

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

**Lantra**

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**Arolwg Cyflogwyr Sgiliau Generig  
Sgiliau Dyfodol Cymru 2003**

**SSC 'Lantra'**

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# **Future Skills Wales 2003 Generic Skills Survey of Employers: Lantra 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 industries covered by, Lantra, the Sector Skills Council for the environmental and land-based sector. It is thus an important output in that it informs of the particular generic skill needs and deficiencies of the industries and establishments surveyed within the sector within Wales and enables comparison to the situation in Wales as a whole.

The scope of Lantra covers agricultural livestock and crops, aquaculture, fencing, floristry, land based engineering, production horticulture, trees and timber, animal care, animal technology, equine, farriery, veterinary nursing, environmental conservation, fisheries management, game and wildlife management and landscaping (amenity horticulture).

These seventeen industries comprise the core of Lantra's business. They share a number of common themes in terms of skill requirements, training needs and patterns of productivity. Whilst continuing to meet the specific needs of individual industries and the sector as a whole, Lantra focuses its activities around three broad clusters:

- Land management and production
- Animal health and welfare
- Environmental industries

This three level approach (sectoral, cluster and industry specific) enables Lantra to provide analysis from broad sectoral needs through to the specificity of particular industries and professions.

## **1.2 Survey methodology**

6,020 establishments were interviewed between February and April 2003 and a total of 295 interviews were conducted with establishments covered by the Lantra footprint.

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

It must be noted that while Lantra represents businesses that are overwhelmingly micro-businesses (94% of businesses across the land-based sector as a whole employ fewer than 5 people), the majority, 60% of businesses, are sole traders. Therefore, this survey does not include the self-employed / owner-manager / sole proprietor (those not employing any staff) which form the largest group of establishments and needs to be set in context as reflecting the findings for businesses in the Lantra footprint with two or more employees.

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*

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

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 footprint of 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. The Lantra footprint covers employers in the environmental and land based industries and the 'best fit' of SIC codes (01, 02.01, 05.02, 29.31, 29.32, 51.88, 85.2 and 92.53) to this sector has been used to analyse the data presented within this report. These SIC codes cover the industries of agricultural crops and livestock, production horticulture, trees and timber, game and wildlife management, land-based engineering, environmental conservation, fencing, aquaculture, veterinary nursing and parts of equine and landscaping activities.

The industries of floristry, fisheries management, farriery, animal care, animal technology and parts of equine and landscaping activities are classified under different SIC codes and are therefore not covered by this definition.

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

A total of 295 interviews were conducted with establishments in the Lantra footprint.

### **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.

### **1.6 Report outline**

The following section of the report considers the current and likely future skills needed by employers in section 2. Section 3 considers recruitment difficulties and skill shortage vacancies while the following section 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 points.

## 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 Lantra are shown in the table below. The skill type currently required at the highest levels is the ability to understand customer needs. Ability to follow instructions and Communication skills are also required at high levels.

**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	5	14	22	47	12	1
Literacy	4	12	23	52	8	1
Welsh language	62	24	8	5	2	*
Foreign language	83	10	4	3	0	0
Problem solving	4	16	27	44	9	1
Communication	2	8	20	54	16	*
Ability to follow instructions	5	8	14	57	15	1
IT skills	30	22	25	17	6	*
Ability to learn	4	11	23	51	11	1
Showing initiative	2	5	23	50	18	1
Leadership skills	11	14	25	41	9	*
Management skills	18	12	25	33	10	1
Organising own learning and development	15	13	27	40	4	2
Team working	3	10	20	51	16	1
Understanding customer needs	2	6	11	51	29	*
Entrepreneurial skills	30	18	27	16	6	2
Adaptability/flexibility	1	8	21	49	20	1
Weighted base = 295 (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 the proportion of establishments reporting that they will require IT skills at an advanced level, for example, growing from 6 per cent now to 14 per cent in three years. The need for showing initiative is expected to rise from 18 per cent to 26 per cent in three years time. Understanding customer needs and communication skills, two of the skills required by many employers currently, are also expected to be needed at more advanced levels in the future, rising from 29 per cent to 37 per cent for understanding customer needs and from 16 per cent to 22 per cent for communication skills.

