

# Sector Skills Councils: Working in Wales for Wales

Thematic Report 3:  
Leadership and Management Skills

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# 1. Introduction

In 2010 the Alliance of Sector Skills Councils (the Alliance) published a review of all Sector Skills Assessments (SSAs) produced by Sector Skills Councils (SSCs) for each of the four Home Nations. This review identified a number of cross-sector skills issues; the top three issues being: the increasing need for technical skills; higher level skills, and using leadership and management skills to improve overall business performance. This report is the third of a suite of three being published by the Alliance to highlight leadership and management skills issues in Wales.

The purpose of the report is to make stakeholders and decision makers in Wales aware of leadership and management skills needs as highlighted within Wales SSA reports; specifically those relating to the priority sectors identified in the Economic Renewal Programme (ERP).

The first report considered technical skills and the second report looked at higher level skills.

## 1.1. Sector Skills Councils

SSCs are recognised by governments throughout the UK as independent, employer-led organisations which ensure that the skills system is driven by employers' needs.

SSCs exist to boost the skills and productivity of their sector's workforce. A central part of this process is the production of sectoral Labour Market Intelligence (LMI) which provides the evidence base for skills development. SSC LMI is used to influence policy and strategies, help employers identify current and future skills needs and to guide each SSC's own strategies and action plans.

The sector, or group of industries, covered by each SSC is strictly defined, but extensive collaboration takes place on cross-sector priorities. Details of each SSC can be found on the Alliance's website<sup>1</sup>.

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<sup>1</sup> [http://www.sscalliance.org/Home-Public/SectorSkillsCouncils/SSC\\_Contacts.aspx](http://www.sscalliance.org/Home-Public/SectorSkillsCouncils/SSC_Contacts.aspx)

## 1.2. The Alliance of Sector Skills Councils

The Alliance represents, promotes and supports the work of the 22 SSCs across the UK. Established in 2008, the Alliance is the collective voice of SSCs and has the unique role of positioning them within the UK skills system.

One of the central roles of the Alliance is to facilitate collaborative and cross-sector activity across the SSC network. This report is an example such activity.

In Wales, cross-sector research and LMI is facilitated by the Alliance's Wales LMI Group. Made up of Wales Managers and researchers, this group works to ensure that Wales-specific issues are addressed as far as is practical. The group takes its direction from an action plan which the Alliance annually agrees with the Department of Children, Education, Lifelong learning and Skills (DCELLS). The group meets quarterly to review progress, receive relevant reports and to give such direction as may be required.

## 1.3. Sector Skills Assessments

Currently, SSCs are required to produce annually an SSA report for their sector in each of the Home Nations. Described by the UK Commission for Employment and Skills as being "high quality, robust, authoritative examinations of sector skill needs across the UK", each SSA provides details of the drivers of skills demands; current skills needs; and what lies ahead.

## 1.4. Report structure

Each SSC contributed to the production of this report by submitting evidence of higher level skills deficiencies within their sector in Wales. Specifically SSCs were asked to contribute a one-page summary answering three questions:

1. What are the drivers of Leadership and Management skills in your sector?
2. What are the specific Leadership and Management skills needs and occupations in your sector?
3. What action is your SSC taking/planning to take/would like to take in order to address these Leadership and Management skills issues in your sector in Wales?

This information has been collated and analysed to provide an overall picture of the current and future needs for Leadership and Management skills across the whole Wales workforce. The individual SSC contributions are given in Appendix A.

## 2. Why leadership and management skills?

As noted in the Introduction the Alliance in 2010 carried out a review of the 2009 Sector Skills Assessment reports to identify common cross sectoral themes. Collectively the 23 (as there were then) SSCs ranked the development of leadership and management skills as one of their employers' three most important skills priorities.

In this report Leadership and Management skills are defined as those required to lead, innovate, plan and develop new products and strategies. SSCs have given this area priority in the past through a SkillsActive led programme for all SSCs across the UK, although funding for this came to an end in 2010.

All management and leadership training in Wales is signposted through the Leadership and Management Wales programme at Cardiff Business School, which has a three (+two) year contract from the Welsh Assembly Government to manage this programme<sup>2</sup>. The Consortium includes Glyndŵr University (Wrexham Business School) and delivery partner TGAL. The Centre of Excellence which has been set up is called Leadership and Management Wales<sup>3</sup>.

Training delivery continues to be carried out by a wide range of contractors under the ELMS programme.

### 2.1. Drivers of leadership and management skills

Drivers of change are those trends, new developments and events that require organisations to change the way they work. The changes can be needed to either to maintain market share or profits in the face of increasing competition or to take advantage of new opportunities.

This report focuses on leadership and management and, as expected, there are many common drivers of change. This contrasts with the report on technical skills needs where the drivers were notably sector specific.

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<sup>2</sup> <http://wales.gov.uk/topics/educationandskills/skillsandtraining/leadershipmanagement/?lang=en>

<sup>3</sup> <http://www.lmw.org.uk/en/about-us/elms-programme/the-leadership-and-management-workshop-programme/>

Key drivers highlighted by SSCs are:

### Globalisation

Globalisation was highlighted as a key driver of leadership and management skills needs by three SSCs: Creative and Cultural Skills, Improve, and the Creative Media arm of Skillset.

Creative and Cultural Skills noted the increasing usage of digital technology as an enabler of globalisation which is a reflection of the fact that electronic information is amenable to low cost distribution. This applies to both work in progress and finished products.

Improve and Skillset (Fashion & Textiles) both cited the ability to relocate production to areas of lower cost labour as a benefit of globalisation.

These examples highlight the need for sound management skills in a number of disciplines (e.g. strategic, contract, budget, logistics, supply chain, etc.) in order to maximise opportunities and minimise threats.

### Policy, Legislation and Regulation

In Wales, legislation and regulation comes from governments (e.g. Welsh Assembly Government (WAG), the UK Government and the European Union (EU)) or their agencies, such as the Health and Safety Executive. In certain industries economic regulators ensure that they operate in the interests of customers and the wider community.

New technologies and ways of working are needed to meet increasingly strict environmental standards and failure to comply with legislation and regulation can lead to fines, imprisonment and reputational damage. To avoid such risks, managers and leaders within businesses need to be able to understand and interpret such requirements, and then develop and implement appropriate processes, procedures and systems to ensure compliance.

Asset Skills, ConstructionSkills, Energy & Utility Skills, *GoSkills*, Skills for Health, Skills for Justice and Skills for Care and Development all noted public policy, whether at a European, UK or Wales level, as drivers of the need for leadership and management skills.

