

## Employer relationships

---

## Employer engagement strategies

# Skills



---

# Contents

---

Foreword	2
Welcome to World Class Skills	4
Introduction to the programme	6
Consultancy	8
E-learning	9
Agenda	10
Workshop outline	11
What does an Employer Engagement Strategy look like?	12
Challenges within the current economic climate	15
What makes a good strategy?	17
The strategic plan	20
Strategy development	21
Strategy development: case studies	24
Targets and objectives	32
Implementation planning	37
Plan of action	38
Contacts	39
Resources	40
Courses	41
Appendices	43

---

# Foreword

---

The further education sector understands the need to improve skills levels if business is to compete and succeed in global markets. Further education providers recognise too the key role they have to play in innovation, training and support for employers. We are keen to learn from the many examples of effective practice in the sector to build provider capacity to deliver high quality, flexible provision that responds to employers' needs.

The Learning and Skills Improvement Service's (LSIS) World Class Skills programme (WCS) provides a range of products and services that are alert to the needs of individual providers as they seek to improve the responsiveness and quality of their offer to employers.

---

Fully funded, it provides a free-of-charge range of interactive workshops, seminars, consultancies and structured support to take forward reform and development through thematic development projects.

This publication is one of a group of resources that have been developed to support interactive workshops and seminars offered through the programme. We believe it brings together useful information to support providers as they gear up their business with and for employers.

Dr David Collins CBE  
Chief Executive, LSIS

---

## Welcome to World Class Skills

---

The *Leitch Review of Skills: Prosperity for all in the Global Economy, World Class Skills* (2006) investigated the UK's long-term skills needs and predicted that even if targets current at the time of the report were met, the UK's skills base would still lag behind many of its key comparators.

That's why the government has committed to ensuring that the workforce in England has world-class skills by 2020. This will call for an enormous shift in attitudes and aspirations within workplaces, schools, colleges, universities and society itself.

It will require every individual to think about updating their skills and qualifications to ensure that they are giving employers what they really need.

---

It will require employers to play an active role in helping to reform vocational qualifications to ensure that they are relevant and responsive to changes in the global economy.

In support of these reforms, the Learning and Skills Improvement Service (LSIS), working closely with national partners, was asked by the government to lead the development of a single, integrated improvement strategy to support the drive for excellence in the further education system that would succeed in the new demand-led environment.

---

““

In the twenty-first century, our natural resource is our people – and their potential is both untapped and vast. Skills will unlock that potential. The prize for our country will be enormous – higher productivity, the creation of wealth and social justice.

---

Lord Leitch, *Leitch Review of Skills*, 2006

---

# Introduction to the programme

---

The **World Class Skills – developing responsive provision** is an LSIS programme providing support for improvement activities for LSC-funded providers in enhancing their employer-facing provision. This will support organisations in developing provision to meet employers' skills needs and the aspirations of the *Leitch Review of Skills*.

KPMG and its consortium partners are delivering this major support programme. Together they can bring significant expertise to you and your organisation. KPMG has an in-depth understanding of the wider education and skills sector that can help further education colleges and independent training providers deliver improved outcomes for learners and employees, as well as achieve their organisational goals. They can also draw in the sector's most innovative and effective practice to share with you.

---

## Programme benefits

Involvement in the programme will help LSC-funded providers of education and training to:

- develop and extend effective employer relationships
- ensure that growth and quality go hand in hand
- create fit-for-purpose organisational structures
- gain relevant accreditation, for example, Training Quality Standard (TQS) and Framework for Excellence
- access high-level support through a range of focused events
- network with peers and share effective practice.

---

## Programme overview

The programme is designed to support the Train to Gain Plan for Growth, the changes to demand-led funding, the rolling out of the TQS accreditation, National Skills Academies and the development of specialist networks.

---

The focus of the programme is to work with providers and other stakeholders to be more responsive to the needs of employers and increase the capacity of the FE system to provide high quality, flexible training and support for employers and their employees in order that they can contribute to UK productivity and competitiveness in a global economy.

The programme comprises both seminars and workshops. Seminars provide a high-level introduction and overview of the topic. Workshops are designed for smaller groups: the sessions are more interactive and practical in nature, giving participants the opportunity to work with a range of proven tools and techniques. There will be an opportunity for providers to apply for individualised consultancy support to work within their organisation in an intensive way to focus on the development of employer-responsive provision.



### Resources

HMSO (Her Majesty's Stationery Office) (2007) *World Class Skills: Implementing the Leitch Review of Skills in England*. Norwich: HMSO. Available online at: [www.dcsf.gov.uk/skillsstrategy/uploads/documents/World%20Class%20Skills%20FINAL.pdf](http://www.dcsf.gov.uk/skillsstrategy/uploads/documents/World%20Class%20Skills%20FINAL.pdf)

Lord Leitch (2006) *Leitch Review of Skills: Prosperity for all in the Global Economy, World Class Skills*. London: HMSO. Available online at: [www.dcsf.gov.uk/furthereducation/uploads/documents/2006-12%20LeitchReview1.pdf](http://www.dcsf.gov.uk/furthereducation/uploads/documents/2006-12%20LeitchReview1.pdf)

QIA (Quality Improvement Agency) (2006) *Pursuing Excellence: An Outline Improvement Strategy for Consultation*. Coventry: QIA.

Learning and Skills Council: [www.lsc.gov.uk](http://www.lsc.gov.uk)

Learning and Skills Improvement Service: [www.lsis.org.uk](http://www.lsis.org.uk)

World Class Skills: [www.excellencegateway.org.uk/wcs](http://www.excellencegateway.org.uk/wcs)

---

# Consultancy

---

As part of the World Class Skills programme, there are a limited number of one-to-one consultancies available. Consultancy support may allow your organisation to explore in greater depth some of the issues you have identified in attending a seminar or workshop. For example, having attended the workshop on 'Building employer-responsive skills in your organisation' and the seminar on 'Legal advice on employment terms and conditions' you may feel that your organisation would benefit from individual support in reviewing current and future staffing profiles and how to ensure these are aligned to increase employer-responsive provision.

