

Employer Attitudes and Motivations to Learning and Training – Northern Ireland (wave 6)

Research Report

prepared for

CITB NI / ConstructionSkills in NI and COI

by

IFF Research Ltd

August 2008

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1 Introduction

- 1.1 ConstructionSkills was established in September 2003, bringing together the Construction Industry Training Board (CITB), CITB Northern Ireland and the Construction Industry Council (CIC).
- 1.2 One of the overriding aims of ConstructionSkills is to ensure that the training and learning infrastructure across the UK reflects the needs of the industry in terms of quantity, quality and location of training, mode of learning and funding mechanisms. This requires that ConstructionSkills has a thorough understanding of the needs and practices of the industry relating to skill needs, learning and training.
- 1.3 ConstructionSkills has a varied programme of on-going research activity to meet these aims. The current research project aims to complement and enhance ConstructionSkills' existing research by providing an open and regular programme of employer consultation, allowing a reality check for anecdotal reports and enabling employer reactions to be gained on 'hot topics' of the moment. A particular aim was to enable a more comprehensive understanding of actual behavioural issues influencing the decision(s) to train, the route(s) taken and the method(s) used.
- 1.4 This document reports on the sixth wave of consultation, and focuses specifically on results in Northern Ireland. This consisted of 97 telephone interviews with employers (of which 5 were with the self-employed) covering the *traditional building sector* (sector 45 within the Standard Industrial Classification (SIC) codes, this sector labelled 'Construction' throughout the report), but also *Professional services firms* falling within the SIC code 74.2 and which includes architectural and engineering activities and quantity surveying.
- 1.5 The sample for the first wave of the research was drawn from a number of sources: the CITB's database of levy and non-levy payers (Northern Ireland), supplemented by the Experian database (mainly for the Professional services sector). The sample for wave 6 came from those agreeing at previous waves to take part in further research supplemented with a fresh sample from the same sources as used for wave 1.

- 1.6 At the UK level, quotas were set by region, size (number of staff employed directly in the UK) and by whether they were in the Construction or Professional services sector. Within country / region no specific quotas were set.
- 1.7 Results at the UK-wide level were weighted to ensure that on these variables survey results were representative. The one exception is the self-employed. Because of the vast number of self-employed, if these were weighted to their correct proportions the overall survey results would be completely dominated by the findings among this group. Hence they were weighted to a negligible proportion of the total sample (less than 0.5%) and in effect where we report overall results these are based on all *employers* (i.e. those currently employing other staff and hence excluding sole traders / the self-employed).
- 1.8 Where comparable data exists, results in this report are compared with results from earlier waves. These adopted exactly the same methodologies, although sample sizes UK-wide in waves 1-4 were around a thousand rather than the 1,500 in the current wave. Fieldwork dates have been as follows (these list the main month of fieldwork):
- Wave 1: February 2005
 - Wave 2: September 2005
 - Wave 3: June 2006
 - Wave 4: December 2006
 - Wave 5: August 2007
 - Wave 6: March 2008
- 1.9 The management summary follows. After that, the report is divided into a number of chapters:
- The profile of those interviewed
 - Business challenges and priorities
 - Drivers of productivity and performance
 - Sustainability in design and construction
 - Management and supervisory skills
 - Apprentices and CITB NI's / ConstructionSkills in NI's Managing Agency
 - The Inspire Scholarship Scheme
 - Training and views of providers
 - Foundation Degrees
 - Engagement with training initiatives and activities
 - Non-UK workers.

Caution in interpretation

- 1.10 It needs to be borne in mind that results presented in this report are based on a relatively low number of interviews (97) and should best be treated as indicative. On a base of c.100 interviews, sampling error is approximately +/- 10%, which means that statistically we are 95% confident that the true result lies within 10% of the reported survey result. Furthermore, results were not weighted to be representative of each country / region individually, hence there is no guarantee that the results presented are fully representative of the sector in Northern Ireland. Hence again some caution is needed with the interpretation of the results.

2 Management Summary

- 2.1 This report presents findings of the sixth wave of research examining construction sector employers' activities and views on a range of learning, training and related issues. The survey consisted of a telephone survey conducted from mid February to mid March 2008 among 1,504 employers across the UK of which 97 were with employers in Northern Ireland. The survey includes the self employed, as well as Professional services firms (SIC 74.2) alongside the traditional building sector.

Business challenges

- 2.2 The need to increase sales is the overriding challenge and was mentioned by 42% of employers spontaneously, a large increase from wave 5 (26%). Combined with fewer mentioning as a challenge obtaining skilled staff (11% from 18%) the results suggest a current or expected slow down in business activity.

Factors affecting performance

- 2.3 Of productivity drivers identified by the Department for Business, Enterprise and Regulatory Reform as key, skills development and training is rated as influencing company productivity by around half of employers (54%). It is viewed as somewhat less critical than the quality of the product or service, the efficiency of processes and activities or being able to seize new business opportunities, but much more influential on productivity than investment in new machinery or successful exploitation of new ideas.

Sustainable design and construction

- 2.4 Two thirds of employers (66%) had heard of the term sustainability in relation to design and construction and over two in five (42%) had worked on projects over the last 6 months involving sustainability. Awareness and involvement have increased compared with mid 2006 when the same questions were last asked (45% and 25% respectively). Awareness is at a similar level to that found UK wide but involvement is higher in Northern Ireland than found UK-wide (32%). This is mainly driven by high levels of involvement among Professional services firms in Northern Ireland (92% compared against 27% among Construction firms)

- 2.5 Reasons for involvement in sustainable projects / activities combine a mix of client or contractors requiring it (key for 85%), reacting to regulations (key for 64%), and hoping it would bring competitive advantage (62% became involved to improve their company's reputation). Those not involved usually indicated that they would be happy to do so but had not been asked by their clients (92%) or that it did not really apply for the type of clients that they have (50%). There is also quite widespread concern that it will add to costs. Quite a high proportion of those not engaged who have heard of sustainability would be interested in more information about it (51%). Across the industry as a whole there is also extensive interest in advice and guidance on how to implement it, and on training on the issue, and nine in ten employers say this might encourage them to become more involved.

Management and supervisory skill gaps

- 2.6 Just over a quarter of employers (i.e. excluding sole traders and the self-employed) feel that there are skills and attributes lacking among their management team which constrain business growth. Larger firms were particularly likely to be facing these management skill shortages. Gaps covered general management skills, industry-specific issues such as health and safety and technical skills, and generic skills (including IT and innovation / idea development).
- 2.7 Approximately half (46%) of employers have funded or arranged training in the last 2 years specifically aimed at developing management and supervisory skills. A key challenge is to encourage more small firms to undertake this type of training (40% of firms with 2-9 staff had undertaken such training compared with over 90% among those with 25 or more staff). The encouraging finding though is that more employers in Northern Ireland reported providing training to develop management and supervisory skills than was found UK-wide (24%).

Apprenticeships

- 2.8 Well over half of Construction employers had recruited an apprentice in the last two years (57%), higher than the figure at wave 5 (47%). While some employers that have not taken apprentices on in the last 2 years say nothing would persuade them to do so (14%), most are in principle willing. The factors most likely to encourage these employers to recruit apprentices are more funding (29%), if they had more work on and hence needed to recruit (28%), or better quality applicants (14%).

Training

- 2.9 Overall three quarters of firms (78%) said they had funded or arranged learning and training for any staff or people working for them over the previous 12 months (including informal and self learning as well as formal courses). The figure is heavily influenced by the proportion of firms with 2-9 staff that train (76%) – among larger firms the figure for those that train rises steeply - and if ConstructionSkills wishes to increase the proportion of firms in the industry that train then it needs to target small firms. This is simply because the proportion of medium and large firms that train is almost at saturation point.
- 2.10 Learning where a more experienced worker demonstrates techniques and passes on skills to less experienced workers is the most common means of delivering training, used by around three in four companies that train. Use of external providers of training such as private providers (used by 65%), of employers providing training, professional institutions (50%), FE colleges (45%) and manufacturers or suppliers (44%) is also common. A third of Construction sector employers training claimed to have used TASC in the last 12 months.
- 2.11 Satisfaction with training delivered by Higher Education institutions, private training providers and FE colleges was high, with over nine in ten satisfied. Among the 24 that had recently used TASC, four in five were satisfied (and 55% were very satisfied) but almost one in five (18%) were dissatisfied. It will be important to see if this is a one-off finding or a long lasting trend.

Foundation Degrees

- 2.12 When 20 potential subject areas were read to respondents, over 70% of employers described each as vital or important to be covered. Particularly key were health and safety (described as vital by 86%), building regulations (vital for 51%) and issues to do with waste (eliminating waste was considered vital by 43% and waste management was seen as vital by 41%).
- 2.13 Interest in Foundation Degrees is high (and much higher than found across the UK as a whole). Almost three quarters (73%) would find a candidate with a Foundation Degree attractive to their company, and almost half (48%) would want to train their staff to this qualification.
- 2.14 In terms of teaching methods day release is much preferred to block release, online study or distance learning, and in terms of venues a local venue or a centre based at a local construction site is much preferred to a national training centre.