In addition, Asset Skills, Cogent, ConstructionSkills, Energy & Utility Skills, Improve, Lantra, Semta, Skills for Care and Development, and Skills for Justice also highlight environmental legislation as a key driver of leadership and management skills, with many of the remaining SSCs also referring to it.

New technologies and ways of working are needed to meet increasingly strict environmental standards and it is generally employees at CQFW levels 4-8 who will be responsible for interpreting standards and ensuring that their organisations understand and comply with environmental standards and legislation. This covers the whole range of leaders within an organisation; from team leaders and supervisors through to senior management and higher executives.

Many industries are heavily regulated. Construction Skills, EU Skills, *GoSkills*, Improve, Skills Active, Proskills, and Skills for Care and Development all noted regulation as a driver of leadership and management skills. They cite the need for senior managers with the skills to understand regulatory requirements and put in place the strategies and plans needed to achieve, maintain and demonstrate compliance.

Many SSCs did not explicitly mention Health and Safety as a skills driver as it is regarded as a matter of business as usual. However, highly skilled and knowledgeable individuals are needed to interpret the legal standards and put in place business processes to ensure compliance.

## Technology

The increasing use of technology to boost productivity is a constant theme across the sectors. Examples include the use of mobile phones to make purchases, the use of online systems to enable consumers to research products and services and the large scale technical developments needed to meet the challenges of the low carbon agenda. Each of these will enable goods and services to be delivered in a more cost effective manner.

The process by which new technologies are designed, developed and implemented/brought to market requires significant levels of skills. The promotion of innovation (and the avoidance/reduction of risk) is a key feature of a leader's/manager's skillset.

The productivity promise of a given technology will only be realised if there are suitable skilled individuals to utilise it in the intended manner.

Technology can be used to both produce attractive new products and to reduce costs. As might be expected in the current economic climate many SSCs focused on the latter with Asset Skills, Construction Skills, Go Skills, People 1<sup>st</sup>, Proskills and SkillsActive all referring to this point. By contrast, employers within the Creative and Cultural Skills footprint focused on the challenge of existing in a growing but competitive global market.

## Productivity

Much of the discussion about improving productivity revolves around skills rather than qualifications. Evidence from UKCES<sup>4</sup> shows a rise in the number of over-qualified individuals in employment (e.g. graduates working in a non-graduate roles).

The key policy challenge will be to influence educational choices towards (i) more economically valuable subjects and qualifications and (ii) non-traditional career and learning pathways. Achieving parity in reputation between vocational and academic educational pathways in the eyes of young people and their main influencers (e.g. teachers, parents, etc.) will be central to this.

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<sup>4</sup> Ambition 2020: World Class Skills and Jobs for the UK, 2009

### The environment

Operating in a more sustainable manner is a key issue for many businesses which have implications for the skills profile of a sector's workforce. However, many "green" issues will be addressed by re-skilling rather than creating new jobs. This approach was a key theme of the 2009 Low Carbon Cluster SSA report<sup>5</sup> undertaken by a consortium of SSCs.

Many SSCs identified the need for a "green" mindset among its senior staff so that operating in a sustainable manner becomes business as usual. The Welsh Government has sustainability as a cross-cutting policy theme, and all funded projects are required to report on this issue.

### The economy

The overall health of the Wales economy can have indirect, but nevertheless significant, impact on skills in many sectors. This particularly applies to those industries which rely on discretionary consumer spending such as Skillsmart Retail and People 1<sup>st</sup>, who between them cover some 235,000 employees in Wales. As the recession reduces disposable incomes, demand for goods and services in a number of sectors has correspondingly fallen.

Consequently, many employers are either reducing their workforce levels or restructuring in a way that requires existing employees to perform new or additional functions, thus requiring new or updated skills. Therefore, the leadership and management skills required to re-arrange the available resources and to restructure working practices are significant.

### Social

The rising expectation of consumers was cited by many SSCs as a key skills driver. Examples include the desire for aesthetically perfect foods, and cars with more features. This in turn drives the need for ever more skilled individuals to design, create and deliver the products and services being demanded.

Alongside this rising consumer expectation the age profile of the population of Wales is changing with more older people and fewer younger people. This was cited as a key issue by ConstructionSkills, EU Skills, Proskills, Skills for Health and Skills for Logistics.

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<sup>5</sup> Low carbon Cluster Sector Skills Assessment Report 2009

## 3. Economic Renewal Programme

WAG's 2010 report *Economic Renewal: A new direction* speaks of wanting a strong economy "not as an end in itself, but for the integral contribution it can make to the quality of life and the economic, social and environmental wellbeing of people and communities in Wales".

It goes on to say that "whilst the Government itself makes a significant and direct contribution to the economy in terms of innovation, employment, procurement and capital investment, it cannot create jobs and prosperity in the wider economy. However, it can provide the conditions and framework to enable the private sector to flourish".

To deliver against these statements WAG sets out five priorities:

1. Investing in high quality and sustainable infrastructure
2. Making Wales a more attractive place to do business
3. Broadening and deepening the skills base
4. Encouraging innovation
5. Targeting the business support we need to offer

They have also noted six priority sectors to which they will offer broad support:

1. ICT
2. Energy and environment
3. Advanced materials and manufacturing
4. Creative industries
5. Life sciences
6. Financial and professional services

### 3.1. Skills Issues in the ERP priority sectors

The following are the Leadership and Management skills issues reported by SSCs for each ERP priority sector.

### 3.2. ICT

It is clear from the table just how important ICT is to employers, with every SSC noting its potential or actual contribution to improving the performance of their sector. This places e-skills UK, the Sector Skills Council for IT and Business, in the possibly unique position of products and services from their sector being business critical across a large proportion of the Welsh economy.

Skills area	Specific skills needs
Industry specific ICT	<ul style="list-style-type: none"> <li>• IT for senior managers</li> <li>• Managing technical teams</li> <li>• Design engineers</li> <li>• Scientists</li> </ul>

### 3.3. Energy and environment

The most frequently mentioned leadership and management skills relating to the environment were those of understanding relevant legislation, regulation and its implications, and putting in place processes and procedures to ensure ongoing compliance.

Skills area	Specific skills needs
Industry specific Energy and Environment	<ul style="list-style-type: none"> <li>• Understand and manage environmental legislation</li> <li>• Environmental strategy development</li> </ul>

### 3.4. Advanced materials and manufacturing

Advanced manufacturing is another key enabling industrial sector. In addition to the employment it offers its products and services are important in meeting the aspirations of consumers for increasingly sophisticated goods and services at ever lower prices.

