B7 **Thinking now about your [insert number of staff from A1] current staff, roughly how many of them are qualified to degree level or above – this includes those with HNDs, HNCs and Foundation Degrees as well as any postgraduate degrees.**

PROBE FOR BEST ESTIMATE

ENTER NUMBER – ALLOW 0 TO A1

ALLOW DON'T KNOW

IF NOT ALL STAFF HAVE DEGREE LEVEL QUAL (B7<A1 OR B7=DK)

- B8 **And roughly how many of your [TEXT SUB IF B7>0: remaining {insert total number of staff minus B7}] staff hold a Level 3 qualification – by this we mean qualifications such as A / AS Levels, NVQ Level 3, [EN/WL/NI GNVQ advanced / SC: SNVQ advanced], City & Guilds advanced craft, OND / ONC / BTEC national or equivalent level qualifications.**

PROBE FOR BEST ESTIMATE

ENTER NUMBER – ALLOW 0 TO (A1 MINUS B7)

ALLOW DON'T KNOW

Section C – Recruitment difficulties and responses

ASK ALL

- C1 **Have you had any vacancies for either full-time or part-time staff in the past 12 months, regardless of whether you managed to fill them or not?**

Yes	1
No	2
Don't know	X

IF YES (C1=1)

- C2 **How many?**

Less than 10	1
10-49	2
50 or more	3
Don't know	X

- C3 **What channels have you used in the last 12 months to try to fill vacancies?**

DO NOT READ OUT; PROMPT AS NECESSARY; CODE ALL THAT APPLY

<i>PUBLIC FREE</i>	
EN/SC/WL: Jobcentre Plus (Employer Direct/ Employer Direct Online)	1
NI: Jobcentre/Jobs and Benefits Office (including Employers Online)	
Government programmes and schemes (such as New Deal [NI: or Steps to Work])	2
<i>PRIVATE PAID FOR</i>	
National newspapers	3
Local newspapers	4
Trade press/ professional publications	5
High street recruitment agencies	6
Professional/ industry specific recruitment agencies (including head-hunters)	7
Specialist Online/ web-based recruitment agencies (i.e. organisations that only advertise its vacancies online and has no presence other than its online presence. Includes online CV banks and online job boards)	8
<i>PRIVATE FREE</i>	
Word of mouth/ personal recommendation	9
Internal notices (notice boards/ intranet)	10
Own website	11
Job fairs/ graduate fairs	12
Notice boards/ shop windows	13
Other (SPECIFY)	14
DO NOT READ OUT: Don't know	X

IF NOT MENTIONED JCP (C3≠1)

- C4 **PROMPT: Did you use [EN/SC/WL: Jobcentre Plus NI: Jobcentre/Jobs and Benefits Office] to try to fill any of these vacancies?**

Yes	1
No	2
Don't know	X

IF NOT USED JCP (C4=2)

- C5 **Is there any particular reason why have you not used [EN/SC/WL: Jobcentre Plus NI: Jobcentre/Jobs and Benefits Office]?**
DO NOT READ OUT; CODE ALL THAT APPLY

Previous bad experience	1
No need – other methods were successful	2
[EN/SC/WL: Jobcentre Plus NI: Jobcentre/Jobs and Benefits Office] does not provide suitable applicants for our industry	3
[EN/SC/WL: Jobcentre Plus NI: Jobcentre/Jobs and Benefits Office] does not provide suitable applicants for these vacancies	4
Don't know enough about them	5
Didn't think of it / no particular reason	6
Other (SPECIFY)	7
DO NOT READ OUT: Don't know	X

ASK ALL WHO HAVE USED CHANNELS TO FILL VACANCIES (C3=1-13)

- C6DUM: CHOOSE UP TO 2 CHANNELS FROM C3:

IF C3=1 OR C4=1	CHOOSE JCP AND ONE PRIVATE FROM C3 CODES 3-13	1
IF C3≠1	CHOOSE TWO PRIVATE FROM C3 CODES 3-13	2-13

IF USED JCP (C6DUM=1)

- C5A **Thinking about when you last used [EN/SC/WL: Jobcentre Plus NI: Jobcentre/Jobs and Benefits Office] how easy or difficult was it to find the information, advice or help you were looking for? Please answer on a scale of one to ten, where one is extremely difficult and ten is extremely easy.**

TAKE NUMBER 1-10
ALLOW DON'T KNOW

- C6 **We're interested to know how satisfied you have been with various elements of the service you've received from the recruitment channels you've used.**

So starting with [EN/SC/WL: Jobcentre Plus NI: Jobcentre/Jobs and Benefits Office], on a scale of one to ten where one is not at all satisfied and ten is extremely satisfied, how satisfied have you been with ...?

