# Training and Skills in the Construction Sector

JUNE 2011

constructionskills

# Contents

# 1. Executive Summary

This skills and training research was commissioned by ConstructionSkills in December 2010. It replicates research last conducted within the industry in summer 2009, and uses many of the same questions as the National Employer Skills Survey (NESS).

The executive summary and full report provide the findings and summary findings of a survey of 1,207 construction establishments (employers: 1,050 and sole traders / self-employed: 157) conducted in February and March 2011, at the tail end of the recession.

The majority of interviews (833) were conducted with construction contracting establishments, with the remainder (217) being conducted with professional services establishments.

Quota controls were used to enhance bases of small, but important, sub-groups within the industry. Data was then weighted before analysis to represent the industry nationally.

**Output Constraints**

Compared to 2009, a lower proportion of businesses in 2011 stated that the recession had a limiting impact on business in the previous year. Just under half of businesses (45%) in 2011 stated this was a limiting factor compared to 56% in 2009.

In 2011, 8% of employers and 6% of sole traders identified limited lending by financial institutions (to businesses and homebuyers) and cashflow difficulties as limiting factors on their businesses.

Two fifths expect the recession to continue to limit their business in the next year, but another two fifths stated that they do not expect anything to limit their business next year.

**Recruitment Activity and Difficulties**

The 2011 survey shows a dramatic reduction in recruitment activity compared to 2009, signifying a downward trend since 2008. Only a quarter (26%) of employers had attempted to recruit skilled labour in the last year compared with just over a third (36%) in the 2009 survey.

The proportion of employers attempting to recruit rises with the size of company, up to 64% of employers with 100 or more staff on payroll.

Very few employers (1%) had looked to take on an apprentice or inexperienced staff to train up to ease a shortfall in skilled staff. Similarly, few had either turned down work, or sub-contracted work.

The fact that a lower proportion of recruiting employers reported hard-to-fill vacancies in 2011 may reflect the effects of the recession increasing the availability of skilled labour in the labour market. The fact that a smaller proportion of employers are recruiting further underpins the supposition that demand has dropped compared to supply. Nevertheless, that a fifth of those recruiting still report hard-to-fill vacancies in this climate may point to structural imbalances in the construction workforce.

The survey also suggests that a greater proportion of smaller employers (2–9 staff on payroll) than larger employers experienced hard-to-fill vacancies. This may be partially due to the type of job roles advertised by smaller employers (potentially requiring a greater range of skills/flexibility than 'similar' roles in larger establishments where job roles tend to be more narrowly defined). This also may be influenced by applicants feeling that jobs with small employers are less stable in difficult economic circumstances than a similar job would be with a larger employer.

## Skills Gaps and Upskilling

In contrast to previous years, where approximately one in 10 employers reported that at least one member of staff had some sort of skills gap (was not totally proficient in all aspects of their job), interviewers in the 2011 survey found that very few employers would state that any of their employees had any skills gaps.

Two thirds (66%) of employers and three fifths (61%) of sole traders expect that there will be a need for new skills and/or knowledge to be acquired by at least one person in the business over the next 12 months. Almost half (45%) of employers expect that new legislative or regulatory requirements would have an impact upon their skills/knowledge needs for the coming year.

The type of skill most frequently mentioned as needing updating was health and safety and/or first aid – mentioned by 20% of construction contracting employers, but just 4% of professional services employers.

## Training

Just over two fifths of employer establishments (41%) had funded or arranged some sort of training for at least one member of staff. However, fewer than one in five sole traders (17%) reported that their business had funded or arranged any training for themselves (or any indirectly employed staff).

A greater proportion of professional services establishments than construction contracting establishments had funded or arranged some sort of training for at least one member of staff in the last year (52% compared with 38%).

Of employers who stated that they did not provide any sort of training for staff in the last 12 months (either off-the-job or on-the-job), the vast majority felt that their staff were fully proficient, and therefore had not needed any training.

The survey revealed that, on average, employers had provided training to half (54%) of their workers (directly or indirectly employed) during the last year – an increase from the figure of 39% in 2009.

Employers that funded or arranged training estimated that each member of staff trained had received an average of 4.9 days off-the job training and an average of 6.5 days on-the-job training in the last year.

A third (33%) of employers that provided training for staff stated that at least one member of staff had worked towards a nationally recognised qualification, including 18% who had staff working towards an NVQ/SVQ.

## Apprenticeships

There has been a substantial change in the way apprenticeships are offered by employers. The emphasis is on offering apprenticeships to new recruits, rather than encouraging existing employees to take up these training opportunities.

Awareness of apprenticeship schemes in general across the UK was high and comparable to 2009. However, awareness of specific schemes was relatively low in England (38%) and Wales (24%). Just over half of employers in Northern Ireland (53%) were aware of specific schemes and almost three quarters in Scotland (73%).

In both 2011 and 2009, the likelihood of having an apprentice or offering apprenticeships increases with size of organisation.

# 2. Introduction

ConstructionSkills is licensed as the Sector Skills Council (SSC) for construction through the UK Commission for Employment and Skills (UKCES), and formerly by its predecessor the Sector Skills Development Agency (SSDA).

ConstructionSkills is unique amongst SSCs in that it is a partnership, comprising CITB-ConstructionSkills, the Construction Industry Council (CIC) and CITB-ConstructionSkills NI. Operating as a partnership ensures that ConstructionSkills' footprint covers the whole industry, the whole of the UK, and all of the issues that the industry faces.

The ConstructionSkills Sector Skills Agreement, a collaborative agreement between construction employers, training providers and Government, ensures the delivery of the right training in the right format for employers and individuals in the workforce, so that the skills needs of the future are met. This is of particular importance within the current economic climate, as the recession is having a profound effect on the construction industry. A loss of workers during the downturn risks skill shortages emerging during the recovery, thus impacting on the industry's ability to deal with opportunities in the upturn.

## 2.1 Aims and Objectives

ConstructionSkills requires the best possible evidence base in order to provide detailed and up-to-date analysis of the construction industry to support its business strategies and to fulfil its core SSC function. Hence, a survey of current skill needs and commitment to workforce development in the UK was commissioned late in 2010, for conduct in spring 2011.

The primary aim of this survey is to provide reliable information from both employers and the self-employed within the UK construction industry on skill deficiencies and on workforce development plans, to be robust enough to analyse by region/country.

Further aims of the research are to provide an industry-specific evidence base which can be comparable to and complement extant national skills research across all industries, including the National Employer Skills Survey (NESS).

The survey was also required to provide year-on-year comparison with previous construction sector skills and training surveys (particularly those conducted in 2009 and 2008).

## 2.2 Methodological Overview

The scope of the study was determined prior to commission, as 1,200 interviews evenly distributed across the UK, to cover the entire ConstructionSkills footprint (construction contracting and associated professional services).[1]

As in 2009, the survey included sole traders / self-employed as well as employers, involved in construction contracting and professional services. Quotas were set to ensure that equal numbers of interviews were conducted in each of the nine regions of England, and the three remaining nations of the UK (Northern Ireland, Scotland and Wales), to provide an appropriate base for simple regional analysis. Quotas also controlled the number of interviews conducted with establishments of various sizes, and for construction contracting establishments and professional services establishments. See Appendix 1 (Method Table 1) for the target quota matrix.

[1] Construction Contracting – SIC 2007 41.1; 41.20/1; 41.20/2; 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; 43.34/1; 43.34/2; 43.39; 43.91; 43.99/1; 43.99/9 Professional Services – SIC 2007 71.11/1; 71.11/2; 71.12/1; 71.12/2; 71.12/9; 74.90/1; 74.90/2
* Note the exclusion of 43.21 (Electrical installation) and 43.22 (Plumbing, heat and air-conditioning installation) – falling within the footprint of SummitSkills, the SSC for Building Service Engineering.

Targets over-represented large employers because of their low incidence, coupled with the large proportion of construction sector workers employed, thereby ensuring a sufficient base for confidence in the data collected. Weighting of data adjusted findings to represent the current profile of businesses in the sector.

The sample was sourced from our regular business sample provider (Sample Answers Ltd), using their UKBiz multi-source business database, filtered by the detailed footprint definition (using SIC 2007). See Appendix 1 for more detail.

The questionnaire was developed through desk analysis of the questionnaires and findings of the National Employers Skills Survey 2009; Skills and Training in the Construction Sector 2009; and surveys and research findings from the four countries of the UK: Future Skills Wales: Sector Skills Survey 2005; Northern Ireland Skills Monitoring Survey 2008; Future Skills Scotland: Skills at Work in Scotland, amongst others. The document review paid due reference to recent Business, Innovation and Skills policy documents. Comparability with previous construction sector surveys and NESS was an important, but not absolutely determining, factor in the final questionnaire design.

Routing and alternative question wording ensured that the survey was relevant to sole traders and employers (regardless of size) and for the entire sector (construction contracting and professional services). A small pilot tested question wording, response options, routing and other operational factors before the survey was committed to the main fieldwork stage.

All interviewing was conducted by Babcock Research's in-house telephone unit, under full supervision, operating within the Market Research Society Code of Conduct. Fieldwork took place around the end of the financial year 2010/11, commencing 8 Feb, with a small number of quality control calls being made to supplement data during the first week of the new financial year.

A total of 1,207 interviews were conducted across the UK and analysed: 157 sole traders / self-employed and 1,050 employer establishments.

Details of the weighting of the survey data can be found in Appendix 1 (Method Tables 2–5).

### 2.3 About this Report

A number of conventions are employed within this report to assist with the concise presentation of numeric data, and with brevity within text.

The base for statistics is described under each figure (table or graph) heading, with the base counts (weighted and unweighted) shown in brackets, or on dedicated rows of tables.

All tables and graphs present percentages (unless otherwise stated) calculated upon the bases shown. Where 'mean' averages are shown, these are calculated upon the stated base, minus any responses 'not stated' or choosing a 'don't know / not applicable' response.

Tables and graphs are all labelled with a simple sequential 'Figure Number' and title. All tables and graphs have clearly labelled base sizes (for all sub-groups) and textual definitions of bases. The total of percentages shown in a table may vary slightly from 100% due to rounding to the nearest percentage point. '-' is used to denote a statistic of less than 0.5%.

Regional analyses should be read with caution, particularly those on bases further restricted by the routing out of some respondents. Caveats are highlighted for the latter in the text.

| GLOSSARY OF TERMS | |
|---|---|
| **Construction sector** | The entire footprint of ConstructionSkills, which for the purpose of this research is divided into two sub-sectors: construction contracting and professional services |
| **Construction contracting** | SIC 2007 41.1; 41.20/1; 41.20/2; 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; 43.34/1; 43.34/2; 43.39; 43.91; 43.99/1; 43.99/9 |
| **Professional services** | SIC 2007 71.11/1; 71.11/2; 71.12/1; 71.12/2; 71.12/9; 74.90/1; 74.90/2 |
| **Establishment** | A single-site business or branch location of a business |
| **Sole trader** | An establishment with a single person directly employed (on payroll), typically a sole trader who can be described as a working proprietor, but may include single-employee branches of larger companies |
| **Employer** | An establishment with two or more people directly employed (on payroll) at that location |
| **Direct employment** | Employed by the company/organisation, on payroll at the location |
| **Indirect employment** | Contractor staff, agency or self-employed staff that are working for the establishment (as opposed to working for a sub-contracted company) but are not on payroll |
| **Off-the-job training** | Training away from the individual's immediate work position, whether on the employer's premises or elsewhere |
| **On-the-job training** | Activities that would be recognised as training by staff, and not the sort of learning by experience which could take place all the time. |

# 3. Profile of Establishments Surveyed

This section provides a profile of the 157 sole traders / single-employee establishments and 1,050 employer establishments interviewed for the 2011 Survey of Skills and Training in the Construction Sector. This background information will illustrate the numbers of interviews upon which various sub-group analyses were conducted after weighting.

## 3.1 Sole Traders / Single-Employee Establishments

Interviews were conducted with a total of 157 establishments within the ConstructionSkills footprint that were defined as sole traders or single-employee establishments. It should be noted that these establishments may have 'permanent' or 'temporary' staff that are indirectly employed, e.g. contractors, agency staff or self-employed, who are not on the payroll of the establishment. Also, this category may also contain a small number of cases where the respondent was the only direct employee at that location, but that other direct employees operate for the company from different locations. For simplicity, all establishments with a single direct employee will be referred to as 'sole traders'.

52 sole traders (33%) had self-employed or other indirect labour working for them at the time of the interview, compared with 31% in 2009 and 28% in 2008. On average, those sole traders with indirect labour had 1.6 workers: almost one in four had more than five indirect employees, showing the importance of self-employed status within the sector, enabling small companies to avoid interaction with employment law, payroll, employers' National Insurance contributions and Pay-As-You-Earn (PAYE) taxation.

Due to the relatively small numbers of sole traders within this survey, we do not analyse sole traders by sub-sector or region. Nor has the data been weighted to make it representative of these factors.

However, it is worthwhile to establish a picture of the sole traders participating in the survey.

They were divided 123:34 (78%:22%) between construction contracting and professional services, with the majority of sole traders in construction contracting (84 out of 123) describing the bulk of their business relating to housing repair, maintenance and improvement (including extensions and loft conversions).

The most common job roles for sole traders were carpenter/joiner (11%); painter/decorator (10%); bricklayer (9%); plasterer (8%); multi-skilled tradesmen with no single main role (6%) and another 6% described themselves as 'director/ manager'.

## 3.2 Employers

The vast majority (92%) of establishments employ fewer than 10 employees directly on payroll. Similarly, the majority (71.7%) have fewer than 10 staff, including self-employed, contractor and agency staff.

**Figure 1: Employer Sample Profile – by number of employees at the location**

| | Direct employees | | All employees (inc indirect) | |
|---|---|---|---|---|
| | Number of interviews | Percentage after weighting | Number of interviews | Percentage after weighting |
| **2-9 employees** | 490 | 92 | 752 | 71.7 |
| **10-24 employees** | 214 | 5 | 193 | 18.5 |
| **25-99 employees** | 224 | 2 | 83 | 7.9 |
| **100+ employees** | 122 | 1 | 19 | 1.8 |
| **Unclear** | 0 | 0 | 3 | 0.3 |
| **TOTAL** | **1,050** | **100** | **1,050** | **100** |

Equal numbers of interviews were conducted in each region/nation to ensure an equally robust base for statistics produced for each region. However, after weighting, the most populous regions within the footprint were the South East (16.3%), London (13.5%) and East of England (11.5%). Responses from Northern Ireland were down-weighted to 4% of the national dataset, in line with the proportion of UK construction sector establishments based there.

### Figure 2: Employer Sample Profile – by region/nation

| | Establishments | | Employees | |
|---|---|---|---|---|
| | | | Direct 8,206 | All (inc indirect) |
| | Number of interviews | Percentage after weighting | Percentage after weighting | Percentage after weighting |
| **East Midlands** | 86 | 6.7 | 7.4 | 6.0 |
| **East of England** | 86 | 11.5 | 10.7 | 12.4 |
| **Northern Ireland** | 88 | 4.0 | 4.4 | 3.5 |
| **London** | 88 | 13.5 | 15.3 | 15.4 |
| **North East** | 91 | 2.7 | 2.6 | 2.5 |
| **North West** | 88 | 9.5 | 9.0 | 8.3 |
| **Scotland** | 89 | 7.0 | 8.8 | 6.4 |
| **South East** | 88 | 16.3 | 14.6 | 20.5 |
| **South West** | 88 | 9.6 | 8.5 | 7.6 |
| **Wales** | 87 | 4.1 | 4.4 | 4.0 |
| **West Midlands** | 85 | 7.8 | 8.3 | 8.0 |
| **Y&H** | 86 | 7.1 | 6.0 | 5.5 |
| **TOTAL - UK** | **1,050** | **100** | **100** | **100** |

Within the final dataset, establishments within the construction contracting part of the footprint represented just over four fifths (81.3%) of the UK employer sample, while professional services establishments represented just 18.7%.

### Figure 3: Employer Sample Profile – by sub-sector

| | Establishments | | Employees | |
|---|---|---|---|---|
| | | | Direct | All (inc indirect) |
| | Number of interviews | Percentage after weighting | Percentage after weighting | Percentage after weighting |
| **Construction contracting** | 833 | 81.3 | 78.8 | 85.3 |
| **Professional services** | 217 | 18.7 | 21.2 | 14.7 |
| **TOTAL - UK** | **1,050** | **100** | **100** | **100** |

Figure 4 (below) shows how the various employee groups were represented within the construction contracting establishments surveyed. In most cases, 'construction contracting' establishments exclusively employed staff within occupations that had been categorised as being allied to that sub-sector (including some generic roles such as management and administration), and the majority of professional services establishments exclusively employed professional occupational groups. However, particularly in some larger companies or those with diverse workloads, a small number of employees from an occupation group more closely associated with the opposite sub-sector were employed (e.g. a construction contracting company with an in-house architect and/or quantity surveyor).

## Figure 4: Occupation Groups Employed

Base: All sole traders (unweighted) and employers (weighted)

| Multiple prompted responses | Sole Traders | Employers | | |
|---|---|---|---|---|
| | All | All | Constr | All |
| Base count - unweighted | 157 | 1,050 | 833 | 217 |
| Base count - weighted | - | 1,050 | 854 | 196 |
| | % | % | % | % |
| Carpenters/joiners | 11 | 21 | 26 | 1 |
| Bricklayers | 9 | 10 | 12 | 1 |
| Painters/decorators | 10 | 5 | 6 | 0 |
| Plasterers | 8 | 5 | 6 | 0 |
| Roofers | 5 | 4 | 4 | 0 |
| Floorers | 2 | 1 | 1 | 0 |
| Scaffolders | 1 | 2 | 2 | 0 |
| Plant and machine operatives | 0 | 5 | 5 | 2 |
| Electricians | 0 | 2 | 3 | 0 |
| Plumbers | 1 | 3 | 3 | 0 |
| Labourers / general operatives | 4 | 18 | 22 | 3 |
| Managers/directors | 6 | 37 | 44 | 8 |
| Supervisors | 1 | 5 | 5 | 4 |
| Technical staff | 1 | 6 | 7 | 0 |
| Administrative staff | 0 | 44 | 53 | 4 |
| Staff with no one main role or who multi-task | 6 | 13 | 16 | 2 |
| Other construction roles | 1 | 0 | 1 | 0 |
| Other professionals (not construction-specific) | 0 | 1 | 0 | 3 |
| Glazing | 0 | 4 | 5 | 0 |
| Agriculture (not construction-specific) | 0 | 1 | 1 | 0 |
| Metal forming and welding | 0 | 0 | 0 | 2 |
| Maintenance | 0 | 0 | 0 | 0 |
| Other skilled trades | 0 | 0 | 0 | 1 |

| Multiple prompted responses | Sole Traders | Employers | | |
|---|---|---|---|---|
| | All | All | Constr | All |
| Architects | 4 | 8 | 0 | 45 |
| Architectural technologists | 2 | 5 | 4 | 12 |
| Building service engineers | 0 | 3 | 2 | 5 |
| Civil engineers | 3 | 2 | 0 | 8 |
| Mechanical engineers | 3 | 1 | 0 | 5 |
| Other engineers | 2 | 3 | 0 | 15 |
| Town planners | 0 | 1 | 0 | 4 |
| Technicians | 1 | 3 | 0 | 11 |
| Building surveyors | 1 | 2 | 2 | 4 |
| Quantity surveyors | 0 | 2 | 1 | 3 |
| Landscape designers | 0 | 0 | 0 | 2 |
| Project managers | 1 | 3 | 1 | 9 |
| Scientists | 0 | 1 | 0 | 3 |
| HR, legal and business professionals | 0 | 4 | 2 | 9 |
| Administrative staff | 0 | 9 | 0 | 48 |
| Other construction professionals | 1 | 0 | 0 | 2 |

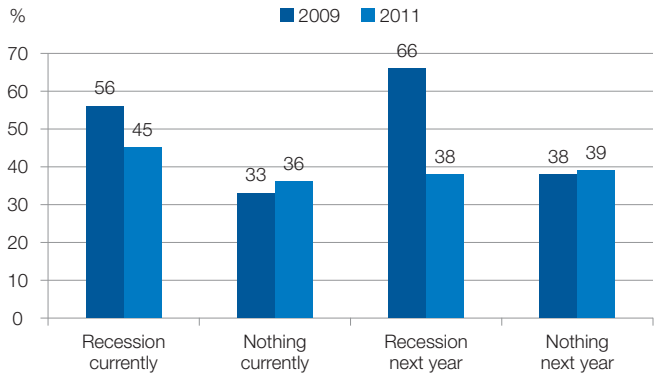
# 4. Output Constraints

Respondents were asked to describe the factors (if any) that were limiting their business at the time of the interview (Quarter 4, financial year 2010/11), and that they predicted would limit business in the coming year. Any number of factors could be given, but the majority of respondents discussed a single factor. No suggestions were given by interviewers, but responses were, as far as possible, fitted into a list of seven factors. Other responses not fitting these categories were noted in full, and were coded later.

