

# Serco ESE research for SEMLEP - Northamptonshire

Prepared for Serco

18/11/2020 Version 1.0



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## Skills Support for the Workforce

Co-financed by the Education and Skills Funding Agency and European Social Fund, Skills Support for the Workforce (SSW) is a programme developed to enhance employees' skills, increase competitiveness and boost the local economy.

As the Prime Contractor of the SSW Programme in South East Midlands (including Northamptonshire), the ESFA commissioned Serco to conduct research to inform the Local Enterprise Partnership's (LEP) skills planning; findings on the five key research questions / objectives are explored in this executive summary.



There were three main elements to the research:



**1** A review of existing evidence to inform subsequent primary research conducted.



**2** A survey of employers to be completed online or by telephone.



**3** Qualitative interviews with stakeholders.

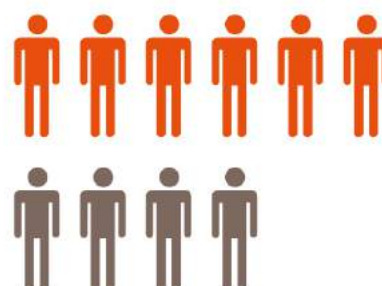
The employer survey was launched in February 2020 - it was evident that employers were focusing upon their Covid-19 response, therefore despite the survey being open for an extended period of time, and significant promotion by intermediaries, there was limited response from employers. As a result, and due to the questionnaires being very similar and the geographic areas in close proximity, the survey results from Northamptonshire employers were amalgamated with responses from employers in South East Midlands and Hertfordshire.

## Summary Findings

### 1 Identify skills gaps that are preventing business growth and an increase in business productivity

The research shows substantial skills gaps in Northamptonshire, particularly in digital, sales and marketing, leadership and managerial, customer service and job-specific skills across HR, architecture and transport. Gaps most commonly cited by employers as impacting upon business growth and productivity included those in leadership and managerial, teamworking, planning and organisational and customer service.

**60%**  
of employers  
say they  
have one or  
more skills  
gaps in their  
organisation



### 2 Clarify employer skills demand for the region's key sectors and identify other priority skills required to influence how / where efforts and resources are focused to increase skills training uptake.



**86%**  
likely to take  
action to  
upskill staff  
in the next 12  
months

**70%**  
likely to  
engage with  
external  
training  
providers to  
upskill their  
staff in the  
next 12  
months

There is demand for upskilling and recruitment amongst employers in Northamptonshire, including within the area's priority sectors. One in five employers reported that, in the last twelve months, they had a hard to fill vacancy. The most common reason for this was perceived applicant quality – sub-optimal skills, attitude or motivation for the job. Employers predicted that in the next three to five years they would need greater numbers of staff with digital and technical / practical skills. Stakeholders envisaged growing opportunities and skills needs in manufacturing, health and social care, construction, logistics and manufacturing.





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## Key Findings Summary

### 3 Determine employer interest in apprenticeships

The research shows interest amongst half of Northamptonshire employers in taking on an apprentice in the future. However, there are widespread reservations to overcome i.e. on candidate quality, reassuring employers who have had a poor previous experience.

A sizeable minority of employers did not have a good understanding of apprenticeships. Wider stakeholders suggested employer education is required around the value of apprenticeships (in particular compared to other educational routes), and the range of sectors in which apprenticeships can now be delivered.



**47%** would consider taking on an apprentice in the near future

### 4 Explore the willingness of employers to support experimentation and early adoptions in the use of new technologies for future skills needs.



There is willingness amongst a majority of employers to invest in training for their staff that uses new technologies such as webinars, video and mobile learning, with many employers saying their staff have already engaged in training via one or more of these new technologies. Some employers had reservations around accessibility and interactivity, and whether online mechanisms are suitable for more practical types of work such as engineering or construction.

### 5 Determine employer concerns regarding Brexit in terms of recruitment and skills gaps

The majority of employers across Northamptonshire and South East Midlands do not expect that they will need to implement changes – such as upskilling existing staff, dealing with staff leaving and recruiting additional staff – as a result of Brexit. Of those that do expect that they will need to implement changes, only one in four said they are fully prepared.

Around one quarter of employers across South East Midlands and Northamptonshire said they were 'not prepared at all' regarding impending changes to employment law, identifying potential skills gaps and dealing with those skills gaps. Employers that acknowledged they were not prepared were disproportionately in the construction sector.

Finally, the research also highlighted some challenges for business support and skills organisations in engaging employers about their skills needs with the current focus of many businesses upon 'survival'.



# 1. Introduction

## 1.1. Background

Skills Support for the Workforce (SSW) is a programme developed to upskill employees within small and medium-sized employers. The programme provides recognised accredited qualifications and bespoke training courses to enhance employees' skills, increase competitiveness and boost the local economy.

SSW is co-financed by the Education and Skills Funding Agency and European Social Fund (ESFA).

Serco's Employment, Skills and Enterprise business (Serco Ltd) is the Prime Contractor of the SSW programme in the South East Midlands Local Enterprise Partnership geographical region, which includes Northamptonshire. The Education and Skills Funding Agency commissioned Serco to conduct research to understand employers' skills needs in Northamptonshire as part of the Local Enterprise Partnership's (LEP) skills planning, which in turn forms part of their wider strategic agenda. Serco commissioned Winning Moves to deliver this piece of research.

## 1.2. Research objectives

The purpose of the research was to:

- Identify skills gaps that are preventing business growth and an increase in business productivity.
- Clarify employer skills demand for the region's key sectors and identify other priority skills required to influence how / where efforts / resources are used to increase skills training uptake.
- Determine employer interest in apprenticeships and work experience
- Determine employer concerns regarding Brexit in terms of recruitment and skills gaps
- Explore the willingness of employers to support experimentation and early adoptions in the use of new technologies for future skills needs.

## 1.3. Method overview

The research for South East Midlands LEP is split into two geographic areas and two separate reports will be produced:

1. South East Midlands covering the following local authorities; Aylesbury, Bedford, Central Bedfordshire, Milton Keynes and Luton

2. Northamptonshire covering the following local authorities; Corby, Daventry, East Northamptonshire, Kettering, Northampton, South Northamptonshire and Wellingborough.

The research has also been conducted alongside research for another LEP area – Hertfordshire - due to the two LEP areas sharing similar research objectives.

The research was conducted in three stages:

1. A review of existing evidence to inform the primary research design.
2. Primary research with employers, comprising an online survey and telephone interviews to boost the response rate. The online survey was launched in February 2020, prior to covid-19 having a significant impact on the UK. The survey was promoted and disseminated by Serco and the LEPs through a wide range of intermediary organisations, such as the regional Chambers of Commerce, trade associations and the Growth Hubs. The promotion of the survey was paused at the end of March 2020 as it became apparent that UK businesses were focusing on the impacts of lockdown and subsequent changes to working practices. Intermediaries started to promote the survey again in June 2020 and the survey remained open until October 2020. Despite the extended period of time the survey was open for, the multiple promotional pushes, and inclusion of incentives for completion, responses remained low. In total, there were 126 responses (87 online responses and 39 telephone interviews) across Northamptonshire, South East Midlands and Hertfordshire. For Northamptonshire specifically there were 46 responses in total - 27 online responses and 19 telephone interviews.
3. 40 qualitative interviews with local stakeholders across the two LEP areas were conducted in July 2020, further exploring the research areas of interest. Stakeholders included local councils, business support organisations and training providers. Within the total of 40 interviews, 25 were focused on Northamptonshire and the wider South East Midlands LEP area.

## 1.4. Limitations / interpreting the findings in the report

**Mode:** It is possible that the nature of the survey was of more interest to certain profiles / employers who are more likely to engage in the training and development of their staff. This was evident when conducting the telephone interviews with employers, whereby some felt the survey was not relevant to them either because they did not employ any / many employees or because they didn't feel that they needed any support with upskilling their staff. That the data collection was mainly online may have exacerbated this as the sample becomes more self-selecting.

**Timing:** Data collection started prior to Covid-19 having a significant impact on the UK. It is possible that the views and skills needs of those that responded to the survey prior to

lockdown may have changed, as the impacts of Covid-19 may not have been fully appreciated by businesses at that point in time.

**Sample size / robustness:** The survey yielded a much lower response rate than was hoped for, despite the best efforts of the key partners in the research and relevant intermediary organisations to promote it. As a result it was agreed that the responses from the three geographic areas would be amalgamated and reported on as a whole so that quantitative findings were more robust. Therefore, the majority of the quantitative findings in this report are based on employers across Northamptonshire, South East Midlands and Hertfordshire. These quantitative findings are supported by qualitative findings specific to Northamptonshire- both wider stakeholder interviews, and themes arising / quotes from Northamptonshire employers responses. Where the data indicates potential differences between Northamptonshire and the rest of the sample, this is noted in the report, but due to the low sample size there are no statistically significant differences.

The response data has been weighted during analysis to reflect the population of employers across the geographic areas of interest<sup>1</sup>. Percentages stated in this report are based on weighted data. Where charts are displayed, 'N' refers to the weighted total of respondents for a given question; and 'n' refers to the actual number of respondents unweighted. Appendix A of this report outlines the profile of businesses that responded to the survey in terms of location, size and sector. This shows where there was limited response to this survey from certain types of employers. It is important that the profile of respondent employers is taken into consideration when interpreting the findings in this report.

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<sup>1</sup> Using ONS population data provided by each of the LEP's; SEMLEP and Hertfordshire LEP

## 2. Impact of Covid-19

This section summarises the views of stakeholders in Northamptonshire relating to the impact that Covid-19 has had on employment and skills in the LEP area. The evidence gathered from stakeholders has tended to emphasise issues and challenges already well-publicised in the general media, with some region-specific examples.

There was a general consensus amongst stakeholders that Covid-19 was having a significant impact on both employment and the types of skills needed, although this varied by sector.

### 2.1. Impact on employment

The SEMLEP Growth Hub commented that they were inundated with enquiries during April and May with businesses in “*firefighting mode*,” and seeking to access Government support for their organisations. However, during the summer, stakeholders felt that some employers had started to look forward and adjust plans for their business.

Most stakeholders felt that a large proportion of employers in Northamptonshire had furloughed employees using the Job Retention Scheme, based on direct conversations they had with employers<sup>2</sup>. Stakeholders had also found that some employers had started to make redundancies during the summer, and in relation to this commented on the rising Claimant Count<sup>3</sup>. Other impacts reported by stakeholders include an increase in the proportion of people not in education, employment or training (NEET), fewer apprenticeships available and increasing challenges for individuals that were unemployed prior to Covid-19 that would now have to compete for jobs against larger numbers of candidates.

Reflecting on direct conversations with employers and knowledge sharing at networking sessions, stakeholders felt that some sectors within Northamptonshire had been impacted significantly by Covid-19:



**Retail** – with particular concerns over high street stores and independent shops.

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<sup>2</sup> Data suggests that in the South East Midlands region, 31% eligible businesses had made a claim to the Job Retention Scheme: <https://www.gov.uk/government/publications/coronavirus-job-retention-scheme-statistics-august-2020/coronavirus-job-retention-scheme-statistics-august-2020>

<sup>3</sup> This was based on an increase in the claimant count for Job Seekers Allowance, National Insurance credits and Universal Credit principally for the reason of being unemployed, from 27,000 in March to 65,000 in August 2020 in the SEMLEP region.



**Hospitality and leisure** - with some stakeholders commenting on the closure of some restaurants.

In contrast, stakeholders felt that some sectors had been less adversely affected by Covid-19, and there were examples of businesses that been able to adapt to the changing environment.



**Health and social care** – stakeholders commented that the care sector is always short of staff, therefore there was unlikely to be redundancies or use of the furlough scheme in this sector and the number of job vacancies in the sector had remained relatively stable.



**Engineering and manufacturing** – stakeholders commented that few businesses in this sector had made redundancies / used the furlough scheme, and some businesses had demonstrated their innovation and adaptability, for example through producing visors and other PPE for the NHS.



**Food industry** – whilst some businesses within the food industry have been adversely affected, others that have been able to adapt to changing consumer behaviour have “*weathered the storm*”, for example by offering take away or home delivery options.

**Education** – stakeholders commented that the number of job vacancies in this sector had remained relatively stable, suggesting it would remain an important sector in terms of employment.

## 2.2. Impact on skills

The following themes were evident from discussions with Northamptonshire stakeholders and employers around the impact of Covid-19 on skills:

**Skills are not being seen as a priority by employers at the moment** – at the time of the stakeholder interviews (July 2020), stakeholders felt that employers were in “*survival mode*”, focusing on managing cash flow and achieving sales. This was evident from the types of enquiries that businesses were making to the Growth Hub between March and August 2020, and conversations that stakeholders had had with employers during the time.

*“The vast majority of businesses are not looking to increase the skills in the business / access training at this current time (or are not aware that they have a skills issue.) This is both a shame and a mistake.”*

It was also evident from the challenges experienced whilst recruiting employers to participate in telephone surveys; many employers said that they were not willing or able to participate in the survey because skills were not a current priority and / or they did not have time complete the survey due to addressing what they felt were more pressing issues facing their organisation.

Despite this, stakeholders were aware of some employers that were encouraging their employees to undertake training whilst furloughed.

**Skills are important if a business is to be able to adapt** - Despite stakeholders commenting that employers did not see skills as an important area for consideration at that time, the stakeholders themselves could see the importance of skills in determining the survival / success of a business. Stakeholders felt that the current economic climate will favour businesses that are able to adapt. In order to adapt, stakeholders felt that employers need good leadership and management skills, crisis management skills and changing sales and marketing skills.

**Some employers may not know what skills they need to survive / succeed –** Stakeholders were of the opinion that employers would be, and should be, looking for different skills in order to survive, given the rapidly changing business landscape. However, their conversations with employers and analysis they had conducted on job vacancies pre and post Covid-19 led them to believe that employers had not changed the skills they were looking for, and therefore some employers may not be fully aware of the skill-sets they should be recruiting.

*“We've looked at the occupations pre-Covid, post-Covid in terms of what's being asked for and what the demand is and it hasn't changed that much. This may indicate that businesses aren't sure about what their real skills needs are, or what to require in staff.”*

**Covid-19 has accelerated a need for improved digital skills** - Stakeholders commented that there was room for improvement across the vast majority of employers regarding employees' digital skills. In particular, the ability to work remotely, a move from paper based to digital based processes, an increased use of apps, changing methods of communication, and more businesses selling online.

