

Contact Officer:

AGENDA ITEM NO: 20

Report No:

Report To: Inverclyde Alliance Board Date: 1 October 2018

Report By: Sara Rae Director of Business,

Enterprise and Innovation

Drew McGowan Policy Officer Contact No:

Subject: Our Workforce, Our Future West of Scotland Skills Survey 2018

1.0 PURPOSE

1.1 The purpose of this report is to inform the Alliance Board of the publication of 'Our Workforce, Our Future' West of Scotland Skills Survey 2018 on 1 October 2018.

2.0 SUMMARY

- 2.1 West College Scotland has published the findings of a survey carried out to gather employers' perspectives on their workforce planning and business needs. The research is the first research of its kind to be conducted by a college or university in Scotland.
- 2.2 231 organisations employing more than 65,000 people in and around the West region responded to the survey. Respondents identified the challenges they face, their priorities for the future and how the College can best support them.
- 2.3 Participating employers, who ranged from micro businesses to FTSE 100-listed companies, identified workforce planning as the biggest challenge in the year ahead and the skills gap heads the list of barriers to growth.
- 2.4 West College Scotland recognises that educators need to be responsive to the needs of the economy and employers. The College will use the unique insight offered by the industry to inform its work in future proofing its curriculum, helping to build a modern workforce.

3.0 RECOMMENDATIONS

It is recommended that the Alliance Board:

 Notes the publication of West College Scotland's 'Our Workforce Our Future' on 1 October 2018.

Liz Connolly

Principal and Chief Executive, West College Scotland

4.0 BACKGROUND

- 4.1 West College Scotland has recently conducted research to gather employers' perspectives on their workforce planning and business needs. This is the first research of its kind to be carried out by a Scottish college or university.
- 4.2 231 organisations, employing a workforce of more than 65,000 people, in and around the region responded to the survey. In doing so, respondents have identified the challenges they face, their priorities for the future and how the College can best support them.

5.0 FINDINGS

- 5.1 Participating employers, who ranged from micro businesses to FTSE 100-listed companies, identified workforce planning as the biggest challenge in the year ahead and the skills gap heads the list of barriers to growth.
- West College Scotland recognises that educators need to be responsive to the needs our the economy and employers and the College will use the unique insight offered by the industry to inform its work in future proofing its curriculum, helping to build a modern workforce.

6.0 IMPLICATIONS

6.1 Legal: None Finance: None

Human Resources: None Equality and Diversity: None

Repopulation: A skilled local population that can adapt to the changing needs of the employment market will make Inverclyde a more attractive place in which to invest, which in turn will encourage repopulation.

Inequalities: A vibrant and successful local economy will help to reduce income inequality.