Non-UK workers

- 2.15 Overall 20% of employers (rising to well over half those with 25 or more staff) currently employ or have employed over the last 6 months workers who are not UK citizens. This is higher than found in previous waves (14% in wave 5, 10% in wave 4). It is also far higher than found across the UK as a whole (8%) with only London region at similar levels (17%).
- 2.16 Many employers say the use of non-UK workers is not something that was planned (44%), though others pointed to it being a response to skill shortages (13%), while others liked using non-UK workers because they tend to be better motivated (9%).
- 2.17 Well over half (59%) of employers currently or recently using non-UK workers expect their use of non-UK workers (the proportion they make up of their workforce) to increase over the next 12 months, hence use of non-UK staff will clearly be a continuing feature of the workforce in Northern Ireland both among Construction and professional services firms.

3 The profile of those interviewed

3.1 In this short section we present the profile of the 97 employers interviewed. This is background information to show both the number of interviews on which results among sub-groups are based, and that the sample is broadly representative of the sector, though noting the point about the weighting of the self-employed made in 1.7.

Sample Profile		
	Number of interviews	Proportion weighted
<i>Number directly employed UK wide</i>		
Self-employed (one person only)	5	<0.5%
2-9	36	84%
10-24	18	8%
25-99	30	7%
100-249	4	<0.5%
250+	4	<0.5%
<i>Broad sector:</i>		
Construction	72	78%
Professional services	25	22%

3.2 Clearly most firms employing staff are small, with over four in five having fewer than 10 direct employees across NI.

Labour-only sub-contracting

3.3 Firms in the Construction sector were asked if they currently employed any staff on a labour-only sub-contract basis, such as the self-employed or those taken on via an agency. In total, 38% were currently employing labour-only sub-contractors, similar to results in previous waves (36% in wave 5 and 31% in wave 4). Slightly fewer Construction sector employers in Northern Ireland appear to use labour-only sub-contract workers than do so across the UK as a whole (44%).

4 Key business challenges and priorities

- 4.1 It is clearly important that CITB NI / ConstructionSkills in NI understand the key challenges that businesses in the sector face so that policy and communication can be orientated towards issues that matter to employers. It is also key to see the extent to which the core areas of CITB NI / ConstructionSkills in NI, namely learning, training and skills, are seen as critical or not to employers themselves. This will give an indication of how easy or difficult it will be to get key messages across. To this end respondents were asked to say spontaneously what the key challenges were facing their business.
- 4.2 Results are presented in the following table, which shows in the middle column responses given by at least one in twenty of those employing staff (i.e. excluding the small number of self-employed respondents). The first column shows comparable figures from the previous wave. The final column shows comparative UK figures for the current wave of research.

Main key challenges (spontaneous)			
	Northern Ireland		UK
<i>Base: all employing staff</i>	Wave 5 (78) %	Wave 6 (92) %	Wave 6 (1,391) %
Need to increase sales	26	42	21
Dealing with economic fluctuation	5	13	2
Finding suitably skilled staff	18	11	18
Need to increase profitability	3	8	7
H&S compliance	1	5	2
No particular challenges	19	23	19

- 4.3 The main challenge for employers in Northern Ireland is the business imperative of getting more work / increasing sales, a factor mentioned spontaneously by 42% of employers. The proportion mentioning this is much higher than in previous waves, and much higher than in the UK generally, and together with the increase in the proportion mentioning the challenge of

dealing with economic fluctuations, the findings point to something of a downturn or expected downturn in the sector in Northern Ireland.

- 4.4 Clearly in busy periods demand is high for a limited number of skilled staff. In quieter periods the problem of finding skilled staff is less of an issue. Confirming indications of a slow down, in the current wave fewer mention finding skilled staff as a challenge (11%) than in the last wave (18%) or across the UK as a whole (18%).

Priorities for meeting future business needs

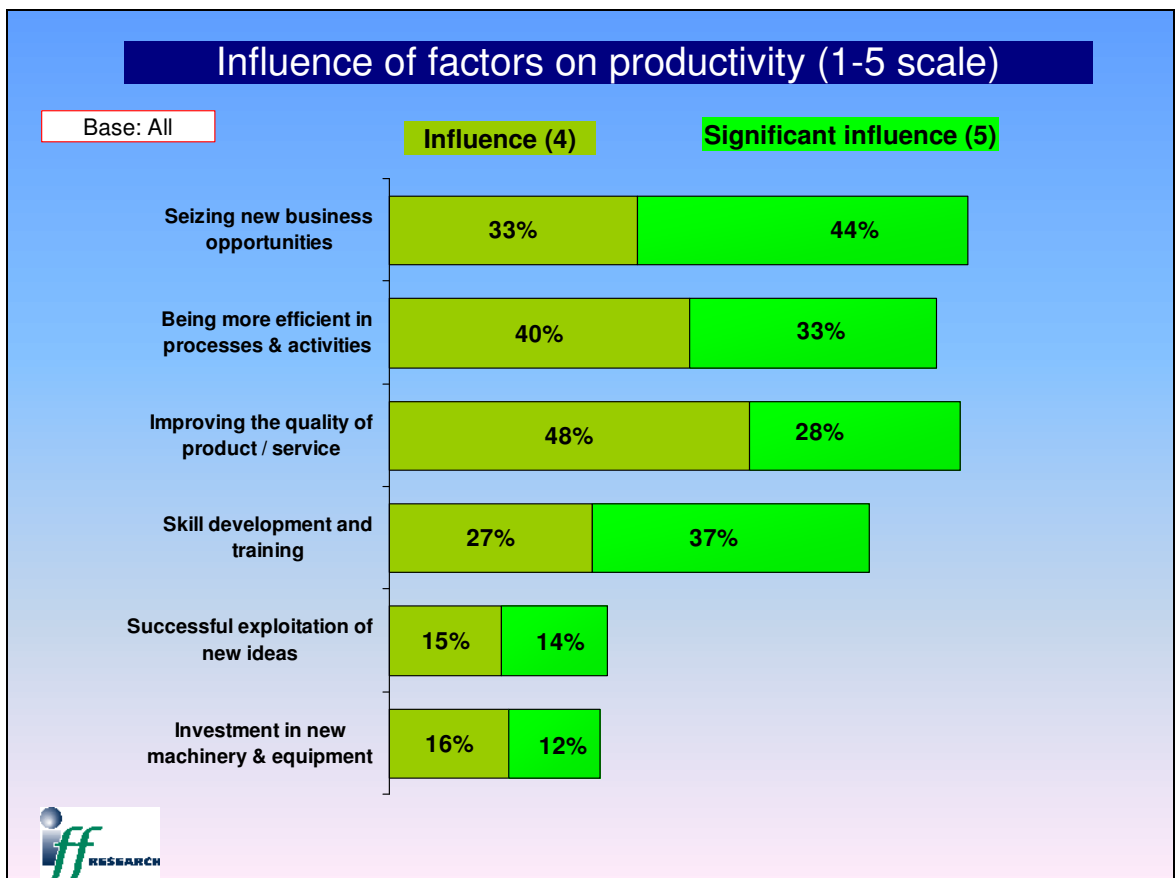
- 4.5 All employers were asked to rate the degree to which “training new entrants”, “qualifying the existing workforce” and delivering “management training” are priorities in the context of meeting their future business needs.
- 4.6 Training the existing workforce and training new entrants are considered of roughly equal importance, and rated as a high priority by between a half and three-fifths of employers. In contrast, only around a quarter see management training as a key priority, indeed almost the same proportion regard it as a low priority.
- 4.7 Results are summarised on the following table which shows row percentages for Northern Ireland, with comparative UK figures in brackets. For simplicity, those answering don’t know are not shown.

Priorities for meeting business objectives (prompted) – UK figures in brackets				
<i>Base: all employers Northern Ireland (97); UK (1,500)</i>		High priority	Medium priority	Low priority
<i>Row percentages</i>				
Qualifying the existing workforce	%	58 (37)	30 (38)	11 (25)
Training new entrants	%	52 (50)	31 (26)	14 (23)
Management training	%	24 (17)	53 (42)	22 (41)

- 4.8 Priorities are somewhat different in Northern Ireland than the rest of the UK, with a higher importance among Northern Ireland employers attached to qualifying the existing workforce.