*“There are a large number of over 30s who are not as savvy as the younger generation - it's things like how to share a screen, how to get on Zoom. These people are going to be pivoting between working from home and working in an office and they will need to be able to do this efficiently if companies are to remain productive. It's about ICT skills, apps, and AI is an area that will become more important if we're not going to be left behind.”*



**There will be a need to identify the transferable skills and the skills gaps of individuals that find themselves out of work** – Stakeholders felt that there would be large numbers of individuals from the retail and hospitality sectors (amongst others) that may need to find work in a different sector and / or role. In doing so they felt that identifying transferable skills would be an important part of this.

*“I think that we are still waiting to see what the new normal throws up in terms of what's needed because I just don't think you can treat everyone as a homogenous group; you're going to have really different skills gaps for different people depending on what they were doing previously and where they've come from.”*

**Covid-19 has impacted upon training provision in the area** – Stakeholders felt there were two main impacts relating to training provision. Firstly it has caused confusion around how apprenticeships can be delivered safely and a subsequent reluctance for employers to take on an apprentice at present. Secondly, it has moved courses and training delivery online, which required training providers to spend time adapting to this changed mode of delivery.

## 3. Current skills gaps

This section summarises the current skills gaps reported by employers, and the implications of these skills gaps for organisational performance / productivity.

In summary, almost two thirds of employers reported at least one type of skills gap within their workforce. The gaps most frequently cited across the whole sample were in digital skills, job specific skills, and sales and marketing skills. In addition to those skills gaps, Northamptonshire employers also frequently selected skills gaps in leadership and managerial and customer service. In terms of job specific skills, examples cited by Northamptonshire employers include HR, architecture and transportation.

Respondents that selected digital skills as a gap were asked which in particular - digital marketing, digital design and app development, Artificial Intelligence (AI) and CRM were the digital skills gaps most commonly selected by these employers.

In terms of implications for organisation's performance and productivity, the skills gap that appear – from employer responses across the whole sample – to be having the biggest impact are job specific skills, numeracy, planning and organisational and knowledge of English. Northamptonshire employers however have more frequently selected job specific, leadership and managerial team working, planning and organisational skills gaps and customer service skills gaps as those that are having the biggest impact on their performance.

The consensus amongst stakeholders in Northamptonshire (and the wider South East Midlands LEP area) was that gaps in digital skills, leadership and management skills, and sales and marketing skills were those having the most substantial impact on business growth and productivity.

### 3.1. Current skills gaps

All respondents were asked if they had any skills gaps, based upon the following definition of skills gap; *“skills that your organisation needs, but either does not have at all, or at the right level to meet your goals.”* All were given a list of potential gaps to select from, and were asked to consider all their workers, not just those that may normally take part in training.

Almost two thirds (60%) of employers reported one or more skills gaps in their organisation.

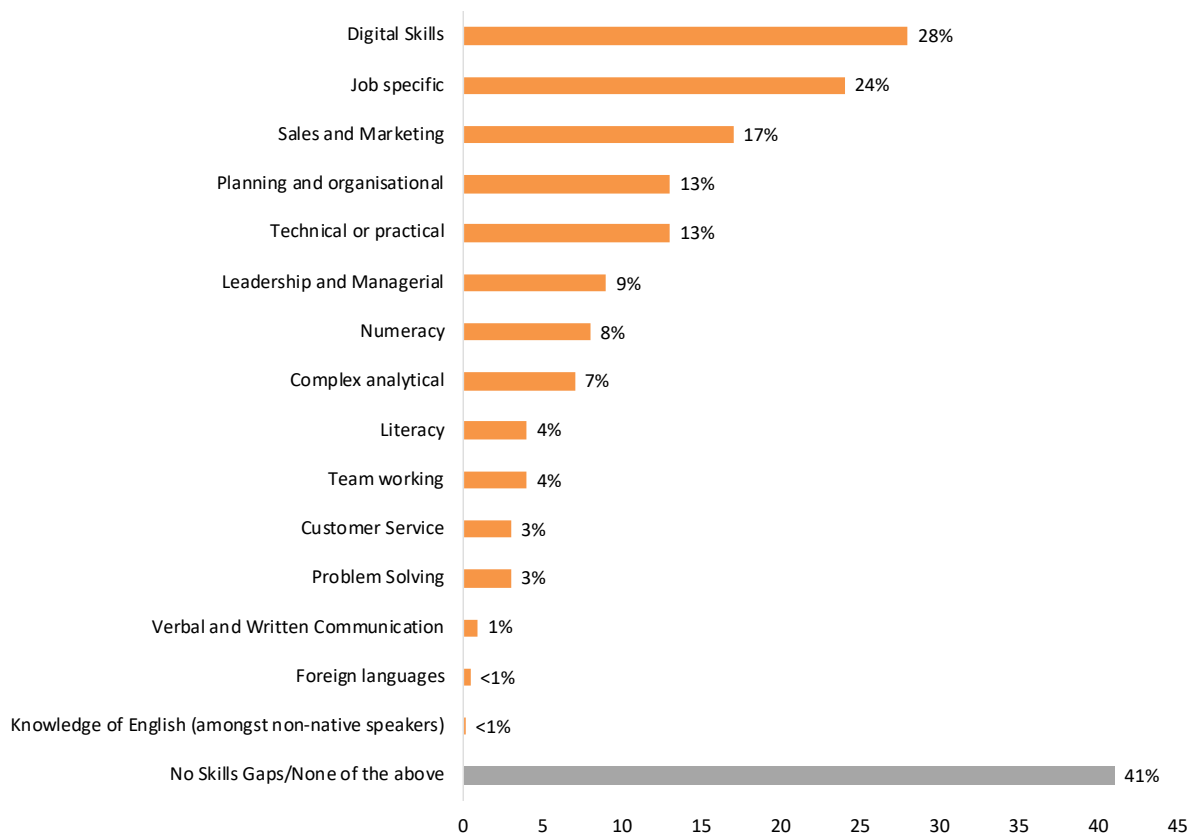


**60%**  
of employers

say they have one or more skills gaps within their organisation

Figure 1 shows the percentage of employers selecting each of the specific skills gaps prompted.

**Figure 1: Skills gaps reported by employers (N=80,255, N=126)**



The skills gap most frequently selected by respondents was digital skills, with over a quarter (28%) selecting it. This is closely followed by job specific skills and sales and marketing skills.

'Other' was also prompted as an option for respondents to select. Respondents that selected 'other' were asked to specify those skills, responses were then coded during analysis – all could be re-coded into one of the other skills gaps prompted in the survey.

Respondents that selected job specific skills gaps were asked to specify further. Examples cited by respondents included the following:



Ten respondents from Northamptonshire selected job specific skills gaps, and specifically cited HR, architecture, clinical, careers advice and guidance, transportation, construction, and inventory planning skills gaps.

Although the statistics should be approached with caution, the proportion of Northamptonshire employers that reported skills gaps was slightly lower to that of the whole sample, with 48% of Northamptonshire employers reporting a skills gap, compared to 60% from the whole sample. The skills gaps selected by Northamptonshire employers most frequently were leadership and managerial, job specific, customer service and digital. The proportion of Northamptonshire employers reporting the other skills gaps prompted in the survey was broadly in line with the whole sample.

Stakeholders felt that the biggest skills gaps in Northamptonshire were as follows:

- **Digital** – stakeholders suggested that digital skills were lacking at all levels from basic IT and remote working in some cases to advanced programming in others. Other digital skills gaps of particular concern in the area included cyber security and data analysis / visualization.

*“I would say that most businesses are still behind on this [cyber security] - and many will tend not to do anything until they have been hit. It is only a matter of time before government procurement will require cyber essentials / ISO 27001 in place for all their suppliers.”*

- **Sales and marketing** – stakeholders commented that sales and marketing approaches were changing in light of Covid-19, with shifts away from traditional account management and advertising to communications, marketing and lead generation.

*“A lot of businesses are wasting their time and money on advertising still - although it is keeping millions of people employed. What businesses really want to know / achieve is lead generation, and there is lots more to it than just marketing.”*

- **Leadership and management** – stakeholders felt that this was an area that affected businesses of all sizes and sectors; areas of particular concern were around skills in growing a business, crisis management, how to manage employees remotely, and how to create an adaptable workforce.

*“I think we have opened employers’ eyes to the value of having a really fluid workforce who can adapt to different situations, and instilling that resilience in your workforce as well, so that you can flex yourself like a chameleon really quickly into what is needed; that’s probably something that will emerge.”*



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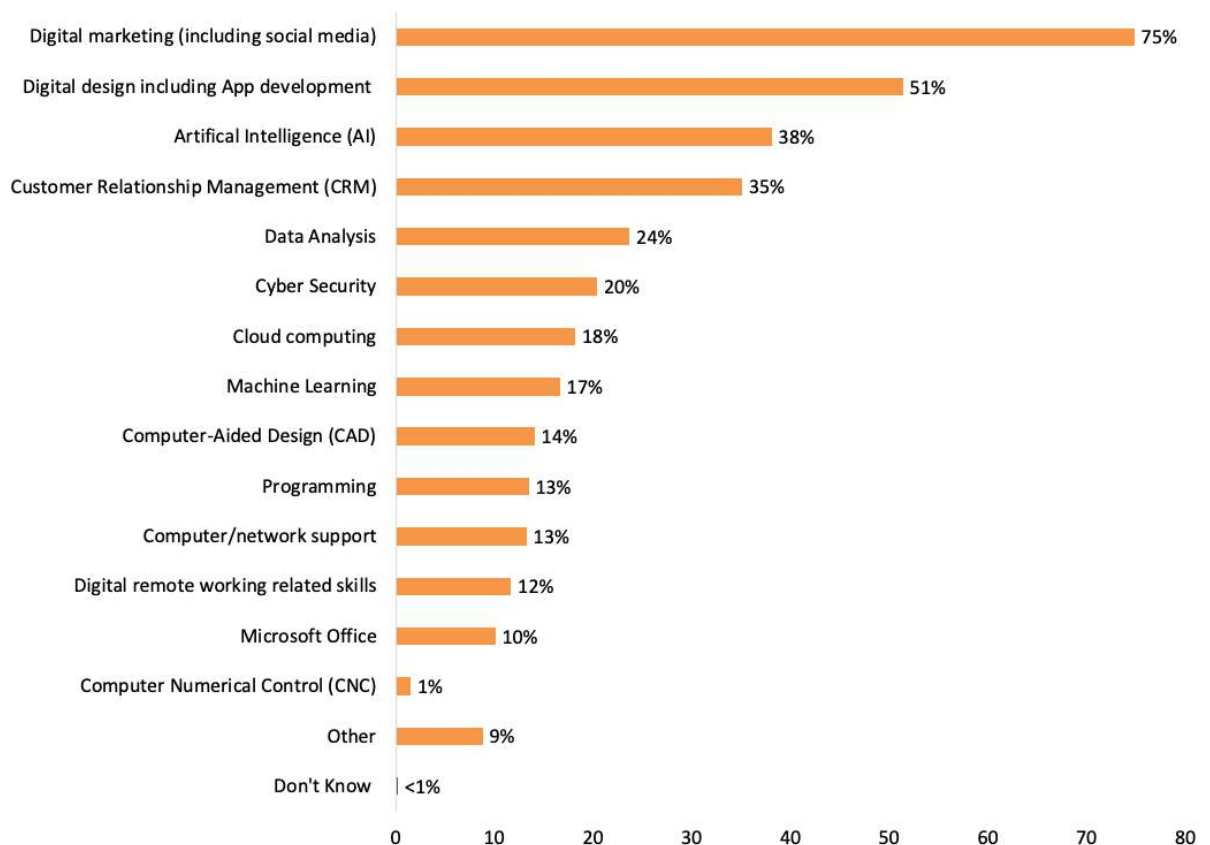
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### 3.2. Digital skills gaps

Respondents identifying digital skills gaps were prompted with a list of specific digital skills and asked to select those they felt were a gap within their organisation. Out of those employers that acknowledged digital skills gaps, three quarters felt that digital marketing was a skills gap, followed by digital design and app development, Artificial Intelligence (AI) and Customer Relationships Management (CRM).

**Figure 1: Types of digital skills gaps in current workforce (N=25,526, n=44)**



Analysis did not show any significant difference between the types of organisations that selected different digital skills gaps. Of the respondents that selected 'other' digital skills gaps, responses varied but comprise:

- The skills to understand what was required in setting up a remote office and operating digitally, for example setting up *"a digital telephone service, and understanding what equipment was needed to run digitally"*.

