

**PRINTING INDUSTRY -
SKILLS SHORTAGE RESEARCH**

**Leicestershire TEC
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**Mick Evans
Market Research Department
Leicestershire TEC
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Appendix One (recruitment difficulties/anticipated increase in demand)

Appendix Two (copy of the questionnaire)

EXECUTIVE SUMMARY

Key findings

RECRUITMENT ISSUES

Occupational areas and natural wastage

?? The occupational area in which most companies expected to lose employees due to retirement in the next five years was 'machine printing', selected by 14% of the sample.

Occupational areas and recruitment difficulties

?? The occupational area in which most respondents had found it difficult to recruit staff in the last 12 months was 'sales positions demanding industry experience', highlighted by 29% of the sample.

?? Other areas where recruitment difficulties had been experienced included: 'estimating' (noted by 16% of the sample), 'marketing positions with industry experience' (11%) and 'graphic design' (11%).

Anticipated increase in demand

?? An increase in demand of some degree was predicted over the next three years in all but four of 28 prompted occupational areas.

?? Three occupational areas were identified by 20% or more of the sample: 32% of the respondents anticipated an increase in demand over the next three years in 'sales with industry experience', whilst 20% selected both 'marketing with industry experience' and 'graphic design'.

Anticipated difficulty in meeting demand

?? A quarter of the respondents anticipated difficulty in meeting an increased demand in the area 'sales with industry experience'. Other occupational where significant difficulties were identified were estimating (14%) and 'marketing with industry experience' (11%).

Business response to increase in demand

?? Encouragingly, 64% of the respondents said they would respond to an increase in demand by taking on new recruits and training them.

?? 43% would respond by looking to recruit trained staff from other printing firms.

Anticipated decrease in demand

?? 14% of the respondents anticipated that there would be a decrease in demand in the occupational area 'pre-press traditional' over the next three years.

Recruitment of young or unemployed people

?? The respondents were more likely to have recruited unemployed people in the last two years than young people from government sponsored training schemes.

Difficulties recruiting young people

?? 36% of the respondents had experienced difficulties in recruiting young people to the industry.

?? 70% of these felt that the reason for this difficulty was that applicants lacked key skills.

TRAINING ISSUES

Skill needs of existing employees

?? The respondents felt that their employees would need to develop their IT (pre-press) and IT (administration) skills over the next two years more so than any other skill areas; respective values being 46% and 39%.

In-house training

?? 37% of the companies that answered this question ran in-house training schemes.

Awareness of training provision in Leicestershire

?? 41% of the respondents were aware of all or most of the available training provision for the printing industry in Leicestershire, whilst 34% had no or a low awareness.

Do you consider the available training in Leicestershire is adequate for your business needs?

?? Only 25% of the respondents felt that the available training provision in Leicestershire met their needs, compared with a figure of 27% for those that felt it didn't.

Is there any additional training provision you would like?

?? 21% of the sample said they would like some additional training provision in Leicestershire.

Are you aware of the National Printing Skills Centre (NPSC)?

?? 73% of the companies were aware of the NPSC.

Knowledge of what NPSC does

?? There was some uncertainty amongst the sample about the intended function of the NPSC.

NVQs

?? 32% of the sample said that they were encouraging their employees to take up training leading to the attainment of NVQs.

?? 20% of the sample said that they were not encouraging their employees to take up such training because they didn't know enough about them.

Investing in new technology or equipment

?? Nearly 65% of the sample are planning to invest in new technology or equipment over the next two years.

Investors in People

?? Around 10% of the sample were either recognised as Investors in People or working towards this.

OBJECTIVE

The main aim of the research was to find out the extent to which printing companies in Leicestershire have experienced difficulties in recruiting in the last year due a shortage of suitably skilled labour. There were also a number of secondary aims:

1. To identify specific occupational areas where companies had experienced difficulties recruiting in the last year and to identify if companies had experienced difficulties in recruiting young people to the industry recently.
2. To find out occupational areas where companies expect to see an increase in demand over the next three years.
3. To identify if companies think they will find it difficult to meet any increase in demand.
4. To find out how companies intend to meet any increase in demand.
5. To find out whether companies feel their existing workforce will need to strengthen its skills over the next two years.
6. To identify the extent to which companies train their employees.

METHODOLOGY

A postal survey of printing companies in Leicestershire was used to gather information.