5 Drivers of productivity and performance

- 5.1 In this short chapter we show results on a question asked for the first time in wave 5 examining the factors affecting performance and productivity. The question wording was changed slightly between the two waves, and some additional factors were asked about in wave 6, hence we just show results for the current wave.
- 5.2 The productivity factors discussed with each employer relate to those endorsed by the Government for improving productivity in the UK across all sectors, namely investment, innovation, skills, enterprise and competition. For each of the six factors employers were asked to say how much they influence the productivity of the company on a scale of 1-5 where 1 was low influence and 5 was a significant influence. Results are summarised on the following chart, showing those saying they have a significant influence or some influence. Factors are presented in descending mean score order of importance.



- 5.3 Seizing new business opportunities is the area most likely to be felt to influence productivity and performance, mentioned by around three in four employers (and by just over two in five as being a *significant* influence).
- 5.4 A similar proportion see being more efficient in processes and activities, and improving the quality of products and services, as influencing productivity and performance, though fewer than in the case of seizing new business opportunities feel this is a significant influence.
- 5.5 Around two thirds see skill development and training as influencing productivity (64%), with approaching two in five regarding it as a significant influence. Larger employers (with 25 or more staff, but particularly those with at least 100 staff) and Construction firms are more likely than average to see skill development as affecting company performance.
- 5.6 In comparison only around three in ten see investment in new machinery and equipment, and successful exploitation of new ideas, as influencing the productivity and performance of their firm.
- 5.7 Results are broadly in the line with those across the rest of the UK, with skill development 'mid-table' and investment in new machinery / equipment and successful exploitation of new ideas least influential. However seizing new business opportunities was described as influential by more employers in Northern Ireland (77%) than across the UK as a whole (56%), perhaps reflecting anxiety about levels of sales (see the previous chapter on business challenges).
- 5.8 Overall, the conclusion is that skills and training matter to most employers in that they are widely seen as affecting productivity and performance, hence the industry should be receptive to the broad aims of CITB NI's / ConstructionSkills in NI's agenda.
- 5.9 While most firms are able to say what influences productivity for their firm only around one in six (17%) say they actually have a formal measurement system for their productivity performance.

6 Sustainability in design and construction

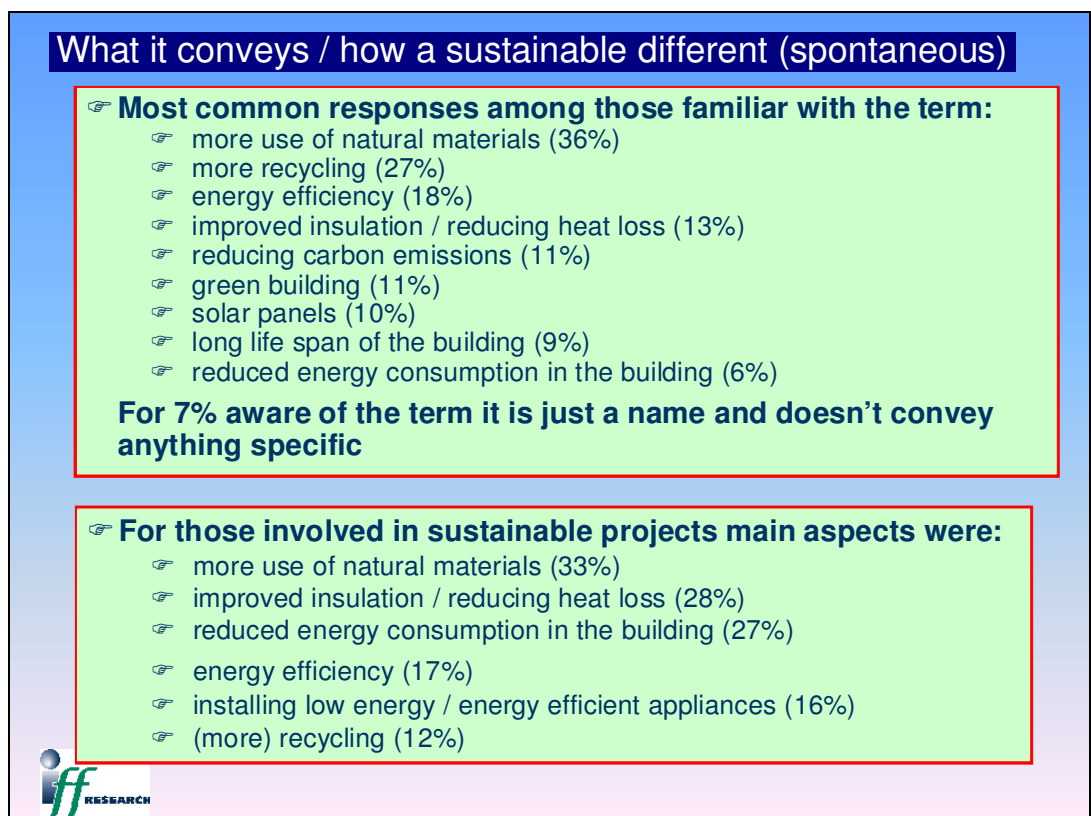
- 6.1 The longest individual section of the questionnaire was devoted to questions on sustainable design and construction, covering awareness and understanding of the term, involvement and reasons for being involved, what might encourage more involvement, the extent to which employers think it will become more important, and any skills implications. Similar questions were asked in wave 3 (June 2006), and throughout the chapter comparisons are made with these earlier findings.
- 6.2 Sustainability was described as follows: *“the creation of buildings and infrastructure to shape communities in a way that sustains the environment, generates wealth over the long term and enhances the quality of life for people.”*

Awareness and involvement

- 6.3 Overall two thirds of employers (66%) had heard of the term sustainability in regard to design and construction, and over two in five employers (42%) said they had been involved in a project involving sustainability over the last 6 months. These figures show large increases from mid 2006, when 45% had heard of sustainability and 25% had been involved in a project in the previous 6 months involving sustainable design and construction.
- 6.4 Awareness is at similar levels as found across the UK (68%), though results suggest that more employers in Northern Ireland have had recent involvement in sustainable projects than found UK-wide (32%).
- 6.5 Awareness and involvement generally increases with size of firm, and among those with 100 or more staff three quarters had been involved in projects using sustainable techniques in the last 6 months.
- 6.6 Awareness and involvement is much higher among Professional services firms than Construction firms. Nearly all Professional services firms had heard of sustainable design and construction (98%) and been recently involved in such work (92%). Among Construction firms ‘only’ 27% had recently been involved in such projects.

What 'sustainability' conveys

- 6.7 Those that had heard of sustainability were asked what it conveys to them and how a project incorporating sustainable design and construction would be different from one that did not. Similarly those involved in recent projects incorporating sustainable design or construction were asked what the main sustainable elements had been. Both were spontaneous (i.e. unprompted) questions. Results are summarised on the following chart.
- 6.8 The upper box shows the main responses given regarding what sustainability conveys and how a sustainable project would be different (among those aware of the term), the second box summarises the main responses on what elements of recent projects have exhibited sustainable design or construction (among those involved in such projects in the last 6 months).



- 6.9 Sustainability is most commonly associated with more use of natural materials, followed by a series of elements to do with energy efficiency, insulation and more recycling. Hence overall responses tend to mix both the construction process and what is actually then constructed.

- 6.10 In terms of how recent projects had incorporated elements of sustainable design and construction, the list of items mentioned was very similar to that raised in connection with awareness, with greater use of natural materials, improved insulation / reduced heat loss and various other elements of energy efficiency being discussed.

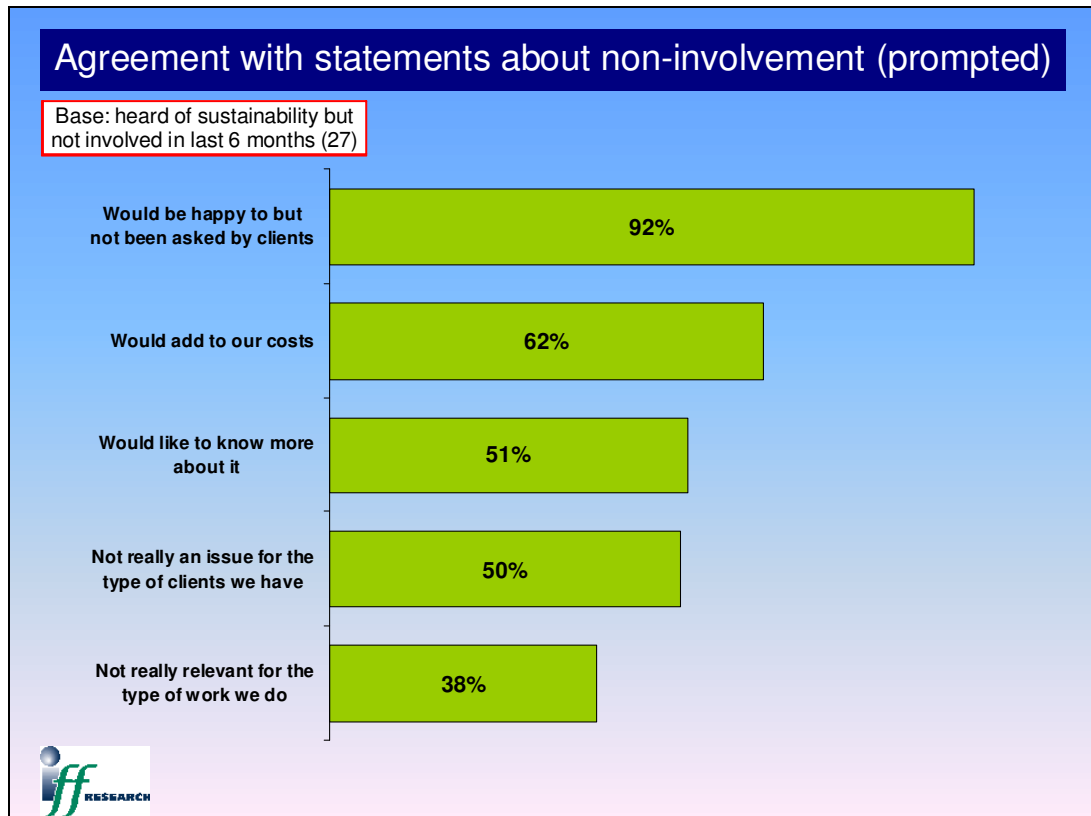
Reasons for involvement or not in sustainable development

