

Employer Skills Survey 2013

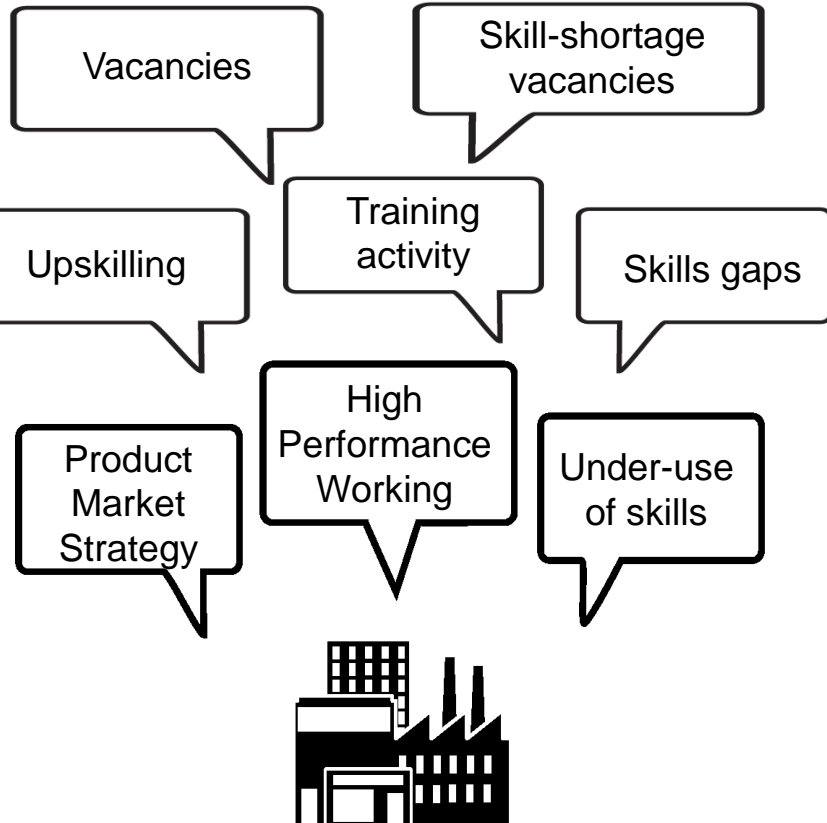
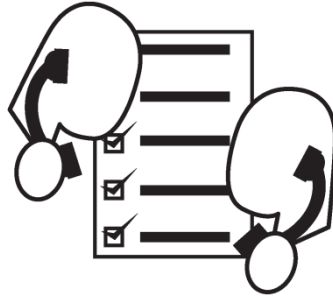
Northern Ireland Slide Pack

Chapter 1: Background and Introduction

UKCESS 2013 - Overview

4,014 telephone interviews with establishments in Northern Ireland

1,028 follow up interviews on training spend



- UKCESS 2013 is the second time the survey has been run at a UK-level
- The 2013 survey covers establishments with 2 or more people working at them
- The 2011 survey included establishments with one employee – these were not covered in 2013.
- Where comparisons are made with 2011 findings, these are based on re-weighted 2011 data (configured to represent the 2+ employment business population used in 2013).
- This slide pack summarises main findings amongst employers in Northern Ireland.

Achieved interviews / confidence intervals

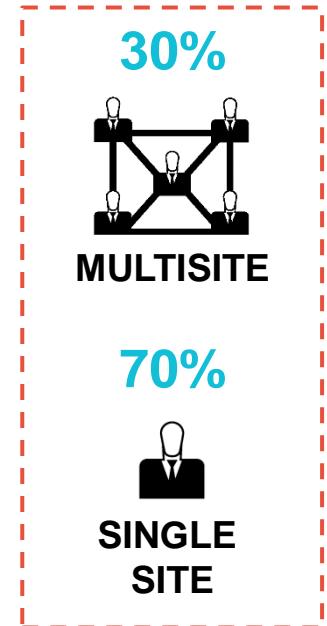
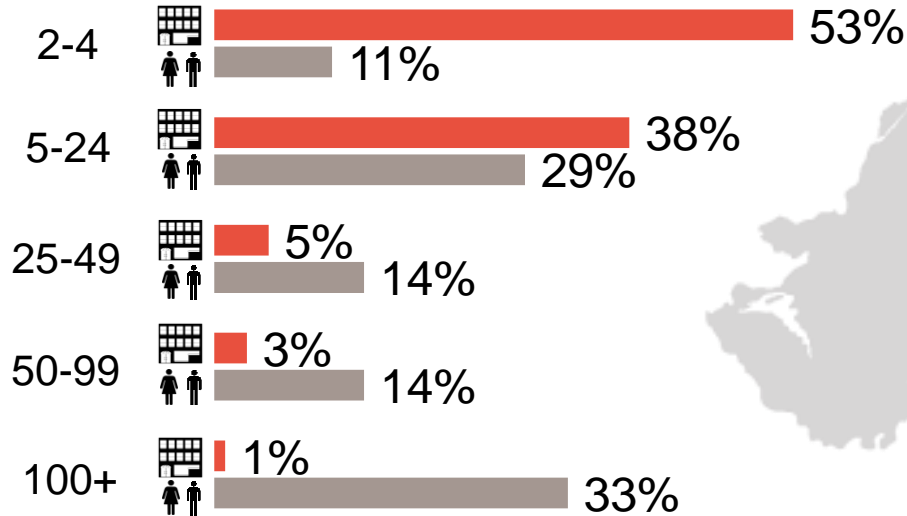
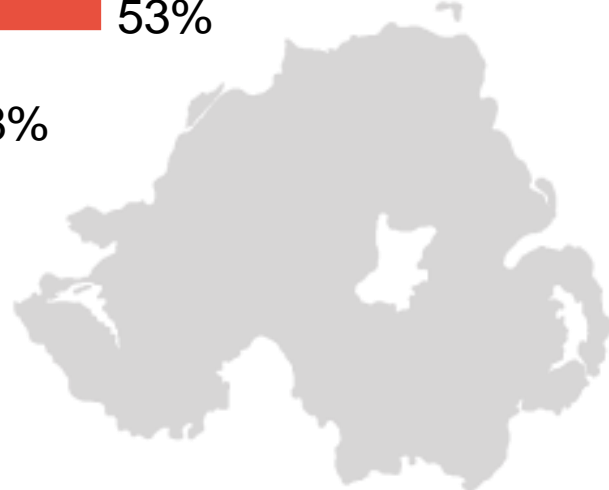
	Population	Number of interviews	(Maximum) Sampling Error
UK	1,743,847	91,279	+/-0.32
Northern Ireland	55,603	4,014	+/-1.49
By region in England			
Belfast WDF	10,863	918	+/-3.09
Northern WDF	12,791	878	+/-3.19
North West WDF	4,925	377	+/-4.85
Southern WDF	9,643	644	+/-3.73
South West WDF	8,215	509	+/-4.21
South East WDF	9,166	688	+/-3.59
By size of establishment			
2-4	29,251	1,227	+/-2.74
5-24	21,160	2,189	+/-1.98
25-49	2,882	307	+/-0.96
50-99	1,491	167	+/-5.29
100+	819	124	+/-8.11

‘for a question asked of all respondents where the survey result is 50%, we are 95% confident that the true figure lies within the range 48.51% to 51.49%’

	Population	Number of interviews	(Maximum) Sampling Error
By sector			
Agriculture	6,695	133	+/-8.41
Mining & Quarrying	124	17	+/-22.17
Manufacturing	3,160	310	+/-5.29
Electricity, Gas and Water	336	43	+/-13.98
Construction	6,172	259	+/-5.96
Wholesale and Retail	12,296	866	+/-3.21
Hotels & Restaurants	4,101	385	+/-4.75
Transport and Communications	2,550	282	+/-5.50
Financial Services	1,174	112	+/-8.81
Business Services	6,269	491	+/-4.25
Public Administration	875	55	+/-12.8
Education	3,102	292	+/-5.46
Health and Social Work	4,471	408	+/-4.63
Community, Social and Personal Services	4,278	361	+/-4.94

Profile of survey population

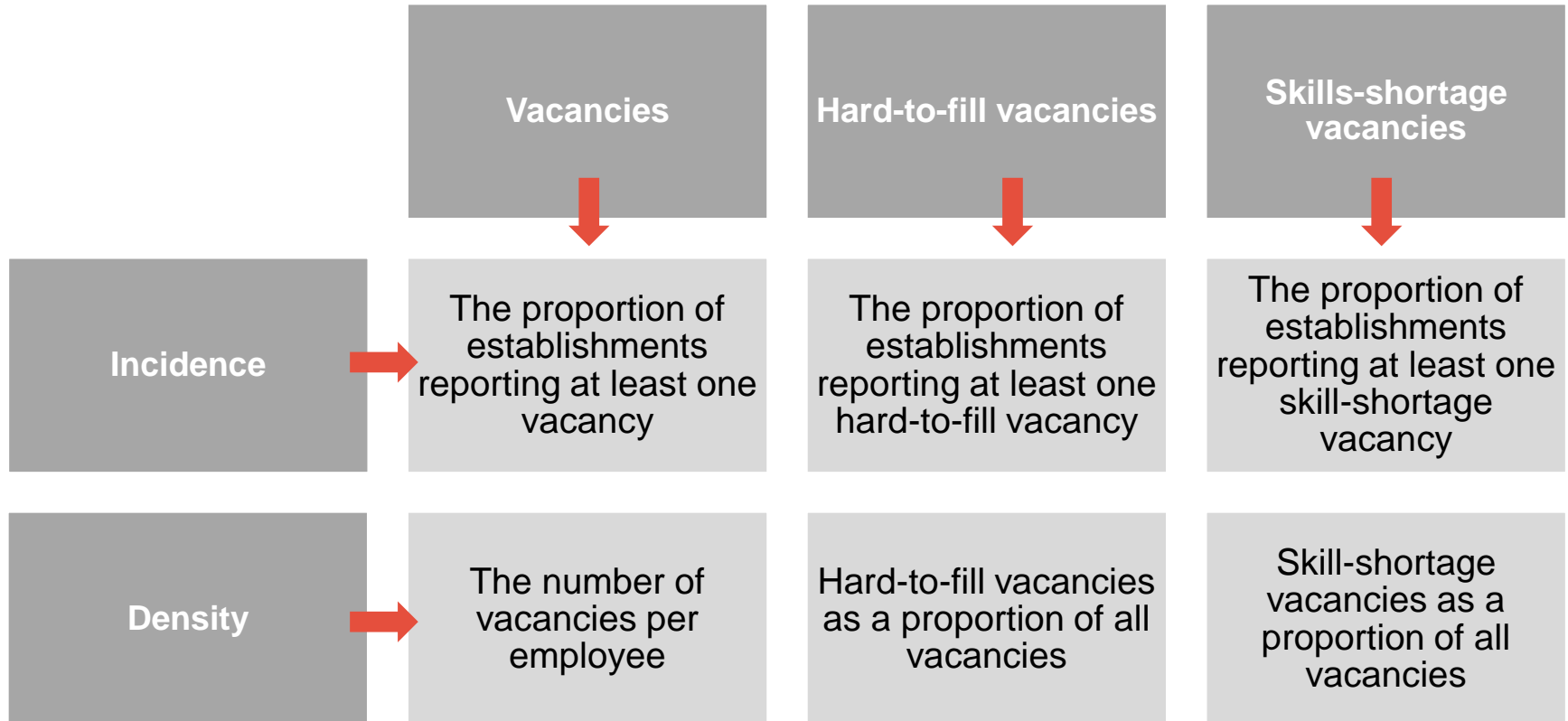
Establishments vs. Employment



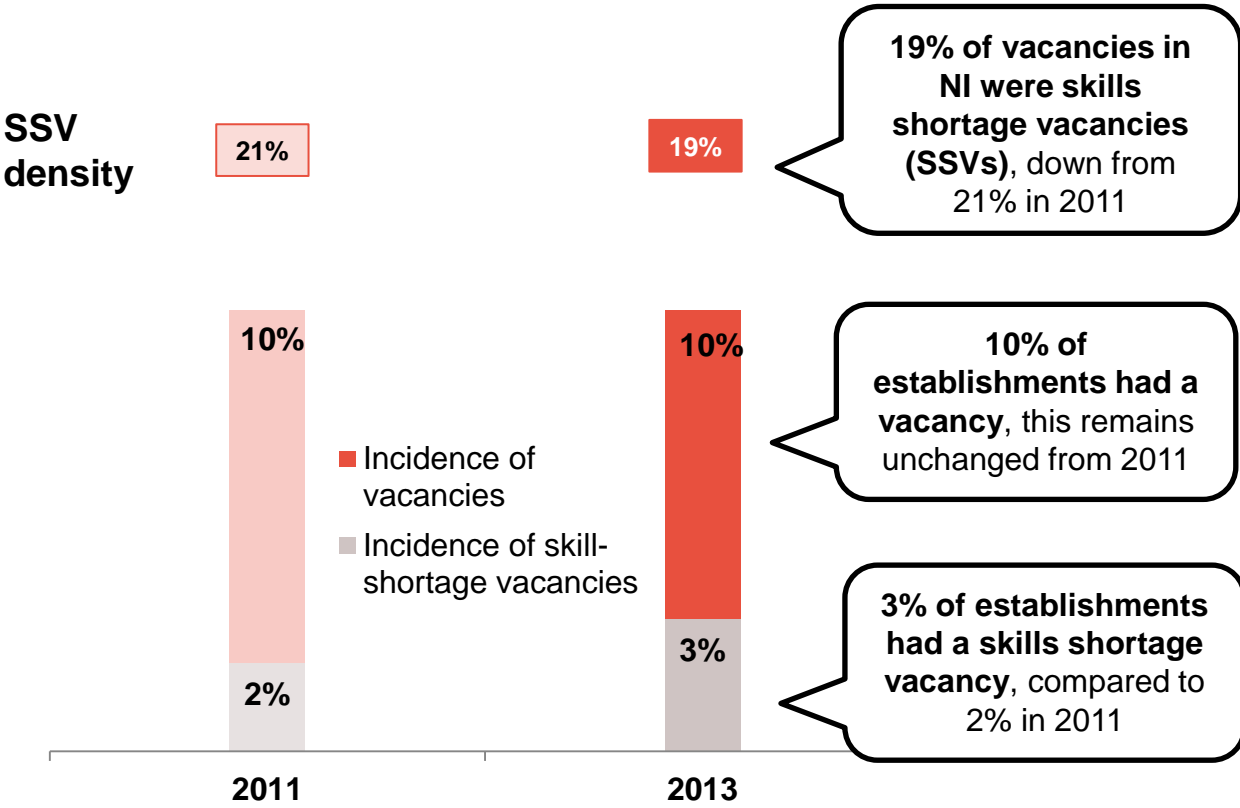
Chapter 2: Employers' experiences of skill shortages

Incidence and density measures

Vacancies and skill-shortages



Vacancies and skill-shortage vacancies in Northern Ireland



Recruitment has fallen. Although the proportion of employers reporting vacancies hasn't changed (10 per cent), there are 3,000 less vacancies in 2013 than in 2011. This is a fall of 17 per cent. This compares unfavourably with Scotland and England which both saw increases in the number of vacancies as well as an increase in the number of employers reporting vacancies.

The volume of skill shortage vacancies has fallen by a quarter (from 4,000 to 3,000). **However, due to the overall fall in vacancies, the proportion that are skill shortage vacancies has only fallen from 21 per cent to 19 per cent.**

The reporting of vacancies and skills shortages varies substantially between sectors, geographies and occupations.

Base for boxes: All vacancies based on responses from all establishments (as shown below)

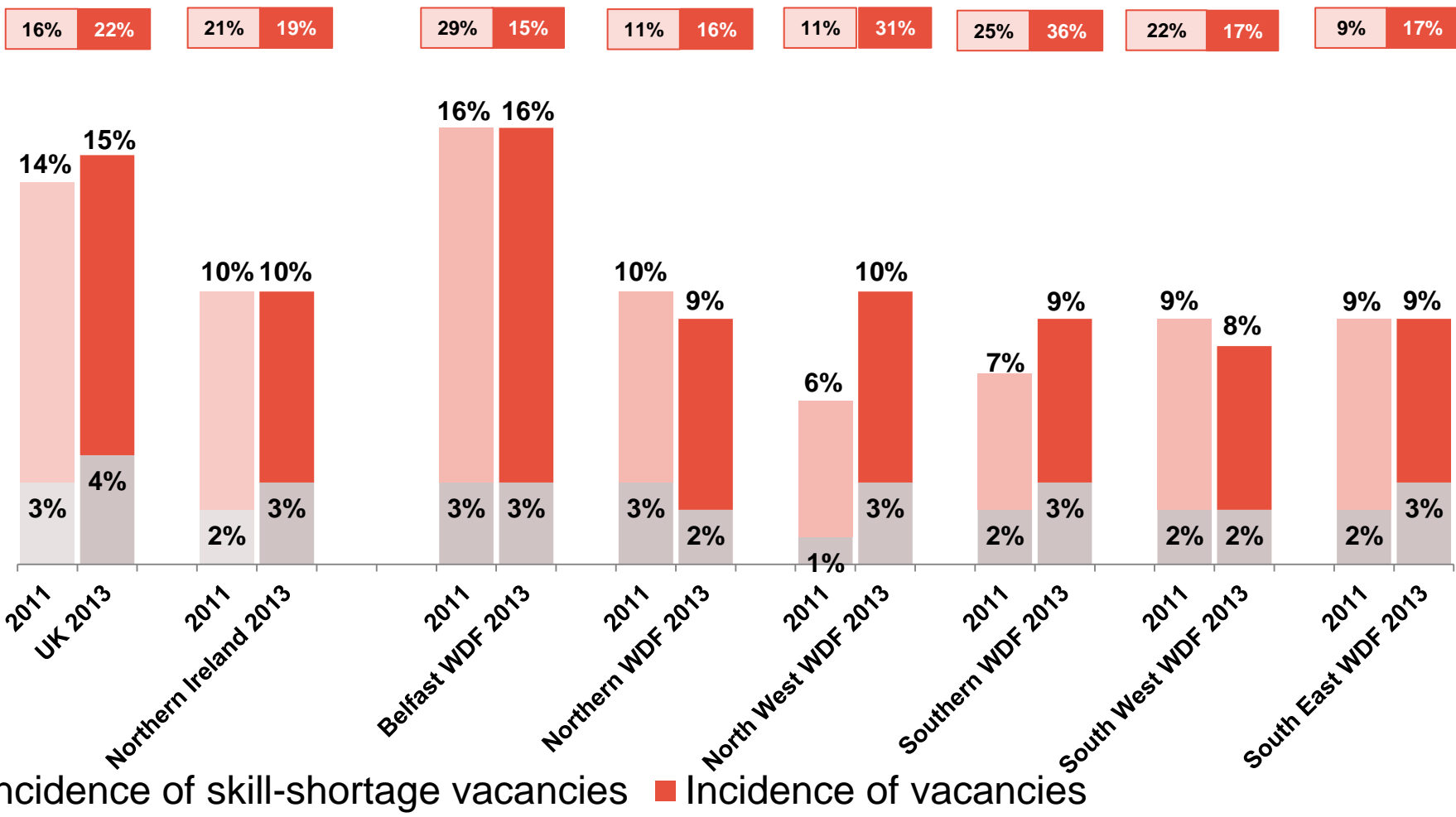
Base for bars: All establishments (as shown)

2011: (3,921)

2013: (4,014)

Incidence and density of vacancies and skill-shortage vacancies by region

SSV density

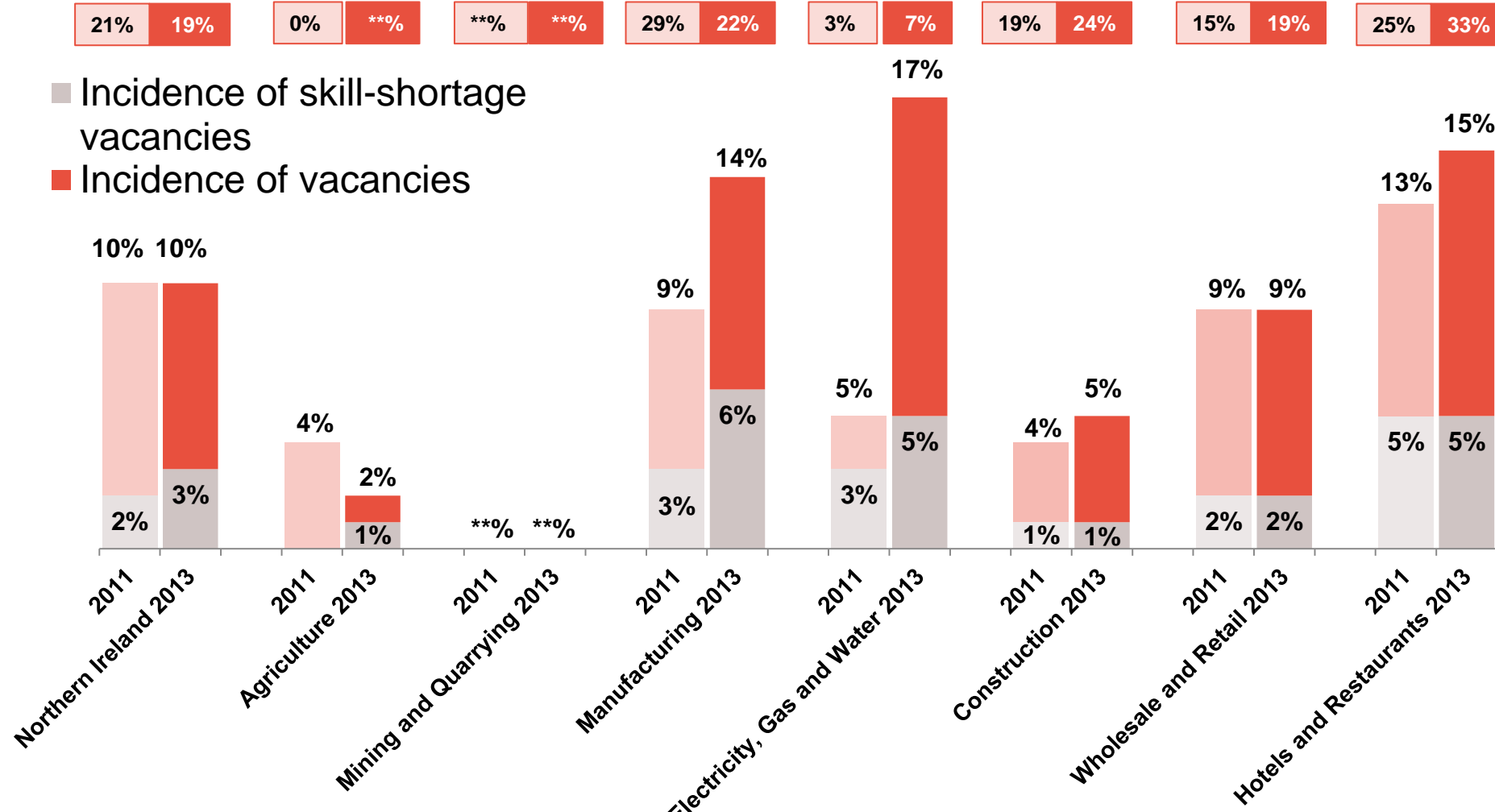


Base for boxes: All vacancies based on responses from all establishments (as shown below)
 Base for bars: All establishments (as shown)

