

The UK Employer Skills Survey

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IFF Research

Agenda

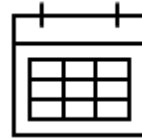
- About the UK Employer Skills Survey (ESS)
- Some key findings
- Where to find more information
- Q & A

About the UK ESS



A very large, UK-wide survey of employers

- c. 74,000 interviews in 2022
- Establishment-based
 - Multiple branches of the same organisation can be interviewed
- Telephone interviews, with the person most responsible for staff issues (recruitment and training)
- All sectors (including the public sector and charities) and sizes except sole traders



Biennial (in the main)

- 2011
- 2013
- 2015
- 2017
- 2019 (but no Scottish data)
- 2022



Methodologically very consistent since 2011:

- Key measures / questions unchanged or little changed
- Some refinements to sampling switching to random probability sampling in 2022

Hence a great tool to explore changes in skills needs over time

Coverage – core topics

Skill issues when recruiting

- % of employers with current vacancies, and with skill-shortage vacancies (SSVs)
- The number of SSVs and the % of all vacancies which are SSVs
- The skills lacking in candidates
- The impact of SSVs

Skill gaps

(among existing staff)

- % of employers with any current skills gaps
- The % of staff with skills gaps
- The skills lacking
- The causes and impact

Training

- % of employers training any staff in the last 12 months (and the reasons for not training)
- The % of staff trained
- The type of training provided
 - Off-the-job vs. on-the-job
 - More detailed types
- Spend / investment in training
- Barriers and limits on training (and training equilibrium)

Coverage – other topics

Recruitment

- What employers value when looking for new recruits
- Whether taken on education leavers in the last 12 months
- The age bands of recent recruits (e.g. any 50+)
- Recruitment methods

Under-use of skills

- % of employers with staff with both skills and qualifications beyond those needed for their job role
- % of staff under-used

Future skill needs

- % of employers who need to develop skills of their workforce in the next 12 months, and why
- Which skills

Nurturing the skills pipeline

- % offering work experience; internships etc
- Reasons for not offering
- Awareness of T levels and interest in offering work experience to T level students

Apprenticeships

- % offering
- Why recently started offering
- % with current apprentices
- Whether plan to start offering
- Whether those offering plan to increase / decrease numbers
- Reasons for planning to stop offering

Main analysis variables

Geography

- Country
- Region
- Upper Tier Local Authorities

Employer size

- 2-4 staff through to 250+

Sector

- Primary and utilities
- Manufacturing
- Construction
- Wholesale and retail
- Hotels and restaurants
- Transport and storage
- Information and Communications
- Financial services
- Business Services
- Public administration
- Health and social work
- Education
- Arts and other services