- 6.11 Those involved in sustainable design and construction (a base of 28 respondents) generally indicate as reasons for involvement a mix of:

- clients or contractors requiring it (85% said this was key)
- it being a requirement of legislation / regulations (64% said this was key)
- for business advantage (62% said a key reason was improving their company reputation and 43% said helping them win business over their competitors was key)

Less critical is it being good for the environment – 98% say this was a factor in their involvement though relatively few (still 39%) say this was key.

6.12 Those that had heard of sustainability but had **not** been involved over the last 6 months were read a series of statements relating to possible reasons for their non-involvement and asked which, if any, applied. Results are summarised on the following chart.



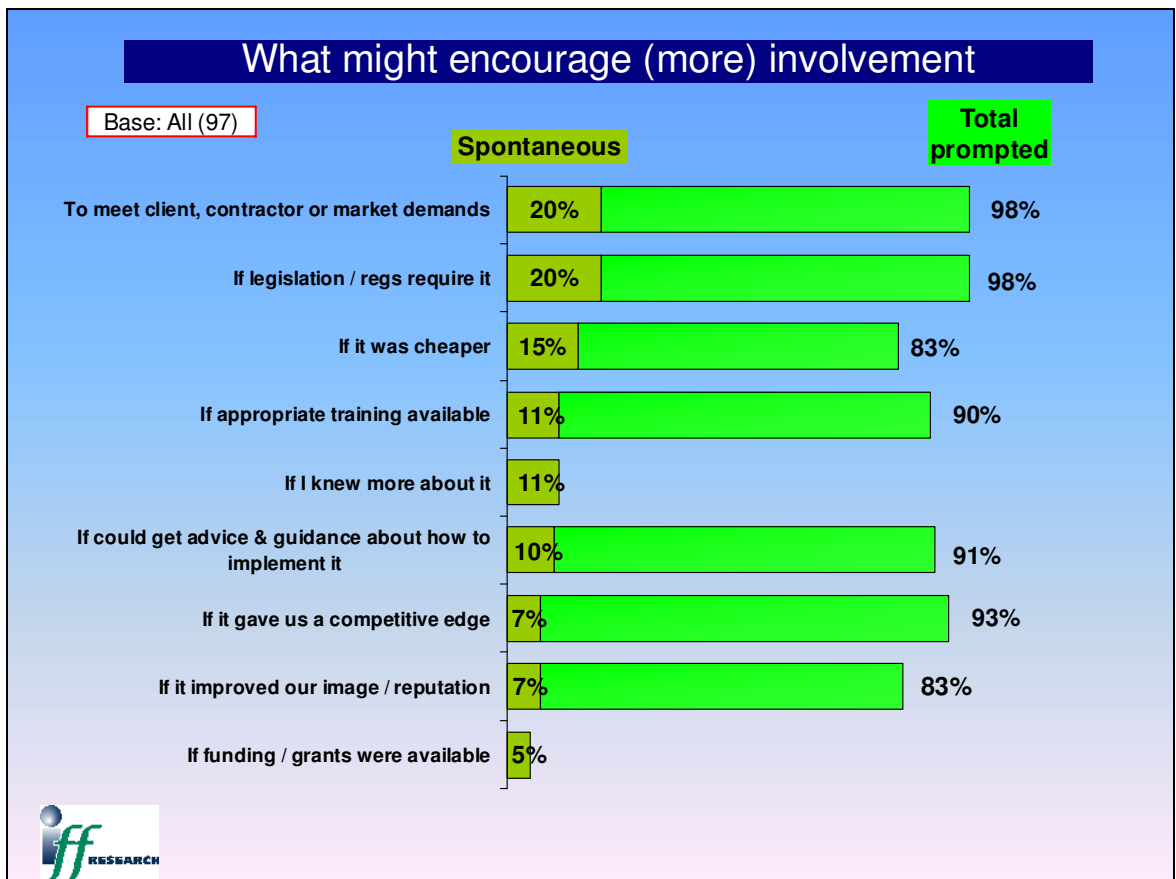
6.13 The importance of clients or contractors requiring it as a reason for getting involved in sustainable practices is evident in the fact that around nine in ten of these employers not (recently) engaged with sustainable practices say they would be happy to get involved but have not been asked by clients. Confirming this, quite large proportions say it is not really an issue for the type of clients that they have (50%) or the type of work that they do (38%).

6.14 Approaching two thirds of non-engaged employers (62%) indicate that a fear that building in this way would add to the costs (and therefore make them less competitive or profitable) is a barrier to involvement.

6.15 Half of those that have heard of sustainability but who have had no recent involvement would like more information on the subject, indicating quite high levels of interest. Results suggest that a key area of focus should be on pointing out where and how sustainability can be built into a project cost-effectively (either at little extra cost in the building process, or where this can be passed on to an end client, for example because of the longer term savings through better energy efficiency).

What might encourage (more) involvement in sustainable design and construction

6.16 All respondents were asked to say spontaneously what might encourage their company to become involved, or more involved, in this area. Following this a list of possible factors were read out, and employers were asked if each would have an impact. Results are summarised on the following chart, with factors ranked in descending order in terms of spontaneous mentions.



6.17 Confirming the importance of it often being client / contractor and / or legislation-led, the most common spontaneous responses, each mentioned by one in five, was that they would become (more) involved in sustainable design or construction if the market or if legislation / regulation required it. Around one in six mentioned spontaneously that if it was cheaper it would act to increase involvement.

6.18 The effect of more training being available is evident in that one in nine employers spontaneously said if more training was available it would be likely to make them get more involved in sustainability, and one in ten said more information, advice and support would have this effect. Both suggest potential areas of activity for CITB NI / ConstructionSkills in NI.

- 6.19 Once prompted, each factor on the previous chart was thought to be likely to be influential by the vast majority of employers. This includes the availability of appropriate training, and the availability of advice and guidance about how to implement sustainability, each mentioned by nine in ten once prompted.

The role of sustainability in the coming years and the skills implications

- 6.20 While we have seen that less than half of employers (42%) had been involved in projects involving sustainable design or construction in the last 6 months, the vast majority of employers (94%) believe that sustainability will become more important for winning business over the next few years, indeed almost half (47%) believe it will become *much* more important. (In wave 3 in mid 2006 almost the same proportion of employers, 93%, felt that the issue would become more important for winning business. Clearly then the issue continues to remain high on the agenda.)
- 6.21 All those currently or recently involved believe that sustainability will increase in importance, and over half (54%) of these employers believe the issue will become *much* more important for winning business in the coming years. Perhaps the surprising thing though is the extent to which those not currently involved, and those who had not heard of the term before the interview when the concept was briefly explained to them, both believe its importance will increase. For example of the 21 respondents that had not heard of sustainable design before the interview, once explained just over four in five felt the issue would become more important for winning business.
- 6.22 Three quarters of those expecting the issue to grow in importance for winning business think this will affect the types of skills they need as a company (73%). This is an increase compared with the equivalent wave 3 results (64%), suggesting as involvement with sustainable design and construction deepens, so has understanding that it carries with it skills implications.