2011:	(86,522)	(3,921)	(907)	(862)	(383)	(650)	(452)	(667)
2013:	(91,279)	(4,014)	(918)	(878)	(377)	(644)	(509)	(688)

Incidence and density of vacancies and skill-shortage vacancies by sector (I)

SSV density

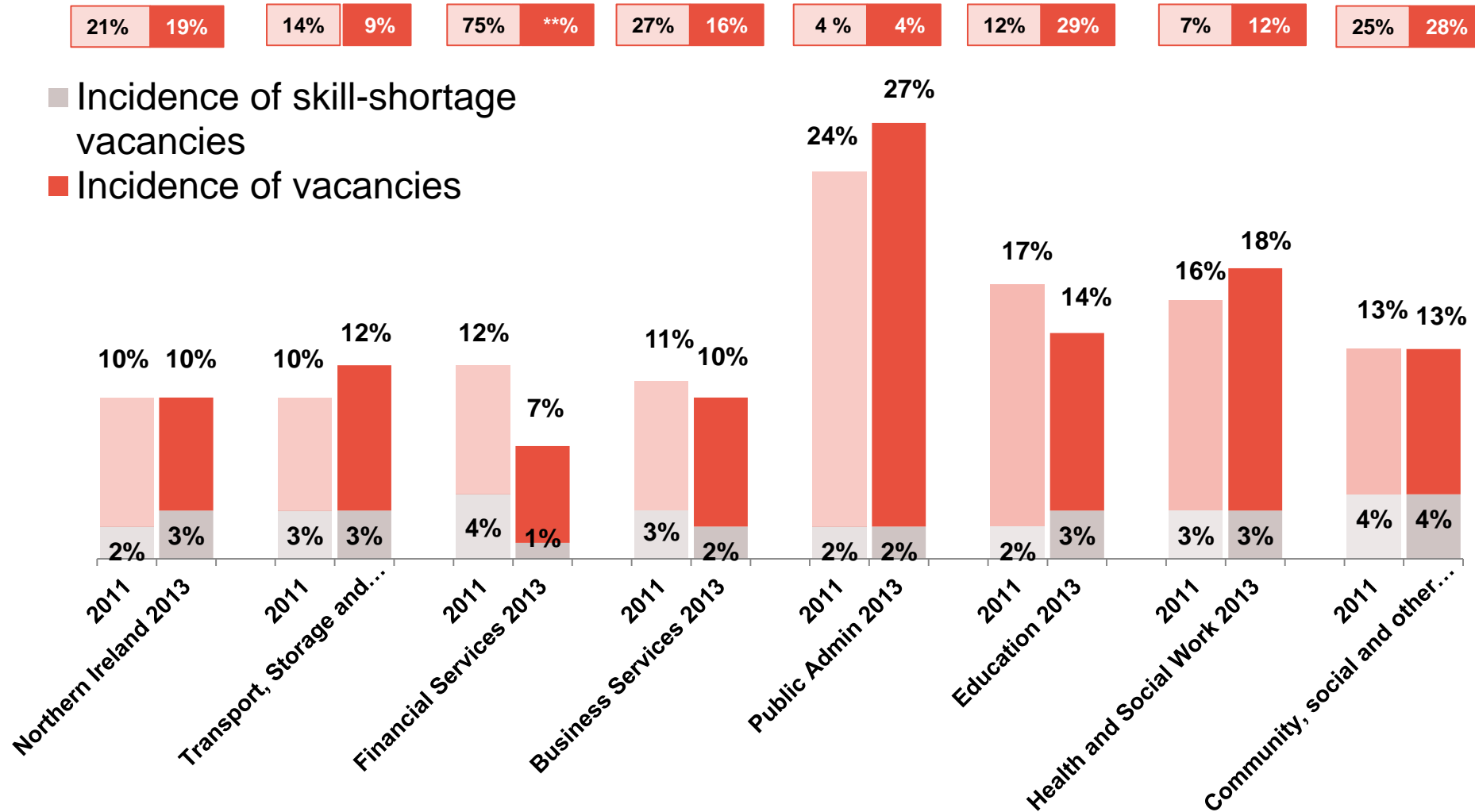


Base for boxes: All vacancies based on responses from all establishments (as shown below)
 Base for bars: All establishments (as shown) ** denotes data not shown due to low base size (<25)

2011:	(3,921)	(32)	(15)	(343)	(54)	(364)	(724)	(334)
2013:	(4,014)	(133)	(17)	(310)	(43)	(259)	(866)	(385)

Incidence and density of vacancies and skill-shortage vacancies by sector (II)

SSV density



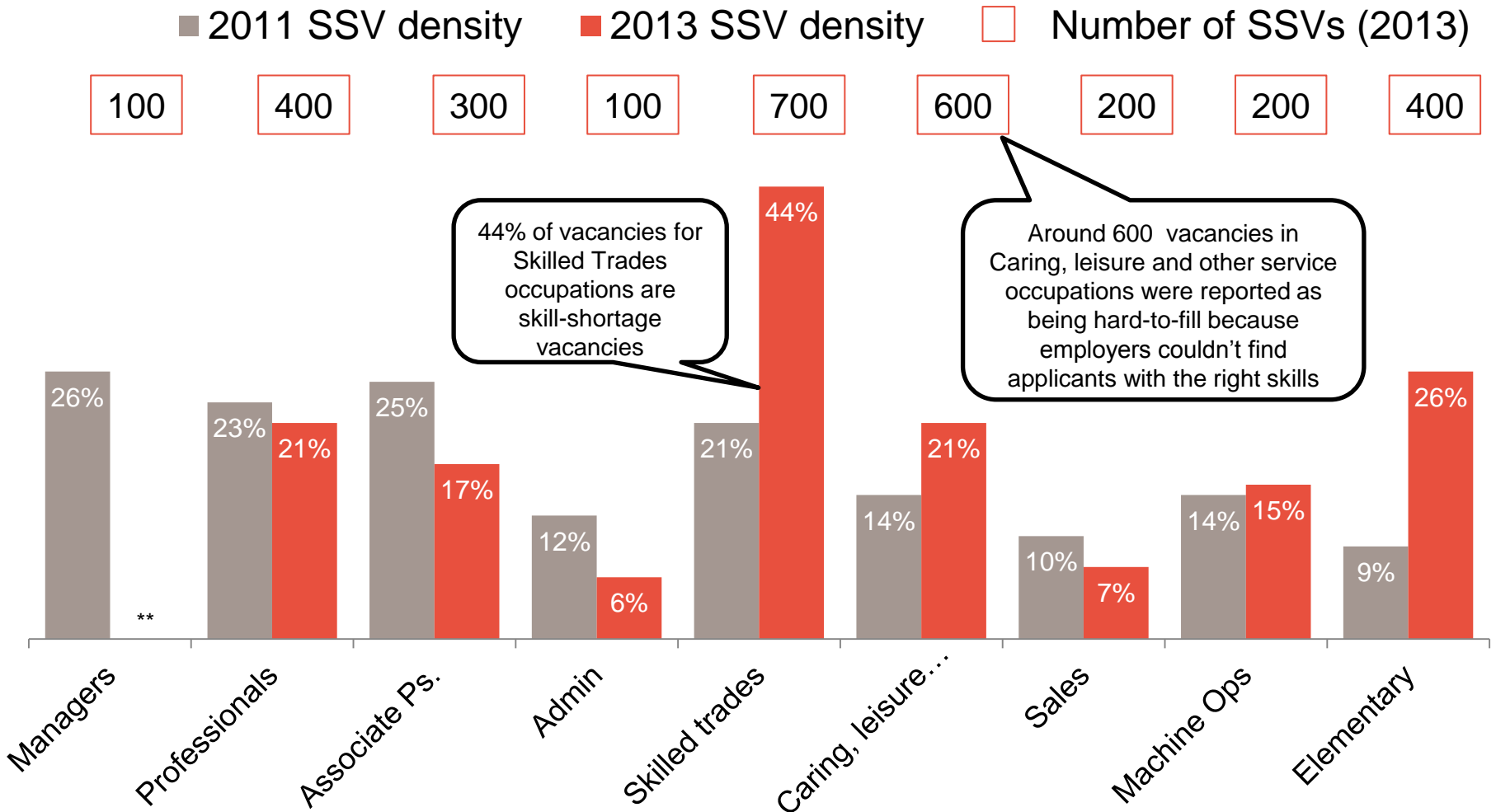
Base for boxes: All vacancies based on responses from all establishments (as shown below)

Base for bars: All establishments (as shown) ** denotes data not shown due to low base size (<25)

2011: (3,921) (290) (137) (509) (105) (285) (417) (312)

2013: (4,014) (282) (112) (491) (55) (292) (408) (361)

Skill-shortage vacancies by occupation in NI



Base for bars: All establishments with vacancies (as shown below).

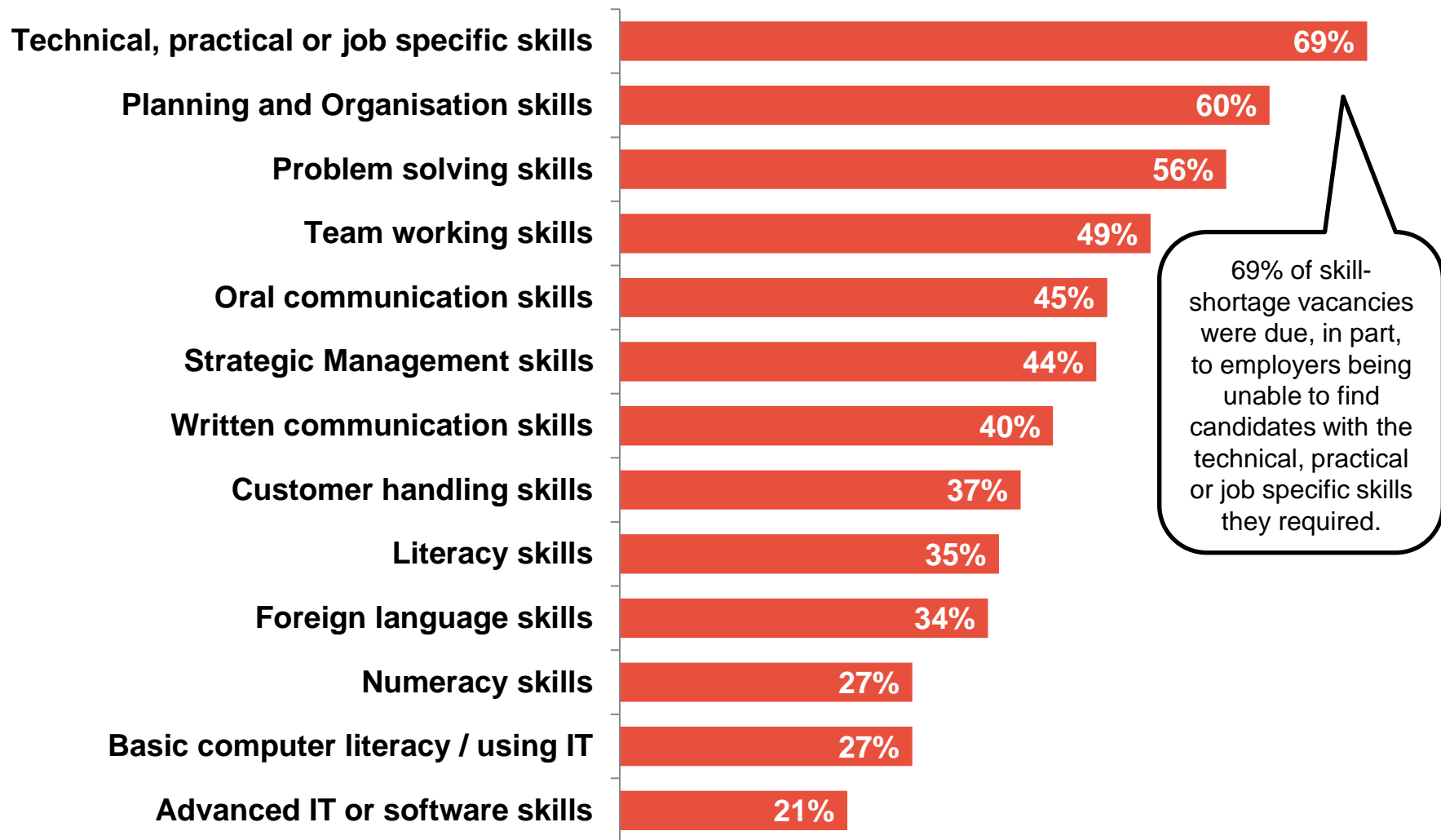
Note: figures shown as percentage of all SSVs – up to 6 occupation followed up

** denotes data not shown due to low base size (<25)

2011: (32) (92) (82) (100) (69) (71) (69) (33) (79)

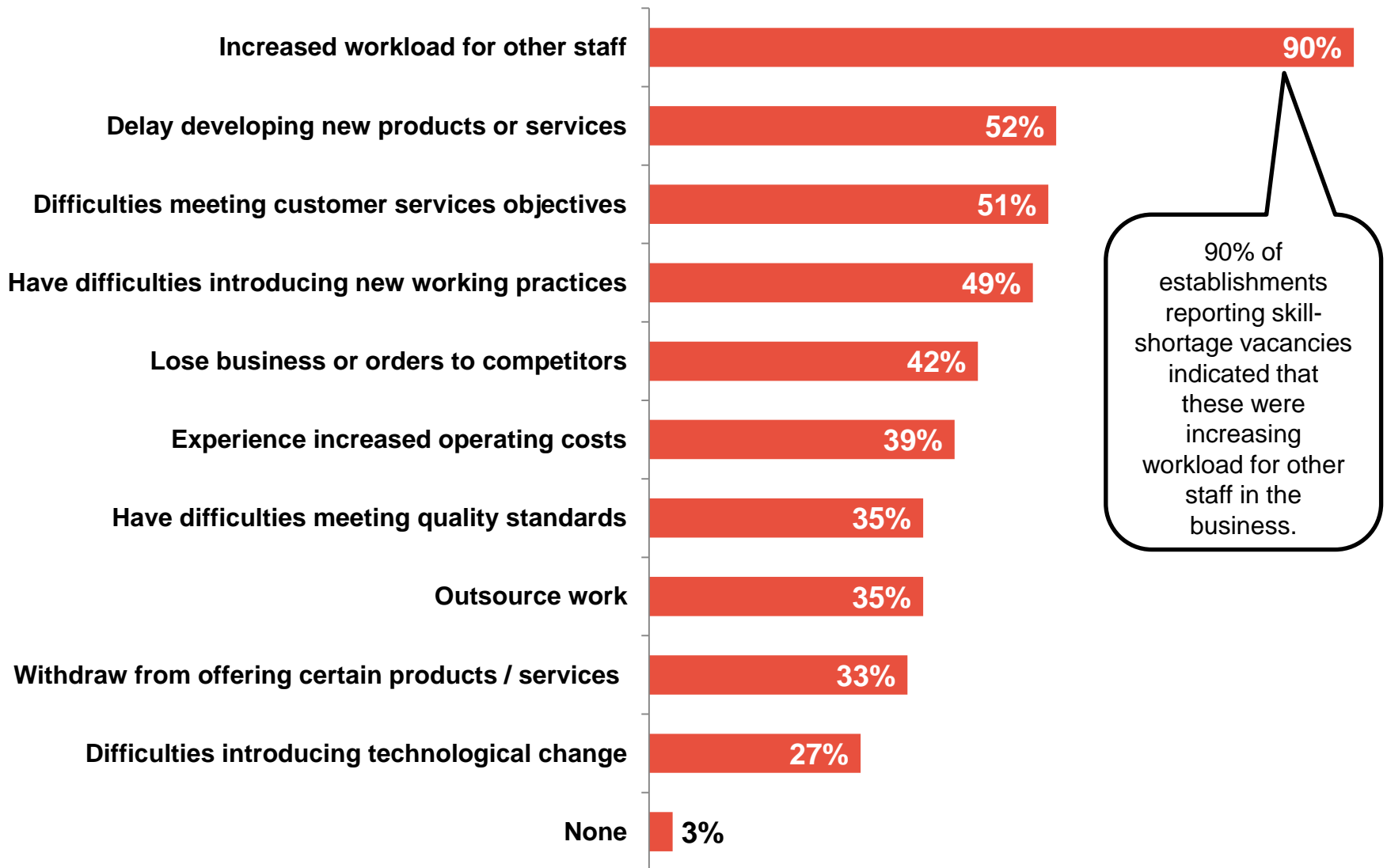
2013: (24) (105) (108) (80) (76) (85) (83) (34) (69)

Skills lacking among applicants in NI



*Base : All establishments in with skill-shortage vacancies - up to 6 occupations followed up (144)
Figures are shown as a percentage of all SSVs (not a percentage of all establishments)*

Impact of skill-shortage vacancies in NI

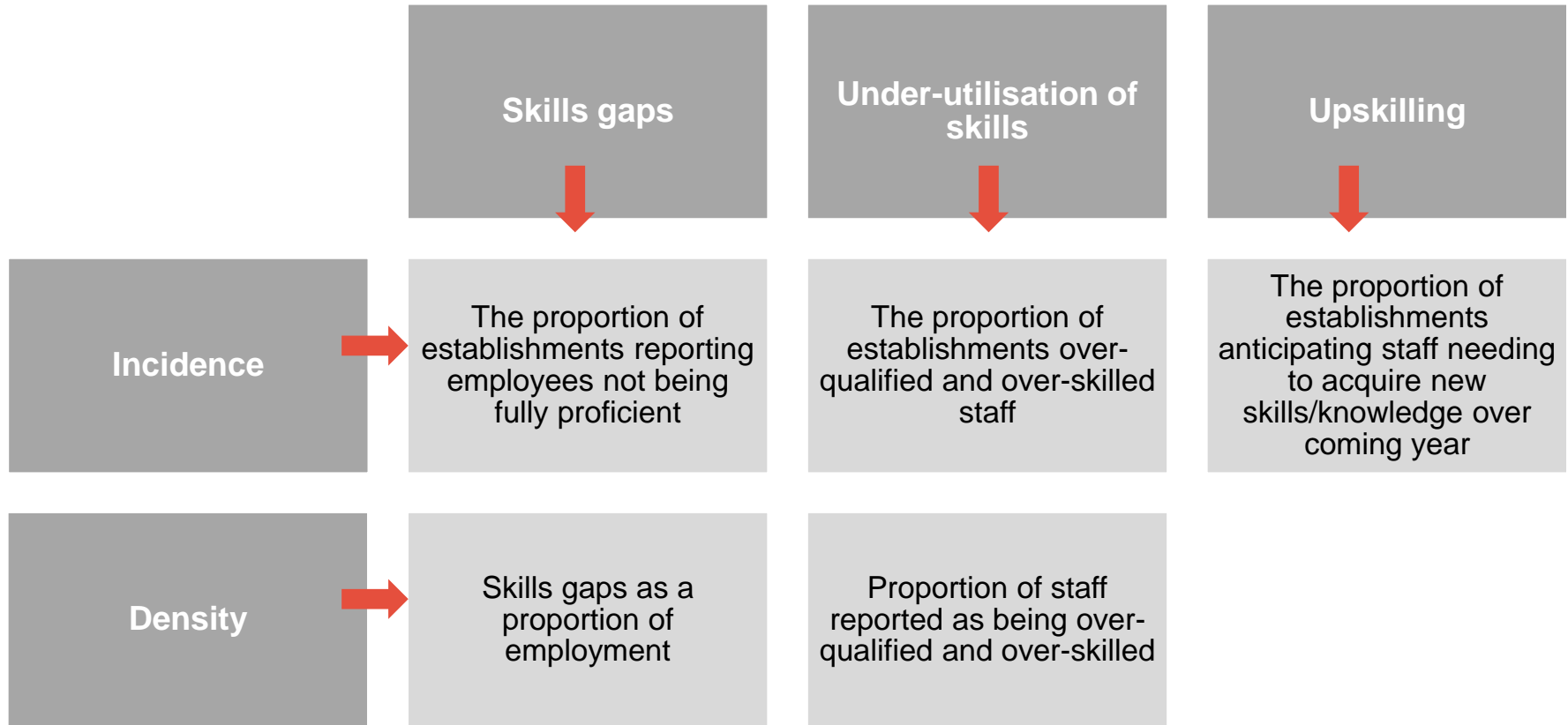


Base: All establishments in where all hard-to-fill vacancies caused solely by skills related issues (136)

