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How can we bridge the skills gap
in LCR and support employers
to develop their workforces?

Prepared by Be More



This time last year, many of us would have hoped to see the country striving towards economic recovery.

However, the business environment is still very unpredictable, with constant stresses and strains regarding Brexit and the ongoing Covid-19 pandemic. And on the ground, historic skills shortages remain a challenge for business owners.

More candidates have been entering the job market since the pandemic caused significant disruption to the labour market. With more people looking for work, it should mean it's easy for businesses to recruit – but this isn't always the case, as an increase in available workers doesn't always translate into an increase in in-demand skill sets.

Just under a third of employers have simply left positions vacant due to difficulties in finding candidates with appropriate skill sets. Three in 10 employers have trained existing employees to fill the gaps within their business. And over half say that they are overextending their workforce. Even though the skills shortage isn't a new phenomenon, it has certainly become more of a prominent issue due to Covid-19.

How can we, moving forwards, help to support employers to find the right people with the right skills? And how can we ensure that this translates into greater economic prosperity for the Liverpool City Region, as a whole?

Unemployment in the UK and across LCR

In the UK right now, unemployment and inactivity are two of the biggest economic and social issues, with national statistics highlighting that 11.3% of people aged 16-24 are currently unemployed¹.

In regard to long-term youth unemployment in the UK, between September and November 2021, 20.7% of 16-24-year-olds had been out of work for 12 months and 22% had been unemployed for over 12 months.

In terms of the Liverpool City Region, the latest data shows that the unemployment rate for people ages 16-24 currently stands at 10.1%².

With a population of around 1.5 million, this accounts for roughly 10,000 people in the same age bracket.

These figures point to a skills gap both across the country and across the Liverpool City Region. But alongside this, many people currently in employment are lacking the skills necessary to take the next steps to progress in their careers. Therefore, upskilling both those in and out of employment is paramount to the economic prosperity of LCR.

¹ UK Parliament (2022) Youth Unemployment Statistics [report]
<https://commonslibrary.parliament.uk/research-briefings/sn05871/>

² Liverpool City Region Combined Authority: <https://committees.parliament.uk/writtenevidence/37705/pdf/>

What is the skills gap?

Technology has changed the way we live our lives over the past few years and now means that we are more connected than ever before.

However, the rate of change is so vast that it means that employers need new and advanced skill sets to bridge the skills gap. In short, the skills gap refers to a fundamental disconnect between the skills that employers require from their employees and the skills that jobseekers possess.

The skills gap can have an impact on individuals, businesses and industries as a whole. Individuals may find that they don't have the right skills for the jobs available, meaning that some people are underqualified and others are overqualified.

This gap is also problematic for businesses, as talent pools become limited when it comes to certain areas and professions, and job roles take longer to fill which can have implications on companies.

When an issue, such as the skills gap, is so widespread and impacts entire industries, the issues become increasingly evident.

Industries could see talent shortages across the board, a lack of role-specific personnel and a lack of managers to train future workers.

We could also potentially see a high number of low-skilled people applying for a small number of low-skilled jobs. This would mean that the progress rate in certain industries would be slow, with many roles unfilled.

Gaps on this scale could have a significant impact on the economy.



The skills gap in the UK

In a survey carried out by The Open University, for the Business Barometer report³, 61% of business leaders in the UK reported that their organisation is experiencing a skills shortage.

Within England, the shortage is mostly highlighted by organisations in London (71%), the North West (70%) and the North East (69%)⁴ The overall figures are higher for businesses with 51-100 members of staff or more.

Over 64% of leaders surveyed said that they believe the skills shortage they are facing is in tune with the overall skills deficit in their local area.

Which skills are people lacking?

Recruitment has become a struggle across the board in the UK. The Business Barometer report highlights that skills people are lacking are: industry-specific skills (37%), technical and operations skills (33%), IT skills (32%) and managerial skills (28%)⁵.

In LCR, there are various basic employability skills that people are not developing, which are widening this gap. These skills are a mixture of hard and soft. Hard skills are specific and teachable, all of which can be measured and defined, and soft skills refer to skills that are less tangible and harder to quantify.

In Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral, the main skills that are widening the gap include literacy, numeracy, written and verbal communication, as well as digital proficiency with the use of basic software and programmes. All of these skills are vital to thriving in the workplace, as well as being an essential building block of everyday life.

What industries and job roles need support?

The five main job roles that are currently in high demand for upskilled workers within the Liverpool City Region are nurses, social care workers, HGV drivers, warehouse workers, and customer service advisors.