6.23 The main areas where the skills or knowledge related to sustainability were expected to increase were as follows (percentages are based on those employers who think sustainability will grow in importance and that this will bring with it skills implications, a base of 55 respondents). It should be noted that many employers were unsure exactly what the skills implications would be (23%):

- Designing and specifying materials from sustainable / renewable sources [Design] – 23%
- Awareness of environmentally sound solutions and technologies [Innovation] – 23%
- Planning work to minimise energy use [Energy efficiency] – 22%
- Installation – 16%
- More awareness of local environment issues [Liaison] – 15%

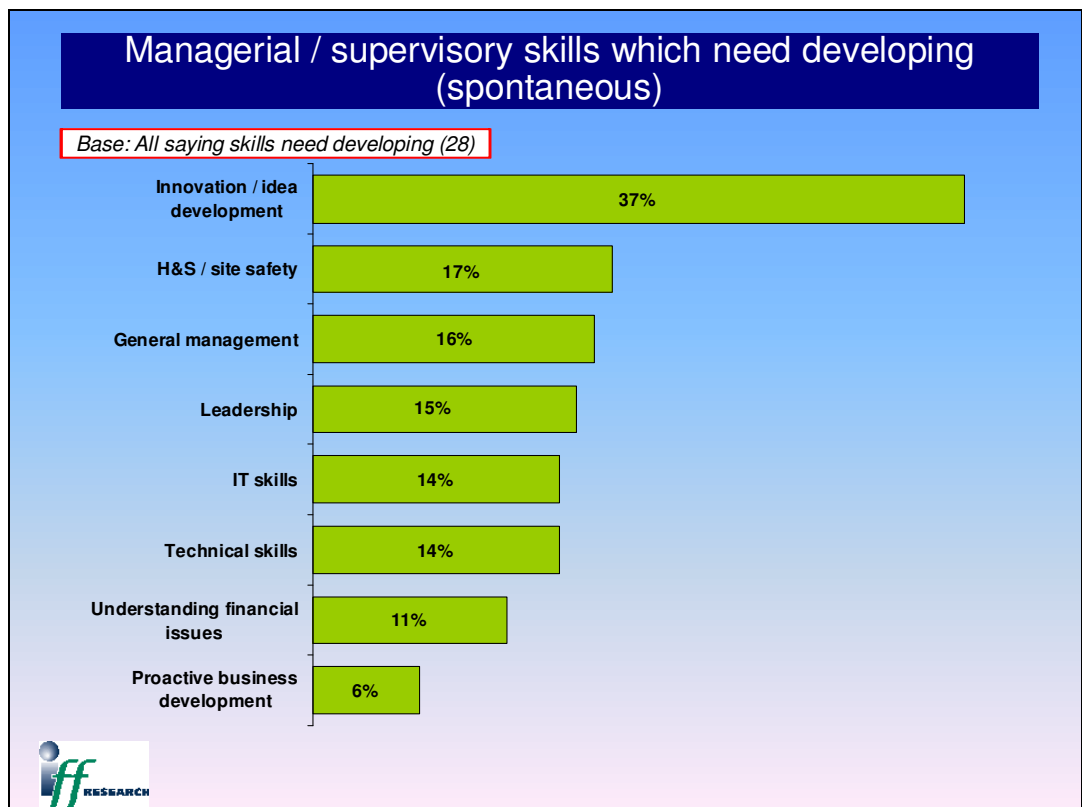
7 Management and supervisory skills

7.1 IFF Research conducted a study for CITB NI / ConstructionSkills in NI in 2007 looking specifically at the issue of management and supervisory training needs. This involved 300 interviews with employers in Construction and Professional Services, with fieldwork conducted from mid July to mid August 2007. The current survey provides the opportunity to compare headline findings, admittedly among a smaller number of employers, and with only a small number of questions on the topic (compared with the 2007 study which was dedicated solely to the issue).

Skills lacking among managers and supervisors

7.2 Just over a quarter of employers (i.e. excluding sole traders / the self-employed) feel that there are skills and attributes lacking among their management team which constrain business growth (28%). Larger firms (over half of those with 100 or more staff) were particularly likely to be facing these management skill shortages, as were federated employers (40% v. 13% among other employers).

7.3 The following chart shows the management skill gaps which are felt to be lacking. A relatively low base of 28 employers should be noted.



- 7.4 The skills that employers tend to cite as lacking in their management team mix general management skills (for example leadership), industry specific issues (health and safety, and technical skills), and generic skills (innovation and IT skills). Innovation and idea development was the most common management skill gaps, mentioned by 37% of these employers (equivalent to 10% of *all* employers). This factor was mentioned by very few UK wide (just 4% of those employers identifying skill needs amongst their management team).
- 7.5 The questions asked on the management and supervisory skill needs survey in 2007 were posed in a slightly different way. Respondents were read a list of potential skill areas and asked for each if a gap existed between the skills the business needs and the skills of the existing management team. Asked in this prompted way *all* employers recognised that some such gaps exist in their management team. Asked in this prompted way there was more emphasis on issues relating to understanding and keeping up to date on legislation, covering Health and Safety, employment and environmental legislation but also understanding of contracts, and relative to these fewer mentions of gaps in regard to innovation.
- 7.6 Around half (46%) of employers say they have funded or arranged training in the last 2 years specifically aimed at developing management and supervisory skills (this is broadly consistent with the 37% providing training to their management team in the last 12 months found in the 2007 management and supervisory skill needs survey in Northern Ireland. All those with 100 or more staff had provided such training, and 90% of those with 25-99 staff had done so, emphasising that the key challenge is to persuade smaller employers of the needs and benefits of this kind of training. Still, it should be noted that the proportion of Northern Ireland employers providing management and supervisory training was almost twice the level found UK-wide (24%).

8 Apprentices

8.1 In this chapter we consider formal Apprenticeships in the Construction sector (i.e. excluding Professional services firms).

The proportion of employers recruiting apprentices

8.2 Well over half of employers (57%) have recruited apprentices in the last two years, a figure which is higher than the proportion in wave 5 (47%), and much higher than found UK-wide in the current wave (31% - indeed in London, the West Midlands and Wales the figure was between 15% and 19%).

8.3 There is a very clear size effect, such that the larger the company the more likely they are to have recruited a recent apprentice. All those with 100 or more staff had done so, compared with 70% of those with 10-99 staff and 54% of those with 2-9 staff.

8.4 Those that had not taken on any apprentices recently (a base of 28 respondents) were asked what might encourage them to do so.

What might encourage employers to take on apprentices	
<i>Base: Construction sector employers that had not taken on apprentices in the last 2 years (28)</i>	
If more funding available	29%
If were busier / had more work	28%
Having applicants with the relevant skills / experience	18%
Nothing	14%
Don't know	9%

8.5 While some said nothing would persuade them (14%), most employers were in principle open to the idea. The availability of more funding (29%) and being busier (28%) were the key factors, while others would be influenced by higher quality potential apprentices.

8.6 The following quotes illustrate some of the themes discussed.

“Getting quality apprentices: the person should be willing and show motivation to work.”

“Getting financial aid from the government”

“If they were willing to work and learn the trade”