Chapter 3: The Internal Skills Challenge

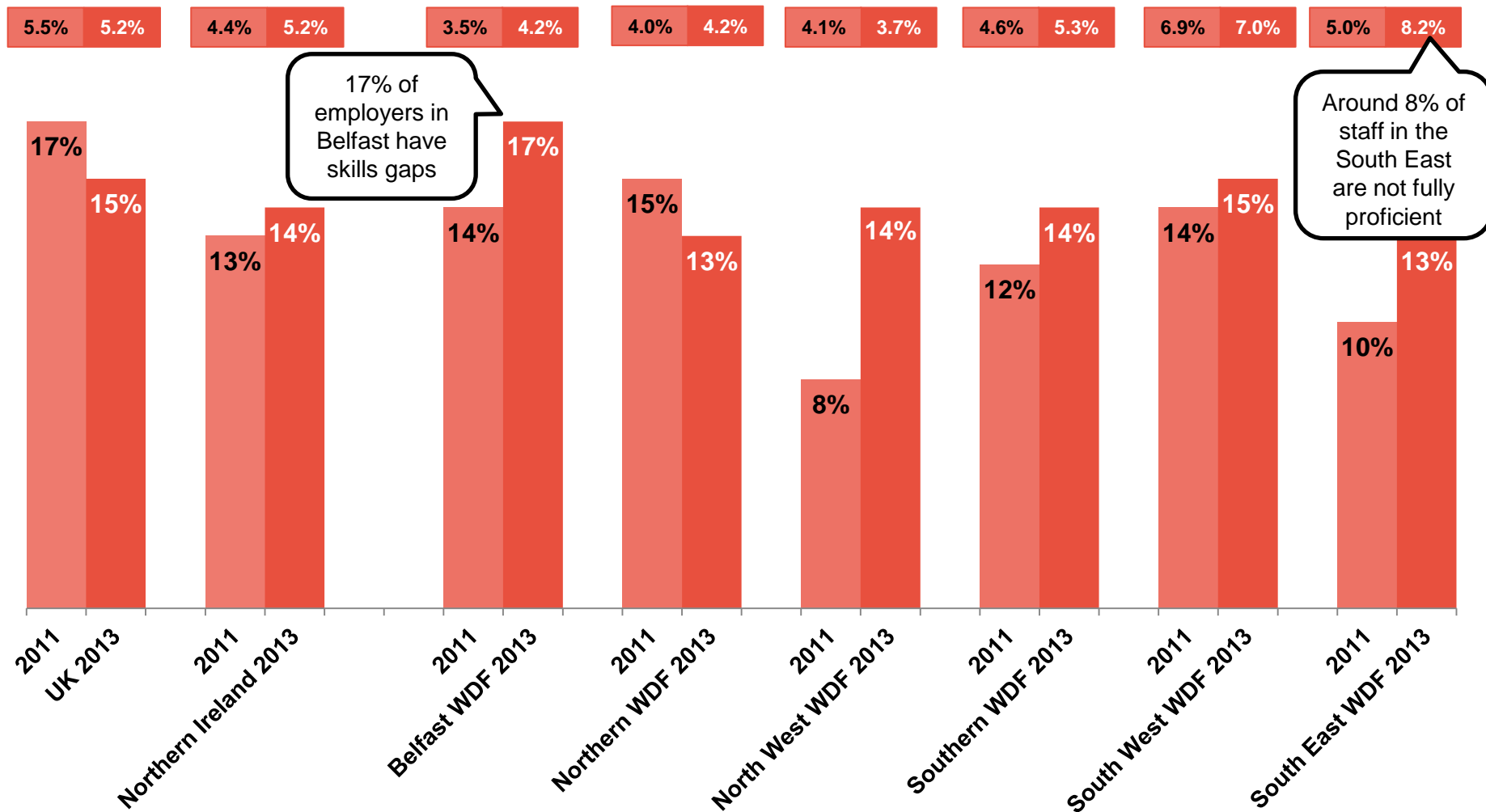
Incidence and density measures

Internal Skills Challenges



Incidence and density of skills gaps by region

Density



17% of employers in Belfast have skills gaps

Around 8% of staff in the South East are not fully proficient

Base for boxes: All employment across all establishments (as shown below)

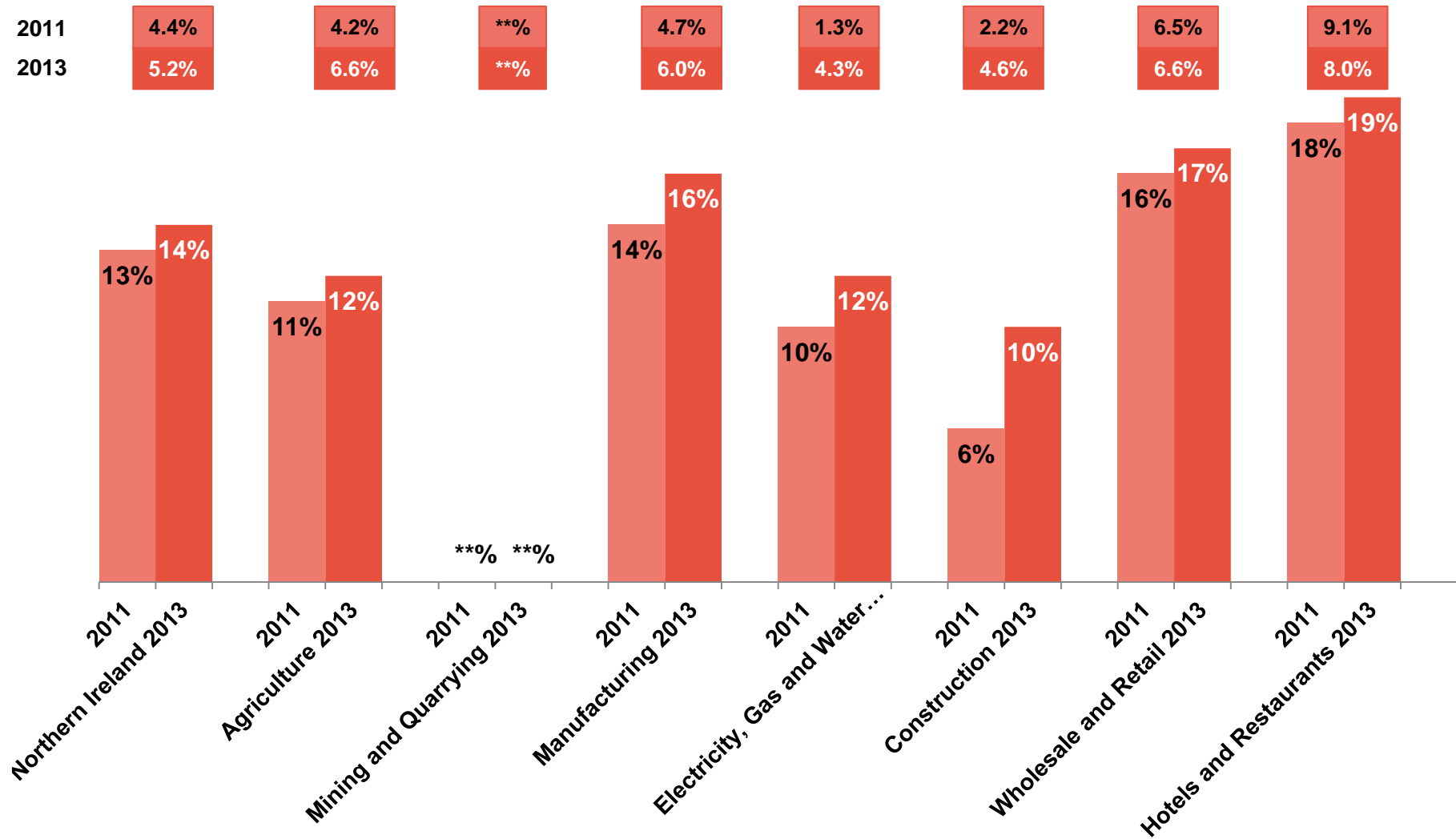
Base for bars: All establishments (as shown)

2011: (86,522) (3,921) (907) (862) (383) (650) (452) (667)

2013: (91,279) (4,014) (918) (878) (377) (644) (509) (688)

Incidence and density of skills gaps by sector (I)

Density



Base for boxes: All employment across all establishments (as shown below)

Base for bars: All establishments (as shown) ** denotes data not shown due to low base size (<25)

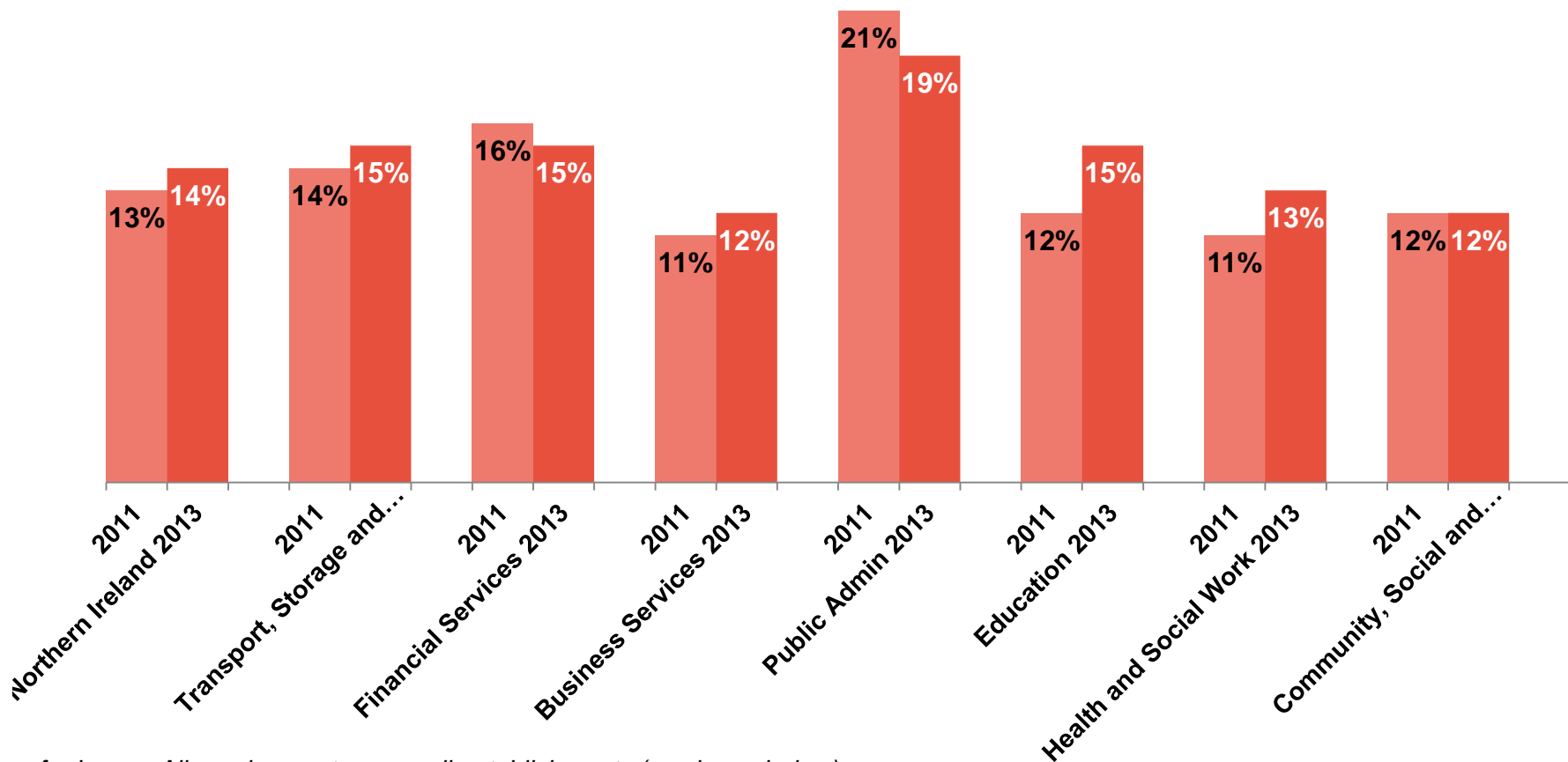
2011: (3,921) (32) (15) (343) (54) (364) (724) (334)

2013: (4,014) (133) (17) (310) (43) (259) (866) (385)

Incidence and density of skills gaps by sector (II)

Density

2011	4.4%	5.5%	8.0%	3.9%	2.7%	1.8%	2.5%	5.3%
2013	5.2%	2.7%	2.3%	3.4%	4.2%	1.8%	7.3%	4.2%



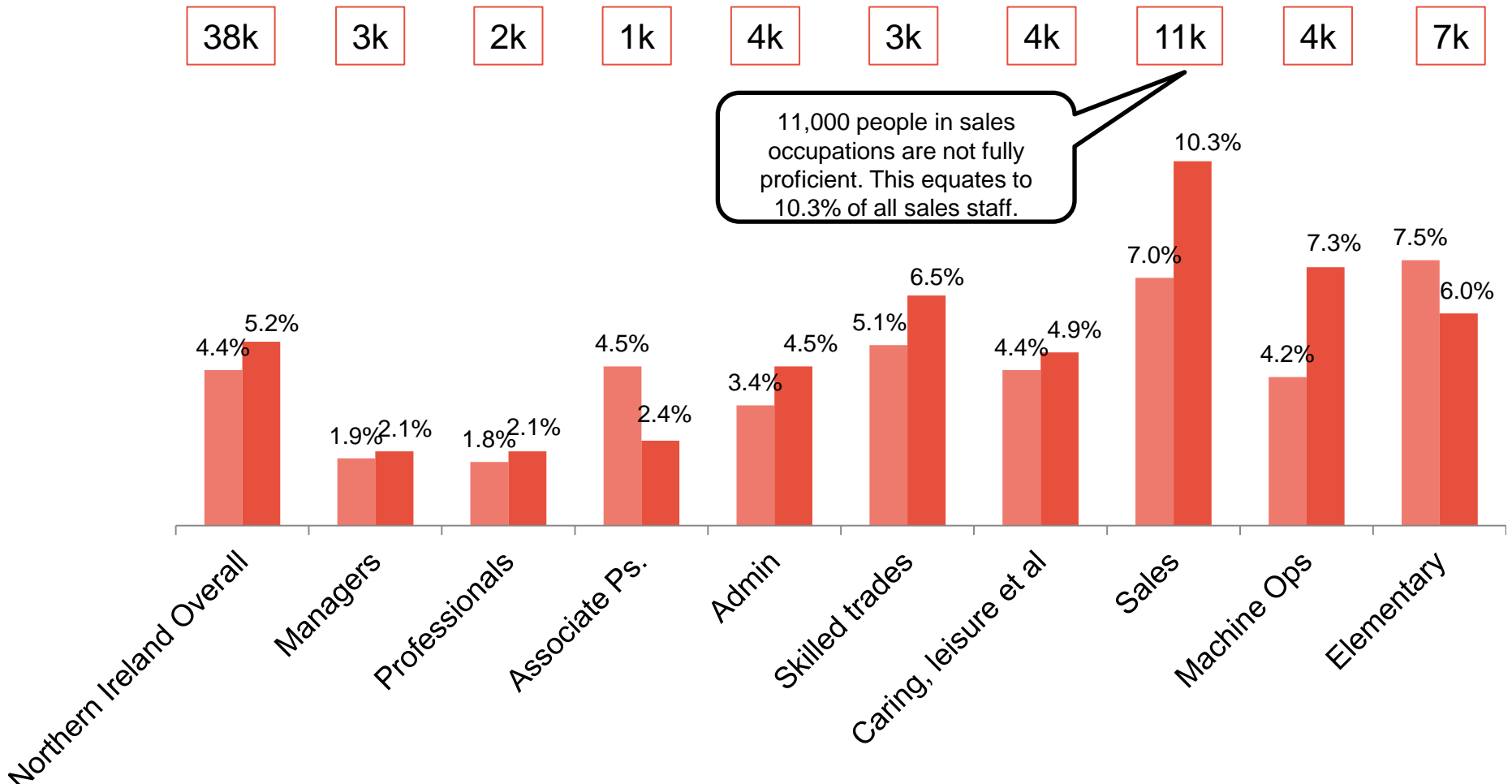
Base for boxes: All employment across all establishments (as shown below)

Base for bars: All establishments (as shown)

2011:	(3,921)	(290)	(137)	(509)	(105)	(285)	(417)	(312)
2013:	(4,014)	(282)	(112)	(491)	(55)	(292)	(408)	(361)

Skills gaps by occupation in NI

■ 2011 skills gap density ■ 2013 skills gap density □ Number of gaps (2013)



Base for boxes: Number of skills gaps within establishments with staff in each occupation (as shown below)

Base for bars: All establishments with staff in each occupation (as shown)

2011:	(3,921)	(3,718)	(718)	(544)	(2,403)	(900)	(550)	(1,116)	(612)	(1,240)
2013:	(4,014)	(3,789)	(757)	(543)	(2,357)	(915)	(613)	(1,156)	(575)	(1,339)

Main causes of skills gaps in NI

64% of skills gaps are attributed, in part, to staff being new to the role



*Base : All establishments with skills gaps - up to 2 occupations followed up (733)
Figures are shown as a percentage of all gaps (not a percentage of all establishments)*

Skills lacking in staff with skills gaps in NI

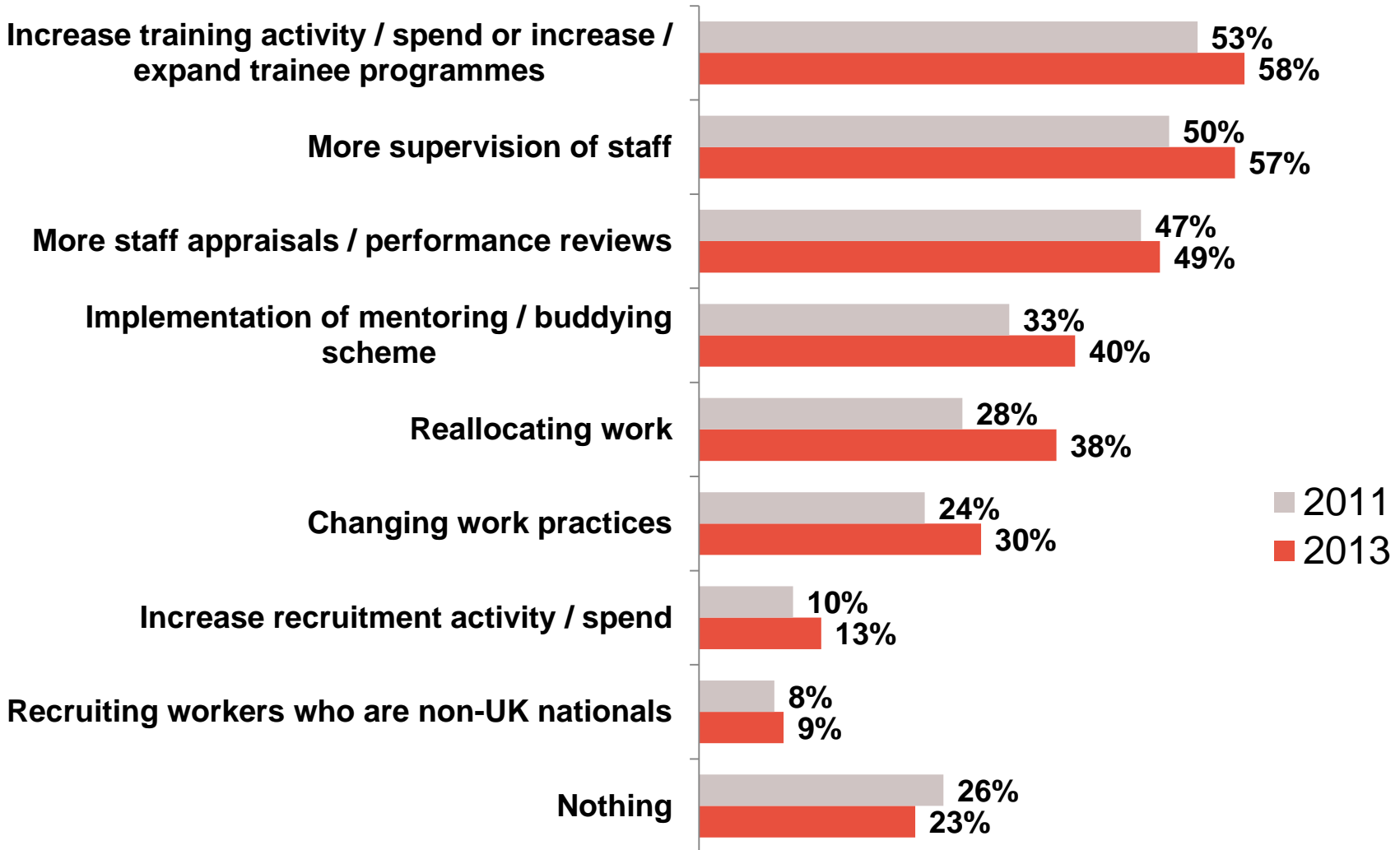


*Base : All establishments with skills gaps - up to 2 occupations followed up (733)
Figures are shown as a percentage of all gaps (not a percentage of all establishments)*