7.0 CONSULTATIONS

7.1 The survey findings are based on consultation with 231 organisations.

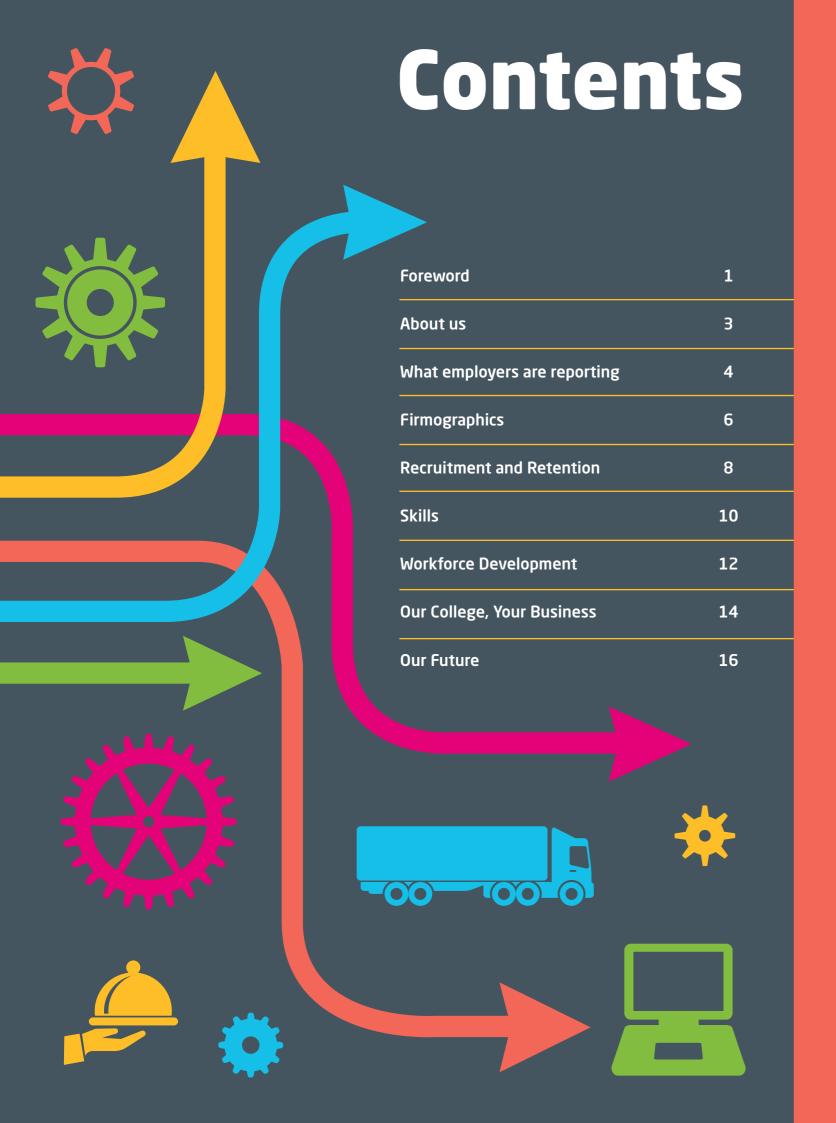
8.0 LIST OF BACKGROUND PAPERS

8.1 None

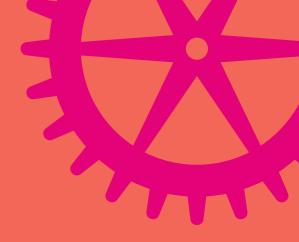
OUR WORKFORCE, OUR FUTURE

West of Scotland Skills Survey 2018





Foreword



West College Scotland is delighted to publish the findings of the West of Scotland Skills Survey.

It is the first research of its kind to be conducted by a college or university in Scotland. We hope it reflects our commitment to the West region and our ambitions for it.

231 organisations, employing more thar 65,000 people, in and around the West region responded to our survey. These included many small and medium-sized enterprises (SMEs), well-known regional organisations and a number of FTSE-100 listed companies.

By responding to our survey, they have provided us with a unique insight into their priorities for the future and the challenges they will face.

For us as a College, the findings provide an excellent opportunity to build new partnerships with some employers and deepen our relationships with others, whilst ensuring we deliver what they need

well and what may need to be reshaped. Importantly, the findings also inform what courses we should develop in order to assist, for example, workforce up-skilling and product innovation. They will help future-proof West College Scotland.

Regionally, however, I believe we have strong foundations upon which to build a vibrant and successful economy: productivity per head is the third-highes in Scotland and remains above the national average, youth unemployment is lower than the rest of Scotland and overall employment is higher.

The Glasgow City Deal, the Lightweight Manufacturing Centre in Renfrew and the National Manufacturing Institute of Scotland at Inchinnan should all be seen as a vote of confidence in our region.

Nationally, our approach is in tune with the Scottish Government's Economic Strategy, particularly in fostering a culture of innovation, increasing our productivity and helping to deliver inclusive economic growth. This is especially true of SMEs – a business base into which the college sector has a unique reach.

Globally, we live in the midst of the Fourth Industrial Revolution.
Globalisation and advancements in technology mean everything we do – from the way we live our lives as well as the way we work – will change in ways which most of us can't imagine but which are happening, somewhere, in the world right now.

It is vital, now more than ever, for educators to be responsive to the needs of our economy and our employers in order to equip ourselves to overcome the challenges and grasp the opportunities of the future.

This is the context and backdrop to this report, which also outlines how the College will use its expertise, facilities and regional leadership to support businesses to meet the challenges which they themselves have identified.

Finally, I would like to thank the many organisations who completed the West of Scotland Skills Survey and assure them they have made an important contribution to the future well-being of their own businesses, the communities of our region and the thousands of people who come to West College Scotland now and in the future.

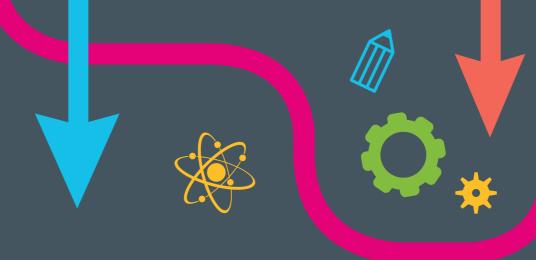
It is vital, now more than ever, for educators to be responsive to the needs of our economy and our employers in order to equip ourselves to overcome the challenges and grasp the opportunities of the future.





