

# **Employer Attitudes and Motivations to Learning and Training – Northern Ireland (wave 5)**

**Research Report**

prepared for

**CITB Northern Ireland, ConstructionSkills and COI**

by

**IFF Research Ltd**

January 2008

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# Employer attitudes and motivations to learning and training (wave 5)

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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 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 fifth wave of consultation, and focuses specifically on results in Northern Ireland. This consisted of 100 telephone interviews with employers (of which 22 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). Sample for wave 5 came from those agreeing at previous waves to take part in further research supplemented with 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, and 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
- 1.9 The management summary follows. After that, the report is divided into a number of chapters:
- The profile of those interviewed
  - Business challenges
  - Factors affecting productivity
  - Recruitment and recruitment difficulties
  - Apprentices and interns
  - Training, and use and satisfaction with providers, views of qualifications, and involvement with ConstructionSkills initiatives and activities
  - Grants
  - 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 (100) and should best be treated as indicative. On a base of 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 fifth wave of research examining construction sector employers' views on a range of learning, training and related issues. The survey consisted of a telephone survey conducted in late July to mid August 2007 among 1,504 employers across the UK of which 100 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 two main challenges for employers in Northern Ireland are the business imperative of getting more work in / increasing sales (mentioned spontaneously by 26%) and finding suitably skilled staff (18%). The need to increase sales has remained stable since the previous wave, but there has been an increase in the proportion of employers mentioning the issue of finding suitably skilled staff from the previous wave, bringing it in line with the UK figure. This may suggest a tightening of the labour market and current high demand for skilled workers.

### Recruitment and recruitment difficulties

- 2.3 Most employers had undertaken recent recruitment, with word of mouth, approaching local colleges and advertising in the local press the most popular methods. Most recruiters report having difficulty finding the trades people or professional staff that they need (69%), indeed nearly a half (44%) say it has been very difficult.
- 2.4 Professional services firms have been facing particular problems, and just over three in five of those that have recent recruitment experience (62%) say it has been *very* difficult to get the professional staff they require.
- 2.5 Recruitment difficulties for trades and professional staff are most usually seen as resulting from a lack of skills among applicants (55%) or from a lack both of applicants and skills (27%), but rarely a lack in the number of applicants alone (8%). The most common response to a lack of applicants for these positions is to try and broaden their approach to recruitment (31%), for example by advertising in a wide range of publications, but over half have made no attempt to tackle the issue. Very few have taken on (more) apprentices and interns as a response to a low number of applicants for skilled positions.

### **Apprentices / interns**

- 2.6 Two in five employers have current apprentices or interns (39%), much higher than found in the UK as a whole (25%). Construction firms are much more likely to have such staff (47% v 22% among Professional services firms).
- 2.7 Over two thirds with current or recent experience of apprentices / interns say all (59%) or the vast majority (10%) of them have stayed with the firm until they completed their training. One in five employers say half or fewer of their apprentices / interns have stayed to completion. A majority (60%) indicate that on completion their apprentices typically stay with their firm for two years or more. Results in Northern Ireland are broadly similar to the UK figures.

### **Training and grants**

- 2.8 The majority of firms have provided some training for staff over the last 12 months (60%, identical to the UK wide figure). The likelihood increases with size of firm (approximately 95% of companies with 10 or more staff have arranged some training), and Professional services firms are more likely to train than the traditional Construction sector (67% v. 57%). If CITB Northern Ireland wishes to increase the proportion of firms providing training (a different priority clearly to increasing the number of staff being trained) then significant change will only come about through changing practices and behaviour among the smallest firms. This will be relatively challenging in that around half of non-trainers say they do not provide training because there is no need as their staff are fully skilled. Relatively few mention supply side factors or the expense of training.
- 2.9 Overall 16% of employers, equivalent to 24% of those that train (and 32% of Construction firms that train), had received a training grant over the last 12 months from CITB Northern Ireland. This is a much larger proportion than in the UK as a whole (11% of all employers reported receiving training grant).
- 2.10 Results suggest that the companies in Northern Ireland receiving training grant in the last 12 months received on average £835. About a half of those receiving a grant said they received less than £500, and 68% received less than £1,000. In most cases grants were for the Construction Skills Register (58%) or Health and Safety training / tests / passports (30%). Compared with employers across the UK as a whole, more Northern Ireland employers receive grant but they typically receive a smaller grant.
- 2.11 Half the grant receivers (53%) say they would have carried out exactly the same training anyway even if they had not received any training grant (similar to the UK figure).

- 2.12 For half the employers, then, the grant had an effect, this most usually on the number of people trained or the intensity of the training (44%) and / or their conducting more expensive training (16%) or taking on new entrants they would not otherwise have done (11%). Overall 11% of grant receivers say they would not have undertaken the training at all if they had not received the grant.

### **Use and satisfaction with external training providers and with NVQ/SVQs**

- 2.13 Among firms that train, use of private training providers is much more common than use of FE or HE (46%, 29% and 14% respectively). Overall 36% of trainers in the Construction sector said they had used TASC in the last 12 months.
- 2.14 Satisfaction levels with each of these types of provision is generally high, and range from 98% satisfied with FE colleges to 82% satisfied with private providers. There is more variation in the extent to which employers were very satisfied with each. Here FE colleges perform particularly well, with 80% of users very satisfied, a figure which compares to only 43% among HE users and 41% of TASC users, and 34% of those who use other private training provision. As many as 18% using private training providers were dissatisfied.
- 2.15 There are signs that engagement and direct experience with NVQs / SVQs is increasing compared with previous waves. Dissatisfaction levels among those with experience of them are still relatively high, with just over a quarter expressing dissatisfaction. Criticisms centre on their not covering what is required or that the standards are falling, not covering practical skills in sufficient depth, or the content not being good for example being out of date.