	Take number 1-10	DK	N/A – No applicants
... the number of applicants that came through that channel		X	
... the attitude of applicants that came through that channel		X	
... the skills of applicants that came through that channel		X	
... the value for money that this channel represents		X	
And how satisfied have you been OVERALL		X	

IF N/A CODED AT C6_1 AUTOMATICALLY CODE _2 AND _3 TO ALSO BE N/A AND SKIP TO C6_4

- C7 **Why were you not satisfied with [EN/SC/WL: Jobcentre Plus NI: Jobcentre/Jobs and Benefits Office]?**

WRITE IN

IF USED ANY OTHER CHANNEL (ASKED OF ONE IF JCP ALSO USED; ASKED OF 2 IF JCP NOT USED) (C6DUM=2-13)

- C6A **Thinking about [CHANNEL] on a scale of one to ten where one is not at all satisfied and ten is extremely satisfied, how satisfied have you been overall?**

TAKE NUMBER 1-10, ALLOW DK

ASK ALL

- C8 **If you wanted to recruit, how confident would you be in knowing where to go for particular types of information or services relating to recruitment?**

READ OUT; CODE ONE ONLY

Very confident (ADD IF NECESSARY: you'd know exactly where to go)	1
Fairly confident (ADD IF NECESSARY: you'd have some ideas about who to approach but wouldn't be sure what their differing roles were)	2
Not very confident (ADD IF NECESSARY: you'd have some vague ideas but not much more than that)	3
Not at all confident (ADD IF NECESSARY: you'd have no idea where to go)	4
DO NOT READ OUT: Don't Know	X

ASK ALL

C9 **And have you heard of any of the following services or initiatives?**

READ OUT. CODE ALL THAT APPLY.

IF YES TO ANY ABOVE AND HAVE HAD VACANCIES IN LAST YEAR (C1=1 AND C9≠13)

C10 **And have you made use of any of these to recruit staff over the previous year? Which ones?**

CATI TO ONLY DISPLAY THOSE MENTIONED IN PREVIOUS Q

	C9	C10
EN/WL/SC: Jobcentre Plus's New Deal	1	1
NI: Steps to Work / New Deal	2	2
EN/WL: Six Month Offer	3	3
SC: Training for Work	4	4
SC: Get Ready for Work	5	5
NI: Bridge to Employment	6	6
WL: Go Wales	7	7
EN: Backing Young Britain	8	8
SC/WL/EN: Local Employment Partnerships	9	9
SC/WL/EN: Future Jobs Fund	10	10
SC/WL/EN: Young Persons Guarantee	11	11
Graduate Talent Pool	12	12
None of the above	13	13

IF YES, BEEN INVOLVED IN ANY (C10=1-12)

CHOOSE TWO SERVICES TO FOLLOW UP

C11 **How satisfied have you been with [SERVICE] ...**

Please give your answer on a scale of one to ten where one signifies you have not been at all satisfied and ten signifies you have been extremely satisfied.

	Take number 1-10	DK / N/A
Overall		X

IF SAY 1-4 AT OVERALL SAT (C11=1-4):

C12 **Why were you dissatisfied with recruiting staff in this way?**

WRITE IN

ASK ALL:

- C13B** How important is the government's role in supporting recruitment to your establishment? Please give your answer on a scale of one to ten where one signifies that the government's role is "largely irrelevant – we just get on and do what we need to on our own" and ten signifies that it is "a key resource which we draw on systematically and frequently".

READ OUT; CODE ONE ONLY

1 – Largely irrelevant – we just get on and do what we need to on our own	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10 – A key resource which we draw on systematically and frequently	10
DON'T KNOW	X

THERE IS NO QUESTION C14-18

ASK ALL

- C19** I'd now like you to think about the factors that it is important for you that candidates possess when you are looking to recruit new employees. For each factor that I read out, please say if it is critical, if it is a significant factor, if you place a small amount of value on it, or if it has no value for you?