Skills area	Specific skills needs
Industry specific advanced materials	<ul style="list-style-type: none"> <li>• Leaders with scientific skills</li> <li>• Leaders with engineering skills</li> <li>• Management skills for workforce development.</li> <li>• Lean management skills for productivity.</li> </ul>

### 3.5. Creative industries

Many of the key management and leadership skills required in the creative industries are those of business rather than the creative process.

Skills area	Specific skills needs
Industry specific creative	<ul style="list-style-type: none"> <li>• Income generation</li> <li>• Business development</li> <li>• High level business skills for Senior Executives</li> <li>• Conflict resolution</li> <li>• Management of technical teams.</li> </ul>

### 3.6. Life sciences

WAG defines Life Sciences as encompassing pharmaceutical, biotechnology and medical technology businesses, with wide ranging activities including research, testing, manufacture and the provision of specialist services. Cogent is the lead SSC in this cluster but with Semta having a key supporting role.

Skills area	Specific skills needs
Industry specific life science	<ul style="list-style-type: none"> <li>• Research Scientists</li> <li>• Quality assurance and control</li> <li>• Leadership for first line supervisors</li> <li>• Leadership for technical managers</li> </ul>

### 3.7. Financial and professional services

In the financial services, traditional retail banking has been joined by growth in insurance, asset management, funds management and pensions firms. WAG characterises this sector as being innovative with home-grown, household names competing with blue chip, multi-national companies.

It is clear from the negative effects of the recent banking crash that a stable and effective financial service sector is needed to provide the finance that businesses need to invest in growth and individuals need for mortgages and personal loans.

Skills area	Specific skills needs
Industry specific finance and professional services	<ul style="list-style-type: none"> <li>• General leadership and management skills</li> <li>• Performance management</li> <li>• Project management</li> <li>• Problem solving</li> <li>• Commercial acumen</li> <li>• Level 5 leadership - providing vision, inspiration and a culture of excellence.</li> </ul>

### 3.8. SSCs & ERP Priorities

Table 1 gives a summary of how SSC activities relate to the ERP priorities.

Clearly every SSC has at least some role to play in ensuring the success of the six priority clusters, with most SSCs having at least one of their sub-sectors referred to by name in the ERP report.

Table 1: SSCs vs. ERP

Key L = Lead role C = Part of appropriate cluster I = Has an overall interest P = Has a specific, partial interest	ICT	Energy and environment	Advanced materials and manufacturing	Creative industries	Life sciences	Financial and professional services
Asset Skills	P	C	P	P		I
Cogent SSC	I	C	C	P	L	L
ConstructionSkills	P	C	P	P		I
Creative and Cultural Skills	C	P	P	C		I
e-skills UK	L	P	P	P		L
Energy & Utility Skills	I	L	I	P	P	P
Financial Services SSC	I	P		P		L
GoSkills	I	C	P	P		I
IMI	I	P	P	P		I
Improve	I	P	C	P		I
Lantra	I	C	P	P	I	I
People 1 <sup>st</sup>	I	P		I		I
Proskills	I	C	C	P		I
Semta	I	C	L	P	C	I
Skills Active	P	P		P	I	I
Skills for Care & Development	I	I	P	P	I	
Skills for Health	I	I	P	P	C	
Skills for Justice	I	P		P		I
Skills for Logistics	I	C	P	P		I
Skillset (Creative Media)	C	P		L		I
Skillset (Fashion and Textiles)	I	C	C	C	I	I
Skillsmart Retail	I	P	P	P	I	I
Summit Skills	I	C	P	P		I

## 4. SSC Interventions

In their contributions to this report SSCs highlighted 60 separate Leadership and Management skills interventions that they have initiated or brokered in Wales. These interventions are the visible deliverables of SSC activities.

The interventions are split between “Skills Development” (35%), “Standards and Qualifications Development” (28%), “Supporting Activities” (23%) and “Research and LMI” (13%).

The two largest categories of intervention are consistent with the finding of the previous two reports in this suite in which these were also the largest categories.

Specific examples of interventions include:

- Asset Skills brokering Level 4/5 L&M training and a workshop programme
- Cogent developing a suite of Gold Standard L&M qualifications
- Creative and Cultural Skills undertaking research into continuing professional development, cultural leadership, Welsh language skills, informal learning and international future skills.
- EU Skills developing upskilling and professional pathways
- Financial Skills Partnership working through an employer panel to identify important L&M skills
- Improve developing a Workforce Development programme
- Lantra bringing SFEDI and Business Management NOS into the land-based qualifications structures
- The Learning and Skills Improvement Service introducing a unit & credit based qualifications framework for Leaders and Managers in the lifelong learning sector in Wales
- People 1<sup>st</sup> working in partnership with Leadership and Management Wales to promote opportunities within their footprint
- Proskills participating in a collaborative Alliance project linked to the delivery of inspirational leadership provision
- Semta developing Higher and Student Apprenticeships
- SkillsActive delivering a Foundation Degree programme
- Skillsmart Retail extending their National Skills Academy to cover Wales
- Skillset has established Creative Business Leader and Skillset Media Academy programmes such as Film Junction: Leadership for Creative Businesses

This list is by no means exhaustive but illustrates how through a range of delivery activities SSCs directly support the ERP priority of broadening and deepening the skills base while contributing to priorities such as *'Making Wales a more attractive place to do business'*, *'Investing in a High Quality and Sustainable Infrastructure'* and *'Encouraging Innovation'*.

The third largest category is that of "Supporting Activity" with around 23% of total interventions. This heading covers a range of activities such as GoSkills creating case studies on High Performance Working Practices.

Other examples of Supporting Activity include Proskills working in partnership with Leadership and Management Wales to promote opportunities within their footprint and Skillset (Fashion and Textiles) hosting a forum for Welsh fashion and textiles employers to identify future L&M skills requirements.

Supporting Activity interventions are consistent with, and supportive of the ERP priority of *'Broadening and deepening the skills base'*. Equally it can be argued that interventions such as the SEMTA/Toyota initiative make Wales a more attractive location for firms associated with the motor industry (ERP: *Making Wales a more attractive place to do business*).

## 5. Conclusions

One of the key findings to emerge from this work was the sheer breadth of leadership and management skills that SSCs regard as being an issue for employers in their sector. Even in summarised form SSC list some 60 individual leadership and management skills which employers regard as critical to their business and are not readily available. In some cases the headline skills set breaks down into a number specialities, each of which has a different training and development route.

Having a skilled technical workforce is not sufficient in itself to guarantee the success of a company, sector or economy. Without high quality leadership and management skills, many firms will struggle to complete in an increasingly global market place. The development of new technologies through promoting innovation is a prime example. Without sound management and supporting leadership even the most technically skilled workforce will struggle to adapt and survive.