Almost half (45%) of employers surveyed told us that their business was being limited by the recession, low demand, or uncertainty in the economy. In the previous survey, assessing the year to July 2009, 56% of employers mentioned this factor and two thirds (66%) expected recession to impact on their business in the year from July 2009 onwards. This suggests that for the sector as a whole, the impact of the recession either peaked between July 2009 and March 2011; that more businesses managed to escape the impact of the recession on their turnover than had feared they might; or that a proportion of the businesses that were being affected went out of business. However, most businesses feeling the impact of the recession / economic uncertainty in the last year also thought it would continue to limit their business in the coming year.

**Figure 5: Selected Factors Limiting the Business Currently / Expected Next Year, 2009 and 2011**

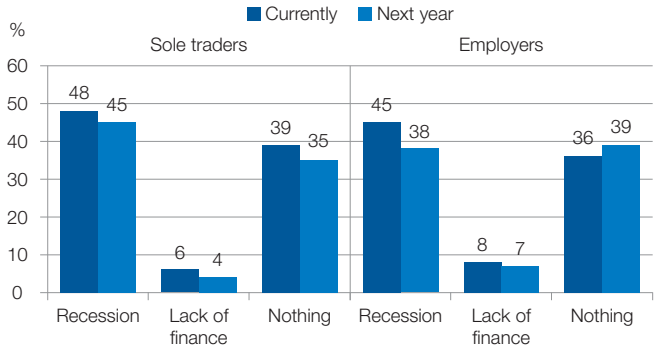
Base: 2011: All sole traders (unweighted – 157) and employers (weighted – 1,050)
2009: All employers (weighted – 1,046)




Just over a third of employers (36%) felt that there were no constraints on their business in Spring 2011, showing a slight increase (improvement) since the previous survey in Summer 2009. Two fifths (39%) expected the coming year to be constraint-free.

**Figure 6: Factors Limiting the Business Currently / Expected Next Year**

Base: All sole traders (unweighted – 157) and employers (weighted – 1,050)




Sole traders were slightly more likely than employers to state that the recession had limited their business in the last year, and few suggested that they felt the recession would cease to limit their business in the next year (48% cited recession as a limiting factor for the last year, and 45% expected it to continue in the next year).

## Figure 7: Factors Limiting the Business This Year

Base: All sole traders (unweighted) and employers (weighted)

| Multiple unprompted responses | Sole | Employers | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | All | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 157 | 1,050 | 833 | 217 | 490 | 214 | 224 | 122 |
| Base count - weighted | - | 1,050 | 854 | 196 | 966 | 52 | 21 | 11 |
| | % | % | % | % | % | % | % | % |
| **Recession / low demand / uncertain economy** | 48 | 45 | 43 | 53 | 45 | 41 | 46 | 51 |
| **Lack of finance (cash flow / loans/mortgage shortage)** | 6 | 8 | 8 | 10 | 8 | 3 | 5 | 2 |
| **Competition** | 5 | 3 | 2 | 3 | 3 | 3 | 1 | 2 |
| **Public sector cuts/policies** | 1 | 3 | 2 | 5 | 3 | 5 | 4 | 4 |
| **Increasing costs** | 2 | 2 | 3 | 2 | 2 | 3 | 2 | 0 |
| **Weather conditions** | 3 | 2 | 2 | 0 | 2 | 2 | 1 | 7 |
| **Labour/skill shortages** | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 |
| **Legislation** | 1 | 1 | - | 2 | 1 | 1 | 2 | 0 |
| **VAT increase** | 1 | 1 | 1 | 0 | 1 | 2 | - | 0 |
| **Shortage of material/equipment** | 0 | 1 | 1 | - | 1 | - | - | 0 |
| **Other constraint(s)** | 3 | 2 | 2 | 2 | 2 | 3 | 2 | 2 |
| **Nothing** | 39 | 36 | 37 | 31 | 36 | 38 | 39 | 30 |
| **Don't know** | 3 | 3 | 3 | 6 | 3 | 7 | 5 | 5 |

Figure 7 shows a breakdown of all factors mentioned as limiting business in the last year. Notably this year, construction sector businesses have commented upon the negative impact of restricted lending by banks. More than one in 20 sole traders (6%) and 8% of employers cited restricted bank lending (difficulties securing business loans or mortgages) or cashflow difficulties. This factor was felt most by smaller businesses (fewer than 10 employees), as was the strength of competition within the market. Larger businesses and professional services companies were most likely to comment upon having felt the impact of public sector cuts and policies.

Interestingly, great variation can be seen between the factors felt to be limiting construction businesses in different parts of the UK, particularly relating to perception of the recession (see Appendix Table 1).

Three fifths of businesses in the South East and South West regions (58% and 60% respectively) and almost half (47%) of those in London felt that there was nothing at all limiting their business over the last year. However, businesses in other regions found it much easier to name something that had limited their business over the last year. No more than one in five businesses in the East Midlands (20%), Scotland (18%) and North West (15%) said that nothing had been limiting them over the last year.

The response from Northern Ireland was particularly striking. Nine out of 10 (91%) businesses commented that they had been limited by the recession, low demand or uncertain economy. While this is also the most commonly mentioned limiting factor in all other regions, the next highest proportion of businesses mentioning this was 66% of those in the North West. Recession was also a strong theme for businesses in the East (57%), East Midlands (55%), West Midlands (49%) and Yorkshire & Humber (49%) regions.

**Figure 8: Factors Expected to Limit the Business Next Year**

Base: All sole traders (unweighted) and employers (weighted)

| Multiple unprompted responses | Sole | Employers | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | All | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 157 | 1,050 | 833 | 217 | 490 | 214 | 224 | 122 |
| Base count - weighted | - | 1,050 | 854 | 196 | 966 | 52 | 21 | 11 |
| | % | % | % | % | % | % | % | % |
| **Recession / low demand / uncertain economy** | 45 | 38 | 38 | 38 | 38 | 37 | 34 | 49 |
| **Lack of finance (cash flow / loans/mortgage shortage)** | 4 | 7 | 7 | 8 | 8 | 2 | 4 | 2 |
| **Competition** | 3 | 2 | 3 | 1 | 2 | 3 | 1 | 1 |
| **Public sector cuts/policies** | 1 | 2 | 2 | 4 | 2 | 4 | 3 | 6 |
| **Increasing costs** | 1 | 2 | 2 | 1 | 2 | 2 | 2 | 0 |
| **Weather conditions** | 2 | 1 | 1 | 0 | 1 | 1 | 1 | 4 |
| **Labour/skill shortages** | 1 | 1 | 1 | 2 | 1 | 0 | 1 | 2 |
| **Legislation** | 1 | 1 | 1 | 2 | 1 | - | 1 | 0 |
| **VAT increase** | 1 | 1 | 1 | 0 | 1 | 1 | - | 0 |
| **Shortage of material/equipment** | 3 | 1 | 1 | 0 | 1 | - | 0 | 0 |
| **Other constraint(s)** | 0 | 2 | 1 | 2 | 2 | 2 | 1 | 0 |
| **Nothing** | 35 | 39 | 39 | 36 | 38 | 40 | 44 | 35 |
| **Don't know** | 8 | 8 | 7 | 11 | 7 | 13 | 12 | 5 |

The recession / low demand / uncertain economy was cited as a limiting factor for around a third of businesses in the South West, Wales and London (32%, 35% and 35% respectively), and a quarter (26%) in the South East.[2]

Detail of the factors expected to limit business in the next year for sole traders and employers of all sizes are provided in Figure 8, and for each region of the UK in Appendix Table 2.

Fewer employers and sole traders expect the recession to limit their business next year than at the time of the interview. While 45% of employers reported that the recession was having an impact on their business at the time of interview, fewer than two fifths (38%) expected it to do so in a year's time. Similarly, while 48% of sole traders stated that the recession was affecting their business, 45% expected it to continue to do so in a year's time.

However, few larger employers expect to see the recession ceasing to affect their business: 51% of employers with 100+ employees felt that the recession was limiting their business at the time of the interview, and almost as many (49%) expected it to be a limiting factor in 12 months' time.

When considering other factors limiting construction businesses, sole traders appear to be slightly more optimistic than employers about the reduction of limiting factors. This is particularly true for lack of finance (including cashflow problems, difficulty in obtaining loans and shortages of mortgage approvals for house buyers) and competition.

Construction contracting employers were less optimistic than professional services employers that there would be no factors limiting their businesses in a year's time: 37% currently, rising to 39% in a year's time, compared with 31% currently, rising to 36% in a year's time.

[2] Please treat regional comparisons with caution due to the relatively low regional bases.

# 5. Recruitment Activity and Difficulties

This section explores the extent to which employers and sole traders have tried to recruit skilled staff over the last 12 months, and the extent and nature of any recruitment difficulties that were encountered. We also explore the impact that hard-to-fill vacancies had on businesses and actions taken to minimise the impact of these difficulties.

## 5.1 Recruitment Context

Before discussing recruitment activity undertaken in the previous 12 months, employers were asked to assess the balance between their workforce's skills and market demand, i.e. whether there was a shortage of skilled workers or, conversely, a shortage of work for the skilled staff they had.

Fewer than one in 20 establishments reported not having enough skilled workers: 2% stated that they did not have enough skilled workers for the last year in general, while another 2% reported that they didn't have enough skilled workers for the work they had or could have had (i.e. they either turned down work, or avoided tendering for work that in other circumstances they would have sought). Three in five employers (63%) felt that they had been operating at, or near, full capacity throughout the year, while three in 10 (32%) felt that they had not had enough work for their workforce for most of the year (see Figure 9).

The data suggests that professional services businesses have had slightly less experience of working at or near full capacity than was the case for construction contracting businesses.

It appears that establishments with 10 or more employees on the payroll are less likely than smaller establishments to report not having enough work for their workforce throughout the last year (33% of those with 2–9 employees, compared with around a quarter of those with 10+ employees). This differential might be a result of larger projects sustaining large companies continuing to provide work through the downturn and/or larger companies reducing the use of sub-contracting, as well as some of the reasons discussed below.

Anecdotally, the interviews suggest that larger establishments have tended to be more active that smaller ones in managing the size of their workforce, including by avoiding the replacement of leavers, and adjusting the balance of their workforces slightly away from direct employment towards various forms of indirect employment, which can be more flexible. Smaller establishments, especially those characterised as 'family-run', have tended to try to keep staff employed, albeit in many cases with wage freezes, cuts or reduced hours.

**Figure 9: Capacity and Use of Workforce Skills in the Last Year**

Base: All sole traders (unweighted) and employers (weighted)

| Single prompted response | Sole | Employers | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | All | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 157 | 1,050 | 833 | 217 | 490 | 214 | 224 | 122 |
| Base count - weighted | - | 1,050 | 854 | 196 | 966 | 52 | 21 | 11 |
| | % | % | % | % | % | % | % | % |
| **Not enough skilled workers for work we had/could have had** | 2 | 2 | 2 | 2 | 2 | 0 | - | - |
| **Not enough skilled workers for that time** | 2 | 2 | 2 | 5 | 3 | 0 | - | 0 |
| **Operating at or near full capacity for most of last year** | 57 | 63 | 64 | 59 | 62 | 73 | 71 | 73 |
| **Not enough work for our workforce for most of last year** | 37 | 32 | 32 | 34 | 33 | 27 | 24 | 27 |
| **Don't know** | 3 | 1 | 1 | - | 1 | - | 5 | - |
| **TOTAL** | **100** | **100** | **100** | **100** | **100** | **100** | **100** | **100** |

When compared with the UK data for 2009, the sector in 2011 is reporting a slightly better balance between the employed workforce and the skills demand. Still, one in three establishments admit to not really having sufficient work for their workforce (32% in 2011, 35% in 2009), but almost two thirds (63%) now claim to be operating at or near full capacity for their workforce's skills, compared with 52% in 2009. Very few establishments now claim to have a shortfall of skilled staff compared to their workflow.

Appendix Table 3 shows that more than half (57%) of employers in Northern Ireland reported having insufficient work for their workforce for most of last year – a much higher proportion than for any other part of the UK. The areas where over-capacity was next most common were the North East (41%), East Midlands (39%) and West Midlands (39%).

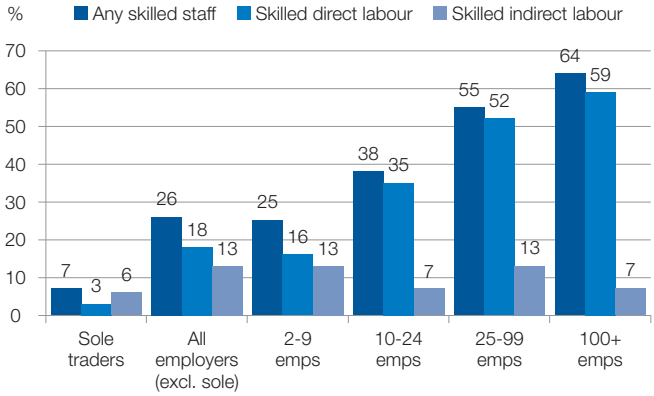
## 5.2 Recruitment Activity

The survey asked respondents to identify steps they had taken to tackle a lack of skilled workers (if they identified that they lacked skilled workers) or whether they had tried to recruit certain types of labour in the last 12 months.

A quarter (26%) of employers in the UK attempted to recruit some form of skilled labour (direct or indirect) over the last year, compared to 36% of employers having attempted to recruit skilled staff in the year prior to the 2009 survey.

**Figure 10: Recruitment-Based Actions Taken to Ease Shortfall in Skilled Staff Over the Last Year**

Base: All sole traders (unweighted – 157) and employers (weighted – 1,050)




The proportion of employers attempting to recruit rises with the size of company, up to 64% of employers with 100 or more staff.

Almost one in five employers (18%) and 3% of sole traders reported having attempted to recruit experienced, skilled labour to their payroll in the last year, despite the generally difficult operating circumstances. However, in comparison with summer 2009, the proportion of employers having attempted to recruit skilled staff has halved (from 36% to 18%).

Furthermore, 13% of employers and 6% of sole traders had sought to recruit self-employed workers or other forms of indirect labour during the last year. Very few had looked to take on an apprentice or inexperienced staff to train up. Similarly, few had either turned down work (1%) or sub-contracted work (1%).

**Figure 11: Actions Taken to Ease Shortfall in Skilled Staff Over the Last Year**

Base: All sole traders (unweighted) and employers (weighted)

| Multiple prompted response | Sole | Employers | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | All | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 157 | 1,050 | 833 | 217 | 490 | 214 | 224 | 122 |
| Base count - weighted | - | 1,050 | 854 | 196 | 966 | 52 | 21 | 11 |
| | % | % | % | % | % | % | % | % |
| **Sought any skilled employees (direct or indirect)** | 7 | 26 | 27 | 24 | 25 | 38 | 55 | 64 |
| **Sought experienced, skilled employees (direct labour)** | 3 | 18 | 18 | 17 | 16 | 35 | 52 | 59 |
| **Sought skilled self-employed or other indirect labour** | 6 | 13 | 14 | 10 | 13 | 7 | 13 | 7 |
| **Sought apprentices or inexperienced staff to train up** | 1 | 1 | 1 | 0 | 1 | 0 | 1 | 0 |
| **Sub-contracted work out** | 1 | 1 | 1 | 4 | 2 | 0 | 0 | 0 |
| **Turned work down** | 0 | 2 | 2 | 2 | 2 | 0 | 0 | 0 |

Professional services employers were less likely than construction contracting employers to have attempted to recruit new skilled staff (24% compared with 27%) and more likely to sub-contract work out.

Employers with 2–9 directly employed staff were much less likely than those with larger directly employed workforces to have attempted any recruitment in the year (perhaps in part due to the lower likelihood of the organic loss of staff from a small workforce). However, no such difference is evident for recruitment of indirect labour.

Around a third of employers in the South East, East, North East and London (35%, 34%, 34% and 32% respectively) sought some sort of skilled employees in the last year. By contrast, only 14% of employers in Northern Ireland and 10% of employers in the West Midlands had tried to employ any new staff in the last year (see Appendix Table 4).

Just 2% of sole traders who did not already have any indirect labour within the business had attempted to recruit some staff (direct or indirect) in the last year.

## 5.3 Recruitment Difficulties and Hard-to-Fill Vacancies

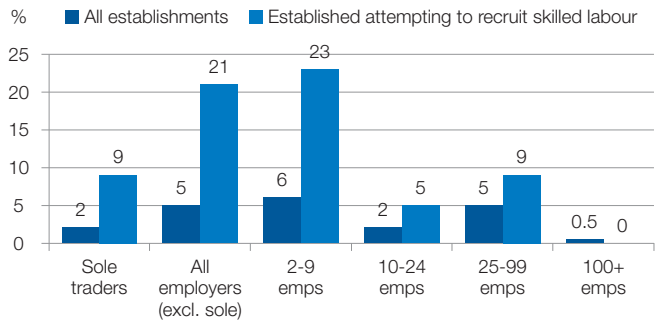
One in five (21%) establishments that had vacancies for skilled staff in the last year reported having had vacancies that were hard to fill, equating to just one in 20 (5%) employers overall (recruiting or not). Recruitment difficulties have diminished since the 2009 survey when 29% of employers trying to recruit skilled staff reported that some of these vacancies were hard to fill.

The fact that a lower proportion of employers who are trying to recruit are reporting hard-to-fill vacancies in 2011 may reflect the effects of the recession increasing the availability of skilled labour in the labour market. It may also be because a lower proportion of organisations are recruiting, which further underpins the supposition that demand has dropped compared to supply. Nevertheless, that a fifth of organisations still report hard-to-fill vacancies in this climate may point to structural imbalances in the construction workforce.

Sole traders were much less likely than employers with two or more staff already on payroll to report that they had hard-to-fill vacancies: fewer than one in 10 sole traders (9%) who tried to recruit skilled staff (for payroll or indirect employment) assessed their vacancy to have been hard to fill.

**Figure 12: Whether Had Any Hard-to-Fill Vacancies Over the Last Year**

Base: All sole traders (unweighted – 157) and employers (weighted – 1,050)
Base: Sole traders (unweighted – 11) and employers (weighted) that had hard-to-fill vacancies – 277




The survey also suggests that a greater proportion of smaller employers (2–9 staff on payroll) than larger employers experienced hard-to-fill vacancies – this may be partially due to the type of job roles advertised by smaller employers (potentially requiring a greater range of skills/flexibility than 'similar' roles in larger establishments where job roles tend to be more narrowly defined), and may also be influenced by applicants feeling that jobs with small employers are less stable in difficult economic circumstances than a similar job would be with a larger employer.

There was little difference between the proportions of construction contracting and professional services establishments with hard-to-fill vacancies (6% compared with 4%). However, when establishments trying to recruit skilled staff in the last year are isolated, a greater proportion of construction contracting establishments than professional services establishments felt they had experienced a hard-to-fill vacancy (21% compared with 17%).

Given the lower proportions of employers recruiting and then reporting hard-to-fill vacancies, the bases for each region are too small for robust comparative analysis. A table of data has been produced for indicative purposes only (Appendix Table 5).

In the South East, 16% of employers reported having vacancies for skilled staff that had been hard to fill, but none of the businesses interviewed in Wales or the West Midlands reported having any hard-to-fill vacancies.

### 5.3.1 Occupations with Hard-to-Fill Vacancies

The relatively few employers (56) who reported having experienced any hard-to-fill vacancies within the last year were asked to identify the occupations for the posts that were hard to fill. Figure 13 (below) shows the occupations for which employers were most likely to have difficulties recruiting skilled staff. Since the base is small, the results are displayed for all respondents (who reported hard-to-fill vacancies). The most commonly cited hard-to-fill vacancies were for bricklayers (19%); electricians (15%); plasterers (15%); carpenters/joiners (15%); and general labourers (12%).

Although extreme caution must be exercised because of the small base, there are some differences between this year's results and those found in the last survey (2009). Bricklayers, plasterers and staff who multi-task are each mentioned by a much higher proportion of employers in this 2011 survey than in 2009. However, carpenters/joiners and general operatives feature highly in both surveys.

Respondents were asked whether each type of vacancy had been hard to fill for direct employment (to join the company payroll) and/or for indirect employment (such as self-employed workers and agency staff). Two thirds (65%) of employers had vacanc(ies) that had been hard to fill for direct employment; a fifth (22%) had vacanc(ies) that had been hard to fill via indirect employment; the remainder had been hard-to-fill vacancies through both direct and indirect employment.

### Figure 13: Occupations with Hard-to-Fill Vacancies within the Last Year

Base: Sole traders and employers attempting recruitment of hard-to-fill vacancies in the last year (weighted – 56)

| Multiple responses | n - 56 | % |
|---|---|---|
| Bricklayers | 10 | 19 |
| Electricians | 9 | 15 |
| Plasterers | 8 | 15 |
| Carpenters/joiners | 8 | 15 |
| Labourers / general operatives | 7 | 12 |
| Staff who multi-task | 6 | 10 |
| Floorers | 4 | 8 |
| Architects | 3 | 5 |
| Plumbers | 2 | 4 |
| Technical staff | 2 | 3 |
| Building service engineers | 2 | 3 |
| Painters/decorators | 2 | 3 |
| Plant and machine operatives | 2 | 3 |
| Managers/directors | 1 | 3 |
| Administrative staff | 1 | 3 |
| Roofers | 1 | 1 |
| Scaffolders | 1 | 1 |
| Other | 4 | 7 |

### 5.3.2 Causes of Hard-to-Fill Vacancies

Employers were given a prompted list of potential causes of hard-to-fill vacancies. Employers were able to cite as many reasons as applied to their case, and to inform the interviewer of other reasons, to be coded later.