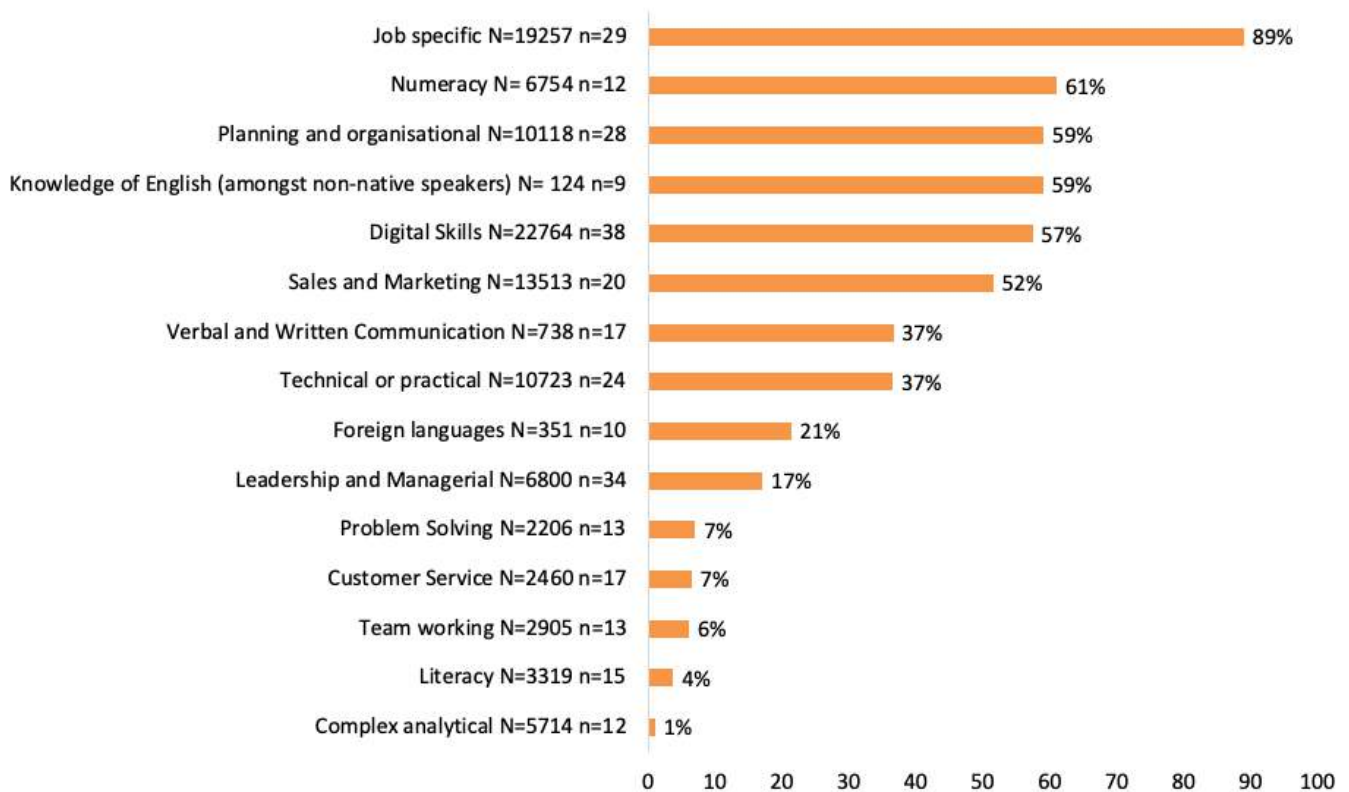
- “*Communication aids*”, which include gesture, signing, symbols, communication boards and books, as well as Voice Output Communication Aids (VOCAs).
- Building Information Modelling (BIM) software, used by architects, engineers and construction professionals.
- Developing e-learning and on-line learning for training providers and other organisations in the education sector.

14 of the 46 Northamptonshire respondents selected digital skills as a gap, across a range of sectors and size bands. The profile of Northamptonshire respondents selecting each digital skill type was broadly in line with the whole sample.

### 3.3. Skills gap implications

Respondents were asked to select up to three of their identified skills gaps that they felt were having the biggest impact on their performance / productivity. The chart below shows, for each skills gap, the proportion of respondents reporting it who then selected it as having one of the biggest impacts. For example, of the respondents that selected 'job specific skills' as a gap at all, 89% reported it to be one of the top three gaps impacting on their organisation's performance.

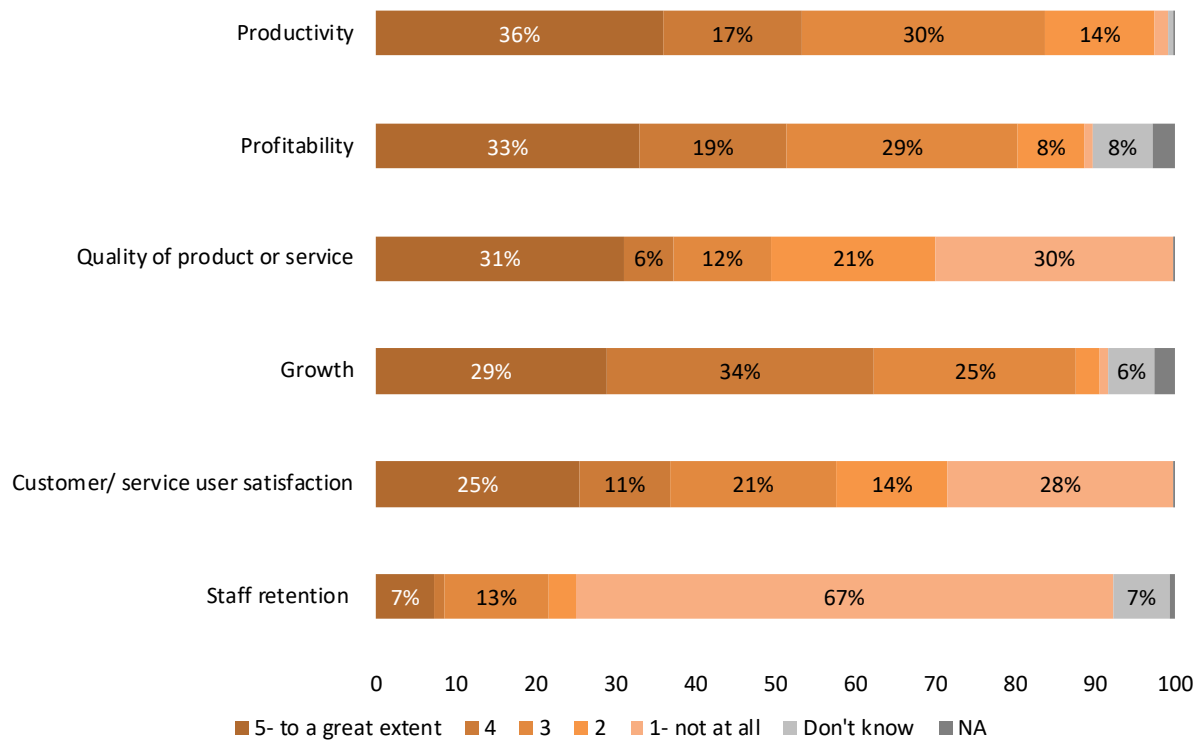
**Figure 2: Skills gaps with biggest impact on organisational performance (N=47,715, n=77)**



Although based on the small sample sizes, it suggests that job specific skills gaps have the biggest impact on organisational performance. Job specific skills was selected most frequently by Northamptonshire employers as having the biggest impact. This was followed by leadership and managerial, teamworking, planning and organisational and customer service.

All respondents reporting at least one skills gap were asked to rate (on a scale of one to five) the extent to which those gap(s) were impacting on five Key Performance Indicators (KPIs).

**Figure 3: Employers' views on the extent to which their skills gaps are impacting on five KPIs (N=59,225, n=110)**



The evidence suggests that employers felt that their skills gaps were having substantial impacts on productivity, growth and profitability, as opposed to product quality, staff retention and customer service. Analysis did not show any particular links between certain skills gaps and impact on specific KPIs.

Similar to the whole population, Northants employers more commonly felt that their skills gaps were having substantial impacts on productivity, growth and profitability, but also on product quality and customer or service user satisfaction, but not on staff retention.

Stakeholders were asked what they felt the impact of skills gaps are on the productivity / growth of organisations. Themes identified from stakeholder comments include:

- Businesses spending a lot of time and money trying to recruit employees.

- Business owners, leaders, managers spending time on tasks in the business to fill the skills gaps, which takes them away from the more strategic elements of running a business. As a consequence, this impacts upon the productivity of the business.
- Leadership and management skills gaps mean that individuals do not develop, future leaders are not identified, and this leads to poor succession planning.

### 3.4. Reasons for skills gaps

Respondents reporting at least one skills gap were provided with a list of potential reasons for each skills gap(s) and were asked to select all the reasons that they felt applied. The table below lists the most commonly selected reasons for those skills gaps identified by Northants employers as having the biggest impact.

**Table 1: Reasons for specific skills gaps selected by Northamptonshire employers**

Skills identified as having biggest impact	Most commonly selected reasons <i>(where a majority of respondents selected the reason, and the reasons are listed in order of the most commonly selected to the least commonly selected)</i>
Job specific	Low number of applicants with the required skills and qualifications Lack of appropriate training or courses Insufficient training budget My organisation does not have a workforce development plan Poor careers advice aligned to the sector
Leadership and Managerial	Applicant's lack of work readiness and knowledge Staff are not seeking to upskill Insufficient training budget My organisation does not have a workforce development plan My organisation is not prepared/able to release staff during work hours
Team working	Insufficient training budget My organisation does not have a workforce development plan My organisation is not prepared/able to release staff during work hours Staff are not seeking to upskill Applicant's lack of work readiness and knowledge
Planning and organisational	Low number of applicants with the required skills and qualifications Lack of appropriate training or courses Insufficient training budget

	My organisation is not prepared/able to release staff during work hours
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Stakeholders were asked for their view on the reasons behind particular skills gaps in Northamptonshire. The following stakeholder perceptions were identified in responses:

- A reluctance of employers to pay for training.
- A lack of engagement between employers and schools, meaning young people do not leave school with the core competencies, attitudes and behaviours that employers want.
- Training providers teaching out of date systems/ approaches to apprentices, which means that when an apprentice tries to apply their learning in the workplace, they find it is no longer relevant. Stakeholders commented that this is particularly true for engineering and manufacturing sectors.
- The area's proximity to London, which means that large numbers of individuals choose to either move to or commute to London for higher pay and / or for roles in firms with a higher profile (although this was felt to be an issue affecting more employers in the wider South East Midlands area than in Northamptonshire specifically).
- In some cases, regulations do not encourage individuals to upskill, for example in the construction sector regulations only require workers to gain a Level 2 qualification to get a CSCS card that enables them to work on-site. As a result, stakeholders felt there was limited interest in individuals upskilling beyond Level 2.



## 4. Training provision

This chapter reports the extent to which employers had taken action in the last twelve months to improve the skills of existing employees, in particular exploring engagement with external training providers and employers' likelihood of doing so in the future. It also summarises the view of employers regarding improvements they would like to see to training provision in the LEP area.

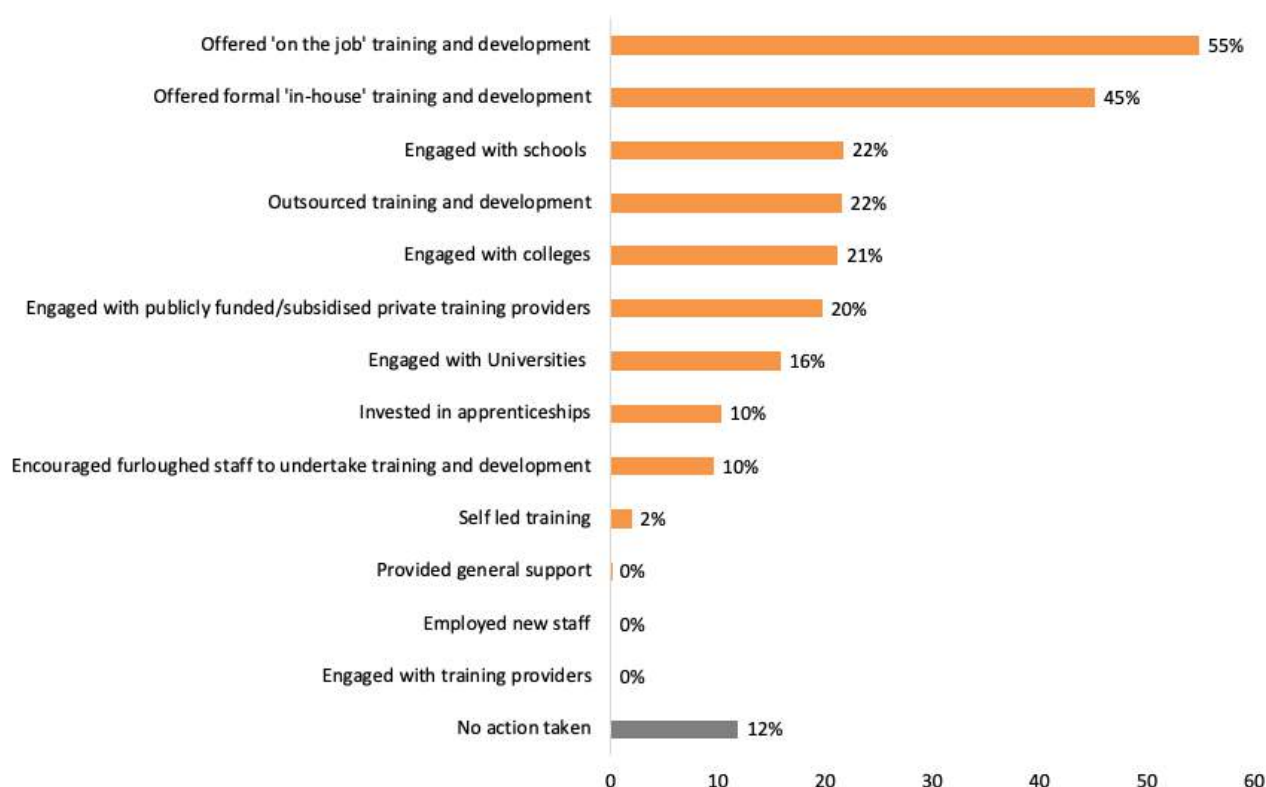
The majority (88%) of employers reported taking action in the last twelve months to upskill existing employees, predominantly in-house training. The majority (87%) of employers also said they are likely to take action to upskill employees in the future.

A few employers in Northamptonshire suggested improvements to training provision, including; improved engagement between employers and schools, colleges and universities to ensure individuals entering the workforce have the skills and experience that employers need, greater availability of construction apprenticeships, provision architecture qualifications within a local University, expand funding to cover higher levels and a broader range of sectors, better awareness of what training is on offer, ensure training provision meets the needs of those with hearing impairment, and adapt training to meet the needs of individual employers.

## 4.1. Upskilling action taken in the last twelve months

Respondents were asked if they had taken action to improve the skills of existing employees in the last twelve months and were prompted with a list of possible actions. The majority of respondents (88%) across the whole sample said they had taken at least one action in the last twelve months. The most common actions taken were on-the-job and / or in-house training and development.

**Figure 5: Actions taken in the last 12 months (N=80,255, n=126)**



Most of the employers that have taken action in the last twelve months have taken multiple actions. Analysis does not show any particular differences in action taken by employer profile. Respondents that stated that they had not taken action were asked why not. In these cases, the respondents stated that they didn't think there was a need to take action.