### **Factors affecting performance**

- 2.16 Of productivity drivers identified by the Department for Business, Enterprise and Regulatory Reform (BERR) as key, the need to remain competitive by keeping labour costs down is the most likely factor influencing performance in the industry. Two in three employers say this has an influence on their performance and productivity, with just over a third (36%) saying it has a significant influence. In contrast, relatively few firms say that innovation and exploiting new ideas (17%) or investment in new plant and machinery (28%) influences their company's performance. Around half of firms indicate that skills development and training, and getting more out of their existing staff because of labour and skills shortage, influence their company's performance, hence attempts to improve productivity appear to be more focussed on process improvement and getting the most from staff through training and skills development, than in capital investment or innovation.

**Non-UK workers**

- 2.17 Overall 14% of employers (rising to 82% among those with between 25 and 99 employees) currently employ or have employed over the last 6 months workers who are not UK citizens or passport holders.
- 2.18 A continuing upward pressure on the use of non-UK workers is evident from the fact that many more using non-UK staff say their numbers have increased (24%) than say they have fallen (4%) over the last 12 months and from the fact that a large proportion of those employing non-UK staff expect the number in their firm to grow in the future (39%).
- 2.19 While not often seen as more skilled, a majority of employers using non-UK workers see them as being better motivated and having a better attitude to work.

### 3 The sample profile

3.1 In this short section we discuss the profile of those 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.

<b>Sample Profile</b>		
	<b>Number of interviews</b>	<b>Proportion weighted</b>
<i>Number directly employed UK wide</i>		
Self-employed (one person only)	22	<0.5%
2-9	42	88%
10-24	17	7%
25-99	16	4%
100-249	2	<0.5%
250+	1	<0.5%
<i>Broad sector:</i>		
Construction	62	69%
Professional Services	38	31%

3.2 Clearly most firms employing staff are small, with almost nine in ten having fewer than 10 direct employees across the UK. Survey results suggest that these firms with fewer than 10 staff employ around 45% of the total workforce (though it should be noted that clearly official data sources based on official returns or larger surveys provide a much more accurate picture of employment distribution by size of firm).

### **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 (LOSC) basis, such as the self-employed or those taken on via an agency. Just over a third (36%) were currently employing such staff, slightly more than found in the previous waves (31%), but lower than the UK wide figure (49%). Results suggest that in the Construction sector just over a quarter (28%) of total staff numbers consist of those employed on an LOSC basis.

## 4 Key business challenges

- 4.1 It is clearly important that CITB-Northern Ireland understands 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-Northern Ireland, 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 last wave. The final column shows comparative UK figures for the current wave of research.

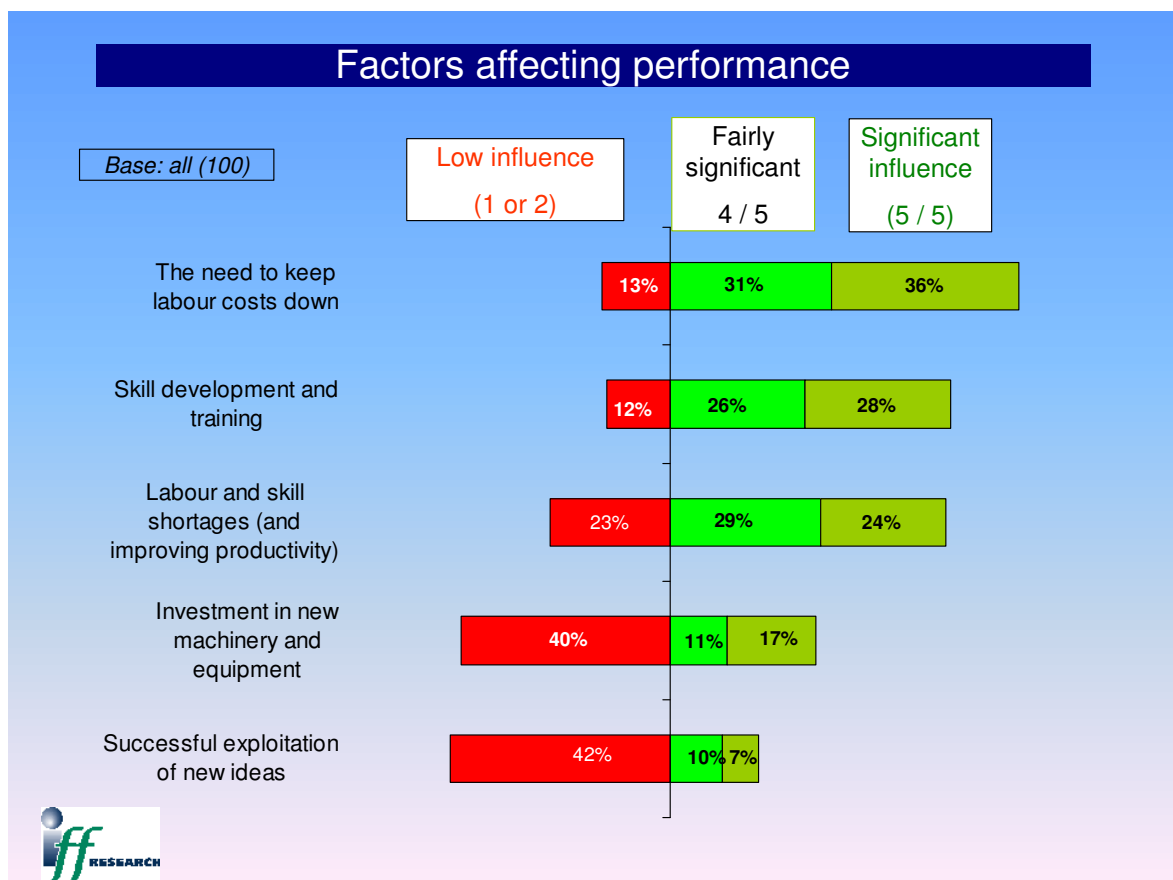
<b>Main key challenges (spontaneous)</b>			
<i>Base: all employing staff</i>	Wave 4 Northern Ireland (56) %	Wave 5 Northern Ireland (88) %	Wave 5 UK (1,347) %
Need to increase sales	26	26	21
Finding suitably skilled staff	9	18	18
Cashflow / getting paid	*	9	8
Training / upskilling staff	*	9	3
Keeping up with legislation / dealing with red tape	19	8	9
Costs	1	7	3
Dealing with economic fluctuation	-	5	2
No particular challenges	21	19	19