Liz ConnollyPrincipal & Chief Executive







West College Scotland is one of the largest colleges in the country. We have more than 22,000 people studying at our campuses in Clydebank, Greenock and Paisley and we employ over 1,200 people - about 1% of total regional employment.

Our College was formed in 2013 by the merger of Clydebank College, James Watt College in Greenock and Reid Kerr College in Paisley.

Since our formation, the College has built a solid foundation, delivering first-class education and training to our students and forging partnerships with organisations across our region and beyond.

The training and expertise we offer extends across a range of industries and sectors: from energy conservation and storage to integrated health and social care; from travel and tourism to digital technology.

We have partnerships with stakeholders across four local authorities, and are in a unique position to identify and deliver the training and skills needed by a modern regional economy.

Campuses in







Paisley



At a Glance



22,100 students



Teaching 4,000 pupils from **32** schools



Mode of study:

84% Further Education 16% Higher Education



Delivering more than 1,000 places within the **Apprenticeship Family** by 2020



96% of our students go on to positive destinations



One of the largest employers in the West region:

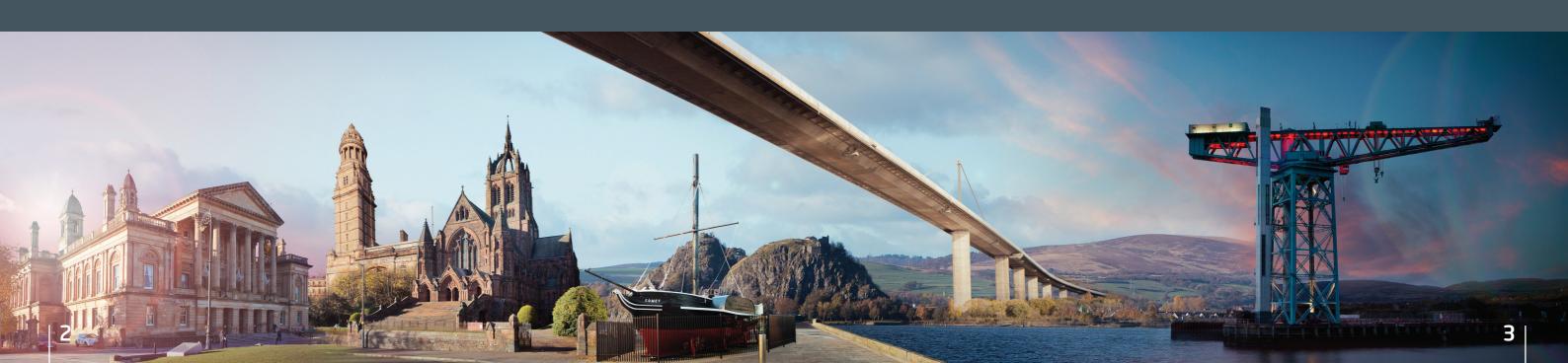
1,209 staff **1**% of total regional employment



40% of our students come from communities within the 20% most deprived areas of Scotland



Total income: £66 million



What employers are reporting



231 organisations, employing more than 65,000 people, in and around the West region responded



1 in 3
employers report that they have
difficulty retaining staff, citing the
skills gap as the main reason for this



86% of employers reported skills gaps in their current workforce



Half of employers

who were recruiting had a hard-to-fill vacancy, citing a shortage of candidates with necessary qualifications and specialist skills

Of those employers with a skills gap in their workforce,



61% listed digital skills as a priority for improvement and
47% indicated that their employees required job-specific up-skilling

86% of employers provided staff training in the last year and 91% would have provided more training if they could have





9 in 10
employers stated
that they have a
positive relationship
with the College



92%
of employers who had not previously worked with the College indicated that they would like to work together in the future



88%
of employers are satisfied with the work readiness of college leavers



Biggest challenges in the next year:

Workforce Planning



Financial Sustainability



Business Growth



Barriers to growth:



Skills Gap



Finance



Infrastructure and Tech



Expertise in Innovation

Firmographics







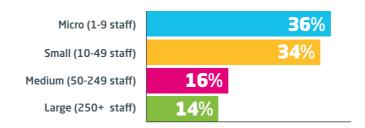
231 organisations,

employing more than

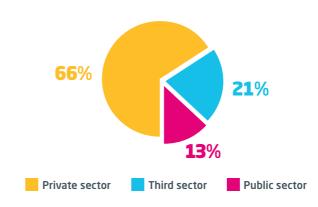
65,000 people,

in and around the West region responded

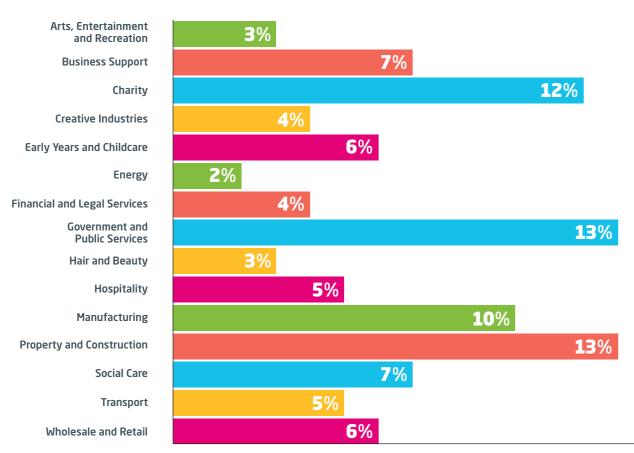
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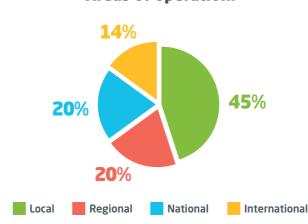




Industries:



Areas of operation:





DYW West

The Developing the Young Workforce (West) team is based at West College Scotland's Paisley campus.

It has been given the important job by the Scottish Government of bringing together the College, schools, local government and businesses to deliver a stepchange in employer engagement in our region. Part of this means getting employers to help shape the curriculum, making sure it is fit for the needs of a modern economy.

Since its launch in 2014, DYW West and the College have worked together to prepare young people for the world of work, in many cases giving them a deeper understanding of digital and STEM (Science, Technology, Engineering and Maths) skills.

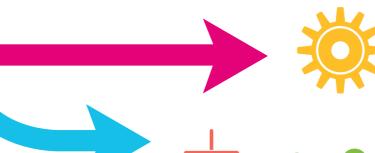
For example, in November 2017 the DYW team and the College hosted a "Big Bang" event, a two-day festival of STEM-related, hands-on demonstrations facilitated by 25 local employers. Supported by the Energy Skills Partnership, the event attracted 400 local school pupils. As well as showing that STEM can be fun, Big Bang also taught them the importance of co-operating, of contributing ideas and the value of teamwork.

This is one of several events organised and supported by DYW (West) and West College Scotland.

Big Bang is just one excellent example of what organisations like DYW and West College Scotland can do when we work together - all for the benefit of our young people, local employers and future workforce.

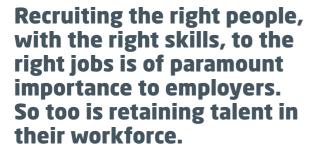
Bob Davidson, Programme Director, DYW West

Recruitment and Retention









More than half of recruiting employers report they have at least one hard-to-fill vacancy, citing necessary qualifications and specialist skills as being the most difficult to obtain from applicants. One-third of employers told us they face difficulties in retaining staff in particular roles.

Skills gaps in the workforce are identified as the main driver of staff turnover – ahead of terms and conditions, and labour market competition.

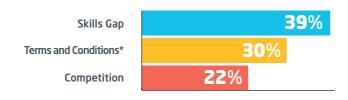
The skills and ingenuity of the regional workforce are at the heart of improving the prosperity and productivity in our region and across our country. Tackling the challenges of hard-to-fill vacancies and difficulties of retention are key to supporting employers and driving forward the local economy.

West College Scotland is committed to working with employers across our region to assist them with their workforce planning, enabling them to recruit and retain talent.

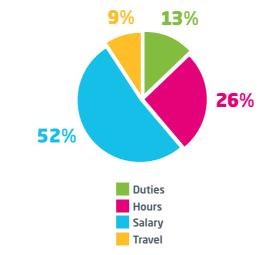
Percentage of employers facing difficulties in retaining staff:



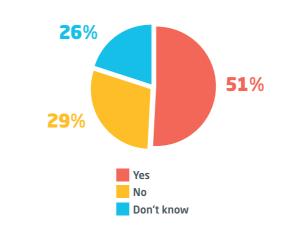
Top ranking reasons for difficulties in retaining staff:



* The Terms and Conditions category can be broken down further:



Percentage of employers who report having hard-to-fill vacancies:



Impact hard-to-fill vacancies are having on the employer:



Skills employers are finding it difficult to obtain from applicants:





Scottish Leather Group

Scottish Leather Group employs around 600 people across three locations - Bridge of Weir, Paisley and Glasgow - and is the largest manufacturer of leather in the UK.

