Employers Panel 2005

SUMMARY REPORT

Customer Research Strategy – Report 8

Llywodraeth Cynulliad Cymru
Welsh Assembly Government

EMPLOYERS PANEL 2005

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GfK NOP is the UK part of the GfK Group which is one of the top 4 market research organisations world-wide.

GfK NOP is based in the UK and employs around 600 staff and it is split into specialist divisions. The team working on the Employers Panel is in the division that specialises in Social Research and there are 30 researchers dedicated to this field. The team has relevant experience of both large-scale social research surveys and of carrying out customer satisfaction research.

FOREWORD by Steve Marshall

The Department for Education, Lifelong Learning and Skills (DELLS) has a robust research capacity examining education and learning issues, including a comprehensive programme of customer research. This reflects the principles of the Welsh Assembly Government's Making the Connections agenda to make public services more citizen-focused. To modernise post-16 learning, we need to listen to citizens to understand their views on learning.

The Employers Panel was established to understand what motivates people to learn in order to widen and deepen participation in learning. This report presents the results from the second wave of the Individuals Panel. By interviewing the same individuals again, we are able to track how participation in learning and the attitudes of both learners and non-learners change over time. This has enabled us to identify what triggers motivation to learn and what are the barriers to people's learning. This knowledge will be used to tailor and strategically market learning initiatives to encourage the take-up of learning in the future.

I'm pleased to note that over half of respondents had undertaken some form of learning in the last twelve months, with much of this learning being job-related. The most common reasons for undertaking learning were to improve salaries and to meet new people. I'm encouraged by the finding that the majority of respondents felt that learning helped them achieve their aspirations – it is this message that we need to market to a wider audience to increase participation in learning.

I would like to thank the individuals who continue to participate in this important research, as their views on learning help us to shape and market learning in the future.

Steve Marshall,
Director,
Department for Education, Lifelong Learning and Skills.

This report explores the data arising from the first Employer Panel Survey 2005. Between March 2005 and May 2005 a total of 2,059 establishments were interviewed about their provision of learning for employees and attitudes towards learning. The intention of this report is to provide a narrative of the data and highlight any differences that were evident between different groups of employers.

Standard Industry Classifications

The table below lays out the naming conventions used in this report with regard to Standard Industry Classifications. Industry groups were merged to ensure that a robust sample was achieved in each group.

Table 1: SIC classification versus naming conventions in this report

SIC 2003 classification	Summary Name
Agriculture, Hunting and Forestry, Fishing and Mining and Quarrying	Agriculture/mining/quarrying
Manufacturing and Construction	Manufacturing/construction
Electricity, Gas and Water Supply, Transport, Storage and Communication	Utility
Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles and Personal and Household Goods, Hotels and Restaurants	Wholesale/retail/hotels/restaurants
Financial Intermediation, Real Estate, Renting and Business Activities	Finance/businesses services
Public Administration and Defence, Compulsory Social Security, Education and Health and Social Work	Public administration

Overview of establishments interviewed

Nearly three quarters (74%) of the establishments in the panel had between 2 and 9 employees. Over half of the individuals interviewed were either the owner (38%) or Managing Director/Chief Executive (14%).

Just under two thirds (65%) of the establishments were single site establishments and the majority (77%) were private sector establishments. Almost two thirds (64%) of private sector establishments were Welsh owned. Nearly all (91%) were UK owned.
All private sector establishments were asked about the activities undertaken at the site.
The majority (78%) produced goods and/or provided services for consumers with a smaller number indicating they produced goods and/or services for other companies (42%).
Overall, regardless of whether they produced goods and/or services for customers or companies, or indeed both, the largest proportion of respondents' business came from within a 25-mile radius of them.

Many establishments in the panel were growing year on year (either in terms of turnover/ financial budget or employee size). Just over four in ten (41%) establishments had witnessed some increased turnover/financial budget in the last year. For most (54%) this had been in the order of a 1-10% increase.