Business development, through innovative diversification of products and into new markets, is a real challenge for many companies, especially for SMEs. If businesses in Wales are to compete with the best in the world, it is not enough to just be technically competent, it is sound business management and strategic leadership that will determine the extent to which opportunities are taken advantage of.

The challenge is to find ways of equipping individuals of all ages and backgrounds in Wales with the leadership and management roles skills they require to take advantage of the wide range of roles on offer.

## 6. Appendix A - SSC Contributions

### Asset Skills

Asset Skills is the Sector Skills Council for facilities management, housing, property, planning, cleaning and parking.

#### What are the main drivers of management & leadership skills in your sector?

- The need for management and leadership skills in the Asset Skills sector is driven in a large part by the current economic conditions. Many companies have come under pressure to provide more for less. Doing this requires strong leadership and innovation skills.
- Within the property industry the need for strong management and leadership skills has been linked to the increasing demands and sophistication of customers, while in cleaning it is important in dealing with issues such as the retention of contracts and staff.

#### What are the specific management & leadership skills/occupational needs?

- The specific management & leadership skills that are required vary by industry. For example, as facilities management companies move towards 'integrated services' relationship management skills are expected to be important and the need for strong project management skills has also emerged.
- Customer care and financial management skills are important in industries such as cleaning and facilities management that are operating within tight margins. Supervisory skills will be important within the cleaning profession, particularly if the challenge of improving staff retention rates in the industry is to be achieved successfully. Innovation and change management skills have been highlighted as important in the housing sector.
- Across all industries softer, interpersonal skills have been identified as important as customer care and the ability to build relationships with clients becomes crucial.

#### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- A Sector Leadership Fund proposal has been approved by WAG to develop and pilot an accredited training programme at level 4 and 5 targeted at improving the change management and innovation skills of those working in the housing sector and will meet the needs related to:
  - Delivering the new housing strategy for Wales
  - Responding to organisational change such as Large Scale Voluntary Transfer of Local Authority housing stock to the private sector, responses to the recession, mergers and group structures.
  - The elimination of unfit housing through implementation of the Welsh Housing Quality Standard which all social housing has to meet by 2012.

- Asset Skills is also working with the Leadership and Management Workshop Programme and WAG approved Management and Leadership trainers to look at specific management and leadership needs and solutions for the Facilities Management industry.

### Cogent

Cogent is the Sector Skills Council for the chemicals, pharmaceuticals, nuclear, oil and gas, petroleum and polymer industries.

#### **What are the main drivers of management & leadership skills in your sector?**

- First line supervisor training is a key area where due to restructuring and the current market FLS have increased responsibility particularly out of normal work hours.
- There is also a general requirement for M&L training particularly in our very technical sectors where people with high technical skills are moved to roles requiring people management skills.

#### **What are the specific management & leadership skills/occupational needs?**

Contextualized training that relates to the Cogent industries and their working patterns and styles.

#### **What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?**

- Developing in partnership with ILM a suite of Gold Standard M&L qualifications contextualized for the Cogent industries.
- Cogent has also included some of the technical management gold standard qualifications in the SPFP programme being delivered during 2011.

### ConstructionSkills

ConstructionSkills are the Sector Skills Council for the construction industry.

#### What are the main drivers of management & leadership skills in your sector?

- Legal: Environmental/Sustainability legislation and targets, Welsh Assembly Measures, Welsh Assembly Legislative Competency Orders, Health and Safety legislation.
- Environmental: Waste, Planning/Zero carbon targets, Climate change.
- Technological: Modern methods of construction, Energy infrastructure, Low - zero carbon technology, Offsite manufacture.
- Economic: Public deficit, availability of finance, energy prices, recession.
- Political: Welsh policy e.g. One Wales, Welsh Assembly election in 2011, National Policy Statements, e.g. Energy, Housing Policy, possible introduction of tuition fees.
- Social: Rising unemployment, ageing workforce, housing shortage, image construction industry, immigration/migration.

#### What are the specific management & leadership skills/occupational needs?

- ConstructionSkills is currently undertaking primary research (results due March 2011) into Management and Supervisory Skills Needs within the construction sector. This is an extension of the 2007 research study which identified the following L&M priorities:
- Top 9: IT skills of senior staff (40%), Contractual understanding (38%), Environmental legislation (37%), H&S legislation (36%), Employment legislation (35%) Risk management (33%), Maximising staff productivity (33%), Time management / prioritisation (32%), Identifying training needs of staff & developing their skills (30%).
- Middle 9: Team building (29%), Financial understanding (28%), Identifying firm's IT needs (28%), Winning new business / general selling skills (28%), Developing vision / strategy (27%), Identifying new markets & clients (27%), Ensuring projects run to cost (27%), Managing client expectations (27%), Delegation (26%).

#### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- ConstructionSkills has set-up a specific Management and Supervisory Development Programme (MSDP)<sup>6</sup> to address management and skills issues in the construction sector across the UK. In 2010, a total fund of £2.1 million was available.
- ConstructionSkills in association with its stakeholders has developed a Skills Action Plan for Wales, which is submitted to Welsh Assembly Government on a quarterly basis.

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<sup>6</sup> Management and Supervisory Development Programme (M&SDP)  
<http://www.cskills.org/aboutus/productsservices/msdp.aspx>

## Creative and Cultural Skills

Creative & Cultural Skills is the Sector Skills Council for Craft, Cultural Heritage, Design, Literature, Music, Performing, and Visual Arts.

### What are the main drivers of management & leadership skills in your sector?

- Globalisation: Increasing levels and standards of global competition are expected in the creative and cultural industries, as other countries recognise the economic value of creativity as a significant driver of growth.
- Technology: A key factor is the increased use of digital technology in business<sup>7</sup>. Technically capable managers will be needed to take advantage of opportunities.
- Growth: The creative industries have been identified by the UKCES<sup>8</sup> as an emerging growth sector to be investigated further as such, the industry continue to be at the forefront of policy thinking on growth. This will require high quality leadership and management skills.

### What are the specific management & leadership skills/occupational needs?

- Management and leadership skills
- Financial management skills
- Income generation and business development skills
- Marketing and communication skills
- Customer service skills
- Digital skills

### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- ESF/WBL funded research into cross sectoral continuing professional development, cultural leadership, Welsh language skills, informal learning and international future skills.
- We have begun work with Leadership & Management Wales to develop specific leadership initiatives for our sector and will hold employer events in March 2011.
- NOS development process and consultation activity agreed with DCELLS Qualification and Learning Group. Evidence of consultation in Wales (as agreed with DCELLS) submitted at end of each NOS project
- Principal Learning in Creative & Media Qualification successfully implemented from September 2010.
- Regular bulletins sent to SSC point of contact & careers advisor network regarding apprentice posts, attendance at Careers Wales events, expression of interest sent to

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<sup>7</sup> BIS (2009) Digital Britain Final Report.