SLG, named Scottish Exporter of the Year 2018, supplies luxury finished leather to blue chip companies, such as Aston Martin, Jaguar, Emirates American Airlines and Virgin.

In response to an identified skills gap in their prospective employees and their existing workforce, the Group launched the SLG Academy in 2012 to attract new talent and retain or support current employees.

At the heart of SLG's talent drive was the Modern Apprenticeship programme. This was delivered by West College Scotland at our Paisley campus and on-site at SLG's own facilities in Bridge of Weir, Paisley and Glasgow

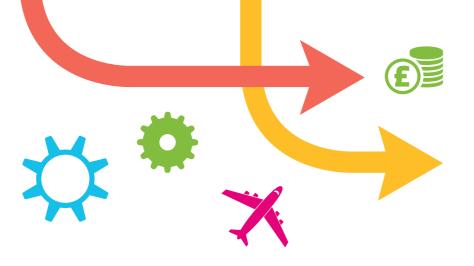
Since the SLG Academy's inception more than 150 employees have gained the MA qualification and completed an SVQ Level 2 or 3 in Leather Manufacturing and Production.

Building on that success, the College and SLG have worked together to expand the training on offer so that it includes SVQs in Business Administration, Engineering and Business Improvement Techniques

Central to our Apprenticeship Academy has been our partnership with West College Scotland. We have a great relationship with them - they listen to what we need as a business and, together, we develop bespoke training for our staff.

Callum MacInnes, HR Manager, SLG

Skills



We are currently living in the midst of the Fourth Industrial Revolution. Now more than ever, employers and educators must work together to equip people with the skills to succeed in the ever-changing world of work.

Almost 9 in 10 employers say their workforce would benefit from further training to improve their skillset.

In addition to specialist job-specific skills and

knowledge, employers say the improvement of digital, leadership and interpersonal skills in their workforces is a priority.

Employers tell us that skills gaps in their workforces are harming their products, productivity and performance. However, employers say they are taking positive steps to address skills imbalances, with two-thirds investing in more training.

West College Scotland has a long and impressive record of delivering modern skills to employers, helping organisations close the enduring skills gap. We remain committed to this work, offering a wide range of training products to employer partners.

Digital Skills

The world of work is changing exponentially in the new age of digitalisation.

West College Scotland is committed to equipping our young people with the digital skills they need to thrive, as well as ensuring our region's workforce keeps pace with technological change and the demands of the modern workplace.

In 2017, in partnership with Renfrewshire Council, the College launched our extra-curricular Coding Clubs for S1 and S2 pupils in six secondary schools.

Each week our lecturers, working with school teachers and our student STEM ambassadors, have been teaching pupils how to programme, animate, and develop games and apps for mobiles, tablets and PCs.

In 2018, the College hosted digital development sessions for 28 teachers from primary schools across Renfrewshire, enabling them to introduce coding in their classrooms.

Starting early is crucial, but so too is continuously up-skilling people in our workforces.

That's why digital skills are at the heart of the training and development that the College provides to Renfrewshire Council employees through the Flexible Development Workforce Fund.

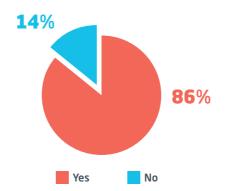


After working with the local authority to tailor a package that addressed their requirements, the College delivered essential digital skills training to more than 200 members of staff, encouraging them to be "fear-free" in their use of technology in the workplace.

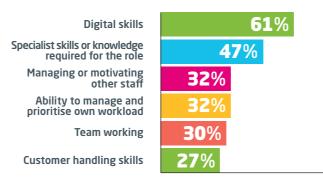
It is vital we ensure everyone has digital access and the knowledge and confidence to achieve their digital potential.