Most employers stated more than one contributory cause of hard-to-fill vacancies for skilled staff. Figure 14 (below) shows that two thirds of businesses with hard-to-fill vacancies for skilled staff over the last year said that one of the reasons was that applicants lacked the skills they required. Almost half felt that not enough young people were being trained in construction trades, and a similar proportion said that the number of applicants lacking the aptitude or motivation they required of their staff made vacancies hard to fill. Two fifths said that applicants lacked the work experience that they required.

### Figure 14: Causes of Hard-to-Fill Vacancies in the Last Year

Base: Sole traders and employers (weighted) attempting recruitment of hard-to-fill vacancies in the last year – 56

| Multiple prompted responses | 2011 | 2009 |
|---|---|---|
| Base count - unweighted | 45 | unknown |
| Base count - weighted | 56 | 110 |
| | % | % |
| Applicants lack the skills we require | 63 | 84 |
| Not enough young people trained in construction | 45 | 81 |
| Applicants lack the aptitude or motivation required | 44 | 74 |
| Applicants lacked the work experience required | 41 | 68 |
| Low number of applicants generally | 20 | 53 |
| Competition from other employers | 18 | 39 |
| Applicants lacked the qualifications required | 15 | 51 |
| Other reasons | 15 | - |

### 5.3.3 Skills Lacked in Job Applicants

Employers with hard-to-fill vacancies for skilled staff were asked to name the two main skills that they found difficult to obtain from applicants. The results for 2011 and 2009 are shown in Figure 15, below. Note that not all respondents mentioned two skills, and in some cases the skills/attributes mentioned were so similar they have been coded together.

Employers' views on the skills lacked in job applicants bore great similarity to the causes of hard-to-fill vacancies discussed in Section 5.3.2 above. Appropriate attitudes to work, including enthusiasm, motivation, commitment, willingness (25%) and relevant work experience (23%) were the most common skills the employers felt tended to be lacking in applicants.

Other common, but perhaps less generic, skills shortages mentioned among applicants were various technical skills, sales and other business skills, and skills specific to particular occupational roles.

**Figure 15: Skills Lacked in Job Applicants in the Last Year**

Base: Sole traders and employers (weighted) attempting recruitment of hard-to-fill vacancies in the last year – 56

| Multiple unprompted responses | 2011 | 2009 |
|---|---|---|
| Base count - unweighted | 45 | unknown |
| Base count - weighted | 56 | 110 |
| | % | % |
| **Attitude (enthusiasm, motivation, commitment, willingness)** | 25 | 33 |
| **Relevant work experience** | 23 | 27 |
| **Technical skills (in use of machinery)** | 9 | 5 |
| **Sales/marketing/finance/business** | 7 | 0 |
| **Construction qualifications/cards** | 5 | 14 |
| **Engineering-related** | 5 | 6 |
| **Carpentry/joinery skills** | 5 | 2 |
| **Welding/fabrication** | 5 | 1 |
| **Surveying / quantity surveying / estimation** | 5 | 0 |
| **IT skills** | 4 | 7 |
| **Plant and machine operative** | 4 | 7 |
| **Social/communication/life skills** | 4 | 4 |
| **Electrical skills** | 4 | 4 |
| **Plumbing skills** | 4 | 3 |
| **Plastering** | 4 | 0 |
| **Bricklaying** | 4 | 0 |
| **Basic education (literacy/numeracy)** | 0 | 8 |
| **Other** | 11 | 19 |

The spontaneous identification of skills lacking in applicants in 2011 is similar to 2009 and 2008 for the most identified two skills: poor attitude and relevant work experience. With due caution to the low bases in the 2011 survey due to less recruitment activity, and a lower proportion of hard-to-fill vacancies, lack of construction qualifications/cards was identified by a lower proportion in this survey than in 2009 or 2008.

### 5.3.4 Impact of Hard-to-Fill Vacancies

As the proportion of employers reporting hard-to-fill vacancies has reduced over the last few years (21% of employers trying to recruit skilled staff in 2011, compared with 29% in 2009), so has the reported impact of those hard-to-fill vacancies. While the extent of reporting has dropped, the impacts on the businesses concerned are reported as being high.

All businesses experiencing hard-to-fill vacancies over the last year reported that they had suffered an adverse impact as a result of their hard-to-fill vacancy. Just over two fifths (43%) of the businesses reported that hard-to-fill vacancies had caused them to lose business or turn down work. A similar proportion (42%) reported outsourcing work that they did not have the appropriate, or sufficient, skilled staff to deliver in-house. More than one in three (36%) felt that the hard-to-fill vacancies had resulted in increased operating costs, and three in 10 (29%) commented upon the impact on the workload of remaining staff and the increased use of overtime. Almost one in five (18%) of those with hard-to-fill vacancies said that the absence of key skilled staff had resulted in project deadlines being missed.

**Figure 16: Impact of Hard-to-Fill Vacancies**

Base: Sole traders (unweighted) and employers (weighted) attempting recruitment of hard-to-fill vacancies in the last year

| Multiple prompted responses | 2011 | 2009 |
|---|---|---|
| Base count - unweighted | 45 | unknown |
| Base count - weighted | 56 | 110 |
| | % | % |
| **Lose business or turn down bidding for work** | 43 | 67 |
| **Outsource work** | 42 | 52 |
| **Increase operating costs** | 36 | 61 |
| **Increase the use of overtime and workload for staff generally** | 29 | 74 |
| **Miss project deadline** | 18 | 47 |
| **Other impact** | 8 | 0 |
| **None** | 0 | 4 |

### 5.3.5 Steps Taken to Overcome Recruitment Difficulties

Figure 17 (below) shows the steps taken by businesses to overcome recruitment difficulties they encountered. One third of businesses with hard-to-fill vacancies report doing 'nothing specific' to try to overcome the recruitment difficulties (32%), a similar proportion to that in 2009. One in 10 (10%) take steps to redefine existing job roles (to take in responsibilities and tasks that are otherwise nominated to the vacant role), and a similar number (10%) seek to expand their trainee programmes, developing the skills from within (which is, of course, dependent upon the vacancy being for a skill that already exists within the establishment, and having capacity among existing workers to support and mentor a trainee).

Employers took a wide range of 'other' steps to overcome the impact of the hard-to-fill vacancies, including taking on less work or only the type of work that the existing workforce had the skills to deliver, using personal networks and approaching sub-contractors for potential applicants for the roles, and reducing the person specification for the hard-to-fill vacancy (taking on employees with lesser skills sets than desired).

**Figure 17: Steps Taken to Overcome Recruitment Difficulties**

Base: Sole traders (unweighted) and employers (weighted) attempting recruitment of hard-to-fill vacancies in the last year

| Multiple unprompted responses | 2011 | 2009 |
|---|---|---|
| Base count - unweighted | 45 | unknown |
| Base count - weighted | 56 | 110 |
| | % | % |
| **Redefine existing job roles** | 10 | 4 |
| **Increase/expand trainee programmes** | 10 | 10 |
| **Increase training to existing staff** | 8 | 14 |
| **Increase advertising/recruitment spend** | 5 | 6 |
| **Use new recruitment methods or channels** | 2 | 32 |
| **Outsource less work** | 2 | 6 |
| **Increase salaries** | 0 | 0 |
| **Other** | 29 | - |
| **Nothing** | 32 | 34 |
| **Don't know** | 7 | - |

# 6. Skills Gaps and Upskilling the Workforce

This section explores skills gaps within the current directly employed workforce: a skills gap has been determined to exist when an employer stated that they felt that one or more employees was not fully proficient at his/her job. This measure is, of course, highly subjective. There is no specific definition of 'fully proficient' generally or for any specific job role. Furthermore, this measure is influenced by employers' willingness to admit to having staff that are not fully proficient – something that some employers may view as a failing on their own part, especially at a time where jobs are relatively scarce, and plenty of skilled workers are seeking employment.

## 6.1 Skills Gaps

In contrast to previous years, where approximately one in 10 employers reported that at least one member of staff had some sort of skills gap (was not totally proficient in all aspects of their job), in the 2011 survey, interviewers found that very few employers would state that any of their employees had any skills gaps.

Therefore, although the survey contained several supplementary questions to explore the nature, causes, impacts and potential mitigations for the skills gaps within the industry, the following analysis will be largely qualitative, due to the low bases.

### 6.1.1 Establishments with Staff with Skills Gaps

Just 2% of employer establishments revealed an existing skills gap (i.e. said that the number of staff who were fully proficient in their job role was lower than the number of staff employed in the same job role) compared to 10% in 2009.

Similarly, just five of the 157 sole traders interviewed (3%) said that they did not feel they were fully proficient, and that there were skills that they needed to develop or improve.

Either employers were very reluctant to admit to having any staff who were not totally proficient or there are other contributory causes of this drop in reported skills gaps compared to 2009. We can speculate that the recession and continued downturn for the industry cut out any 'deadwood' from the workforce, keeping those skilled at their jobs in place; or that the lower pace of work resulting from the downturn (only 4% of businesses in 2011 having had times when they didn't have enough skilled workers compared to 10% in 2009) has resulted in skills gaps being less visible.

### 6.1.2 The Nature of Skills Gaps

With so few employers admitting a need for skills acquisition or improvement among their workforces, it is not possible to identify any particular skills required, or occupational groups most needing, upskilling.

Some of these respondents mentioned business administration and/or management skills (including communication), health and safety regulations, and general knowledge associated with their business: perhaps not so much absolute gaps in knowledge, but areas where it was felt that knowledge could be improved to the benefit of the business. Trade skills mentioned as gaps included electrical/electronics, scaffolding, plastering and wet trades.

### 6.1.3 The Causes of Skills Gaps

Few employers amongst this small sub-sample were clear about the reasons for skills gaps within their workforce, except for a small number who explained that a member of staff with skills gaps was newly recruited or lacked experience.

### 6.1.4 The Impact of and Steps Taken to Overcome Skills Gaps

Impacts of the few skills gaps revealed were restricted to losing business or bidding for less work, increasing operating costs or increasing the use of overtime / increasing staff workloads. However, due to the low bases, it is not possible to assess the degree of impact these skills gaps had on the businesses in which they occurred.

The main steps that businesses reported having taken to attempt to overcome skills gaps included increasing the following:

- spend on training
- the amount of supervision
- the amount of in-house/on-the-job training provided.

These steps mirror the results of both NESS (2009) for all sectors and those for ConstructionSkills (2009).

## 6.2 Upskilling the Workforce

The previous section has shown an 8% fall in skills gaps, the reluctance of employers to say that their current workforce has any skills gaps or shortfalls in proficiency, or a mixture of the two.

However, all employers told us that they expected someone in their business would need to acquire new skills or knowledge in the next year in response to an external stimulus.

### 6.2.1 Stimuli that May Prompt the Acquisition of Skills/Knowledge

Two thirds (66%) of employers and three fifths (61%) of sole traders expect that there will be a need for new skills and/or knowledge to be acquired by at least one person in the business over the next 12 months. The expectation that new skills/knowledge will be required increases slightly with the number of employees (from 65% of those with 2–9 employees, to 73% of those with 100+ employees), and is greater among professional services establishments than construction contracting establishments (80% compared with 62%).

Almost half (45%) of employers expect that new legislative or regulatory requirements would have an impact upon their skills/knowledge needs for the coming year. Around a third of employers expected each of the following factors to lead to the need for the acquisition of new skills and/or knowledge:

- introduction of new working practices (excluding eco / energy saving) (36%)
- introduction of new technologies or equipment (34%)
- development of new products and services (32%).

Around three in 10 employers thought the following stimuli would prompt the acquisition of new skills or knowledge:

- increased competitive pressure (30%)
- new eco or energy-saving design/build methods (29%)
- environmental regulations (28%).

**Figure 18: Stimuli Expected to Lead to Acquisition of New Skills or Knowledge in the Next Year**
Base: All sole traders (unweighted) and employers (weighted)

| Multiple prompted response | Sole | Employers | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | All | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 157 | 1,050 | 833 | 217 | 490 | 214 | 224 | 122 |
| Base count - weighted | - | 1,050 | 854 | 196 | 966 | 52 | 21 | 11 |
| | % | % | % | % | % | % | % | % |
| **Any stimuli** | 61 | 66 | 62 | 80 | 65 | 67 | 71 | 73 |
| **Development of new products and services** | 27 | 32 | 30 | 41 | 32 | 31 | 36 | 47 |
| **New eco or energy-saving design/build methods** | 20 | 29 | 25 | 46 | 28 | 32 | 26 | 41 |
| **Introduction of other new working practices** | 23 | 36 | 34 | 41 | 35 | 42 | 42 | 44 |
| **Introduction of new technologies or equipment** | 31 | 34 | 32 | 44 | 34 | 38 | 44 | 45 |
| **Environmental requirements** | 19 | 28 | 25 | 38 | 27 | 30 | 30 | 38 |
| **New legislative or regulatory requirements** | 35 | 45 | 41 | 60 | 44 | 48 | 51 | 59 |
| **Increased competitive pressure** | 27 | 30 | 29 | 33 | 30 | 31 | 26 | 37 |
| **Downturn in the economy** | 31 | 24 | 23 | 29 | 24 | 28 | 19 | 25 |
| **Business management** | 13 | 19 | 20 | 13 | 19 | 22 | 18 | 21 |
| **Any other reasons** | 1 | 1 | 1 | 0 | 1 | 0 | 1 | 1 |

The downturn in the economy (24%) and business management (19%) were also anticipated to be potential triggers for the need to gain new skills or knowledge within the business. Please see Appendix Table 6 for indicative regional breakdowns.

### 6.2.2 Occupations Most Affected by the Need to Acquire New Skills or Knowledge

NESS (2009) showed that construction employers were relatively more likely than most sectors to show a high proportion of skills gaps falling within skilled trade occupations and elementary occupations. Thus, notwithstanding the extremely small numbers of employers acknowledging skills gaps in this 2011 survey, the results correspond to the sectoral occupation analysis (occupational distribution within SIC) in NESS.

Comparing the data in Figures 19 and 20 (below), it appears that it is professional service occupation groups that are perceived to be likely to be affected most by the need for upskilling, namely architects, building engineers and landscape designers. Within the construction contracting sector, electricians and scaffolders are among the occupations most cited.

## Figure 19: Top 10 Construction Contracting Occupation Groups Affected by Need to Acquire New Skills or Knowledge in the Next Year

Base: All construction contracting employers (weighted – 854; unweighted – 833)

| | Number employing the occupation group | Number anticipating new skills/knowledge needed by occupation group | Proportion of employers of this occupation group anticipating new skills/ knowledge required |
|---|---|---|---|
| | n | n | % |
| **Scaffolders** | 16 | 7 | 44 |
| **Electricians** | 21 | 9 | 43 |
| **Plasterers** | 48 | 17 | 35 |
| **Painters/decorators** | 53 | 17 | 32 |
| **Plumbers** | 29 | 8 | 28 |
| **Managers/directors** | 375 | 98 | 26 |
| **Staff with no one main role or who multi-task** | 136 | 36 | 26 |
| **Roofers** | 38 | 10 | 26 |
| **Floorers** | 9 | 2 | 22 |
| **Carpenters/joiners** | 221 | 42 | 19 |

## Figure 20: Top 10 Professional Services Occupation Groups Affected by Need to Acquire New Skills or Knowledge in the Next Year

Base: All professional services employers (weighted – 196; unweighted – 217)

| | Number employing the occupation group | Number anticipating new skills/knowledge needed by occupation group | Proportion of employers of this occupation group anticipating new skills/ knowledge required |
|---|---|---|---|
| | n | n | % |
| **Architects** | 88 | 63 | 72 |
| **Building service engineers** | 10 | 6 | 60 |
| **Building surveyors** | 8 | 4 | 50 |
| **Landscape designers** | 4 | 2 | 50 |
| **Quantity surveyors** | 7 | 3 | 43 |
| **Civil engineers** | 15 | 6 | 40 |
| **Mechanical engineers** | 10 | 4 | 40 |
| **Technicians** | 22 | 7 | 32 |
| **Other engineers** | 29 | 9 | 31 |
| **Town planners** | 7 | 2 | 29 |

### 6.2.3 Skills Most Needing Improving or Updating

Those anticipating that new skills and/or knowledge would need to be acquired by one or more member of staff were asked to name the skills that would most need improving or updating over the next year.

The type of skill that employers mentioned most frequently as needing improving or updating in the next year for a key staff group was health and safety (including asbestos removal/handling) / first aid – mentioned by 17% of employers. The next most common skill group identified by employers for updating in the forthcoming year was technical or trade-specific skills (6%). For sole traders, the same two skills groups were mentioned most – each mentioned by 10% (see Figure 21).

However, a clear distinction can be seen between the skills groups prioritised by construction contracting employers and professional services employers, with one in five (20%) construction contracting employers prioritising health and safety / first aid, compared with just under one in 20 (4%) of professional services employers. Conversely, a far greater proportion of professional services employers than construction contracting employers prioritised updating staff skills/ knowledge relating to legislation and/or regulations (15% compared with 3%).

Figure 21 also shows that the largest employers (100+ staff) were the most likely to mention health and safety and/or first aid as the skill most needing updating in the coming year (27%).

Data for each region is presented in Appendix Table 7.

**Figure 21: Skills Most Needing Improving or Updating in the Next Year**

Base: All sole traders (unweighted) and employers (weighted)

| Single unprompted responses | Sole | Employers | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | All | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 157 | 1,050 | 833 | 217 | 490 | 214 | 224 | 122 |
| Base count - weighted | - | 1,050 | 854 | 196 | 966 | 52 | 21 | 11 |
| | % | % | % | % | % | % | % | % |
| **Health and safety (inc asbestos) & first aid** | 10 | 17 | 20 | 4 | 17 | 17 | 14 | 27 |
| **Technical/trade-specific** | 10 | 6 | 6 | 3 | 6 | 6 | 5 | 9 |
| **Legislation/regulations** | 2 | 5 | 3 | 15 | 5 | 10 | 10 | 0 |
| **Management/business skills** | 7 | 4 | 4 | 5 | 4 | 2 | 0 | 0 |
| **New or different products / markets / branch out** | 3 | 3 | 3 | 6 | 3 | 6 | 5 | 0 |
| **IT / new software** | 3 | 3 | 3 | 4 | 3 | 2 | 5 | 9 |
| **Green/ecological products and/or practices** | 3 | 3 | 3 | 2 | 3 | 2 | 5 | 0 |
| **Sales/marketing** | 0 | 1 | 1 | 2 | 1 | 0 | 0 | 0 |
| **General - all sorts** | 2 | 8 | 7 | 14 | 8 | 6 | 5 | 0 |

# 7. Workforce Training and Development

This section explores the scale and nature of training and development activity funded or arranged by construction businesses for their workforce (direct and indirect employees, but excluding government-funded apprentices).

Separate exploration is made of the volume of off-the-job and on-the-job training or development activity:

- **Off-the-job training** – defined as 'training away from the individual's immediate work position – on the premises or elsewhere'
- **On-the-job training** – defined as 'activities that would be recognised as training by staff, and not the sort of learning by experience which could take place all the time'.

We will also assess the volume of training leading to qualifications, including specific measures of training leading to NVQs; HNC/HNDs; and degrees.

## 7.1 Scale of Provision of Training by Employers

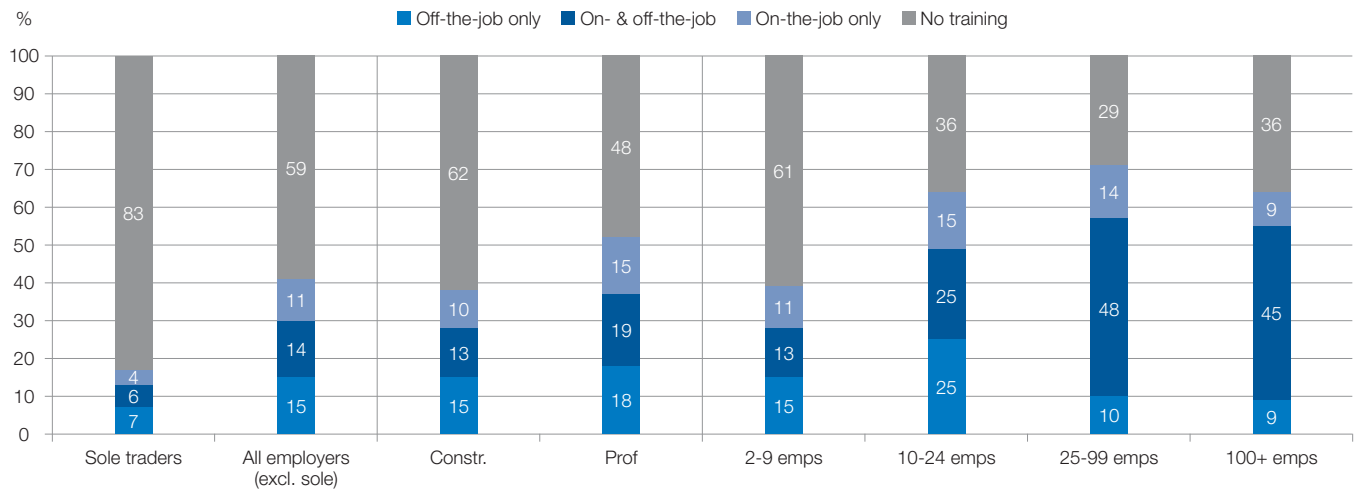
While fewer than one in five sole traders (17%) reported that their business had funded or arranged training for themselves or any indirect staff, just over two fifths (41%) of employer establishments had funded or arranged some sort of training for at least one member of staff.