READ OUT AND PROMPT AS NECESSARY

	Critical	Significant	Small amount of value	No value	Don't know
Having previous experience in a similar job	1	2	3	4	X
Having a particular level of achievement of academic qualifications (e.g. GCSEs, A levels or a degree)	1	2	3	4	X
Having a relevant NVQ or SVQ	1	2	3	4	X
Having a relevant vocational qualification other than an NVQ or SVQ	1	2	3	4	X
Good personality and attitude	1	2	3	4	X
Performance at interview	1	2	3	4	X

Section D – Developing the workforce

THERE IS NO QUESTION D1

- D2A** Now thinking about the ways in which you may develop your workforce, over the past 12 months have you arranged or funded any off-the-job training or development for employees at this site? By off-the-job training we mean training away from the individual's immediate work position, whether on your premises or elsewhere?

Yes	1
No	2
Don't know	X

- D2B** And have you arranged or funded any on-the-job or informal training and development over the last 12 months? By this I mean activities that would be recognised as training by the staff, and not the sort of learning by experience which could take place all the time.

Yes	1
No	2
Don't know	X

IF TRAIN ON OR OFF THE JOB (D2A=1 OR D2B=1)

- D3** And has your establishment arranged or funded training designed to lead to a recognised VOCATIONAL qualification, to aid the development of your employees in the last 12 months?

Yes	1
No	2
Don't know	X

- D4 IF DO NOT ARRANGE TRAINING FOR VOCATIONAL QUALS (D3=2 OR 3)
For which of the following reasons has your company NOT arranged training for your employees that was designed to lead towards the achievement of a vocational qualification?
 READ OUT.

ROTATE CODES EXCEPT "VOCATIONAL QUALIFICATIONS DON'T FIT OUR BUSINESS NEEDS", WHICH SHOULD ALWAYS BE ASKED LAST

Don't know enough about what vocational qualifications are available	1
Don't think vocational qualifications are as rigorous as other qualifications	2
Staff don't want vocational qualifications	3
Vocational qualifications are too expensive to deliver	4
Vocational qualifications take too long to deliver	5
Vocational qualifications are too complicated for our needs	6
Vocational qualifications are too much bureaucracy	7
The Government does not provide funding or grants to cover the costs	8
Cutbacks in our training budget	9
Vocational qualifications don't fit our business needs for any other reason (SPECIFY)	10
DO NOT READ OUT: Don't know	X

THERE IS NO QUESTION D5

- D6 IF HAVE ARRANGED TRAINING FOR VOCATIONAL QUALS (D3=1)
And for which of the following types of vocational qualification have you arranged or funded training for your staff? READ OUT. MULTICODE

	Prompted
National Vocational Qualifications, NVQs	1
SC: Scottish Vocational Qualifications, SVQs	2
General National Vocational Qualifications – GNVQs	3
SC: General Scottish Vocational Qualifications – GSVQs	4
Higher National Certificates and Diplomas	5
National Certificates and Diplomas	6
The Diploma (for 14-19 year olds)	7
BTEC	8
RSA / OCR	9
City & Guilds	10
A Modern Apprenticeship or Apprenticeship	11
A Foundation Degree	12
SC: Skills for Work qualification	13
Other nationally recognised vocational qualification (specify)	14
DO NOT READ OUT: None of these	15
DO NOT READ OUT: Don't know	X

THERE IS NO QUESTION D7

- D8 IF HAVE ARRANGED TRAINING FOR VOCATIONAL QUALS (D3=1)
To what extent would you agree or disagree that employees achieving vocational qualifications leads to...? READ OUT. SINGLE CODE.

	Agree Strongly	Agree slightly	Neither agree nor disagree	Disagree slightly	Disagree Strongly	DK
Better business performance	1	2	3	4	5	X
Improved staff retention	1	2	3	4	5	X
The development of new skills	1	2	3	4	5	X
An increase in knowledge and understanding	1	2	3	4	5	X
Reliable standards of competence	1	2	3	4	5	X

- D9 **And to what extent would you agree or disagree that vocational qualifications...? READ OUT. SINGLE CODE.**

	Agree Strongly	Agree slightly	Neither agree nor disagree	Disagree slightly	Disagree Strongly	DK
Can be adapted to business needs	1	2	3	4	5	X
Allow staff to work flexibly at their own pace	1	2	3	4	5	X
Cover all skills needed by the company	1	2	3	4	5	X
Do not require much time away from the job	1	2	3	4	5	X
Offer good value for money	1	2	3	4	5	X

- D10 **Does the achievement of a vocational qualification by one of your staff..... ? READ OUT. SINGLE CODE**

Always lead to a pay increase	1
Generally lead to a pay increase	2
Sometimes lead to a pay increase	3
Rarely / Never lead to a pay increase	4
DO NOT READ OUT: Don't know	X