The past two years have highlighted the importance of nurses within society, and the need for these healthcare professionals has grown significantly in this period. Healthcare regulators in the UK have witnessed a sharp decline in health professionals working within the industry. They are also finding it increasingly difficult to attract qualified and competent staff, alongside meeting their recruitment targets.

Within the health and social care sector, 65% of recruiters within the industry highlighted that the skills shortage was a large factor in finding suitable candidates for vacant roles⁶.

According to REC (Recruitment and Employment Confederation), 72% of those recruiting for logistics and drivers indicate that the main barrier to finding suitable candidates is the ongoing skills shortage. It's also highlighted that 97% of recruiters are spending more time working on vacancies since the pandemic, with 49% saying it takes longer (up to a month) to find suitable candidates and 28% saying it takes longer than a month to find a skilled candidate⁷.

However, the skills gap exists on a much broader scale and the need to upskill the workforce will benefit both employers and employees in almost every sector.

³The Open University (2021). The Open University Business Barometer [Report] <https://www.open.ac.uk/business/pse-business-leaders>

⁴The Open University (2021). The Open University Business Barometer [Report] <https://www.open.ac.uk/business/pse-business-leaders>

⁵The Open University (2021). The Open University Business Barometer [Report] <https://www.open.ac.uk/business/pse-business-leaders>



How can the skills gap be bridged across LCR?

Getting people into apprenticeships across the region is an important part of bridging the existing skills gap, allowing people to learn on the job and develop new skills. Apprenticeships and practical courses provide highly relevant learning opportunities to those who undertake them, as well as equipping businesses with strong workforces to enable LCR to thrive.

An apprenticeship is a job with training which provides valuable and transferrable skills and knowledge, helping individuals to develop their chosen career. Compared to more traditional routes, such as further and higher education, apprenticeships provide real workplace experience, the opportunity to develop communication and life skills, and the chance to ‘earn while you learn’.

As well as equipping people with the skills and qualifications they need to pursue a career in their chosen field, apprenticeships offer considerable value to employers.

According to government statistics, 74% of employers say that apprentices improve product and service quality, and 78% report improved productivity across the board, demonstrating the mutually beneficial relationship between apprentices and employers⁶.

⁶ Recruitment & Employment Confederation (2021) Labour and Skills Shortages: <https://www.rec.uk.com/our-view/research/industry-analysis/labour-and-skills-shortages-1>

⁷ Recruitment & Employment Confederation (2021) Labour and Skills Shortages: <https://www.rec.uk.com/our-view/research/industry-analysis/labour-and-skills-shortages-1>

⁸ National Apprenticeship Services (2018) A Guide For Employers [report] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/800060/Achieving_the_benefits_of_apprenticeships.pdf

How can Be More support your organisation?

As a skills project connecting employers and employees with learning and development opportunities, Be More is actively working to remedy the skills gap in LCR, providing businesses with opportunities to upskill, grow talent and develop the most qualified workforce possible.

From March to September, LCR-based employers will also be able to access a wide range of fully funded courses. These courses are drawn from four key areas that have been identified by LCR businesses as particular skills requirements for their workforces: Basic Business Skills, Soft Support Skills, Leadership & Management & Hospitality.

With so many options for developing your team, it can be hard to know where to start. Our Skills Brokers can help you with that too – identifying the most appropriate avenues for you to pursue. Skills Brokers work with employers in all sectors across LCR to help plug skills gaps and to identify funding routes, as well as local providers who can deliver the training they require.

Be More funding can be used to support bespoke training as well as qualifications that cannot be funded through any other funding route. Skills Brokers, therefore, understand the skills landscape at both a funding and delivery level.

So, what are the benefits of seeking our support to invest in your workforce?

By upskilling current staff, overall productivity is positively impacted and the quality of the work produced by employees increases due to the broadening of knowledge.

Learning and development in the workplace are also of great value in terms of knowledge sharing, allowing employees to cascade learnings to their colleagues, benefiting whole departments or indeed organisations.

Giving existing employees access to learning and development opportunities is a powerful way for employers to invest in their teams, because when employees progress, this has a material impact on the success of the business as a whole.

We have a whole host of opportunities for businesses in the region, including:

- Our Skills Brokerage Service, providing tailored support to help organisations grow
 - Access to funding and grants to support learning and development. This includes access to fully funded courses.
 - The opportunity to upskill existing employees through apprenticeships
 - The opportunity to take on a new apprentice to add value to the team
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To find out more about Be More, its Skills Brokerage Service and the funding available to businesses, please visit:

<https://be-more.info/training>

or head to <https://be-more.info/upskill/>

to hear from the businesses we've already supported.

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