\* means 0% and \*\* means >0% but less than 0.5%

- 4.3 The two main challenges for employers in Northern Ireland are the business imperative of getting more work / increasing sales (mentioned spontaneously by 26%) and finding suitably skilled staff (18%). The need to increase sales has remained stable since the previous wave, though there has been an increase in the proportion mentioning the issue of finding suitably skilled staff from the last wave. The latter level is now the same as found UK wide.
- 4.4 That the issue of skills appears to have grown in importance is also evident in that a relatively high proportion mention training and upskilling staff as a challenge (9%, higher than found UK wide), putting this at a similar level as cashflow and dealing with bureaucracy and red tape in terms of employer concerns.
- 4.5 Other challenges mentioned by less than 5% of employers included dealing with economic fluctuations (4%), getting the finance necessary to expand and having more work than they could handle (both 3%). Analysis by sub-group is impossible given the small base sizes.

## 5 Drivers of Productivity

5.1 In this chapter we examine results on a question asked for the first time in the current wave examining the factors affecting performance and productivity. 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 five 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. For simplicity those unsure in each case (1% or fewer for each factor) and those giving a rating of 3 have not been shown.



5.2 In relative terms, the need to remain competitive by keeping labour costs down is the key factor influencing performance, and two thirds say this has an influence, with just over a third (36%) saying it has a significant influence. This is also the factor most likely to be mentioned by employers UK wide (though at a slightly lower level, 61%). As the size of the company grows, the significance of this issue for performance and productivity grows.

- 5.3 Skills development and training, and labour and skills shortages / getting the most out of employees, are the next most important factors affecting company performance, and just over half of all said these are a fairly or very significant influence on their productivity. These were similar, though slightly higher, than equivalent UK figures.
- 5.4 Less critical are investment in new machinery and equipment (important for over a quarter) and successful exploitation of new ideas (influencing performance in only around one in six companies).
- 5.5 Employers were asked if other aspects had a particularly positive impact on their company's performance. Most (44%) were unable to think of other factors, though there were mentions of finding skilled workers (13%), maintaining good morale within the organisation (12%), finding ways to keep high customer satisfaction in order to guarantee repeat orders (10%, this mainly an issue for Professional Services firms) and improving management skills specifically (3%). A number pointed out how the weather can affect company productivity (2%).
- 5.6 Overall, the conclusion is that the need to keep labour costs down is the main factor driving efforts to increase productivity, and following this there is more effort made in getting the most out of staff through training and skills development than in capital investment or innovation, hence clearly training and skill development matter to employers.

## 6 Recruitment and recruitment difficulties

- 6.1 In this chapter we look at issues concerning employer recruitment, starting with the methods of recruitment that they employ. We then examine the extent to which employers are having difficulty finding the professional and skilled staff that they need, the reasons for these difficulties and then the steps they have taken, if any, to tackle the issue of a lack of applicants.

### Recruitment methods

- 6.2 The vast majority of firms had recruited recently (85%, higher than across the UK as a whole, at 77%) and these employers favour word of mouth recruitment (used by 39% of those with recent recruitment experience, rising sharply by size of firm) followed by approaching local colleges (27%) and advertising in local press (25%).
- 6.3 Other methods of recruitment are used by few employers, for example, 6% of those recruiting placed adverts in the trade press, 4% headhunted particular employees in other companies they wanted, and the same proportion used recruitment agencies.
- 6.4 Compared with the UK, recruiters in Northern Ireland appear to place less emphasis on word of mouth (60% in the UK use this), but much more on local colleges (only 7% across the UK reported this as one of their methods of recruitment).

### Ease of recruiting trades / professional staff

- 6.5 Those with recent recruitment experience were asked how easy or difficult they find it to recruit the skilled staff that they need. For Construction firms this was described as being tradespeople while for Professional services firms specific reference was made to professional staff.
- 6.6 The majority find it very (44%) or quite (25%) difficult to find the tradespeople or professional staff that they need. A broadly similar proportion overall cited this difficulty in the UK, but in Northern Ireland more say they find it *very* difficult (44% v 35%) suggesting particular current difficulties. Professional services firms appear to be facing particular problems in this regard - 62% of those that have recent recruitment experience (a base of 25 respondents) say it has been *very* difficult to get professional staff.
- 6.7 A quarter of those recruiting say obtaining skilled staff is not usually a problem, but *none* describe it as easy.

- 6.8 Those experiencing difficulty recruiting skilled staff (a base of 55 respondents) were asked if this was usually a lack of applicants, a lack of skills, both, or neither of these reasons. Results are summarised on the following table.

<b>Nature of recruitment difficulties for tradespeople and professional staff</b>			
	All (55) %	Construction (33) %	Professional services (22) %
<i>Base: all experiencing difficulty recruiting tradespeople / professional staff</i>			
A lack of applicants	8	11	2
A lack of skills among applicants	55	58	49
Both	27	29	24
Neither reason	10	2	26

- 6.9 The main difficulty experienced by employers recruiting skilled staff relates to a lack of skills among applicants, often also accompanied by a lack of applicants. It was rare for employers simply to be facing a lack of applicants for these positions (8%).
- 6.10 While it is hard for employers to do much about a lack of skills among applicants, there are measures they can undertake to try to overcome a low number of applicants for these skilled positions. One interest is specifically the extent to which employers are responding to a lack of skilled applicants by taking on apprentices to train up, an issue we look at in the next chapter.
- 6.11 Less than half of employers experiencing a lack of applicants for trades and other skilled positions had taken any steps to try and overcome the issue (44%). This was most commonly broadening the means by which they recruit staff (31%), for example, moving away from recruiting solely with word of mouth, or advertising in more newspapers or using recruitment agencies. Other attempted solutions were used by far fewer, including increasing training for existing staff (tried by 4% of these employers), taking on (more) apprentices or trainees (4%), increasing recruitment spend (3%) and use more sub-contract or agency staff (2%).