The sample and questionnaire

The sample

The sample for the research was drawn from the Linktrack database. All companies listed under the SIC codes relating to 'printing' and 'publishing' were included in the sample. The exceptions being those companies on LTEC's Printing Industry Consultative Group, who were canvassed in a pilot study.

The questionnaire

A questionnaire was mailed to the Printing Industry Consultative Group members and all of the companies generated by the sample.

348 questionnaires were sent out in total. Due to a poor response the questionnaire was mailed to companies that didn't respond on a further two occasions in an attempt to boost the survey response. In addition, a random sample of 40 companies was faxed a copy of the questionnaire. Somewhat disappointingly, only 56 questionnaires were returned in total, giving a response rate of 16%.

A copy of the questionnaire can be seen in Appendix Two. This was drawn up in consultation with Paul Holohan, who was the Chairman of the Printing Industry Consultative Group at the time. The methodology for the research was also agreed by this Group.

RESULTS

PROFILE OF RESPONDENTS

Number of people employed in total

The data was analysed using a statistical package called Pinpoint. A breakdown of the sample by the number of employees and the number of employees in certain occupational areas follows:

Table 1- Breakdown of companies by number of people employed

	Number of people employed in total							
	0-49	50-99	100-149	150-199	200-249	250-299	300-349	No reply
Percentage of companies	75	13	2	2	0	2	2	5

Note: Due to the low response to the questionnaire mailing, the results in the report must be treated with caution. In addition, in view of this limited response, data has not been analysed by other variables.

Functions

The most common function undertaken by the respondents was 'origination', with over three-quarters (77%) of the sample doing this. 'Print finishing' and 'press' were functions carried out by 50% or more of the companies. The table below shows a breakdown of the functions undertaken by the companies:

Table 2- Breakdown of companies by function undertaken

	Function undertaken by company						
	Origination	Press	Print finishing	Mechanised bookbinding	Carton manufacture	Labelling	Other
Percentage of companies	77	50	52	13	9	18	7

Processes

Nearly half (48%) of the sample undertook 'litho sheet fed'. A further 23% and 18% carried out 'digital printing' and 'screen printing'. A full breakdown of the processes used by the companies follows:

Table 3- Breakdown of companies by process undertaken

	Process undertaken by company							
	Web offset	Litho sheet fed	Screen printing	Flexo-graphic	Gravure	Letter-press	Digital printing	Other
Percentage of companies	5	48	18	7	0	11	23	9

RECRUITMENT ISSUES

Occupational areas and natural wastage

The respondents were asked to highlight, from a prompted list, occupational areas where they expected to lose employees due to retirement over the next five years. The area identified by most of the companies was 'machine printing', with 14% of the sample expecting reductions here. Three other areas were selected by more than 10% of the sample, namely 'management' and 'print finishing/bookbinding', both with values of 11%. Only 4% highlighted 'design' and 'origination'. This is not surprising as a relatively high percentage of the companies did not actually employ anybody in these two areas.

Occupational areas and recruitment difficulties

Almost 30% (29%) of the respondents had found it difficult to recruit staff to 'sales positions demanding industry experience' in the last 12 months. A further 11% had experienced problems recruiting people to 'marketing positions (with industry experience)'. These two values compare with figures of 4% and 0% respectively for recruitment to the sales and marketing functions not demanding industry experience. The only other two occupational areas with figures of greater than 10% were 'estimating' (16%) and 'graphic design' (11%), both industry specific occupations.

Only two other areas were selected by more than 5% of the sample; 'printing press operators (multi-colour large press)' and 'factory supervisors', both with a figure of 7%.

Anticipated increase in demand

In all but four of the 28 prompted occupational areas, an increase in demand of some degree was predicted over the next three years. This is not surprising considering that the printing industry is predicted to grow strongly over the next 10 years. Certainly, data from the Business Strategies Ltd Occupational Forecasting Report (August 1997) predicts that the printing and publishing sector is expected to grow by an average of 4.4% each year up to the year 2007, in terms of Gross Domestic Product and 1.5% in terms of employees.

In eight occupational areas at least 10% of the sample predicted labour demand to increase. The job area in which an increase was predicted by more companies than any other was 'sales (with industry experience)'. Over three out of ten (32%) of the respondents highlighted this. The two occupations ranked next were 'marketing (with industry experience)' and 'graphic design', selected by 20% of the sample.