- D11 **And does the achievement of a vocational qualification by one of your staff..... ? READ OUT. SINGLE CODE**

Always lead to a promotion or improved job status	1
Generally lead to a promotion or improved job status	2
Sometimes lead to a promotion or improved job status	3
Rarely / Never lead to a promotion or improved job status	4
DO NOT READ OUT: Don't know	X

- ASK ALL WHO TRAIN (D2A=1 OR D2B=1)
D12 **I'd now like to ask a bit about the use of external training providers to deliver training. Have you used any of the following external sources of training in the past 12 months...?**

READ OUT – CODE ALL THAT APPLY

Further Education (FE) Colleges	1
Universities / Higher Education Institutions	2
Third sector / not for profit providers	3
Private training providers	4
DO NOT READ OUT: No external providers used	5
DO NOT READ OUT: Don't know	X

ASK FOR ALL USED FROM FE COLLEGES, UNIVERSITIES, THIRD SECTOR AND OTHER PROVIDERS – ASK FOR EACH (SO UP TO FOUR TIMES)

- D13 **How satisfied have you been with the quality of teaching or training that this establishment's employees received from [UNIVERSITIES/FE COLLEGES/THIRD SECTOR PROVIDERS/THE OTHER PROVIDERS]? Please give your answer on a scale of one to ten where one signifies you have not been at all satisfied and ten signifies you have been extremely satisfied.**

	1 – not at all satisfied	2	3	4	5	6	7	8	9	10 – extremely satisfied	DK
IF D12=1: FE Colleges	1	2	3	4	5	6	7	8	9	10	X
IF D12=2: Universities / Higher Education Institutions	1	2	3	4	5	6	7	8	9	10	X
IF D12=3: Third sector / not for profit providers	1	2	3	4	5	6	7	8	9	10	X
IF D12=4: Private training providers	1	2	3	4	5	6	7	8	9	10	X

IF NOT SATISFIED (D13=1-4)

- D14 **Why were you not satisfied with the training provided by [UNIVERSITIES/FE COLLEGES/THIRD SECTOR PROVIDERS/THE OTHER PROVIDERS]?**

WRITE IN

REPEAT FOR EACH PROVIDER TYPE DISSATISFIED WITH

ASK IF NOT USED UNIVERSITIES (D12#2) OR IF NOT USED FE COLLEGES (D12#1) (IF NOT USED EITHER, CHOOSE ONE AT RANDOM)

D15 **Why hasn't your establishment used the teaching or training services of [UNIVERSITIES/FE COLLEGES] in the last 12 months?**

- a. IF D12#2: **Universities / Higher Education Institutions**
- b. IF D12#1: **FE Colleges**

DO NOT READ OUT; CODE ALL THAT APPLY

	D15A Universities	D15B FE Colleges
The courses they provide are not relevant	1	1
The quality or standard of the courses or training provided by [FE colleges / Universities/HEIs] is not satisfactory	2	2
I don't know enough about the courses that they provide	3	3
There is a lack of information available about the courses they provide	4	4
The start dates or times of the courses are inconvenient	5	5
It is too expensive	6	6
Past use has not delivered the benefits you expected	7	7
Prefer to train in-house	8	8
Prefer to train through other providers	9	9
No [FE college / University/HEI] locally	10	10
Other (WRITE IN)	11	11
No particular reason	12	12
Don't know	X	X

Section E – Awareness and perceptions of skills and workforce development Initiatives

ASK ALL:

- E1 I would now like to talk about the support that is available to businesses and organisations like yours to develop the skills of your workforce.

In the past 12 months, as far as you know, has anyone at this establishment sought information, advice or more practical help on skills or training-related issues from people external to your organisation?

Yes	1
No	2
Don't know	3

- E2 More generally, how confident are you in knowing where to go for particular types of information, help or advice on skills or training-related issues? Would you be...

READ OUT. SINGLE CODE.