Occupation

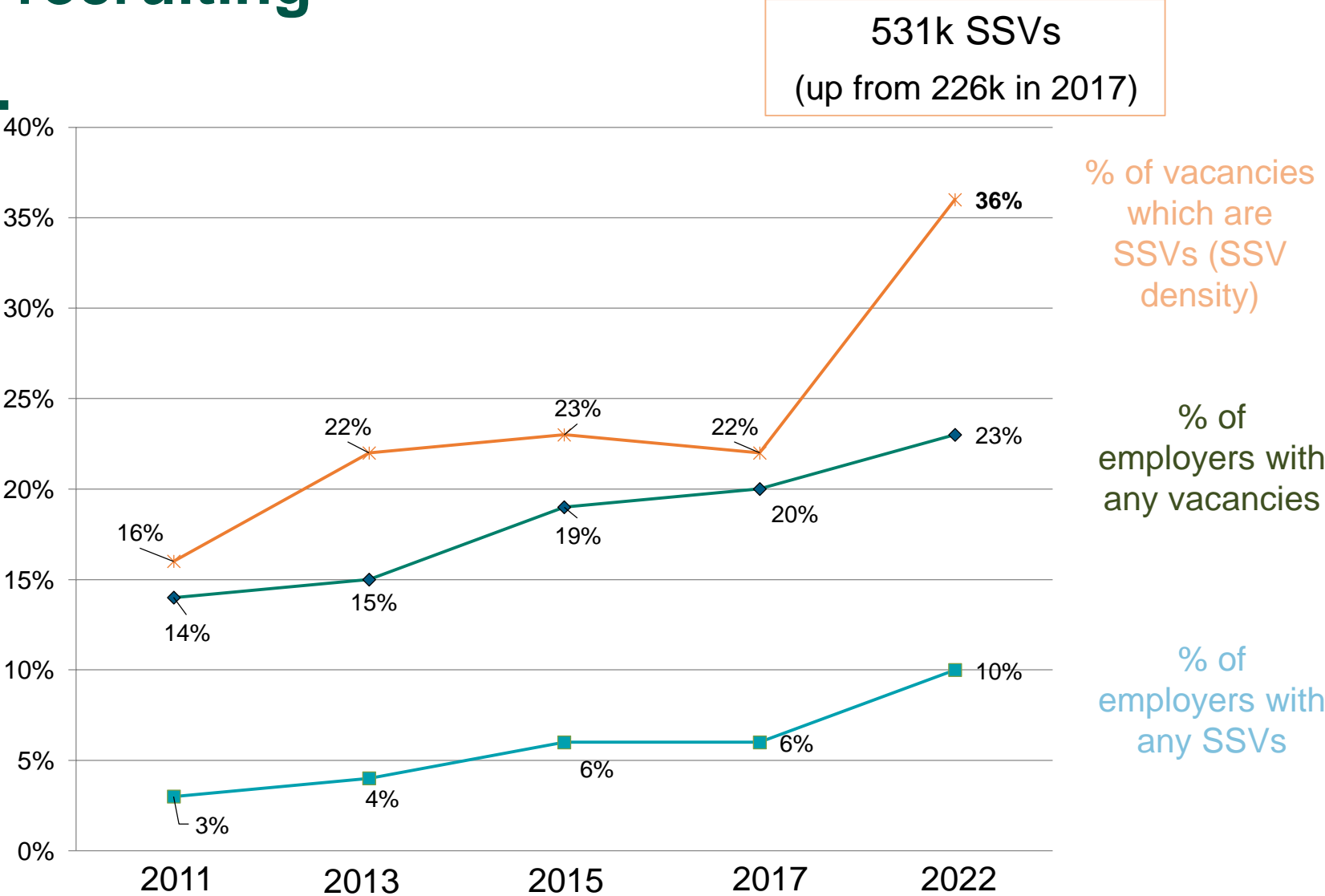
- Managers
- Professionals
- Associate professionals
- Admin and secretarial
- Skilled trades
- Caring, leisure and other services
- Sales and customer services
- Machine operatives
- Elementary

Skills issues when recruiting

...a sharp rise in skills difficulties when recruiting: in 2022 over a third of vacancies hard to fill because of skills shortages among applicants

SSV density highest for Skilled Trades roles (51%), Professionals (39%) and Caring / Leisure roles (39%); lowest for Elementary (26%) and Managerial (28%)

Significant impacts of SSVs e.g. increased workload for staff, increased operating costs, losing business to competitors



Skills lacking in the labour market

Relatively few changes vs. 2017 e.g. the top 5 skills listed in each category below unchanged

Technical and Practical skills

A factor in 87% of SSVs in 2022 [88% in 2017].

- Lack of specialist skills / knowledge (63% vs. 64% in 2017)
- Knowledge of the products & services offered (40% vs. 36%)
- Solving complex problems (36% vs. 38%)
- Knowledge of how the organisation works (36% vs. 31%)
- Reading / understanding instructions, reports etc. (34% vs. 32%)

People and Personal skills

A factor in 70% of SSVs in 2022 [down from 74% in 2017]

- Managing own time / prioritisation (48% vs. 50%)
- Managing own feelings or handling those of others (38% vs. 36%)
- Customer handling skills (36% vs. 38%)
- Team working (34% vs. 36%)
- Managing / motivating other staff (31% vs. 33%)
- Fewer mentioning Sales skills (a factor in 17% of SSVs vs. 26% in 2017)

