

**Future Skills Wales –  
Generic Skills Survey 2003**

**AssetSkills**

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**Arolwg o Gyflogwyr Sgiliau  
Generig Sgiliau Dyfodol Cymru  
2003**

**Sgiliau Ased SSC**

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# **Future Skills Wales 2003 Generic Skills Survey of Employers: AssetSkills SSC**

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## **Section 1 Introduction**

### **1.1 Background to the Future Skills Wales survey**

Future Skills Wales 2003 Generic Skills Survey is a study comprising an Employer Survey and Household Survey, auditing the skill needs of employers in Wales and the skills offered by the people who live there.

MORI and Experian Business Strategies undertook the Employer Survey on behalf of the Future Skills Wales Partnership. The Partnership includes representatives from key policy makers in Wales including the Skills for Business Network.

The purpose of the Future Skills Wales 2003 Generic Skills Survey is to assist the Partnership in developing policy and planning service delivery provision. The Employer Survey and Household Survey identify skill needs as well as the demands for learning and training amongst employers and the working age population in Wales. Information on attitudes and perceptions will help agencies to remove barriers to training and to encourage people to upskill to take on emerging job opportunities. The findings will also inform business and individuals in their recruitment and employment decisions.

The surveys focus on generic skills, those skills that are transferable across occupational groups and sectors. Skills that are job specific, in that they are peculiar to the role and sector in which an individual is engaged, are not dealt with in the Future Skills Wales Generic Skills Survey 2003, but this is a key area where the Sector Skills Councils (SSCs) can and do enhance knowledge of skill needs in their sector.

This brief report provides an overview of the results from the Employer Survey for the Asset Skills sector. It is thus an important output in that it informs of the particular generic skill needs and deficiencies of the sector within Wales and enables comparison to the situation in Wales as a whole.

### **1.2 Survey methodology**

6,020 establishments were interviewed between February and April 2003 and a total of 168 interviews were conducted with employers in the Asset Skills sector.

All sectors in the economy were included and employers with at least one person in employment were included (i.e. where there were at least two people working in an establishment).

The sample was drawn from the Yellow Pages Business Database. The total target number of achieved interviews was 6,000. This was distributed proportionately by establishments<sup>1</sup>, across the 22 Welsh Unitary Authorities (UAs). A minimum target of 200 interviews was set for each UA. Within UA the sample was drawn proportionately by employee size bands (2-10; 11-24; 25-99; and 100+) and industry sector (15 SIC Sections) based on unit data from the Annual Business Inquiry (ABI) 2001. The valid response rate was 51%.

The data have been weighted by UA, number of employees and SIC using 2001 Annual Business Inquiry data. Two weighting options have been applied:

- *Number of business units*
- *Number of employees*

It should be noted that the data have not been sampled or weighted to SSCs definitions and so the results, especially where there are fewer interviews should be treated with some caution. No results are presented in this report where the base number of interviews on which the data is based falls below 50.

### **1.3 Defining the Sector Skills Council**

As the data was coded to 4-digit SIC code, it is possible to analyse the data as it fits to SSCs. Asset Skills SSC covers employers in the facilities management and cleaning industries and the 'best fit' of SIC codes (70, 74.7) to this sector has been used to analyse the data presented within this report.

### **1.4 Sample Size for the sector**

A total of 168 interviews were conducted with establishments in the Asset Skills SSC.

### **1.5 Reporting Conventions**

It is worth noting at this stage that the report contains many tables and standard reporting conventions have been used:

- all percentages have been rounded to whole numbers. This may mean on occasion that percentages do not sum to 100 per cent; and
- a '\*' indicates that the value is less than 0.5 per cent.

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<sup>1</sup> Based on profile data (number of units) from the Annual Business Inquiry 2001.

## **1.6 Report outline**

The following section of the report considers the current and likely future skills needed by employers (section 2). Section 3 considers recruitment difficulties and skill shortage vacancies, and section 4 examines internal skill deficiencies in establishments in the sector. Section 5 explores what the survey tells us about training activity and barriers to training experienced by employers and section 6 concludes with a summary of the key issues.