Very confident (ADD IF NECESSARY: you'd know exactly where to go)	1
Fairly confident (ADD IF NECESSARY: you'd have some ideas about who to approach but wouldn't be sure what their differing roles were)	2
Not very confident (ADD IF NECESSARY: you'd have some vague ideas but not much more than that)	3
Not at all confident (ADD IF NECESSARY: you'd have no idea where to go)	4
DO NOT READ OUT: Don't Know	X

- E3 Which organisations that provide advice or more practical help on skills or training-related issues are you aware of? DO NOT READ OUT. MULTICODE

A Sector Skills Council (SSC)	1
Trade union	2
Professional body	3
Educational institution	4
Business Link	5
Private Training Provider	6
SCOTLAND ONLY: Scottish Enterprise	7
SCOTLAND ONLY: Highlands and Islands Enterprise	8
SCOTLAND ONLY: Business Gateway	9
SCOTLAND ONLY: Skills Development Scotland	10
NORTHERN IRELAND ONLY: NI Business Information	11
NORTHERN IRELAND ONLY: Invest Northern Ireland	12
WALES ONLY: Flexible Support for Business	13
WALES ONLY: Department for Children, Education, Lifelong Learning and Skills	15
WALES ONLY: Local Enterprise Agency	16
WALES ONLY: Careers Wales	14
Leadership and Management Advisory Service	15
Local Authority	16
National Apprenticeship Service	17

Chamber of Commerce	18
Learn Direct	19
Other (WRITE IN)	20
Other 2	21
Other 3	22
Not aware of any / None	23
Don't know	X

- E4 ASK ALL AWARE OF AT LEAST ONE ORGANISATION (E3=1-21)
And from which of these have you received advice or help on skills and training related issues in the last 12 months? READ OUT. MULTICODE

CATI TO DISPLAY ALL HEARD OF AT PREVIOUS QUESTION

A Sector Skills Council (SSC)	1
Trade union	2
Professional body	3
Educational institution	4
Business Link	5
Private Training Provider	6
SCOTLAND ONLY: Scottish Enterprise	7
SCOTLAND ONLY: Highlands and Islands Enterprise	8
SCOTLAND ONLY: Business Gateway	9
SCOTLAND ONLY: Skills Development Scotland	10
NORTHERN IRELAND ONLY: NI Business Information	11
NORTHERN IRELAND ONLY: Invest Northern Ireland	12
WALES ONLY: Flexible Support for Business	13
WALES ONLY: Department for Children, Education, Lifelong Learning and Skills	15
WALES ONLY: Local Enterprise Agency	16
WALES ONLY: Careers Wales	14
Leadership and Management Advisory Service	15
Local Authority	16
National Apprenticeship Service	17
Chamber of Commerce	18
Learn Direct	19
Other DISPLAY TEXT FROM E3	20
OTHER 2 (TEXT FROM E3)	21
OTHER 3 (TEXT FROM E3)	22
None	23
Don't know	X

IF HEARD OF AN SSC (E3=1)
E3SSC You said you have heard of a Sector Skills Council (SSC) – can I please just clarify which SSC(s) you have heard of?

[IF HAVE SSC ON SAMPLE: SSC FROM SAMPLE]	1
IF HAVE SECOND SSC ON SAMPLE: 2 nd SSC FROM SAMPLE	2
Other (SPECIFY 1)	3
Other (SPECIFY 2)	4
Other (SPECIFY 3)	5
Don't know	X

IF EMPLOYER IN AN INDUSTRY COVERED BY 1st SSC (ACCORDING TO SAMPLE DEFINITION) AND E3SSC≠1 (REPEAT IF HAVE SECOND SSC AND E3SSC≠2)
E5 Have you heard of [INSERT NAME OF SSC FROM SAMPLE]

Yes	1
No	2
DK	3

DUM SSC: SET SSCS

SET SSCS AS ALL MENTIONED AT E3SSC OR E5.

IF (E3=Don't know) AND E5=2-3 DUMSSC="NONE" (SKIP TO E11)

REPEAT E6-E10 FOR ALL SSCS HEARD OF AT DUMSSC

IF AWARE OF SPECIFIC SSC (NOT DUMSSC="NONE")
E6 Have you had any dealings with (SSC) in the course of the last 12 months?

Yes	1
No	2
DK	3

THERE IS NO QUESTION E6A
 IF NOT HAD DEALINGS IN LAST 12 MONTHS (E6=2)
E7 Have you EVER had any dealings with (SSC)?

Yes	1
No	2
DK	3

THERE IS NO QUESTION E7A

IF HAD DEALINGS IN LAST 12 MONTHS (E6=1)
E8 How satisfied have you been with your dealings with (SSC) over the last year?

Please answer on a scale of one to ten where one is not at all satisfied and ten is extremely satisfied?

1 – Not at all satisfied	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10 – Extremely satisfied	10
DON'T KNOW	X

IF SATISFACTION RATED 1-4 (E8=1-4)
E9 Why have you not been satisfied with the dealings you have had with [SSC]?

WRITE IN

THERE IS NO QUESTION E8A OR E9A

IF NEVER HAD DEALINGS WITH SSC (E7=2)
E10 Why have you not had any dealings with [SSC]?