## 7 Apprentices and interns

7.1 In this chapter we look at the proportion of Construction employers with apprentices and Professional services firms with interns on formal training programmes, the number of apprentices and interns, and the number aged 26 or older. We then examine the proportion that typically stay with the employers until they complete their apprenticeship / internship, and how long those that do complete usually stay after qualifying.

### **The proportion of employers with apprentices / interns**

7.2 Two in five employers currently have apprentices or interns on formal training programmes (39%), much higher number than in the UK as a whole (25%). Fewer employers in Northern Ireland have involvement in apprenticeships than in Scotland (where the figure was 53%) but this is far ahead of the figure in some English regions (less than one in five firms in London, the East of England, and Yorkshire and the Humber had any involvement in apprenticeships).

7.3 Construction firms in Northern Ireland are much more likely than those in Professional services to have such staff (47% v. 22%), as are larger firms (over half of those with 25 or more staff have apprentices or interns, though the figure is still high, at 39%, among small firms with 2-9 staff).

7.4 Employers without current apprentices or interns were asked if they had had any in the last three years. A third (35%) of these employers reported having recent apprentices or interns. This means that overall two in five employers in the sector (40%) have had no recent involvement with apprentices or interns. While this clearly represents a large section of the industry, across the UK as a whole nearly three in five employers (57%) have had no recent involvement.

7.5 Those with current apprentices or interns were asked whether they had any apprentices / interns aged 26 or over. As in the UK this is a fairly rare phenomenon, and only 6% of those with apprentices / interns (equivalent to 2% of all employers) had older apprentices. Older apprentices / interns were confined to the Professional services sector.

### Typical proportion completing their apprenticeship or training

- 7.6 Those who have current or recent apprentices or interns were asked what proportion typically stay until they complete their apprenticeship or training. Results are summarised in the following table.

<b>Proportion of apprentices / interns who stay until completion</b>		
<i>Base: all with current apprentices / interns or any in the last 3 years</i>	Northern Ireland (52) %	All UK (852) %
All	59	51
The vast majority	10	9
Most	2	8
About half	11	8
Very few	1	5
None	7	7
Current apprentice our first	4	8
Don't know	7	4

- 7.7 Over two thirds with current or recent experience of apprentices / interns say all (59%) or the vast majority (10%) of them have stayed with the firm until they completed their training. This contrasts with around one in five employers saying half or fewer of their apprentices / interns have stayed to completion. Results in Northern Ireland are broadly similar to the UK figures.

**How long interns / apprentices typically stay after qualifying**

- 7.8 Those who had apprentices or interns that had completed over the last 3 years were asked how long they typically stay with the company after completing. Results are summarised in the following table.

<b>How long apprentices / interns stay after completing</b>		
<i>Base: all with apprentices / interns completing in the last 3 years (50)</i>	All	All giving a specific time period response
	%	%
Not offered any of them jobs	3	-
Varies too widely to say / don't know	29	-
Less than a year	-	-
About a year	23	34
About 18 months	-	-
About 2 years	4	6
More than 2 years	41	60

- 7.9 Just under a third of respondents were unable to give a typical period for which apprentices stay on completing, usually because this varied too much to give an average though some had not offered jobs to any staff that had completed their apprenticeship / internship.
- 7.10 Based on those citing a typical time period (the second column of data in the table), most employers experience apprentices that complete staying with their company for more than two years (60%, very similar to the UK figure of 57%). None of the employers interviewed in Northern Ireland had experienced apprentices leaving the company in the first year after their apprenticeship.

## 8 Training, and employers views of providers, qualifications and initiatives

- 8.1 This chapter examines the extent of training activity in terms of:
- the proportion of employers that train and the proportion currently training to a qualification;
  - barriers and potential stimulants to training;
  - views of NVQs/SVQs and construction and related degree courses;
  - participation in training initiatives supported or marketed by ConstructionSkills / CITB Northern Ireland.

### Reasons for not training and what might stimulate training

- 8.2 Overall 60% of firms said they had funded or arranged learning and training, apart from apprenticeships, for any staff or people working for them over the previous 12 months. This includes informal and self learning as well as formal courses.
- 8.3 The likelihood of providing training increases with size of firm: approximately 95% of companies with 10 or more staff have arranged some training for their staff over the last 12 months, compared with just over half of those with 2-9 staff (56%) and around one in five of the self-employed (19%). Professional services firms (67%) are slightly more likely to train than Construction firms (57%).
- 8.4 The incidence and pattern of training described for employers in Northern Ireland is very much in line with employers across the UK in terms of the likelihood to train: in the UK as a whole, 60% of employers provided training in the last 12 months and Professional services firms were approximately ten percentage points more likely to train than Construction firms.
- 8.5 One clear message is that if CITB Northern Ireland 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). The latter is especially the case given the reasons non-trainers give for not training, which we look at in the following sub-section, which centres on staff being fully skilled and hence being seen as not requiring any training.