It is worth noting that of the top eight ranked occupations here, five appeared in the six occupations ranked highest on the previous question - which dealt with recruitment difficulties experienced over the past 12 months. This means that in five occupational areas where recruitment difficulties have already been experienced, there is a significant predicted increase in demand in the future - an already existing problem may well therefore be compounded in the future.

Table 4 - Percentage of companies experiencing recruitment difficulties (for job areas where this is over 5%) and future expected increase in demand

	Occupational area					
	Sales (with ind. exp.)	Marketing (with ind. exp.)	Estimating	Graphic design	Factory superv's	Printing press op's (multi large)
% of companies experiencing recruitment difficulties in last 12 months	29	11	16	11	7	7
% of companies expecting increase in demand over next 3 years	32	20	16	20	5	13

Anticipated difficulty in meeting demand

In this question, the respondents were asked to highlight occupational areas where they thought they would find it difficult to meet any predicted increase in demand. Looking just at those occupations where 5 or more of the 56 respondents said they expected an increase in demand over the next three years (previous section) and calculating the proportion of these highlighting a difficulty in meeting such demand, we see that six occupational areas have values of over 50%. They are listed in the table below:

It can be seen that three of the areas - 'estimating', 'print finishing (gather stitch trimming)' and 'sales (with industry experience)' have figures over 75%. Certainly, the figure of 89% for estimating would appear to highlight a potential problem in the future here.

Table 5 - Percentage of companies expecting to find it difficult to meet any predicted increase in demand

	Occupational area					
	Estimating	Print finish (stitch trimming)	Sales (with ind. exp.)	Printing press op's (multi large)	Print finishing (folding)	Sales (with-out ind. exp.)
% of companies expecting difficulty in meeting increased demand	89	80	78	71	71	60

Business response to increase in demand

Respondents were asked to select from a prompted list how they were likely to respond to any increase in demand. Encouragingly, 36 in number (64%) said they would take on new recruits and train them with 34% saying they would take on new recruits directly from printing college.

43% said they would look to recruit trained staff from other printing firms. The fact that a significant proportion of the sample would look to tackle an increase in demand in this way could be evidence of a lack of confidence on the part of companies in being able to find suitable people who are currently outside the industry. This figure of 43% is identical to that for the companies that would respond by training their existing staff.

Anticipated decrease in demand

The respondents were asked if there were any occupations where they expected to see a decrease in demand over the next three years. Only one occupational area was highlighted by more than one company; namely 'pre-press traditional'. 14% of the respondents anticipated that this occupational area would decline in the short to medium term.

Recruitment of young or unemployed people

The table on the next page shows the proportions of companies who have recently recruited young people on government sponsored training schemes or untrained unemployed people.

Although 23% of the companies had recruited unemployed people in the last two years, the proportions for recruitment from government sponsored training schemes were lower. There appears to be a reluctance amongst companies to recruit young trainees on government schemes (see table 6).

Table 6 - Percentage of companies that have recruited from particular categories in the last 2 years

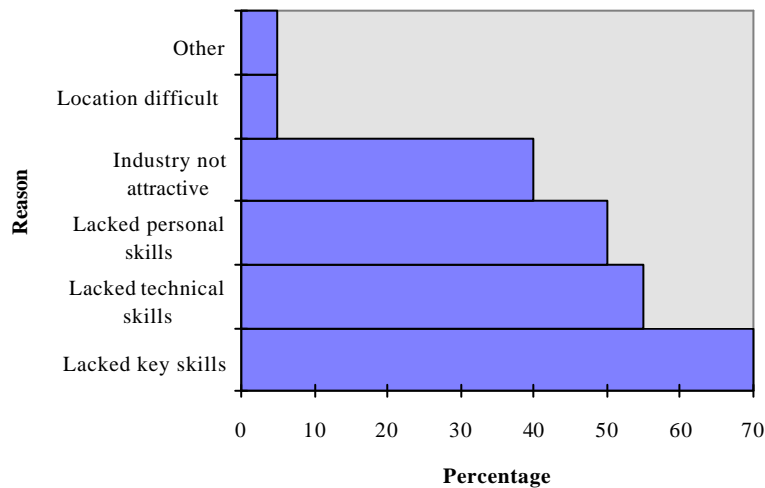
	% of companies that have recruited in last 2 years (by category)
Person aged 16-18 via Modern Apprenticeship Programme	16
Person aged 19-24 via Modern Apprenticeship Programme	11
Person aged 16-18 via Career Start Programme	5
Person aged 19-24 via Career Start Programme	4
Unemployed person requiring training	23

Difficulties recruiting young people

20 or (36%) of the respondents said that they had experienced difficulties in recruiting young people to the industry.