WRITE IN

THERE IS NO QUESTION E10A

ASK ALL

E11 Which of the following schemes and initiatives have you heard of...?

READ OUT

Talentmap	1
Union Learning Fund	3
EN: Train to Gain	4
EN: Skills Pledge	6
EN: National Skills Academy	7
EN, IF DMREG=1 AND ((A2=1 AND A1>5000) OR (A2=2)): National Employer Service	8
WL: ReAct, Redundancy Action Scheme	9
WL: ProAct	10
WL: GoWales	11
WL: Leadership and Management Wales	12
WL: Workforce Development Programme	13
WL: Flexible Support for Business	14
SC: ScotAction (Adopt an Apprentice / Innovate with an Apprentice / Safeguard and Invest in an Apprentice)	15
SC: Get Ready for Work	16
SC: PACE, Partnership Action for Continuing Employment	17
NI: Skillsafe	18
NI: 'Made Not Born', Leadership and Management Development	19
NI: Workforce Development Forum	20
EN/SC/WL AND A1=250+: New right of employees to request time to train	21
DO NOT READ OUT None of these	22
DO NOT READ OUT Don't know	X

REPEAT E12-E15A FOR EACH SCHEME OR INITIATIVE HEARD OF [EXCEPT SKILLS PLEDGE (E11 CODE 6)]

E12 Have you used or been involved with [INITIATIVE] in the past 12 months?

Yes	1
No	2
DK	3

IF E12=2-3 THEN ASK E12 FOR NEXT SCHEME FROM E11.

IF E12=2-3 FOR LAST SCHEME IN LIST FROM E11, GO TO E16.

ASK E13-E15A FOR SCHEMES FROM E11 USED IN LAST 12 MONTHS (E12=1)
EXCEPT ANY FOLLOWED UP AT C10 (C11DUM=5 OR 7)

IF USED / INVOLVED WITH (E12=1)

- E13 **How satisfied were you with [INITIATIVE] in terms of it helping you to meet your establishment's skills and workforce development needs? Please answer on a scale of one to ten where one is not at all satisfied and ten is extremely satisfied.**

1 – Not at all satisfied	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10 – Extremely satisfied	10
DON'T KNOW	X

IF SATISFACTION RATED 1-4 (E13=1-4)

- E14 **Why were you not satisfied with [INITIATIVE]?**

WRITE IN

IF USED / INVOLVED WITH (E12=1)

- E15A **Thinking about when you last used [INITIATIVE] how easy or difficult was it to find the information, advice or help you were looking for? Please answer on a scale of one to ten, where one is extremely difficult and ten is extremely easy.**

TAKE NUMBER 1-10
ALLOW DON'T KNOW

DP - REPEAT USAGE AND SATISFACTION FOR EACH INITIATIVE EMPLOYER IS AWARE OF

THERE IS NO QUESTION E15

ASK ALL

I'd now like to ask you some further questions about Apprenticeship schemes recognised by the Government.

E16 Have you heard of...? READ OUT

	Yes	No	Don't know
Advanced Apprenticeships	1	2	3
Apprenticeships for those aged 25 plus	1	2	3
Higher Apprenticeships	1	2	3
EN: Any other type of government recognised apprenticeship	1	2	3
SC/WL: Modern Apprenticeships	1	2	3
NI: Apprenticeships NI	1	2	3
EN: The National Apprenticeship Service (NAS)	1	2	3
WL: Foundation Apprenticeships	1	2	3
WL: Pathways to Apprenticeship	1	2	3
WL: Young Recruits Programme	1	2	3
WL: Modern Skills Diploma	1	2	3

ASK ALL WHO HAVE HEARD OF APPRENTICESHIPS (ANY E16=1)

E17 Do you currently have any staff undertaking Apprenticeships at this site?

Yes	1
No	2
Don't know	x

IF NO (E17=2)

E18 Do you currently offer Apprenticeships at this site?

Yes	1
No	2
Don't know	x

IF DO NOT CURRENTLY OFFER APPRENTICESHIPS (E18=2)

E18A Do you plan to offer Apprenticeships in the future?

Yes	1
No	2
Don't know	x

IF DO NOT PLAN TO OFFER APPRENTICESHIPS IN THE FUTURE (E18A=2)

E18B Is there any particular reason you do not plan to offer Apprenticeships in the future?