Perhaps unsurprisingly, the proportion of employers that have funded or arranged some sort of staff training in the last year increases with the number of employees: 39% of those with 2–9 direct employees; 64% of those with 10–24 employees; 71% of those with 25–99 employees, and 64% of establishments with 100+ direct employees.

Figure 22 (below) shows that for smaller employers (fewer than 10 employees on payroll), a third provided both off-the-job and on-the-job training to members of their workforce, while for larger employers (10 or more employees), around seven in 10 of those providing any sort of training for workers had provided both off-the-job and on-the-job training opportunities within the last year.

**Figure 22: Off-the-Job and On-the-Job Training/Development Activity Funded or Arranged for Staff in the Last Year**

Base: All sole traders (unweighted – 157) and employers (weighted – 1,050)



A greater proportion of professional services establishments than construction contracting establishments had funded or arranged some sort of training for at least one member of staff in the last year (52% compared with 38%).

Regionally, variation could be seen in the proportions of employers offering training to staff, and type of training offered (see Appendix Table 8). Employers in the East Midlands were much less likely than those elsewhere to offer any sort of training to their employees: 17% compared with an average of 41%, and the highest proportion of any region was in Scotland where 60% of employers had provided some staff training in the last year.

Employers in Northern Ireland and Scotland were the most likely to have funded or arranged off-the-job training for some of their staff in the last year (48% and 44% respectively), and employers in the East Midlands were the least likely (14%).

On-the-job training was most commonly provided by employers in Scotland (46%), the North East (36%) and Yorkshire & Humber (36%), and least likely in the South West (16%), Northern Ireland (14%) and East Midlands (10%).

## 7.2 Reasons for Not Providing Training

Employers who stated that they did not provide any sort of training for staff in the last 12 months (either off-the-job or on-the-job) were asked what the reasons were. Figure 23 (below) shows that the vast majority felt that their staff were fully proficient, and therefore had not needed any training.

Employers and sole traders were equally likely to use 'proficiency of staff' to explain why no training had been funded or arranged in the last 12 months (85%). Just over one in 20 establishments (7% of sole traders and 6% of employers) felt that external training courses were too expensive to use, rising to one in 10 professional services employers.

One in 20 employers (5%) said that employees were too busy to go on training courses, and a similar proportion (4%) said that their staff were too busy to give training to colleagues.

While, overall, 3% of employers stated that their managers were too busy to arrange training, this rose to 7% among professional services employers.

**Figure 23: Employers' Reasons for Not Providing Training (unprompted)**

Base: Employers (weighted – 621) that had not funded or arranged any training for staff in the last 12 months

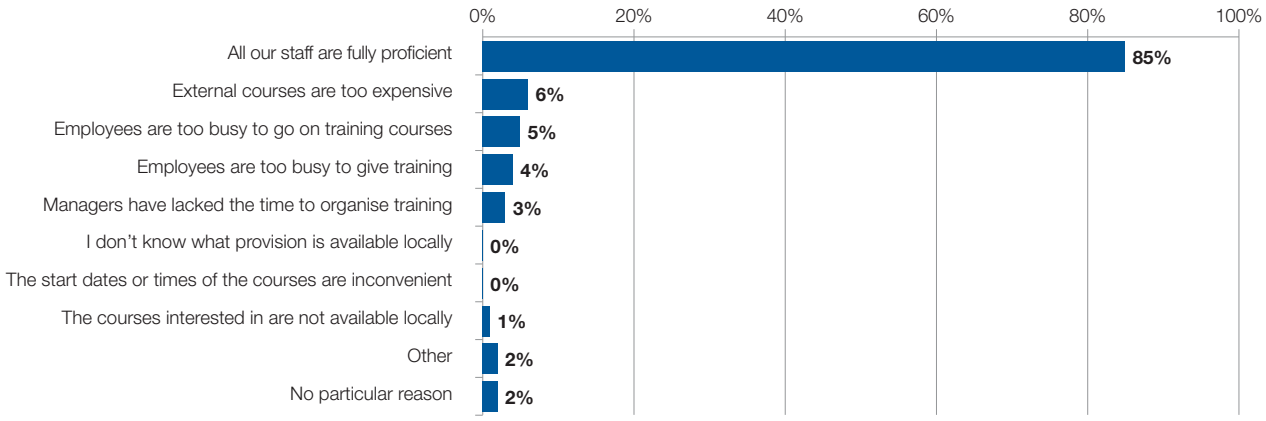


**Figure 24: Reasons for Not Providing Training**

Base: Sole traders (unweighted) and employers (weighted) that had not funded or arranged any training for staff in the last 12 months

| Multiple unprompted responses | Sole | Employers | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | All | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 130 | 478 | 394 | 84 | 293 | 75 | 62 | 48 |
| Base count - weighted | - | 621 | 527 | 94 | 592 | 19 | 6 | 4 |
| | % | % | % | % | % | % | % | % |
| **All our staff are fully proficient** | 85 | 85 | 87 | 74 | 85 | 73 | 80 | 90 |
| **External courses are too expensive** | 7 | 6 | 5 | 10 | 6 | 5 | 1 | 4 |
| **Employees are too busy to go on training courses** | 3 | 5 | 5 | 4 | 5 | 6 | 2 | 0 |
| **Employees are too busy to give training** | 1 | 4 | 4 | 4 | 4 | 5 | 0 | 0 |
| **Managers have lacked the time to organise training** | 2 | 3 | 2 | 7 | 3 | 5 | 1 | 0 |
| **The courses interested in are not available locally** | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 0 |
| **I don't know what provision is available locally** | 2 | 0 | 1 | 0 | - | 0 | 0 | 0 |
| **The start dates or times of the courses are inconvenient** | 0 | 0 | 0 | 3 | - | 0 | 0 | 0 |
| **Other** | 5 | 2 | 3 | 2 | 3 | 1 | 0 | 0 |
| **No particular reason** | 2 | 2 | 2 | 0 | 2 | 4 | 5 | 2 |

Regional breakdowns of reasons for not providing training are shown in Appendix Table 9.

## 7.3 Proportion of the Workforce Receiving Training

The survey revealed that employers had provided some sort of training to half (54%) of their workforce over the last year (direct or indirect employees trained including any that have since left their employment, but excluding government-funded apprentices). This proportion is clearly higher than was found in the 2009 UK survey (39%).

Both surveys used the same questions, asking employers to include in their counts any staff (directly employed or indirectly employed) for whom they had funded or arranged training in the last 12 months. Some staff that had received training during their employment may have subsequently left, and would not be included in the count for the denominator (total staff employed at the time of the survey); hence a small over-estimation may have occurred at both waves.

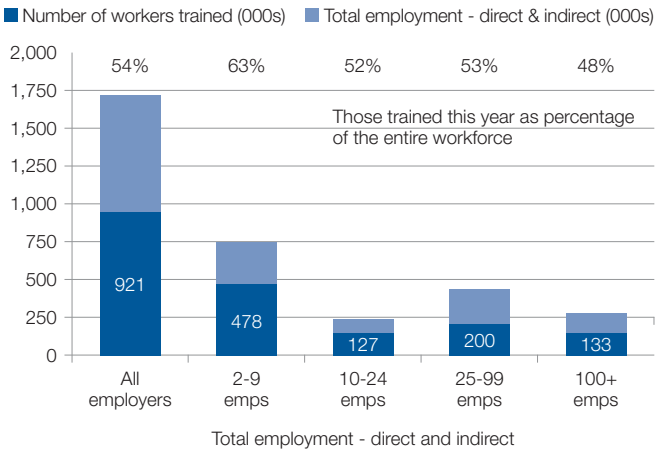
Using national statistics for the industry[3], we can calculate that this equates to approximately 921,000 individuals receiving training in the financial year 2010/11.

Figure 25 (below) shows the number of workers trained (in dark blue), as a sub-set of all workers (the light blue bar stacked above the number trained shows the remaining workers not receiving training in the last year), with the proportion trained expressed as a percentage (printed above each bar). Note the scale for the graph is thousands.

[3] Annual Business Enquiry, 2008 – Employee Analysis

**Figure 25: Number & Proportion of Workforce (direct/indirect) Trained in the Last Year**

Base: Employers (weighted by employee profile; unweighted – 1,050)




While just over half (54%) of all employees received training during the last year, Figure 25 (above) shows that a greater proportion of staff within small businesses (2–9 direct employees) than within the largest businesses (100+ direct employees) received training: 63% compared with 48%. Hence, the smallest employers (2–9 staff) were responsible for more than half of the construction industry workers who received training in the last year.

Professional service employers, on average, provided training to two thirds (66% – 267,000 workers) of their staff, compared with 51% (653,000 workers) for construction contracting employers. Although the absolute proportions trained are higher than in 2009, the pattern of difference between professional services and construction contracting employers is similar: in 2009 the proportions were 46% among professional services and 38% among construction contracting.

Bearing in mind that some caution is required when comparing the regions (with relatively low base sizes of around 60 interviews in each), some variation exists (see Appendix Table 10).

The proportion of the workforce trained was highest in Scotland (68%), the South West (63%) and North East (57%), and lowest in the West Midlands (47%), North West (49%) and South East (49%). Regional variations in proportion of workforce trained were also seen in 2009, but no clear pattern can be seen between the years.

## 7.4 Distribution of Training across Main Occupation Groups

The survey asked employers to indicate the numbers of staff (directly and indirectly employed) in each occupation group for which training had been funded or arranged. Therefore, we are able to present an overview of the proportion of each occupation group accessing training (on- and off-the-job) in the last year, and estimate the total number of each occupation group nationally receiving training during the last year.

### 7.4.1 Distribution of Training – Main Construction Contracting Occupations

The occupation groups with the highest proportions receiving off-the job training are roofers, supervisors, painters/decorators and plumbers. The same four occupation groups also have the highest proportions receiving on-the-job training.

Half (52%) of roofers have received off-the-job training in the last year, and a similar proportion (48%) have received on-the-job training within the same time period, equating to around 7,000 individuals for each method – see Figure 26 (below).

More than two fifths of supervisors, painters/decorators and plumbers have received off-the job-training in the last year, and at least one third have also received on-the-job training.

However, while the proportions accessing training are lower, the absolute numbers of employees in several other occupation groups receiving training are much higher.

More than 60,000 labourers / general operatives have received off-the-job training in the last year, and 57,000 have received on-the-job training.

Despite only 15% of administrative staff in construction contracting companies receiving off-the-job training and 17% receiving on-the-job training, this equates to more than 30,000 people in that occupation group receiving each type of training within the last year.

Almost 29,000 managers/directors (27%) received off-the-job training, and almost 25,000 (23%) received on-the-job training this year.

Some of the lowest levels of training within construction contracting occupations are for plant/ machine operatives (13% off-the job and 16% on-the-job). It is also striking that staff who have no single role / who multi-task are particularly unlikely to have received any training in the last year (8% off-the job and 10% on-the-job), especially when contrasted with labourers / general operatives, who were almost twice as likely to have received some training.

**Figure 26: Distribution of Training (Off- and On-the-job) by Main Occupation Groups – Construction Contracting**

Base: Construction contracting employers (weighted by employee profile; unweighted – 833)

| | Off-the-job training in the last 12 months | | On-the-job training in the last 12 months | |
|---|---|---|---|---|
| | Number direct & indirect employees | Proportion as % of direct employees | Number direct & indirect employees | Proportion as % of direct employees |
| Figures rounded to nearest 25 | n | % | n | % |
| **Roofers** | 7,250 | 52 | 6,775 | 48 |
| **Supervisors** | 18,525 | 44 | 16,575 | 39 |
| **Painters/decorators** | 10,375 | 43 | 8,175 | 34 |
| **Plumbers** | 5,300 | 43 | 5,350 | 44 |
| **Scaffolders** | 13,325 | 38 | 7,150 | 21 |
| **Carpenters/joiners** | 23,850 | 32 | 23,625 | 32 |
| **Glazers** | 5,000 | 32 | 5,150 | 33 |
| **Bricklayers** | 10,900 | 31 | 8,100 | 23 |
| **Plasterers** | 4,200 | 30 | 3,800 | 27 |
| **Floorers** | 1,375 | 28 | 1,000 | 21 |
| **Managers/directors** | 28,825 | 27 | 24,700 | 23 |
| **Technical staff** | 14,175 | 21 | 14,625 | 22 |
| **Electricians** | 3,700 | 20 | 2,950 | 16 |
| **Labourers / general operatives** | 61,400 | 19 | 57,000 | 18 |
| **Administrative staff** | 31,150 | 15 | 34,325 | 17 |
| **Plant and machine operatives** | 12,475 | 13 | 15,050 | 16 |
| **Staff with no one main role or who multi-task** | 8,425 | 8 | 9,950 | 10 |
| **Metal formers and welders** | 1,475 | 4 | 1,500 | 4 |

### 7.4.2 Distribution of Training – Main Professional Services Occupations

The occupation groups within the professional services sub-sector with the highest proportions receiving off-the job training are project managers, civil engineers, other engineers (not mechanical / building services engineers), scientists and quantity surveyors – see Figure 27 (below). Four of these occupation groups also have the highest proportions receiving on-the-job training (at least 50%).

Four fifths of project managers have received some sort of training in the last year: 79% (84,725) off-the-job and 80% (85,350) on-the-job training. Similarly two thirds of civil engineers had received training funded or arranged by their employer: 65% (17,125) off-the-job and 64% (16,775) on-the-job.

### Figure 27: Distribution of Training (Off- and On-the-job) by Main Occupation Groups – Professional Services

Base: Professional services employers (weighted by employee profile; unweighted – 217)

| | Off-the-job training in the last 12 months | | On-the-job training in the last 12 months | |
|---|---|---|---|---|
| | Number direct & indirect employees | Proportion as % of direct employees | Number direct & indirect employees | Proportion as % of direct employees |
| Figures rounded to nearest 25 | n | % | n | % |
| **Project managers** | 84,725 | 79 | 85,350 | 80 |
| **Other engineers (exc. civil / mechanical / building services)** | 36,750 | 73 | 10,075 | 20 |
| **Civil engineers** | 17,125 | 65 | 16,775 | 64 |
| **Scientists** | 1,750 | 55 | 3,175 | 100* |
| **Quantity surveyors** | 12,925 | 48 | 15,425 | 57 |
| **Landscape designers** | 300 | 41 | 0 | 0 |
| **Building services engineers** | 8,775 | 40 | 8,500 | 39 |
| **Technicians** | 5,500 | 35 | 6,275 | 40 |
| **Mechanical engineers** | 3,700 | 31 | 3,425 | 28 |
| **Architectural technologists** | 3,175 | 26 | 3,525 | 28 |
| **Administrative staff** | 10,375 | 20 | 11,125 | 21 |
| **Architects** | 5,725 | 18 | 10,200 | 33 |
| **HR, legal and business professionals** | 5,000 | 15 | 5,075 | 16 |
| **Building surveyors** | 825 | 4 | 1,025 | 5 |
| **Town planners** | 250 | 4 | 0 | 0 |

* NOTE: this percentage is calculated on a relatively low base, and may also include staff that received training then moved to other jobs. It is unlikely that the true percentage is 100%.

## 7.5 Volume and Type of Training that Employers Fund or Arrange

Employers who funded or arranged training were also asked to estimate the average number of days' training accessed by members of staff trained (including direct staff, agency staff and self-employed but excluding apprentices). This was asked separately for off-the-job training and development and for on-the-job training and development.

### 7.5.1 Average Number of Training Days per Annum – Off-the-Job

Employers that funded/arranged training for staff provided an average of 4.9 days off-the-job training or development for each person they trained in the year leading up to the 2011 survey. This figure is lower than the result from the 2009 survey which showed an average of six days of off-the-job training per person and marks a further decline from the 2008 survey results (GB only) showing an average of 10 days' off-the-job training (see Figure 28 below).

Construction contracting and professional services organisations provided the same average number of days' off-the-job training (4.9 days). Regional breakdowns of mean days devoted to off-the-job training are presented in Appendix Table 11.

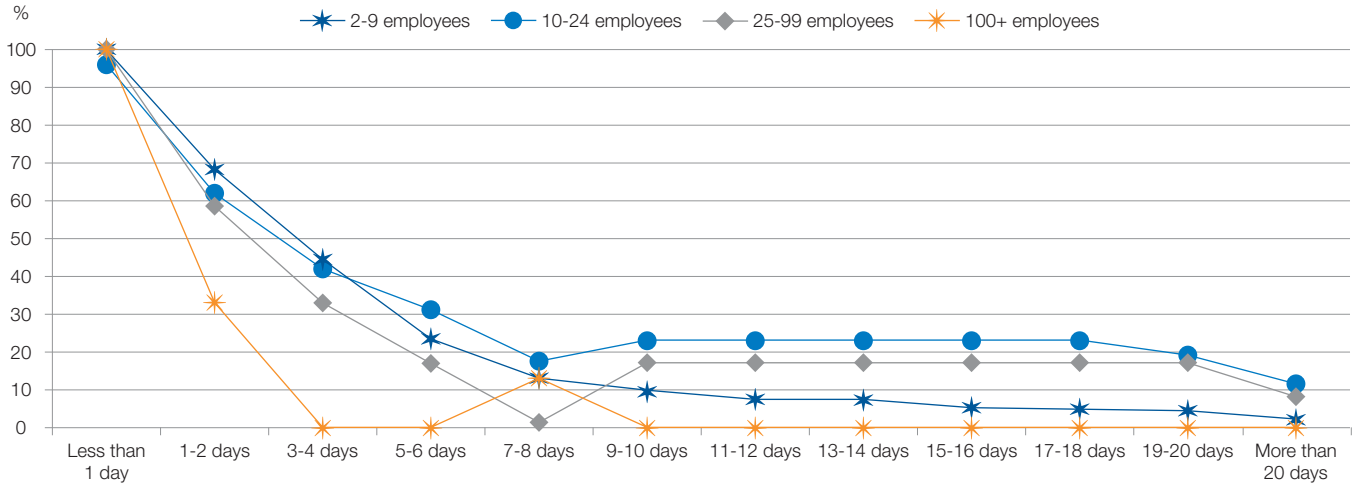
**Figure 28: Average Number of Days Off-the-Job Training Last Year**

Base: Sole traders (unweighted) and employers (weighted) that funded/arranged off-the-job training for staff in the last year

| | Sole | Employers | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | All | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 20 | 456 | 349 | 107 | 147 | 112 | 131 | 66 |
| Base count - weighted | - | 312 | 239 | 73 | 268 | 26 | 12 | 6 |
| | % | % | % | % | % | % | % | % |
| **Less than a day** | 0 | 1 | 1 | 0 | - | 4 | - | - |
| **1 day** | 11 | 13 | 17 | 1 | 13 | 12 | 17 | 33 |
| **2 days** | 17 | 19 | 20 | 18 | 18 | 23 | 25 | 33 |
| **3-4 days** | 22 | 24 | 24 | 22 | 24 | 19 | 25 | 33 |
| **5-6 days** | 17 | 20 | 14 | 38 | 22 | 12 | 17 | - |
| **7-8 days** | 6 | 5 | 6 | 3 | 5 | 4 | - | - |
| **9-10 days** | 6 | 8 | 8 | 5 | 8 | 4 | - | 0 |
| **More than 10 days** | 22 | 8 | 8 | 8 | 7 | 12 | 8 | 0 |
| **Don't know** | 0 | 3 | 2 | 5 | 2 | 12 | 8 | - |
| **Average (mean) number of days** | **5.8** | **4.9** | **4.9** | **4.9** | **4.9** | **5.4** | **5.0** | **5.6** |

**Figure 29: Average Number of Days Off-the-Job Training Last Year**

Base: Employers (weighted) that funded/arranged off-the-job training for staff in the last year – 2–9 employees (147uw/268w); 10–24 employees (112uw/26w); 25–99 employees (131uw/12w); 100+ employees (66uw/6w)




The mean number of days' off-the-job training varies slightly by size of organisation, with the largest businesses (100+) offering an average of 5.6 days compared to the 4.9 days on average provided by the smaller companies (see Figures 28 [table] and 29 [graph] above).

### 7.5.2 Average Number of Training Days per Annum – On-the-Job

Employers providing on-the-job training had funded or arranged a mean average of 6.5 days per person trained in the year leading up to the 2011 survey (see Figure 30). Therefore, the average (mean) number of days devoted to on-the-job training is higher than for off-the-job training in the same time period (6.5 days compared with 4.9 days) but is similar to the findings of the 2009 survey (six days).