Of these 20 respondents, 70% felt that the reason for this difficulty was that applicants lacked key skills. 55% of the respondents said that applicants lacked technical skills and 50% said that they lacked personal skills. 40% said that that the reason for such recruitment difficulties was the unattractiveness of the industry to young people. This indicates that getting young people interested in working in the industry is not so much of a problem as the skill level of the young people that apply for jobs.

Fig. 1 - Percentage of companies by reason for difficulty in recruiting young people



TRAINING ISSUES

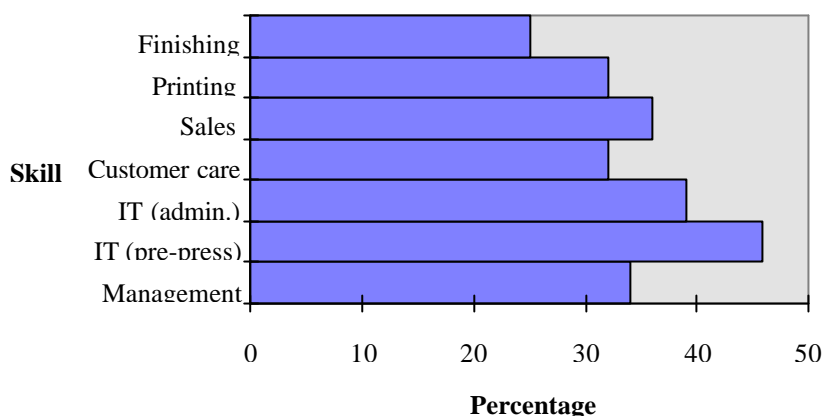
Skill needs of existing employees

From a list of seven key skill areas, the respondents were asked to identify which their existing employees would need to strengthen over the next two years. From the response here, it is clear that employers feel that workforce development will be important in the near future. All the skill areas were selected by at least 25% of the sample.

The two skill areas with the highest proportions were both related to information technology (IT): IT (pre-press) and IT (administration) being selected by 46% and 39% of the sample respectively. These results are not surprising: the printing industry, like many other industries, has become highly

competitive. Many firms have already invested in new technology and equipment and this trend will continue as firms try to give themselves an advantage over their rivals.

Fig 2. Percentage of companies predicting their employees will need to strengthen certain skill areas over the next two years



In-house training

13 or (37%) of the companies that answered this question said that they operated in-house training programmes. Although this is a slightly disappointing result, bearing in mind the results above, three-quarters of the sample are ‘small’, employing less than 50 people and may not have particularly well-developed Human Resources departments.

Awareness of training provision in Leicestershire

41% of the respondents said that they were aware of all or most of the available training provision for the printing industry in Leicestershire, with over a third (34%) having no or a low awareness of such provision. Although, this high figure for no or low awareness of training provision points to a marketing problem, it could be due in part to a lack of ‘resource sourcing’ by the companies.

Do you consider the available training in Leicestershire is adequate for your business needs?

14 or (25%) of the respondents felt that the training provision in Leicestershire met their needs. Although this is quite a low percentage, only 27% thought that it didn’t; the remaining 48% being undecided here.

13 out of the 15 respondents who felt that the training provision didn’t meet their needs gave a reason for this. These included five reasons relating to a lack of provision in specific occupational areas, e.g. “no training for folder gluers or cutters and creasers”; 4 criticising the actual quality of the training available, e.g. “our experience has shown that candidates from college have lacked the most basic knowledge when entering a commercial environment”; and one reason relating to the poor marketing of available training provision for the industry locally.

Is there any additional training provision you would like?

When asked if there was any additional training provision they would like to see within the county, just over one in five (21%) of the respondents said that they would, with nearly 60% (57%) being undecided. This figure of 21% is slightly surprising considering that only 25% of the respondents said that they felt the training provision available in Leicestershire was adequate.