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9 Inspire Scholarships

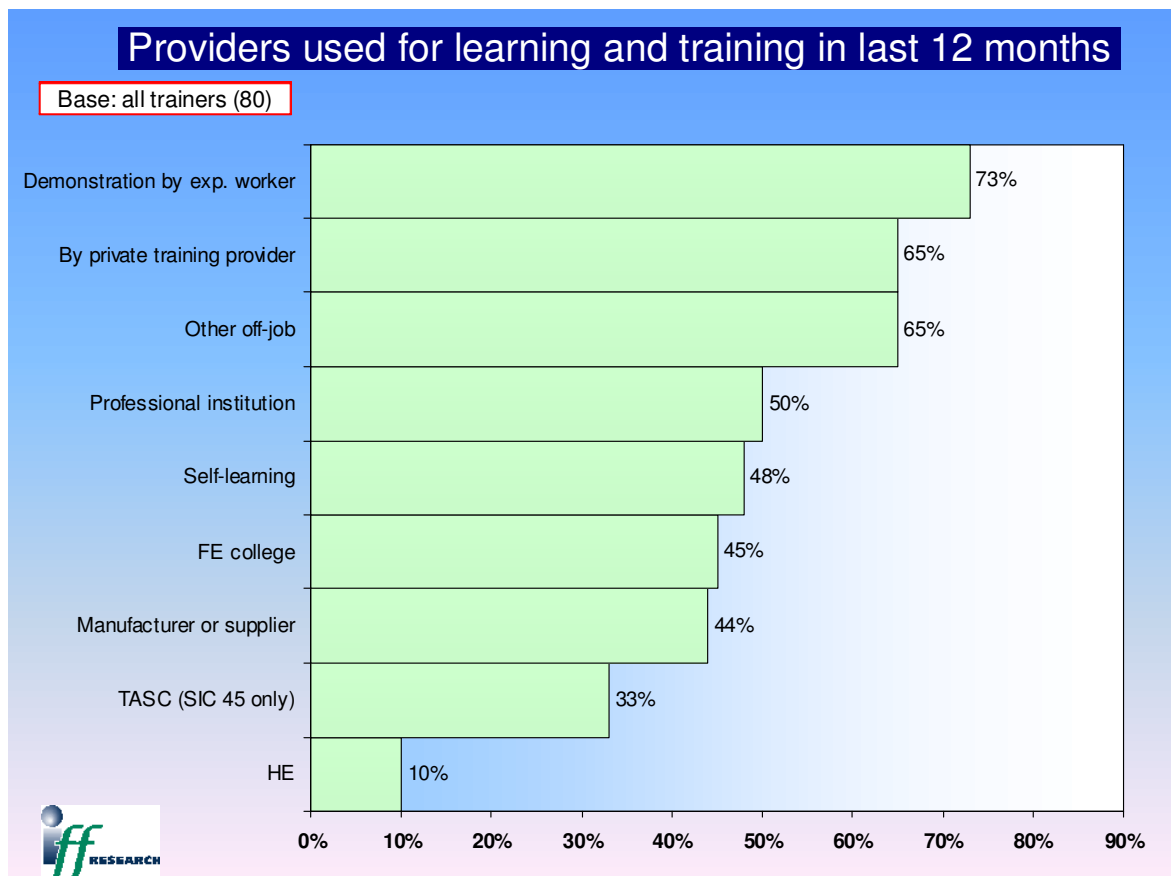
- 9.1 All Construction companies were asked a series of questions relating to awareness and interest in the Inspire Scholarship scheme. The scheme is only likely to appeal to employers taking on graduates, hence questions were first asked about whether they had taken on graduates in the last 2 years, and whether they had a formal graduate training programme.
- 9.2 Overall 7% of Construction companies had taken on a recent graduate in the last two years, and 12% have a formal graduate training scheme. Both are much more common among larger firms.
- 9.3 Overall 5% of respondents had heard of the Inspire Scholarship Scheme, slightly lower than the 7% found UK-wide.
- 9.4 After the Inspire Scholarships were briefly explained to respondents, almost two in five (37%) said they would be interested in using the scheme, almost twice the level found UK-wide (20%). As one would expect interest was more pronounced in companies who had recruited graduates in the last two years (78% on a base of 13 employers) and those with formal graduate training schemes (98% on a base of 6 employers).
- 9.5 Overall the results indicate that there is a relatively high level of interest in the Scheme among employers, especially larger employers, and potential to expand the scheme if it is more widely promoted.

10 Training provision and views of providers

- 10.1 In this chapter, we look at the extent of training activity in terms of:
- The proportion of employers that train
 - The methods and types of provider used
 - Satisfaction with different types of external training provider
 - Usage and views of Training and Assessment Services for Construction (TASC)
- 10.2 Overall 78% of firms said they had funded or arranged learning and training for any staff or people working for them over the previous 12 months. This includes informal and self learning as well as formal courses. The figure is higher than found at wave 5 (60%) though the figure then excluded Apprenticeship training which was dealt with separately, and higher than found UK-wide for the current wave (69%).
- 10.3 The result among Northern Ireland employers is heavily influenced by the proportion of firms with 2-9 staff that train (76%) – among larger firms the figure for those that train rises steeply to 91% among those with 10-24 staff and over 95% where 25 or more staff are employed. As found in previous waves, Professional services firms are more likely to train than Construction firms (99% compared with 73%).
- 10.4 One clear message is that if CITB NI / ConstructionSkills in NI wishes to increase the proportion of firms in the industry that train then it needs to target small firms with fewer than 10 staff. This is simply because the proportion of medium and large firms that train is almost at saturation point. (This is not to say that this would necessarily be the best way of increasing the *proportion of staff* trained and it may well be easier to stimulate more training activity in firms that already train than to convince non-trainers to move into this area of activity).

How training is delivered and satisfaction with providers

10.5 Those providing training were read various methods for delivering learning and training and asked which they had used over the last 12 months. Results are summarised on the following chart.



10.6 Learning where a more experienced worker demonstrates techniques and passes on skills to less experienced workers is the most common means of delivering training, used by around three in four companies that train (73%).

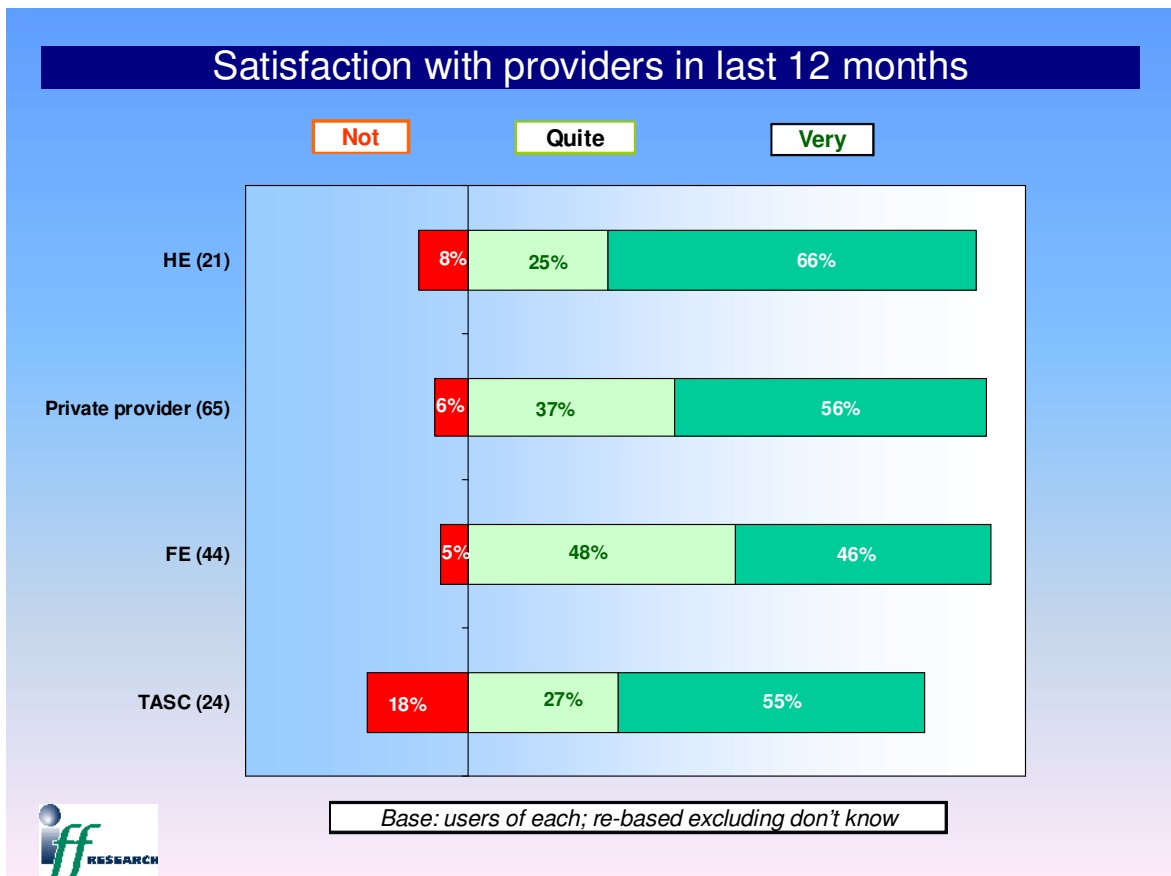
10.7 However, there is extensive use of private providers (65%), professional institutions (50%, rising to 69% among Professional services firms that train), FE colleges (45%) and manufacturers / suppliers (44%). Self-learning using books, manuals, CD-ROMS or other materials is also common, and almost half (48%) of firms that train had used this method of learning for their staff in the last 12 months. This is much more likely to be used by Professional services firms than Construction firms (77% v 37%).

10.8 A third of Construction sector employers that train (33%), equivalent to almost a quarter of all Construction employers that we spoke to, said they had used TASC in the last 12 months. This is little changed from wave 5, when 36% of Construction sector employers that train said they had used TASC.

10.9 Use of manufacturers / suppliers and professional institutions have increased considerably compared with wave 5 findings, while fewer have used self-learning.

Satisfaction with training providers

10.10 Those using private providers, FE, HE or TASC or other private providers were asked how satisfied they have been with the quality of provision delivered by these providers. Results are shown in the following chart, based on those giving a rating (i.e. excluding those answering don't know).



10.11 Clearly for each type of provider satisfaction levels are high, and for HE, private providers and FE more than nine in ten were satisfied.

10.12 Results are less positive for TASC, with 18% dissatisfied, compared against 55% very satisfied. Compared against wave 5 (when 18 respondents had used TASC) the proportion very satisfied has increased (from 41%) but the proportion dissatisfied has also increased (from 3%). It will clearly be important to monitor satisfaction over coming waves to see if these findings are a one-off or more persistent.