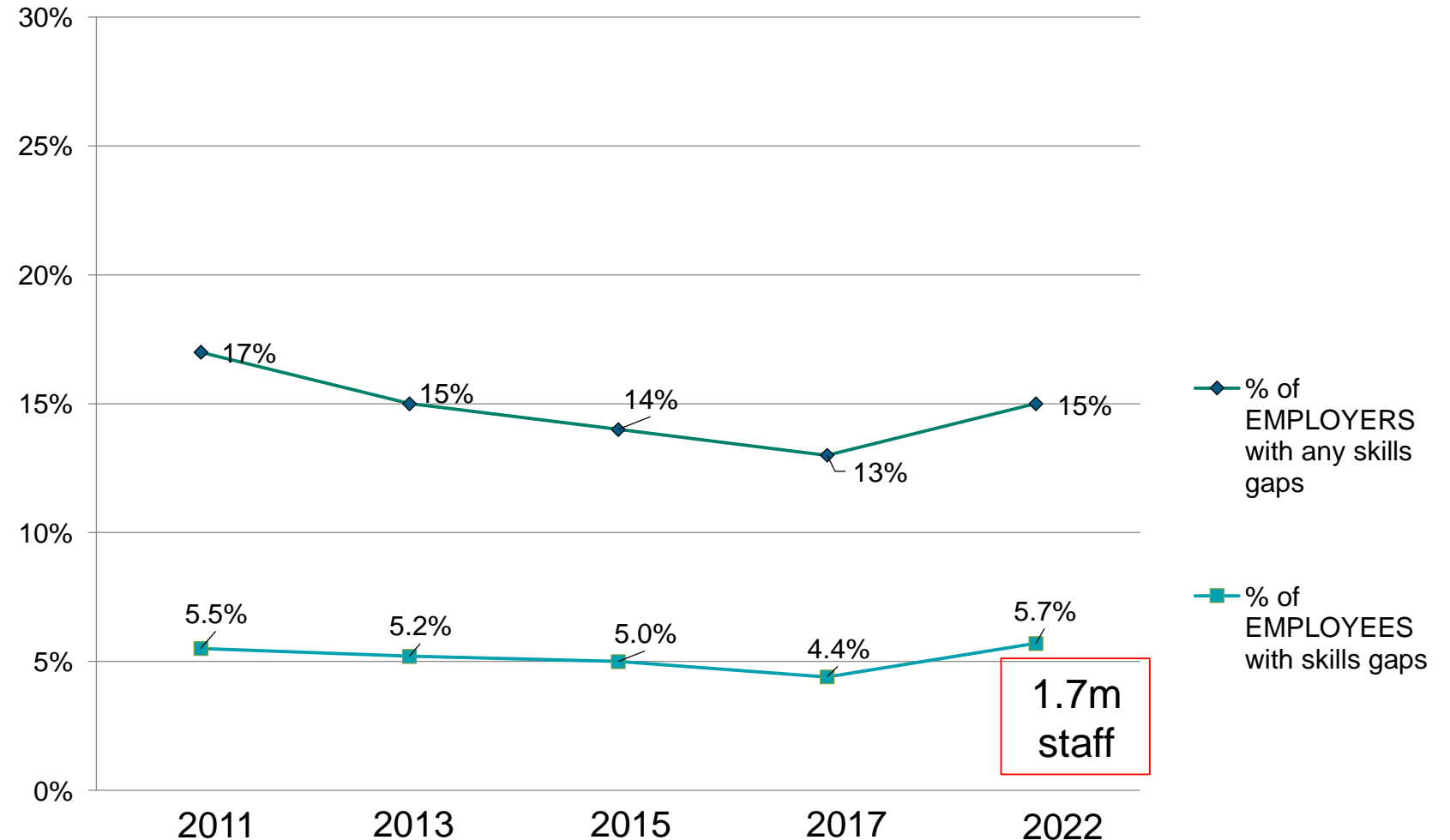
Skills gaps in the workforce

The most commonly lacking skills were the ability to manage own time and prioritisation (a factor in 60% of skills gaps), specialist skills or knowledge needed to perform the role (54%) and team working (48%).

Reductions in incidence of skills gaps 2011-2017 but the trend reversed in 2022.

The highest density of skills gaps in Hotels & Restaurants (8.6%), as in 2017, but the largest increases in Finance and in Business Services.