Of the 12 respondents who said there was additional training provision they would like to see available in the county, nine expanded on this. Four respondents wanted to see extra training facilities in specific occupational areas, whilst two wanted the quality of the existing training to be raised, e.g. “the training

should be based in a dummy commercial environment”. One respondent wanted to see more part-time training provision to help women return to the industry after maternity leave whilst another wanted more printing courses to be available at Night School.

Are you aware of the National Printing Skills Centre (NPSC)?

Encouragingly, nearly three quarters (73%) of the companies were aware of the NPSC in Leicester.

Knowledge of what NPSC does

Despite the fairly high awareness, there appears to be some uncertainty amongst the respondents as to what the role of the NPSC is. When presented with a prompted list of four possible functions, 27% said they thought it was the same as Leicester South Fields College albeit with a different name; 29% thought it was a totally separate high-tech, tailored training provider; whilst 11% weren’t sure what it offered.

Although the awareness is fairly good, there appears to be a marketing issue here in terms of the knowledge of the intended function of the NPSC by the industry it aims to serve.

Would you like to know more about the NPSC?

55% of the sample said they would like to know more about the NPSC in Leicester.

NVQs

The respondents were asked if their organisations were encouraging employees to take up training leading to the attainment of NVQs. 32% of them said that they were.

The respondents were also asked what assistance they would find particularly helpful in encouraging their staff to take up training leading to NVQs. Three items were mentioned by more than one of them: four respondents highlighted more funding; three better marketing of NVQ training available whilst two said they wanted to see more feedback from the training provider on the progress of trainees.

The respondents that said they were not encouraging their employees to take up training leading to NVQs, were asked why this was the case. Disappointingly, 20% of the sample said that didn’t know enough about them. 18% felt that NVQs weren’t appropriate to their company, a figure similar to that for ‘lack of time’.

9% of the sample identified reasons for not encouraging their employees to take up such training other than those on the prompted list; the most common being that “NVQs are not as worthy as they are made out to be in terms of giving trainees the applied knowledge that they really need”.

Table 7 - Breakdown of companies by reason for not encouraging employees to take up NVQs

Reason for not encouraging employees to study NVQs	Percentage of companies
NVQs not appropriate	18
No suitable courses	5
Lack of time	18
All staff are fully qualified	7
No need for training	4
NVQs difficult to introduce	4
Don't know enough about them	20
No reason	7
Other	9

Investing in new technology or equipment

When asked if they were planning to invest in new technology or equipment over the next two years, nearly 65% (64%) said that they were planning to. A further 23% said that they were unsure. This high figure has obvious implications in terms of the training need within the industry locally.

Investors in People

Only 9% of the respondents were either recognised as Investors in People or working towards it, although 39% were interested in making a commitment to it in the future or finding out more about it. 27% said that they were not interested in it and 23% said that they were unaware of the IIP programme.

APPENDIX ONE

Recruitment difficulties/anticipated increase in demand/anticipated difficulty in meeting demand by occupation

Occupation	Recruitment difficulties in last 12 months (number)	Anticipated increase in demand (number)	Anticipated difficulty in meeting demand (number)
Sales (with industry experience)	16	18	14
Sales (without industry experience)	2	5	3
Marketing (with industry experience)	6	11	6
Marketing (without industry experience)	0	2	0
Estimating	9	9	8
Graphic design	6	11	3
Production Executive/Account Manager	3	7	1
Factory supervisors	4	3	1
Management	2	2	2
Pre-press digital	3	9	4
Pre-press traditional	1	0	0
Printing press operators - multi-colour large press	4	7	5
Printing press operators - multi-colour small press	2	2	1
Printing press operators - single-colour large press	0	1	0
Printing press operators - single-colour small press	2	3	2
Web offset operators - large	2	2	2
Web offset operators - small	0	0	0
Screen printers	3	5	2
On-roll label printers	2	3	1
Other press operators	1	0	1
Print finishing - guillotine	3	4	4
Print finishing - folding	2	7	5
Print finishing - gluing	2	2	2
Print finishing - gather stitch trimming	3	5	4
Print finishing - cut and creasing	1	0	0
Print finishing - handwork	0	2	1
Print finishing - perfect binding	0	1	0
Print finishing - other	0	1	0

APPENDIX TWO