11 Foundation Degrees

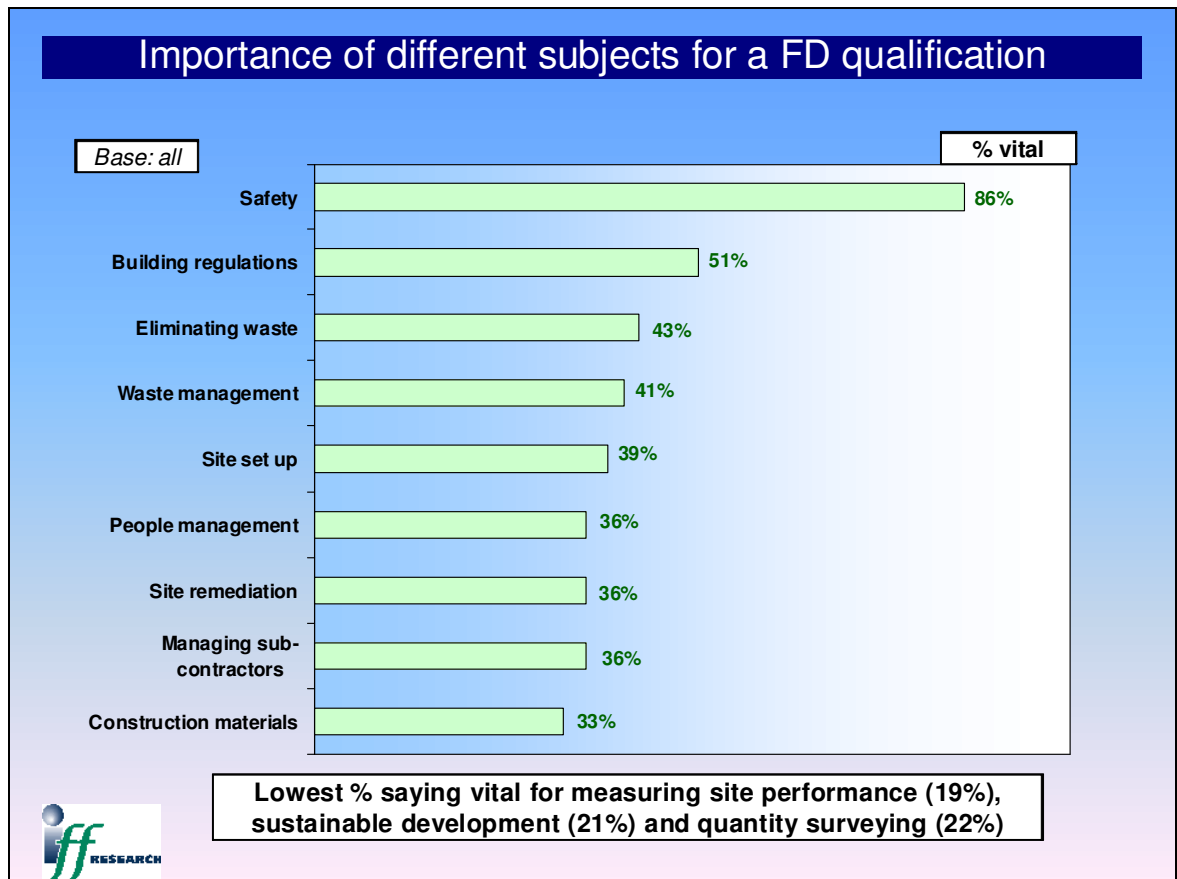
11.1 In this chapter we look at results relating to the content and delivery of, and interest in, Foundation Degrees. These were introduced to respondents as being a work-based qualification which will provide a progression route to help skilled workers, supervisors and site managers gain a qualification in construction management, also providing those interested with a progression route to complete a BSc in Construction Management.

Content of a Foundation Degree

11.2 All respondents were read a list of 20 potential subject areas and asked whether they thought it vital, important, neither important nor unimportant or not important that each be included in the qualification.

11.3 On all subjects at least 70% of employers thought it vital or important that they be included, and for all except three areas at least 80% thought it vital or important. The three of relatively least interest were accounting (thought to be vital or important to 71%), estimating (79%) and quantity surveying (79%).

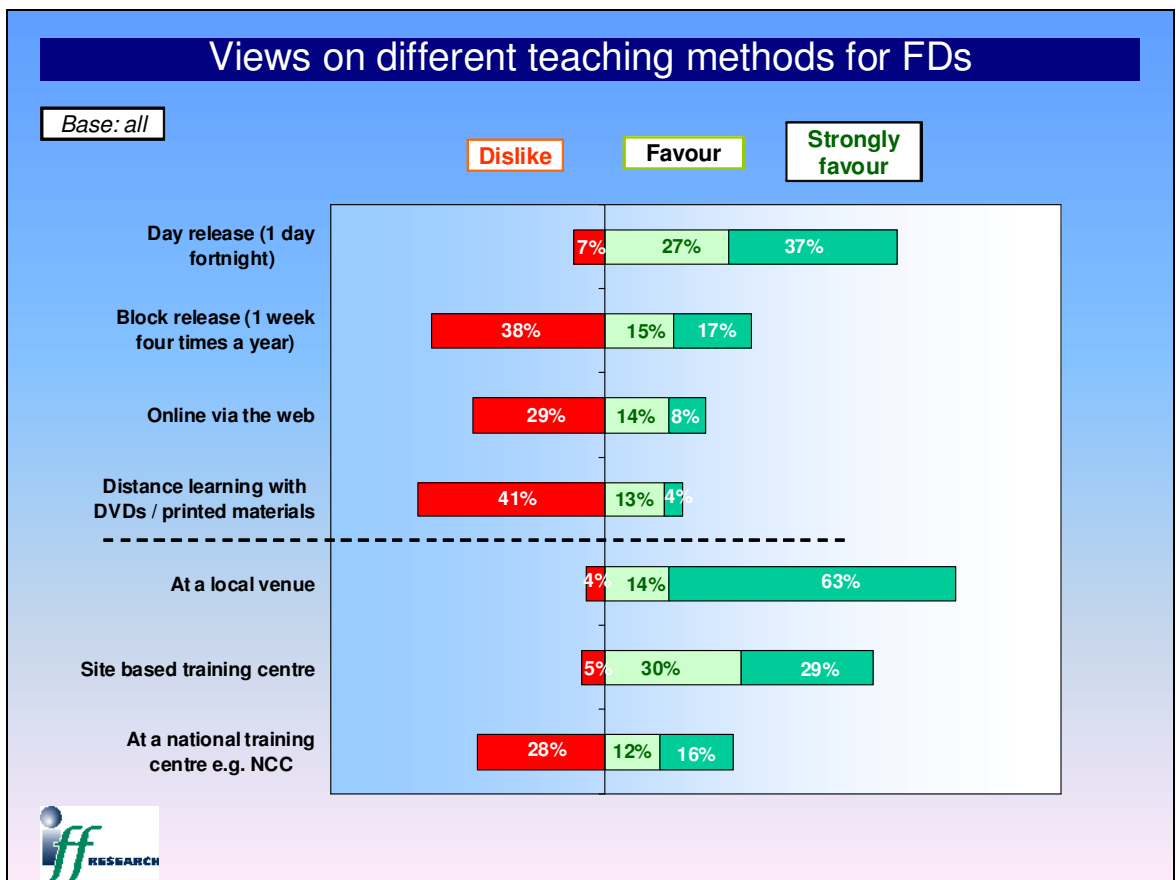
11.4 Because the proportion indicating that each area is at least important is so high, the proportion saying each is vital is more useful in determining the perceived relative importance of each - though clearly the overall conclusion is that the vast majority of employers believe that all 20 subjects are important to include. Results for the subjects with the highest proportion thinking each vital are shown on the following chart.



11.5 Almost all employers think it vital that safety is included in the qualification, and half think the same about building regulations. Issues around waste (eliminating waste and waste management) also feature highly, each felt to be important by just over two in five employers. Following these, as shown on the chart, a number of measures are felt to be vital to include by between a third and two in five employers.

Teaching methods

11.6 Employers were told that the Foundation Degree will combine work-based learning, site experience, project work and a minimal amount of time in college, and asked their preferred methods in relation to the taught element of the programme. The list mixed the form of release, the location of the training, and interest in on-line and distance learning methods. Results are summarised on the following chart. Percentages do not add to 100% for each area since those saying they were neutral about each method or unsure have not been shown – the figures show those with a view either way.



11.7 Day release is favoured over block release, on-line learning over the web or distance learning using DVDs or printed materials. Almost two thirds (65%) say they favour day release (and 37% strongly favour this method of delivery for the taught element of Foundation Degrees). For block release and online learning more dislike than favour that method of delivery, though the proportions are relatively close, but for distance learning many more dislike it (41%) than are favourable (17%).