**Figure 30: Average Number of Days On-the-Job Training Last Year**

Base: Sole traders (unweighted) and employers (weighted) that funded/arranged on-the-job training for staff in the last year

| | Sole | Employers | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | All | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 15 | 403 | 303 | 100 | 115 | 88 | 137 | 63 |
| Base count - weighted | – | 268 | 202 | 66 | 228 | 21 | 13 | 5 |
| | % | % | % | % | % | % | % | % |
| **Less than a day** | 17 | 3 | 2 | 7 | 3 | 10 | 8 | - |
| **1 day** | 0 | 6 | 7 | 7 | 5 | 15 | 8 | 25 |
| **2 days** | 8 | 16 | 17 | 13 | 16 | 15 | 25 | 25 |
| **3-4 days** | 17 | 18 | 19 | 13 | 17 | 20 | 17 | 25 |
| **5-6 days** | 8 | 15 | 13 | 25 | 16 | 10 | 8 | - |
| **7-8 days** | 0 | 5 | 7 | - | 6 | 5 | - | - |
| **9-10 days** | 25 | 6 | 8 | - | 6 | 5 | 8 | - |
| **More than 10 days** | 16 | 14 | 11 | 26 | 15 | 10 | 16 | 0 |
| **Not sure** | 8 | 15 | 18 | 8 | 16 | 10 | 8 | 25 |
| **Average (mean) number of days** | **3.6** | **6.5** | **6.6** | **6.2** | **6.8** | **4.6** | **6.0** | **3.8** |

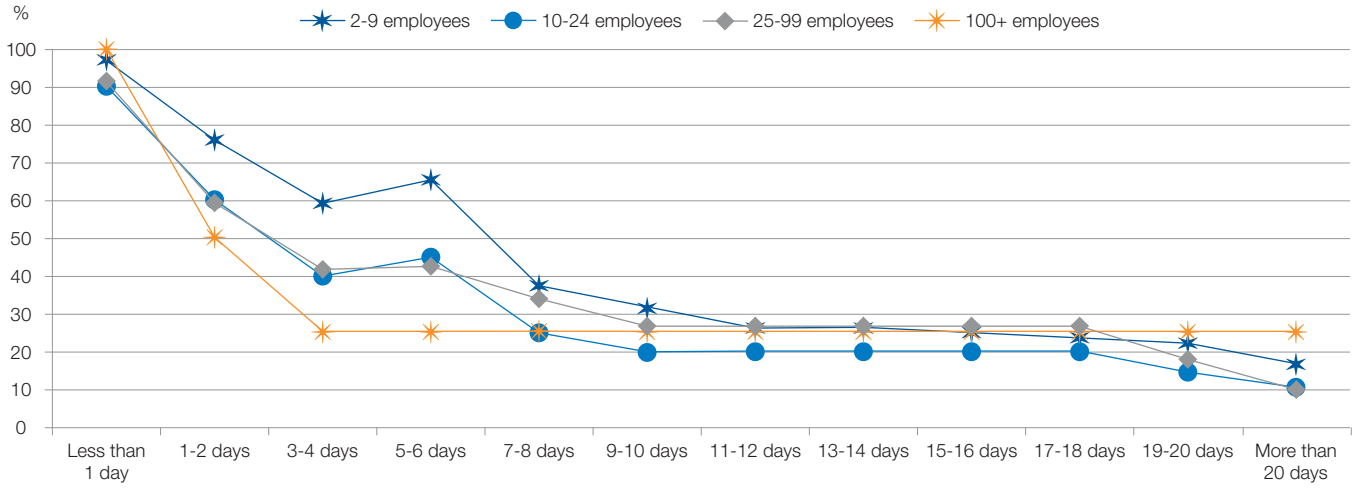
Sole traders reported a much lower average number of days on-the-job training for themselves, and any indirectly employed staff they trained, than employers (with at least two staff on payroll) reported for staff they provided on-the-job training to.

No particular pattern of the number of days of on-the-job training is evident by size of organisation (see Figures 30 [table] above and 31 [graph] below).

The mean number of days of on-the-job training was very similar for staff trained within construction contracting companies and professional services companies (6.6 days and 6.2 days respectively). Data for each region can be found in Appendix Table 12.

**Figure 31: Average Number of Days On-the-Job Training Last Year**

Base: Employers (weighted) that funded/arranged on-the-job training for staff in the last year – 2–9 employees (115uw/228w); 10–24 employees (88uw/21w); 25–99 employees (137uw/13w); 100+ employees (63 uw/5w)




### 7.5.3 Training Towards Qualifications

Those employers providing training were asked whether any of that training led to a nationally recognised qualification (although this term was not defined to employers and therefore remained open to individual interpretation).

Around one third (33%) of all employers that train stated that they provided training intended to lead to a nationally recognised qualification (see Figure 32). Of those that provide training, it appears that construction contracting organisations are more likely to train to a qualification (35%) than professional services (26%).

Of the employers that train staff (the sole traders base was too small for analysis), 18% stated that they provided training leading to NVQs/SVQs (see Figure 32).

The proportion of employers providing training leading to NVQs/SVQs is markedly higher for construction contracting organisations (23%) compared to professional services organisations (4%), and for larger organisations (63% of those with 100+ employees) compared to smaller establishments (16% of those with 2–9 staff).

A higher proportion of professional services employers than their construction contracting counterparts support staff training to HNC/HND (6% compared with 3%) and similarly to degree level (7% compared with 2%).

Without exception, the likelihood of an employee working in an establishment that provides training to a nationally recognised qualification (or to any specific qualification) increases with the size of the establishment in which they are employed.

## Figure 32: Training Leading Towards Qualifications

Base: Sole traders (unweighted) and employers (weighted)

| Sole traders / employers that train staff | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Multiple prompted responses** | **Sole** | **Employers** | | | | | | |
| | **All** | **All** | **Constr** | **Prof** | **2-9** | **10-24** | **25-99** | **100+** |
| Base count - unweighted | 26 | 572 | 439 | 133 | 197 | 139 | 162 | 74 |
| Base count - weighted | - | 429 | 327 | 102 | 374 | 33 | 15 | 6 |
| | % | % | % | % | % | % | % | % |
| **Train to qualifications** | 31 | 33 | 35 | 26 | 30 | 46 | 56 | 85 |
| **Train to NVQs/SVQs** | - | 18 | 23 | 4 | 16 | 26 | 35 | 63 |
| **Train to HNC/HND** | - | 4 | 3 | 6 | 3 | 10 | 10 | 38 |
| **Train to degree** | - | 4 | 2 | 7 | 2 | 10 | 10 | 41 |

| All sole traders / employers | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Multiple prompted responses** | **Sole** | **Employers** | | | | | | |
| | **All** | **All** | **Constr** | **Prof** | **2-9** | **10-24** | **25-99** | **100+** |
| Base count – unweighted | 157 | 1,050 | 833 | 217 | 490 | 214 | 224 | 122 |
| Base count – weighted | - | 1,050 | 854 | 196 | 966 | 52 | 21 | 11 |
| | % | % | % | % | % | % | % | % |
| **Train to qualifications** | 5 | 14 | 14 | 14 | 12 | 29 | 41 | 50 |
| **Train to NVQs/SVQs** | - | 8 | 9 | 2 | 6 | 17 | 26 | 37 |
| **Train to HNC/HND** | - | 2 | 1 | 3 | 1 | 6 | 7 | 22 |
| **Train to degree** | - | 1 | 1 | 4 | 1 | 7 | 7 | 24 |

NOTE: The three qualification groups detailed above (NVQ/SVQ; HNC/HND; degree) could be selected alone or in combination with other qualifications, and some employers reported training staff towards other qualifications not included in the questionnaire.

When looking at all employers (establishments with at least two staff on payroll), it can be seen that 8% funded/arranged training for staff to NVQs/SVQs; 2% trained staff to HNC/HND and 1% to degree level. Overall, one in 20 sole traders stated that they had participated in training to some sort of nationally recognised qualification in the last year, compared with one in eight employers doing likewise.

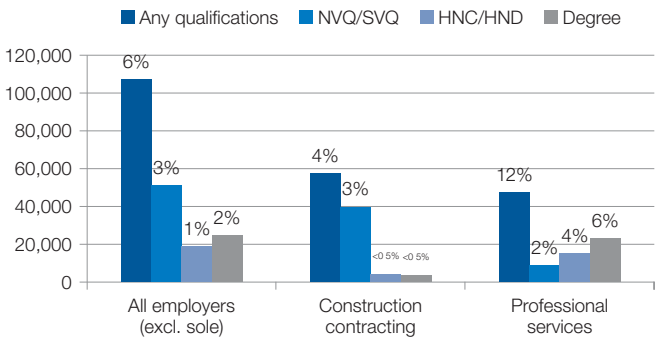
Numbers and proportions of staff trained to nationally recognised qualifications were extrapolated from the survey data and are presented in Figure 33 below. As with all such exercises based on relatively small bases, caution must be exercised regarding interpretation of the extrapolated data.

The data expressed in the graph (Figure 33) suggest that more than 100,000 workers were trained to nationally recognised qualifications by their employers, representing 6% of the direct and indirect workforce. The majority (just under 60,000) of these workers were trained within the construction contracting sector, although the proportion of those trained to qualifications in construction contracting (4%) is lower than that of professional services (12%).

Regional breakdowns are presented in Appendix Table 13.

**Figure 33: Number and Proportion of Staff (direct/indirect) Trained to Qualifications in the Last 12 Months**

Base: All employers (weighted) – 1,050




The data (in Figure 33) also demonstrate that professional services employers trained both a higher proportion and a higher absolute number of employees to both HND/HNC and degree levels than construction contracting organisations. Overall, 3% of employers provided training to NVQ/SVQ (3% of construction contracting and 2% of professional services organisations): training around 50,000 workers altogether.

Of those employers that train staff to NVQ/SVQ, a significant minority (15%), all of which are construction contracting organisations, don't know the level of NVQ/SVQ they have provided (see Figure 34 below).

**Figure 34: Main Level of NVQ/SVQ Used**

Base: Employers (weighted) that funded/arranged training to NVQs/SVQs in the last year

| Single prompted responses | Employers | | | | | | |
|---|---|---|---|---|---|---|---|
| | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 163 | 142 | 21 | 29 | 35 | 51 | 48 |
| Base count - weighted | 81 | 76 | 5 | 63 | 9 | 5 | 4 |
| | % | % | % | % | % | % | % |
| **Level 1** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Level 2** | 47 | 47 | 40 | 49 | 56 | 17 | 25 |
| **Level 3** | 23 | 24 | 20 | 21 | 22 | 50 | 50 |
| **Level 4 or above** | 15 | 13 | 40 | 14 | 11 | 17 | 25 |
| **Don't know / Not sure** | 15 | 16 | 0 | 16 | 11 | 17 | 0 |
| **TOTAL** | **100** | **100** | **100** | **100** | **100** | **100** | **100** |

Nearly half of employers providing NVQ/SVQ training indicated that the main level they provided was Level 2 (47%). Significantly, none of the employers stated that the main NVQ/SVQ level they used was Level 1. Nearly one in four employers mainly provide NVQ/SVQ Level 3 training (23%) with a further 15% mainly providing Level 4 training.

It has been reported above that professional services organisations seem more likely than construction contracting employers to provide training at higher qualification levels, and this holds true for NVQ/SVQ training.

Two fifths of professional services employers predominantly provide NVQ/SVQ Level 4 training (40%) compared to 13% of construction contracting organisations.

Larger organisations are also more likely to predominantly provide NVQ/SVQ training at higher levels, with one quarter of the largest organisations (100+) stating that the main NVQ/SVQ level they provide training to is Level 4 or above compared to 14% of employers with 2–9 staff and 11% of employers with 10–24 staff.

**Figure 35: Types of Training Provider Used in the Last Year**

Base: Employers (weighted) that funded/arranged training for staff in the last year

| Multiple prompted responses | Employers | | | | | | |
|---|---|---|---|---|---|---|---|
| | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 572 | 439 | 133 | 197 | 139 | 162 | 74 |
| Base count - weighted | 429 | 327 | 102 | 374 | 33 | 15 | 6 |
| | % | % | % | % | % | % | % |
| **Further Education College** | 25 | 28 | 16 | 23 | 33 | 42 | 51 |
| **Higher Education** | 12 | 7 | 28 | 11 | 15 | 21 | 50 |
| **National Construction College (NCC)** | 5 | 6 | 1 | 3 | 14 | 7 | 40 |
| **Private training provider (not FE/HE/NCC)** | 63 | 66 | 51 | 61 | 68 | 82 | 90 |
| **Manufacturer or supplier** | 37 | 37 | 37 | 38 | 25 | 37 | 54 |
| **Other off-the-job (courses or formal instruction)** | 37 | 36 | 40 | 36 | 40 | 38 | 61 |
| **On-the-job learning or training delivered by more experienced worker** | 51 | 50 | 54 | 49 | 60 | 69 | 59 |
| **Self-learning, e.g. books and CD-ROMs** | 36 | 32 | 51 | 35 | 48 | 51 | 48 |
| **Professional institution (e.g. CPD)** | 24 | 14 | 57 | 23 | 32 | 26 | 54 |

## 7.6 Methods of Training Delivery Used

Employers providing training for staff were asked to provide details of the methods of training that were used by their staff. A range of responses was received, showing the variety of training providers and methods of delivery used by employers (see Figure 35).

Using private training providers was the most cited method of training delivery, with 63% of all employers stating that training was provided through this means. The use of private training providers rises with size of organisation, with 90% of larger companies stating that they used them for staff training in the previous year.

As would be expected, professional services establishments are more likely to use Higher Education providers (28%), self-learning (51%) and professional institutions (57%) than construction contracting organisations (7%, 32% and 14% respectively), findings that are similar to 2009.

Conversely, construction contracting organisations are more likely to make use of Further Education institutions (28%) and private training providers (51%) than their professional services counterparts (16% and 51%).

The base for sole traders is extremely small (26), but showed a wide spread of methods used. Caution must also be taken in interpreting regional statistics (Appendix Table 14).

## 7.7 Assessing the Impact of Training

The cost-benefit trade-offs of training are important to businesses, but do businesses actually measure the impact of the training that they have provided? The survey asked this very question.

Two fifths (38%) of establishments offering training or development activity to staff stated that they do formally assess whether the training had an impact on individual performance. However, the majority of organisations either do not assess the impact of the training and development they provide for staff (46%) or are not sure whether their training assessment extends to measuring the impact of the training on the performance of the participants (15%).

**Figure 36: Whether the Employer Assesses the Impact of Training**

Base: Employers (weighted) that funded/arranged training for staff in the last year

| Single responses | Employers | | | | | | |
|---|---|---|---|---|---|---|---|
| | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 572 | 439 | 133 | 197 | 139 | 162 | 74 |
| Base count - weighted | 429 | 327 | 102 | 374 | 33 | 15 | 6 |
| | % | % | % | % | % | % | % |
| **Yes** | 38 | 41 | 29 | 36 | 48 | 59 | 81 |
| **No** | 46 | 44 | 54 | 48 | 42 | 33 | 16 |
| **Not sure** | 15 | 15 | 17 | 16 | 10 | 9 | 2 |

A greater proportion of construction contracting establishments than professional services employers formally assess the impact of training (41% compared with 29%).

A clear relationship can be seen between the size of establishment (number of directly employed staff) and the likelihood of formally assessing the impact of training on staff performance. Fewer than two fifths (36%) of small employers (2–9 staff) felt that they made a formal assessment of impact, compared with almost half (48%) of those with 10–24 employees; three fifths (59%) of those with 25–99 employees, and four fifths (81%) of the largest employers (100+ directly employed staff).

## 7.8 Provision of Training – Desirability and Barriers

Employers that had provided some training to staff in the last 12 months were asked whether they would have provided any more training in the last year if they could have done so. Also, for those who would have liked to have provided more training – what, if any, barriers there had been preventing the organisation from providing more training during that time.

Two thirds (65%) of sole traders and seven out of 10 (69%) employers that had provided some training in the last year felt that they had provided all that was needed, and therefore had no barriers impeding the delivery of more training, but had made a business assessment of no additional need.

The barriers that sole traders and employers mentioned spontaneously (without any prompting by interviewers) are outlined in Figure 37 (below): more than one barrier may be mentioned.

Time was a significant limiting factor for increasing training volumes: either lacking managerial time to organise training (7% of employers that offered training would have done more, but for this factor) or not being able to spare more staff time for participation in training (12% of all employers, but 18% of professional services employers, cited this).

Lack of funds to provide training was the barrier cited by one in five employers (21%) and sole traders (19%). The expense of training as a limiting factor is largely inversely related to the size of organisation, with smaller organisations more likely to find it a barrier. Even so, a surprisingly large proportion of larger organisations cite cost as a barrier to providing more training than they did in the last year (18% of 100+ organisations).

**Figure 37: Barriers to Providing More Training**

Base: Sole traders (unweighted) and employers (weighted) that funded/arranged training for staff in the last year

| Multiple prompted responses | Sole | Employers | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | All | All | Constr | Prof | 2-9 | 10-24 | 25-99 | 100+ |
| Base count - unweighted | 26 | 572 | 439 | 133 | 197 | 139 | 162 | 74 |
| Base count - weighted | - | 429 | 327 | 102 | 374 | 33 | 15 | 6 |
| | % | % | % | % | % | % | % | % |
| **Don't think more training was needed than was actually given** | 65 | 69 | 70 | 66 | 69 | 69 | 65 | 65 |
| **Lack of funds / training too expensive** | 19 | 21 | 21 | 22 | 21 | 19 | 16 | 18 |
| **Can't spare more staff time** | 15 | 12 | 10 | 18 | 12 | 12 | 11 | 8 |
| **Staff now fully proficient / don't need it** | 0 | 1 | 1 | 0 | 1 | 2 | 0 | 0 |
| **Staff not keen** | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 |
| **Lack of good local training providers** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Difficulty finding training providers who can deliver training where or when we need it** | 4 | 1 | 0 | 3 | 1 | 0 | 1 | 0 |
| **Lack of appropriate training/qualification in the subject areas we need** | 0 | 2 | 2 | 2 | 2 | 0 | 0 | 0 |
| **Hard to find the time to organise training** | 8 | 7 | 6 | 9 | 7 | 3 | 8 | 7 |
| **Lack of knowledge about training opportunities and/ or suitable courses** | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Other barriers** | 0 | 1 | 1 | 0 | 1 | 1 | 1 | 0 |
| **No barriers, just didn't do more** | 0 | 1 | 1 | 0 | 1 | 1 | 0 | 0 |
| **Don't know** | 0 | 1 | 1 | 0 | 0 | 2 | 2 | 1 |

One in 25 sole traders (4%) stated that they lacked knowledge about suitable training courses and opportunities. The same proportion highlighted not being able to find providers to deliver when and where needed as a barrier to increased training volumes.

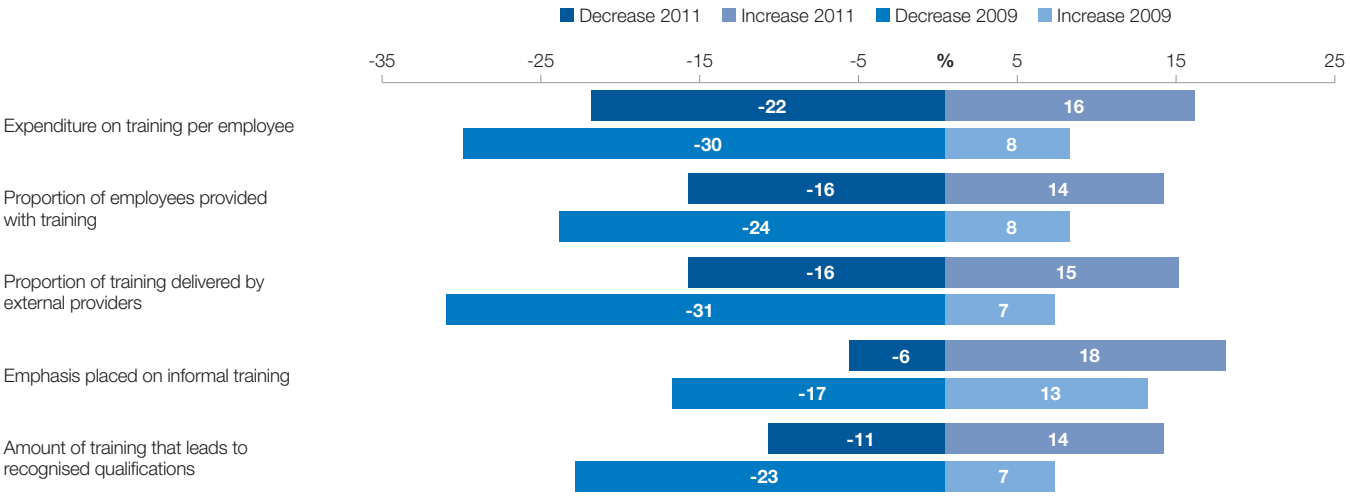
See Appendix Table 15 for a regional breakdown of barriers to providing more training.

## 7.9 Impact of the Recession on Training Activity

Employers that provided training in the previous year were asked to identify the impact (if any) of the recession on the provision of training. The same question was asked in 2009.

**Figure 38: Impact of the Recession on Training (prompted)**

Base: Employers (weighted) that funded/arranged training for staff in the last year 2011 (429); 2009 (736)




Overall, the results suggest that the impact of the recession on training has been less negative in 2011 than in 2009.