Impact of skills gaps in NI



Action taken to overcome skills gaps in NI



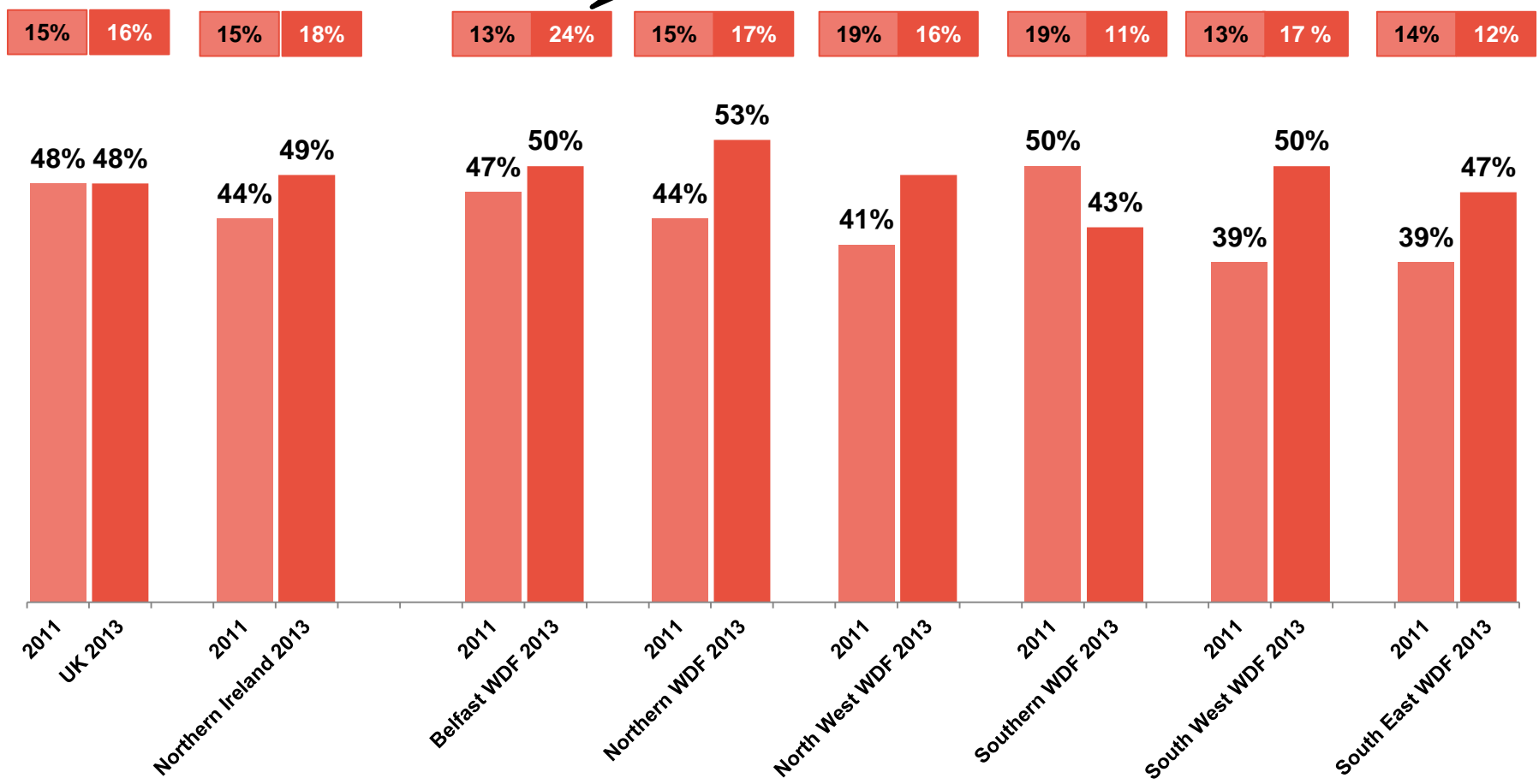
Base: All establishments with skills gaps 2011 (626)

Base: All establishments with skills gaps 2013 (733)

Incidence and density of skills under-utilisation by region

24% of staff in Belfast have skills *and* qualifications more advanced than required for their current job role

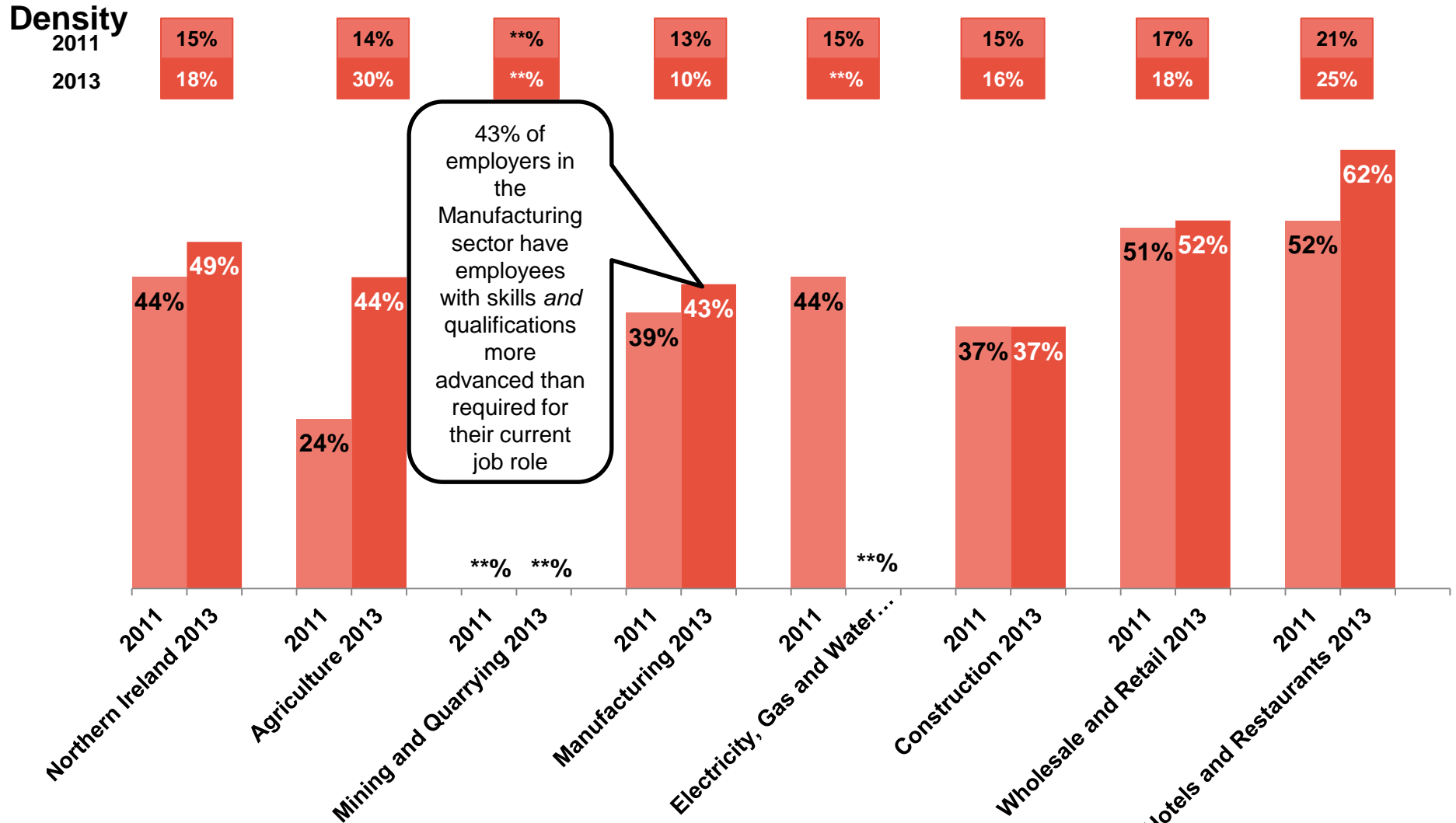
Density



Base: 2011: All establishments (as shown); 2013: All establishments in Module 2 (as shown)

2011:	(86,522)	(3,916)	(905)	(862)	(383)	(649)	(451)	(666)
2013:	(45,644)	(2,015)	(450)	(468)	(195)	(315)	(260)	(327)

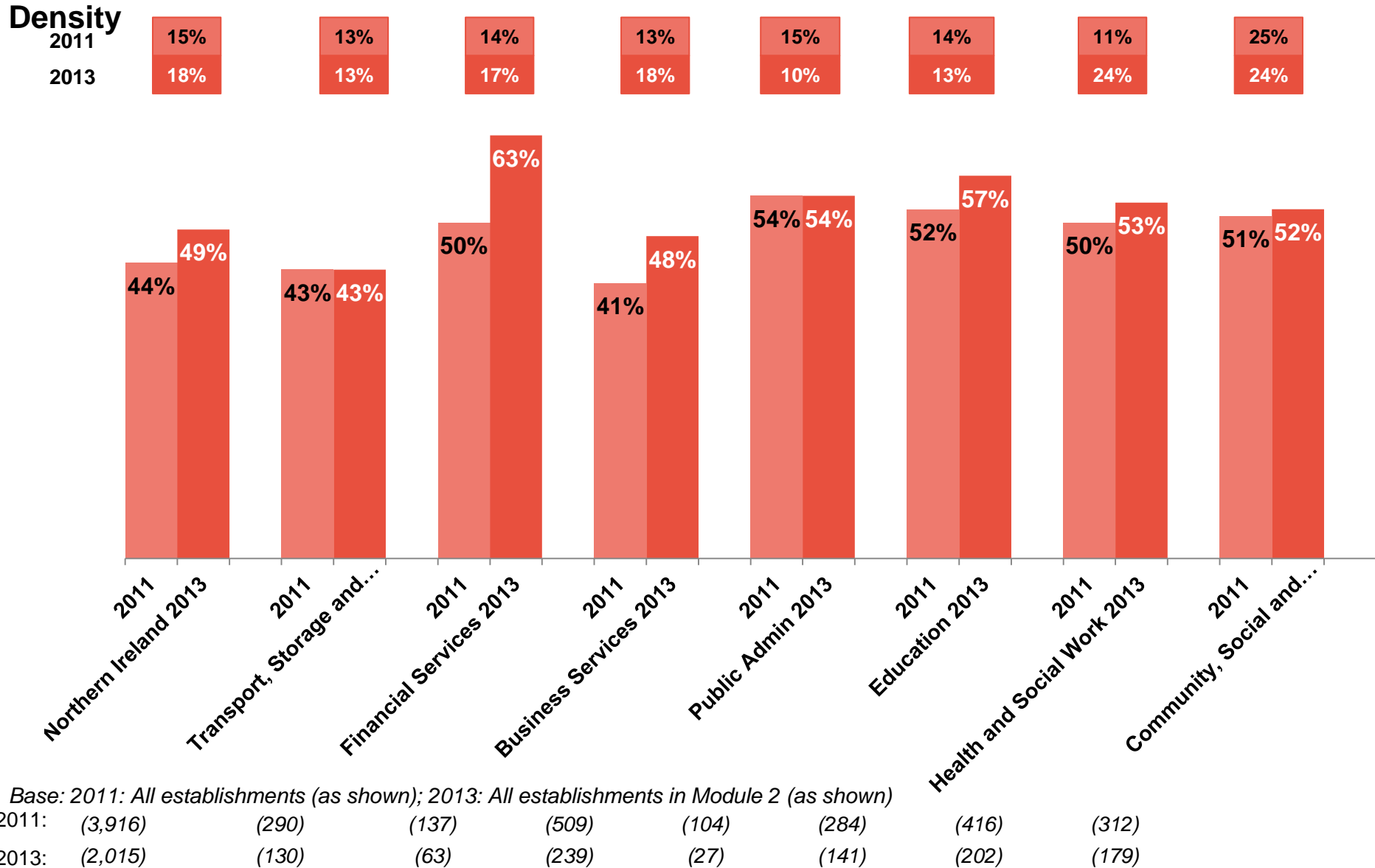
Incidence and density of skills under-utilisation by sector (I)



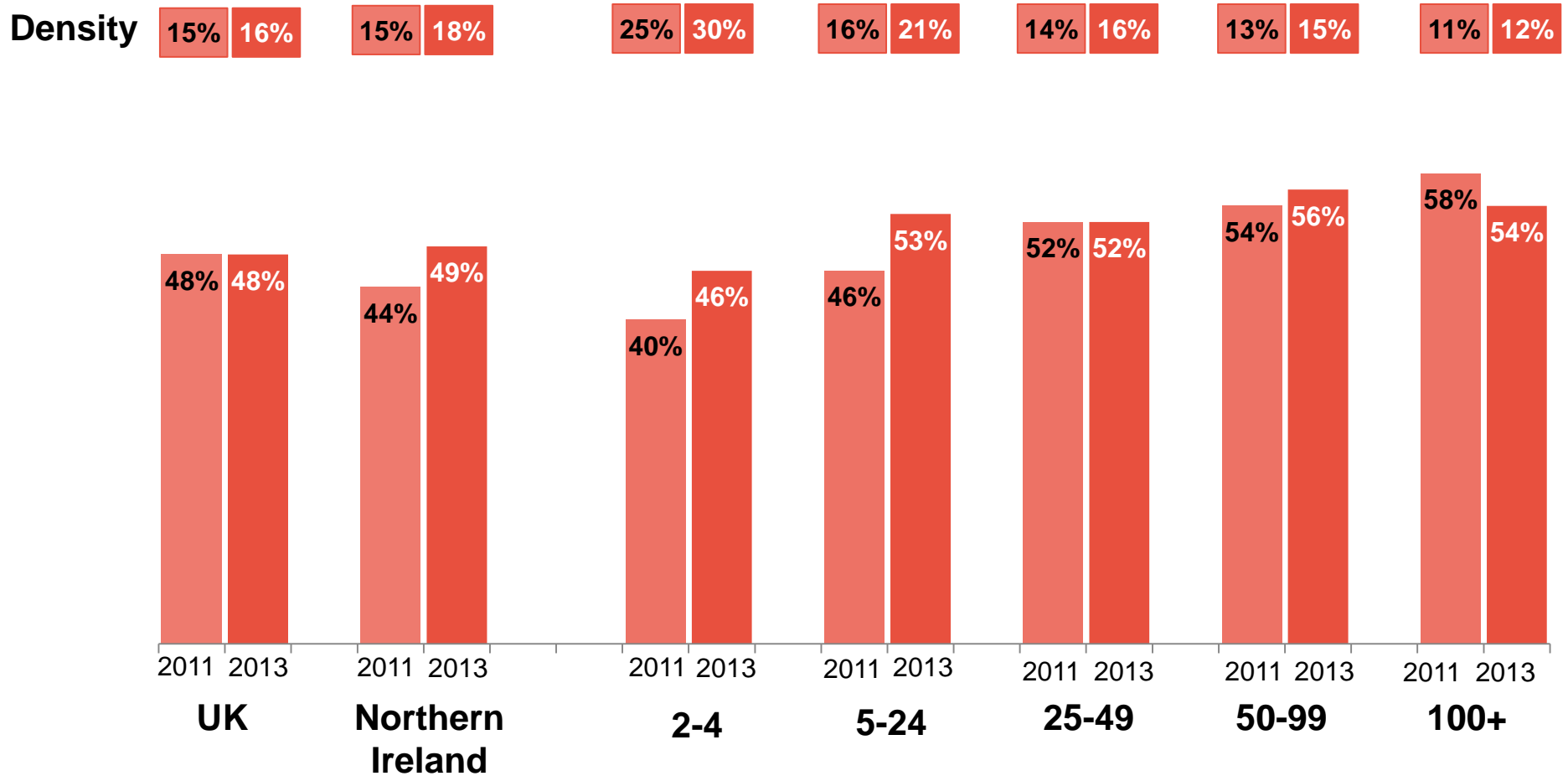
Base: 2011: All establishments (as shown); 2013: All establishments in Module 2 (as shown)

2011:	(3,916)	(32)	(15)	(343)	(54)	(364)	(722)	(334)	** denotes data not shown due to low base size (<25)
2013:	(2,015)	(77)	(10)	(151)	(19)	(145)	(440)	(192)	

Incidence and density of skills under-utilisation by sector (II)



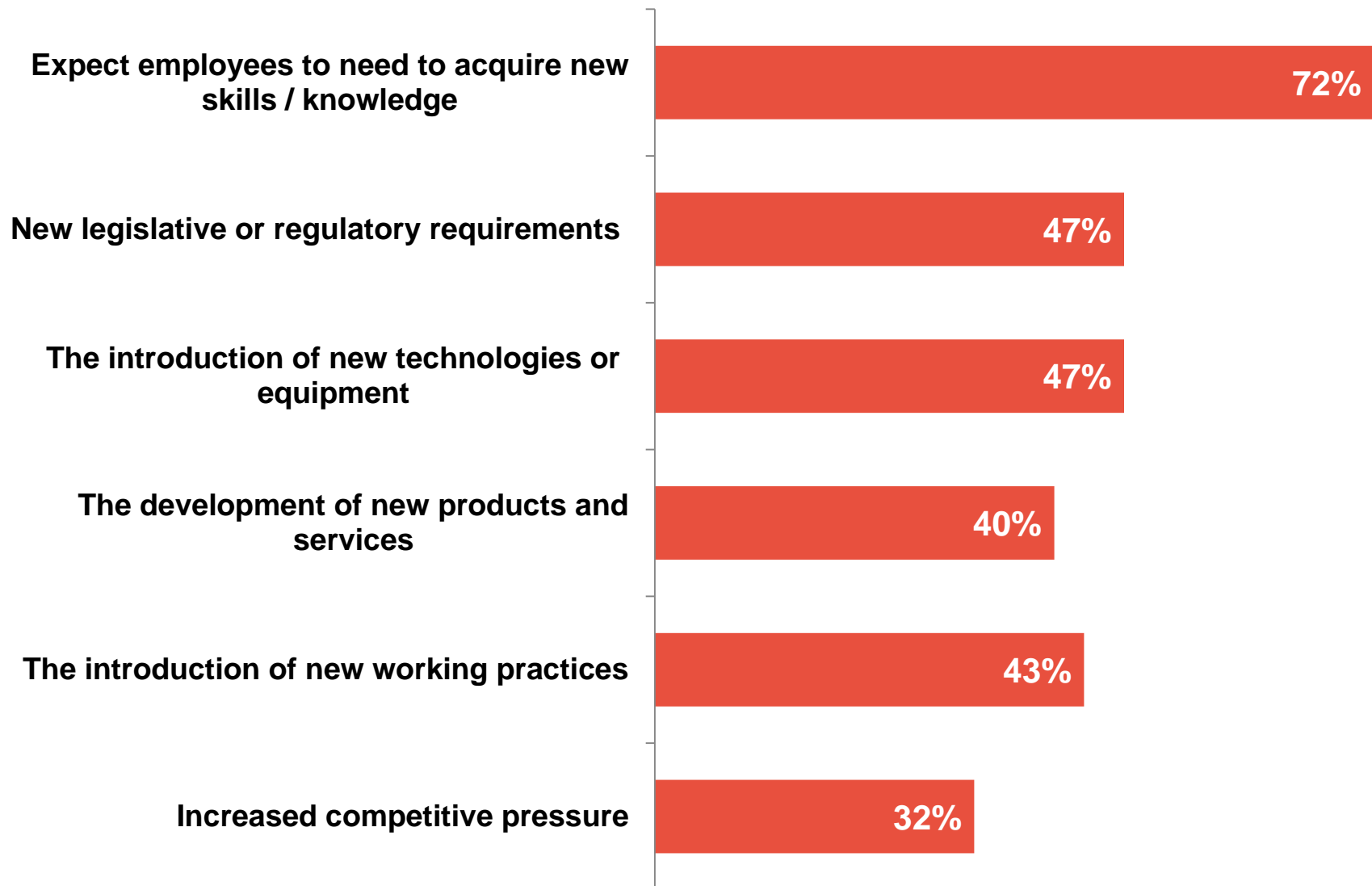
Incidence and density of skills under-utilisation by size in NI