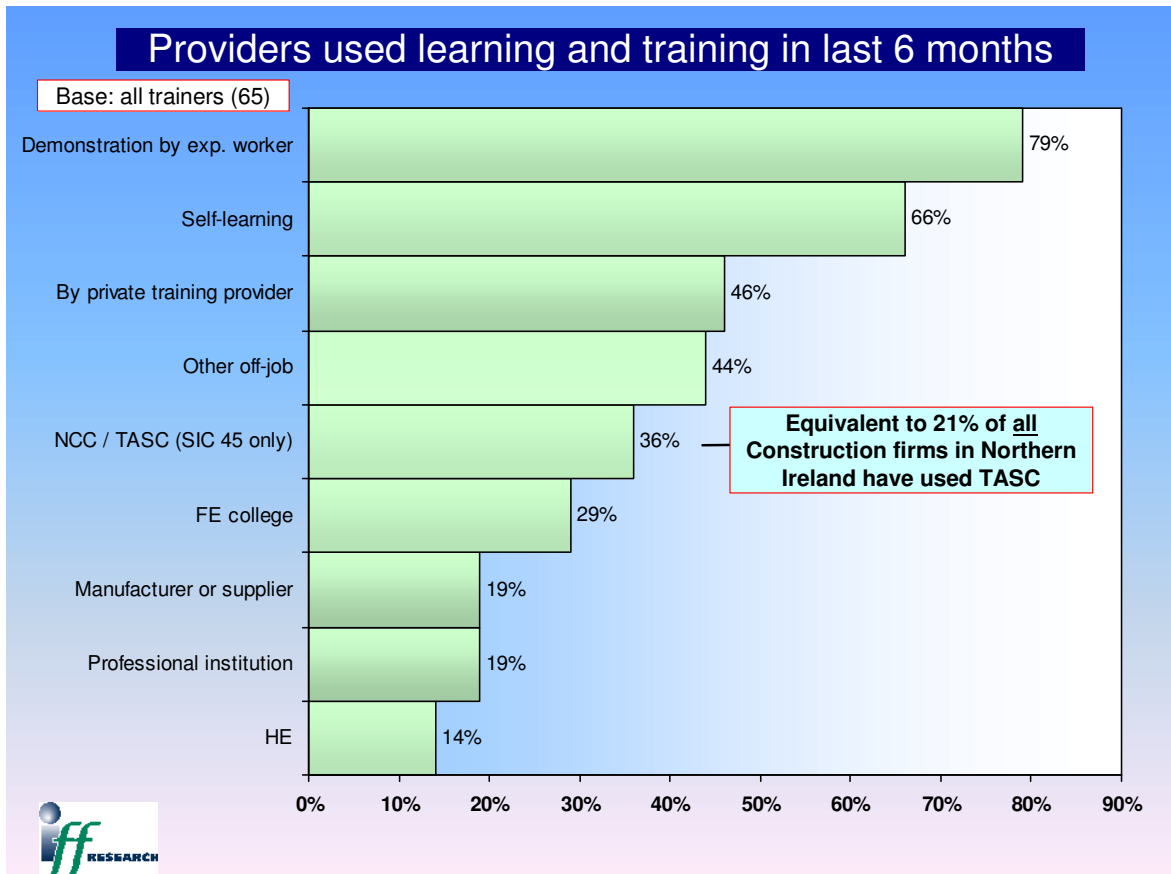
- 8.6 The average amount that employers that train spend on training per annum in terms of out of pocket expenditure (i.e. excluding salaries or lost production time) is just below £1,300, compared to around £2,000 in the UK as a whole. This includes almost a fifth of employers (19%) that train but who spent nothing in terms of out of pocket expenditure, hence for these employers the training is very likely to be on-the-job and informal rather than delivered through external courses. Construction firms that train spend slightly more on their activity on average than Professional services firms (£1,600 and £700 respectively).

### **Reasons for not training and what might stimulate training**

- 8.7 Results suggest it will not be easy to persuade non-trainers to undertake learning and training activity. The most common reason given spontaneously for not training is simply that they believe all their staff are fully skilled and hence there is no need for training (49%, though rising to around three in four Professional services employers that do not train).
- 8.8 However, there were other important barriers to training, including the fact that employers feel that they cannot spare the time to release their staff for training (22%), that training was too expensive (10%) or that they were not sure what training was on offer (10%). The last two reasons were only mentioned by Construction firms.
- 8.9 Other reasons were given by fewer than 10% of non-trainers and included: it not being thought appropriate to spend money on training because work has been quite quiet (8%), and the failure of staff in the past to bother to compete the training they had been offered (6%).
- 8.10 From these reasons it is clear that supply side factors are not the main barrier raised spontaneously. Also financial barriers are not primary, something clearly relevant in terms of the role that grant can play in stimulating training. We look in the next chapter at the role played by training grants.
- 8.11 The factors that might stimulate training activity among non-trainers tie in with the reasons for not training, especially the fact that most saw no need because all their staff were fully skilled. Three in five employers could not think of anything that might start them training (60%), and the two main factors mentioned were if there was more information about training provision (11%) or there were more grants (9%), both of which were still notably low. Other issues included taking on apprentices or inexperienced staff (6%), if courses were put on at more convenient times (7%) or if more relevant courses were available (7%).

**How training is delivered and satisfaction with providers, and satisfaction with provision**

8.12 Those providing training were read various methods for delivering training and asked which they had used over the last 6 months.