For example, 22% stated that their expenditure on training per employee had decreased, while just 16% stated that it had increased: a net decrease of 6% (see Figure 38). In 2009, a much higher proportion of organisations stated that expenditure on training had decreased (30%), resulting in a 22% net decrease.

The percentages of employers in 2011 stating that the proportions of employees provided with training were closely balanced (16% saying 'decreased' and 14% saying 'increased'), giving a net decrease of just 2%. This compares to a net decrease of 16% in 2009.

Figure 38 (above) also shows that equal proportions of employers felt that the recession had forced them to increase and to decrease the proportion of training delivered by external providers this year (suggesting no change on balance). Therefore, while we cannot expect that external training providers will have seen an increase in demand from the construction sector, the survey does suggest that no further reduction will have been experienced over the last year.

A net positive change in 2011 is the emphasis placed on informal training (12% net increase). However, the first green shoots of recovery may be seen in the net positive change in the amount of training leading to qualifications (3%) compared to a net negative of 16% in 2009.

Regional variations in the impact of the recession on these aspects of employer-funded training can be found in Appendix Table 16.

# 8. Apprenticeships and Recruiting Young People

Construction contracting establishments were asked a set of questions about awareness of apprenticeships, the extent to which they are offered (to existing staff and new recruits), and the likelihood of taking on new apprentices in the next 12 months, or the reasons they are not offered. Organisations in the professional services categories were not asked apprenticeship-related questions and are therefore not included in the results presented in this section.

## 8.1 Awareness of Apprenticeships

The survey asked construction contracting establishments about their awareness of specific types of apprenticeship available across the UK or in specific countries of the Union – responses are presented in Figure 39.

The vast majority (97%) of construction contracting employers and sole traders in constructing contracting (96%) have heard of government-funded apprenticeships. These figures are nearly the same as those of 2009 (96% and 97% respectively).

Awareness by employers of specific types of apprenticeship is relatively low in England and Northern Ireland (39% and 30% respectively), but much higher in Wales (62%) and has risen in Scotland (74%, an increase from 67% in 2009).

Awareness of Modern Apprenticeships in Scotland remains high (66%) compared to 2009 (67%). There appears to be a higher awareness of Adult Apprenticeships in Wales (47%) and Scotland (39%) than in England (25%) or Northern Ireland (6%).

In Northern Ireland, a greater proportion of construction contracting employers are aware of Apprenticeships NI (22%) than of Programme Led Apprenticeships (14%).

**Figure 39: Awareness of Apprenticeships (prompted)**

Base: Employers (weighted) in construction contracting

| Multiple unprompted responses | England | Scotland | Wales | Northern Ireland |
|---|---|---|---|---|
| Base count - unweighted | 620 | 74 | 67 | 72 |
| Base count - weighted | 720 | 62 | 34 | 37 |
| Awareness of | % | % | % | % |
| **Apprenticeships generally** | 96 | 97 | 100 | 100 |
| **Any specific type of apprenticeship** | 39 | 74 | 62 | 30 |
| **Adult Apprenticeships for those aged 25 plus** | 25 | 39 | 47 | 6 |
| **Advanced Apprenticeships** | 28 | n/a | n/a | n/a |
| **Higher Apprenticeships** | 20 | n/a | n/a | n/a |
| **Modern Apprenticeships** | n/a | 66 | n/a | n/a |
| **Programme Led Apprenticeships** | n/a | n/a | n/a | 14 |
| **Apprenticeships NI** | n/a | n/a | n/a | 22 |
| **Foundation Apprenticeships** | n/a | n/a | 41 | n/a |

## 8.2 Current Apprenticeships

Employers (in construction contracting) were asked whether they offer apprenticeships and whether they had any staff undertaking apprenticeships.

The number of employers stating that they had an apprentice has increased since 2009: one in eight (13%) employers noting that they had staff undertaking apprenticeships compared to 7% in 2009. Overall, it seems that the number of employers either offering or employing apprentices has not changed markedly, with a total of 19% of employers offering or employing in 2011 compared to 18% in 2009.

In both 2011 and in 2009, the likelihood of having/offering an apprenticeship increases with size of organisation (see Figure 40). For all sizes of establishment, the proportions having apprentices have risen since 2009, both overall and as a proportion of those offering apprenticeships. It appears that organisations that offer apprenticeships are more likely to have filled those apprenticeship posts in 2011 than in 2009. See Appendix Table 17 for regional breakdowns.

Those employers offering apprenticeships were asked to whom they were offered, differentiating between existing staff and new recruits in a prompted question (see Figure 41).

Of all those employers offering apprenticeships, over half (53%) offer them only to new recruits, with a further 8% offering them mainly to existing staff. The propensity to offer apprenticeships to new recruits only is higher in smaller establishments.

Compared to smaller establishments, larger organisations (100+) are more likely to state that they offer apprenticeships to existing staff only, to existing staff mainly, or to existing staff and new recruits equally. Despite this, 50% of large organisations stated that they offered apprenticeships to new recruits only.

**Figure 40: Offering Apprenticeships**

Base: Employers in construction contracting (weighted 2011 – 854; 2009 – 785)

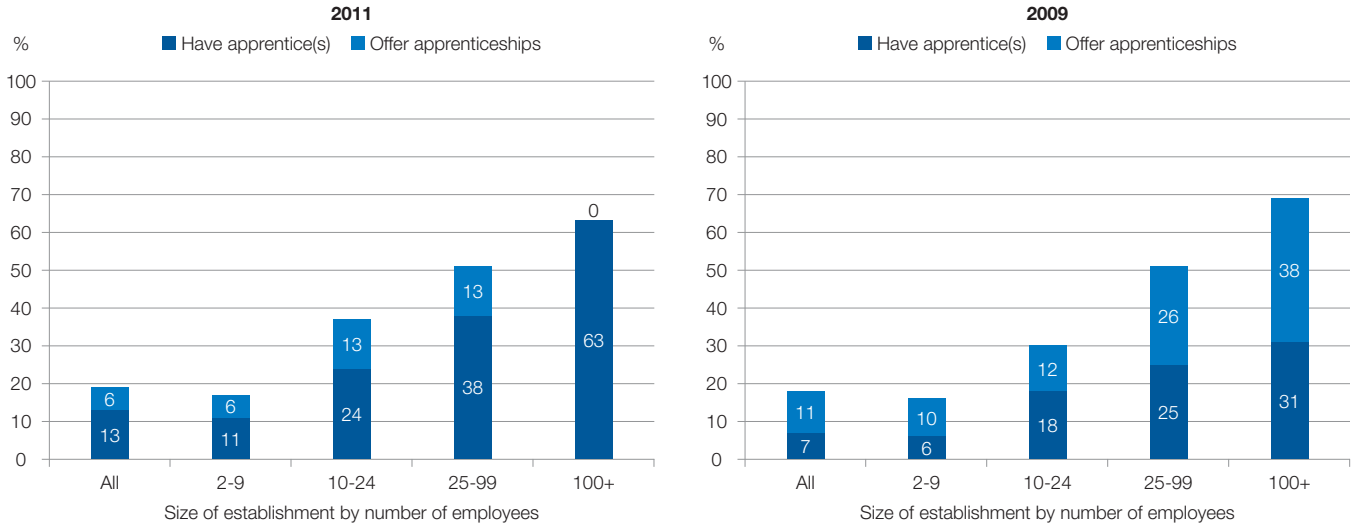
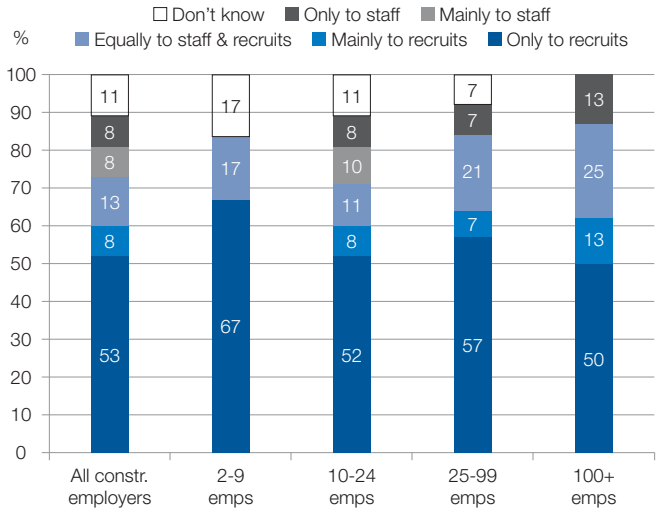


**Figure 41: To Whom Apprenticeships Are Offered**

Base: Employers in construction contracting that have apprentices / offer apprenticeships (weighted – 160, unweighted – 288)



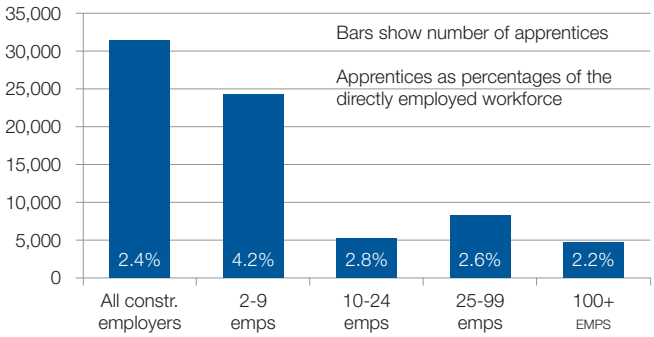

Since 2009, when it was found that half of employers offered apprenticeships to staff and recruits equally, there has been a substantial change in the way apprenticeships are offered by employers. Now the emphasis seems to be on offering apprenticeships to recruits.

Estimations of the number of apprentices and the proportion of apprentices within the directly employed construction contracting workforce are shown in Figure 42. As with all extrapolations, those from this survey made to the general construction workforce should be treated with a degree of caution.

Apprentices make up more than two in every 100 construction contracting (directly employed) employees (2.4%). The size-band of organisation with the highest proportion of apprentices in their workforce is organisations with 2–9 employees (with 4.2% of the directly employed workforce comprising apprentices).

**Figure 42: Estimated Number of Apprentices & Proportion of the Directly Employed Workforce**

Base: Employers in construction contracting (weighted – 844; unweighted – 833)




The proportion of apprentices expressed as a percentage of the directly employed workforce has changed markedly since 2009, when it was suggested that 1.4% of the construction contracting workforce comprised apprentices. At that time, the reason given for the relatively low proportion of apprenticeships was the recession.

The proportion and number of apprentices as a proportion of total employment is not evenly distributed by size of firm, with smaller companies showing a higher proportion of apprentices than other size-bands.

The results indicate that just over 31,000 staff are undertaking apprenticeships, a higher number than in 2009.

Employers who offer apprenticeships were asked about the impact of the recession on the number of apprentices and trainees they recruited.

Nearly half of employers employing apprentices stated that they have not changed the number of apprentices and/or trainees that they have recruited as a result of the recession. A quarter of employers stated that the number has decreased, while nearly one in eight (13%) employers have increased the number of apprentices and/or trainees recruited.

**Figure 43: Impact of the Recession on the Number of Apprentices Recruited**

Base: Employers in construction contracting offering apprenticeships

| Single prompted responses | All | All | 10-24 | 25-99 | 100+ |
|---|---|---|---|---|---|
| Base count - unweighted | 288 | 77 | 60 | 89 | 64 |
| Base count - weighted | 160 | 132 | 14 | 8 | 6 |
| | % | % | % | % | % |
| **Increased** | 13 | 13 | 9 | 10 | 20 |
| **Stayed the same** | 46 | 46 | 46 | 46 | 47 |
| **Decreased** | 24 | 24 | 27 | 26 | 26 |
| **Changed, but not due to recession** | 2 | 2 | 2 | 2 | 3 |
| **Don't know / not sure** | 14 | 14 | 16 | 16 | 3 |
| **TOTAL** | **100** | **100** | **100** | **100** | **100** |

That some employers have increased recruitment of apprentices as a result of the recession dovetails with anecdotal qualitative responses regarding retaining lower skilled employees during the downturn.

It should also be borne in mind that this question is not asked of employers who do not employ apprentices, including potentially those who might have in the past and who no longer do as a result of the impact of the recession or because of other factors.

## 8.3 Reasons for Not Offering Apprenticeships

A majority of employers in construction contracting do not offer or employ apprentices. These employers were asked to provide the main reason behind the lack of apprenticeship opportunities to new recruits and/or existing employees in their business – see Figure 44. (Note that the base for 100+ businesses is too small to release results.)

A wide range of reasons was given across the piece. The most commonly provided reason by 16% of employers was that all of their staff were fully trained. This view was also the most commonly provided in 2008 (14%).

In 2009 the most commonly provided reason was that there was not enough work to be able to take on apprentices (16%). This is also the main reason for 13% of businesses in 2011, suggesting that for some businesses the recession and downturn is still having a major impact but that in other circumstances apprenticeships might be offered.

In 2011 a higher proportion of businesses not offering apprenticeships stated that taking on apprentices is not worth the time for the money received (10%) compared to 4% in 2009. These businesses alongside those who stated that their staff were fully trained (16%) may be thinking short-term and not thinking about replacement of staff and the benefits of training people in house from the start of their career.

These types of organisation, as well as those that admit they don't know what is involved (4%) and those that don't know why they don't offer apprenticeships or have no particular reason for not doing so (9%) may benefit from further information about the benefits of offering apprenticeships.

Regional breakdowns of the reasons given by employers for not offering apprenticeships are presented in Appendix Table 18.

**Figure 44: Main Reason for Not Offering Apprenticeships**

Base: Employers in construction contracting not offering apprenticeships

| Single unprompted responses | All | All | 10-24 | 25-99 | 100+ |
|---|---|---|---|---|---|
| Base count - unweighted | 522 | 313 | 100 | 82 | 27 |
| Base count - weighted | 666 | 633 | 23 | 8 | 2 |
| | % | % | % | % | % |
| **All staff are fully trained** | 16 | 16 | 17 | 13 | |
| **Not enough/inconsistent work / future uncertain / closing soon** | 13 | 14 | 9 | 0 | |
| **Prefer to recruit fully trained/qualified staff** | 13 | 13 | 9 | 13 | |
| **Not worth our time for the money we'd get** | 10 | 10 | 9 | 13 | |
| **Fully staffed / don't need apprentices / business too small** | 9 | 9 | 9 | 0 | |
| **Bad previous experience with apprentices** | 5 | 5 | 9 | 0 | |
| **Nature of work not suitable / multi-skilled / specialist / no suitable apprenticeship course available** | 4 | 4 | 9 | 0 | |
| **Don't know enough about them / what we'd have to do** | 4 | 5 | 0 | 0 | |
| **Our jobs don't need staff to be that highly skilled** | 3 | 3 | 4 | 0 | |
| **We don't take on young people** | 3 | 3 | 4 | 0 | |
| **No young people have applied** | 1 | 1 | 0 | 0 | |
| **Not as good as they used to be** | 1 | 1 | 0 | 0 | |
| **Health and safety / insurance etc.** | 1 | 1 | 0 | 0 | |
| **Would like to start offering apprenticeships** | 1 | 1 | 4 | 0 | |
| **Other** | 4 | 4 | 4 | 0 | |
| **Don't know / no particular reason** | 9 | 9 | 9 | 25 | |
| **TOTAL** | **100** | **100** | **100** | **100** | |

## 8.4 Likelihood of Apprenticeship Starts in the Next 12 Months

One in 12 (8%) employers not currently offering apprenticeships state that they are likely or very likely to start apprentices in the next 12 months. A higher proportion of businesses in the 10–24 size-band state that they are likely or very likely to start apprentices than other size-bands (13%).

Over eight out of 10 (86%) employers state that they are unlikely or very unlikely to start an apprentice in the next 12 months, slightly decreasing with the size-band of business – see Figure 45. Regional breakdowns of the likelihood of employers starting apprenticeships in the next 12 months are presented in Appendix Table 19. (Note that the base for 100+ businesses is too small to release results.)

**Figure 45: Likelihood of Starting Apprenticeships in the Next 12 Months**

Base: Employers in construction contracting not offering apprenticeships

| Single prompted responses | All | 2-9 | 10-24 | 25-99 | 100+ |
|---|---|---|---|---|---|
| Base count - unweighted | 522 | 313 | 100 | 82 | 27 |
| Base count - weighted | 666 | 633 | 23 | 8 | 2 |
| | % | % | % | % | % |
| **Very likely** | 2 | 2 | 4 | 0 | |
| **Quite likely** | 6 | 6 | 9 | 0 | |
| **Not very likely** | 19 | 19 | 17 | 13 | |
| **Not at all likely** | 67 | 67 | 65 | 63 | |
| **Don't know** | 4 | 4 | 4 | 13 | |
| **TOTAL** | **100** | **100** | **100** | **100** | |

# 9. Conclusions

In Spring 2011, almost half of the construction sector employers surveyed felt that, over the last year, their business had been limited by the recession, low demand or uncertainty in the economy. However, this was an improvement from the Summer 2009 survey. At first sight this headline result suggests that for the sector as a whole, the impact of the recession might have peaked between July 2009 and March 2011; or that more businesses managed to escape the impact of the recession on their turnover than had feared they might. In addition, a proportion of the businesses that were being affected might have ceased to trade.

Most businesses that reported having felt the impact of the recession / economic uncertainty in the last year also expected it to continue to limit their business in the coming year. Larger construction employers were the most likely to expect the recession to continue to have an adverse impact on their businesses; it is now that larger organisations might feel the cancellation of public building programmes alongside the dearth of new large-scale new-build contracts. On the other hand, smaller traders (particularly sole traders) were more optimistic – perhaps due to their ability to pick up maintenance, extension and renovation contracts. In the same vein, smaller traders were also more likely to expect the finance difficulties (on their own businesses and/or customers) to ease in the coming year. However, the employers that are most optimistic about business in the coming year are those in the professional services sub-sector.

Smaller establishments (fewer than 10 staff) were most likely to report not having enough work for their workforce throughout the last year, perhaps due to the tendency in 'family-run' or small scale businesses trying hard to retain good and loyal staff, even if this meant reduced hours, wage freezes or cuts. While larger companies may have been able to avoid some pressure to reduce workforces due to on-going large-scale projects, and their original (relatively high) levels of sub-contracting/flexible labour, the interviews also provided anecdotal evidence of larger establishments more actively managing the size of their workforce. This may be manifested in natural wastage (not replacing leavers), and frequent adjustment of the balance of their workforces through active and shorter-term indirect employment. Very few establishments now claim to have a shortfall of skilled staff compared to their workflow.

Very few employers this year stated that any of their directly employed staff had skills gaps. This was one of the most striking results of the survey and may be explained by a combination of workforce downsizing and by the slower market making skills gaps less visible.

A lower proportion of recruiting employers in 2011 than 2009 reported having hard-to-fill vacancies, possibly reflecting the effects of the recession increasing the availability of skilled labour in the labour market, and the fact that a lower proportion of organisations are recruiting; both these factors underpin the supposition that demand has dropped compared to supply. It is also important to note that it is smaller employers that are most likely to report difficulty in filling vacancies; this may be partially due to their tendency to require a greater range of skills/flexibility than 'similar' roles with larger employers. Potential applicants may also be more reluctant to take employment with small establishments, seeing them as less stable and more risky in difficult economic circumstances than larger firms, despite the evidence above that the opposite might, in fact, be the case.

This survey found that a lower proportion of employers provided training than the previous year, although a higher proportion of the workforce received training this year compared to last. This is explained by the continuation of training by larger employers while pressures on some smaller organisations have caused a break in their training activity.

So, while the recession has peaked for some construction businesses, it appears that the industry is still suffering the impact of the downturn and indeed, for some, just starting to feel the real impact of the deficit reduction programme on both the private and public sector markets. Furthermore, market predictions do not provide much solace for the near future. While combating the downturn, it remains to be seen whether investment in the workforce by larger organisations continues apace.

# Appendices

## Appendix 1: Methodological Detail

### Sampling and Quota Control

Sample for the survey was obtained from Sample Answers Ltd's 'UKBiz' database, which is based upon a combination of the Experian National Business Database and the LBM Business File, supplemented, where appropriate, by Kompass and other sources (which themselves are based upon information from Companies House, Thompson Directories and the Credit Risk File).

Establishments were selected on the basis of their classification within the ConstructionSkills footprint (SIC 2007 specification), location and number of employees, in direct proportion with the target quota matrix below.

Survey responses collected from employers were weighted using a matrix developed by interlocking data for employee numbers and region of businesses within the footprint SICs from the Inter Departmental Business Register (IDBR) 2010. While we explored applying a three-way interlocked weighting scheme which would also re-balance 'construction contracting' against 'professional services' within region and size-band, it was agreed with ConstructionSkills that some weighting cells would be based upon small numbers of achieved interviews, and only make minor readjustments as the balance of interviews achieved in each sub-sector was very close to the true sub-sectoral splits.

