

# **UK Employer Perspectives Survey 2010**

**Executive Summary 25  
January 2011**

## **Introduction**

This summary presents the key findings of the UK Employer Perspectives Survey 2010. The Employer Perspectives Survey (EPS) is one of two major employer surveys conducted on a biennial basis by the UK Commission for Employment and Skills (the UK Commission).

The aim of the survey is to provide robust evidence for policy makers regarding employers' engagement and satisfaction with government support for recruitment and workforce development. The survey is unique in that it allows for comparisons to be made across the four nations of the UK, where different initiatives are in operation, and it compares employers' perspectives of services and initiatives across three areas of government policy: general business support; employment; and skills.

The UK Employer Perspectives Survey 2010 developed from employer surveys conducted by one of the UK Commission's predecessors, the Sector Skills Development Agency, and was designed to enable some comparisons to be made with previous survey findings. The Survey was also designed to complement the UK Commission's other major employer survey, a UK-wide Employer Skills Survey. Whilst the Employer Perspectives Survey is externally focused, in that it examines employer awareness and use of external support, the Employer Skills Survey is internally focused and seeks to understand employers' skills challenges and their responses to these challenges.

The UK Employer Perspectives Survey 2010 was conducted between June and August 2010, as the UK was emerging from recession and in the immediate aftermath of the election of the coalition government. Reductions in government spending were anticipated but the details were unknown.

## **Methodology**

The UK Employer Perspectives Survey 2010 was a large-scale, representative, UK-wide, employer survey. Interviews were conducted with 14,390 employers by telephone. The sample was designed and weighted to be representative of the UK employer population as a whole. Interviews were conducted at an establishment rather than an organisational level, with the most senior person at the site with responsibility for human resources. In smaller

establishments this was typically the owner or managing director, and in large establishments this was typically the human resources manager.

## **Key findings**

### **Employer use of government support**

The majority of employers (56%) have used some form of government support in the areas of general business support, employment and skills over the last 12 months. Of the three areas, employers are most likely to have accessed general business support (38% of employers), followed by support for workforce development (29%). Less than one in five (18%) accessed government support for recruitment over the last 12 months.

Overall, 5% of employers accessed support for across all three areas, whilst 44% did not access any of support services and initiatives covered in the survey.

Employers most likely to be utilising government support across all three areas are:

- Large (with more than 250 employees)
- Third sector or public sector employers
- Those who have had vacancies over the last 12 months
- Those who have provided or arranged training for their staff over the last 12 months
- Those who are experiencing a change in their workforce size (either positively or negatively)

Employers who are least likely to have engaged with government support across any of the three areas over the last 12 months tend to be:

- Very small (with two to four people in employment)
- Private sector employers
- From the agriculture, personal household goods, financial intermediation and hotel and restaurant sectors
- Those with stable workforce numbers
- Those least concerned about their prospects for the next 12 months
- Those who have not provided or arranged training for their staff over the last 12 months

- Those who are least confident in knowing where to go for information, advice and practical help regarding recruitment and skills

In terms of support for recruitment and skills specifically, whilst 40% of employers have accessed support in these areas over the last 12 months, most believe that government has a limited role to play in supporting their recruitment and workforce development practices.

### **Employer perspectives on business support services**

The survey explored employers' awareness of, use of, and satisfaction with a range of business support services, initiatives and organisations.

Where awareness of development agencies was explored (in Scotland and Northern Ireland), they achieved the highest awareness levels, followed by government provided online business support portals (i.e. businesslink.gov.uk, Business Gateway and NI Business Information). In England and Wales (where engagement with development agencies was not explored), awareness levels were highest for businesslink.gov.uk.

Across the UK, businesslink.gov.uk (and equivalent services in Scotland, Wales and Northern Ireland) is the service that employers are most likely to have used (24% of employers having used the service over the last 12 months).

Employers who have used the general business support services explored in the survey were generally satisfied with their experience. Those who weren't satisfied cited:

- Advice not being relevant (42% of dissatisfied users)
- Not able to provide advice on the subject required (22%)
- Advice not being clear (12%)
- Advice not leading to the desired result (11%)

Employers were also asked about the Investors in People quality standard. Awareness of Investors in People is high (around seven in ten UK employers are aware of the standard). One in ten employers are currently accredited with the standard and a further one per cent are working towards accreditation.