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

Expected levels of skill needs in three years						
	Level (% of establishments)					Don't Know
	Not required (0)	Basic (1)	Intermediate (2)	High (3)	Advanced (4)	
Numeracy	5	11	19	49	15	1
Literacy	4	9	23	49	15	1
Welsh language	56	22	12	7	3	*
Foreign language	78	13	5	4	*	1
Problem solving	4	12	25	43	16	1
Communication	2	6	15	55	22	1
Ability to follow instructions	5	5	13	54	23	1
IT skills	17	17	28	25	14	*
Ability to learn	3	9	20	50	17	1
Showing initiative	2	3	17	50	26	2
Leadership skills	10	11	22	44	13	*
Management skills	18	9	21	40	12	1
Organising own learning and development	13	10	22	41	12	2
Team working	3	9	12	54	22	*
Understanding customer needs	2	6	8	47	37	*
Entrepreneurial skills	29	15	24	21	8	3
Adaptability/flexibility	1	6	18	50	25	1
Weighted base = 295 (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’.

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

15 per cent of establishments in the Lantra footprint reported at least one vacancy at the time of the survey, 9 per cent of establishments reported hard-to-fill vacancies at the time of the survey and 4 per cent reported skill shortage vacancies, that is vacancies that were hard-to-fill for skill related reasons.

The proportion of establishments reporting all types of vacancy is lower than in Wales as a whole (22 per cent, 14 per cent and 7 per cent respectively), but the concentration of vacancies and hard-to-fill vacancies is higher in the Lantra sector when the number of vacancies are 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		Lantra SSC	
	<i>% of establishments reporting</i>	<i>% of employment</i>	<i>% of establishments reporting</i>	<i>% of employment</i>
All vacancies	22	2.0	15	3.3
Hard-to-fill vacancies	14	1.1	9	1.8
Skill shortage vacancies	7	0.5	4	NA
<b>Unweighted base</b>	<b>6,020</b>	<b>6,020</b>	<b>295</b>	<b>295</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.

15 per cent of establishments reported such internal skill gaps covered by the Lantra footprint and the number of employees affected equated to 7.9 per cent of employment in the sector. Similar to the results on vacancies, the concentrations within establishments seems to be more severe than in Wales as a whole.

### 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
<b>Lantra</b>	<b>15</b>	<b>7.9</b>	<b>295</b>

*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.

35 per cent of establishments surveyed funded or arranged off-the-job training in the past 12 months; this is below the all Wales figure of 53 per cent. Establishments in the sector were also less likely to than the all Wales average to have increased the investment in off-the-job training over the last 3 years, with 23 per cent reporting that they now invested more compared to 32 per cent in all Wales. 49 per cent of establishments in the sector said they invested about the same; 9 per cent that they invested less and 10 per cent had not been in operation 3 years ago.

Establishments covered by the Lantra footprint are as likely to say there are no barriers to training as establishments in the whole of Wales. Barriers cited are similar for Lantra and all Wales establishments (only slightly lower for Lantra

establishments in terms of cost and affording staff time off for training, and slightly higher for 'training not relevant to needs of the business).

**Table 5.1 Barriers to training**

	<b>Wales</b>	<b>Lantra</b>
<i>Multiple response</i>	<i>%</i>	<i>%</i>
Cost of training	26	22
Training not available	6	8
Time of day courses are run	8	8
Cannot afford staff to have time off	31	27
Training not relevant to needs of business	6	9
No barriers	32	33
<b>Unweighted base</b>	<b>6020</b>	<b>295</b>

*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 Lantra sector 88 per cent of establishments agreed (strongly or tended to agree) that employees have sufficient skills to meet business needs; 74 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**

This report aims to identify the generic skills needs and deficiencies within Wales in businesses covered by Lantra, the Sector Skills Council for the environmental and land based industries. The survey methodology uses a 'best fit' of SIC codes to identify employers and covers the majority of industries that make up the Lantra sector. The self-employed were not included in the survey, which account for a large number of businesses falling under the Lantra footprint. Nevertheless the report identifies the following generic skills needs and shortages for businesses with at least two people working in an establishment in environmental and land based industries within Wales:

- Employers expect to require IT skills, communication skills, showing initiative and understanding customer needs at an advanced level to a greater degree in the future. The needs for these skills are expected to increase by 8% from the levels at which they are currently required.

- The concentration of vacancies and hard to fill vacancies as a percentage of employment is higher for establishments covered by Lantra than for Wales as a whole.
- Fewer establishments falling under the Lantra footprint than in Wales as a whole have funded or arranged off-the-job training in the past 12 months. Furthermore, fewer establishments falling under the Lantra footprint than in Wales as a whole report that they have increased their investment in off-the-job training in over the last 3 years.
- Employers covered by Lantra are as likely as employers in Wales as a whole to say that there are no barriers to training. Those barriers reported are similar for establishments within the sector and for Wales as a whole with the following exceptions: a slightly lower proportion of employers covered by Lantra cite that the cost of training is a barrier, and that they cannot afford to allow staff to have time off; a slightly higher proportion reports that training is not relevant to the needs of the business.