Table 2: Growth in turnover/financial budget in last year by size and sector

Size by sector	Base: Unweighted/ Weighted	% stating growth in turnover/ financial budget in last year	
	No	%	
Wholesale/retail/hotels/restaurants (25 plus employees)	(108/40)	56	
Manufacturing/construction (10-24 employees)	(116/45)	53	
Financial/business services (2-9 employees)	(162/322)	52	
Financial/business services (10 plus employees)	(189/64)	48	
Manufacturing/construction (25 plus employees)	(128/46)	48	Above Average
Wholesale/retail/hotels/restaurants (10-24 employees)	(142/114)	46	
Manufacturing/construction (2-9 employees)	(149/222)	43	
Utility (10 plus employees)	(103/24)	43	
Public administration (2-9 employees)	(168/295)	42	
Overall	(2,059/2,059)	41	
Agriculture/mining/quarrying (5 plus employees)	(33/11)	39	
Public administration (10-24 employees)	(136/122)	39	
Public administration (25 plus employees)	(115/64)	39	Below Average
Utility (2-9 employees)	(150/62)	38	
Wholesale/retail/hotels/restaurants (2-9 employees)	(196/576)	32	
Agriculture/mining/quarrying (2-4 employees)	(163/53)	23	

Almost a quarter (24%) said that the number of employees at site had increased year on year. Of these, 29% said that the headcount had increased by 1-5% and 16% said it had increased by 6-10%.

Establishments were generally ambitious for their future and had a multitude of objectives to meet in the next year. Respondents were asked what objectives had been set for their organisation at that site. Overall, the majority of establishments (86%) had set an objective to improve the quality of the service. However, other objectives that had been set by two thirds of establishments included raising profits (69%), addressing skill levels of their workforce (69%) and increasing productivity (65%).

Training activity undertaken

Establishments were asked whether they had provided on or off-the-job training in the last year and what type of training they had provided. The types of training included:

- management skills
- communication skills
- other technical/practical skills
- team working skills
- general IT user skills
- customer handling skills
- problem solving skills
- using numbers
- IT professional skills
- literacy skills

Two thirds (67%) of establishments had provided on-the-job training in the last year. The most common category of on-the-job training was 'other technical/practical skills'. This type of training was the most prevalent for those classified as associate professional occupations (52%), skilled trade occupations (46%) and process/plant/machine operatives (54%).
Just over a half (55%) of establishments had provided their staff with off-the-job training. The most frequently provided off-the-job training was 'other technical/practical skills'. Again, this type of training was most likely to have been provided to professional occupations (30%), associate professional occupations (35%), skilled trade occupations (29%), process/plant/machine operatives (27%) and elementary occupations (19%).

Table 3 shows the types of off-the-job training provided by occupational group whilst table 4 summarises this information by providing a two dimensional description of the priority and incidence of the various types of off-the-job training per occupational group. The chart singles out the top five mentions per occupational category and also labels each type of provision as either high level (at least 20% of establishments mentioning it), medium level (between 10 and 20% of establishments mentioning it) and low level (under 10% of establishments mentioning it). The reason for coding the provision of training as being high, medium or low is that although the type of provision could be one of the five most common mentions, depending on the occupational group, the incidence could also be relatively low. For instance all of the top five types of training for managers were provided by a high proportion of employers. The converse was true for process/plant/machine operatives, for whom only a small number of establishments provided off-the-job training.

Table 3: Types of off-the-job training provided by occupational classification

Base: All respondents providing off-the-job training in last 12 months and having each type of occupation on site	Managers/senior officials	Professional occupations	Associate professional/technical	Administrative/ secretarial	Skilled trades	Personal service occupations	Sales/customer service occupations	Process/plant/machine operatives	Elementary occupations
Unweighted	763	291	156	427	226	128	180	**91	171
Weighted	760	277	129	346	200	132	167	59	112
	%	%	%	%	%	%	%	%	%
Other technical/practical skills	22	30	35	15	29	16	15	27	19
Management skills	28	23	15	10	6	12	20	6	3
Communication skills	19	21	20	15	15	23	24	6	11
Team working skills	21	21	17	16	17	28	26	7	12
General IT users' skills	17	19	21	24	11	14	10	8	4
Customer handling skills	20	14	16	13	10	21	32	4	10
Problem solving skills	20	23	12	14	15	18	23	5	9
Using numbers	13	14	11	8	8	14	12	5	5
IT professional skills	9	16	13	13	5	11	2	3	1
Literacy skills	8	15	13	4	6	22	6	5	4
Other	34	44	35	20	30	47	27	40	29
No off-the-job training provided for this group in last year	31	18	28	47	47	29	44	38	38

Note: Multiple response question. 'Don't know' responses not included.
** denotes small base (unweighted base less than 100).