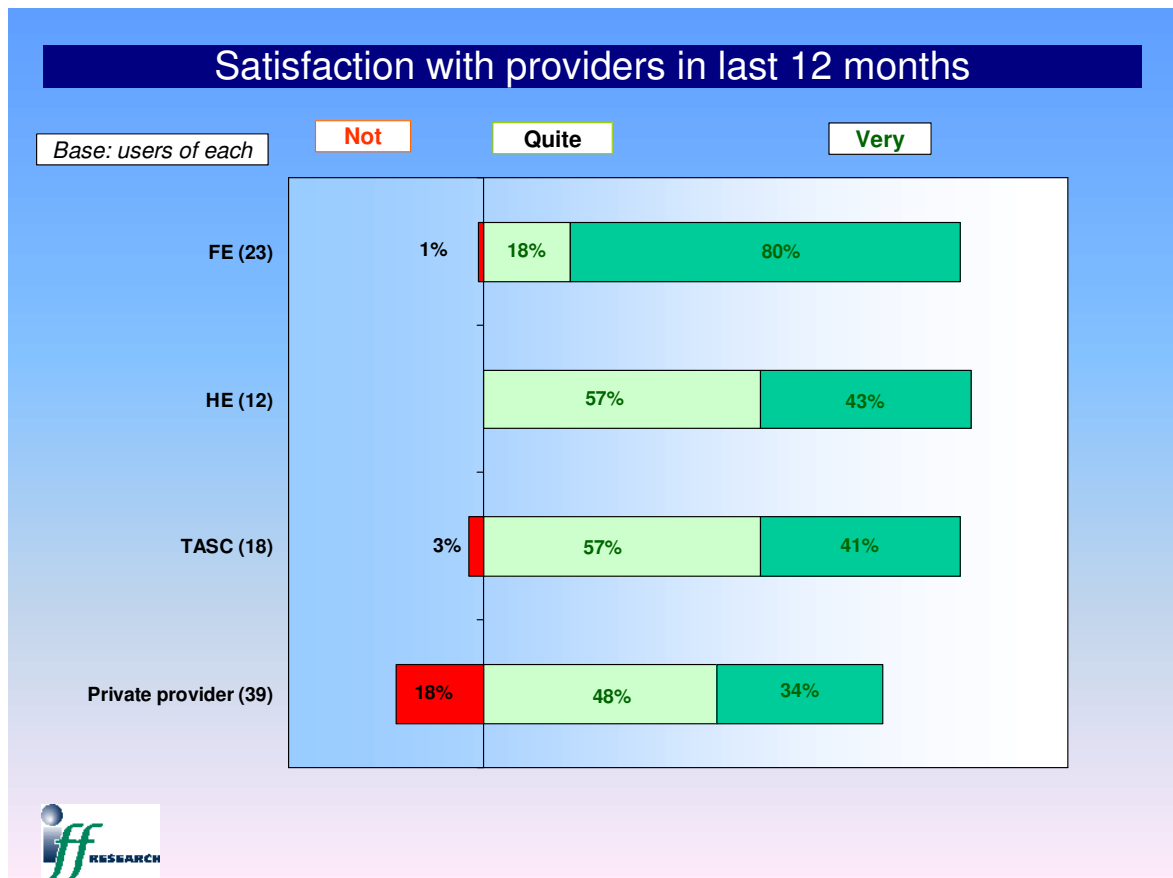


8.13 Learning where a more experienced worker demonstrates techniques and passes on skills to less experienced workers is the most common means of delivering training, used by over four in five companies that train (79%). Self-learning using books, manuals, CD-ROMS or other materials is also extensively used (66%), especially by Professional services firms (98%).

8.14 Of external providers of training, private providers (46%) are the most likely to be used (46%), followed by TASC (used by 36% of Construction trainers), FE colleges (29%), manufacturers or suppliers (19%), professional institutions (19%), and HE institutions (14%).

8.15 Broadly speaking employers have a similar pattern to the rest of the UK in terms of how training is delivered, and in the UK as a whole demonstration by experienced workers, self-learning and delivery by private providers are the most common methods. The main differences are many fewer in Northern Ireland receiving training from manufacturers (19% v. 35% in the UK), and more using TASC than use NCC (36% v. 11% across the UK).

8.16 Those using private providers, FE, HE or TASC were asked how satisfied they have been with the quality of provision delivered by these providers.



8.17 Satisfaction with FE, HE and TASC is high, although there are reasonably high levels of dissatisfaction regarding private providers (18%). Satisfaction was particularly high for FE provision where 80% were very satisfied. For those using TASC all the vast majority were satisfied (97%) with two in five very satisfied.

8.18 Those satisfied with TASC were asked what they particularly liked about the training. The most common responses were good administration (e.g. easy to book, course content well explained, kept us informed etc), the training being relevant and specific to what they do as a company, the quality of the tutors and staff and the learning being very practical.

**Views of NVQs / SVQs**

8.19 Two in three employers (66%) had some direct experience or knowledge of NVQs or SVQs. This is an increase from the figure in wave 3 in June 2006 (54%) suggesting deepening industry engagement with the qualification. Indeed only 1% had never heard of NVQs or SVQs. Predictably engagement with NVQs / SVQs was higher among Construction firms (74%), though still around half of Professional services employers (48%) had some experience or knowledge of them.

- 8.20 About two thirds of employers with experience or knowledge of NVQs/SVQs use them currently, most often for recruitment (by 41% of those with experience or knowledge) and / or for training or assessment (30%).
- 8.21 Satisfaction with NVQs / SVQs among those with experience or knowledge of them is reasonably high. Of those with a view one way or the other, three quarters are satisfied (73%) with just under a quarter very satisfied (23%). Around a quarter (27%) are dissatisfied, indeed most of these (17% of those giving a satisfaction rating) are not at all satisfied with NVQs/SVQs.
- 8.22 Criticisms of NVQs are clearly not a Northern Ireland specific issue, and levels of satisfaction in the province are similar to the UK as a whole (where two thirds giving a view were satisfied and one third were dissatisfied).
- 8.23 Those who were dissatisfied with NVQs / SVQs were asked to explain why this was the case. Most criticisms of NVQs / SVQs relate to the perception that standards are falling such that they are not covering necessary topics (67%), that the courses are not practical enough and people with these qualifications still lack practical skills (61%), or that their content is poor or out of date (59%).