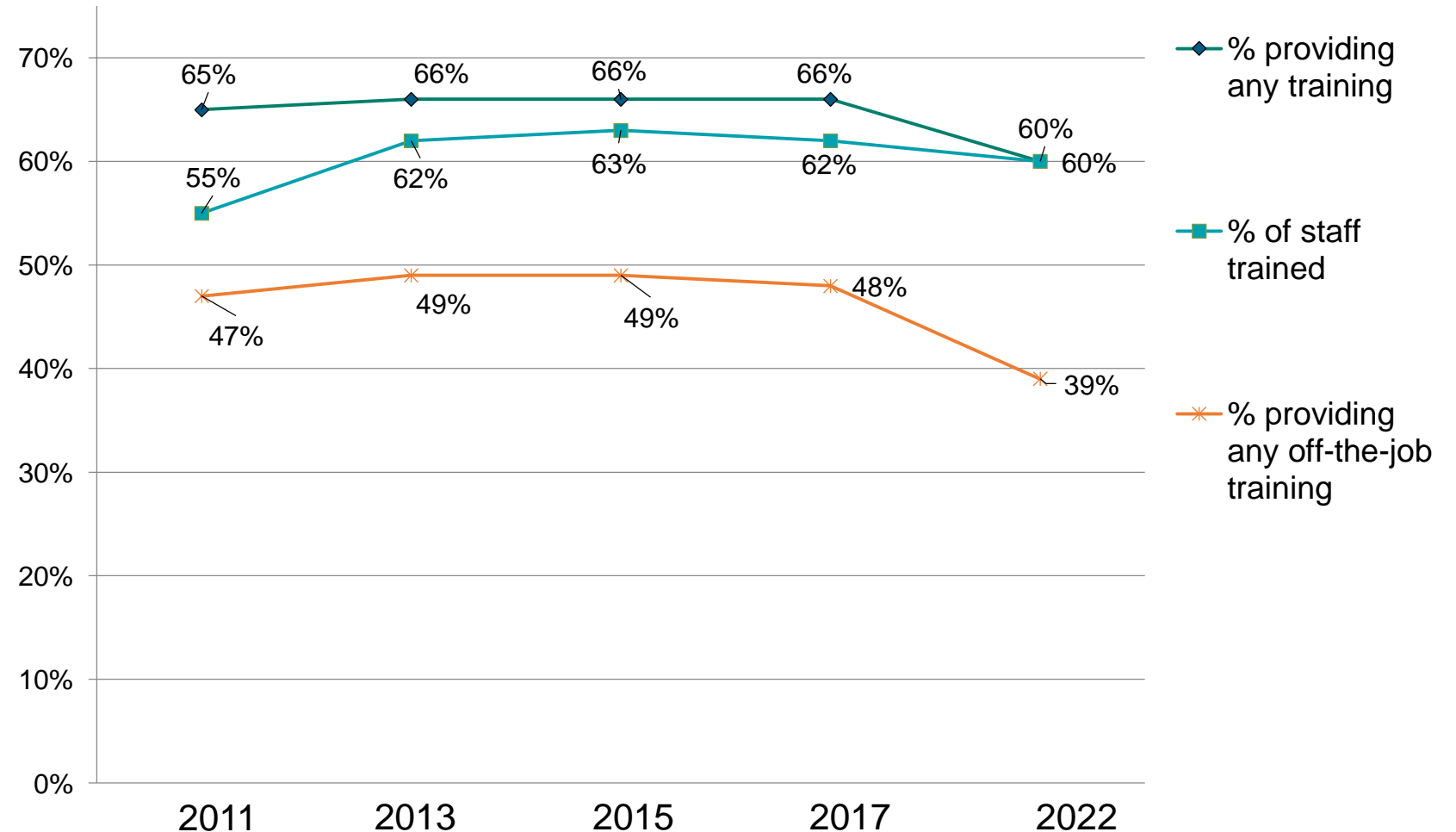
The occupations with the highest density of skills gaps were Elementary occupations (9.2%), Sales and Customer Service (8.0%) and Skilled Trades (7.4%). Lowest for Managers (2.5%)



Training in the last 12 months

Large fall in the % of employers providing any training, especially off-the-job training. Some signs of less intense training:

- Large increase in the % of training employers providing any online or e-learning (67%, up from 51% in 2017)
- Fewer training employers had undertaken 'external' training delivered by non-employees (57% vs. 65% in 2016)
- 108m training days, lower than in the 2011-2017 period (113m-118m)
- Employer investment in training (£54bn) 7.7% lower in real terms in 2022 vs. 2017



Further exploration

- All findings available on .GOV.UK
 - UK findings reports
 - Country reports
 - Slidedecks (UK and country) for some years
 - Technical reports
 - Excel data tables