## **Employer perspectives on recruitment services**

The survey explored employers' awareness of, use of, and satisfaction with, a range of services and initiatives designed to help people into employment.

The survey found that employers tend to use a range of channels when looking to recruit new staff. Although Jobcentre Plus (or the Jobs & Benefits Office in Northern Ireland) is the most common channel that employers use (39% using it over the last 12 months), employers using Jobcentre Plus usually do so in combination with other channels.

Employers who have used Jobcentre Plus in the last 12 months are relatively satisfied with the overall service they received, particularly in terms of its value for money. Employers who use Jobcentre Plus but are dissatisfied and those who don't use Jobcentre Plus agree that the service's shortcoming is the quality of applicants that it delivers.

Of the specific services and initiatives explored in the survey, Jobcentre Plus's New Deal (also known as Steps to Work in Northern Ireland) has the highest levels of awareness and usage. Employers who have used New Deal in their recruitment tend to be satisfied with it, although satisfaction is higher with a number of other (less commonly used) schemes and initiatives, in particular Backing Young Britain and the Graduate Talent Pool in England and the Future Jobs Fund in Scotland and in Wales.

Overall, most employers tend not to perceive much of a role for government in supporting their recruitment activity. On a scale of one to ten, where one signifies that 'government's role is largely irrelevant' and ten signifies that government represents 'a key resource which we draw on systematically and frequently', the average score that employers attribute to government's role is 2.9.

## **Employer perspectives on skills and training services**

Employers were asked a series of questions to gauge their views on the support available from Government to help develop the skills of their staff.

Although four-fifths of employers claim to be confident in knowing where to go for particular types of information, help and advice on skills or training related issues, a large minority (39%) nonetheless struggle to spontaneously name a specific organisation that they might approach.

The survey explored employers' views of a number of specific skills and training initiatives. Three-fifths of UK employers (58%) were aware of at least one of these initiatives, with eight per cent having made use of at least one over 12 months prior to the survey.

In England, Train to Gain<sup>1</sup> is the initiative employers are most likely to be aware of (51%) and to have used over the last year (eight per cent). Among Scottish employers, Get Ready for Work is the most recognised and used initiative, with 43% of employers in Scotland aware of it and four per cent having used it in the last year. GO Wales, Flexible Support for Business and Workforce Development Programme are the most commonly used initiatives in Wales, used by between three and five per cent of employers. Meanwhile, in Northern Ireland, Skillsafe and Workforce Development Forum are the two most recognised initiatives (13% and 11% respectively), though "Made not Born" is the most commonly used scheme (two per cent of Northern Irish employers used it in the last year). In each country, satisfaction levels are generally high with each of the skills and training services and initiatives available.

A third of establishments (34%) covered by a Sector Skills Council (SSC) have heard of their particular SSC. Of these, close to a quarter (23%) have had dealings with their SSC in the past 12 months (equating to 8% of the total employer population covered by an SSC). Among those who have had dealings with their SSC, the average satisfaction score is 7.0 (where ten is highly satisfied and one is highly dissatisfied).

There are high awareness levels for specific Apprenticeship schemes recognised by the government, with over half of employers in Scotland and Wales aware of Modern Apprenticeships (52% and 53% respectively), while two-fifths of all UK employers are aware of either Advanced Apprenticeships, Apprenticeships for those aged 25+ or Higher Apprenticeships. Overall, five per cent of all establishments have staff currently undertaking Apprenticeships, with a further four per cent reporting that they offer them but have no staff taking them at present, and eight per cent planning to offer them in future.

Over two-thirds of training employers (69%) have used an external provider to help deliver their training over the last 12 months, while 45% have arranged or funded training designed to lead to a recognised vocational qualification. Among employers not investing in vocational qualifications, the most common underlying reason is that that their staff simply do not want this type of training (mentioned by 28%). Other reasons, each cited by about a fifth of employers who have not arranged or funded such training, are focussed around the cost, a

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<sup>1</sup> the end of Train to Gain was announced in the October 2010 Spending Review

lack of knowledge, a perception that they are too complicated or that they take too long to complete.