<sup>8</sup> UKCES (2009) Skills for Jobs: Today and Tomorrow – The National Skills Audit for England 2010

partake in Apprentice matching service pilot, meeting held with CareersWales senior managers about initiatives and Creative Choices web tool.

### Energy and Utility Skills

Energy & Utility Skills (EU Skills) is the Sector Skills Council for the gas, power, waste management and water industries.

#### What are the main drivers of management & leadership skills in your sector?

- EU, UK and Welsh energy policies (e.g. low carbon transition plan). Carbon reduction targets and sustainable energy production policies are key drivers of leadership and management skills. Increased gas importation facilities and growth in “distributed” energy generation will require significant amounts of research and development and systems planning.
- UK and Welsh waste policies (e.g. the waste strategy). Waste reduction and resource management policies are key drivers of leadership and management skills. Towards Zero Waste sets out Wales’ plans for resource management and its plans for upskilling the waste management workforce so that it is able to handle the more sophisticated skills requirements as the industry moves away from landfilling waste and begins to use processes that recover value (e.g. energy, gas, recovered materials, etc.).
- The age profile of engineers across the sector (and the whole economy) is higher than average. With significant proportions of the engineering workforce due to retire over the coming years, replacing these will be a significant challenge for the sector.
- Infrastructure replacement, renewal and expansion plans are a significant driver of Leadership and Management skills across the utilities. Much of this infrastructure has reached the end of its operational life (e.g. overhead power lines and both gas and water mains). The planning and design of new systems will be crucial if they are to handle future demand pressures.

#### What are the specific management & leadership skills/occupational needs?

- In general, across the whole of the sector’s workforce, leadership, management and supervisory skills (at levels 3+) are in need of developing.
- Financial management and knowledge of environmental legislation.
- Negotiating and strategic management.

#### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- EU Skills is working with Careers Wales to develop upskilling and progression pathways, with Welsh employer case studies, in order to appeal to and attract potential employees to the energy and utility sector.
- EU Skills is developing an on-line database to match qualifications and EU Skills-recognised training programmes to job specifications used by employers. This will allow individuals and employers to plan their upskilling requirements in an appropriate manner.

- EU Skills is engaging with HEFCW and HEIs across Wales at a strategic level to ensure their understanding of the leadership and management skills needs of the sector.
- EU Skills is developing a sector-specific management and leadership solution for operational managers and leaders in the sector.

### Financial Skills Partnership

The Financial Skills Partnership is the sector skills council representing the finance, accountancy and financial services sector.

#### What are the main drivers of management & leadership skills in your sector?

- The Retail Distribution Review, carried out by the Financial Services Authority (FSA), the sectors regulatory body, has driven standards from level 3 to level 4 qualifications. This has meant Financial Advisers and those individuals working in supervisory, line management and firm principal roles are having to retrain and re-qualify.
- The impact on business quality of output, retention and development of staff.

#### What are the specific management & leadership skills/occupational needs?

- Level 4 coaching
- Performance management
- Change management
- Training and coaching
- Project-management
- Problem-solving and
- Commercial acumen
- Level 5 leadership, providing vision, inspiration and a culture of excellence in Wales.

#### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- FSP has carried out comprehensive research to identify both need and demand for Leadership and Management Training (particularly at first line and supervisor level).
- FSP is working with LMW, DfES, ELMS, Centres of Excellence and accredited training providers to develop efficient means of delivery to obviate time out of work and be sector specific (with particular reference to regulatory requirements and industry best practice).
- Through employer engagement, FSP has developed a Wales Demand Statement that provides a strategic approach to attraction, retention and development of talent in Wales.

## GoSkills

GoSkills is the Sector Skills Council for passenger transport.

### What are the main drivers of management & leadership skills in your sector?

- Need for broader range of management and leadership skills that are wider than purely functional, aligned to changing technology and customer expectations, social and demographic change, UK-wide and EU regulatory/legal change, increasing focus on environmental impact and current/future economic growth.
- Ensuring business efficiencies including management of human resources.
- Regulatory and legislative changes and requirements (Wales, UK and EU).
- Political and policy imperatives.
- Improved management information systems (MIS) needed.

### What are the specific management & leadership skills/occupational needs?

- Evidence-based decision-making skills, especially in these roles;
- Multi-functional management
- First-line management
- Managers and leaders need to up-skill and re-skill; focusing on business improvement techniques, developing and implementing low-carbon and fuel consumption reduction strategies, as well as recognising and planning for the changing needs of customers.
- Managers also need skills in identifying and prioritising responses to new legislation, regulation and compliance and making better-informed equipment procurement decisions.
- Transport planners and other transport professionals will need to develop and utilise skills to adapt service proposals in line with financial constraints.

### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- Working with employers to identify importance of M&L skills.
- Production of HPWP case studies.
- A number of industries within the sector have identified M&L skills as priority - working through relevant industry boards to identify appropriate programmes of work. Relevant M&L units are used in sector qualifications but M&L training and qualifications need to be contextualized for specific industries.
- Development of industry-specific training options.

## Improve

Improve Ltd is the Sector Skills Council for the Food Manufacturing and Processing (FDMP) industries.

### What are the main drivers of management & leadership skills in your sector?

- Regulation and compliance
- The regulation of food is a key element of the government's agenda.
- Technology
- Reducing the cost of manufacturing, storage and logistics e.g. radio-frequency identification (RFID);
- Innovative ways of producing raw material, e.g. genetics and designer genotypes; new products that combine or package ingredients in new or novel ways.
- Making foods appear fresh through use of food preservation techniques e.g. high pressure processing (HPP); new preparation or packaging techniques.
- Development of online shopping.
- Globalisation and market power - the evidence suggests that companies are relocating due to cost advantages.
- Consumer demands - The FDMP industry is almost totally demand-led and is the largest fast-moving consumer goods (FMCG) sector.
- Environmental change - Food production and consumption in the UK and world-wide are significant and growing contributors to climate change.

### What are the specific management & leadership skills/occupational needs?

- Higher level management skills, including business strategy;
- Technical skills, such as marketing, sales and website development;
- At this level it was felt that uncompetitive salaries failed to attract the right calibre of candidate; transforming hard to fill vacancies into skills gaps;
- Early management development, and IT skills;
- Sourcing managers with FDMP experience.

### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- Improve is part of the Wales Food Supply Chain project which aims to harmonise the approach to skills development across the whole food supply chain.
- WAG announced that it would "make leadership and management development a priority" in its 2008 strategy document Skills That Work for Wales and has made funding available through the Workforce Development Programme.

- Level 3 'Introductory Certificate in Management'; This WAG funded project subsidised 120 candidates through an 'Introductory Certificate in Management' at level 3. The course was aimed at team leaders and supervisors.

## Lantra

Lantra is the UK's Sector Skills Council for land-based and environmental industries.

### What are the main drivers of management & leadership skills in your sector?

- There has been a significant increase (15%) in L4+ qualifications (31% in 2010 cf 16% in 2008) thus showing the need for higher level qualifications and the increasing technologically related and management job roles.
- The proportion of managers has risen from 11% in 2008 to 14% of employment in 2010
- Diversification of economic activity.
- High level of micro businesses in the sector.
- High proportion of self-employed and owner managers and therefore need for multi-skilling in terms of sector specific and business development roles.

### What are the specific management & leadership skills/occupational needs?

- Financial management
- Managing diverse business practices
- Business planning
- Succession planning
- Supervision skills for apprentices and other staff
- Supply chain management
- Risk management

### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- Developed in partnership with the Small Firms Development Initiative (SFEDI) the tool 'Enterprise Essentials' to support the promotion and take up of management and leadership skills and training.
- Promoted the importance of leadership and management skills across the sector.
- Communicated future changes that the sector is likely to face and the need for skill changes across a range of communication channels.
- Bringing in SFEDI and Business Management NOS into the land-based qualifications structures.
- Supported Farming Connect programmes which offer Leadership and Management courses.

### Learning and Skills Improvement Service (formerly LLUK)

The Learning and Skills Improvement Service is the sector-owned body that aims to accelerate the drive for excellence in the learning and skills sector.

#### What are the main drivers of management & leadership skills in your sector?

- Economic downturn: In 2011-12 the total budget in Wales will fall by £860m from the budget set for 2010-11 and by 2014-15 the overall budget reduction will be £1.8bn and are in addition to the UK reductions to non-devolved budget lines. Economic challenges require expert leadership and management to guide organisations through difficult times.
- Policies relating to collaborative working (eg. Guidance for the Submission of Regional Strategies for the Planning and Delivery of Higher Education (2010); Skills that Work for Wales (2008); Transforming education and training provision in Wales (2008); Getting on together - a community cohesion strategy for Wales (2009).
- Policies relating to building communities (eg. Working with Communities - the first Community Development Workforce Action Plan for Wales (2010); Getting on Together - a Community Cohesion Strategy for Wales (2009).
- Demand for bilingualism and Welsh language as seen in Iaith Pawb (2003); the Proposed Welsh Language Measure (2010); Welsh-medium Education Strategy (2010).

#### What are the specific management & leadership skills/occupational needs?

- Management skills relate to managing change in the current economic circumstances; managing contracts and projects; managing staff including volunteers; managing behaviour; managing a diverse set of customers - be it learners or people visiting a library; and managing the change into e-learning.
- Leadership skills are needed to meet all the other skills needs across the lifelong learning sector. Specifically, this means strategic and forward thinking leadership - skilled leaders who can plan and guide their organisations; their management staff and their whole workforce into a world where public funding is limited and the electronic media is far advanced. Leaders who can think ahead, who can ensure their workforce are producing rich quality products by efficiently using limited resources and working collaboratively. Leaders who can understand the current policy context as well as plan for the future to ensure that their organisations remain competitive and in the forefront of their sectors in the future.

#### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- A unit & credit based qualifications framework for Leaders and Managers in the lifelong learning sector in Wales.
- Apply the Sector Priorities Fund Programme Bid to Welsh Assembly Government to L&M.

### People 1st

People 1st is the Sector Skills Council for hospitality, leisure, travel and tourism

#### What are the main drivers of management & leadership skills in your sector?

- Management skills are a major shortage and critical to the future prosperity of the sector.
- Business profile: the hospitality, leisure, travel and tourism sector continues to be characterised by a large percentage of small and micro independent operators (SMEs).
- The current economic downturn, changes to consumer expectations and technology are affecting all sector operators, but it emphasises the importance of managers in smaller businesses and owner operators having a greater, all-round skills base.
- Recruitment and retention issues, lower labour productivity compared to other sectors due to emphasis on human capital, high levels of seasonality in the tourism industry and transient workers all are linked to skills demand in the sector.
- No commonly agreed entry routes for managers in the sector, most progress from operational positions placing greater emphasis on training and development.
- Sustainability and environmental issues, particularly rising energy costs and changing consumer behaviour regarding environmental management.

#### What are the specific management & leadership skills/occupational needs?

- People management, including softer skills, such as motivating staff, training and recruitment to more traditional personnel functions such as knowledge of legislation.
- Financial management, including day to day monitoring of finances and planning.
- Strategic management, including strategic planning and positioning.
- Marketing.
- Managing the customer experience.
- Operational management, which varies depending on the operation, but employers would expect experience in this area.
- Environmental and energy reduction.
- Owner operators and managers of small businesses largely need the same skills as those found in larger businesses but evidence suggests that the priority is different, with maximising potential of environmental savings, financial skills and general IT-user skills being the most important. Managers of smaller businesses need a broader range of skills as they are called upon to undertake a broader variety of tasks.

#### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- Creating clear development pathways
- Badging foundation degrees to ensure they reflect the needs of employers.

## Proskills

Proskills UK is the Sector Skills Council for the Process and Manufacturing Sector.

### What are the main drivers of management & leadership skills in your sector?

- **Technology:** Technological changes in production aimed at driving efficiency have been a major feature of the sector over the last couple of decades, with many traditional job roles changing or combining as advances are made. Provision and qualifications must be flexible enough to recognise these changes. Technology is also becoming more and more important in reaching the marketplace, and for many (particularly smaller) companies, ICT and online skills will be essential in the future.
- **Regulation and legislation -** environmental regulation and legislation, and the Low Carbon agenda will have a large effect in the future.
- **Efficiency:** improving process are helping companies to remain competitive.
- **Energy:** rising prices will require greater efficiencies in process and quality controls and product development for companies to remain profitable.
- **Health and Safety:** is a priority across the sector, and in many industries, competency must be proved continually through qualifications.
- **Aging workforce:** succession planning.
- **Shifting markets:** local, national and global.