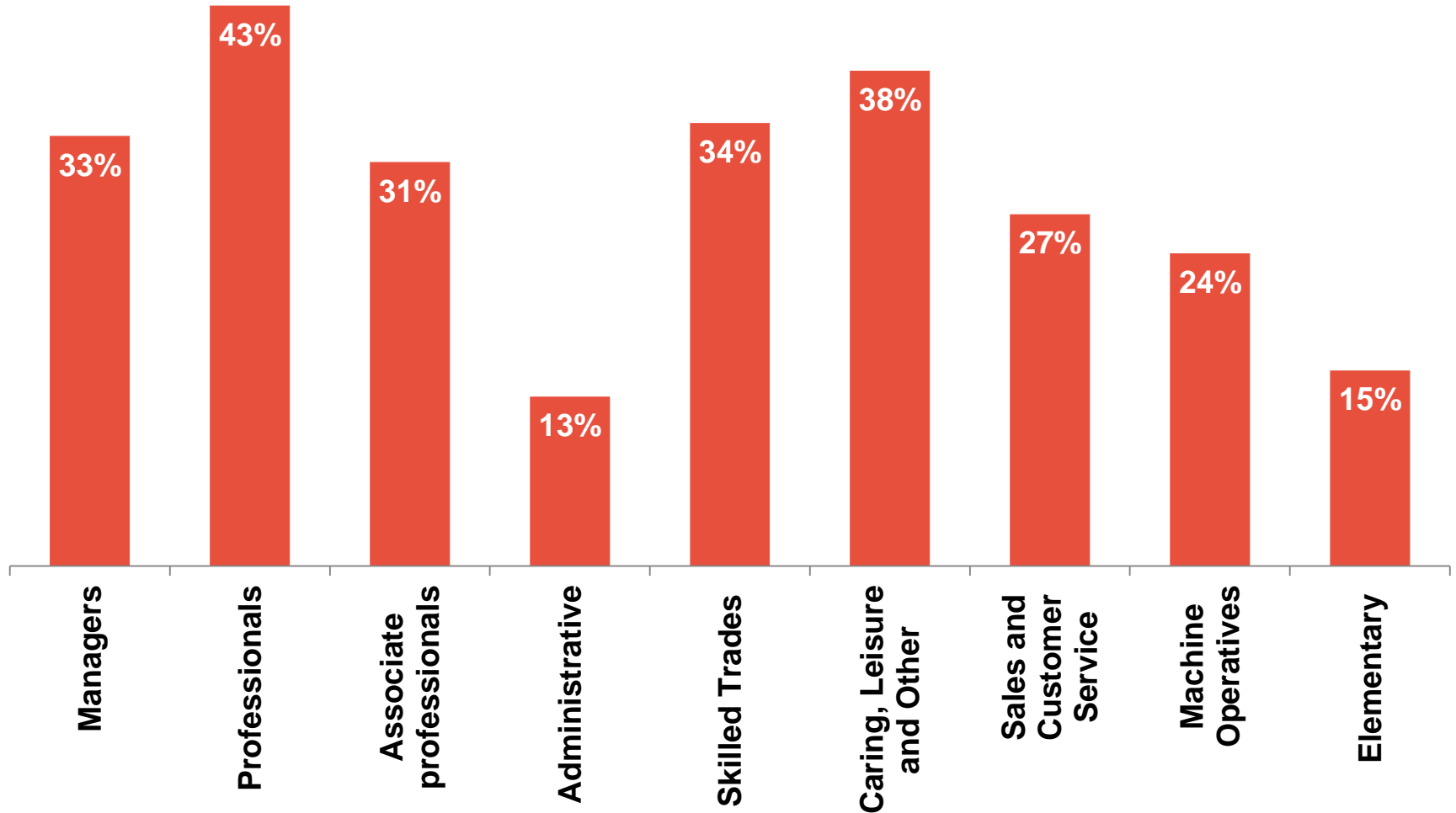
Base: 2011: All establishments (as shown); 2013: All establishments in Module 2 (as shown)

2011:	(86,522)	(3,916)	(988)	(2,263)	(327)	(184)	(154)
2013:	(45,644)	(2,015)	(631)	(1,106)	(144)	(73)	(61)

Drivers of upskilling in NI



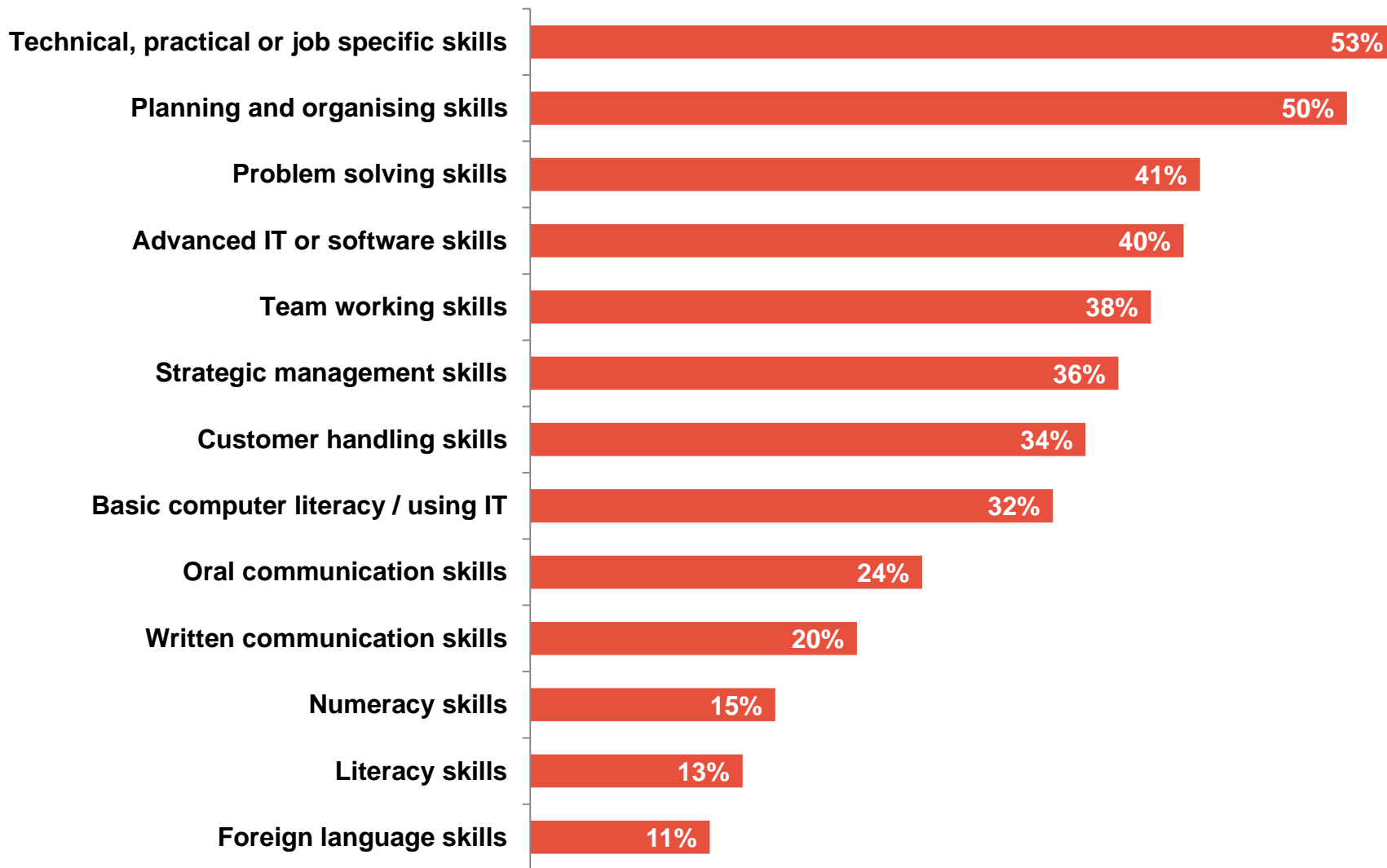
Occupations affected by need for upskilling in NI



Base: All establishments who employ staff in each occupation (Module 2):

Base: (1,915) (374) (261) (1,176) (434) (290) (603) (271) (661)

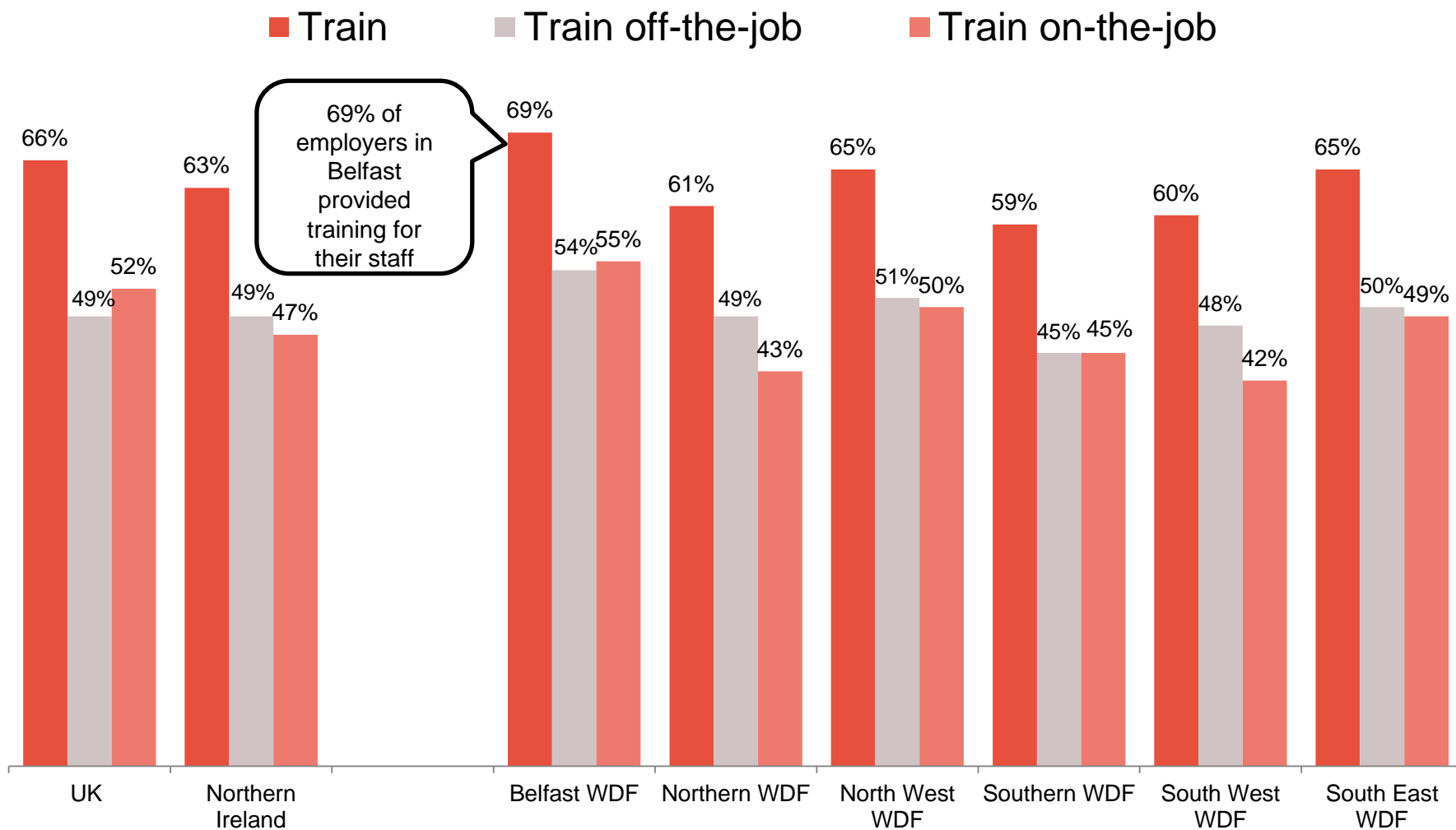
Skills which need improving/updating in next 12 months in NI



Base: All establishments who anticipate a need to upskill staff in the next 12 months excluding those where the main occupation affected is not known (1,499)

Chapter 4: Training and Workforce Development

Incidence of training provision over the previous 12 months by region



Base for bars: All establishments (as shown)

2013: (91,279) (4,014) (918) (878) (377) (644) (509) (688)

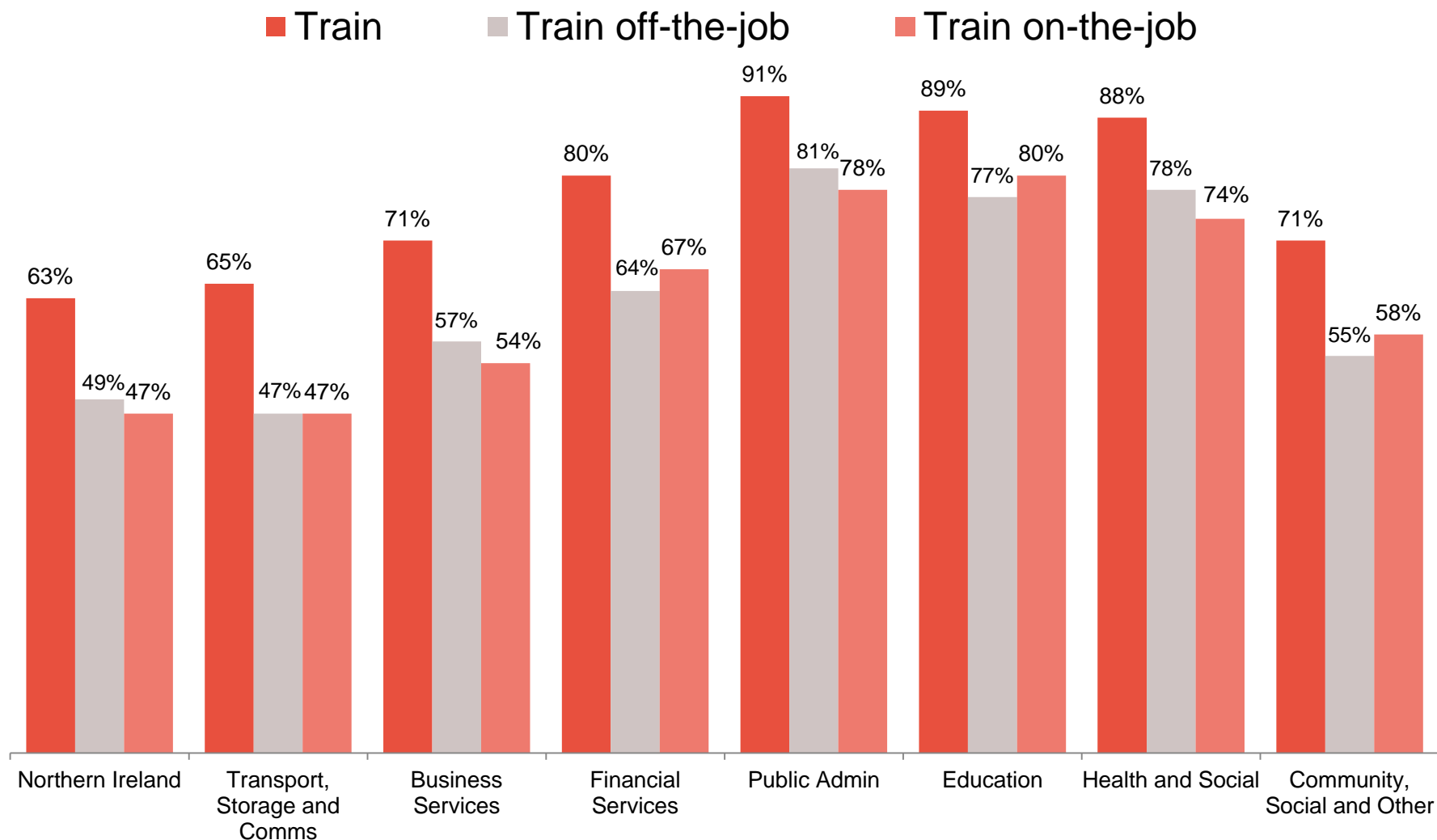
Incidence of training provision over the previous 12 months by sector (I)



Base for bars: All establishments (as shown) ** denotes data not shown due to low base size (<25)

2013: (4,014) (133) (17) (310) (43) (259) (866) (385)

Incidence of training provision over the previous 12 months by sector (II)

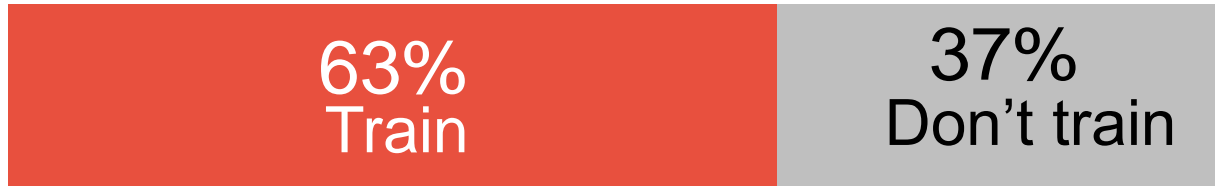


Base for bars: All establishments (as shown)

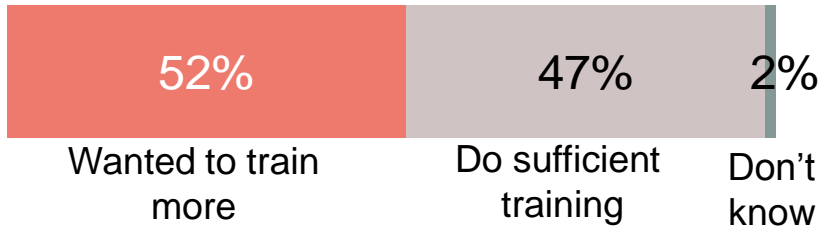
2013: (4,014) (282) (491) (112) (55) (292) (408) (361)

Training Equilibrium: employer interest in providing more training than they were able to

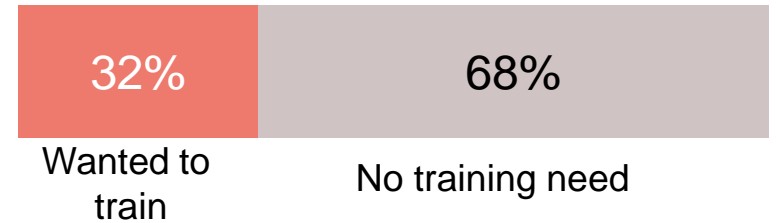
Among all employers in Northern Ireland....
(Base: 4,014)



Of trainers.... (Base: 2,894)



Of non-trainers.... (Base: 1,120)



ALL EMPLOYERS

(Base: All establishments, 4,014)



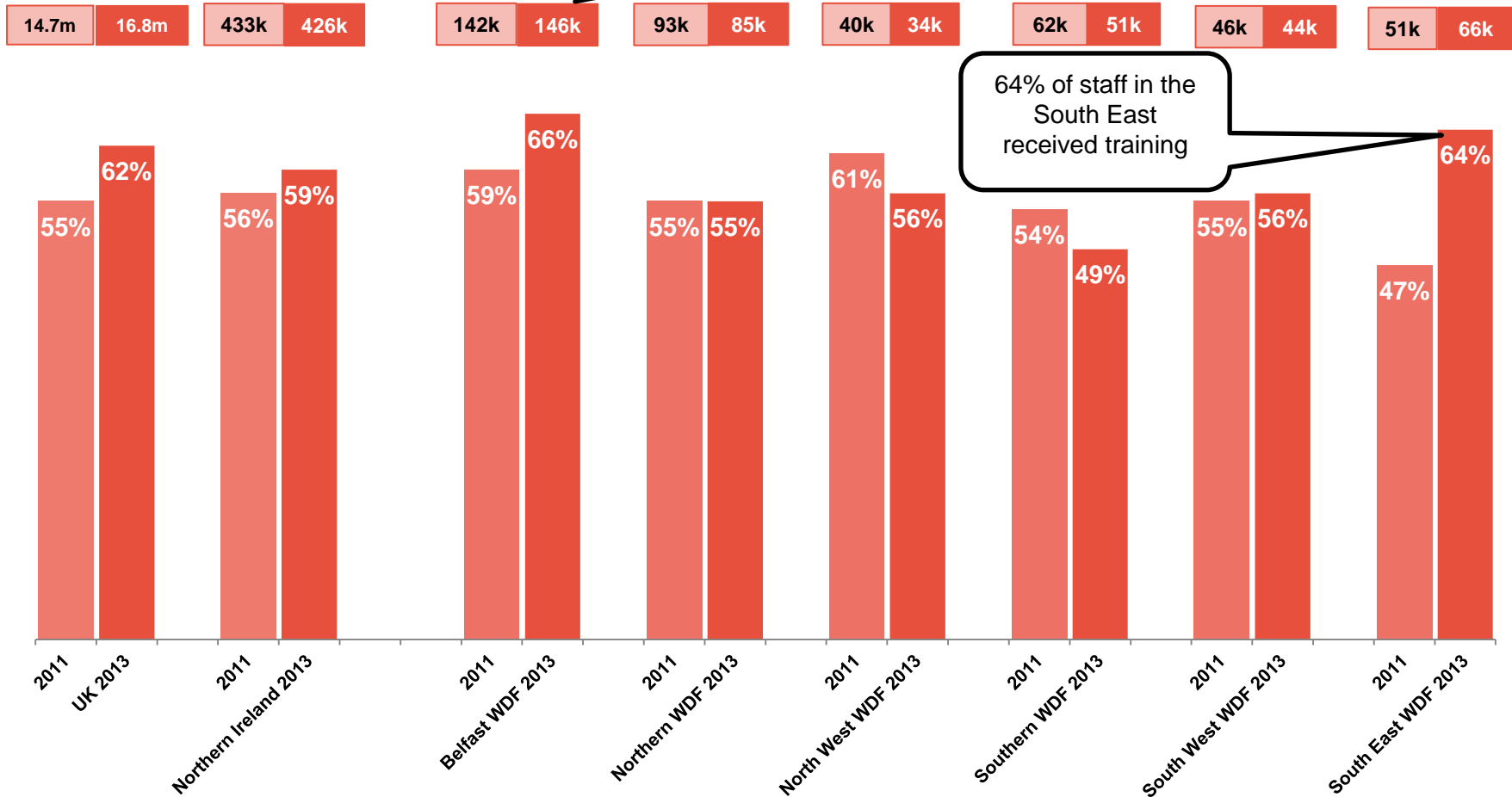
Types of training provided in NI



Base : All establishments that train (2,894)

Number and proportion of staff trained by region

Number of staff trained:



146,000 employees received training in Belfast, 4000 more than 2011

64% of staff in the South East received training

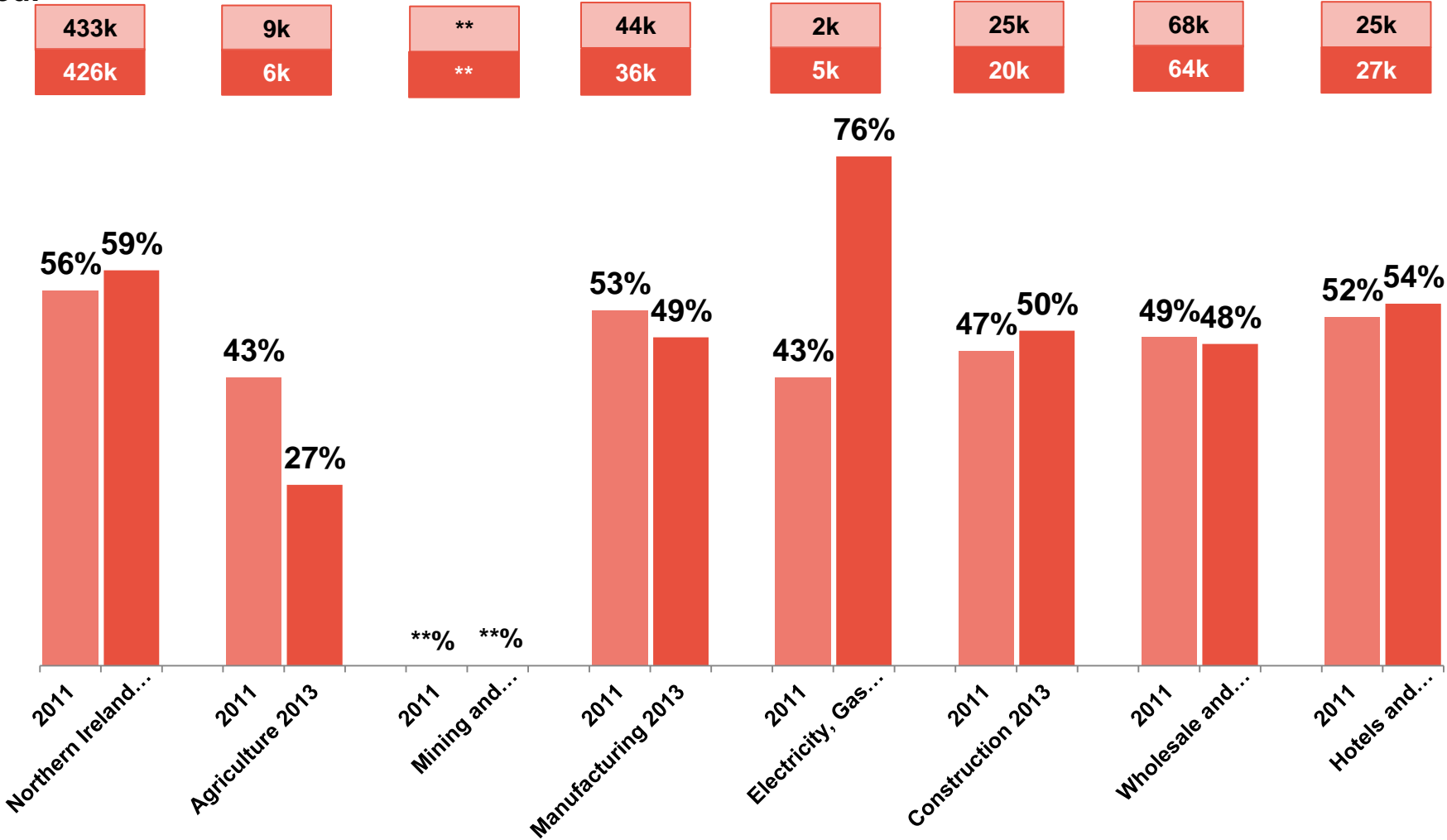
Base for bars: All establishments (as shown)

2011:	(86,522)	(3,921)	(907)	(862)	(383)	(650)	(452)	(667)
2013:	(91,279)	(4,014)	(918)	(878)	(377)	(644)	(509)	(688)

Note: proportion of staff trained shown as a proportion of all employment across all establishments, not just those establishments that train.