Half (53%) of Nothants employers that responded to this survey said they have taken one or more of the prompted actions over the last 12 months. Similar to the whole population, the most frequently selected actions were on the job training and formal in-house training. A smaller proportion of Northamptonshire employers said they outsourced training and

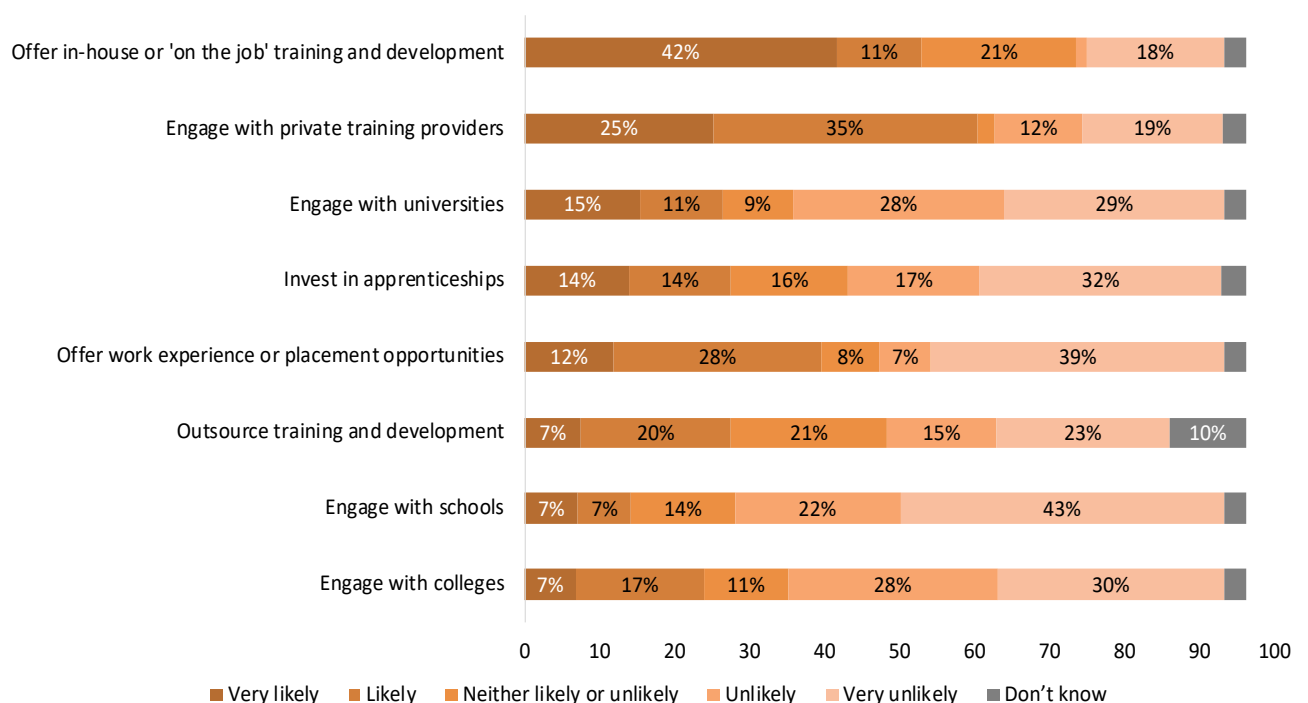
development and / or invested in apprenticeships compared to those in South East Midlands and Hertfordshire.

Respondents that had not taken action in the last 12 months commented that they felt no need for them to take action, either because their employees were already fully trained or because they did not have any employees.

## 4.2. Likelihood of future engagement with training providers

All respondents were asked how likely they are in the future to take any of a prompted list of actions to upskill their existing workforce. No timeframe was given. The majority of respondents (86%) said that they would be likely to take one or more actions in the future.:

**Figure 6: Likelihood of taking action in the future (N=80,255, n=126)**



Encouragingly, almost three quarters (70%) of employers said they are likely to engage with external providers and / or other stakeholders in some way. In particular, over half of employers (60%) said they are likely to engage with private training providers and over a quarter (28%) said they are likely to invest in apprenticeships.

In general, the actions employers expect to take in the future, mirror those taken in the last twelve months, hence roughly half of respondents said they are likely or very likely to offer internal / on the job training.

Similar to the whole sample, a majority of Northamptonshire employers (68%) said that they are likely to take one or more actions in the next 12 months to upskill their existing workforce. Half (53%) said they are likely to engage with private training providers and 53% said they are likely to offer in-house training. A greater proportion of Northamptonshire employers selected 'engage with colleges', and 'engage with universities' compared to employers in the other two regions. Northamptonshire employers less frequently selected 'offer work experience or placement opportunities' than the other two regions.

### 4.3. Effectiveness of training provision in Northamptonshire

Stakeholders were asked their views on the effectiveness of training provision in Northamptonshire. Most stakeholders felt that they did not know enough about the training provision in the region to comment in detail, but felt that on the whole the training provision was good in the area.

*“The training provision is good; we work closely and actively with the local authority and there is a good skills team to work closely with to understand the needs in the area. They are very proactive when a new business comes to the area. There is ample provision for key sectors.”*

Two stakeholders felt that there was some room for improvement in training provision in the area:

- Inadequate training provision for apprentices, resulting in some young apprentices having to travel a long way to access the college aspect of their apprenticeship as the local training provider was full.
- Training provision is not as good at Levels 4 and above compared to the training provision for Levels 2 and 3.

Employers were asked if they felt any improvements could be made to local training provision. Across the whole sample, just over half of respondents (56%) felt improvements could be made; within Northamptonshire, 13 out of 46 employers suggested improvements. Improvements suggested by Northamptonshire employers comprised the following:

- Improved communication and engagement between employers and schools, colleges and universities to ensure individuals entering the workforce have the skills and experience that employers need.

- More apprenticeship training places locally, in construction specifically, with a preference for day release at college rather than work experience.
- Provision at undergraduate and post-graduate level for architecture qualifications within a local University.
- Expand the type of training / courses that are funded, with some employers commenting that funding is restricted to certain sectors (e.g. construction, care) at levels 2 and 3 only.
- Better awareness raising of what training is on offer in general, with one respondent specifically commenting that a centralised, searchable directory of training centres and courses would be useful.
- Ensure training provision meets the needs of those with hearing impairment.
- Adapt training to meet the needs of individual employers, as “a one size fits all” approach does not work for all employers.

## 5. Recruitment

This chapter outlines employer concerns regarding the extent of hard-to-fill vacancies in the last 12 months, and the methods they are using to recruit.

One in five employers said that, in the last twelve months, they have had a vacancy that has been hard to fill. The most common reason for this was perceived applicant quality – sub-optimal skills, attitude or motivation for the job. Organisations are using a range of methods to recruit new employees, perhaps unsurprisingly focused mainly on free or low cost approaches.

Employers most frequently selected digital skills and technical / practical skills as those that they will need in greater numbers in the next three to five years. Stakeholders in Northamptonshire envisaged greater numbers of people working in – and therefore skills needed in – the following sectors; food manufacturing, health and social care, construction, logistics and manufacturing and engineering.

### 5.1. Hard-to-fill vacancies

All respondents were asked whether, in the last twelve months, they had any hard to fill vacancies. One fifth of respondents (20%) across the whole sample reported that they had.



**20%**  
of employers  
have had hard to fill vacancies in the last 12 months



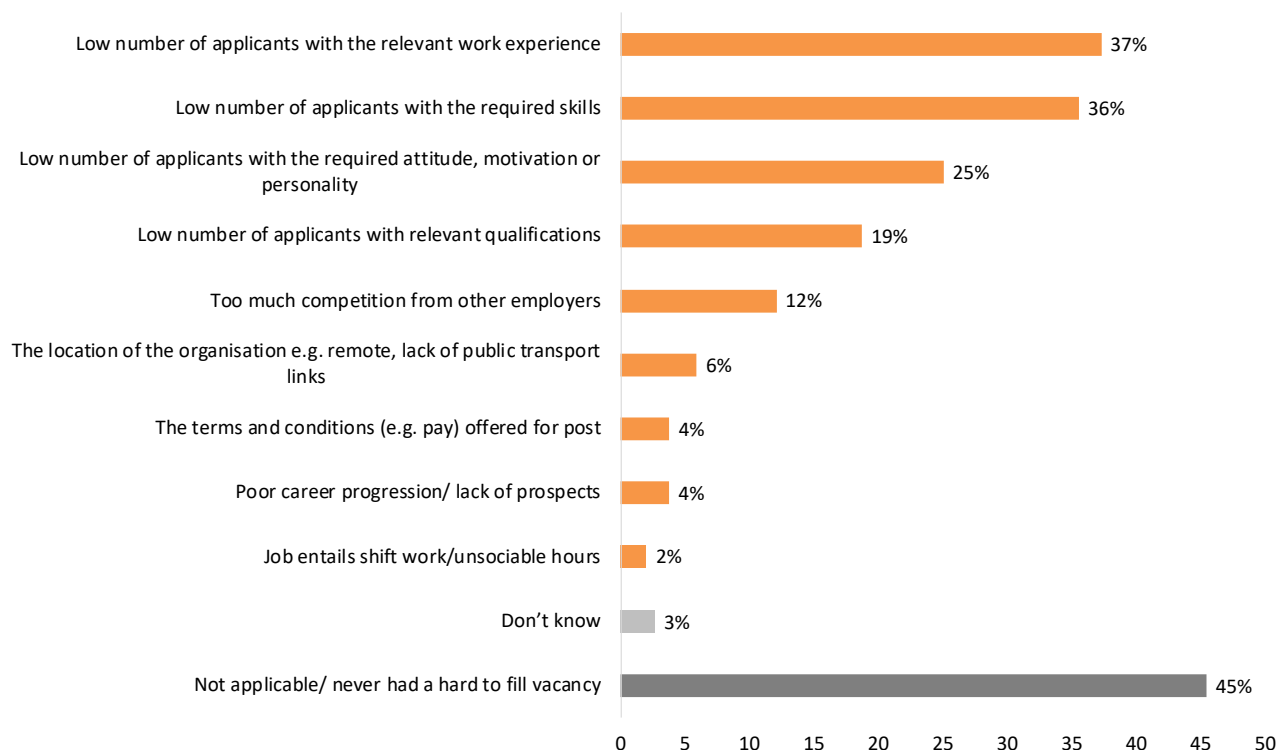
Analysis shows that hard to fill vacancies were particularly evident in the following sectors; education, construction and manufacturing. When asked to specify job roles that they found hard to fill in the last twelve months, the following were specified by respondents:



### Causes of hard to fill vacancies

All respondents were prompted with a list of potential causes of hard-to-fill vacancies and were asked to select all they felt had applied / could apply to their organisation:

**Figure 7: Typical causes of hard to fill vacancies (N=80,355, n=126)**



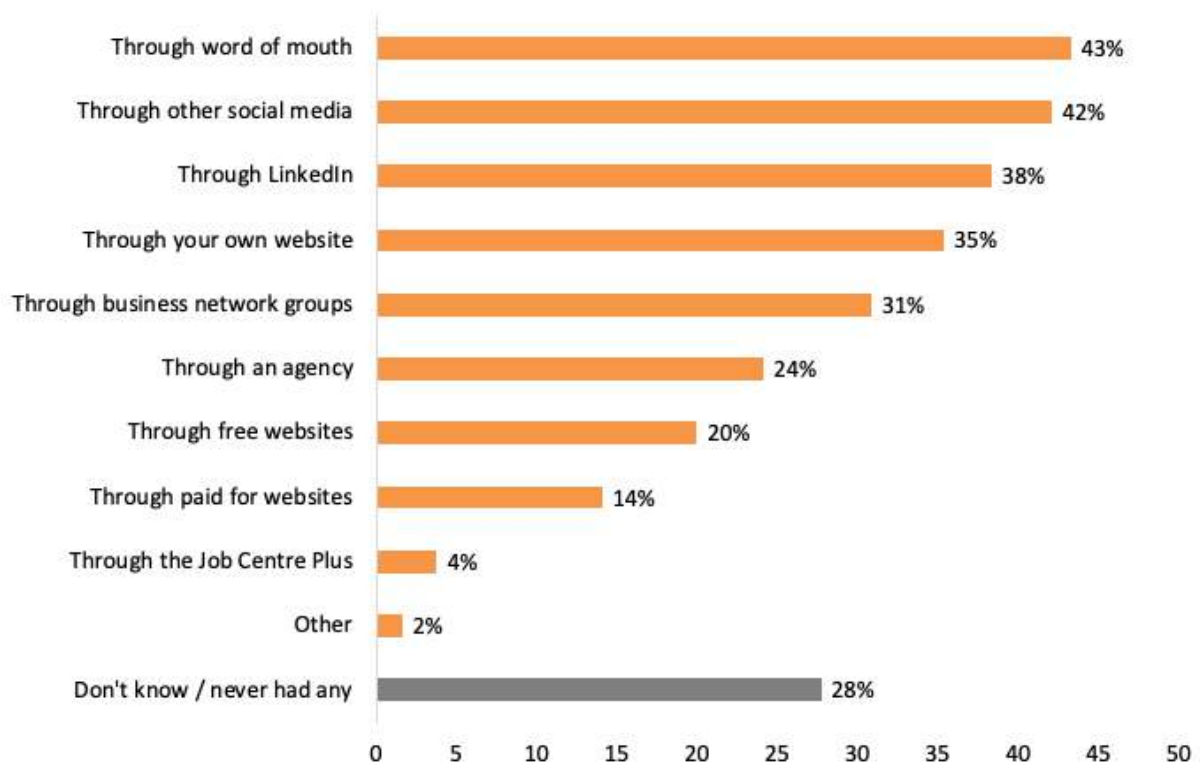
Overall, perceived applicant deficiencies were by far the most commonly selected reasons for hard to fill vacancies. Analysis did not show any correlation between types of vacancies and the causes for those vacancies.

28% of Northants employers said that they had had one or more hard-to-fill vacancies in the last 12 months; this group comprised public and private sector organisations, of various sizes. Responses suggest that Northants employers feel that deficiencies in applicant skills and / or low numbers of applications are the main causes of hard to fill vacancies.