- 11.8 As to the location of training, a local venue (described as being within 25 miles) is strongly favoured (63% favour this *strongly*, and only 4% dislike this option), and site-based training (delivered at a training centre linked to a local construction site) is also well received, especially by Construction companies (35% of whom *strongly* favour this method), though still well over half of Professional services firms like this method. In comparison views on training delivered at a national training centre such as a large private provider was more mixed: and the same proportion disliked this as liked it (28% - many (40%) were neutral about this mode of delivery).
- 11.9 The pattern of responses in Northern Ireland is similar to those found across the UK as a whole.

Interest in Foundation Degrees

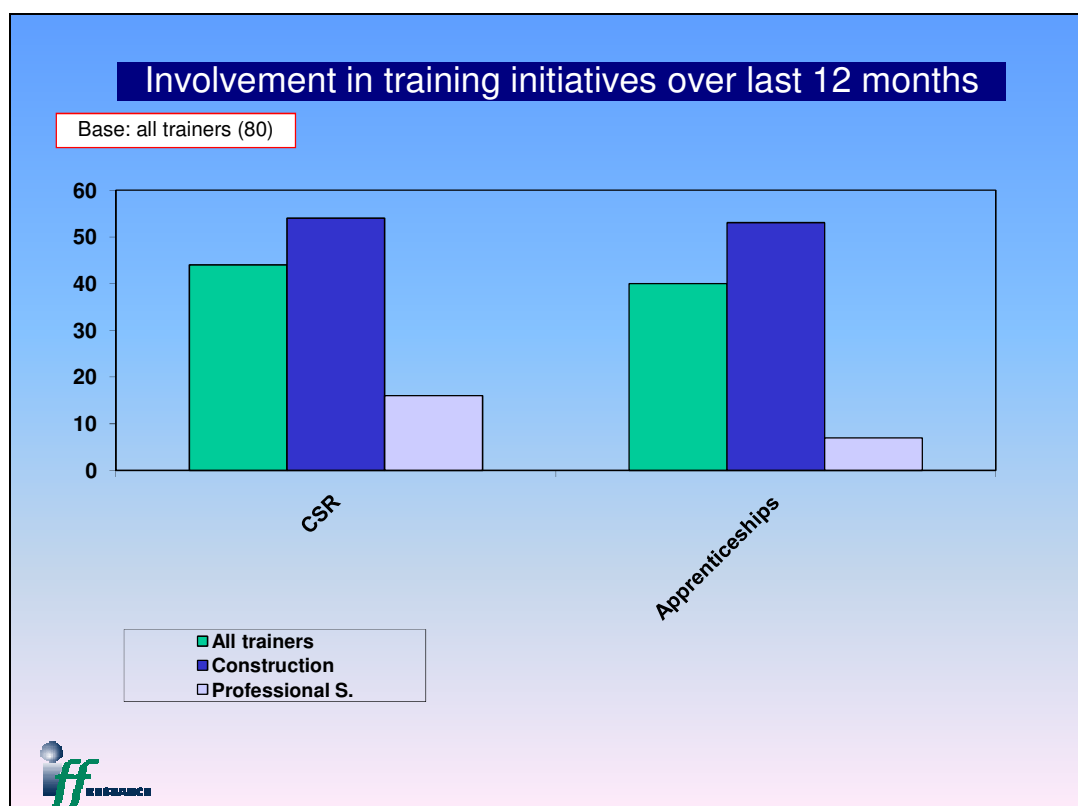
- 11.10 Interest in Foundation Degrees is reasonably high. Almost three quarters (73%) would find a candidate with an FD attractive to their company, and almost half (48%) would want to train their staff an FD qualification. Interest among employers in Northern Ireland is much higher than found UK wide (comparative figures were 45% and 28% respectively).
- 11.11 Construction employers show more interest in Foundation Degrees than Professional services firms and are twice as likely to say they would train their own workforce to Foundation Degrees (53% compared with 27% among Professional services firms). There was no clear pattern by size of firm.
- 11.12 As an open-ended question, all employers were asked what it is important for CITB NI / ConstructionSkills in NI to do to make sure Foundation Degrees are a success for the industry. Many employers found this hard to answer (34% replied don't know), but the key areas raised were:
- It needs to be a practical, certainly not purely theoretical qualification, with plenty of emphasis on on-site experience. Over a third gave responses of this sort.
 - The Foundation Degree needs to be accessible (7%).
 - A number of employers thought it important for the success of the qualification that it attracts the right people and that there is a good selection process (6%)
 - That it is important that the funding arrangements are clear, and that it is financially viable (6%).

12 Engagement in training initiatives / activities

12.1 Employers that had arranged training for any staff over the previous year were asked about their use of training initiatives and activities that CITB NI / ConstructionSkills in NI promote.

12.2 As the chart below shows, around two in five employers that train have been involved with CSR cards (44%) and traditional apprenticeships (40%).

12.3 Construction employers that train are considerably more likely to have participated in these initiatives / activities than Professional services firms, as shown on the following chart.



12.4 As would be expected, a pattern also emerges by size of employer, with trainers with 10 or more staff considerably more likely to participate. Among employers with 2-9 staff that trained, 38% had been involved in traditional apprenticeships, and 38% had been involved with CST. Among those with 10-24 staff that trained the equivalent figures are 59% and 66% respectively.

12.5 Employers were asked about the key factors influencing their participation in CSR. Complying with legislation, particularly Health and Safety regulations, is a key consideration (39%). Clients or contracts requiring it was also a common reason for involvement (24%). Quality assurance and maintaining/updating skills were cited by 16% and 15% respectively.

13 Overseas (non-UK citizen) workers

13.1 A characteristic of the construction industry is the relative high degree of mobility of its workforce and the extent to which workers are drawn from around and indeed outside the UK. Mobility clearly has implications for the organisation and funding of training, and the use of overseas workers in particular has many potential implications for the industry, in training and other areas. In this wave, a relatively small number of questions were asked on the issue of non-UK workers, these covering the number and the reasons why these workers are taken on, training implications, and attitudes to employing non-UK workers.

The incidence of non-UK workers

13.2 Overall 20% of employers currently employ or have in the last 6 months employed a worker who is not a UK citizen or passport holder. This is higher than the wave 5 figure or wave 4 figures (14% and 10% respectively). Micro and small employers were less likely to have done so (16% of those with 2-9 staff, 8% of those with 10-24 staff) but this rises to well over half of those with 25 or more staff (65% of those with 25-99 staff). There was no difference between Construction sector and Professional services firms in their likelihood to employ non-UK staff.

13.3 As in previous waves the proportion of Northern Ireland employers using non-UK staff was higher than found UK-wide (8%), and as in previous waves only in London do a similar proportion of employers employ non-UK workers (17%).

Reasons why employ non-UK workers

13.4 The most common explanation given for employing non-UK staff is simply that it has just happened and that it has not been something planned (44%). Some did point to skills shortages and being unable to find the workers they need from the UK (13% - much fewer than mentioned this in the previous wave), and others pointed out that non-UK workers tend to be better motivated (9%). Another reason cited was undertaking work outside the UK or for non-UK clients (presumably often in or for clients from the Republic of Ireland) – this was mentioned by 29% of employers with non-UK workers.

13.5 All with non-UK workers said that pay rates between UK and non-UK workers were the same, so it is clear that the motivation for employing these staff is not about saving on wage costs.

Training specifically for non-UK workers

- 13.6 Around a quarter (24%) of employers with current or recent non-UK staff said some of these workers had difficulty communicating in English and 17% had provided specific training or delivered training differently for these staff, for example by using interpreters or translating training documents.
- 13.7 Predictably larger employers with non-UK staff are more likely to have provided specific or adapted training for non-UK staff.
- 13.8 A variety of methods had been employed to modify their provision, most commonly getting documents and / or signage translated (47%) or using a translator for some training (59%).

Attitudes to employing non-UK passport holders / citizens

- 13.9 Respondents employing non-UK workers were asked whether they agreed with a number of statements about these workers. Results are shown below, with comparative findings from wave 5.

Agreement with statements about non-UK workers		
<i>Base: all employing non-UK workers</i>	Wave 5 (26) %	Wave 6 (35) %
<i>"We find non-UK workers are generally more motivated than UK workers"</i>	56	54
<i>"We expect the proportion of workers who are not UK citizens or UK passport holders we employ to grow"</i>	39	59
<i>"We find that workers who are not UK citizens are generally more highly skilled than those applying from the UK"</i>	25	9

- 13.10 A consistent picture emerges over time that although most do not think that non-UK staff are more highly skilled than those applying from the UK, there is a quite widespread feeling that they are better motivated.
- 13.11 Three-fifths of those with current or recent non-UK workers expect the number of non-UK staff to grow (59%), much higher than found in wave 5 (39%) and higher than the UK-wide figure for wave 6 (46%), suggesting strongly that use of non-UK workers will be a continuing and growing trend.