Number and proportion of staff trained by sector (I)

Number of staff trained:



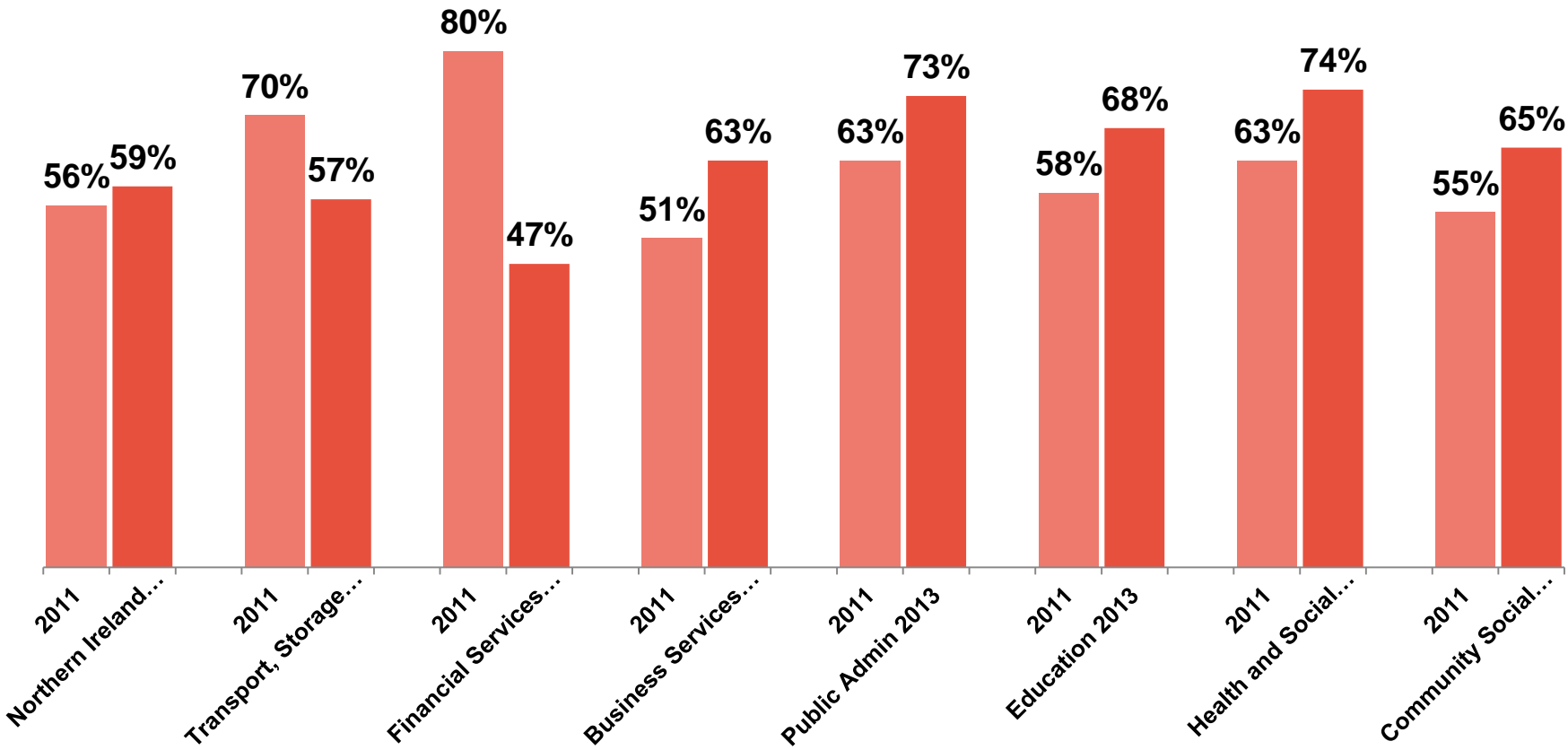
Base for bars: All establishments (as shown)

2011: (3,921) (32) (15) (343) (54) (364) (724) (334)
 2013: (4,014) (133) (17) (310) (43) (259) (866) (385)

Note: proportion of staff trained shown as a proportion of all employment across all establishments, not just those establishments that train.

Number and proportion of staff trained by sector (II)

Number of staff trained:

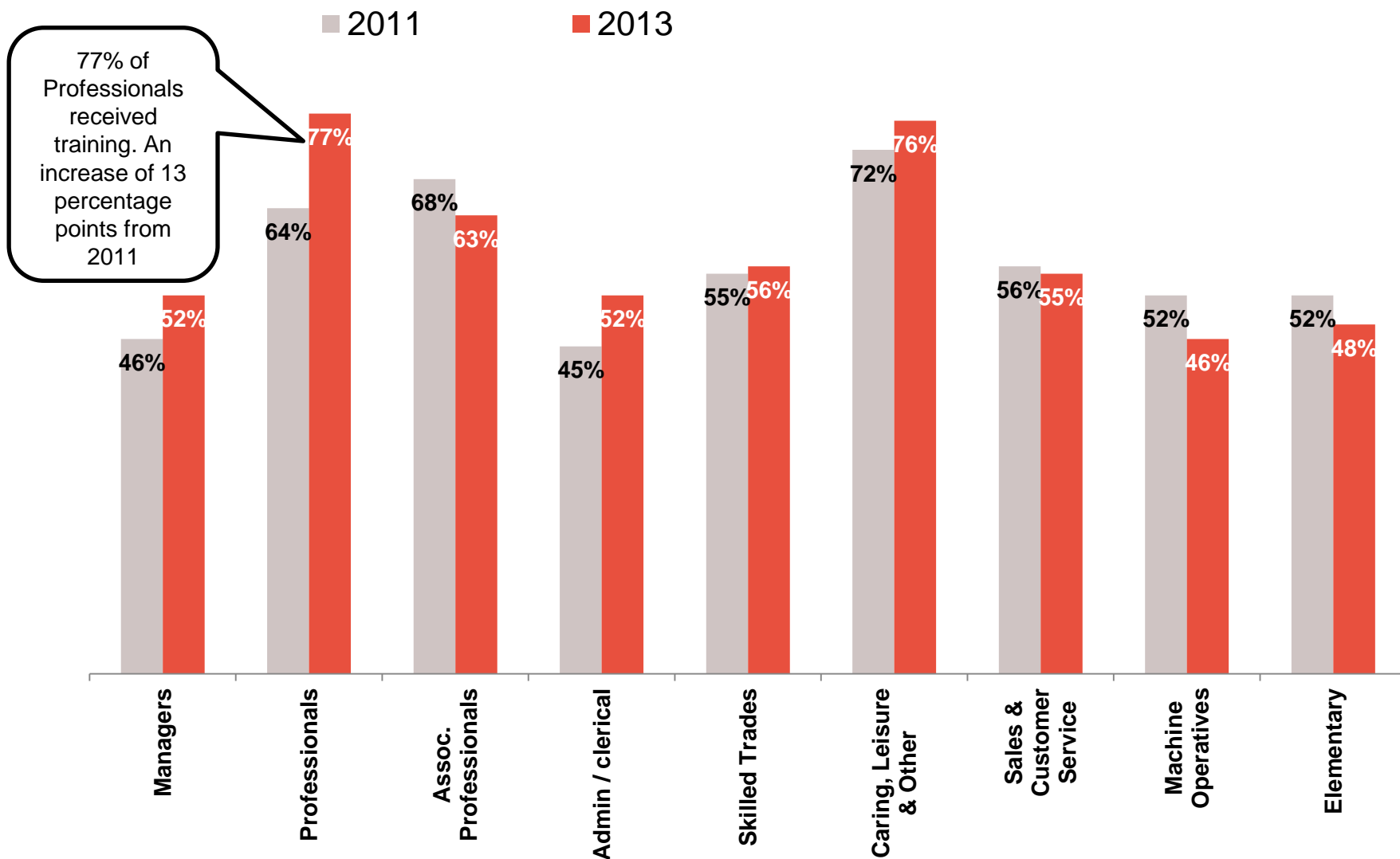


Base for bars: All establishments (as shown)

2011:	(3,921)	(290)	(137)	(509)	(105)	(285)	(417)	(312)
2013:	(4,014)	(282)	(112)	(491)	(55)	(292)	(408)	(361)

Note: proportion of staff trained shown as a proportion of all employment across all establishments, not just those establishments that train.

Proportion of staff trained by occupation in NI



Base : All establishments with staff in each occupation:

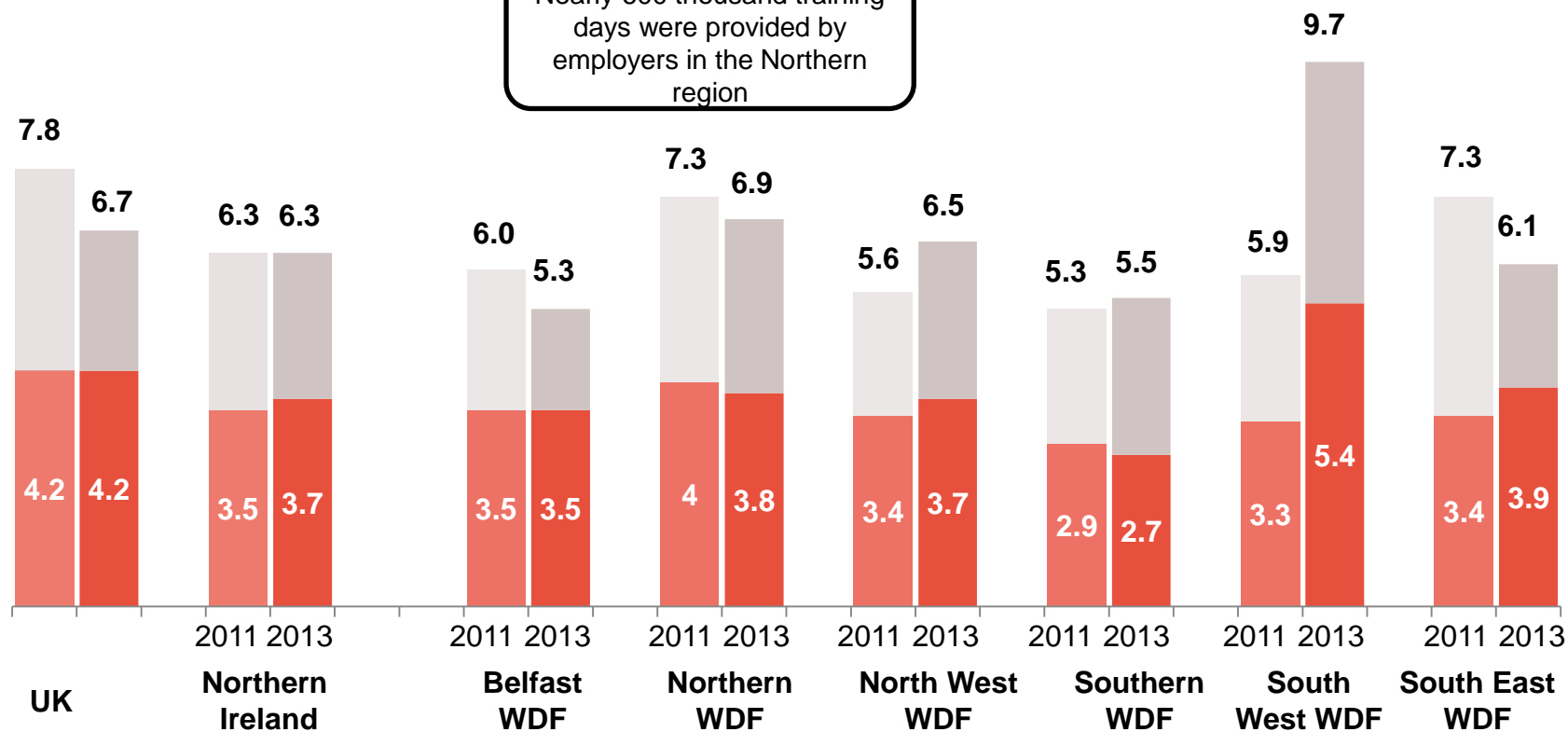
2011:	(3,718)	(718)	(544)	(2,403)	(900)	(550)	(1,116)	(612)	(1,240)
2013:	(3,789)	(757)	(543)	(2,357)	(915)	(613)	(1,156)	(575)	(1,339)

Training days provided by region in NI

Total days training:

2011:	114.6m	2.7m	845k	675k	221k	325k	275k	373k
2013:	113.2m	2.7m	779k	583k	224k	282k	426k	398k

Nearly 600 thousand training days were provided by employers in the Northern region



■ Days per employee ■ Days per trainee

Base for bars: All employment across all establishments (as shown)

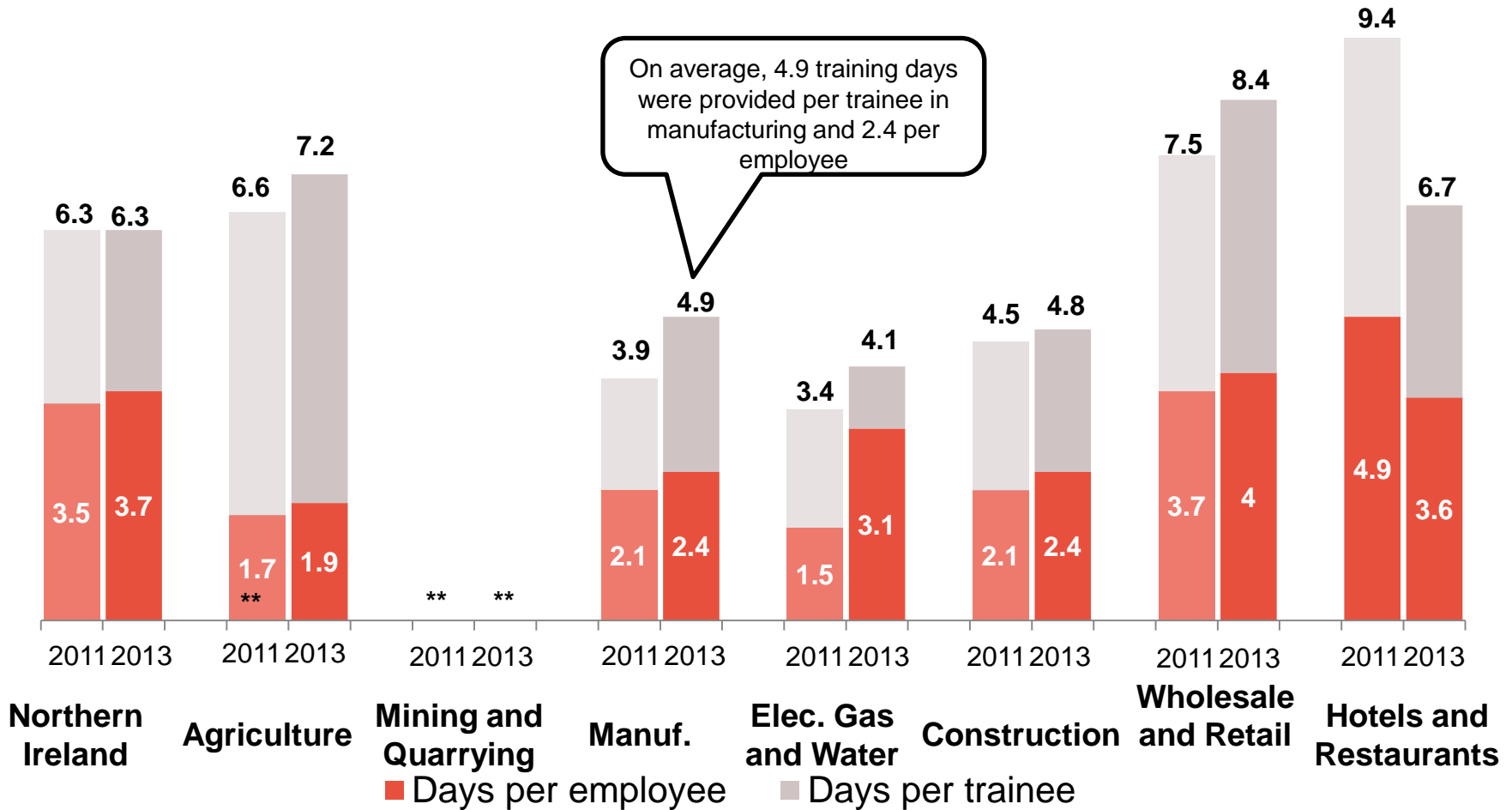
2011:	(86,522)	(3,921)	(907)	(862)	(383)	(650)	(452)	(667)
2013:	(91,279)	(4,014)	(918)	(878)	(377)	(644)	(509)	(688)

Note: Days per employee shown as an average for all employment across all establishments; days per trainee shown as an average of all trainees.