## 5.2. Recruitment approach

All employers were asked how their organisation typically advertises or promotes their vacancies, selecting from a prompted list:

**Figure 8: Recruitment approaches used by employers (N=80,255 n=126)**



Organisations were using a range of approaches to recruit new staff, particularly free or low cost methods such as word of mouth, social media, LinkedIn, through their own website or through business networking groups.

All respondents were prompted with a list of local organisations and asked to select which they had used to try and recruit new employees. The majority of employees (83%) reported having engaged with at least one local organisation, with recruitment agencies being the most commonly selected.

**Figure 9: Organisations engaged to recruit new employees (N=80,255 n=126)**



The recruitment approaches used by Northamptonshire employers were similar to those of the whole sample, with the most frequently selected being other social media, their own website, word of mouth and LinkedIn.

In terms of the organisations that employers engage with to recruit new employees, a higher proportion of Northamptonshire employers engaged with colleges, schools, and Job Centre Plus than the proportion of employers in the other regions. A lower proportion of Northamptonshire employers selected 'the National Apprenticeship Service', 'training providers' and / or 'universities' than the proportion of employers in the other regions.

### 5.3. Effectiveness of recruitment channels used by employers

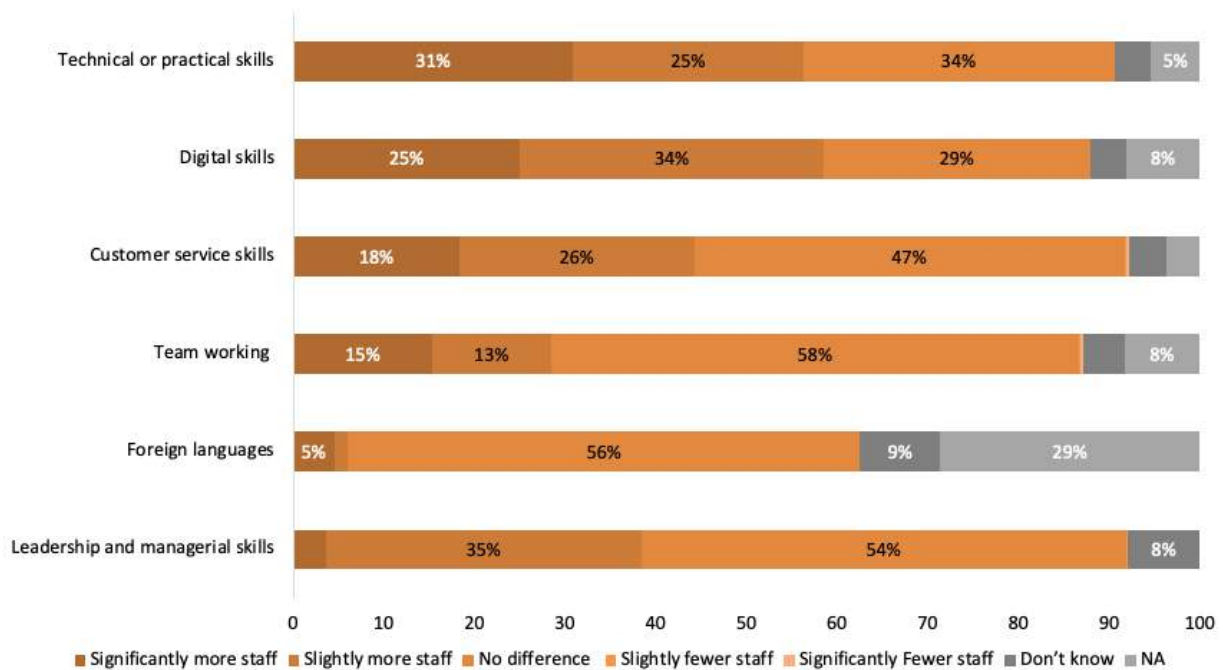
Stakeholders were asked for their views on the effectiveness of recruitment channels used by employers in Northamptonshire. Most felt they were not able to comment as it wasn't something that they talked to employers about. For example, some Growth Hub staff commented that recruitment tends not be an area that employers want to focus on during meetings, favouring sales and marketing and finance instead. Of the small number of stakeholders that did comment on the effectiveness of recruitment channels used by employers, views expressed include:

- Many employers are not using LinkedIn to its full potential, lacking a visually appealing and updated company profile.
- There is a lack of promotion to school aged pupils of opportunities to work in particular sectors such as manufacturing, engineering and logistics.
- An acknowledgement that there could be a more joined up approach between councils, the large local employers, Job Centre Plus, and training providers in terms of working together on the same initiatives.

## 5.4. Future skills

Respondents<sup>4</sup> were asked if they expect to need more or fewer employees with particular skills in the next three to five years:

**Figure 10: Employer's views on requiring more or fewer staff with particular skills (N=67997 n=91)**



Over half of employers expect to require more staff with technical or practical skills and / or digital skills. Almost half of employers expect to require more staff with customer service skills.

<sup>4</sup> All respondents in SEMLEP were asked this question. Amongst Hertfordshire respondents, only those that said they felt ready to discuss skills needs in the next three to five years (15 respondents) were asked this question.

Stakeholders were asked for their views on future skills needs in Northamptonshire. There was strong consensus as to the likely biggest areas of demand, which included:



**Food manufacturing** – this is a large industry in the area and there will continue to be a need for new employees in the sector. Stakeholders also commented that changes in consumer buying behaviour have and may continue to cause shifts in demand between different types of businesses within the sector e.g. lower demand in the packed sandwiches sector and higher demand in takeaway / ready meal options.



**Health and social care** - including doctors, nurses, care sector – stakeholders explained that whilst this sector isn't a priority sector in Hertfordshire in terms of growth, there will of course continue to be a demand for employees in this sector.



**Construction** – stakeholders commented on the Government's general support for the construction sector in terms of the Clean Growth Strategy, number of new homes to be built and the recent introduction of the Green Homes Grant, and felt that as a result there would be a continued need for employees at all levels.



**Logistics** - this was felt to be a growing sector in the area, accelerated by Covid-19. Stakeholders felt that logistics was an example where there is low awareness amongst school leavers about the opportunities in this sector. Stakeholders commented that it is also not considered an attractive sector to work in, and therefore employers in the area struggle to recruit the numbers of employees required.



**Manufacturing** – Similar to above, this was thought to be a growing sector in the area, but one for which school leavers have limited awareness of the opportunities available. Furthermore, stakeholders commented that manufacturing is not perceived to be an attractive career opportunity, and therefore employers in the area struggle to recruit the numbers of employees required.

## 5.5. Training budgets

All respondents were asked if they have a training budget for 2020-21. Out of the whole sample, 29% of employers said that they did, a similar proportion to Northants employers specifically (28%). When asked to specify their training budget, three respondents in Northamptonshire provided values ranging from £1,000 to £8,000, correlating with the size of the organisation.



## 6. Apprenticeships

This chapter summarises employer awareness and understanding of apprenticeships, the extent to which employers are investing in apprenticeships, and employer views on the barriers to taking on an apprentice. It also summarises the views of stakeholders on the level of employer interest in apprenticeships.

A majority of employers reported a good understanding of what an apprenticeship is, how apprenticeships could benefit their organisation, and where to go to find out more. However, a sizeable proportion did not. Stakeholders raised several barriers that they felt hindered employers from taking on an apprentice. Those felt to affect employers across all sectors include; a branding issue with apprenticeships where they are seen as less valuable compared to university qualifications, a misperception that apprenticeships are only for roles that require manual skills, and employers not being able to find the time to spend with an apprentice or organise an apprenticeship.

### 6.1. Awareness and understanding of apprenticeships

All respondents were asked to what extent they agreed or disagreed with four statements regarding awareness and understanding of apprenticeships:

**Figure 11: Awareness and understanding of apprenticeships (N=80,255, n=126)**

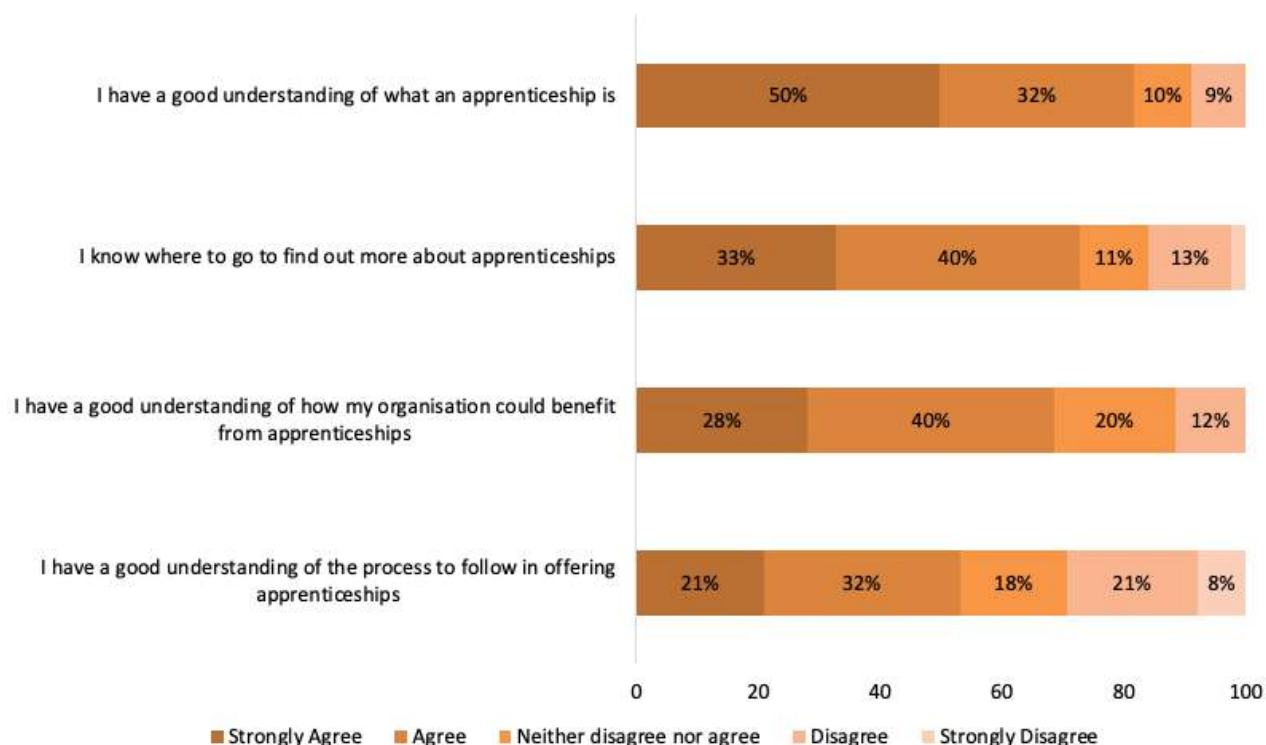
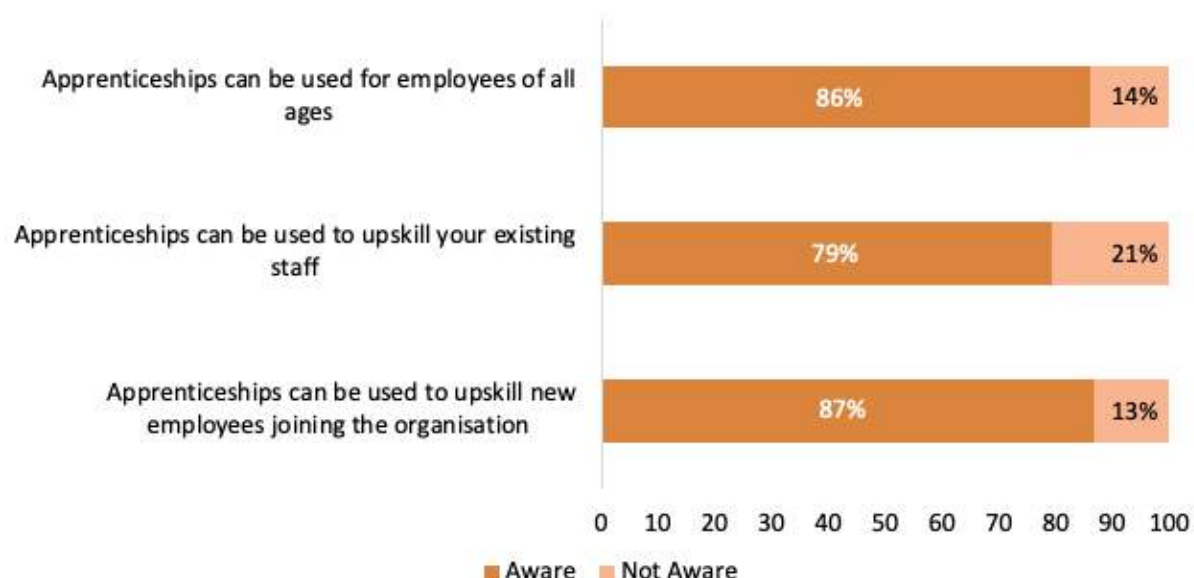


Figure 11 shows that whilst a majority of employers feel they have a good understanding of apprenticeships, a sizeable proportion do not. In particular, over a fifth of respondents (21%) do not know where to go to find out more about apprenticeships and over a quarter of respondents (28%) disagreed that they had a good understanding of the process to follow in offering apprenticeships.

All respondents were then asked whether they were aware of three different ways apprenticeships can be used.

**Figure 12: Knowledge of how apprenticeships can be used (N=74,494, n=105)**



A large proportion of employers said they were aware of how apprenticeships can be used, as shown in Figure 12 above. However, stakeholders often commented that there remain many employers who think apprenticeships are just for roles requiring manual skills (e.g. construction and engineering), implying there may be other aspects of apprenticeships that employers are less aware of.

A higher proportion of Northamptonshire employers said they were aware of how apprenticeships can be used (against all three statements prompted) compared to the proportion in the whole sample.

## 6.2. Current use of apprenticeships

Respondents were asked whether they currently employ any apprentices. Across the whole sample, 3% of respondents said that they do.

Eleven employers in Northamptonshire said that they currently employ apprentices; these comprised construction, transportation, manufacturing, health and social work, public administration and defense, and education organisations.