This consultancy support is fully subsidised by LSIS. It is a unique opportunity to gain professional consultancy to support organisational development in enhancing your employer-responsive provision. It will, of course, also require time commitment from staff in your organisation in order to bring about real change and development for the organisation. In order for these benefits to be maximised it is essential that this consultancy is supported from the top, both conceptually and with commitment and input to the process from the head of the organisation. Other members of the senior management team will also need to engage with the consultancy process, depending on the nature of this consultancy.

For each consultancy, a KPMG consultant will be assigned to your organisation to support you through the process of completing the diagnostic questionnaire and associated development plan, *A Framework to Measure and Improve Employer Responsiveness*. This development plan will be confidential to your organisation. If you have already completed this diagnostic questionnaire they will support you in updating this and validating its currency. They will then work with you to identify how additional consultancy support may help you to progress in implementing your development plan. They will take a flexible approach to ensure that this consultancy plan is customised to meet your needs but, as an indication, it may cover areas such as implementing effective labour market information (LMI) and/or customer relationship management (CRM) systems; organisational design for performance; implementing and maintaining change; or achieving the Training Quality Standard.

---

**If you would like further information please contact**  
wcsenquiries@kpmg.co.uk

---

# E-learning

---

Alongside the workshops and seminars, a suite of five online training modules is now available. The topics are as follows:

- Building employer-responsive skills in your organisation
- Funding and finance for maximising business
- Identifying bottom-line benefits
- Sales and gaining repeat business
- Targeting SMEs for training.

E-learning is an alternative way for providers to interact with the programme and share knowledge within their organisation.

Each module takes between 40 minutes and an hour to complete, and includes interactive material such as multiple-choice questions, quizzes, games, scenarios and case studies.

The modules can be accessed from [www.excellencegateway.org.uk/wcs](http://www.excellencegateway.org.uk/wcs)

---

**If you would like further information please contact**

Adam Caldwell

[adam.caldwell@kpmg.co.uk](mailto:adam.caldwell@kpmg.co.uk)

---

# Agenda

---

Coffee and registration	<b>09.30</b>
Welcome and introductions	<b>10.00</b>
What does an Employer Engagement Strategy look like?	<b>10.10</b>
<hr/>	
Break	<b>11.10</b>
<hr/>	
Strategy development: group working session 1	<b>11.25</b>
<hr/>	
Lunch	<b>12.30</b>
<hr/>	
Strategy development: group working sessions 2 and 3 Targets, objectives and implementation planning	<b>13.30</b>
<hr/>	
Break	<b>14.45</b>
<hr/>	
Plenary and discussion	<b>15.00</b>
Feedback and close	<b>15.45</b>

---

# Workshop outline

---

## Aim

To equip senior managers from further education colleges and independent training providers (ITPs) with the practical skills and approaches necessary for developing an Employer Responsive Strategy.

---

## Objectives

- To introduce a practical approach to developing an Employer Responsive Strategy
- To discuss challenges and approaches to the strategy implementation within the context of the current economic climate
- To share good practice in delivering provision to employers
- Establish new contacts and networks.

---

## Benefits

Attendees will be able to facilitate the process of developing an Employer Responsive Strategy within their organisation which translates their vision for employer responsiveness into a practical plan of action.

---

# What does an Employer Engagement Strategy look like?

---

““

To choose a direction, a leader must first develop a mental image of a possible and desirable future state of the organisation. This image, which we call vision, may be as vague as a dream or as precise as a goal statement. The critical point is that vision articulates a credible, realistic attractive future for the organisation.

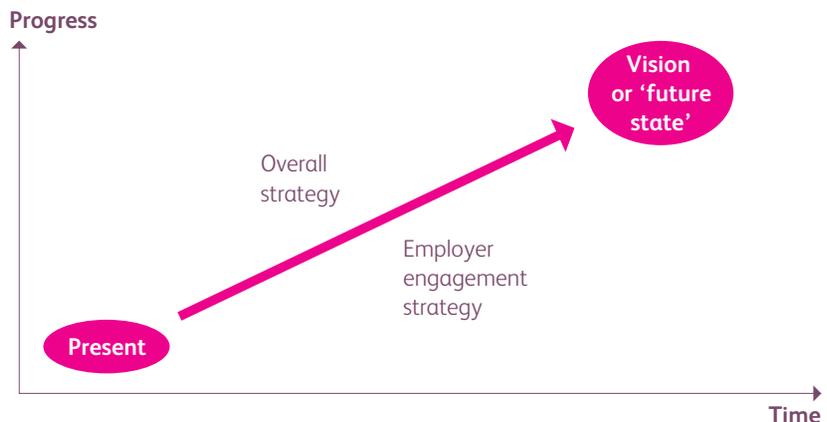
---

Bennis and Nanus, 1985

---

**Strategy defines the approach to achieving your vision**

---



---

The Employer Engagement Strategy is part of the overall business planning cycle and part of your overall business strategy. The term has been broadly defined as a document that defines the provider's goals and approaches to working with employers based on the analysis of key markets and sectors, and defines targets and accountabilities for delivery of these targets.

Looking at the graph above, note that the arrow representing strategy connects the present and the future. This is because your strategy is aimed at achieving your vision.

Vision is all about change – with emphasis on the future – and strategy is about what you are doing to achieve your vision! There is currently a general feeling that the FE sector needs to take a more proactive approach to vision and strategy.

---

### Key strategic choices

In terms of strategy, there are a number of vital decisions that need to be made and issues to be considered. Providers will need to decide what they want to deliver and where they will need to compete, as well as how they will compete and the standards that they will achieve in employer responsiveness. The key questions and issues are outlined below.

#### Identity and purpose

What do we want to be? What will we stand for?

- Strategic aims
- Strategic goals
- Unifying theme(s)/practices
- Principles/values/people philosophy/culture
- Approach to stakeholders.

#### Targets sectors and markets

Where will we compete?

