

Plymouth Manufacturing & Engineering Sector:

Third Edition: Skills and employment issues 2014

Summary Document - for general publication



PMG Skills & Employment Issues 2014

This is the third in a series of annual examinations of the skills and employment issues affecting the Plymouth sub-region manufacturing and engineering sector. The results are based on a small confidential qualitative survey of members during January 2014.

Executive Summary

There are three main categories of **skills and employment related issues** affecting the sector at the moment: the first is related to recruitment difficulties; the second consists of problems associated with organisational culture and the third is a strategic issue concerning the relatively poor competitive position of the UK in comparison with Eastern Europe and China.

Respondents view **upskilling** or the need to develop worker's skills to be an on-going task. Again, responses fell into three categories: firstly, on the shop floor it is a mix of keeping staff in line with the latest legislation and matching workers' skills with the requirements of new equipment; next, there is the need to train supervisors, team leaders and middle management in the art of leadership and inter-personal skills and finally, it is the need to fully keep abreast of skills developments and trends.

Investment in training unsurprisingly matched the upskilling needs of the firm with a full range of suppliers being utilised: private providers; in-house capabilities and traditional FE and HE routes.

Role of the PMG - When considering how the PMG can assist in these matters, a common response was forthcoming: sharing knowledge, contacts and courses.

With regard to the **Government's policy of employer ownership of the skills** agenda, most respondents were generally sympathetic to the motives behind the policies but didn't feel adequately equipped to be able to respond nor sufficiently knowledgeable to know the answers that were being sought. Some were less generous and more cynical. Some were critical of the FE Colleges' business model.

Turning attention to **'Apprentices and Apprenticeships'**, all respondents are currently employing apprentices to varying degrees and most respondents anticipated or intended taking on more apprentices again this year. Concern was expressed regarding the impact the raising of the school leaving age was having on attracting applicants for apprenticeships.

College provision - Survey respondents utilise the services of three different Colleges. Few employers are totally satisfied with the provision but most recognise improvements have been made in recent years. Most are happy with the apprenticeship frameworks on offer although there are some exceptions. Most feel that the role of the Colleges is pivotal in achieving satisfaction in this regard and it's either currently problematic or has been so in the past.

With some notable exceptions there appears to be a lag in adopting **higher level apprenticeships** but there is undoubtedly a discernible interest in doing so. Some are content with existing paths of progression. Nevertheless, it seems to be just a matter of time before they are more commonly accepted.

Role of the PMG - The general consensus is that the PMG could be doing more collaborative work across the membership with regard to marketing the opportunities that undoubtedly exist within the City (and beyond) to increase awareness and demand for apprenticeship vacancies within the sector.

From a more strategic standpoint, it was also felt that the PMG needed to keep abreast of national developments and government policy regarding apprenticeships such as trailblazers and use its influence and clout.

Recruitment issues - Most if not all respondents are currently recruiting a variety of positions. Invariably members do have recruitment issues but several have formed '*coping strategies*'. Solutions employed include: 'growing your own' either through the apprenticeship route or by career progression from blue to white collar. Or circumventing aspects of the problem by either: updating capital equipment to newer machines that are simpler to operate or semi-skilling the role to allow for a shorter period of training. Nevertheless, the difficulty in attracting people from outside of the region is still a common refrain.

With regard to recruitment issues, there are three clear **roles for the PMG**: (1) Taking the longer term more strategic view, it is important for the PMG to be engaged in the so-called '*STEM Agenda*'. Influencing and changing young people's views and perceptions of our sector as a possible future career option. (2) A marketing role to sell the sub-region as a centre for manufacturing & engineering employment. (3) The view of the PMG as a collector of and repository for shared information and its dissemination.

It appears to be exceptionally unusual for PMG members to **appoint young people** directly out of school or college. The majority of those that do appoint young people recognise the employability skills problems that are often discussed in the media. Members are optimistic, however, that the UTCs (both in Plymouth and Newton Abbot) will help rectify the situation with their business-like approach to schooling.

Surprisingly few of those interviewed **take on graduates** although it should be remembered that the sample size of those surveyed was small. Some have instead made a conscious decision to appoint apprentices, the brightest of which they later support with HE pathways through bursaries.

The use of agency workers can prohibit the **recruitment of the long-term unemployed**. However, it isn't uncommon for firms to go down the corporate social responsibility route to recruit the long-term unemployed often through voluntary sector organisations that specialise in working with the socially excluded.

Finally, the awareness of **Knowledge Transfer Partnership (KTP) students** from universities is both poor and unflattering. There is a perception that it is only for large firms.

Recommended Actions for the PMG

The following are all aims for the year 2014/15 but those in emboldened text are particular priorities.

General Skills & Employment Related Issues

- **Generally develop the PMG's role as a collector of and repository for shared information and its dissemination across the membership.**
- We should assess and address across the membership common organisational cultural issues such as the lack of employee engagement and staff empowerment.
- Where there are clear benefits to members, we should work with the City Council on any skills element of City Deal.

Upskilling Employees

- **Develop and share a database of private training providers used across the membership.**
- Achieve economies of scale with private sector training providers and encourage them to offer favourable 'PMG rates'.
- Share courses with other member firms wherever practical.
- Continue to monitor developments within government policy towards employer ownership of skills.

Apprenticeships

- **Organise a PMG apprenticeship promotional event during National Apprenticeship Week 2015.**
- Arrange visits for members of new College facilities in Plymouth at City College and Cornwall College.
- Investigate the benefits to the PMG's smallest members of City College's apprenticeship training agency (ATA) status.
- Investigate the Government's Trailblazers' scheme.
- Continue to monitor developments within government policy towards apprenticeships and make members aware.
- Establish a protocol with secondary schools and academies for the promotion of apprenticeship opportunities.

Recruitment issues

- **Publish our own promotional document to sell our location in the far south west as a centre for manufacturing & engineering employment and a great place to live and work.**
- Continue to engage in the establishment and routine running of the STEM4Plymouth group.
- Be instrumental in re-igniting the Plymouth Girl Geeks group.
- Work with others wherever opportunities occur to help achieve the same goal.

Plymouth Manufacturers' Group

Membership of the Plymouth Manufacturers' Group (or 'PMG') offers the following benefits:

- Peer to peer networking at senior executive level
- Information sharing
- Site visits
- Surveys and benchmarking

We also operate themed groups that address the following topics:

- Continuous improvement
- Skills and recruitment
- Resource efficiency
- Health & safety
- Finance and compliance
- Facilities and maintenance

Relative to the scale of its economy, Plymouth has the highest concentration of manufacturing employment of all cities in the south of England. With over fifty member firms employing >12,000 staff and a combined turnover of £1.6bn which injects approximately £720million into the local economy every year, we have considerable collective muscle.

We use this to:

- Represent and lobby for the sector locally, regionally and nationally and to
- Act as a focal point for the receipt and dissemination of relevant business information.

If you are a local manufacturing firm in the Plymouth travel-to-work-area that employs ten or more staff and you are not already a member, then why not consider joining? We can assure you of value for money.



www.plymouthmanufacturers.co.uk