Respondents were asked to specify the apprentices that they currently employ. In some cases, employers reported multiple apprentices in different roles. Northants employers reported the following types and numbers of apprenticeships:

**Table 2: Type and number of apprentices employed by Northamptonshire respondents**

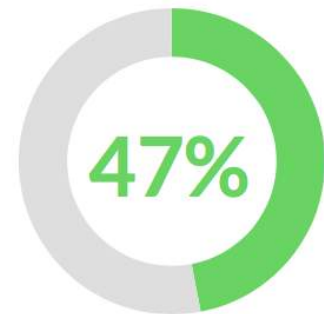
Type of apprenticeship	Number of organisations employing an apprentice	Number of apprentices employed in total
Digital	1	2
Education	1	1
Social care	1	3
Administration	2	4
Construction; surveyor, site management, carpentry	2	10
Manufacturing	1	10
Engineering	1	10

### 6.3. Views on using offering apprenticeships in the future

All respondents were asked whether they would consider offering apprenticeships in the future. Almost half of respondents (47%) across the whole sample said that they would. A quarter of respondents (27%) said that they would not and a quarter of respondents (26%) were not sure.

In line with the whole sample, 42% of Northants employers also said they would consider offering an apprenticeship in the future, 19% said they would not and 39% said they were unsure.

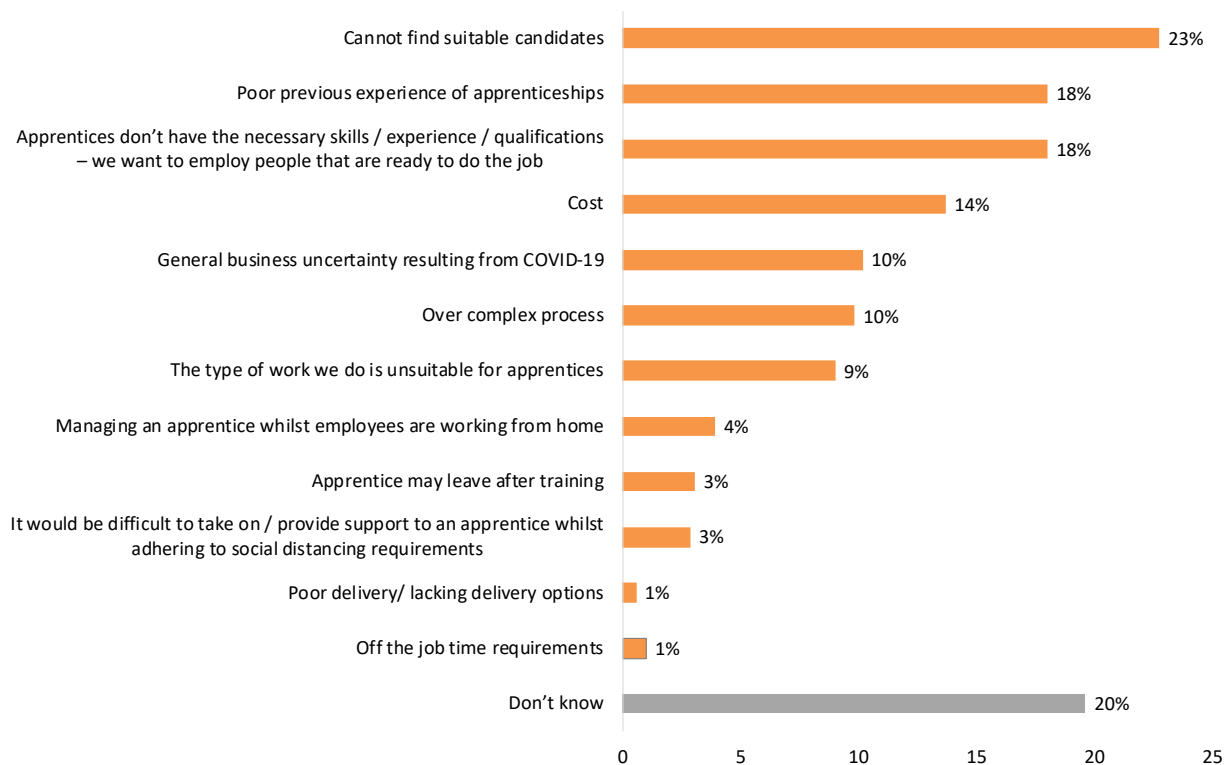
Would consider taking on an apprentice  
in the future  
(N=74494 n= 105)



## 6.4. Reservations about offering apprenticeships in the future

Respondents were prompted with a list of potential reservations about offering apprenticeships and were asked to select any that they felt applied to their organisation:

**Figure 13: Employer reservations about offering apprenticeships (N=80,255, n=12)**



The most commonly selected reservation was around finding a suitable candidate, either based on previous experience or based on a perception that they might find it challenging to find a suitable candidate. This was followed by 'poor previous experience of apprenticeships' and 'apprentices don't have the necessary skills', which again could be based on previous experience or a perception that apprentices will not have the skills that they require. One tenth of respondents reported reservations about apprenticeships directly related to Covid-19.

In Northamptonshire, employers most frequently selected 'cannot find suitable candidate', with 32% doing so, which is slightly higher than the proportion of employers in the whole

sample. Northamptonshire responses were broadly in line with the whole sample<sup>5</sup> for the other options prompted in the survey, with the exception of 'poor previous experience of apprenticeships' where 2% of Northamptonshire employers selected this option compared to 18% in the whole sample.

Stakeholders were asked for their views on employer interest in apprenticeships. They reflected that they had found that, in general, employers were interested in and willing to take on an apprentice. However, another stakeholder commented that they had seen a significant drop in the number of apprenticeship vacancies since Covid-19.

Stakeholders raised the following barriers to more employers offering apprenticeships:

- **A continuing perception that apprenticeships are less worthwhile than university education** – some stakeholders explained apprenticeships are seen by many (employers and people in general) as a second class option compared to university qualifications. The stakeholders felt that there needed to be a significant shift in attitudes at a national and local level for this problem to be overcome.

*“There is a significant branding issue. The word apprentice / apprenticeship conjures up lots of negative things unfortunately.”*

- **A perception that apprenticeships are solely for roles requiring manual skills** – stakeholders commented that many employers perceive apprenticeships to be for trade related roles and are unaware of the full range of apprenticeships that can be delivered. Most stakeholders felt that there was a need for greater education of employers regarding how they could benefit from apprenticeships.
- **Time is an issue for employers** – stakeholders commented that some employers, particularly SMEs, struggle to find the time to mentor an apprentice and some also commented that some employers find the paperwork associated with apprenticeships time-consuming and burdensome.

*“One large company I have worked with pays £15,000 per year into the Apprenticeship Levy but does not take on any apprentices as it is too much hassle - they just see the levy as a tax and accept that they have to pay it.”*

- **A concern that training providers do not teach up to date systems** – some stakeholders had had conversations with employers (particularly in the construction,

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<sup>5</sup> Although it should be noted that the option 'General business uncertainty resulting from Covid-19' was not prompted to employers in the South East Midlands area.



manufacturing and engineering sectors) who had found that the systems and technologies taught by apprenticeship training providers were out of date.

*“Some employers have found that their systems or technologies have moved on and what the apprentice learns is out of date. Those teaching at colleges need to be more involved in actual to know what businesses are doing.”*

- **Some apprenticeships in specific sectors have not been designed well** – For example, one stakeholder commented that for the logistics industry it is not possible to have employees out of the workplace during their busiest periods. Another stakeholder felt that apprenticeships for HGV driving roles take too long to complete, which means they are not feasible for employers.

## 7. Work placements

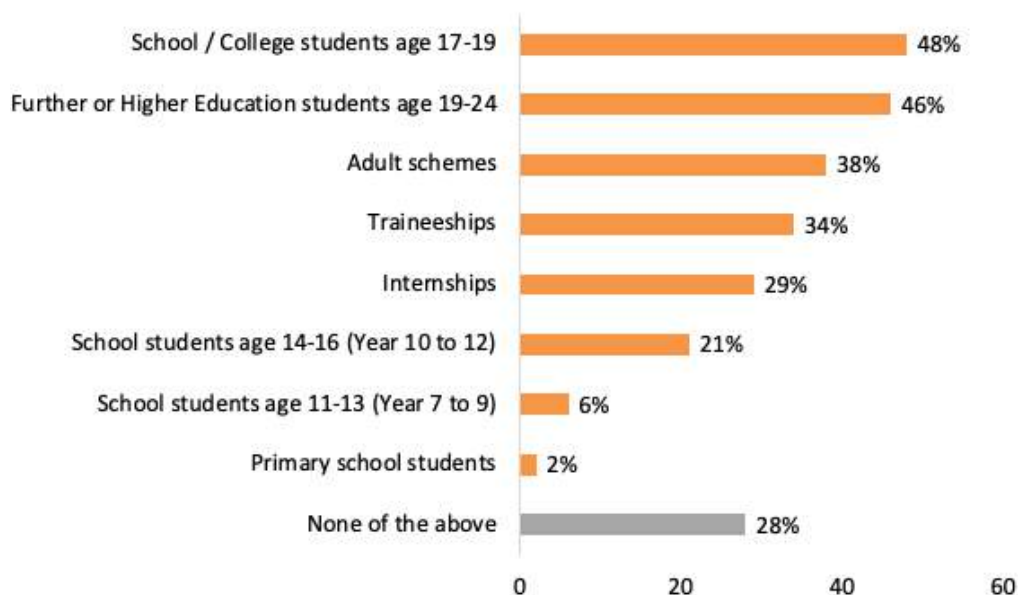
This chapter reports the views of employers and stakeholders regarding employer willingness to offer work placements, their reservations towards work placements and interest in future support around work placements.

Almost three quarters (72%) of employers said they would be willing to offer work experience placements. However, a similar proportion (77%) of employers had reservations; of the reasons prompted in the survey, the most frequently selected were a lack of time to spend with an individual on a work placement, and the lack of time to organise a placement opportunity. Whilst stakeholders acknowledged these barriers, they also felt that there were other key issues preventing more work placements taking place, such as a perception amongst employers that regulations on work experience placements are burdensome, and negative cases reported in the local news that may discourage other employers from considering offering a work placement.

### 7.1. Willingness to offer work placements

Respondents were prompted with a list of potential work experience groups and were asked whether they would be willing to offer work experience placements to any of them. Respondents were able to select all that applied. 72% of the whole sample said that they would be willing to offer work experience placements to one or more groups. Full responses are shown below:

**Figure 14: Employer willingness to offer work experience placements (N=80,255, n=126)**

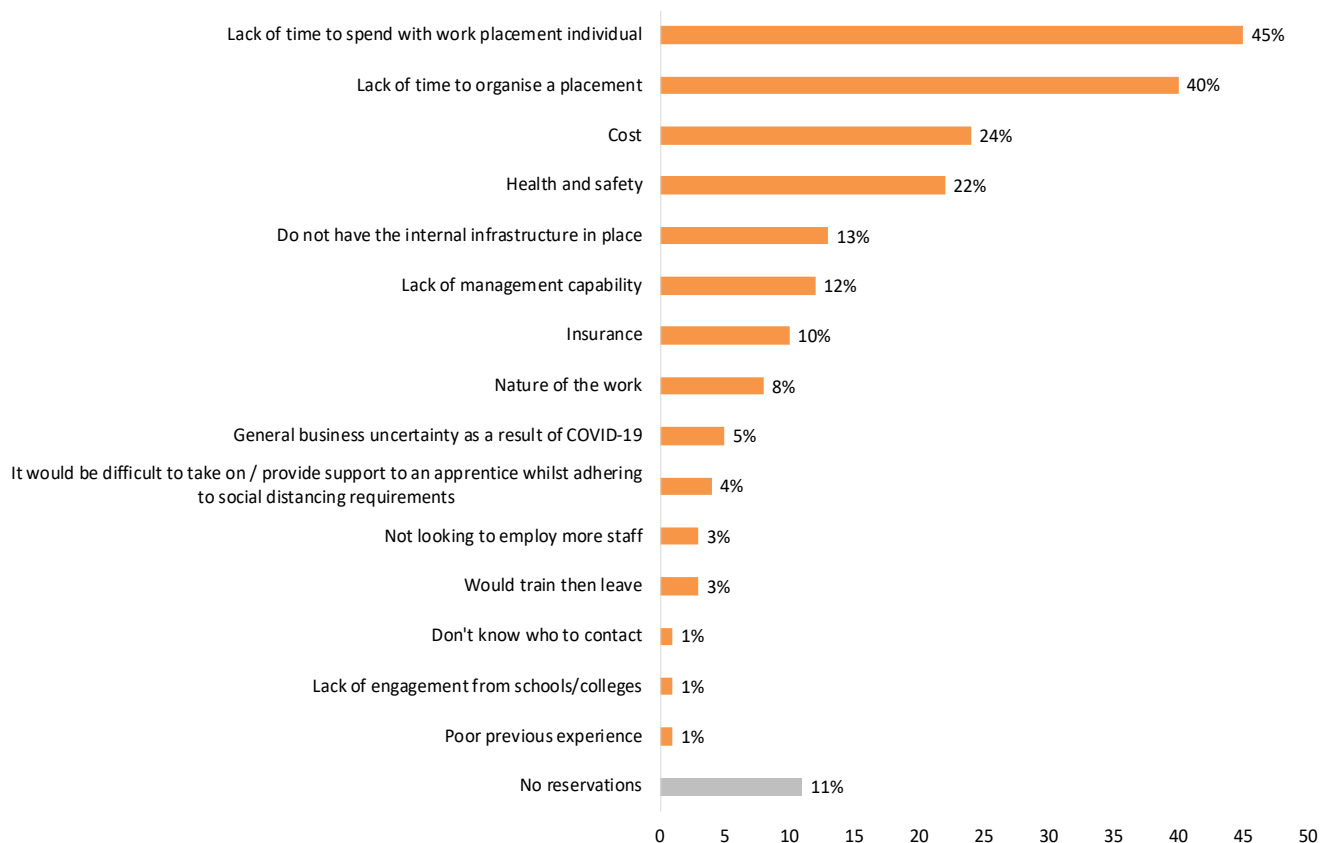


82% of Northamptonshire employers responding to this survey said that they would be willing to offer a work placement to one or more groups of individuals. Northamptonshire employers responded in a similar way to the whole sample - employers most frequently selected 'school / college students aged 17-19' and / or 'further / higher education students aged 19-24' as the groups that they would be willing to offer placements to. The exception was 'adult schemes' where a higher proportion of Northamptonshire employers selected this option compared to the proportion in the whole sample.