### Method Table 1: Target Quota Matrix

| | Sole | 2-9 | 10-24 | 25-99 | 100+ | Constr | Prof S |
|---|---|---|---|---|---|---|---|
| **East Midlands** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **East of England** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **London** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **North East** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **North West** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **South East** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **South West** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **West Midlands** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **Yorkshire & Humber** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **Northern Ireland** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **Scotland** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |
| **Wales** | 13 | 40 | 18 | 19 | 10 | 79 | 21 |

## Method Table 2: Interviews Achieved

| | 2–9 | 10–24 | 25–99 | 100+ | Total | Constr | Prof S |
|---|---|---|---|---|---|---|---|
| **East Midlands** | 46 | 15 | 18 | 7 | **86** | 78 | 8 |
| **East of England** | 40 | 16 | 19 | 11 | **86** | 68 | 18 |
| **London** | 40 | 19 | 19 | 10 | **88** | 67 | 21 |
| **North East** | 42 | 18 | 19 | 12 | **91** | 70 | 21 |
| **North West** | 39 | 22 | 18 | 9 | **88** | 70 | 18 |
| **South East** | 39 | 17 | 21 | 11 | **88** | 68 | 20 |
| **South West** | 40 | 18 | 19 | 11 | **88** | 67 | 21 |
| **West Midlands** | 40 | 18 | 17 | 10 | **85** | 65 | 20 |
| **Yorkshire & Humber** | 41 | 17 | 18 | 10 | **86** | 67 | 19 |
| **Northern Ireland** | 42 | 18 | 18 | 10 | **88** | 72 | 16 |
| **Scotland** | 41 | 18 | 19 | 11 | **89** | 74 | 15 |
| **Wales** | 40 | 18 | 19 | 10 | **87** | 67 | 20 |
| **TOTAL** | **490** | **214** | **224** | **122** | **1,050** | **833** | **217** |

## Method Table 3: Employer Establishment Weighting Target (equivalent number of 'interviews')

| | 2–9 | 10–24 | 25–99 | 100+ | Total | % |
|---|---|---|---|---|---|---|
| **East Midlands** | 65.06816 | 3.536313 | 1.414525 | 0.707263 | **70.7** | **6.7** |
| **East of England** | 111.4899 | 6.059235 | 2.423694 | 1.211847 | **121.2** | **11.5** |
| **London** | 130.5442 | 7.094794 | 2.837918 | 1.418959 | **141.9** | **13.5** |
| **North East** | 26.12438 | 1.419803 | 0.567921 | 0.283961 | **28.4** | **2.7** |
| **North West** | 91.9889 | 4.999397 | 1.999759 | 0.999879 | **100.0** | **9.5** |
| **South East** | 157.8728 | 8.580046 | 3.432018 | 1.716009 | **171.6** | **16.3** |
| **South West** | 93.05718 | 5.057456 | 2.022982 | 1.011491 | **101.1** | **9.6** |
| **West Midlands** | 75.71215 | 4.114791 | 1.645916 | 0.822958 | **82.3** | **7.8** |
| **Yorkshire & Humber** | 68.27301 | 3.71049 | 1.484196 | 0.742098 | **74.2** | **7.1** |
| **Northern Ireland** | 38.73012 | 2.104898 | 0.841959 | 0.42098 | **42.1** | **4.0** |
| **Scotland** | 67.41839 | 3.664043 | 1.465617 | 0.732809 | **73.3** | **7.0** |
| **Wales** | 39.72071 | 2.158734 | 0.863494 | 0.431747 | **43.2** | **4.1** |
| **TOTAL** | **966** | **52.5** | **21** | **10.5** | **1,050** | |
| **%** | **92.0** | **5.0** | **2.0** | **1.0** | | **100** |

## Method Table 4: Employer Establishment Weighting Factors

| | 2-9 | 10-24 | 25-99 | 100+ |
|---|---|---|---|---|
| **East Midlands** | 1.414525 | 0.235754 | 0.078585 | 0.101038 |
| **East of England** | 2.787248 | 0.378702 | 0.127563 | 0.110168 |
| **London** | 3.263605 | 0.37341 | 0.149364 | 0.141896 |
| **North East** | 0.622009 | 0.078878 | 0.029891 | 0.023663 |
| **North West** | 2.35869 | 0.227245 | 0.111098 | 0.111098 |
| **South East** | 4.048022 | 0.504709 | 0.163429 | 0.156001 |
| **South West** | 2.32643 | 0.28097 | 0.106473 | 0.091954 |
| **West Midlands** | 1.892804 | 0.228599 | 0.096819 | 0.082296 |
| **Yorkshire & Humber** | 1.665195 | 0.218264 | 0.082455 | 0.07421 |
| **Northern Ireland** | 0.922146 | 0.116939 | 0.046776 | 0.042098 |
| **Scotland** | 1.644351 | 0.203558 | 0.077138 | 0.066619 |
| **Wales** | 0.993018 | 0.11993 | 0.045447 | 0.043175 |

Survey responses (from employers) were also weighted to represent employees for a small number of questions, and grossed up to represent all employees in the construction sector in the UK. An interlocking employee weighting matrix was developed using data from the Annual Business Inquiry (ABI) employee analysis (2008) for ConstructionSkills' footprint SICs. ABI data related to Great Britain only, hence the assumption was made that the profile of employees in Northern Ireland match the rest of the UK. Factors used for this employee weighting were the region/nation and the sub-sector (construction contracting / professional services). Full details are provided in Method Table 5 (below).

Statistics calculated on data weighted for employee profile could then be grossed up in line with the total number of employees according to ABI 2008:

| | |
|---|---|
| All UK construction sector employees | 1,696,659 |
| Construction contracting employees | 1,292,878 |
| Professional services employees | 403,781 |
| East Midlands employees | 123,551 |
| East employees | 160,732 |
| London employees | 192,306 |
| North East employees | 71,086 |
| North West employees | 196,390 |
| South East employees | 232,902 |
| South West employees | 135,308 |
| West Midlands employees | 146,091 |
| Yorkshire and Humber employees | 143,382 |
| Northern Ireland employees | 29,190 |
| Scotland employees | 193,949 |
| Wales employees | 71,776 |

## Method Table 5: Employee Weighting Targets and Weighting Factors (equivalent number of 'interviews')

| | Employee Weighting Targets | | | | Weighting Factors | |
|---|---|---|---|---|---|---|
| | Constr | | Prof S | | Constr | Prof S |
| | % | n | % | n | | |
| **East Midlands** | 5.8 | 61.21101 | 1.5 | 15.24999 | 61.21101 | 15.24999 |
| **East of England** | 7.6 | 79.47733 | 1.9 | 19.99357 | 79.47733 | 19.99357 |
| **London** | 7.2 | 75.81986 | 4.1 | 43.19099 | 75.81986 | 43.19099 |
| **North East** | 3.4 | 35.98434 | 0.8 | 8.008072 | 35.98434 | 8.008072 |
| **North West** | 9.3 | 97.13717 | 2.3 | 24.4011 | 97.13717 | 24.4011 |
| **South East** | 10.0 | 104.9447 | 3.7 | 39.18943 | 104.9447 | 39.18943 |
| **South West** | 5.8 | 61.16521 | 2.1 | 22.57175 | 61.16521 | 22.57175 |
| **West Midlands** | 6.8 | 71.02554 | 1.8 | 19.38461 | 71.02554 | 19.38461 |
| **Yorkshire & Humber** | 6.8 | 71.6017 | 1.6 | 17.13195 | 71.6017 | 17.13195 |
| **Northern Ireland** | 1.4 | 14.90219 | 0.3 | 3.162384 | 14.90219 | 3.162384 |
| **Scotland** | 8.5 | 89.1062 | 2.9 | 30.92143 | 89.1062 | 30.92143 |
| **Wales** | 3.6 | 37.73943 | 0.6 | 6.679995 | 37.73943 | 6.679995 |
| **TOTAL** | **76.2** | **800** | **23.8** | **250** | | |

## Appendix 2: Regional Analysis – Data Tables

### Appendix Table 1: Factors Limiting the Business This Year

Base: All employers (weighted)

| Multiple unprompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 86 | 86 | 88 | 88 | 91 | 88 | 89 | 88 | 88 | 87 | 85 | 86 |
| Base count - weighted | 71 | 121 | 42 | 142 | 28 | 100 | 73 | 172 | 101 | 43 | 82 | 74 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Recession / low demand / uncertain economy** | 55 | 57 | 91 | 35 | 41 | 66 | 43 | 26 | 32 | 35 | 49 | 49 |
| **Lack of finance (cash flow / loans/mortgage shortage)** | 10 | 2 | 1 | 5 | 11 | 12 | 14 | 12 | 12 | 10 | 0 | 7 |
| **Competition** | 2 | 3 | 3 | 2 | 7 | 3 | 5 | 2 | 2 | 0 | 2 | 2 |
| **Public sector cuts/policies** | 2 | 0 | 2 | 2 | 3 | 0 | 12 | 5 | 0 | 1 | 3 | 3 |
| **Increasing costs** | 0 | 3 | 2 | 2 | 5 | 5 | 9 | 0 | 0 | 2 | 3 | 2 |
| **Weather conditions** | 6 | 5 | 2 | 0 | 2 | 0 | 0 | 0 | 0 | 8 | 0 | 2 |
| **Labour/skill shortages** | 2 | 0 | 0 | 0 | 4 | 0 | 7 | 2 | 0 | 0 | 2 | 0 |
| **Legislation** | 2 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 |
| **VAT increase** | 9 | 2 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 2 | 0 | 0 |
| **Shortage of material/equipment** | 0 | 0 | 0 | 0 | 1 | 0 | 7 | 2 | 0 | 0 | 0 | 0 |
| **Other constraint(s)** | 0 | 2 | 0 | 0 | 4 | 9 | 4 | 0 | 0 | 0 | 1 | 0 |
| **Nothing** | 20 | 28 | 1 | 47 | 26 | 15 | 18 | 58 | 60 | 33 | 39 | 33 |
| **Don't know** | 0 | 3 | 1 | 12 | 7 | 0 | 0 | 1 | 1 | 12 | 4 | 2 |

## Appendix Table 2: Factors Expected to Limit the Business Next Year

Base: All employers (weighted)

| Multiple unprompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 86 | 86 | 88 | 88 | 91 | 88 | 89 | 88 | 88 | 87 | 85 | 86 |
| Base count - weighted | 71 | 121 | 42 | 142 | 28 | 100 | 73 | 172 | 101 | 43 | 82 | 74 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Recession / low demand / uncertain economy** | 48 | 50 | 82 | 23 | 36 | 61 | 40 | 18 | 29 | 35 | 35 | 39 |
| **Lack of finance (cash flow / loans/mortgage shortage)** | 10 | 0 | 1 | 5 | 9 | 12 | 14 | 9 | 12 | 5 | 0 | 7 |
| **Competition** | 2 | 0 | 3 | 5 | 3 | 3 | 7 | 0 | 3 | 0 | 2 | 2 |
| **Public sector cuts/policies** | 2 | 0 | 2 | 2 | 5 | 0 | 12 | 3 | 0 | 1 | 1 | 3 |
| **Increasing costs** | 0 | 3 | 2 | 2 | 2 | 5 | 4 | 0 | 0 | 2 | 3 | 2 |
| **Weather conditions** | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 2 | 0 |
| **Labour/skill shortages** | 4 | 0 | 0 | 0 | 4 | 0 | 5 | 0 | 0 | 0 | 2 | 2 |
| **Legislation** | 2 | 0 | 4 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 5 |
| **VAT increase** | 9 | 2 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 2 | 0 | 0 |
| **Shortage of material/equipment** | 0 | 0 | 2 | 0 | 0 | 0 | 7 | 2 | 0 | 0 | 0 | 0 |
| **Other constraint(s)** | 0 | 2 | 0 | 0 | 2 | 8 | 0 | 2 | 0 | 0 | 0 | 0 |
| **Nothing** | 20 | 30 | 4 | 48 | 28 | 16 | 18 | 63 | 58 | 38 | 49 | 32 |
| **Don't know** | 2 | 12 | 8 | 17 | 10 | 1 | 5 | 4 | 3 | 16 | 7 | 12 |

## Appendix Table 3: Capacity and Use of Workforce Skills in the Last Year

Base: All employers (weighted)

| Single prompted response | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 86 | 86 | 88 | 88 | 91 | 88 | 89 | 88 | 88 | 87 | 85 | 86 |
| Base count - weighted | 71 | 121 | 42 | 142 | 28 | 100 | 73 | 172 | 101 | 43 | 82 | 74 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Not enough skilled workers for work we had / could have had** | 0 | 2 | 0 | 3 | 3 | 5 | 0 | 2 | 2 | 0 | 0 | 0 |
| **Not enough skilled workers for that time** | 1 | 5 | 0 | 2 | 3 | 0 | 7 | 5 | 0 | 0 | 0 | 0 |
| **Operating at or near full capacity for most of last year** | 60 | 64 | 43 | 68 | 48 | 67 | 68 | 58 | 66 | 68 | 61 | 71 |
| **Not enough work for our workforce for most of last year** | 39 | 29 | 57 | 27 | 41 | 28 | 25 | 33 | 32 | 30 | 39 | 29 |
| **Don't know** | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 2 | 0 | 2 | 0 | 0 |

## Appendix Table 4: Actions Taken to Ease Under-Capacity Over the Last Year

Base: All employers (weighted)

| Multiple prompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 86 | 86 | 88 | 88 | 91 | 88 | 89 | 88 | 88 | 87 | 85 | 86 |
| Base count - weighted | 71 | 121 | 42 | 142 | 28 | 100 | 73 | 172 | 101 | 43 | 82 | 74 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Sought any skilled employees (direct or indirect)** | 20 | 34 | 14 | 32 | 34 | 20 | 32 | 35 | 19 | 23 | 10 | 28 |
| **Sought experienced, skilled employees (direct labour)** | 17 | 20 | 7 | 22 | 27 | 10 | 25 | 25 | 14 | 14 | 10 | 12 |
| **Sought skilled self-employed or other indirect labour** | 7 | 17 | 7 | 15 | 21 | 11 | 9 | 19 | 10 | 10 | 3 | 19 |
| **Sought apprentices or inexperienced staff to train up** | 0 | 0 | 0 | 0 | 2 | 2 | 2 | 2 | 2 | 0 | 0 | 0 |
| **Sub-contracted work out** | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 7 | 0 | - | 0 | 0 |
| **Turned work down** | 0 | 0 | 0 | 2 | 0 | 2 | 2 | 7 | 2 | - | 0 | 0 |

## Appendix Table 5: Whether had Any Hard-to-Fill Vacancies Over the Last Year

Base: All employers (weighted)

| Single prompted response | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 86 | 86 | 88 | 88 | 91 | 88 | 89 | 88 | 88 | 87 | 85 | 86 |
| Base count - weighted | 71 | 121 | 42 | 142 | 28 | 100 | 73 | 172 | 101 | 43 | 82 | 74 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Had a hard-to-fill vacancy** | 7 | 2 | 5 | 3 | 7 | 2 | 8 | 16 | 2 | 0 | 0 | 3 |
| **Had vacancies but not hard to fill** | 13 | 31 | 10 | 29 | 27 | 18 | 26 | 18 | 17 | 23 | 12 | 28 |
| **Not had any vacancies** | 80 | 66 | 86 | 68 | 66 | 80 | 66 | 65 | 81 | 77 | 88 | 69 |
| Base count - unweighted | 25 | 33 | 23 | 38 | 41 | 34 | 41 | 40 | 27 | 30 | 24 | 32 |
| Base count - weighted | 14 | 41 | 6 | 45 | 9 | 20 | 24 | 58 | 18 | 10 | 8 | 21 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Had hard-to-fill vacancies, as a percentage of all employers with vacancies** | 36 | 7 | 33 | 9 | 22 | 10 | 25 | 48 | 11 | 0 | 0 | 10 |

## Appendix Table 6: Stimuli Expected to Lead to Acquisition of New Skills or Knowledge in the Next Year

Base: All employers (weighted)

| Multiple prompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 86 | 86 | 88 | 88 | 91 | 88 | 89 | 88 | 88 | 87 | 85 | 86 |
| Base count - weighted | 71 | 121 | 42 | 142 | 28 | 100 | 73 | 172 | 101 | 43 | 82 | 74 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Any stimuli** | 45 | 64 | 48 | 77 | 64 | 70 | 88 | 79 | 56 | 79 | 45 | 45 |
| **Development of new products and services** | 32 | 34 | 17 | 42 | 23 | 32 | 42 | 37 | 21 | 35 | 27 | 16 |
| **New eco or energy-saving design/build methods** | 21 | 28 | 18 | 40 | 25 | 40 | 40 | 32 | 14 | 35 | 19 | 18 |
| **Introduction of other new working practices** | 26 | 34 | 22 | 51 | 30 | 32 | 38 | 54 | 20 | 27 | 23 | 32 |
| **Introduction of new technologies or equipment** | 25 | 33 | 19 | 39 | 24 | 33 | 45 | 44 | 36 | 26 | 30 | 25 |
| **Environmental requirements** | 22 | 39 | 32 | 61 | 39 | 43 | 64 | 51 | 41 | 45 | 37 | 33 |
| **New legislative or regulatory requirements** | 19 | 24 | 13 | 51 | 34 | 31 | 28 | 40 | 29 | 25 | 16 | 8 |
| **Increased competitive pressure** | 17 | 14 | 15 | 30 | 35 | 35 | 25 | 35 | 28 | 25 | 10 | 4 |
| **Downturn in the economy** | 17 | 22 | 8 | 27 | 26 | 13 | 36 | 26 | 6 | 15 | 10 | 9 |
| **Business management** | 18 | 32 | 22 | 30 | 22 | 26 | 31 | 45 | 16 | 30 | 15 | 17 |
| **Any other reasons** | 0 | 5 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

## Appendix Table 7: Skills Most Needing Improving or Updating in the Next Year

Base: All employers (weighted)

| Single unprompted response | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 86 | 86 | 88 | 88 | 91 | 88 | 89 | 88 | 88 | 87 | 85 | 86 |
| Base count - weighted | 71 | 121 | 42 | 142 | 28 | 100 | 73 | 172 | 101 | 43 | 82 | 74 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Health and safety (inc. asbestos) & first aid** | 3 | 16 | 5 | 18 | 7 | 11 | 14 | 37 | 18 | 33 | 15 | 3 |
| **Technical / trade-specific** | 0 | 8 | 17 | 8 | 11 | 3 | 19 | 2 | 0 | 2 | 1 | 9 |
| **Legislation/regulations** | 0 | 5 | 5 | 7 | 14 | 8 | 4 | 3 | 3 | 5 | 7 | 7 |
| **Management/business skills** | 1 | 1 | 5 | 9 | 7 | 7 | 10 | 3 | 3 | 0 | 0 | 3 |
| **New or different products / markets / branch out** | 0 | 5 | 2 | 1 | 7 | 2 | 5 | 5 | 5 | 0 | 2 | 3 |
| **IT / new software** | 0 | 5 | 0 | 5 | 0 | 0 | 7 | 5 | 3 | 2 | 2 | 0 |
| **Green/ecological products and/or practices** | 0 | 5 | 0 | 1 | 0 | 0 | 4 | 9 | 0 | 0 | 0 | 0 |
| **Sales/marketing** | 0 | 2 | 5 | 0 | 0 | 4 | 0 | 0 | 2 | 2 | 0 | 0 |
| **General - all sorts** | 8 | 2 | 10 | 16 | 4 | 1 | 23 | 7 | 12 | 5 | 0 | 3 |

## Appendix Table 8: Training/Development Activity Funded or Arranged for Staff in the Last Year

Base: All employers (weighted)

| Single unprompted response | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 86 | 86 | 88 | 88 | 91 | 88 | 89 | 88 | 88 | 87 | 85 | 86 |
| Base count - weighted | 71 | 121 | 42 | 142 | 28 | 100 | 73 | 172 | 101 | 43 | 82 | 74 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Any training** | 17 | 40 | 50 | 37 | 50 | 45 | 60 | 41 | 31 | 44 | 41 | 55 |
| **Any OFF the job** | 14 | 32 | 48 | 20 | 36 | 28 | 44 | 25 | 28 | 33 | 34 | 43 |
| **Any ON the job** | 10 | 22 | 14 | 24 | 36 | 32 | 46 | 29 | 16 | 21 | 18 | 36 |
| **OFF the job only** | 7 | 18 | 36 | 10 | 14 | 13 | 15 | 12 | 16 | 23 | 23 | 19 |
| **BOTH off and on the job** | 7 | 14 | 12 | 10 | 21 | 15 | 29 | 13 | 12 | 9 | 12 | 23 |
| **ON the job only** | 3 | 8 | 2 | 15 | 14 | 17 | 16 | 16 | 3 | 12 | 6 | 14 |
| **No training** | 83 | 60 | 50 | 66 | 50 | 55 | 40 | 59 | 69 | 56 | 59 | 45 |