  

Table 4: The top 5 types of training provided, and level of provision by occupational group

Occupational group	Top five types of training provided	% of establishments providing training
Managers/senior managers	Other technical/practical skills	High
	Management skills	High
	Team working skills	High
	Customer handling skills	High
	Problem solving skills	High
Professional occupations	Other technical/practical skills	High
	Communication skills	High
	Management skills	High
	Team working skills	High
	Problem solving skills	High
Associate professional	Other technical/practical skills	High
	Communication skills	High
	Team working skills	Medium
	Customer handling skills	High
	IT users' skills	High
Administrative/secretarial	Other technical/practical skills	Medium
	Communication skills	Medium
	Team working skills	Medium
	IT users' skills	High
	Problem solving skills	Medium
Skilled trades	Other technical/practical skills	High
	Communication skills	Medium
	Team working skills	Medium
	IT users' skills	Medium
	Problem solving skills	Medium
Personal service occupations	Communication skills	High
	Team working skills	High
	Customer handling skills	High
	Problem solving skills	Medium
	Literacy skills	High
Sales/customer service occupations	Communication skills	High
	Management skills	High
	Team working skills	Medium
	Customer handling skills	High
	Problem solving skills	High

Table 4: The top 5 types of training provided, and level of provision by occupational group (Continued)

Occupational group	Top five types of training provided	% of establishments providing training
Process/plant/machine operatives	Other technical/practical skills Communication skills Management skills Team working skills IT users' skills	High Low Low Low Low
Elementary occupations	Other technical/practical skills Communication skills Team working skills Customer handling skills Problem solving skills	Medium Medium Medium Medium Low

Again when respondents were asked what types of training had been planned for employees 'other technical/practical skills' were the most frequently mentioned. However, more than a third mentioned:

- Team working (43%)
- Customer handling skills (41%)
- Communication skills (39%)
- Management skills (37%)
- Problem solving skills (36%)
- General IT users' skills (36%)

Almost one in ten (9%) establishments had experienced difficulties over the last year in finding an appropriate training provider. Public sector establishments were particularly likely to have experienced problems (15%). The small number of establishments which had difficulty finding a provider found it most difficult to find a trainer for IT and computing (14%), job related/specific training (11%) and NVQ training (11%). These respondents were asked what happened as a result of their difficulties in finding a training provider. The most frequently given response was that they did not undertake that type of training (43%).

Establishments which provided training were asked what percentage of their turnover/ financial budget they spent on training in the last year. One in six (18%) had not spent anything on training; however nearly a half (47%) had spent between 1 - 5%, 8% between 6 - 10%, and only 3% had spent more than 10% of their turnover/financial budget.

More than a third (37%) of respondents reported that their establishment was spending more per employee on training than they had three years ago. A similar proportion (34%) reported it had stayed the same. Less than one in ten (6%) were spending less per head.

The vast majority of respondents who worked in a subsidiary office of a multi-site establishment indicated that their head office either 'totally' (38%) or 'partially' (42%) influenced decision making regarding training at the site.

Help and advice

Two thirds (66%) of establishments that had delivered training in the last year had not received any financial support from outside their organisation. The quarter (27%) that had received support were more likely to be a public sector establishment (35%), compared to a quarter (24%) of those in the private sector.

The main source of help with training courses was free or subsidised training from sources unspecified (24%). However around one in ten had received support from ELWa (12%), funding or grants from other sources (10%), from an unspecified source (9%) or from Government/Council funding (8%).