### **Views of Construction-related degree courses**

- 8.24 Compared with NVQs/SVQs far fewer employers have experience of construction degree courses or degree level courses related to their area of activity (19%), similar to the UK figure of 23%). Predictably Professional services firms have much greater experience in this area (38% v. 11% among Construction firms).
- 8.25 Over four in five (84%) of those with experience of degree level courses are satisfied, though most are quite (63%) as opposed to very satisfied (21%). The proportion satisfied is higher compared with wave 3 (74%), though results are based on a small number of respondents and are therefore only indicative.

### Participation in CITB Northern Ireland / ConstructionSkills initiatives / activities

8.26 Employers who had arranged training for any staff over the previous year were asked about their use of a series of training initiatives and activities that CITB Northern Ireland / ConstructionSkills promotes.

<b>Participation in CITB Northern Ireland / ConstructionSkills initiatives</b>			
<i>Base: all who undertake training</i>	All (65) %	Construction (43) %	Professional services (22) %
Traditional apprenticeships	38	54	7
On-site Assessment and Training (OSAT)	37	40	31
Site Management Safety Training Scheme (SMSTS)	26	29	22
Construction Skills Certification Scheme (CSCS)	24	32	7
Experienced Worker Practical Assessment (EWPA)	20	29	3
TASC Management courses	5	5	5
Programme-Led Apprenticeships (PLAs)	3	5	-
INSPIRE scholarships	3	3	4
None of the above	29	12	64

8.27 Some caution is needed with the results presented in the table in that On-Site Assessment and Training (OSAT), Experienced Worker Practical Assessment (EWPA) and Programme-Led Apprenticeships (PLAs) are not available in Northern Ireland. Relatively high levels of response for OSAT and EWPA suggest some employers may have been confused by the programme names. For OSAT, for example, it may be that some employers heard the mention of on-site training and assessment without linking this to being a specific

programme or activity. However, others respondents may operate in Great Britain and use OSAT, EWPA or PLAs for their staff there.

- 8.28 Employers were most likely to have involvement in traditional apprenticeships (38%, rising to half of Construction firms). Around a quarter of employers said they had participated in Site Management Safety Training Scheme (SMSTS) / Site Safety Supervisors Course and CSCS (Construction Skills Certification Scheme)/ CSR (Construction Skills Register). Participation in CSCS / CSR was much higher among Construction firms than those engaged in Professional services activities.
- 8.29 Involvement in other initiatives was considerably lower:
- NCC Management courses – 5%
  - Inspire Scholarship programme – 3%
  - Programme-led apprenticeships (PLAs) – 3%
- 8.30 Results are similar to the UK, though there appears to be somewhat more involvement in traditional apprenticeships in Northern Ireland and slightly less with EWPA.
- 8.31 The most popular reasons for participating in traditional apprenticeships were that the type of work employers were doing suited apprentices, and that this was therefore seen as a good way of recruiting (38%), that it was relevant and good quality training (34%) and that it was the best way of meeting their future skills needs (15%). Similarly, EWPA is undertaken primarily because it is seen as providing for future skills needs (25%) and because it maintains and updates necessary skills (23%), though others indicated it was influenced by client or contract requirements (20%).
- 8.32 For some other initiatives, the reasons for participation had a slightly different basis. For example, the most popular reason for being involved with SMSTS / SSSC was that it was necessary to comply with health and safety legislation (38%).
- 8.33 Similarly, CSCS/CSR Cards were taken up for two main reasons, clients / contracts requiring their workers to have them to come on-site (34%) or that they helped them meet Health and Safety legislative requirements (32%).
- 8.34 Finally, OSAT was taken up for 3 main reasons, all mentioned by about a fifth of companies who used it. These were client requirements, that it complied with legislation, and that subsidies were available to pay for it.
- 8.35 In all cases base sizes are low and results should be treated as indicative.

## 9 Training Grants

- 9.1 In this section we look at grants from CITB Northern Ireland to fund the cost of training, in particular the proportion of firms receiving such grants, the amounts received and what they have been used for and then importantly what impact they have had on training activity.

### **The proportion and profile of those receiving training grants**

- 9.2 Overall one in six employers (16%, only slightly higher, at 18%, among Construction firms) say they received CITB Northern Ireland training grants in the last 12 months. The likelihood of receiving grant increases with size, as one would expect, although base sizes for the larger companies are very small – none of the self-employed and only 12% of those with 2-9 staff had received grant, rising to over half of those (58%) for companies with between 25 and 99 staff.
- 9.3 Among employers that train, a quarter (26%) had received grant for training, rising to a third (32%) of Construction firms that train (compared with 15% of Professional services firms).
- 9.4 These figures are higher than for the UK as a whole. The proportion of all employers in the UK as a whole who received a training grant in the last 12 months is just 11%, translating to 18% of those that had trained. The only area with a higher proportion of its companies receiving grants was Scotland, in which 22% of companies received grants. That more companies in Northern Ireland than across the UK as a whole receive grant has been found in previous waves of the research.

### **The amount of grant received and the type of training used for**

- 9.5 Results suggest that the companies receiving training grant in the last 12 months received on average £835, which is very significantly lower than the same figure for the UK as a whole (£4,800). Hence, as reported in previous waves, it appears as if a higher proportion of employers in Northern Ireland than in the rest of the UK receive grant, but they tend to receive a smaller grant.
- 9.6 Nearly half (47%) of companies in Northern Ireland getting a grant received less than £500, and 70% received less than £1,000.
- 9.7 By size, the larger the company the more it received in grants on average. Whilst companies with between 2 and 9 employees received on average £500, companies with 10-24 employees recalled getting £750 and those with 25-99 received around £2,000 on average.

- 9.8 Whilst in the UK grants were most often spent on formal qualifications such as NVQs, HNCs, HNDs and C&Gs (28%), Health and Safety training / tests / passports (27%) and apprenticeship training (25%), in Northern Ireland grants are in most cases for the Construction Skills Register (58%) or Health and Safety training / tests / passports (30%). Much less common were grants for first aid (15%), apprenticeship training (11%) and scaffolding (9%).