Councillor Iain Nicolson, Leader of Renfrewshire Council

Percentage of employers with skills gaps in their current workforce:



Skills employers feel need improving in their current workforce:



Impact of skills gap in the employer's workforce on the business:

Increase workload of other staff	49%
Face difficulties introducing new work practices	31 %
Delay developing new goods or services	24%
Detrimental impact on customer quality	20%

Steps employers are taking to improve workforce development:

Increasing training activity or expenditure	66%
Changing work practices	35%
More supervision of staff	33%
Implementation of a mentoring or buddying scheme	27%
Increase recruitment activity or expenditure	21%

Golden Jubilee Foundation

The Golden Jubilee Foundation is unique within our NHS. A national institution - independently run by its own NHS board - it counts a hospital, research institute, innovation centre and conference hotel among its family of facilities.

Based in West Dunbartonshire, and employing nearly 1,500 people, the Golden Jubilee Foundation is helping to re-define the concept of the public hospital. It has a vision of leading quality, research and innovation for the NHS in Scotland

In 2016, West College Scotland and the Golden Jubilee Foundation signed a Memorandum of Understanding to facilitate greater collaboration between our two institutions

Our partnership has seen us working closer together to develop educational and employment opportunities in the clinical support, administration and hospitality fields.

This involves on-the-job training for our students, who are able to gain real experience of the workplace. It has also seen the College play an important role in the Golden Jubilee Foundation's workforce planning strategy for the future.

We see this as a "win-win" relationship for the College, the Foundation and our region.

With an increased demand on healthcare services in Scotland, this agreement with West College Scotland will allow us to create a sustainable workforce that will help us deliver any future expansion of our clinical services.

Jill Young, Chief Executive, Golden Jubilee Foundation

Workforce Development



Lifelong learning is a cornerstone for the continued success of the West region's employers and the wider Scottish economy. Education and training do not end on the day someone leaves school, college or university.

This is recognised by the overwhelming majority of employers who report that they have invested in training and development for their staff over the past year. Indeed, 9 in 10 say they would have provided more, if they could have.

It is worth noting that *time* rather than *funding* was the main barrier to delivering more training.

Flexible training and development is clearly a priority for employers, with most respondents opting for a blend of face-to-face and e-learning as their preference for delivering training.

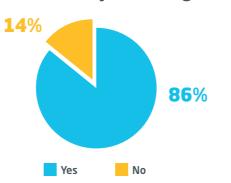
Employers who had not arranged training over the past year reported that they were unable to do so for a number of reasons: time, finance and local provision.

These are issues which West College Scotland recognises and we are keen to work with local employers to provide bespoke solutions for their training needs.

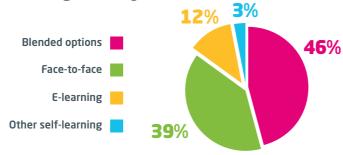
Percentage of employers with a training budget and training plan:



Percentage of employers who arranged/ funded on and off-the-job training:

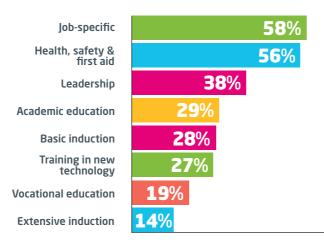


Employer preference for mode of training delivery:



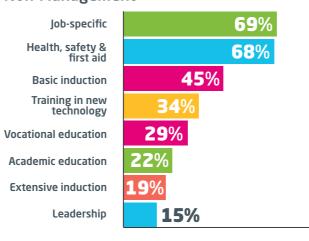
Types of training employers have arranged or funded in the past 12 months:

Management



* * *

Non-Management



Percentage of employers who would have provided more training if possible:

Yes		91%
No	9%	

Barriers faced by employers, who had already arranged or funded training, in providing additional training in the past 12 months:



Reasons why employers have not arranged or funded training in the past 12 months:





James Frew Ltd

James Frew Ltd, one of Scotland's largest integrated building services firms, provides an array of services to customers across the central belt, including plumbing and heating, property upgrades, mechanical services and renewable technology.

Headquartered in Ayrshire and employing more than 250 people, including 33 apprentices, the company approached the College in 2015 to work together to develop an inpovative training planning process

Our collaborative work, funded by an Innovation Voucher from the Scottish Funding Council, identified the training requirements of staff, linked these to the company's business improvement process and tailored our training and development to lames Frew's specific needs.

The project included the monitoring of certification renewals, development of individual training plans and the measurement of the impact of training through Achievement Measurement Indexing

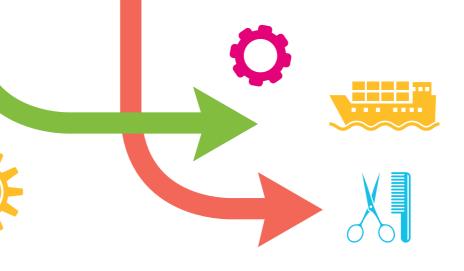
By taking a more structured approach to investing in people through high-quality training, the College helped James Frew Ltd boost performance and make efficiency savings – helping the firm maintain a competitive advantage in a fast-moving commercial market.