WRITE IN

ASK ALL

E19B How important is government support for training and development to your establishment? Please give your answer on a scale of one to ten where one signifies that the government's role is "largely irrelevant – we just get on and do what we need to on our own" and ten signifies it is "a key resource which we draw on systematically and frequently".

READ OUT; CODE ONE ONLY

1 – Largely irrelevant – we just get on and do what we need to on our own	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10 – A key resource which we draw on systematically and frequently	10
DON'T KNOW	X

Section F – Awareness and Perceptions of Business Support Services

THERE IS NO QUESTION F1 TO F4

ASK ALL

F5 **Now thinking about different forms of business support. Have you heard of...?**

IF YES (F5_X=1)

F6 **And in the last 12 months has this establishment used...?**

ASK EACH QUESTION IN PAIRS E.G HAVE YOU HEARD OF BUSINESS LINK, HAVE YOU USED BUSINESS LINK. ONLY SHOW THOSE NOT MENTIONED AT EARLIER QUESTION

	Yes	No	DK
Business Link.gov.uk website	1	2	X
Business Link local services, i.e. not the website	1	2	X
Business support services provided by your Local Authority	1	2	X
EN: Solutions for Business support services	1	2	X
NI: Invest Northern Ireland	1	2	X
NI: NI Business Information (www.nibusinessinfo.co.uk)	1	2	X
SCOTLAND: Business Gateway	1	2	X
SCOTLAND: Scottish Enterprise	1	2	X
SCOTLAND: Highlands and Islands Enterprise	1	2	X
SCOTLAND: Scottish Development International	1	2	X
SCOTLAND: PACE, Partnership Action for Continuing Employment (Scotland's Redundancy Response Service)	1	2	X
WALES: Flexible Support for Business	1	2	X
SC/WL/EN: Rapid Response Service (Jobcentre Plus's Redundancy Support Service)	1	2	X

IF ANY HEARD OF BUT NOT USED (F5_N=1 AND F6_N=2)

F7 **And is there any particular reason this establishment has not used [SERVICE]?**

DO NOT READ OUT; CODE ALL THAT APPLY

Have no need to / other services are sufficient	1
Do not think they would give relevant advice	2
Do not know what advice they provide	3
Do not know how to access their advice	4
No particular reason	5
Other (SPECIFY)	6
DO NOT READ OUT Can't remember	X

ASK NEXT TWO QUESTIONS IN RELATION TO UP TO TWO GOVERNMENT ADVICE

SERVICES USED (IF ANY GIVEN) (F6_1-13=1) EXCEPT ANY FOLLOWED UP AT E11 (E12_14=1 OR E12_17=1)]

F7A **And thinking about your use of [SERVICE] in the last 12 months, how often have you used the service?**

Very frequently i.e. on a weekly basis	1
Frequently i.e. on a monthly basis	2
Occasionally i.e. every 3-6 months	3
Only once or twice	4
DO NOT READ OUT Don't know	5

F8 **Thinking about the service you received when you last contacted [SERVICE], how satisfied would you say that you were with the advice they gave you? Please use a scale of one to ten where one is not at all satisfied and ten is extremely satisfied.**

1 – Not at all satisfied	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10 – Extremely satisfied	10
DON'T KNOW	X

F9 IF NOT SATISFIED WITH ANY GOVERNMENT ADVICE SERVICES (F8=1-4)
Why were you not satisfied with [SERVICE]?
DO NOT READ OUT; CODE ALL THAT APPLY

The advice was not relevant	1
The advice was not clear	2
It took too long for them to respond to our inquiry	3
The advice did not lead to desired result (grant being awarded etc)	4
They were unable to advise on the subject required	5
Other (SPECIFY)	6
DO NOT READ OUT Can't remember	X

F9A IF SATISFIED WITH ANY GOVERNMENT ADVICE SERVICES (F8=7-10)
Why were you particularly satisfied with [SERVICE]?
DO NOT READ OUT; CODE ALL THAT APPLY

Advice was relevant	1
---------------------	---

They responded quickly to our enquiry	2
The help lead to improved business performance (turnover, markets, introduction of new products/services)	3
The help lead to improvements in efficiency and productivity	4
Minimised staff losses	5
Helped prepare for upturn	6
Other (SPECIFY)	7
DO NOT READ OUT Can't remember	X

F10A And thinking about when you last used [SERVICE], how easy or difficult was it for you to find the information, advice or help you were looking for? Please use a scale of one to ten where one is extremely difficult and ten is extremely easy.