- What product/service offerings?
- Targeted on which types of employers?
- Against which primary competitors?
- How will we differentiate ourselves?
- What would be our unique offer to employers?
- Through which delivery models?
- In which geographic areas?

---

### Approach

How will we compete?

- How will we engage with employers?
- What brand experience do we want to create for employers?
- How are we going to grow our business?
- What activities will we outsource/insource/emphasise/eliminate?
- What will be our core capabilities?
- How will we promote/market ourselves?
- Should we enter alliances, and with whom?
- How will we sequence our initiatives?

### Performance

What will be our standards of performance?

- What customer service quality will we aim to achieve?
- How will we manage relationships with employers?
- What level of employer satisfaction will we aim to achieve?
- What will be our measures for success?
- What will be our standards for quality of courses?



### Resource

Bennis, W.G. and Nanus, B. (1985) *Leaders: Strategies for Taking Charge*. New York: Harper and Row.

---

## Challenges within the current economic climate

---

The current economic climate undoubtedly presents added challenges in planning and implementing any new strategy.

The following represent the kind of the objections you might come across in your organisation:

*We cannot plan long term as we don't know what will happen with funding.*

*We don't know which industries and sectors are growing in the recession.*

*It is very difficult to persuade employers to engage due to cost cutting.*

*Our TtG [Train To Gain] funding for next year was significantly reduced.*

In fact the Employer Engagement Strategy can help with these and other challenges.

The benefits of an effective strategy include:

- Focusing on target markets and locations
- Improving employer relationships
- Knowing what your customer wants
- Knowing your competition
- Setting targets and driving performance.

Furthermore, providers have used strategic planning to target relatively recession-proof sectors and companies and pinpointing which courses are needed in these areas.

The following diagram shows an example of such a plan.



---

## What makes a good strategy?

---

The *TQS Assessment Guide and Evidence Framework* describes strategy thus,

Strategy asks an applicant organisation to define why it is working with employers, what it understands its market to be, and what it intends to achieve ... Then asks the organisation to set out how they put that strategy into operation.

(Further information on TQS and the Assessment Guide and Evidence Framework can be found at: [www.trainingqualitystandard.co.uk/](http://www.trainingqualitystandard.co.uk/))

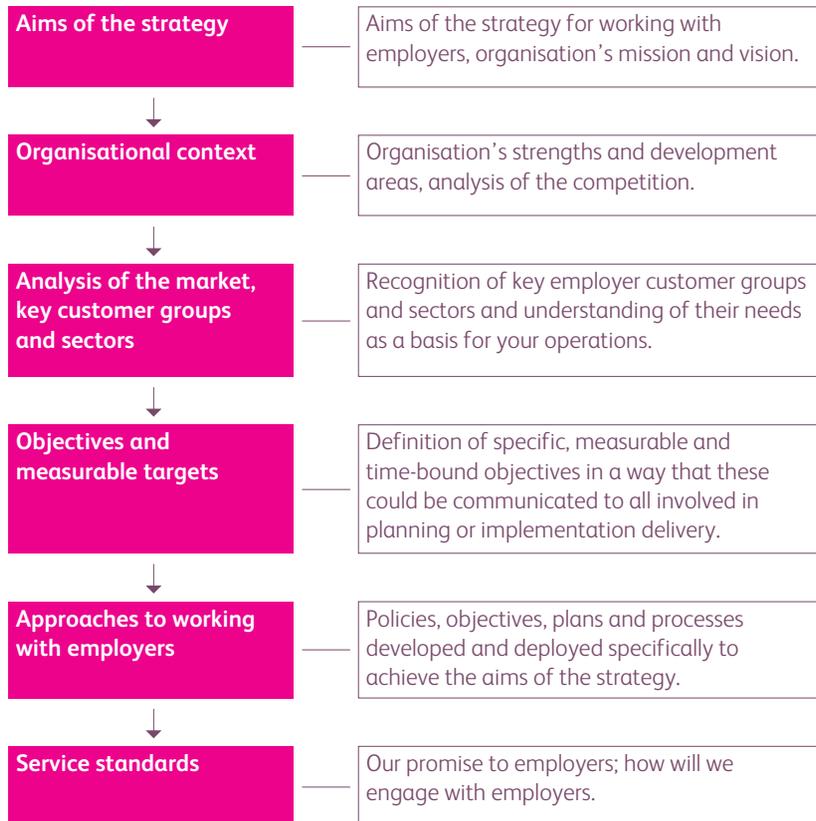
The key elements in an effective Employer Engagement Strategy are:

- It contains analysis of the market, key customer groups and sectors, and identifies where to focus employer-responsive solutions. Providers need to think about their unique selling points and what sets them apart from other providers.
- It includes a thorough analysis of the competition.
- It defines aims and approaches which are communicated to appropriate stakeholders, with targets to drive performance.
- Its objectives are clearly identified and SMART (Specific, Measureable, Achievable, Relevant and Time-bound)
- It is linked to the marketing plans and other operational business plans.
- Performance against strategy is reviewed at an appropriate level.

The key components of the strategy are set out in the following diagram.

---

## Key components of the strategy




---

## What is your organisation's strategy?



### Exercise

Consider the following questions:

- What would the objectives of the strategy in your own organisation be?
- What information would you need to complete the strategy?
- What is the value of a strategy to your organisation?



A series of horizontal lines for writing, starting from the top line and extending down to the bottom of the page.

# The strategic plan

The strategic plan is illustrated by the following example of an Employer Engagement Strategy, drawn up by a security training provider.