## Section 2 Skill Needs

### 2.1 Skills required now and in the next three years

The survey asks employers to consider the type of skills required now in their establishment and the level at which that skill is required. The results for the Asset Skills sector are shown in the table below. Literacy skills, the ability to learn, work as a team, show initiative and understand customer needs are all skills required at a higher level at the current time.

**Table 2.1 Current levels of skills required**

	Current levels of skill needs					
	Level (% of establishments)					
	Not required (0)	Basic (1)	Intermediate (2)	High (3)	Advanced (4)	Don't Know
Numeracy	6	12	29	40	14	0
Literacy	2	11	12	59	16	0
Welsh language	65	16	13	4	2	0
Foreign language	88	8	2	2	0	0
Problem solving	11	12	29	37	11	0
Communication	2	8	12	52	28	0
Ability to follow instructions	2	4	15	61	18	0
IT skills	11	11	25	45	8	0
Ability to learn	2	8	20	60	10	0
Showing initiative	1	7	22	59	12	0
Leadership skills	17	10	29	37	7	0
Management skills	20	13	25	33	10	0
Organising own learning and development	12	13	30	41	4	1
Team working	3	7	15	58	17	0
Understanding customer needs	2	5	9	55	29	0
Entrepreneurial skills	29	21	22	21	7	0
Adaptability/flexibility	1	7	25	55	13	0
Weighted base = 168 (all establishments)						
<i>Source: Future Skills Wales 2003 Generic Skills Survey</i>						

Looking to the future, all skill types are expected to be required at higher levels, with particular growth at the higher levels in understanding customer needs and IT skills.

**Table 2.2 Expected levels of skill needs in three years**

<b>Expected levels of skill needs in three years</b>						
	Level (% of establishments)					Don't Know
	Not required (0)	Basic (1)	Intermediate (2)	High (3)	Advanced (4)	
Numeracy	5	10	27	40	18	0
Literacy	2	8	13	57	21	1
Welsh language	56	21	16	5	3	0
Foreign language	81	11	6	1	1	0
Problem solving	10	11	24	36	19	0
Communication	2	5	10	49	35	0
Ability to follow instructions	2	4	10	61	24	0
IT skills	7	9	14	48	22	0
Ability to learn	1	9	18	56	17	0
Showing initiative	1	6	17	60	16	0
Leadership skills	12	10	25	41	12	0
Management skills	17	11	23	32	17	1
Organising own learning and development	10	12	24	43	11	1
Team working	3	6	15	54	23	0
Understanding customer needs	1	4	6	51	38	0
Entrepreneurial skills	28	18	19	18	8	0
Adaptability/flexibility	1	5	19	55	20	0
Weighted base = 168 (all establishments)						
<i>Source: Future Skills Wales 2003 Generic Skills Survey</i>						

### **Section 3**

#### **Recruitment Difficulties and Skill Shortage Vacancies**

In the survey, there are two measures of recruitment problems:

- Hard-to-fill vacancies – vacancies that establishments understand to be ‘hard-to-fill’.
- Skills shortage vacancies – vacancies that establishments believe are difficult to fill for skills related reasons. Specifically defined in this survey as being hard-to-fill because ‘applicants lack the qualifications employers want’, ‘applicants lack the relevant experience’, and ‘applicants lack the relevant skills we require’.

A fifth (20 per cent) of establishments in the Asset Skills SSC sector reported at least one vacancy at the time of the survey, 10 per cent of establishments reported hard-to-fill vacancies at the time of the survey and three per cent reported skill shortage vacancies, that is vacancies that were hard-to-fill for skill related reasons.

The proportion of employers reporting all types of vacancy is lower in the Asset Skills sector than in Wales as a whole (for which the figures are 22 per cent, 14 per cent and 7 per cent respectively). However, the concentration of vacancies and hard-to-fill vacancies is higher in the Asset Skills sector when the number of vacancies is expressed as a percentage of employment. This suggests that establishments experiencing such difficulties are likely to experience them in greater numbers than average.