TAKE NUMBER 1-10
ALLOW DON'T KNOW

THERE IS NO QUESTION F10

ASK ALL
F11 Have you heard of any of the following?
READ OUT; CODE ALL THAT APPLY

ROTATE RESPONSES

Excellence Model / EFQM Excellence Model	1
Investors in People	2
ISO Standards / ISO 9000	3
DO NOT READ OUT: None of the above	4

ASK ALL AWARE OF IIP (F11=2)
F12 How much do you feel you know about the Investors in People Standard? Would you say you know...
READ OUT; CODE ONE ONLY

A lot about it	1
A fair amount	2
Just a little	3
Or would you say you have heard of it but know nothing about it	4
DO NOT READ OUT - Don't know	X

ASK ALL AWARE OF IIP (F11=2)
F13B I would like you to tell me how beneficial you think Investors in People is for an organisation to have. Please give your answer on a scale of one to ten, where one signifies that it is "highly detrimental" and ten signifies it is "highly beneficial"? ADD IF NECESSARY It doesn't matter if you don't know much about Investors in People; please just give me your overall impression of it.

1 – Highly detrimental	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10 – Highly beneficial	10
DON'T KNOW	X

THERE IS NO QUESTION F14

ASK ALL AWARE OF IIP (F11=2)

F15 **Is your organisation currently accredited with Investors in People?**

Yes	1
No	2
DO NOT READ OUT - Don't know	X

IF NOT ACCREDITED WITH IIP (F15=2)

F16 **Has your organisation ever been recognised as an Investor in People in the past, are you currently working towards it, are you considering it, or none of these?**

Recognised in the past	1
Currently working towards	2
Considering	3
None of the above	4
Don't know	X

- IF RECOGNISED IN THE PAST (F16=1)
F17 Why did you decide not to go for Investors in People recognition again?
 DO NOT READ OUT. PROBE FULLY

No benefits/not relevant	1
Too much work involved	2
We are looking at alternative standards	3
Changes in management/company ownership/make up of company	4
Too expensive	5
Not funded anymore	6
Other (specify)	7
Don't know	X

- IF CURRENTLY ACCREDITED (F15=1)
F18 Overall, how satisfied have you been with your establishment's involvement with Investors in People standard? Please answer on a scale of one to ten where one is not at all satisfied and ten is extremely satisfied?

1 – Not at all satisfied	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10 – Extremely satisfied	10
DON'T KNOW	X

Section G – Closing Questions

ASK ALL

- G1 **Thank you very much for taking the time to speak to us today. Occasionally it is necessary to call people back to clarify information; may we please call you back if required?**

REASSURE IF NECESSARY: **Your details will only be used by IFF to call you back regarding this particular study.**

Yes	1
No	2

THERE IS NO QUESTION G1A

ASK ALL

- G2 **If the government and its agencies wish to undertake further work on related issues in the future would it be ok for them or their appointed contractors to contact you on these issues?**

Yes	1
No	2

- G3 **Finally, it is sometimes possible to link the data we have collected with other government surveys or datasets to enable further statistical analysis. Would you be happy for this to be done? Your confidentiality will be maintained, and linked data will be anonymised and only used for statistical purposes by researchers authorised by the Office for National Statistics.**

Yes	1
No	2

IF YES (G3=1)

- G4 **Can you please tell me your VAT registration number?**

Yes (RECORD THE NUMBER) RANGE 1-999,999,999 – IF LESS THAN 9 DIGITS GIVEN RIGHT JUSTIFY WITH LEADING ZEROES	1
Don't know the number	2
Don't have a number	3
Refused	4

Collect respondent name (RNAME) and job title (RJOB).

I declare that this survey has been carried out under IFF instructions and within the rules of the MRS Code of Conduct.		
Interviewer signature:		
		Date:
Finish time:	Interview Length	mins

Evidence Reports present detailed findings of the research and policy analysis generated by the Research and Policy Directorate of the UK Commission for Employment and Skills. The Reports contribute to the accumulation of knowledge and intelligence on a range of skills and employment issues through the publication of reviews and synthesis of existing evidence or through new, primary research.

UKCES
3 Callflex Business Park
Golden Smithies Lane
Wath-upon-Dearne
South Yorkshire
S63 7ER
T +44 (0)1709 774 800
F +44 (0)1709 774 801

UKCES
28-30 Grosvenor Gardens
London
SW1W 0TT
T +44 (0)20 7881 8900
F +44 (0)20 7881 8999

This document is available at
www.ukces.org.uk under 'publications'

ISBN 978-1-906597-69-6
© UKCES 1st Ed/01.11