## Strategic plan

Aim/priority	Strategic objectives	Measure/target	Actions	Accountability
Strengthen training provision in current markets and sectors.	<p>To be a leading training provider of security in the region.</p> <p>Engage more effectively with employers in health and social care.</p>	<p>Achieve 30% market share in provision of security training by 2010;</p> <p>Engage with 10 new employers in H&amp;SC within the next 12 months.</p>	<ul style="list-style-type: none"> <li>Identify and arrange meetings with 30 security companies by the end of the month;</li> <li>Develop options for flexible delivery of Security NVQ;</li> <li>Recruit additional Trainers &amp; Assessors;</li> <li>Identify employers in Health and Social Care and arrange meetings;</li> <li>Appoint Account Managers for key employers in Health and Social Care.</li> </ul>	<p>Sales Director;</p> <p><b>Responsible:</b> Account Managers for H&amp;SC and Security.</p>

The plan contains, firstly, the strategic priority for the organisation. From this follows the strategic objectives. At this point you may want to identify what training solutions to deliver and what training solutions to stop delivering or scale down as there is no demand from the market or too much competition.

Measures and targets are then identified which will drive the delivery of the objectives and which should include a deadline for hitting targets. Following on from this are actions that provide a high-level plan for implementing the strategy – again these actions should have timescales wherever appropriate.

Finally it is crucial that you identify who will be accountable for delivering the strategic objectives.

# Strategy development

## Potential approach to developing the strategy



The approach illustrated here includes several stages that could be tailored according to the provider requirements and objectives of the strategy development. For example, the model for smaller providers could be more straightforward and based around the strategy development event with the Senior Management Team.

For large independent training providers there may be a need to improve employer responsiveness at the operational level. As a result, there might be a need to organise an additional event during the 'Planning implementation' stage for those responsible for delivery to develop implementation plans.

A typical strategic development event will pull together the relevant staff and stakeholders, for a day to focus on:

- Identifying successes and strengths
- Agreeing on targets and priorities
- Defining objectives
- Identifying immediate actions
- Identifying who is responsible for delivery.

---

### **Process for developing the Employer Engagement Strategy**

The process for developing an Employer Engagement Strategy starts with a review of the labour market and local economy. The reason for undertaking this analysis is to identify growth areas and to understand what skills and training solutions are needed by employers. A list of Labour Market Information (LMI) resources is reproduced in the Appendices.

An analysis is then undertaken to review the strengths of providers and identify opportunities where they might have the capability to sell and deliver training solutions.

Each opportunity is listed and reviewed to assess which ones the provider will target.

Once a list of agreed opportunities has been compiled, strategic aims and objectives are developed.

Every strategic objective is assigned a target and a measure and it is agreed who will be accountable for delivering the objective and hitting the targets.

### **Identify opportunities from the market analysis**

In undertaking a market analysis it is important to bear in mind the national/regional trends in the sectors and regions in which you operate (eg care, logistics, construction, etc).

You also need to look at the developments currently happening in the regions you operate (eg regeneration, significant employer expansion, population change, etc).

In the local context, the key questions to ask are:

- What are your skills and specialisms now?
- What experience do you have with your employers, how should this develop?
- What are your key employer customer groups and sectors?
- What are the needs of your key employer customer groups within different sectors?
- Who are the main competitors within each sector?

The following table provides an example of a provider who has analysed labour market information and identified that there is a demand in the market for security staff.

The provider has noted that designing and delivering security solutions is a strength and has agreed that there is an opportunity to sell more courses in this area. However, the provider has also noted that further investment will be required to develop the capability to take advantage of this opportunity.

### Opportunity analysis

Opportunities from market analysis	Agreed opportunity	Have capability or development required?
Example: Increased demand for trained security staff	Because of the growing demand for security staff at the Olympic site, security staff are being recruited for London and the Olympic development site from all over the UK. There is a demand for security training from national security companies such as Security Solutions plc.	This is a strength but further investment to develop capability is required.

### Identify successes and strengths

To continue with this example, the following diagram represents one of the results of this provider’s review of their strengths and successes.

The provider has identified the course that they can provide, noted that they have the opportunity to sell this course into a growing security market and identified a specific employer to target. This analysis is about targeting strengths at specific markets but also understanding what training solutions to stop or scale down.

### Successes and strengths







**Case study 1: Five Valleys College**

**Organisation profile**

Five Valleys College was created out of a merger of New Town College and Valley College. The colleges merged in 2005.

Five Valleys College has built strong relationships with hundreds of employers, government bodies and industry groups. It aspires to support large multinationals as well as small family businesses. It can design bespoke training solutions to suit the individual demands of each company.

The day-to-day management of training is the responsibility of an operations manager, who is supported by 12 other full-time staff. These are a training manager, six training co-ordinators who report to the training manager, and five administrative and accounts staff. The company also has one part-time quality manager.

*continued*



The college was awarded full Centre of Vocational Excellence (CoVE) status for Construction in 2004. It provides a full range of employee development from manufacturing and engineering apprenticeships to management qualifications, customer care and social care training.

Five Valleys College currently looks after about 200 apprentices and hundreds of adult employees in a wide variety of companies. It has a contract with the Learning and Skills Council (South East) for the delivery of Train to Gain. This contract is for 500 starts. The funding has been cut back and Five Valleys now has to raise more revenue through the sale of training courses to employers.

The table below provides an overview of the courses provided and their popularity and profitability.

Course	Feedback	Capability	Profitability
Construction	High approval ratings from learners and employers	Available and experienced tutors and assessors	High profit margins
Carpentry	High approval ratings from learners and employers	Available and experienced tutors and assessors	High profit margins
Health and Social Care provided to private health care market	Low approval ratings from employers. Average approval ratings from learners	Experienced tutors and assessors available but not utilised. High capacity amongst tutors and assessors	Course losing money
IT & Telecoms	Average approval ratings from employers and learners	Not enough tutors and assessors in new technologies	Low profit margins
Business Administration	High approval rating from employers and learners	Not enough tutors and assessors	Course breaking even but has potential to make a profit with more students
Customer Care	High approval rating from employers and learners	Small number of tutors and assessors	High profit margins
Management	High approval rating from learners and employers	Limited number of experienced tutors and assessors available	Course losing money





## Case study 2: Independent Rail Training (IRT)

### Organisation profile

Independent Rail Training (IRT) was founded in 1995 and incorporated as a limited company in 2000. Based in Highland, the company is primarily associated with support for competence, assurance and accreditation for National Vocational Qualifications (NVQs) in the engineering and the rail industry. Since 2000 IRT was a member of the I-Colleges consortium that provided support for its members in managing relationships with employers.