We are delighted to work with West College Scotland - the relationship we have is invaluable. Over the past three years, the College has helped us align our training plans and improve the service we offer to our customers.

Roddy Frew, Managing Director, James Frew Ltd

| 12

Our College, Sour Business





West College Scotland occupies a unique place in the training and educational landscape of the West of Scotland. We also have a unique reach into the business base of the region.

The College works with employers to support improvements to business performance. In return, we want employers to help shape our vocational, technical and professional training.

We are encouraged that employers are overwhelmingly positive about their existing relationship with the College and the work readiness of our students.

We are also pleased to see employers who we have had no previous relationship with West College Scotland indicate that they would like to work with the College in the future.

In order to support employers, we need to understand the issues affecting them. Employers report that workforce planning is the biggest challenge they face and the skills gap heads the list of identified barriers to growth. These are areas in which the College can undoubtedly support employers.

We also asked employers what they are looking for in a modern college. Employers are unequivocal: they want more engagement, greater collaboration and continued flexibility.

West College Scotland sits at the heart of a busy network of employers, business organisations, local and national government, schools and communities. We want to use our scale and influence across the region to improve business growth, opportunities for our students and social cohesion.

What employers want from a modern college



The College's offer to continue to be flexible to employer's needs

- Annual review of employer training needs
- Regular contact via an employer newsletter
- * Business networking events



in course design and delivery

- Work with more areas of the College
- College to employer visits; Employer to college visits
- Named contacts for employers



Immerse students in world of work through work experience and live client projects

- Advertise job opportunities to students
- * Careers days



9 in 10

employers stated that they have a **positive relationship** with the College



92%

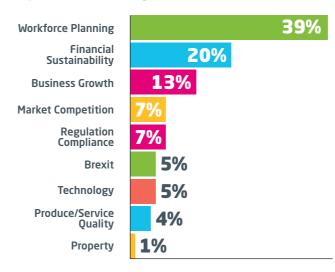
of employers who have no relationship with the College or DYW West indicated that they would like to **work together** in the future



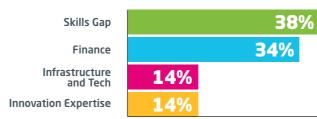
88%

of employers are satisfied with the **work readiness** of college leavers

Top ranking challenges employers reported for the year ahead



Barriers to growth





Inverciyde Chamber

West College Scotland and Inverciyde Chamber of Commerce work in partnership to help employers throughout the local area overcome challenges and grasp opportunities - enabling them to fulfil their potential.

The Chamber is a champion of businesses of all sizes throughout Inverclyde. It has been an important and influential voice in the local area since it received its Royal Charter in 1813.

More than 200 years on, it now has over 150 members and continues to support the business community to build connections and collaborate with the College, schools and one another to grow and develop their companies.

Working together, the College and the Chamber have welcomed businesses to our Greenock campus where we have hosted networking events, offered tours of the College's state-of-the-art facilities and showcased what we do and what we offer local enterprises.

These are invaluable opportunities for employers to speak to our faculty teams, discuss the challenges they face and find out how the College can help them – particularly in upskilling, reskilling and product innovation.

We support Inverciyde businesses and are proud to celebrate their many successes. The College is a generous sponsor of the Chamber's annual Bees Knees Awards which recognise the impressive achievements of Inverciyde firms, locally, nationally and internationally.

West College Scotland is an invaluable partner for our Chamber and local businesses throughout Inverclyde. The support and expertise the College offers is undoubtedly vital to our continued success.

Gavin McDonagh, President, Inverclyde Chamber of Commerce

Our Future





To achieve this, we need to continually – and effectively – engage with industry to understand the challenges employers face, their priorities for the future and the relationship they want with West College Scotland.

That's why we launched the West of Scotland Skills Survey. We are proud to be the first institution of further and higher education in Scotland to undertake this type of employer engagement.

In doing so, we have successfully engaged with a wide-range of employers – from start-ups to well-established businesses, from SMEs to some of the biggest and best-known organisations in our region, across Scotland and throughout the world.

Our sector-leading research will inform the work of the College, the student experience and how we support our employers. It will support our efforts to future-proof our College and curriculum.

We embrace innovation. We are responsive and agile, prepared to change what we do and how we do it.