Overall, employers tend to view government's role in supporting their training and development as relatively limited, with approaching half (45%) giving a rating of one out of ten for its importance in this area, compared with seven percent rating the importance of such government support as ten.

## **Conclusions**

At a time when public spending is under increased scrutiny, the Employer Perspective Survey provides an insight into the degree of employer engagement with government services and the extent to which they are providing useful support.

### ***The demand for support***

The survey found that employer views the role of government in these areas is a little contradictory. We have a significant proportion of employers who whilst believing that the government does not have a significant role to play in providing support in these areas, nevertheless have actually engaged with the support services available. It is likely that these employers have expressed this view because they are not solely reliant on government support services and use these services along with other means (either internal resources or services provided by other external organisations). It is also possible that employers see the primary beneficiaries of some of these services as being their employees, rather than themselves as employers.

We then have the 44% of employers who have not accessed government support of any kind (including general business support) over the last 12 months. This 'non-involvement' may be due to a variety of reasons and, in the absence of any contradictory evidence, one may assume that they are likely to be operating effectively (or are at least surviving) without it. These employers may have their own internal recruitment and workforce development practices that meet their needs, or belong to strong peer-to-peer networks that provide the required advice or support.

However, we must also consider the possibility that although some of these employers do not perceive the need for government support services, this does not mean that they could not benefit from their use.

### ***Reaching the right audiences***

The intelligence provided by the survey regarding who is most likely to access different types of service enables us to consider where greater use of signposting and collaboration could raise employer awareness of the different support services available. Rather than the gatekeepers of the different services and initiatives putting their efforts into reaching their respective hard-to-reach audiences, they could identify the services that these groups do access (some of which may not be provided by the government) and ensure their products and services are adequately signposted from respective websites and by advisors.

Across the UK, the service with the highest awareness and usage figures amongst private and third sector employers is the businesslink.gov.uk website (and the different brands in the devolved administrations). However, some of the current dissatisfaction with the businesslink.gov.uk service is likely to reflect the generalist nature of the advice it provides. Employers tend to rate their satisfaction with industry and occupation specific recruitment and workforce development services more highly than generic services. Therefore, there may be merit in placing more emphasis on, or greater signposting to, industry and occupation specific services (such as those provided by professional/industry specific recruitment agencies, trade media, Sector Skills Councils and National Skills Academies) on the businesslink.gov.uk website.

### ***Brand consistency***

Awareness and use of different types of services and initiatives vary widely. In terms of awareness, unsurprisingly, organisations, services and initiatives that have been in existence for longer periods (such as Business Link, Investors in People, Scottish Enterprise and Highlands and Islands Enterprise) achieve the highest recognition rates along with initiatives that have been heavily promoted in recent years, such as Apprenticeships and Train to Gain. Increasing awareness of Sector Skills Councils over the six years since their inception is an illustration of the time taken to build brand awareness. Awareness and use of some newer services and initiatives, such as Job Centre Plus's Rapid Response Unit, is comparatively low.

In some cases, when the content or nature of services, initiatives or qualifications are amended or changed, there may be merit in retaining brand names rather than creating new identities, particularly if the brand is not viewed particularly negatively by employers and is well-established.

## **Further information**

The scale and scope of the survey has resulted in wealth of valuable information that could be used to inform the decisions of a wide range of policy makers.

The full survey report is available to download from the UK Commission for Employment and Skills website <http://www.ukces.org.uk/our-work/research-and-policy>.

In addition, in recognition of the value of the survey, the UK Commission will provide partner organisations access to the survey data. To register your interest in accessing the data, please e-mail [employersurveys@ukces.org.uk](mailto:employersurveys@ukces.org.uk).

Executive Summaries present the key findings of the research and policy analysis generated by the Research and Policy Directorate of the UK Commission for Employment and Skills. More detailed analytical results are presented in Evidence Reports and all outputs are all accessible on the UK Commission's website [www.ukces.org.uk](http://www.ukces.org.uk)

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