Highland has an estimated working age population of 200,000. The rail industry is one of the areas with significant opportunities for employment because the headquarters for several rail companies relocated to Highland in 1994.

As a member of the I-Colleges consortium, the IRT delivered a total support package to 15 partner employers, from initial needs assessment to delivering training, including training employers' staff as work-based assessors. The training is delivered at providers' and employers' sites, including depots, trackside and signal centres. During the last year IRT had 280 learners on engineering apprenticeships and Train to Gain programmes completing NVQs. Independent Rail Training has also recently expanded the range of learning solutions it provides in response to requests from employers and now has 120 learners undertaking vocational IT training, 50 learners undertaking business administration, 12 learners undertaking customer care and seven learners undertaking management training.

Following dissolution of the I-Colleges consortium in 2009, IRT started to introduce the employer-responsiveness function across the organisation in order to be able to respond to the market trends and changes in the funding regime. In addition, significant increase in demand for the services from the local rail industry led IRT to expand, doubling its headcount during the last three years. This required some further changes in the organisational structure and the way the organisation was managed to enable further growth and effective response to client needs.



The table below provides an overview of the courses provided and their popularity and profitability.

Course	Feedback	Capability	Profitability
Mechanical Engineering	High approval ratings from learners and employers	Available and experienced tutors and assessors	High profit margins
Electrical Engineering	High approval ratings from learners and employers	Available and experienced tutors and assessors	High profit margins
Construction	Low approval ratings from employers. Average approval ratings from learners	Experienced tutors and assessors available but not utilised. High capacity amongst tutors and assessors	Course losing money
IT	Average approval ratings from employers and learners	Not enough tutors and assessors	High profit margins
Business Administration	High approval rating from employers and learners	Not enough tutors and assessors	Course breaking even but has potential to make a profit with more students
Customer Care	High approval rating from employers and learners	Small number of tutors and assessors	High profit margins
Management	Low approval rating from learners and employers	Experienced tutors and assessors available but not utilised. High capacity amongst tutors and assessors	Course losing money



Independent Rail Training's financial performance during the last year was very strong due to increased demand for services and funding for Train To Gain. However, with a reduction in funding the company now needs to actively market and sell its courses to local employers and identify potential new markets.

*continued*

**Breaking news: case study 1**

The Principal of Five Valleys College met the Managing Director of Telecoms US at an economic forum with the local Council. Telecoms US have been given development grants to open a new office on the industrial estate next to the college. The Managing Director of Telecoms US noted that they were having to bring a lot of technology staff from the US because there were not enough technicians in the local area with knowledge of new technologies. The Principal told the Managing Director of US Telecoms that the college would be able to provide training to upskill people in the local area and booked a meeting with the Managing Director for the next week. The Managing Director of US Telecoms has also noted that part of the development would be the opening of a customer call centre.

You have been asked to identify what training solutions could be sold to US Telecoms and to make these solutions part of the college's Employer Engagement Strategy. The Principal wants to take a copy of this strategy to the meeting.

**Breaking news: case study 2**

The Managing Director of IRT met the Managing Director of a national insurance company at an economic forum with the local Council. The insurance company are in the process of relocating their call centres from India to the UK and are opening a new call centre on the local industrial estate. The Managing Director of the insurance company noted that they were having problems recruiting staff. The Managing Director of IRT stated that the company has a strong capability in management and call centre training and would be able to provide training to upskill people in the local area and booked a meeting with the Managing Director of the insurance company next week.

You have been asked to identify what training solutions could be sold to the insurance company and to make these solutions part of the IRT employer engagement strategy. The Managing Director wants to take a copy of this strategy to the meeting.



# Targets and objectives

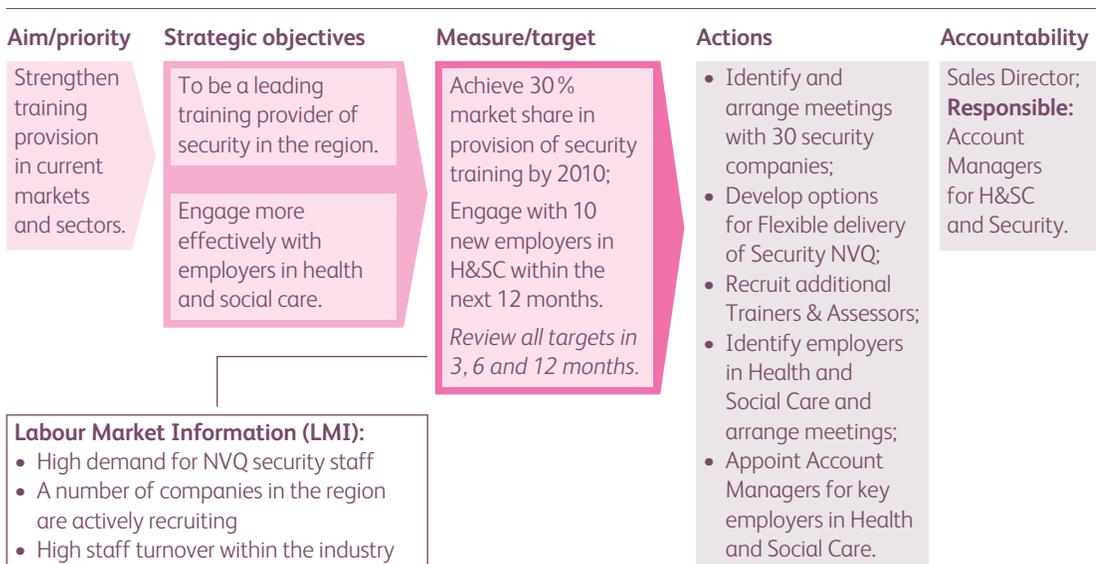
The strategic plan takes identified opportunities and defines:

- aims and strategic objectives for each opportunity
- measures and targets to drive strategic objectives
- actions that will need to be taken to implement the objectives
- who will be accountable for implementing the actions and delivering the targets.