The West of Scotland Skills Survey is part of our ongoing conversation with industry. It will help change the education and training landscape of our region.

To support employers in and around the West region, the College will continue to:

- ★ Work with employers on a one-to-one basis to plan and deliver training.
- Prepare our students for the world of work through work experience and live client projects.
- ★ Deliver more than 1,000 places within the Apprenticeship Family by 2020.
- Support employers through initiatives such as the Flexible Workforce Development Fund and the College Innovation Fund.
- Engage with schools across the West region to equip our young people with the skills they need to succeed.
- Encourage employer participation in the work of the College, helping us to shape our curriculum to ensure it continues to meet the needs of a modern, regional economy.
- Work with Developing the Young Workforce (West) to break down the barriers to effective partnerships between educators and employers.
- Collaborate with Scotland's Innovation Centres to effectively support employers and industry.

Building on our extensive engagement with industry, and responding to the needs of employers, the College will:

- Expand on our existing practice of promoting opportunities to our students in our subject sectors by creating a new College-wide jobs portal. This initiative will enable employers to advertise employment and work experience opportunities to our students free of charge.
- Launch a new, tailored **newsletter** for employers in and around the West region. It will contain updates on the work of the College and outline opportunities for more partnership working.
- Publish a new and improved business microsite to support workforce training and development, offering employers access to a simple and straightforward platform to browse a range of courses relevant to their skills needs.
- Promote the College's offer of a one-to-one annual training needs analysis to employers to support their workforce planning with timeefficient and cost-effective solutions.
- Ensure greater visibility of the College's Business, Enterprise and Innovation Department, a practical and personalised one-stop-shop, that engages with and supports employers.
- Develop innovation workshops to support employers of all sizes to realise innovative potential, enabling them to boost productivity and performance.
- ★ Host the West College Scotland Innovation and Technology Symposium, which will bring the College and our partners together to explore how organisations in all sectors and industries can drive forward innovative practices and fulfil their digital potential.



Neat Living

Neat Living is a Glasgow-based company and is pioneering a range of precision engineered, space efficient and energy efficient homes.

West College Scotland and Neat Living have formed an award-winning partnership which has given students real-life experience of the world of work.

Among the projects we have run is The Designers of Tomorrow. This is an inspiring initiative for our HND Interior Design students, giving them the opportunity to work on live client projects.

A recent project tasked students with creating original interior designs for Neat Living's "Micro 40 and "Micro 80" – 40 and 80-square-metre, energy efficient homes.

The Neat Living team set the design brief and, for 12 weeks, students were immersed in a real-life working environment – working to deadlines, making contacts preparing presentations and answering robust questions about their designs.

The College won the prestigious Herald Higher Education Employer Engagement Award in 2017 for our work with Neat Living. The firm is now going on to develop their next range of homes and we are delighted that our students will be involved in this too

Between us all, we have created something that is, perhaps, really quite unique. Where a diverse group of people are coming together to recognise, connect and support the next generation of designers.

Colin Taylor,
Director and Founder, Neat Living

With thanks to all of the employers who participated in the Skills Survey

























nursery times









































(CAMLIN









































CVSInverclyde



































































homes













Douglas Street Pre 5 Centre, Dumbarton Credit Union, Bishopton Medical Practice, MJR Contractors, Martin & Son Contractors, Mirren Park School, Robertson Design Practice, Rendezvous, Sutton Services, Hardie Polymers, The Willow, Canal Station Bar & Restaurant , Helensburgh and Lomond Carers, Diamond Childcare, WareWithAll, Beaton Bros Funeral Directors, St Catherine's Primary, Atkinson Motor Engineering, Cairn Solutions, Oakview Medical Practice, Just Trading Scotland, Inverciyde Development Trust, B-Able Business Services, Designer Kids and Baby, Bonhill Primary School, Thornhill Glass and Glazing, Mercury Energy Solutions, Pirret Electrical Services, Arkleston Primary School, Cheaper Insurance Direct, Young Foundations, Carousel Nurseries, The Hill House, Kilbarchan Primary School, Murray Eyecare, Kaoss Hair, Hair & Beauty World, Abbey Nursery Scotland, Colgrain Primary School, Graceland Nursing Home, Bunzl Cleaning Supplies, Carers Direct, Bayhome Builders, Cycleform, A&S Packing Scotland, Love Landscapes, Crawfurds Car Centre Euro Welding and Fabrication, Macnairs & Wilson, West Caplaw Contracts