<b>Type of training or achievement used grants</b>		
<i>Base: all receiving grant in the last 12 months</i>	Northern Ireland (26) %	UK (407) %
CSR (Construction Skills Register)	58	4
Health and Safety training / tests / passports	30	27
First aid	15	9
Apprenticeship training	11	25
Scaffolding (including CISRS cards)	9	6
NVQ / HNC / HND / C&G / other formal qualifications	4	28

- 9.9 As an open ended question, grant receivers were asked what costs they see the grant as being there to cover. Nearly all respondents pointed to it covering the direct training cost / fees, not wages or expenses.

### **The impact of the grant**

- 9.10 An important issue with the grant is whether it is stimulating training activity that would not otherwise have taken place or serving to drive up the quality of the training. To this end grant recipients were asked which of a number of impacts it had had. The question was also asked in wave 4 (December 2006).
- 9.11 Of the 26 employers interviewed receiving training grant from CITB Northern Ireland, half of the employers (53%) say they would have carried out exactly the same training anyway even if they had not received any grant. Perhaps surprisingly this did not vary widely by the size of firm. Results also suggest that Professional services firms are much more likely than average to say the grant had no effect on the training they undertook. Those saying the grant had no effect is very similar to that found in wave 4 in Northern Ireland and in wave 5 UK wide (both 49%).
- 9.12 For the remaining half of the employers the grant had an effect, this most usually on the number of people trained or the intensity of the training (44% of all grant recipients) and / or their conducting more expensive training, or taking on new entrants they would not otherwise have done (11%).
- 9.13 Overall around one in nine grant receivers (11%) say they would not have undertaken the training if they had not received the grant. This again is similar to the overall UK figure (15%).

### **Non-grant receivers**

- 9.14 We have seen that most employers that train had not received any grant from CITB Northern Ireland in the last 12 months. Most employers not receiving grant were aware that these grants are available (67%), predictably much lower among Professional services firms (21%) than Construction firms (89%). The proportion of Northern Ireland Construction firms (i.e. excluding professional services) who do not train but know about grants is much higher than in the UK as a whole (89% vs. 67%).
- 9.15 Clearly many employers who had not received grants in the last 12 months had undertaken training and knew of the existence of the training grants. Among this group (of 24 respondents), the question of interest is whether they had applied and been turned down, or, if they had not applied, why not. A slight minority of these employers (42%) had applied for grants and been unsuccessful. This was much higher than in the UK as a whole (where 14% of non-grant receivers that were aware of grants and had trained had applied unsuccessfully). In nearly all cases, though, the unsuccessful application did not affect the amount or intensity of the training that they undertook.

- 9.16 A mix of reasons were given among the 18 respondents who had trained but not applied for a grant despite knowing of their existence. These covered feeling that grant from CITB Northern Ireland was not needed for the training they were undertaking, the amount of money being too small to worry about, it being more hassle than it is worth, and not being members of CITB Northern Ireland / registered.

## 10 Overseas (non-UK citizen) workers

10.1 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 main occupations where non-UK workers are employed, the reason why these workers are taken on, how they have been recruited, and attitudes to employing non-UK workers.

### **The incidence of non-UK workers and the numbers employed**

10.2 Overall 14% of employers currently employ or have employed over the last 6 months a worker who is not a UK citizen or passport holder. This is slightly higher than found in the previous wave (10%). It is also higher than the figure in the UK as a whole in the current wave (10%), and is only surpassed by firms in London (22%) and (surprisingly) the East Midlands (19%), and it reflects the frequent use of workers from the Republic of Ireland.

10.3 There was no significant difference in the likelihood of having non-UK workers between Professional services and Construction (12% and 15% respectively). As the size of firms grew so did the likelihood of having employed non-UK nationals. Whilst only 9% of companies with between 2 and 9 employees had any non-UK workers, this figure rose to 44% of companies with 10-24 workers, and 82% of companies with between 25 and 99 workers.

10.4 Results suggest some upward pressure on the use of non-UK workers, and among those with such staff more had witnessed growth in their numbers (24%) than had seen the numbers fall (4%).

10.5 The 26 respondents who employ non-UK workers were asked what the main reasons were for doing so. The most common reasons are that there are not enough UK workers with the necessary skills (39%) and that these workers are better motivated and have a better attitude to work compared to UK workers (34%).

10.6 While relatively few indicated that there were no particular reasons for employing non-UK staff and that it had happened simply by chance (9%), only around a quarter of Northern Ireland companies with non-UK workers (24%) said that they actively sought such staff. This is much lower than found in the previous wave, but still higher than across the UK as a whole (14%).

### Training specifically for non-UK workers

- 10.7 A fifth of employers with current or recent non-UK staff said some of these workers had difficulty communicating in English (21%), compared to a third for the UK as a whole (33%). This probably reflects the large number of citizens of the Republic of Ireland working in Northern Ireland. Nearly all of these employers (19% of those with non-UK workers) had provided any specific training for these workers or delivered training differently for these staff for example by using interpreters or translating training documents.

### Attitudes to employing non-UK passport holders / citizens

- 10.8 Respondents employing non-UK workers were asked the extent to which they agreed or disagreed with a number of statements about these workers. Results are shown below, with comparative findings from the UK as a whole.

<b>Agreement with statements about non-UK workers</b>		
<i>Base: all employing non-UK workers</i>	Northern Ireland (26) %	UK (321) %
<i>"We find non-UK workers are generally more motivated than UK workers"</i>	56	56
<i>"We expect the proportion of workers who are not UK citizens or UK passport holders we employ to grow"</i>	39	42
<i>"We find that workers who are not UK citizens are generally more highly skilled than those applying from the UK"</i>	25	14

- 10.9 While most do not think that non-UK staff are more highly skilled than those applying from the UK, there is a widespread feeling that they are better motivated (56%). The figures in Northern Ireland are very similar to those in the UK as a whole.