Training days provided by sector in NI (I)

Total days training:

2011:	2.7m	125k	**	170k	8k	112k	514k	238k
2013:	2.7m	41k	**	179k	20k	96k	534k	181k



Base for bars: All employment across all establishments (as shown)

** denotes data not shown due to low base size (<25)

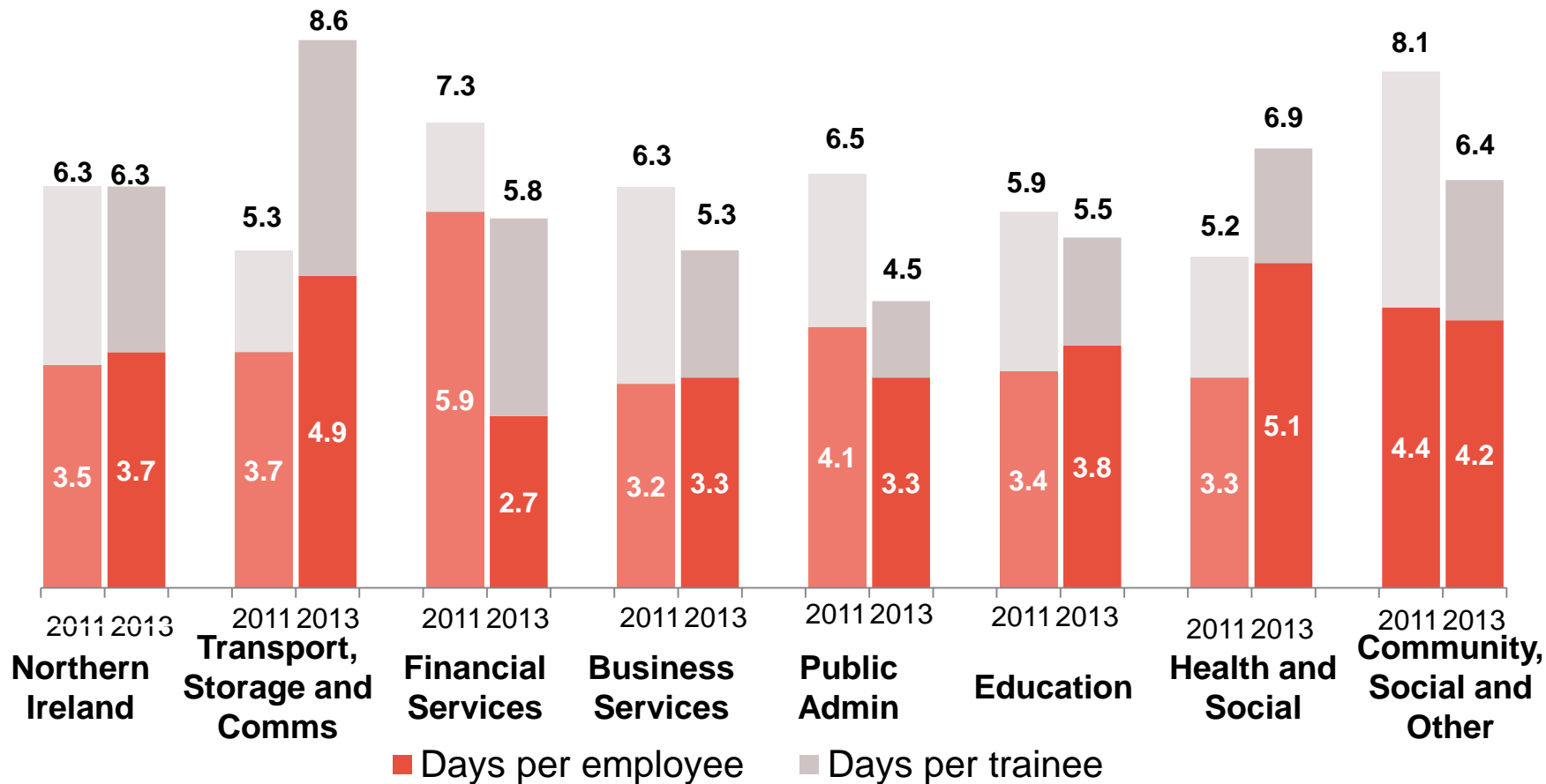
2011:	(3,921)	(32)	(15)	(343)	(54)	(364)	(724)	(334)
2013:	(4,014)	(133)	(17)	(310)	(43)	(259)	(866)	(385)

Note: Days per employee shown as an average for all employment across all establishments; days per trainee shown as an average of all trainees.

Training days provided by sector in NI (II)

Total days training:

2011:	2.7m	168k	120k	268k	236k	249k	378k	133k
2013:	2.7m	206k	51k	259k	159k	269k	565k	127k

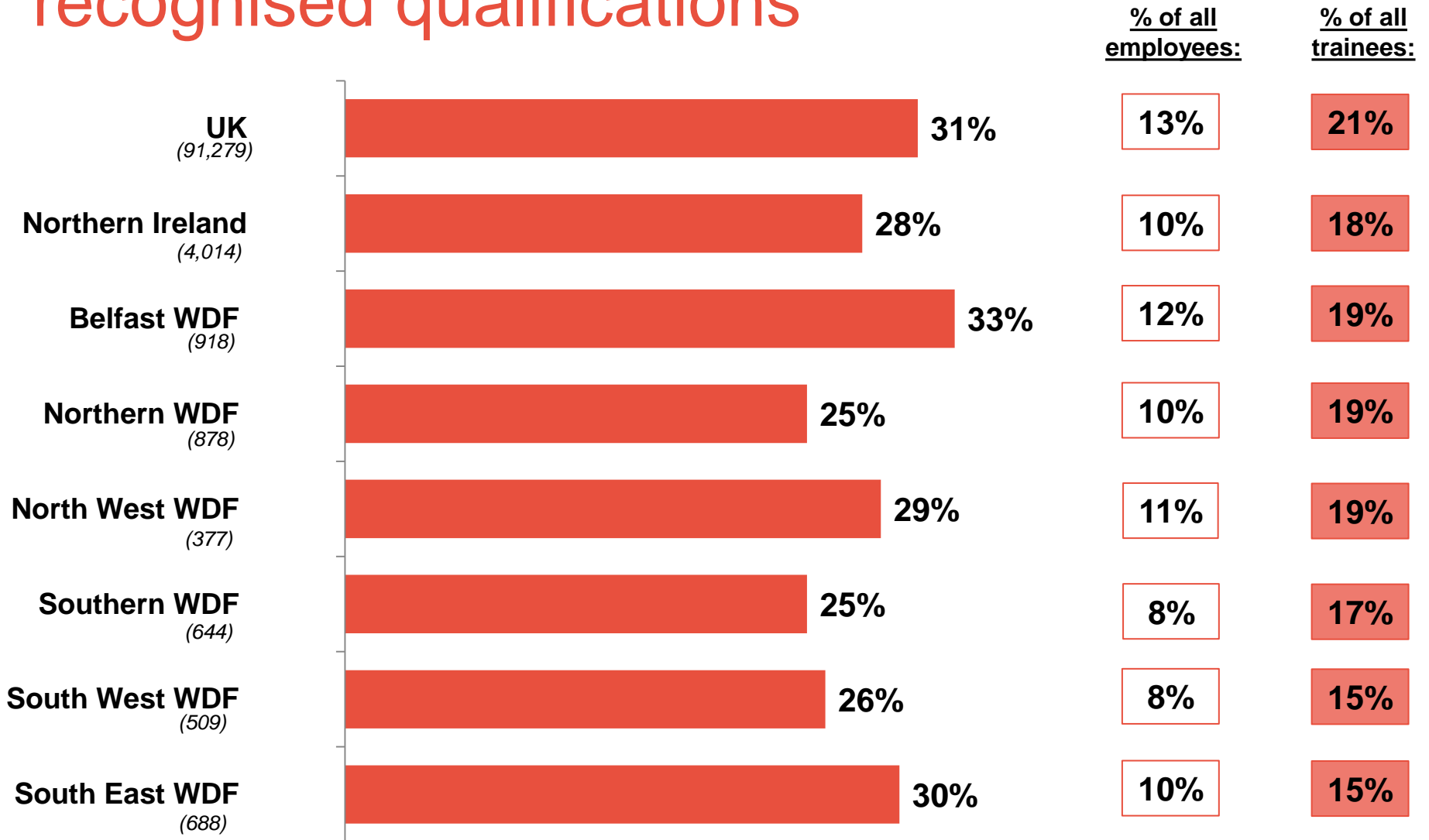


Base for bars: All employment across all establishments (as shown)

2011:	(3,921)	(290)	(137)	(509)	(105)	(285)	(724)	(334)
2013:	(4,014)	(133)	(17)	(310)	(43)	(259)	(866)	(385)

Note: Days per employee shown as an average for all employment across all establishments; days per trainee shown as an average of all trainees.

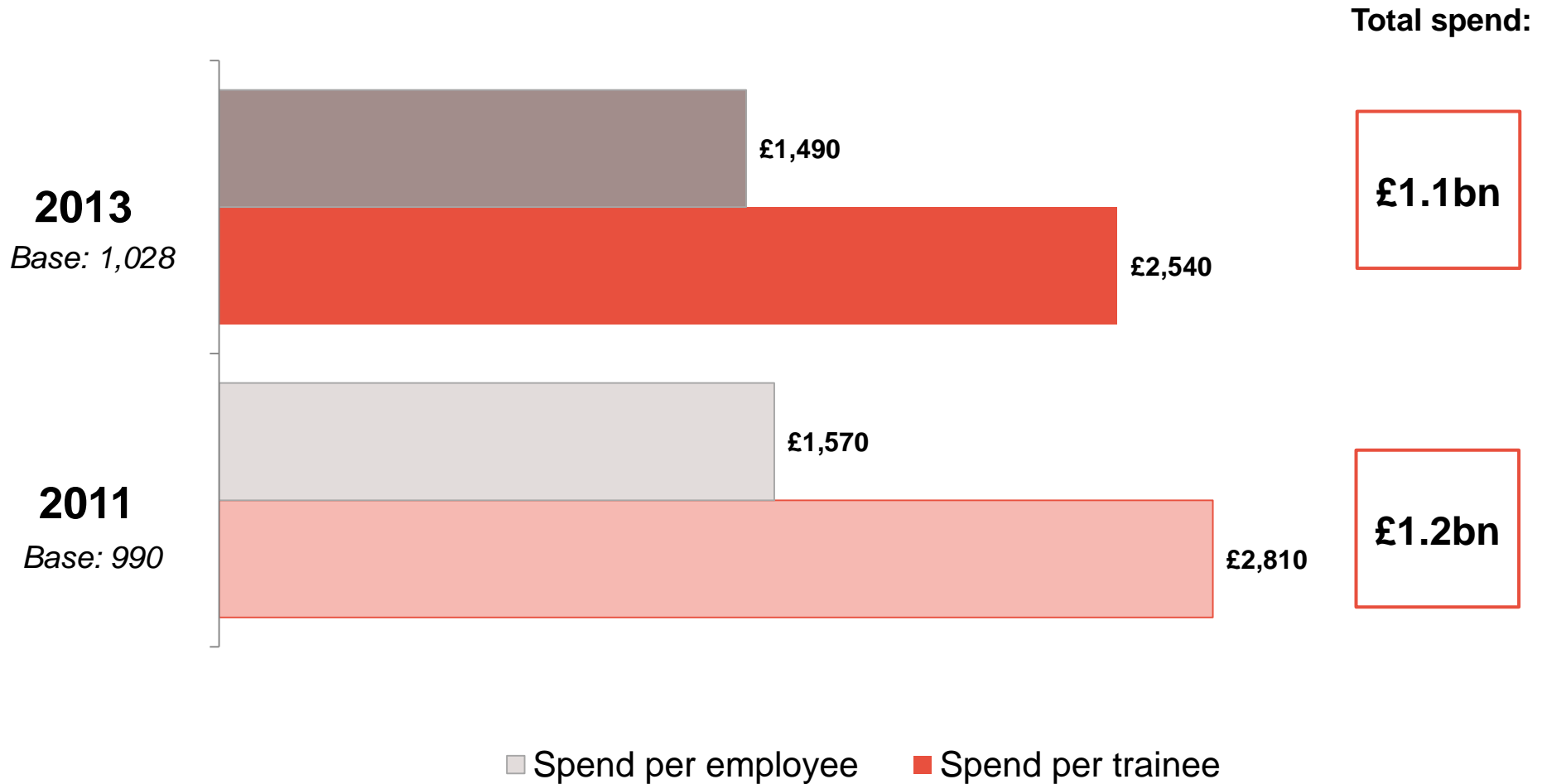
Incidence of training staff to nationally recognised qualifications



Base: All establishments by region (as shown)

Note: % of all employees shown as an average for all employment across all establishments; % of all trainees shown as an average of all trainees.

Investment in Training



Base: All establishments that train (Investment in Training follow up survey), as shown.

Training expenditure by component in NI

Unweighted Base:	2011 1,002		2013 1,028	
	£bn	%	£bn	%
Total training expenditure	£1.2bn	100	£1.1bn	100
Off-the-job training: total	£676m	56	£575m	53
Off-the-job training: Course-related: total	£605m	50	£471m	44
Trainee labour costs	£102m	8	£124m	11
Fees to external providers	£70m	6	£52m	5
On-site training centre	£196m	16	£100m	9
Off-site training centre (in the same company)	£17m	1	£12m	1
Training management	£203m	17	£168m	16
Non-training centre equipment and materials	£10m	1	£11m	1
Travel and subsistence	£15m	1	£13m	1
Levies minus grants	-£6m	-1	-£10m	-1
Off-the-job training: other (seminars, workshops etc.): total	£71m	6	£103m	10
Trainee labour costs	£50m	4	£82m	8
Fees to external providers	£21m	2	£21m	2
On-the-job training: Total	£541m	44	£506m	47
Trainee labour costs	£339m	28	£326m	30
Trainers' labour costs	£202m	17	£181m	17

Base : All establishments that train (Investment in Training follow-up survey)

Chapter 5: Recruitment of Young People

Employer recruitment of young people

“Recruiting employers” *Base: All establishments in NI (4,014)*

54%

Employers who have recruited anyone in the past two to three years

46%
Not recruited

Recruited young people *Base: All establishments in NI (Module 2; 2,015)*

35%

Employers who have recruited anyone under the age of 25 in the past two to three years

19%

Recruited, but not young people

18%

Recruited young person from education

1%

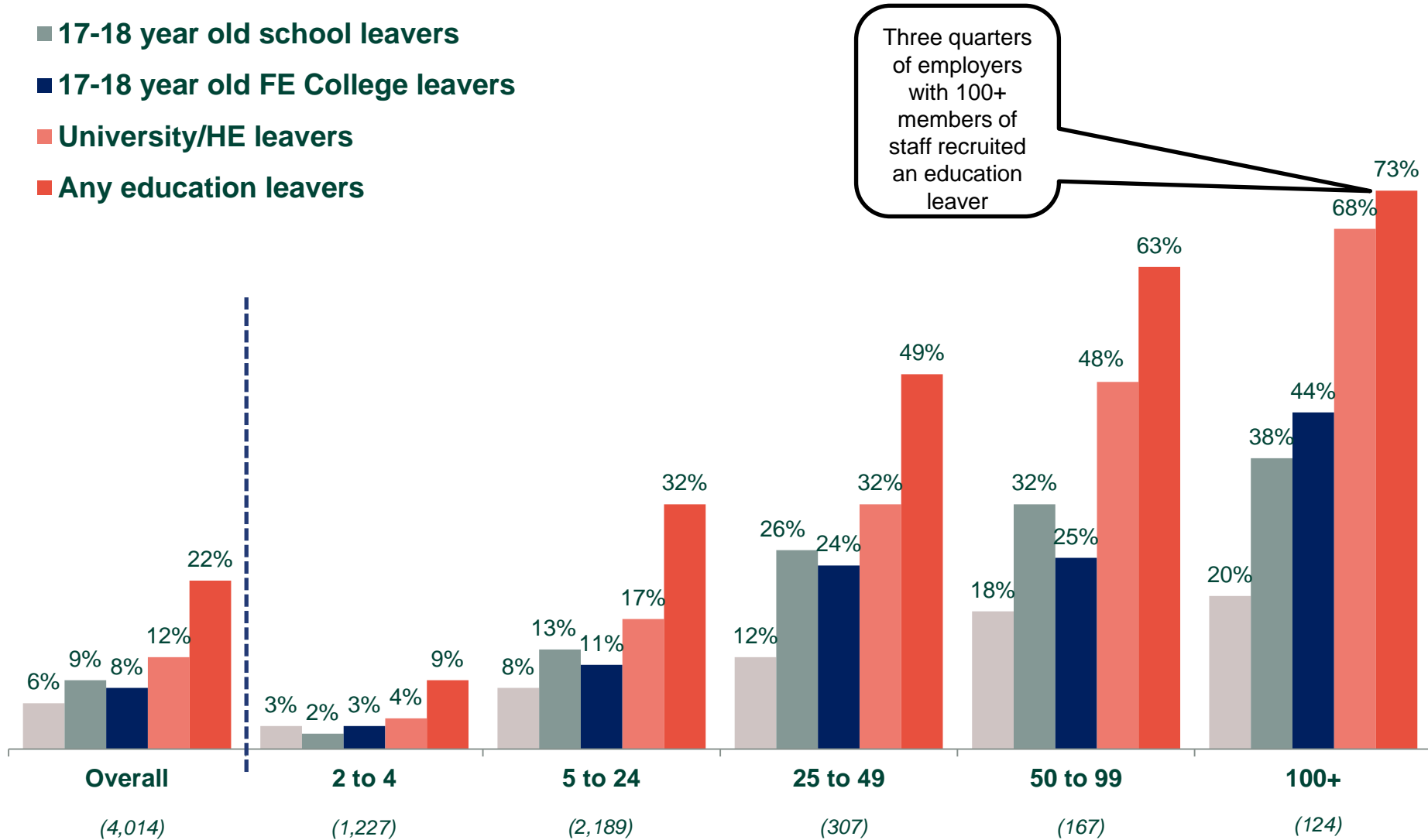
Recruited education leavers aged over 25

25%

Recruited young person not from education

Recruitment of education leavers by size in NI

- 16 year old school leavers
- 17-18 year old school leavers
- 17-18 year old FE College leavers
- University/HE leavers
- Any education leavers



Recruitment of education leavers by sector

HIGH LEVELS OF RECRUITMENT

LOW LEVELS OF RECRUITMENT

16 YEAR OLD SCHOOL LEAVERS.....



Hotels and restaurants 17%



Wholesale and Retail 10%



Agriculture 3%



Business Services 3%



Education 1%

17-18 YEAR OLD SCHOOL LEAVERS.....



Hotels and Restaurants 19%



Wholesale and Retail 15%



Health and Social work 11%



Business Services 5%



Education 4%



Agriculture 1%

17-18 YEAR OLD FEC LEAVERS



Hotels and Restaurants 20%



Wholesale and Retail 12%



Health and Social Work 12%



Construction 5%



Business Services 4%



Agriculture 3%

UNIVERSITY/HE LEAVERS.....



Education 28%



Health and Social Work 24%



Financial Services 24%



Construction 4%



Agriculture 2%

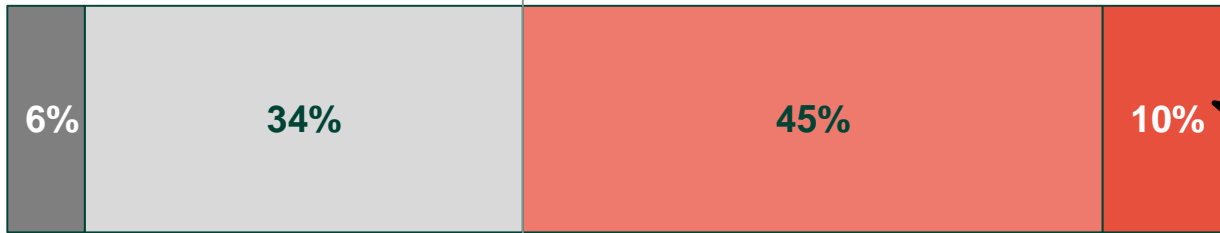
Work-readiness of education leavers

■ Very poorly prepared ■ Poorly prepared ■ Well prepared ■ Very well prepared

The majority of employers that recruited a school leaver found them well or very well prepared for work

16 year-old school leavers

Base: (313)



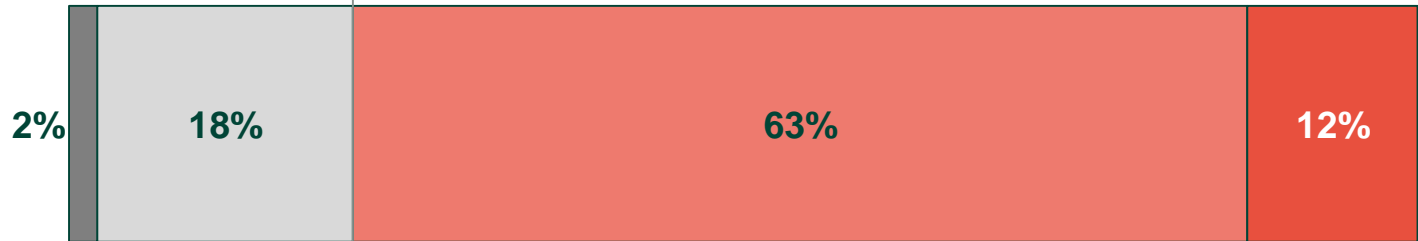
17-18 year-old school leavers

Base: (509)



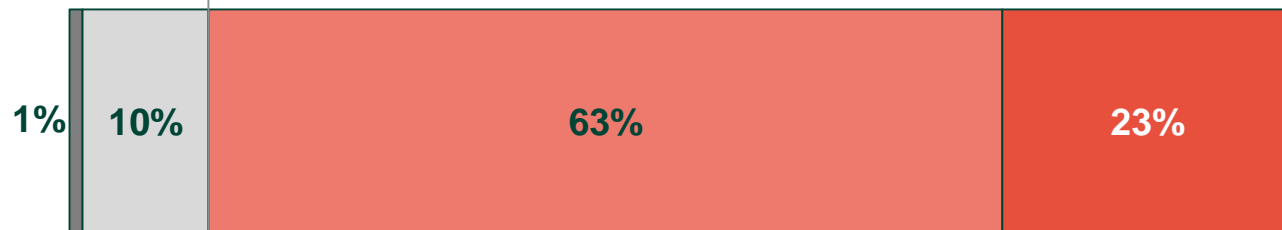
17-18 year-old FE leavers

Base: (483)