### What are the specific management & leadership skills/occupational needs?

- Process Efficiency, linked to profitability and energy costs, and regulation/legislation (especially low carbon)
- Smaller units of provision for upskilling from technical and other roles as occupational boundaries blur
- First line management
- Customer and Supply Chain management
- Change management

### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- Working in partnership with Leadership and Management Wales to promote opportunities within our footprint;
- Participating in a collaborative Alliance project linked to the delivery of inspirational leadership provision;
- Promoted the importance of leadership and management skills across the sector via collaborative activity with The Print and Coating Forum at Swansea University and the Swansea Metropolitan University's centre for architectural stained glass;

- Working with a paper training provider to develop a bid to WAG under the sector leadership fund for sector specific leadership and management provision linked to the paper sector.

### Semta

Semta is the Sector Skills Council for Science, Engineering and Manufacturing Technologies

#### What are the main drivers of management & leadership skills in your sector?

- The changing qualifications profile of Semta's workforce is evidence of the increasing demand for higher-level skills (NVQ Level 4 and above).
- Together with changes in skill requirements, qualifications demanded by employers are likely to change, with an increasing requirement for intermediate and higher level qualifications.
- The projected net requirement for qualifications within Semta's sectors in Wales for the whole period 2010-2016: analysis points to a total net requirement for around 5,700 people with intermediate and higher-level qualifications (NVQ Level 3 plus).
- For the Science industries the skills gaps that were most likely to be reported were in professional, associate professional/technician and management occupations.
- Higher level management, professional and associate professional /technician occupations are likely to form a greater share of total employment in Semta's sectors.
- 10% of engineering employers in Wales with hard-to-fill vacancies reported problems recruiting Engineering graduates. This compared with 7% in the UK.

#### What are the specific higher-level skills/occupational needs?

In engineering:

- Professional engineers (all disciplines), design engineers and material scientists
- Higher level technicians.
- In Science Industries
- Research scientists
- Technicians
- Quality control.

#### What action is your SSC taking/planning to take/would like to take in order to address these higher-level skills issues in your sector in Wales?

- Developing Higher Apprenticeship in Engineering in response to employer requests,
- Working with university and employer partners to pilot an apprenticeship being considered for undergraduate and postgraduate engineering students.
- Producing new and updated Science qualifications in response to employer demand.
- Marine technician NVQ L3 pathway.

- Producing NVQ L3 Aeronautical pathway for aeronautical software and maintenance engineers.

### SkillsActive

SkillsActive is the Sector Skills Council for Active Leisure, Learning and Well-being, comprising Sport and Recreation, Health and Fitness, Playwork, the Outdoors and Caravans.

#### What are the main drivers of high-level skills in your sector?

- The primary drivers of skilled technical roles are consumer trends, government policy, legislation and funding. Secondary drivers (globalisation and technology) also impact on the sector.
- For sport, fitness and the outdoors, healthy living and the desire to keep fit are key consumer and government policy drivers.
- For the caravan subsector, tourism, exchange rates and the trend to “staycation” rather than holiday abroad are all key drivers.
- Technical and practical skills are essential to a large proportion of SkillsActive sector occupations for legislative or regulatory reasons.

#### What are the specific higher-level skills/occupational needs?

- There has been an increase in the number of undergraduates taking sport science degree courses over recent years, without a corresponding increase in graduate level jobs.
- Leisure related posts however were considered far more difficult to recruit for.
- Only in 14% of appointments was the qualification a formal requirement for the post in the sector.
- Specific skill needs identified by employers include Higher level qualifications e.g. foundation degrees for senior practitioners.

#### What action is your SSC taking/planning to take/would like to take in order to address these higher-level skills issues in your sector in Wales?

- Glamorgan University, on behalf of the HE sector in Wales, has been awarded funding from the European Social Fund (ESF) to deliver two large-scale programmes.
- The first covers Work Based Learning (£34m) and the second, Foundation Degrees (£16.5m). HEIs in Wales are currently in the process of bidding to this fund and SSCs have been invited to evaluate their project proposals. A condition of grant is collaboration with relevant stakeholders including SSCs.
- In relation to Work Based Learning, the aim of this programme is for HEIs in Wales to develop a range of WBL bite size opportunities at CQFW level 4 and above for learners currently in employment. It will operate in collaboration with business and other appropriate stakeholders which include the Further Education Sector and the Sector Skills Councils (SSCs). However, the Foundation Degree programme will develop and deliver Foundation Degrees and progression routes equivalent to CQFW level 5.
- Both programmes are closely aligned to meeting the higher-level skills needs of the Welsh Assembly Governments priority economic sectors. Naturally, SkillsActive are engaging with relevant HEIs as part of the process.

### Skills for Care and Development

Skills for Care and Development is the Sector Skills Council for people working in early years, children and young people's services, & those working in social work and social care for children and adults.

#### What are the main drivers of high-level skills in your sector?

- Mandatory registration has been implemented in stages, with social workers and social work students required to register with the Care Council for Wales since 2004. There are 5692 people with a social work qualification on the Register of Social Care Workers and 825 registered Social Work Degree or Masters students.
- The ICSS recommended that the Welsh Assembly Government, working with employers and the leaders of the profession, should lead a programme of change focussing on securing career pathways, commitment and investment in continued professional development and research within a new culture of practice governance.
- The Integrated Family Support Services (IFSS) model is a catalyst for change not only in social services but in the wider provision of family-focused services in Wales. There are several areas in which IFSS will have significant impact.
- The IFSS model has been designed to help bridge the gap which exists between Children's and Adults Social and Health Services. It will require significant cultural and systemic changes across all areas to create a more holistic and integrated service.

#### What are the specific higher-level skills/occupational needs?

- The primary focus for the changes in this area is to: "Increase the skills of the work force by providing them with training, supervision and support in order to deliver high quality services to some of the most vulnerable families in Wales."
- New Social Work Career Pathway: The Stronger Families consultation explored ideas for a new career structure. It included the creation of a new professional title - Consultant Social Worker - to encourage and reward those who wish to continue working directly with people who use services, and their families.
- The proposed career pathway is intended to strengthen the retention of experienced social workers in frontline roles. It is also designed to ensure that social workers have the necessary knowledge and skills, and access to learning and support, to help them deliver high-quality services at all stages of their careers.

#### What action is your SSC taking/planning to take/would like to take in order to address these higher-level skills issues in your sector in Wales?

- The Care Council (SfC&D) will have a lead role in development of the New Social Work Career Pathway and in ensuring a high quality, continuous professional development opportunities for social workers.
- The Care Council (SfC&D) is also working with the Association of Directors of Social Services (ADSS) Cymru as part of a Social Work Numbers Planning Project and undertaking a Longitudinal Study of Social Work Graduates, as well as an Audit of Child Care and Family Teaching.

### Skills for Health

Skills for Health is the Sector Skills Council for health and healthcare workers.