## 7.2. Reservations about offering work placements

Respondents were given a list of potential reservations about offering work placements and were asked to select all that applied to them. Responses are shown below:

**Figure 15: Employer reservations about offering work placements (N=80,255, n=126)**



The data suggests that time is the biggest barrier to employers offering a work placement.

Stakeholders felt that there had been an increased level of engagement between employers and colleges / schools, either through employers participating in careers discussions or offering work placements.

*“There are more companies, particularly larger organisations, that now recognise they have to be part of the solution, rather than just blaming it on there not being enough education leavers ready to meet their skills needs.”*

Despite the view that there had been good progress, stakeholders felt the following barriers still needed to be overcome:

- **Mentoring a work experience student takes time** – and employers find it challenging to find or make time for this.
- **Employers perceive work placements to be burdensome in terms of compliance** – employers are concerned about regulations and compliance issues that are associated with offering a work experience placement, particularly in relation to GDPR.

- **There have been negative examples of work experience placements reported in the local press recently** – examples include work experience students not doing a good job, and a major retailer being criticised for taking on work placement students as it was perceived that they were taking advantage of ‘free labour.’ Stakeholders felt that both of these cases could put other employers off considering offering work placements.

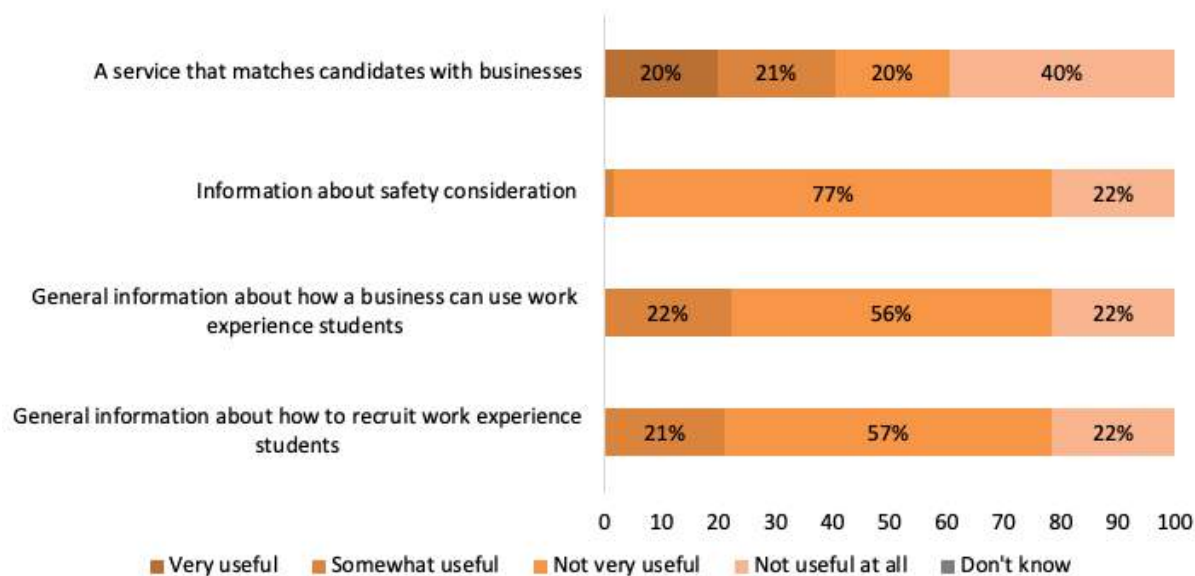
In light of Covid-19, stakeholders felt that employers would consider it even more challenging to offer work experience placements due to:

- Employees working from home and not knowing how a work placement student could be supported / managed in this situation
- The impracticalities of having more individuals within the workplace.
- Financial uncertainty, and this putting increasing pressure on the business to focus on sales and the survival of the business.

### 7.3. Interest in future support

Respondents in Northamptonshire were provided with a list of potential support to assist with offering work placements and were asked if they would find any useful.

**Figure 16: Employer interest in support in Northamptonshire (N=12491 n=38)**



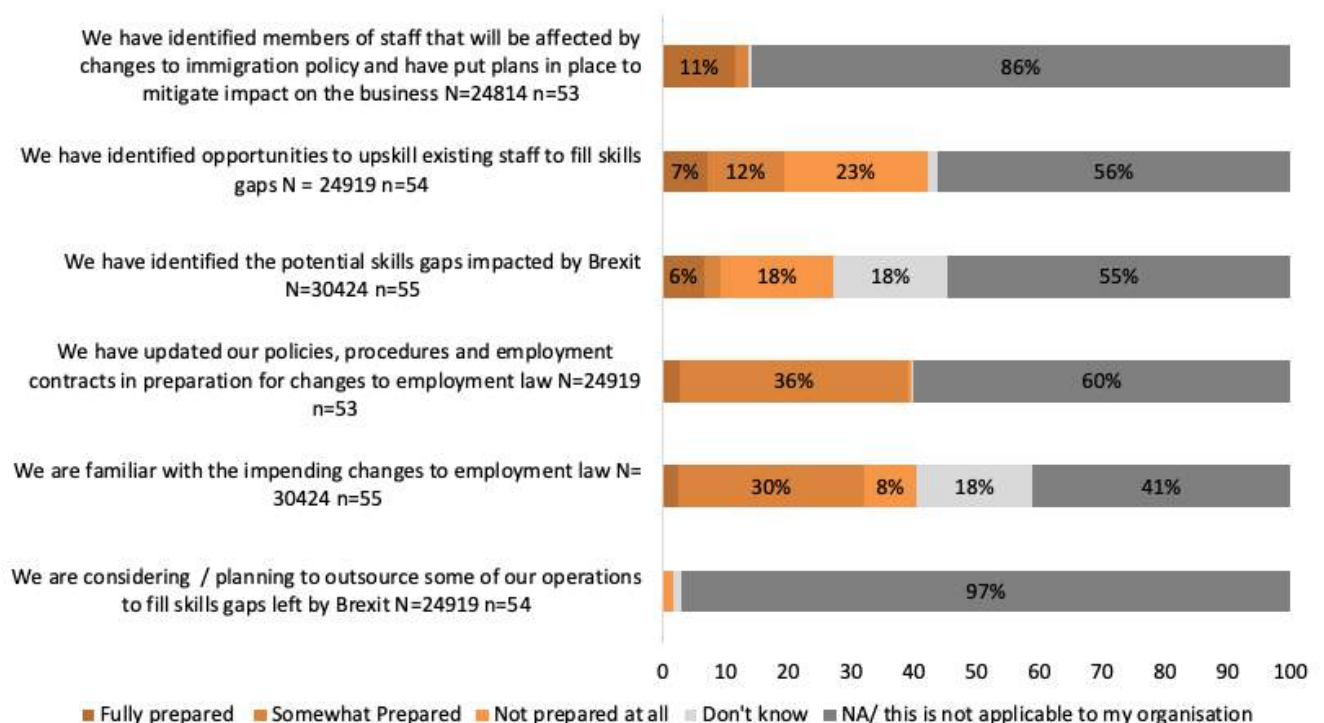
41% of Northamptonshire employers said that a service that matched candidates with businesses would be useful. One in five respondents said that general information on how to recruit work experience students or how businesses could use work experience students would be somewhat useful, and the majority of respondents said that information about safety considerations would not be useful.

## 8. Brexit

SEMLEP wished to explore the views of employers in South East Midlands and Northamptonshire, regarding the UK leaving the European Union, in terms of how it would impact their recruitment and skills. This section summarises employer responses and the views of stakeholders.

Respondents in Northamptonshire and South East Midlands were asked to rate the extent to which they had considered and prepared for future skills needs to meet their current and future requirements as a result of the UK leaving the EU. Responses are shown below<sup>6</sup>. The percentages should be considered with caution due to the small sample sizes.

**Figure 17: Preparation of employers in South East Midlands and Northamptonshire for the UK leaving the EU**



Large proportions of employers selected 'not applicable' to their organisation to one or more areas of consideration / preparation. For example almost all employers selected not applicable to 'we are considering / planning to outsource some of our operations' and a large majority of employers selected not applicable to 'we have identified members of staff that will

<sup>6</sup> N and n figures differ dependent on the number of respondents that answered each question

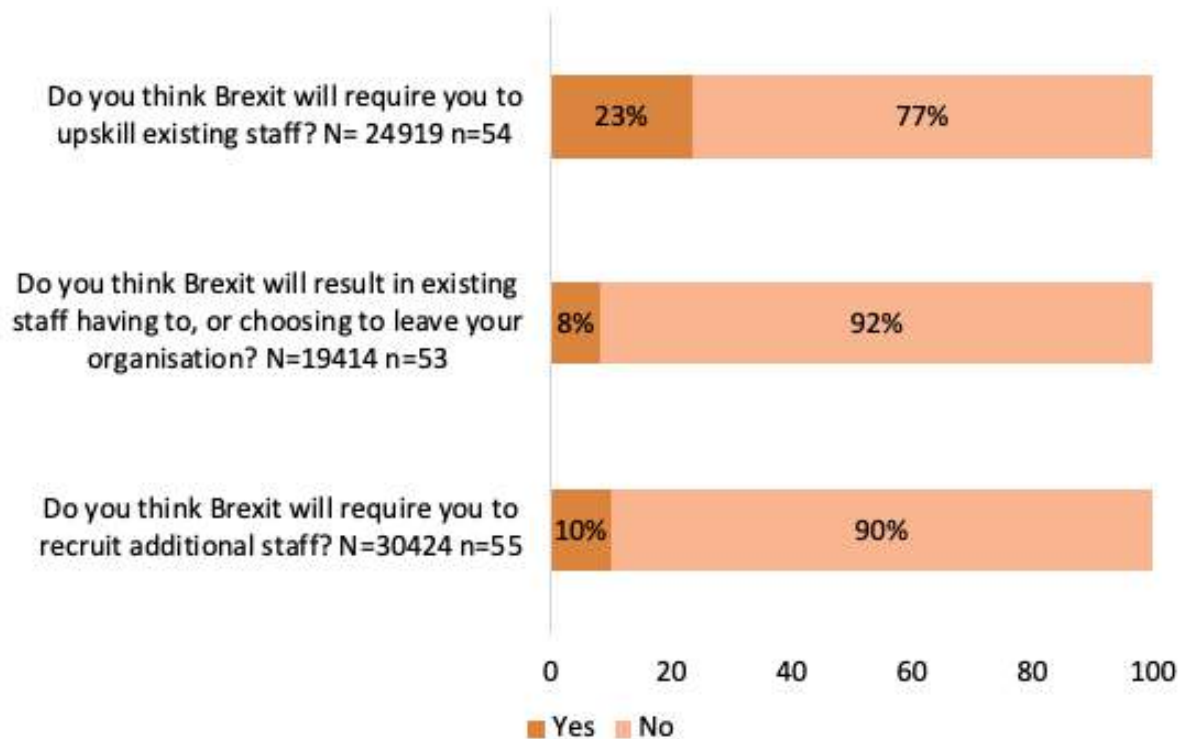


be affected by changes to immigration policy and have put plans in place to mitigate impact on the business'. Of the employers that selected not applicable, around half do not have employees, and the other half vary in terms of size and are made up of a range of sectors. A higher proportion of Northamptonshire employers selected 'not applicable' to each of the five areas of consideration / preparation compared to the proportion of employers in South East Midlands.

Almost one in five (18%) employers said they are not prepared at all when it comes to identifying skills gaps impacted by Brexit and around a quarter of employees (23%) said they are not prepared at all when it comes to identifying opportunities to upskill existing staff to fill skills gaps. 8% said they are not prepared for impending changes to employment law, and a further 30% are only 'somewhat prepared'. One third of employers said they are only somewhat prepared in updating their policies, procedures and employment contracts in preparation for changes to employment law. Of the organisations selecting 'not prepared' to the options prompted in the survey, these were predominantly from the construction sector.

Employers in Northamptonshire and South East Midlands were then asked about how Brexit might impact skills and employment in their organisation. Responses are shown below.

**Figure 18: Views on the impact of Brexit on employers' skills and employment**



The chart shows that the majority of employers do not think that Brexit will result in staff leaving their organisation, require them to recruit additional staff or upskill existing staff. Of those that do not think they will be required to take action, around 10% have no employees, and the remaining employers are from a range of sectors and are of different sizes.

Of the employers in Northamptonshire that responded to these questions:

- Five said that Brexit will require them to upskill existing staff, these include manufacturing and warehousing staff. Only one respondent specified the type of training, as: “*customs and exporting of goods.*”
- One said that Brexit will result in warehousing staff having to or choosing to leave their organisation.
- Three said that Brexit will require them to recruit additional staff, these include roles in education, construction and warehousing.

Of the employers that said they expect that they will need to take action, only around a quarter of these said they were fully prepared.

Stakeholders in Northamptonshire were asked whether they had any concerns about Brexit affecting employment and skills in their area. Their main concern was around low-skilled job roles, and Brexit meaning that there would not be sufficient numbers of individuals to fill these roles.

## 9. Employer views on new technologies for training

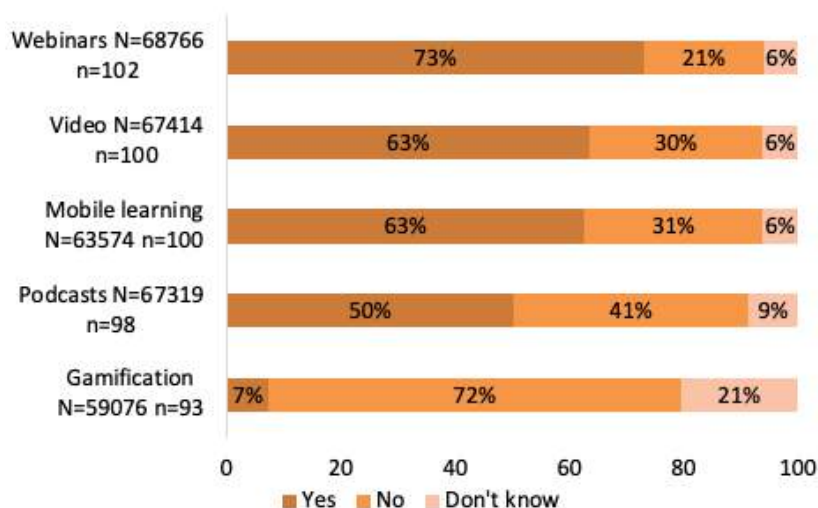
This section covers employer attitudes to the use of new technologies to meet skills needs.