**Table 3.1 Extent of Vacancies, hard-to-fill vacancies and skill shortage vacancies**

	Wales		Asset Skills SSC	
	<i>% of establishments reporting</i>	<i>% of employment</i>	<i>% of establishments reporting</i>	<i>% of employment</i>
All vacancies	22	2.0	20	5.5
Hard-to-fill vacancies	14	1.1	10	2.9
Skill shortage vacancies	7	0.5	3	NA
<b>Weighted base</b>				
<b>Unweighted base</b>	<b>6,020</b>	<b>6,020</b>	<b>168</b>	<b>168</b>

*Source: Future Skills Wales 2003 Generic Skills Survey*  
*Base: All establishments*

## **Section 4**

### **Internal Skill Gaps**

Employers were also asked about the level of skills amongst their current employees to find out whether there was a gap between the types of skills they currently have and those they need to meet the business's objectives.

Whereas vacancies, hard-to-fill vacancies and skill shortage vacancies measure whether there are imbalances in the external labour market, skill gaps measure the imbalances within the organisation.

Ten per cent of employers reported such internal skill gaps in the Asset Skills sector and the number of employees affected equated to 7.4 per cent of employment in the sector. Similar to the results on vacancies, the concentrations within establishments seems to be more severe in the sector than they are in Wales as a whole.

**Table 4.1 Incidence of skills gaps by occupation**

	<i>% of ests reporting skills gap</i>	<i>Skill gaps as percentage of employment</i>	<i>Unwtd base</i>
Wales	19	5.1	6020
Asset Skills	10	7.4	168

*Source: Future Skills Wales 2003 Generic Skills Survey*  
*Base: All establishments*

## **Section 5**

### **Employer Engagement in Developing their Workforce**

This section considers the extent of training in the sector and the barriers employers face in providing training.

58 per cent of establishments in the Asset Skills SSC sector funded or arranged off-the-job training in the past 12 months; this is above the all Wales figure of 53 per cent. Employers in the sector were slightly more likely than the all Wales average to have increased the investment in off-the-job training over the last 3 years, with 37 per cent reporting that they now invested more compared to 32 per cent in all Wales.

Perhaps unsurprisingly, given the higher levels of training in the Asset Skills sector, employers in the sector were more likely to report that they experienced 'no barriers' in the provision of training. Correspondingly, they were less likely to report other barriers, though around a quarter reported cost barriers and the cost of having staff take time off for training.

## 5.1 Barriers to training

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	Wales	Asset Skills
<i>Multiple response</i>	%	%
Cost of training	26	24
Training not available	6	5
Time of day courses are run	8	8
Cannot afford staff to have time off	31	28
Training not relevant to needs of business	6	6
No barriers	32	35
<b>Unweighted base</b>	<b>6020</b>	<b>168</b>

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*Source: Future Skills Wales Generic Skills Survey 2003*  
*Base: All establishments*

Employers were also asked about their attitude toward skills and skill development in their establishment. In the Asset Skills sector 92 per cent of establishments agreed (strongly or tended to agree) that employees have sufficient skills to meet business needs; 82 per cent that investment in skills has yielded business benefits and 92 per cent that having a skilled workforce is crucial to the success of their business.

## Section 6 Conclusion

The above research findings indicate that the key skills requirements at the current time include literacy, the ability to work as a team, to show initiative and understand customer needs. The Asset Skills SSC will be developing opportunities for such upskilling both by way of partnerships with providers in Wales, and by the development of frameworks for use by employers. E-learning will also be used to support such skill development.

In the future, growth in higher level skills in understanding customer needs and IT skills will be required by employers, and similar arrangements to those detailed above will be developed for this longer term need. Asset Skills will also be working with employers to determine the most appropriate methods of addressing current internal skill gaps in a flexible way.

As regards recruitment difficulties and hard to fill vacancies, it is a concern that the employers reporting such difficulties in the Asset Skills SSC sector are experiencing them in higher numbers than the Wales average. Asset Skills will be working with Careers Wales and relevant professional and trade bodies in Wales to seek to actively promote careers in the sector, and to raise awareness of the vacancies and employment opportunities and to encourage new entrants (both school/college leavers and people converting from other sector).

The obvious commitment of employers to training is an encouraging finding, and is welcomed, but this can be improved. The 92% of employers stating recognition that having a skilled workforce is crucial to the success of their business is to be commended.

Finally, it is also recognised that there are a large number of people within the sector who work for employers *outside* of the sector, for example, surveyors working for large retail companies, and many others. These people are not covered by the above survey findings. An important challenge for Asset Skills will be to provide support to such individuals throughout their work.