Timescale is also important for the strategic plan. Providers need to specify when they will review progress against targets and put deadlines against actions.

The following illustration returns to the previous example of the security training provider and shows the strategic plan incorporating their labour market analysis.

## Strategic plan



---

### Examples of strategic objectives

The following lists provide examples of typical strategic objectives grouped together in various categories.

#### Organisational/management strategic objectives

- Improving the organisational design/business model to facilitate employer-responsive provision
- Growing presence within a specific market/geographic area
- Introduction of the key account management model
- Relationship building with key partners, managing a consortium
- Extending the delivery into new markets and sectors.

#### Delivery objectives

- Delivery of new courses in existing areas
- Building and expanding current capability
- Continuing existing provision and markets, including growth on last year
- Continue to maintain good relationships with key employers.

#### Sector-specific objectives

- Extending the provision to meet employer needs within a specific sector
- Increasing employer involvement in curriculum design and development within a specific sector/market
- Developing new qualification/training programme jointly with employers within a sector
- Developing partnership with business networks through working with Chambers of Commerce.

#### Objectives related to improving employer engagement

- Improving the communication channels by which employers can contact us
- Improving the enquiry management process
- Collecting employer feedback on quality of provision and employer engagement
- Organising networking/business events for employers.

### Effective communications

Communication is an area which is often neglected. It is, however, critical to the engagement of your key stakeholders and to realising your objectives.

Some statistics ...

- 100 per cent of organisations rate good communications as a key success factor in implementing change
- 70 per cent of projects fail because there is ineffective communication
- 34 per cent of organisations rate poor communication as the key barrier to implementing change successfully.

**Source:** KPMG research

The following is an example of part of a communication plan designed to increase the level of staff buy-in and motivation.

### Communications plan

Timing	Audience	Channel	Key message	Objective	Delivered by	Next steps
September 2009	Executive team	Team meetings	How to use a whole organisation approach to become more employer responsive	Generate ideas of how the whole organisation can become more responsive to employers by involving all staff	Paul Smith (Principal)	
October 2009	Senior managers	Focus groups	How to enthuse and upskill staff so they become more employer responsive	To secure buy-in of senior managers/team leaders to cascade to and enthuse whole organisation	Gerard Jones (Executive Team Member Board)	









---

**Plan of action**

---

What are the top three actions I need to carry out back in the organisation?

---

---

---

---

---

---

---

---

---

What are the timescales I need to set myself?

---

---

---

---

---

---

---

---

---

What resources do I need to support me in these actions?

---

---

---

---

---

---

---

---

---

How will I measure the success of these actions?

---

---

---

---

---

---

---

---



**Contacts**

Name

Job title

Organisation

Email

Telephone

Notes

---

# Resources

---

## Publications

Bennis, W.G. & Nanus, B. (1985) *Leaders: Strategies for Taking Charge*. New York: Harper and Row.

HMSO (Her Majesty's Stationery Office) (2007) *World Class Skills: Implementing the Leitch Review of Skills in England*. Norwich: HMSO. Available online at: [www.dcsf.gov.uk/skillsstrategy/uploads/documents/World%20Class%20Skills%20FINAL.pdf](http://www.dcsf.gov.uk/skillsstrategy/uploads/documents/World%20Class%20Skills%20FINAL.pdf)

Lord Leitch (2006) *Leitch Review of Skills: Prosperity for all in the Global Economy, World Class Skills*. London: HMSO. Available online at: [www.hm-treasury.gov.uk/media/6/4/leitch\\_finalreport051206.pdf](http://www.hm-treasury.gov.uk/media/6/4/leitch_finalreport051206.pdf)

---

## Websites

Government Skills: [www.government-skills.gov.uk](http://www.government-skills.gov.uk)

Learning and Skills Council: [www.lsc.gov.uk](http://www.lsc.gov.uk)

Learning and Skills Improvement Service: [www.lsis.org.uk](http://www.lsis.org.uk)

World Class Skills: [www.excellencegateway.org.uk/wcs](http://www.excellencegateway.org.uk/wcs)

---

## Courses

---

Visit the World Class Skills website for listings of all seminars and workshops within the programme: [www.excellencegateway.org.uk/wcs](http://www.excellencegateway.org.uk/wcs)

Courses that may be of special interest are:

- Assessing your level of responsiveness

PDFs of all the courses are available to download.

---

### E-learning

Visit the World Class Skills website for all e-learning courses within the programme: [www.excellencegateway.org.uk/wcs](http://www.excellencegateway.org.uk/wcs)

Courses that may be of special interest are:

- Building employer-responsive skills in your organisation
- Funding and finance for maximising business
- Targeting SMEs for training



---

# Appendices

---

LMI resources	44
Five Valleys College case study: market analysis	45
Independent Rail Training case study: market analysis	49
Strategy development templates	52