A majority of employers reported that their employees are already engaging in training via webinars and video, though other technologies – e.g. mobile learning, podcasts and gamification - are being used less frequently. Most employers said they would be willing to invest in training for their staff that use these technologies. Approximately half of employers said they had reservations about new technologies used for training including the user experience, online training not being suitable for the ‘practical’ nature of their work, and a preference of their employees for face to face training.

### 9.1. Engagement in training via new technologies

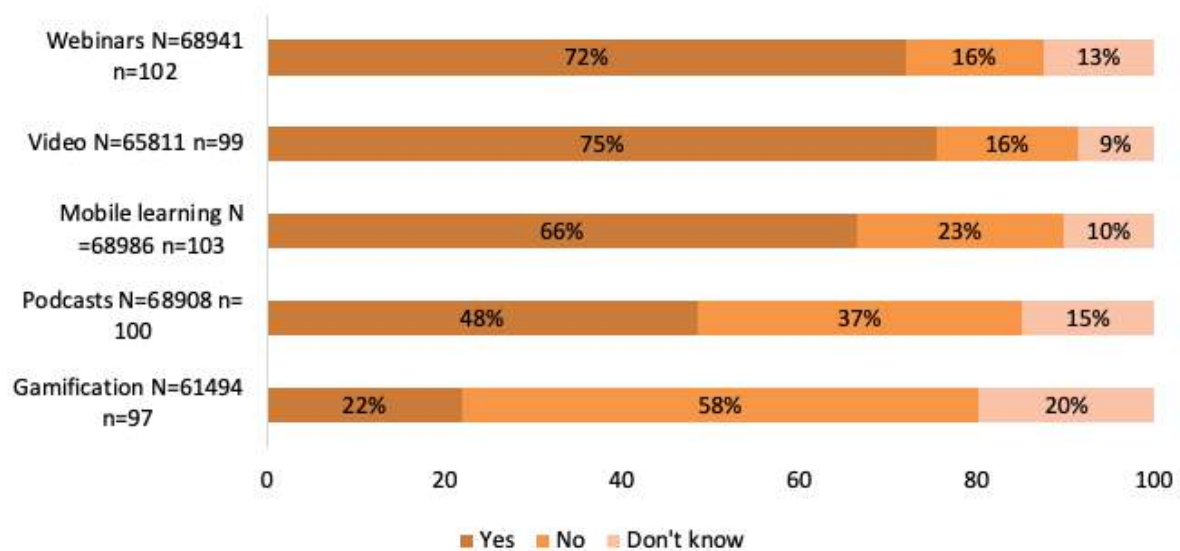
All respondents were prompted with a range of technologies and asked to select any that their employees currently use for either internal or external training. Responses are shown below.

**Figure 19 Employee engagement in training via different technologies**



Respondents were then asked if they would consider investing in training for their employees that use each technology.

**Figure 20: Employer interest in investing in training for employees via different technologies**



Those already using technologies in training tended to be those that would do so in the future, and vice versa. The exception is gamification, where currently only 7% of employers said their employees are already engaging in training that uses this technology, whilst 22% would consider it in the future.

## 9.2. Reservations about new technologies

Respondents were asked if they had any reservations about training using one or more of the prompted technologies. Out of the whole sample, 54% of employers said that they did have reservations. Analysis of their responses identifies the following themes:

- Respondents not knowing enough about the technologies, particularly regarding the user experience, the processes involved, and the typical return on investment.
- A perception that online training isn't suitable for the type of work that they do, in particular for practical tasks, with one respondent specifically commenting "*There are certain things that they would just need to learn on the job by actually doing the work.*"
- Employers receiving feedback from their employees that suggest they prefer training delivered face to face.

Respondents were then asked whether their organisation would be willing to invest in relevant software, technology or adaptations to support a new employee with a learning disability or special educational needs e.g. providing voice recognition software to support an employee with dyslexia. One third (33%) of respondents from the whole sample said 'yes,' almost one quarter (23%) said no and 44% were not sure.

Respondents were also asked whether they knew where to access support, advice / guidance, and funding to help them to recruit and upskill employees that have a learning disability or special educational needs. 38% knew where to go to access support, advice and guidance; 24% said they knew where to go to access funding.

The table below summarises the percentage of Northamptonshire respondents that said their staff already use specific technologies in training that they undertake and employer willingness for their staff to engage in training using specific technologies in the future.

**Table 3: Northamptonshire employer use of technology for training and willingness to use in training (n=14945, n=46)**

	Currently use technology in training	Would consider using technology in training
Webinars	66%	18%
Video	66%	18%
Mobile	65%	18%
Podcasts	65%	18%
Gamification	0%	0%

The proportion of Northamptonshire employers that reported using each technology in training is broadly in line with the whole sample, apart from gamification which is lower than the whole sample<sup>7</sup>. In terms of considering the use of technologies for future training, a lower proportion of Northamptonshire employers said they would do this compared to the proportion in the whole sample.

<sup>7</sup> Some respondents during the telephone interviews were less aware of what gamification was compared to the other types of technology. The lower awareness / understanding of the term may have had an affect on responses.

## 10. Stakeholder views on how Serco can help

This section summarises the views of stakeholders in Northamptonshire regarding how Serco can best support employers to ensure they have the right skills to succeed. The following themes were identified from stakeholder responses.





## Stakeholder views on how Serco can help

### Increase digital skills



Increase digital skills across sectors and job roles, including basic IT skills, data analysis, cyber security and advanced programming skills.

### Future skills



Promote the opportunities in key sectors in the local area (e.g. engineering, logistics) to young people and inspire existing low skilled workers to upskill areas of demand (e.g. digital)

### Fund higher level training



Whilst there are good training options out there cost can be a barrier.

### Offer a range of training options



Some stakeholders felt bite size courses could be as valuable as more formal qualifications and are easier for employers / individuals to undertake and pay for.

### Help people get back into work



Provide CV writing and interview skills support for individuals who are out of work and help individuals understand their transferable skills

### Increase awareness of what is on offer



Make it easier for employers to be aware of and understand what is available locally to up-skill employees e.g. training providers, types of training on offer and available support.

### Work with existing networks



Work with local existing networks, for example the Growth Hub, to ensure that there is a coordinated approach to engaging with employers.

## 11. Conclusions

Conclusions below are organised by each research objective:

- 1. Identify skills gaps that are preventing business growth and an increase in business productivity.**

The research shows that skills gaps are evident in Northamptonshire and employers believe these are impacting upon their business growth and productivity.

The skills gaps most commonly reported by respondent employers were:

- Digital skills
- Job specific skills, (e.g. architecture, HR, and transportation in Northamptonshire specifically)
- Sales and Management (although by a lower proportion in Northamptonshire compared to the whole sample)
- Leadership and management (in Northamptonshire specifically)
- Customer service (in Northamptonshire specifically)

The skills gaps that employers (across the whole sample) viewed as those most impacting business growth and productivity were:

- Numeracy
- Planning and organisational
- Knowledge of English
- Digital
- Sales and marketing
- Job specific

In addition to job specific skills gaps and planning and organisational skills gaps, employers in Northamptonshire also viewed skills gaps in leadership and managerial, teamworking and customer service as having a substantial impact on their performance.

## **2. Clarify employer skills demand for the region's key sectors and identify other priority skills required to influence how / where efforts and resources are focused to increase skills training uptake.**

This research indicates that there is demand for upskilling and recruitment amongst employers in Northamptonshire, including within the area's priority sectors.

In terms of future skills needs, employers most frequently selected digital skills and technical / practical skills as those that they will need in greater numbers in the next three to five years.

Stakeholders envisaged growing opportunities and skills needs in food manufacturing, health and social care, construction, logistics and manufacturing; these broadly align with SEMLEP's priority sectors. Unfortunately, due to the low response to the employer survey, it is not possible to robustly assess skills priorities in specific sectors. However, examining priority sector responses, these appear similar to the sample overall, with employers in these sectors reporting gaps in leadership and management, technical / practical, sales and marketing and / or planning and organisational skills.

Encouragingly, almost three quarters of employers said that they are likely to engage with private training providers in the next twelve months. A few employers from the Northamptonshire area suggested improvements to training provision, including more variance in training courses and providers, a centralised and searchable directory of training centres and courses offered and improved communication between schools, colleges or universities and employers.

### **3. Determine employer interest in apprenticeships**

The research has shown that there is interest amongst half of employers to take on an apprentice in the future.

Whilst employer interest is evident, there are reservations to overcome, namely; a branding issue with apprenticeships where they are seen as less worthwhile compared to university qualifications, a misperception that apprenticeships are only for roles that require manual skills, and employers not being able to find the time to spend with an apprentice or organise an apprenticeship.

There is a sizeable proportion of employers lack understanding of what an apprenticeship is and / or how their organisation could benefit from apprenticeships. Wider stakeholders felt there should be more education around the value of apprenticeships (in particular compared to other educational routes), and the range of sectors in which apprenticeships can now be delivered.

### **4. Determine employer concerns regarding Brexit in terms of recruitment and skills gaps**

At the time this research was conducted, Covid-19 had over-shadowed Brexit, with employers unable to consider the potential impacts of Brexit whilst dealing with the current implications of Covid-19.

The majority of Northamptonshire employers do not expect that they will need to implement changes in the workforce as a result of Brexit, either upskilling existing staff, dealing with staff leaving and / or recruiting additional staff.

Of those that expect to have to take action, one in four said they are fully prepared when it comes to considering and preparing for Brexit and the impact it will have on their workforce.

Around one quarter of employers across South East Midlands and Northamptonshire said they were not prepared at all regarding their awareness of impending changes to employment law, updating policies, procedures and employment contracts, identifying skills gaps arising from Brexit and identifying opportunities to upskill existing staff to fill skills gaps.

Employers that said they are not prepared were disproportionately from the construction sector.

**5. Explore the willingness of employers to support experimentation and early adoptions in the use of new technologies for future skills needs.**

Most employers are supportive of the use of new technologies within training for their staff, and many have already started to use webinars, video and mobile learning in particular. Some employers reported reservations about the use of new technologies which could be overcome (e.g. accessibility, how interactive the session is, the ability for delegates to communicate with the presenter / other attendees). Some employers also questioned whether online mechanisms are suitable for more practical types of work such as engineering and construction.

# Appendix A: Respondent profile

The purpose of this section is to summarise the profile of respondents to the survey, in terms of size, sector and industry. This helps to put findings – especially sub-group comparisons - into context. This section presents unweighted data, describing the profile of the 126 respondents that completed the survey (either in full or partially).

**Table 4: Respondent profile by geographic area**

Geographic area	Number of respondent organisations	Percentage of respondents (n=126)
Hertfordshire	57	45
South East Midlands	23	18
Northamptonshire	46	37
<b>Total</b>	<b>126</b>	<b>100%</b>

**Table 5: Respondent profile by number of employees<sup>8</sup>**

Number of employees	Whole sample		Northamptonshire	
	Number of respondent organisations	Percentage of respondents (n=126)	Number of respondent organisations	Percentage of respondents (n=46)
None	10	8	5	11%
1-4	19	15	5	11%
5-9	13	10	3	7%
10-24	24	19	8	17%
25-49	9	7	5	11%
<b>Total 0-49 (micro and small)</b>	<b>75</b>	<b>60</b>	<b>26</b>	<b>57%</b>
50-99	18	14	8	17%
100-249	14	11	6	13%
250+	18	14	6	13%
Didn't know	1	1	0	0%
<b>Total</b>	<b>126</b>	<b>100%</b>	<b>46</b>	<b>100%</b>

<sup>8</sup> Respondents were asked how many individuals their organisation employed, selecting from the size bands shown in the table.

**Table 6: Respondent by broad sector**

Sector	Whole sample		Northamptonshire	
	Number of respondent organisations	Percentage of respondents	Number of respondent organisations	Percentage of respondents
Private	91	72	34	74%
Third	14	11	5	11%
Public	21	17	7	15%
<b>Total</b>	<b>126</b>	<b>100%</b>	<b>46</b>	<b>100%</b>

**Table 7: Respondent profile by industrial sector<sup>9</sup>**

Sector	Whole sample		Northamptonshire	
	Number of respondent organisations	Percentage of respondents	Number of respondent organisations	Percentage of respondents
Agriculture, forestry and fishing	3	2%	1	2%
Manufacturing	15	12%	3	7%
Electricity, gas, steam and air conditioning supply	0	0%	0	0%
Water supply, sewerage, waste management and remediation activities	2	2%	1	2%
Construction	22	18%	10	22%
Wholesale and retail trade, repair of motor vehicles and motorcycles	7	6%	4	9%
Transport and storage	7	6%	5	11%
Accommodation and food services	3	2%	1	2%

<sup>9</sup> Respondents were also asked to state their organisations' main sector / activity. The table shows the range of sectors reached by the survey.

Information and communication	5	4%	1	2%
Finance and insurance	3	2%	0	0%
Real estate	1	1%	0	0%
Professional, scientific and technical activities	15	12%	6	13%
Administration and support services	8	6%	1	2%
Public administration and defense	7	6%	3	7%
Education	11	9%	2	4%
Human health and social work	10	8%	5	11%
Arts, entertainment, recreation and other services	7	6%	3	7%
<b>Total</b>	<b>126</b>	<b>100%</b>	<b>46</b>	<b>100%</b>

**Table 8 Timing of response**

Time of response	Whole sample		Northamptonshire	
	Number of respondent organisations	Percentage of respondents	Number of respondent organisations	Percentage of respondents
Pre-lockdown (Prior to March 16 <sup>th</sup> 2020)	19	15%	5	11%
During and post-lockdown (Completed on or after 16 <sup>th</sup> March 2020)	107	85%	41	89%
<b>Total</b>	<b>126</b>	<b>100%</b>	<b>46</b>	<b>100%</b>

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Registered in England number 03069806



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