## Appendix Table 9: Reasons for Not Providing Training

Base: Employers (weighted) that had not funded or arranged any training for staff in the last 12 months

| Multiple unprompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 66 | 36 | 31 | 48 | 34 | 40 | 30 | 42 | 42 | 49 | 35 | 25 |
| Base count - weighted | 59 | 72 | 21 | 94 | 14 | 55 | 29 | 102 | 70 | 24 | 49 | 33 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **All our staff are fully proficient** | 92 | 76 | 87 | 78 | 73 | 89 | 65 | 91 | 96 | 78 | 91 | 79 |
| **External courses are too expensive** | 2 | 12 | 18 | 7 | 13 | - | 6 | 4 | 3 | 1 | 5 | 16 |
| **Employees are too busy to go on training courses** | - | 16 | 0 | 10 | 4 | 0 | 11 | - | 0 | 0 | 5 | 6 |
| **Employees are too busy to give training** | 0 | 16 | 4 | 3 | 0 | 0 | 11 | - | 0 | 0 | 4 | 6 |
| **Managers have lacked the time to organise training** | 0 | 8 | 0 | 10 | 0 | 0 | - | - | 0 | 0 | 1 | 0 |
| **The courses interested in are not available locally** | 0 | 4 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **I don't know what provision is available locally** | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **The start dates or times of the courses are inconvenient** | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Other** | 0 | 4 | 4 | 0 | 4 | 4 | 23 | 0 | 0 | 0 | 4 | 0 |
| **No particular reason** | 6 | 0 | 0 | 4 | 4 | - | 0 | 4 | - | - | 0 | 0 |

## Appendix Table 10: Proportion of Workforce (direct/indirect) Trained in the Last Year

Base: All employers (weighted)

| Multiple unprompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 86 | 86 | 88 | 88 | 91 | 88 | 89 | 88 | 88 | 87 | 85 | 86 |
| Base count - weighted | 71 | 121 | 42 | 142 | 28 | 100 | 73 | 172 | 101 | 43 | 82 | 74 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Trained (on- or off-the-job)** | 50 | 50 | 50 | 53 | 57 | 49 | 68 | 49 | 63 | 51 | 47 | 54 |

## Appendix Table 11: Average Number of Days Off-the-Job Training Last Year

Base: Employers (weighted) that funded/arranged off-the-job training for staff in the last year

| Multiple unprompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 18 | 40 | 51 | 30 | 47 | 37 | 46 | 31 | 40 | 31 | 39 | 46 |
| Base count - weighted | 10 | 30 | 20 | 27 | 10 | 27 | 28 | 41 | 22 | 11 | 26 | 26 |
| **Days (mean)** | 4.7 | 5.4 | 2.6 | 3.5 | 10.4 | 4.8 | 7.8 | 3.3 | 5.0 | 4.1 | 4.4 | 5.9 |

## Appendix Table 12: Average Number of Days On-the-Job Training Last Year

Base: Employers (weighted) that funded/arranged on-the-job training for staff in the last year

| Multiple unprompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 15 | 34 | 32 | 31 | 42 | 37 | 48 | 34 | 31 | 19 | 34 | 46 |
| Base count - weighted | 5 | 11 | 5 | 17 | 6 | 10 | 13 | 14 | 14 | 6 | 9 | 12 |
| **Days (mean)** | 9.4 | 4.4 | 2.1 | 2.3 | 5.9 | 3.8 | 8.1 | 3.6 | 12.3 | 3.7 | 13.0 | 8.4 |

## Appendix Table 13: Training Leading Towards Qualifications

Base: Employers (weighted) that funded/arranged training for staff in the last year

| Multiple prompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **EMPLOYERS THAT TRAIN STAFF** | | | | | | | | | | | | |
| Base count - unweighted | 20 | 50 | 57 | 40 | 57 | 48 | 59 | 46 | 46 | 38 | 50 | 61 |
| Base count - weighted | 11 | 49 | 21 | 48 | 14 | 45 | 44 | 70 | 31 | 19 | 33 | 42 |
| **Train to qualifications** | 30 | 42 | 13 | 21 | 36 | 28 | 20 | 43 | 47 | 34 | 36 | 39 |
| **Train to NVQs/SVQs** | 16 | 22 | 11 | 11 | 12 | 24 | 11 | 28 | 21 | 6 | 11 | 24 |
| **Train to HNC/HND** | 0 | 7 | 1 | 3 | 2 | 1 | 2 | 8 | 1 | 10 | 2 | 5 |
| **Train to degree** | 0 | 4 | 1 | 9 | 6 | 1 | 0 | 3 | 9 | 0 | 8 | 1 |
| **ALL EMPLOYERS** | | | | | | | | | | | | |
| Base count - unweighted | 86 | 86 | 88 | 88 | 91 | 88 | 89 | 88 | 88 | 87 | 85 | 86 |
| Base count - weighted | 71 | 121 | 42 | 142 | 28 | 100 | 73 | 172 | 101 | 43 | 82 | 74 |
| **Train to qualifications** | 5 | 17 | 7 | 7 | 18 | 13 | 12 | 17 | 14 | 15 | 15 | 22 |
| **Train to NVQs/SVQs** | 3 | 9 | 6 | 4 | 6 | 11 | 7 | 11 | 7 | 3 | 5 | 13 |
| **Train to HNC/HND** | 0 | 3 | 0 | 1 | 1 | 0 | 1 | 3 | 0 | 5 | 1 | 3 |
| **Train to degree** | 0 | 2 | 0 | 3 | 3 | 1 | 0 | 1 | 3 | 0 | 3 | 1 |

NOTE: The three qualification groups detailed above (NVQ/SVQ; HNC/HND; degree) could be selected alone or in combination with other qualifications, and some employers reported training staff towards other qualifications not included in the questionnaire.

## Appendix Table 14: Types of Training Provider Used in the Last Year

Base: Employers (weighted) that funded/arranged training for staff in the last year

| Multiple prompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 20 | 50 | 57 | 40 | 57 | 48 | 59 | 46 | 46 | 38 | 50 | 61 |
| Base count - weighted | 11 | 49 | 21 | 48 | 14 | 45 | 44 | 70 | 31 | 19 | 33 | 42 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Further Education College** | 32 | 33 | 22 | 10 | 8 | 21 | 32 | 34 | 22 | 27 | 28 | 20 |
| **Higher Education** | 1 | 3 | 6 | 17 | 20 | 2 | 2 | 21 | 25 | 10 | 19 | 11 |
| **National Construction College (NCC)** | 16 | 1 | 0 | 4 | 10 | 7 | 6 | 1 | 2 | 11 | 8 | 6 |
| **Private training provider (not FE/HE/NCC)** | 59 | 71 | 76 | 70 | 58 | 47 | 63 | 74 | 55 | 48 | 51 | 62 |
| **Manufacturer or supplier** | 2 | 59 | 22 | 51 | 13 | 24 | 56 | 43 | 16 | 22 | 27 | 32 |
| **Other off-the-job (courses or formal instruction)** | 41 | 22 | 25 | 52 | 38 | 14 | 42 | 54 | 57 | 11 | 45 | 25 |
| **On-the-job learning or training delivered by more experienced worker** | 27 | 67 | 36 | 62 | 39 | 40 | 64 | 65 | 43 | 37 | 43 | 31 |
| **Self-learning, e.g. books and CD-ROMs** | 27 | 37 | 20 | 55 | 19 | 15 | 15 | 49 | 61 | 32 | 39 | 38 |
| **Professional institution (e.g. CPD)** | 2 | 10 | 5 | 26 | 37 | 27 | 10 | 28 | 64 | 1 | 38 | 25 |

## Appendix Table 15: Barriers to Providing More Training

Base: Employers (weighted) that funded/arranged training for staff in the last year

| Multiple unprompted responses | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 20 | 50 | 57 | 40 | 57 | 48 | 59 | 46 | 46 | 38 | 50 | 61 |
| Base count - weighted | 11 | 49 | 21 | 48 | 14 | 45 | 44 | 70 | 31 | 19 | 33 | 42 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Don't think more training was needed than was actually given** | 71 | 54 | 79 | 81 | 44 | 77 | 68 | 49 | 67 | 79 | 86 | 81 |
| **Lack of funds / training too expensive** | 27 | 33 | 100 | 8 | 46 | 17 | 20 | 39 | 9 | 16 | 14 | 6 |
| **Can't spare more staff time** | 1 | 19 | 5 | 3 | 23 | 16 | 8 | 18 | 25 | 5 | 1 | 6 |
| **Staff now fully proficient / don't need it** | 0 | 0 | 9 | 0 | 0 | 0 | 0 | 1 | 0 | 5 | 0 | 0 |
| **Staff not keen** | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Lack of good local training providers** | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Difficulty finding training providers who can deliver training where or when we need it** | 0 | 6 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| **Lack of appropriate training/qualification in the subject areas we need** | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 6 | 0 | 0 | 0 | 4 |
| **Hard to find the time to organise training** | 1 | 7 | 1 | 0 | 1 | 11 | 15 | 13 | 15 | 0 | - | 0 |
| **Lack of knowledge about training opportunities and/or suitable courses** | 0 | 0 | 4 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Other barriers** | 1 | 6 | 0 | 0 | 0 | - | - | 0 | 0 | 0 | 0 | 1 |
| **No barriers, just didn't do more** | 0 | 0 | 0 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Don't know** | 0 | 0 | 0 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 4 |

## Appendix Table 16: Impact of the Recession on Training (prompted)

Base: Employers (weighted) that funded/arranged training for staff in the last year

| Single prompted response | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 20 | 50 | 57 | 40 | 57 | 48 | 59 | 46 | 46 | 38 | 50 | 61 |
| Base count - weighted | 11 | 49 | 21 | 48 | 14 | 45 | 44 | 70 | 31 | 19 | 33 | 42 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **THE EXPENDITURE ON TRAINING PER EMPLOYEE** | | | | | | | | | | | | |
| **Increase** | 25 | 38 | 5 | 4 | 14 | 7 | 14 | 27 | 25 | 6 | 9 | 14 |
| **No change** | 42 | 32 | 75 | 81 | 43 | 67 | 72 | 39 | 47 | 67 | 70 | 67 |
| **Decrease** | 33 | 28 | 20 | 8 | 36 | 22 | 14 | 33 | 28 | 22 | 21 | 19 |
| **Changed, but not due to recession** | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Don't know** | 0 | 2 | 0 | 6 | 0 | 4 | 0 | 0 | 0 | 6 | 0 | 0 |
| **THE PROPORTION OF EMPLOYEES PROVIDED WITH TRAINING** | | | | | | | | | | | | |
| **Increase** | 25 | 15 | 5 | 8 | 14 | 7 | 21 | 33 | 10 | 6 | 0 | 15 |
| **No change** | 67 | 67 | 84 | 83 | 50 | 70 | 62 | 33 | 71 | 78 | 91 | 76 |
| **Decrease** | 8 | 15 | 11 | 8 | 29 | 17 | 17 | 33 | 19 | 11 | 9 | 10 |
| **Changed, but not due to recession** | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Don't know** | 0 | 2 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 6 | 0 | 0 |
| **THE PROPORTION OF TOTAL TRAINING DELIVERED BY EXTERNAL PROVIDERS** | | | | | | | | | | | | |
| **Increase** | 25 | 15 | 5 | 15 | 21 | 13 | 26 | 21 | 10 | 15 | 3 | 20 |
| **No change** | 67 | 74 | 85 | 77 | 50 | 60 | 43 | 50 | 74 | 60 | 75 | 63 |
| **Decrease** | 8 | 9 | 10 | 8 | 21 | 11 | 26 | 21 | 16 | 20 | 22 | 17 |
| **Changed, but not due to recession** | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Don't know** | 0 | 2 | 0 | 0 | 0 | 16 | 5 | 8 | 0 | 5 | 0 | 0 |
| **THE EMPHASIS PLACED ON INFORMAL LEARNING** | | | | | | | | | | | | |
| **Increase** | 0 | 20 | 10 | 15 | 14 | 22 | 29 | 27 | 10 | 6 | 6 | 20 |
| **No change** | 100 | 59 | 67 | 85 | 57 | 56 | 61 | 64 | 81 | 61 | 85 | 61 |
| **Decrease** | 0 | 7 | 5 | 0 | 14 | 4 | 0 | 8 | 10 | 17 | 9 | 7 |
| **Changed, but not due to recession** | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Don't know** | 0 | 15 | 19 | 0 | 7 | 18 | 10 | 2 | 0 | 17 | 0 | 12 |
| **THE AMOUNT OF TRAINING THAT LEADS TO RECOGNISED QUALIFICATIONS** | | | | | | | | | | | | |
| **Increase** | 36 | 21 | 10 | 9 | 7 | 18 | 12 | 22 | 10 | 6 | 9 | 15 |
| **No change** | 55 | 40 | 43 | 91 | 64 | 64 | 39 | 20 | 81 | 71 | 76 | 56 |
| **Decrease** | 9 | 2 | 5 | 0 | 21 | 7 | 21 | 26 | 10 | 18 | 9 | 10 |
| **Changed, but not due to recession** | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Don't know** | 0 | 36 | 43 | 0 | 0 | 11 | 27 | 32 | 0 | 6 | 6 | 20 |

## Appendix Table 17: Offering Apprenticeships

Base: Employers in construction contracting (weighted) 2011 – 854

| Single prompted response | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 78 | 68 | 72 | 67 | 70 | 70 | 74 | 68 | 67 | 67 | 65 | 67 |
| Base count - weighted | 67 | 96 | 37 | 103 | 21 | 84 | 62 | 150 | 76 | 34 | 64 | 59 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Have apprentice** | 9 | 14 | 8 | 7 | 26 | 19 | 27 | 13 | 12 | 21 | 5 | 5 |
| **No apprentice at present, but do offer apprenticeships** | 18 | 6 | 5 | 1 | 10 | 4 | 8 | 4 | 4 | 15 | 6 | 5 |

## Appendix Table 18: Main Reason for Not Offering Apprenticeships

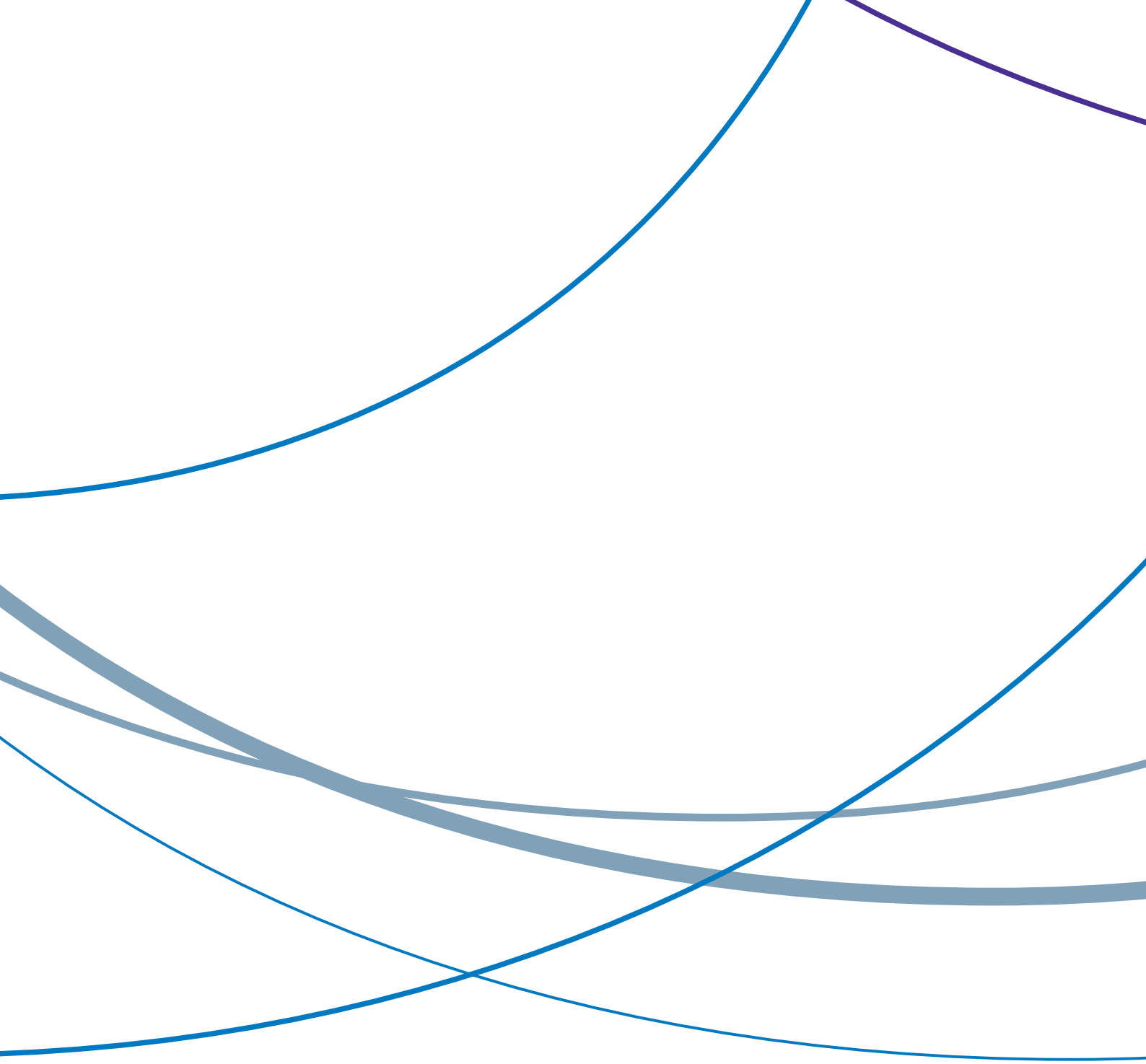
Base: Employers in construction contracting not offering apprenticeships

| Single prompted response | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 59 | 51 | 59 | 53 | 48 | 50 | 41 | 49 | 48 | 46 | 53 | 54 |
| Base count - weighted | 61 | 86 | 35 | 91 | 16 | 63 | 45 | 127 | 64 | 27 | 61 | 56 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **All staff are fully trained** | 8 | 1 | 9 | 15 | 8 | 31 | 21 | 21 | 8 | 11 | 22 | 28 |
| **Not enough / inconsistent work / future uncertain** | 8 | 13 | 22 | 4 | 8 | 20 | 13 | 17 | 11 | 16 | 24 | 9 |
| **Prefer to recruit fully trained / qualified staff** | 10 | 32 | 13 | 11 | 8 | 3 | 13 | 13 | 23 | 11 | 11 | 0 |
| **Not worth our time for the money we'd get** | 6 | 8 | 9 | 3 | 8 | 12 | 10 | 11 | 15 | 5 | 11 | 13 |
| **Fully staffed / don't need apps / business too small** | 6 | 8 | 9 | 11 | 8 | 5 | 8 | 7 | 16 | 11 | 7 | 9 |
| **Bad previous experience with apprentices** | 8 | 11 | 3 | 0 | 0 | 0 | 5 | 10 | 5 | 5 | 0 | 4 |
| **Nature of work not suitable / multi-skilled / specialist / no suitable apprenticeship course available** | 4 | 4 | 3 | 8 | 0 | 12 | 0 | 1 | 0 | 5 | 0 | 13 |
| **Don't know enough about them / what we'd have to do** | 12 | 4 | 3 | 3 | 8 | 8 | 5 | 7 | 0 | 0 | 4 | 0 |
| **Our jobs don't need staff to be that highly skilled** | 12 | 0 | 3 | 4 | 8 | 3 | 0 | 0 | 0 | 5 | 4 | 0 |
| **We don't take on young people** | 0 | 4 | 0 | 0 | 0 | 0 | 10 | 0 | 5 | 5 | 0 | 13 |
| **No young people have applied** | 2 | 0 | 0 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **They are not as good as they used to be** | 0 | 4 | 0 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 0 | 0 |
| **Health and safety / insurance etc.** | 2 | 0 | 6 | 0 | 0 | 3 | 0 | 0 | 0 | 5 | 0 | 4 |
| **Would like to start offering apprenticeships** | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 |
| **Other** | 2 | 8 | 9 | 8 | 23 | 0 | 0 | 3 | 5 | 0 | 4 | 0 |
| **Don't know / no particular reason** | 18 | 1 | 9 | 24 | 23 | 2 | 10 | 11 | 8 | 21 | 15 | 7 |

## Appendix Table 19: Likelihood of Starting Apprenticeships in the Next 12 Months

Base: Employers in construction contracting not offering apprenticeships

| Single prompted response | East Midlands | East | Northern Ireland | London | North East | North West | Scotland | South East | South West | Wales | West Midlands | Y&H |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Base count - unweighted | 59 | 51 | 59 | 53 | 48 | 50 | 41 | 49 | 48 | 46 | 53 | 54 |
| Base count - weighted | 61 | 86 | 35 | 91 | 16 | 63 | 45 | 127 | 64 | 27 | 61 | 56 |
| | % | % | % | % | % | % | % | % | % | % | % | % |
| **Very likely** | 5 | 3 | 6 | 0 | 6 | 0 | 0 | 3 | 0 | 4 | 2 | 0 |
| **Quite likely** | 10 | 21 | 14 | 11 | 0 | 5 | 18 | 0 | 5 | 8 | 5 | 4 |
| **Not very likely** | 22 | 24 | 14 | 0 | 31 | 43 | 16 | 24 | 16 | 12 | 13 | 21 |
| **Not at all likely** | 41 | 51 | 58 | 81 | 50 | 43 | 66 | 68 | 80 | 72 | 80 | 70 |
| **Don't know** | 22 | 0 | 8 | 8 | 13 | 10 | 0 | 4 | 0 | 4 | 0 | 5 |



Alliance
Sector Skills Councils