## LMI resources

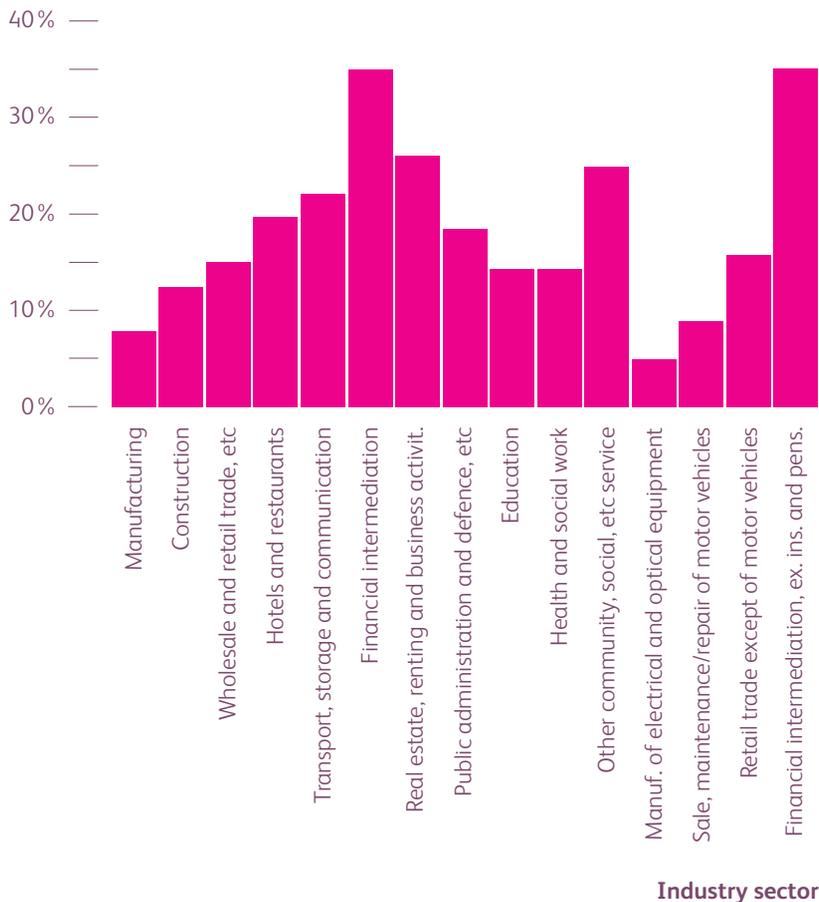
Resource	Description	Source
Skills in England (2007)	A comprehensive national report that provides analysis of employer skills needs at both a regional and sectoral level.	<a href="http://research.lsc.gov.uk/LSC+Research/published/skills-in-england">http://research.lsc.gov.uk/LSC+Research/published/skills-in-england</a>
National Employer Skills Survey (2007)	A national report with regional analysis looking at a range of employer related skills and training issues.	<a href="http://research.lsc.gov.uk/LSC+Research/published/ness/ness2007.htm">http://research.lsc.gov.uk/LSC+Research/published/ness/ness2007.htm</a>
Working Futures 2007–2017 Report	Most detailed and comprehensive set of employment projections ever published for the UK.	<a href="http://www.ukces.org.uk">www.ukces.org.uk</a>
Monthly Economic & Labour Market Review	Expert research and analysis to build an up-to-date, comprehensive and unique statistical picture of the UK economy and labour market.	<a href="http://www.statistics.gov.uk/elmr/">www.statistics.gov.uk/elmr/</a>
Sector Skills Councils	Each Sector Skills Council has carried out significant market research to understand the skills needs within their sectors.	<a href="http://www.ukces.org.uk">www.ukces.org.uk</a>
UK Commission for Employment and Skills LMI Portal	The UK Commission work with partners already involved in collecting Labour Market Intelligence (LMI) to pool existing sources into a common framework and to ensure the highest possible standards are continuously observed.	<a href="http://www.ukces.org.uk">www.ukces.org.uk</a>
Annual Business Inquiry (1998–2007)	An employer survey of the number of jobs/workplaces that can be broken down by gender, full-/part-time and detailed industry (4 digit SIC).	<a href="http://www.nomisweb.co.uk">www.nomisweb.co.uk</a>
VAT Registrations and Stocks (1994–2007)	The best official guide to business start-ups and closures.	<a href="http://www.nomisweb.co.uk">www.nomisweb.co.uk</a>
Annual Population Survey	A resident-based labour market survey encompassing economic activity, employment and qualifications data.	<a href="http://www.nomisweb.co.uk">www.nomisweb.co.uk</a>
National Employer Skills Survey Report (2007)	Data analysis tool on skills issues covering areas such as recruitment, skills gaps, recruitment of young people, training, workforce development.	<a href="http://researchtools.lsc.gov.uk/ness/home/home.asp">http://researchtools.lsc.gov.uk/ness/home/home.asp</a>
National Statistics	Primary resource for information on all government data relating to the economy and employment.	<a href="http://www.statistics.gov.uk/instantfigures.asp">www.statistics.gov.uk/instantfigures.asp</a>
Local LMI Websites	A number of websites providing a sub regional/local focus for analysis of LMI within the South West region can be found here.	<a href="http://www.data4nr.net/local-information-systems/k/">www.data4nr.net/local-information-systems/k/</a>

# Five Valleys College case study: market analysis

(Please note that market information included in this case study is fictitious and presented for case study purposes only.)

## Employment numbers in UK

### Employment numbers in UK by industry sector – March 2009



---

### IT and Telecoms

- According to the latest industry statistics update, employment in IT and Telecoms is expected to decline.
- Recruitment into IT and Telecoms needs to be at degree or post-graduate level with high levels of technical competence and experience.
- There is a large private training market for IT user training – typically short courses which do not necessarily lead to a recognised qualification. In terms of publicly-funded training, 292 different IT user qualifications and learning programmes are funded by the Learning and Skills Council – down from more than 600 three years ago – with 408,000 enrolments (2005/06). It is a highly competitive and price sensitive market, with the most successful providers providing training in new and emerging technologies.
- The implications are that to address IT user skills needs, there should be particular attention given to short courses and emerging technologies.

---

### Construction

Total construction employment of 341,150 in 2007 is forecast to fall to 335,830 in 2009 but then increase to 347,940 in 2013. To meet demand in the 2009/2013 period, it is estimated that 6,030 new workers will be required to join the industry each year. The largest annual recruitment requirements (ARR) are expected to be for wood trades and interior fit-out and painters and decorators.