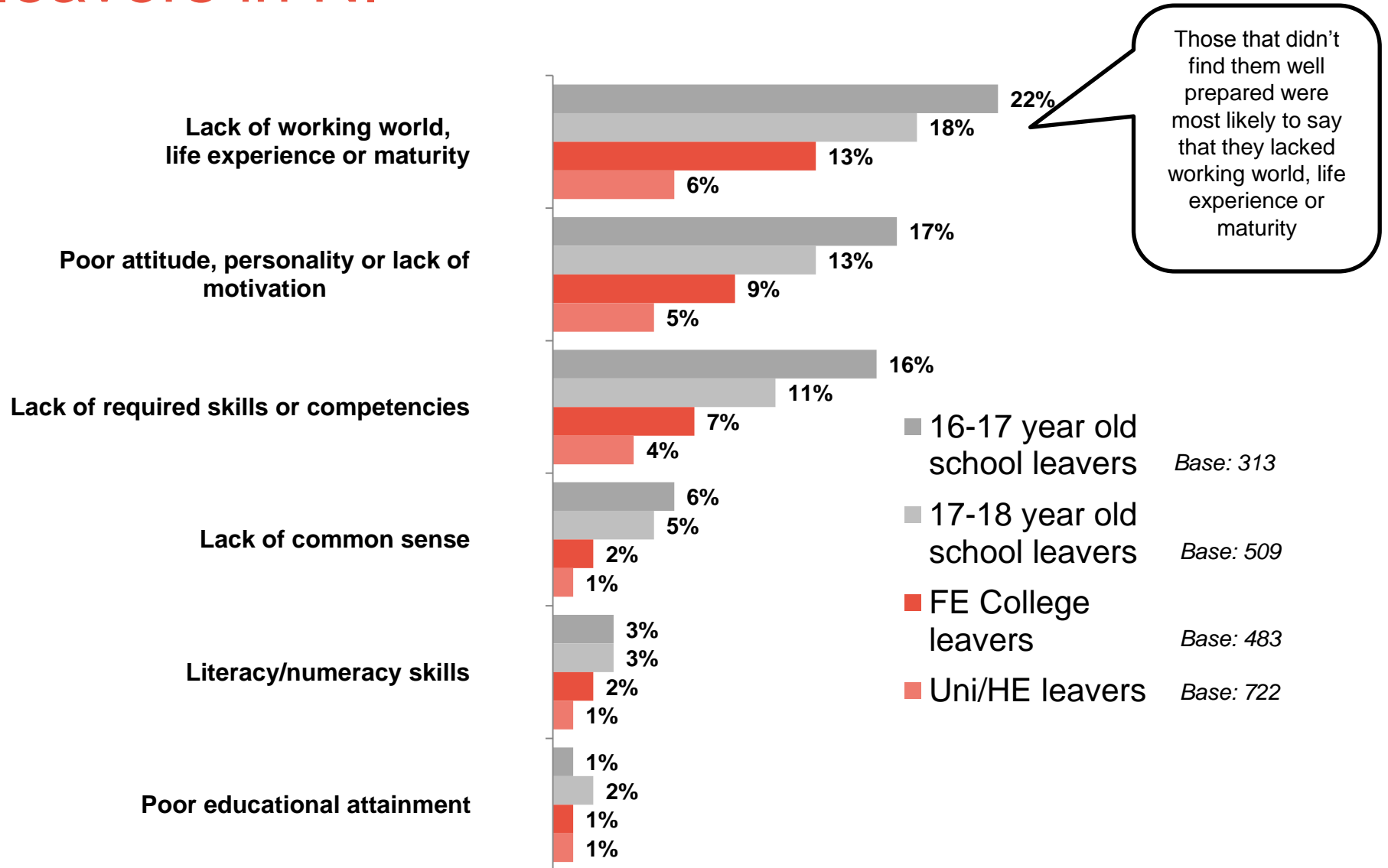
University/ HE leavers

Base: (722)



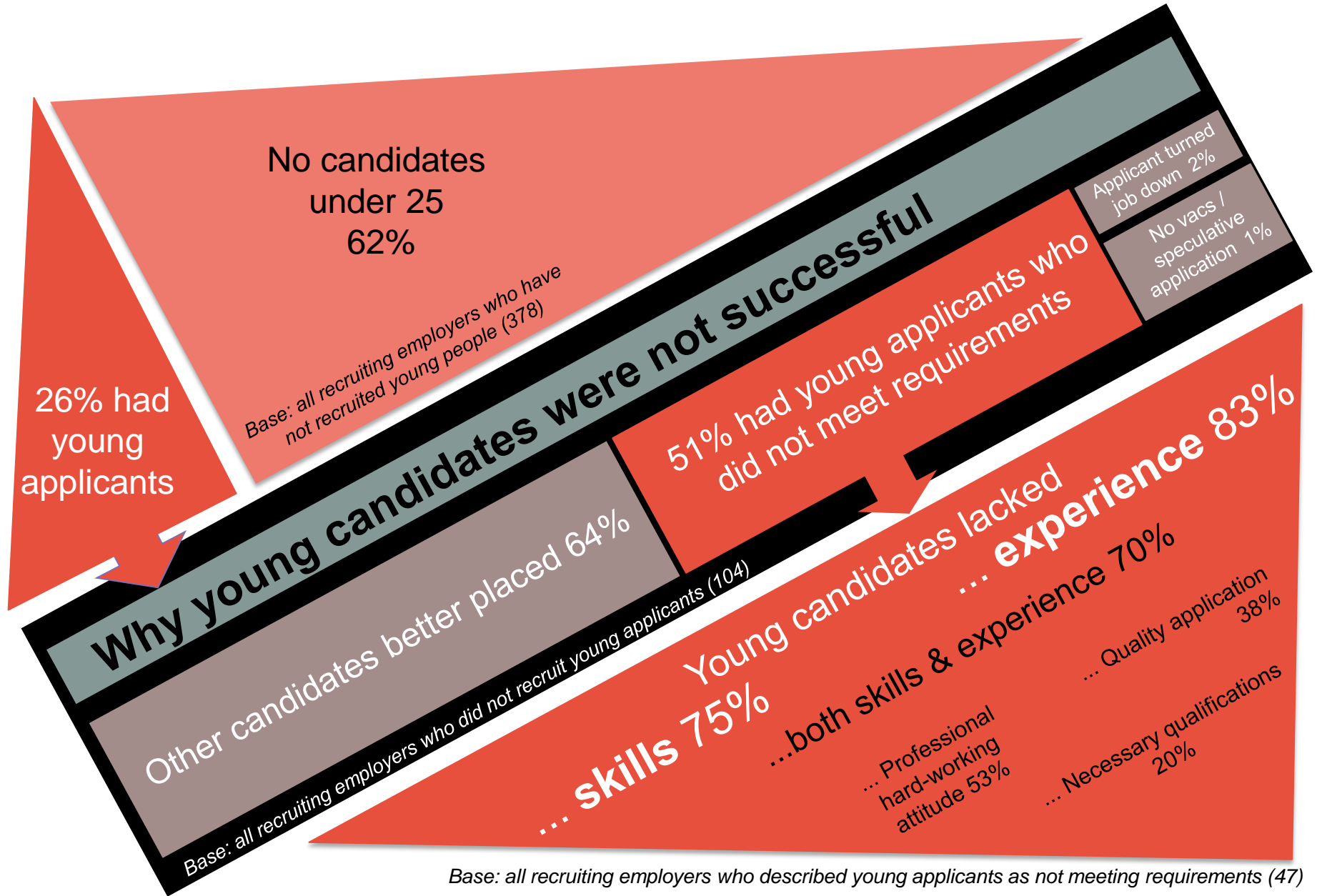
Base: All establishments that have recruited each type of education leaver in the previous 2-3 years (as shown)

Skills and attributes lacking in education leavers in NI



Base: Establishments recruiting each type of education leaver (as shown)

Barriers to recruiting young people in NI



Summary of skills deficiencies and training amongst employers recruiting young people in NI

	Recruited a Young Person	Recruited school leaver	Recruited FEC leaver	Recruited HE leaver	Recruited but not a Young Person
	%	%	%	%	%
<i>Unweighted base</i>	911	608	483	722	391
Vacancies					
Have vacancies	18	22	25	26	11
Skill-shortage vacancies					
Have skill-shortage vacancies	5	7	9	9	3
Skill-shortage vacancies as % of all vacancies	23	15	18	19	20
Skills gaps					
Have skill gaps	27	35	33	29	13
Skills gap density	7	8	7	6	5
Training					
Train at all	80	80	83	92	69
% of staff trained	65	62	61	67	50

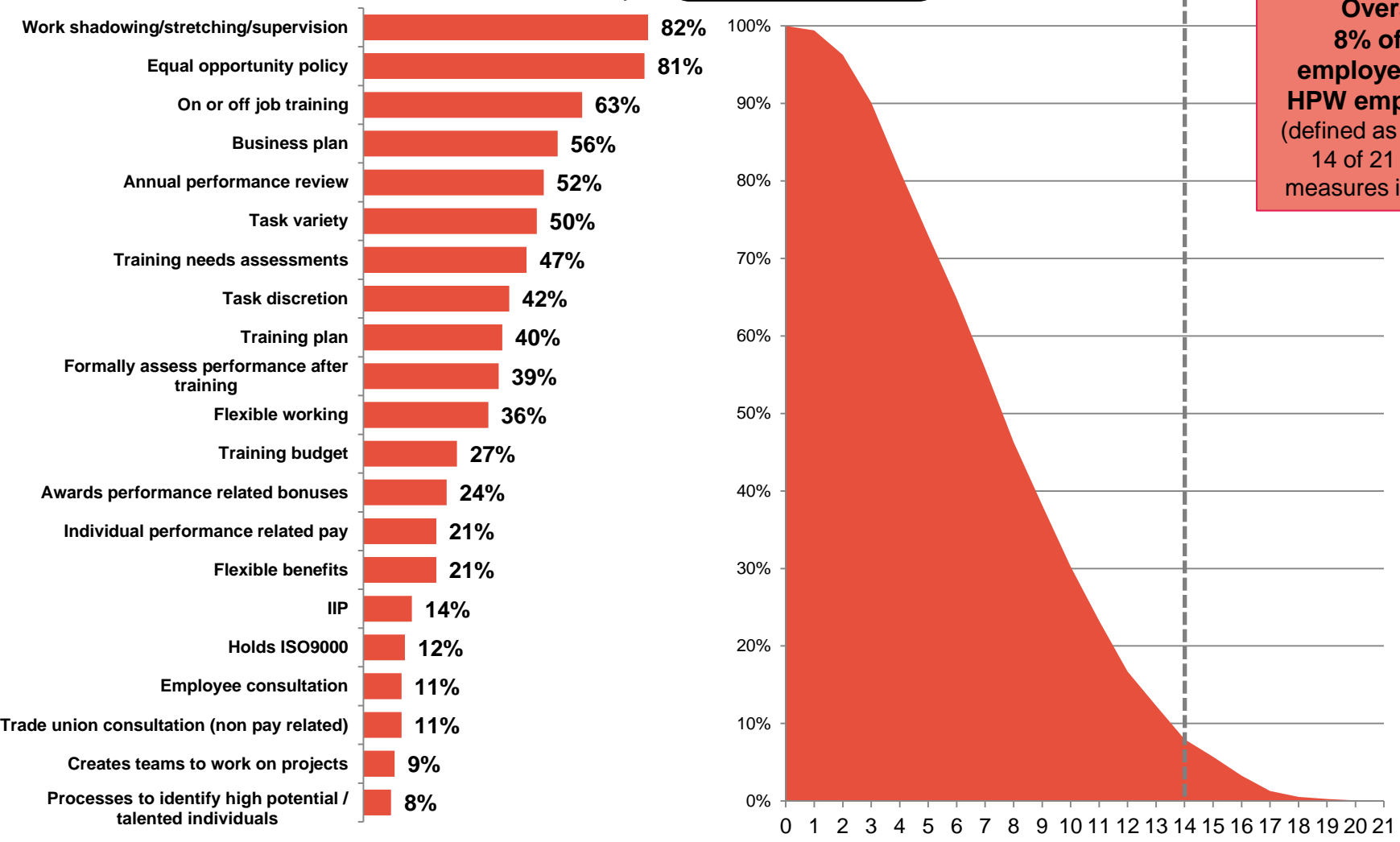
Base: all establishments recruiting each type of education leaver (as shown)

Chapter 6: High Performance Working Practices and Product Market Strategies

Incidence of High Performance Working Practices

82% of employers have work shadowing or supervision

Overall 8% of NI employers are HPW employers
(defined as "having" 14 of 21 HPW measures in place)



Base: All establishments in Module 1 (1,999)

Summary of skills deficiencies by adoption of High Performance Working Practices in NI

	HPW employers	Non-HPW employers
	%	%
<i>Unweighted base:</i>	225	1,774
Have vacancies	28	9
Have skill-shortage vacancies	5	2
Skill-shortage vacancies as % of all vacancies	7	22
Have skill gaps	25	13
Skills gap density	3	5

28% of employers that are high performance working had vacancies, compared to 9% of employers that aren't high performance working

Summary of vacancy situation by Product Market Strategy grouping in NI

Proportion of all vacancies which are hard-to-fill:

*** denotes data not shown due to low base size (<25)

**

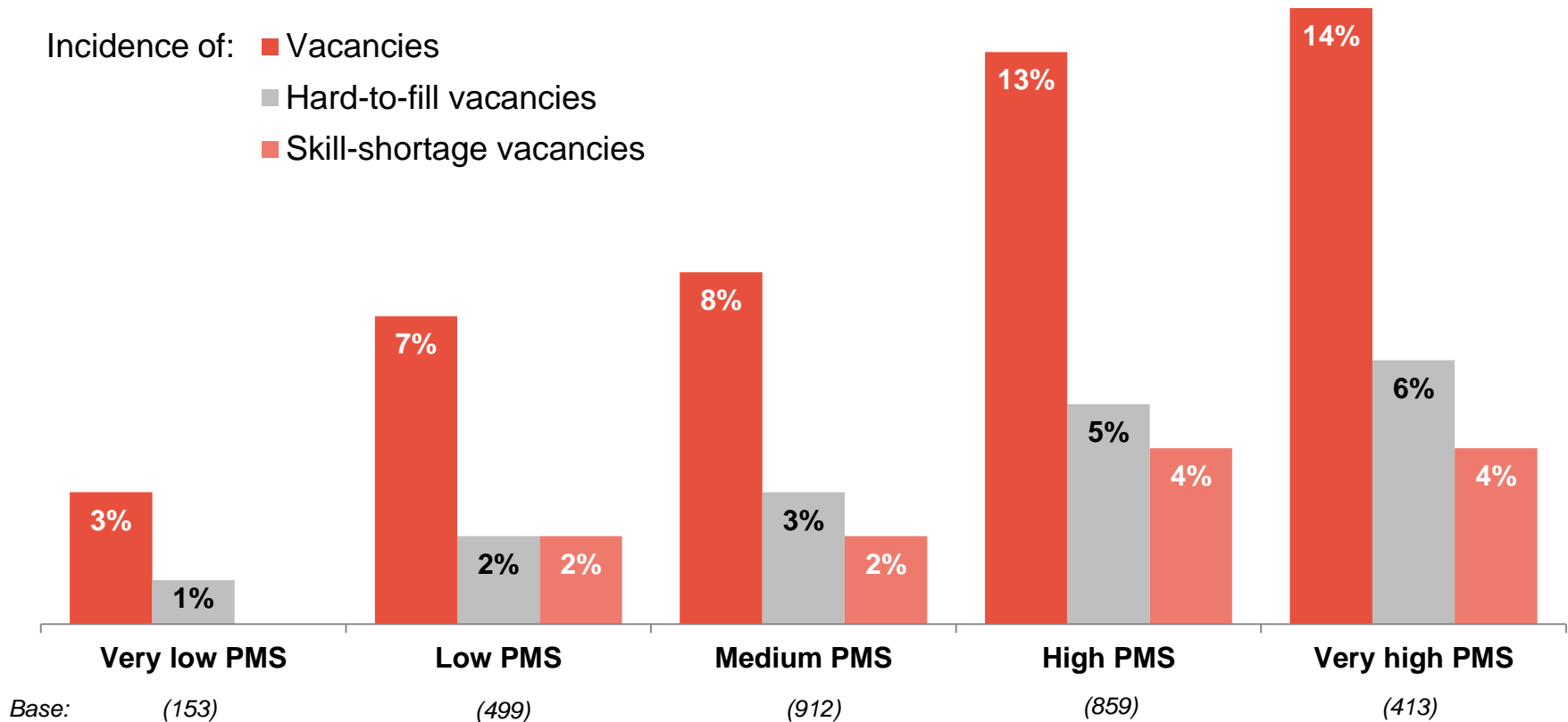
34%

46%

37%

25%

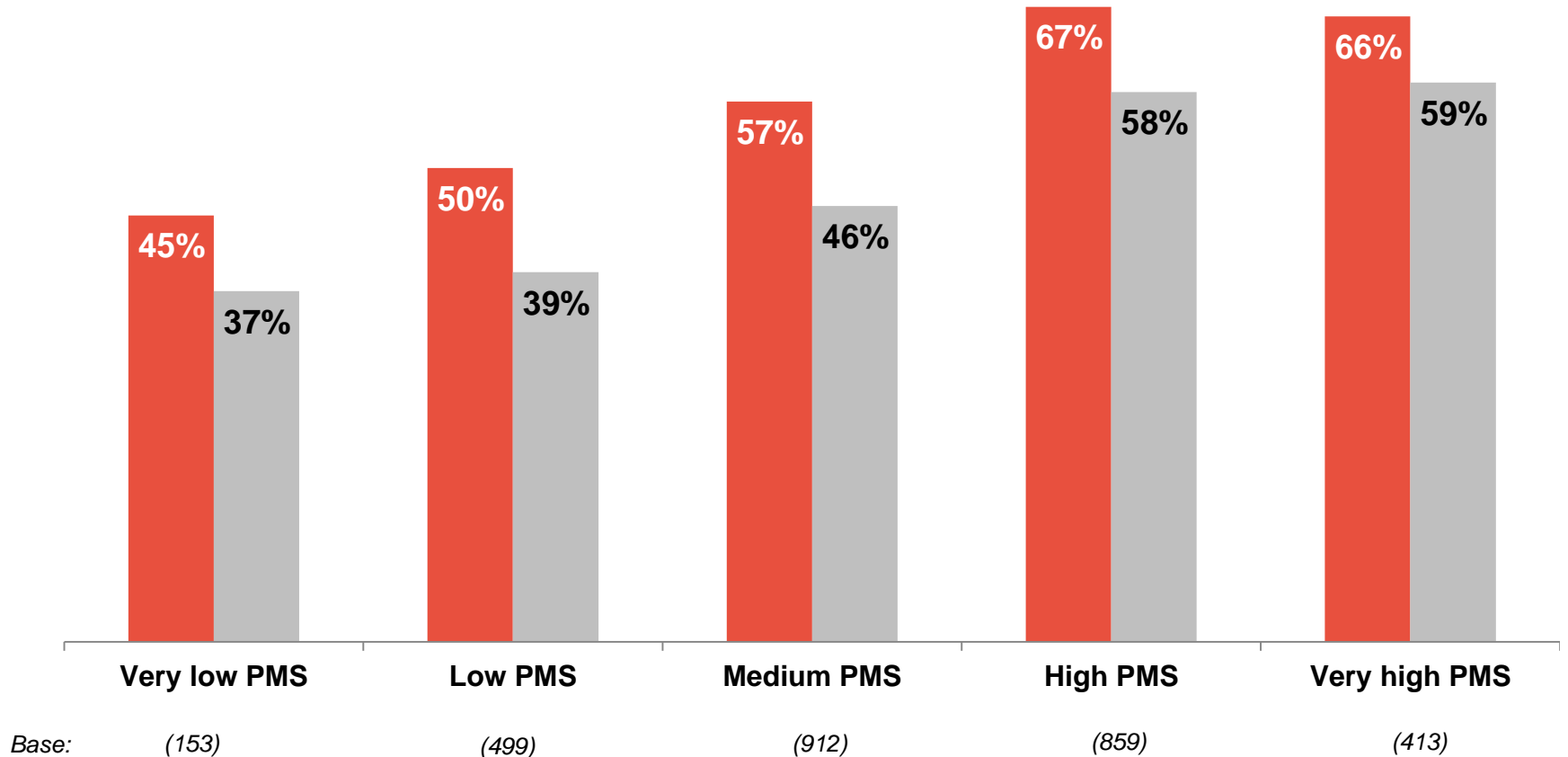
Incidence of:
■ Vacancies
■ Hard-to-fill vacancies
■ Skill-shortage vacancies



Base: All establishments in the private sector in each PMS group (as shown)

Incidence of training by Product Market Strategy grouping

- Percentage of establishments that train
- Proportion of staff trained



Base: All establishments in the private sector in each PMS group (as shown)

Chapter 7: Summary and Conclusions

Skills deficiencies threaten emerging recovery

Fall in volume of vacancies and fall in volume of skills shortage vacancies suggests that demand for skills has not returned to Northern Ireland

- Although a small minority of establishments (3%) are affected by skill-shortage vacancies, in total **around one in five vacancies (19%) across Northern Ireland are hard-to-fill due to skill shortages** in the available labour pool.
- In addition, some 38,000 employees are regarded as being **not fully proficient** in their job roles (5.2% of the total workforce in Northern Ireland).
- **Inefficiencies are apparent in the workforce** – nearly half (49%) of establishments say they have at least one member of staff who has skills and qualifications that exceed those required for the job role, equating to 18% of the workforce in Northern Ireland.

Provision of training “smarter” and “targeted”

The proportion of staff trained has increased but the number of training days each staff member receives is unchanged

- Overall the number of days training funded or arranged by employers in Northern Ireland has stayed the same since 2011;
- This is coupled with a fall in total training expenditure...
- ...however despite this fall more employees are receiving training than in 2011
- This suggests **that the recession of recent years has led to employers ‘training smarter’ and ‘doing more for less’**, with increased emphasis on in-house training, training employees as trainers, reduced use of external providers and enhanced use of e-learning.

Recruitment of young people falling

Fewer employers have recruited people directly from education compared to in 2011

- The main obstacle to (more) young people getting new jobs is **competition in the market place** rather than perceptions that young applicants do not have the capability to perform in the job role.
- Where the choice not to recruit a young applicant was motivated by a belief that the young person did not have the capabilities to do the job the main things lacking were **skills and experience**, and sometimes both.
- Most employers recruiting directly from education found the recruits to be well or very well prepared for work, particularly those recruiting older education leavers.

For more information contact UKCES Employer Surveys



01709 774 800



employersurveys@ukces.org.uk



@ukces

www.gov.uk/government/publications/UKCES-Employer-Skills-Survey-2013-Northern-Ireland