When asked about where establishments had gained help or advice on how to access training for staff, two in five mentioned contacts in other businesses or suppliers, a third mentioned representatives at an education or training institution (35%), and just under a quarter mentioned the Welsh Development Agency (WDA) (23%). Approximately one in five had received help from ELWa (20%), a bank manager or accountant (18%), or representative bodies (19%).

Amongst those who had consulted each source, the most useful source of help and advice was perceived to be the bank manger or accountant with nearly two thirds (64%) indicating they were 'very useful'.
This was followed by:

- ELWa (49% indicating they were 'very useful')
- Other businesses/suppliers (48%)
- Representative bodies (48%)
- Representatives at an education or training institution (44%)

The main reason given for each establishment as to why the advice or help they gave was less than 'very useful' was that it was not relevant. It is worth noting that ELWa received the least criticism in this respect.

Contact with training providers varied from: receiving information via the post, phone calls, or email from the provider (63%); receiving visits from representatives (35%); arranging placements in their organisation for students from local colleges (35%); sending staff on training courses at the provider (34%); or providing feedback on training course content (33%). Three in ten attended networking events arranged by the provider (29%) and 6% sat on a local Further Education (FE) College Board.

Attitudes to training

Overall our respondents appeared to be quite positive in terms of their attitudes towards training. Approximately three quarters either agreed or agreed strongly that 'our staff get the right amount of training for their roles' (79%), 'we actively seek advice or information about training that is relevant to our industry/ profession' (73%) and that 'we formally assess people's skills on a regular basis' (72%).

Two thirds (66%) disagreed with the statement 'training is not one of our priorities'. However, just under a half (47%) agreed that 'not much changes in our organisation so apart from training new staff there is not much need for training' and also agreed that 'we tend to work with providers to develop our own training programmes' (45%).

Two thirds (66%) of establishments also indicated that 'time pressures make it difficult to accommodate training for staff' and nearly six in ten (58%) that 'it is difficult to arrange cover whilst staff are undertaking learning'.

Four in ten (40%) agreed that most of their training budget is spent on mandatory training.

The information gathered about employers' attitudes to learning has enabled the panel population to be split, or 'segmented', into five clusters, as follows:

1 Sturctured and ordered

This is the largest group in the sample. They had good training arrangements and had not experienced difficulties finding training providers. They provided slightly higher than average on-the-job training and off-the-job training in the last year, and agreed that training was crucial for the company. However, they were less likely than average to develop their own training programmes and had sought less advice than average about it.

2 Not relevant for us

This group had provided the least amount of training in the last year and tended to agree that training was not a priority. They had not necessarily experienced difficulties finding trainers. However, time pressures could have made it difficult to accommodate training. They were much less likely to believe that training was crucial for the strength of their company than the others in the sample. Along with Cluster 4, they had one of the highest proportions of establishments employing 2 – 9 employees.

3 Pursuit of excellence

This group had provided the most training in the last year, and had excellent training structures in place. They were the most likely to develop training and had also sought advice from the most sources. They had the largest number of types of training planned for the next year. This group had the highest proportion of large establishments (over 100 employees) compared with other clusters. This was the cluster where the highest proportion of establishments were classed as public sector (42%).

4 The bare minimum

This group had provided lower than average training in the last year and had fewer than average training programmes planned. Although training was not a priority, they strongly believed that staff got the right amount of training for their roles and that their training budget was spent on mandatory training. They did have training structures in place, but, whilst accommodating training, experienced some difficulties with time pressures and staff cover. They were more likely than average to agree that some staff did not see themselves as training material. Along with Cluster 2 this group contained the highest number of establishments with 2 – 9 employees. Over half (52%) of this cluster were identified as wholesale/retail/hotels and restaurants.

5 Struggling to find the 'fit'

This was the smallest group in the sample. They had provided higher than average amounts of training in the last year, and had more than the average planned for next year. They were the group that had experienced the most difficulties finding an appropriate trainer, and had also experienced more than average difficulties with time pressures and staff cover whilst training. They had sought advice about training from more than the average number of sources. This group had a higher proportion of establishments classed as 'voluntary sector' than other clusters.