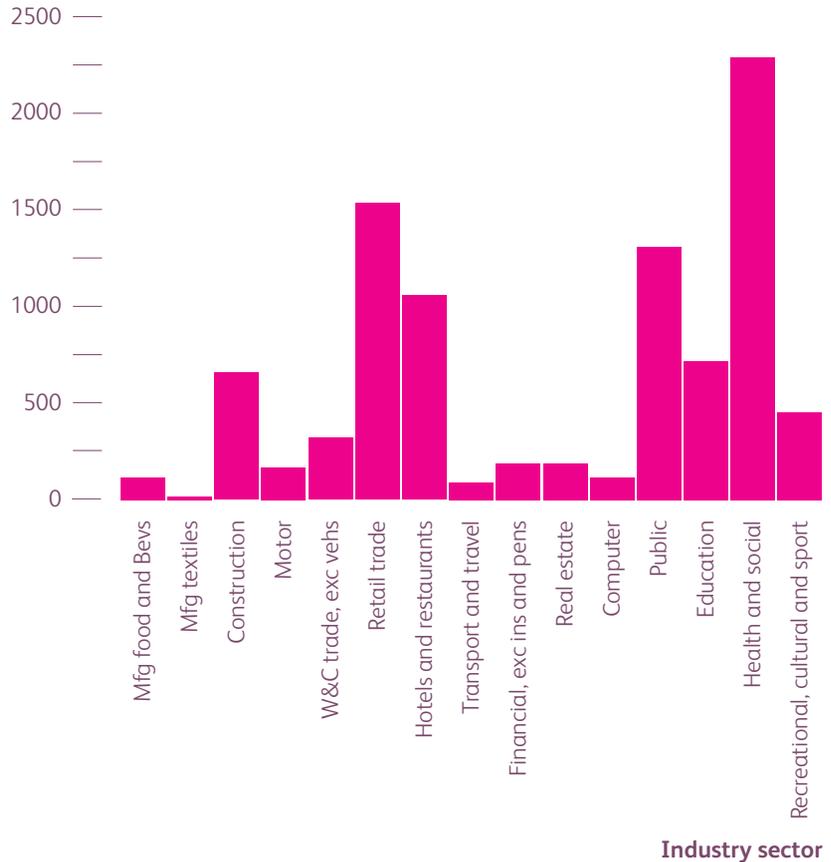
The construction industry faces three key challenges:

- The construction industry is a fragmented industry that needs to improve its business skills if it is to be competitive in the longer term. However, 75 per cent of employers do not invest in training. So, the challenge will be to engage with these firms in raising skills levels and developing their workforce.
- The construction industry is aiming to achieve an important goal of a 100 per cent qualified workforce by 2010. However, many skilled workers do not even have any formal qualifications, and some specialist trades are without any formal training courses. The challenge will be to widen access to suitable qualification routes, as well as assist the effective integration of migrant workers.
- The construction industry is experiencing growth in certain areas, such as the Olympic development, both in size and sophistication, and it needs to recruit from a larger and more diverse pool. The challenge is to attract more non-traditional entrants and provide them with relevant training and work opportunities.



### Average monthly vacancies by industry sector

#### Average monthly vacancy



### Health and Social Work

- The total employment across the sector (independent, voluntary and NHS) in London is estimated at 215,000 people.
- This sector has the 'youngest' workforce with the lowest percentage of the workforce over the age of 45 years (40 per cent).
- 18 per cent of establishments reported vacancies, and 5 per cent of establishments reported 'hard to fill' vacancies.
- The potential employers in this sector would be Primary Care Trusts and local authorities.

---

# Independent Rail Training case study: market analysis

---

(Please note that market information included in this case study is fictitious and presented for case study purposes only.)

---

## The rail industry in Highland

The Highland region has nearly 40 per cent of rail engineering and manufacturing centres.

The demographics of the workforce are as follows:

- 92 per cent of the engineering workforce is employed on a full-time basis.
- 80 per cent of the engineering workforce is male.

The engineering industry in Highland faces two key issues – an ageing workforce and the recruitment of young people. According to research, 38 per cent of the engineering workforce is aged 45–64, and only 10 per cent of the engineering workforce is aged 16–24.

Thirty-five per cent of all engineering establishments employed apprentices or recognised trainees. However, this varied considerably by size of establishment, ranging from 60 per cent of those establishments employing 250 or more employees to only 4 per cent of those employing less than 10 employees.

---

## Training profile

The most frequently utilised type of training provider is vocational engineering skills (84 per cent of establishments in the region) followed by equipment supplier/vendor training (16 per cent).

The providers least likely to be used are Higher Education Institutions (5 per cent), employer associations, professional bodies or institutes (11 per cent) and FE colleges (14 per cent).

The main factors limiting or presenting a barrier to training in engineering establishments are as follows:

- Available training is not specific to the rail industry
- Training is located a long way from the working site
- Employers cannot afford to give staff time off for training.

---

The relatively high proportion of workers within engineering with no qualifications poses a challenge for the industry. One of the main issues is the skills shortage. According to research, over the period from March 2007 to March 2008, there were an estimated 505 hard-to-fill vacancies in total, the majority being for skilled trades/craft (29 per cent) and technician (22 per cent) vacancies.

The main reason cited for hard-to-fill vacancies was a lack of applicants with the required qualifications, skills and work experience. It is estimated that these hard-to-fill vacancies cost the local economy over £10 million, with work being sent outside the region.

According to a survey, the most commonly cited technical skills gaps were in mechanical and electrical engineering. The most common generic skills gaps were in administration and IT/computer skills.

---

### **Construction**

Construction output is forecast to slow drastically within the Highland region. Total construction employment of 75,000 in 2008 is forecast to fall to 57,000 in 2009 but then increase to 347,940 in 2013.

The construction industry is a fragmented industry that needs to improve its business skills if it is to be competitive in the longer term. The majority of employers are within the category of small to medium sized enterprises and do not have budgets for training.

According to official labour market statistics, the construction sector is currently not one of the key sectors for employment in Highland.

---

### **Call Centres – Banking and Insurance**

The financial intermediation sector is one of the key growth sectors for employment in Highland, contributing to 100,000 jobs. In terms of employment numbers, the financial intermediation sector in Highland accounts for a highly significant 20 per cent of that sector's total for the UK, showing a high concentration of such jobs.





---

**Key opportunities**

Opportunities from market analysis	Agreed opportunity	Have capability or development required?

Strategic plan

Aim/priority						
Strategic objectives						
Measure/target						
Immediate actions						
Accountability						







# World Class