#### What are the main drivers of management and leadership skills in your sector?

There are a host of drivers affecting the nature of management and leadership skills in the health sector. In the short term, the sector is experiencing a reduction in spending, the NHS in Wales is like the NHS in the other nations seeking to make a range of significant savings. In the longer term the sector will be experiencing ongoing increases in the demand for health care as the population and range of long term conditions, such as diabetes and dementia grow. As a result, there are calls for the sector to seek new ways of working in order to increase productivity and performance.

However, whilst the sector is being asked to make widespread innovations, employers operate a high compliance environment and are subject to large amounts of legislation and regulation. The impact of this is felt throughout education and training as well as employment practice.

#### What are the specific management & leadership skills/occupational needs?

- Specific management and leadership requirements are influenced by whether they work in the public, private or third sector.
- Within the public sector (NHS) there is a great deal of debate about the quality of leadership. There is also a desire to develop leadership roles for clinicians as well as general managers. This is seen as an important areas of development as clinicians will be able to combine their high quality health skills with leadership to make legitimate decisions on the ongoing development of health services. Much of this debate is also reflected in the private health sector.
- Within the Third Sector there are a range of skills specifically associated with developing capacity and capability of the volunteer workforce. As the use of the volunteers increases particular skills sets will develop around the management of volunteers, and the mainstreaming of successful programmes following initial funding
- Overall, those seeking to manage and lead in public sector health environments will need to have particularly highly developed negotiation collaborative skills.

#### What action is your SSC taking/planning to take/would like to take in order to address these management and leadership skills issues in your sector in Wales?

- Development of UK-wide research into leadership and management skills issues in the health professions including “Tomorrow’s Workforce” and “Tomorrow’s Doctors”
- Integration of leadership and management skills issues into workforce modernisation/transformation events including work on whole-system change in long term conditions services with Betsi Cadwaldr Health Board in North Wales during 2009/10 and currently with Aneurin Bevan Health Board (as part of work programme for WAG workforce Modernisation Programme Board)

- Future development work in this area to be discussed/agreed as part of WAG DHSS Service agreement.

### Skills for Logistics

Skills for Logistics is the sector skills council for the freight logistics and wholesaling sector.

#### What are the main drivers of management & leadership skills in your sector?

- EU, UK and Welsh Carbon/energy Policies (environment): Carbon reduction targets and increasing cost of natural resources (such as energy/fuel) means that companies are looking at resource efficiency strategies of their companies.
- Consumer demand: Greater emphasis on the whole supply chain network. Planning and implantation of supply chain practices will be crucial to handle future demand pressures.
- Technological advancements: These include RFID, GPS and other communications development, automation of warehouses, vehicle developments all of which mean continued skills development of the workforce to ensure safe and efficient use.

#### What are the specific management & leadership skills/occupational needs?

- 'Green skills' as part of business development. Managers will need strong monitoring, reporting and evaluation skills relating to fuel monitoring, carbon footprints etc, and knowledge of environmental and transport legislation.
- Planning and administrative skills - support staff like transport managers and traffic office staff will need these to ensure optimal working, particularly as most of the freight is delivered by road and congestion is expected to increase, and warehouse space needs to be utilized effectively.
- Appropriate licences / certificates - i.e. Transport Managers CPC, ADR and Dangerous Goods Safety Advisor.
- Management and leadership and supervisory functions across the sector need developing to ensure that the workforce is motivated and work efficiently, and that the right capital is in place.

#### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- We are seeking to attract part funding for the O Licence CPC which would drive up standards of management and leadership in the transport sector of our footprint.
- We are in discussion with employers and others to assess demand for additional modules on LM which would give additional support to learners undertaking O Licence CPC and other qualifications.
- SfL National Manager Wales has been working with the LMD team to support the approved providers in their employer offer to seek improved uptake from Micro and SMEs. We are planning a collaborative project with GoSkills to improve the market penetration and impact of Wales based training providers and HE/FE. The outline plan is

to improve their employer engagement skills and increase their impact by supporting them in offering services outside of their own portfolio especially support offered by the Welsh Assembly Government.

### Skillset (Creative media)

Skillset is the Sector Skills Council for Creative Media

#### What are the main drivers of management & leadership skills in your sector?

- The Creative Media Industries in Wales are characterised by a highly qualified workforce, with 68% of the workforce in possession of a degree level qualification.
- Around a fifth of the workforce, excluding Publishing and Advertising, have roles within strategic and business management (20%). Figures for Publishing and Advertising are not available at a Wales level but UK wide data suggests that the proportion of the workforce within management roles is even higher (28% in Publishing and 47% in Advertising).
- High level of SMEs and self-employed/freelancers in the sector.
- The independent production sector have highlighted that there is a tendency for inadequate staff progression from lower to higher levels (for example from Assistant Editor to Producer) - raising significant concerns regarding the capacity of the “next generation“ of sector leaders. Some have argued that the skill shortage to leadership and management has resulted in an over-reliance on a very small number of senior executives in independent production companies.

#### What are the specific management & leadership skills/occupational needs?

Skillset’s Creative Media Employer Survey (2010) shows that nearly half (49%) of employers in the sector in Wales identified a Leadership and management skills gap amongst their current employees.

Specific examples of skills needed include:

- Leadership and management skills within Independent Production companies, resulting in inadequate staff progression from lower to higher levels as stated above.
- A shortage of entrepreneurial skills (and confidence) - both in terms of those employed at various levels within the industry, and also amongst freelancers, particularly freelancers who may have been forced to take this route as a result of redundancy.
- Team motivation and conflict resolution in the Film sector.
- Managing and leading technical teams in the Interactive and Computer Games sector.
- Leadership and management skills in Interactive Media.
- General management and leadership skills within the Advertising sector.
- Crisis management.

### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

Skillset, S4C and the trade association Teledwyr Annibynnol Cymru, has commissioned a number of training programmes in this area. These include:

- Creative Business Leader: two cohorts of this high level Leadership and Management development programmes for the leaders and 'rising stars' of creative production businesses in Wales;

and Skillset Media Academy programmes such as:

- Film Junction: a producer development programme designed to address management and leadership issues;
- Leadership for Creative Businesses: a leadership development programme uniquely designed for senior executives in broadcasting, film and video, gaming and software;
- Developing Business Strategies for your Media Company - for small production start ups across the creative media industries;
- Preparing Future Leaders and Managers: to encourage junior staff to start building their capacity for making effective decisions regarding the future of their company.

A number of other courses it has established also include elements of leadership and management skills such as its Series Producer Scheme and initiatives aimed specifically at the digital sector such as Digital Delta.

It will also be investing in leadership and management programmes over the next four years via its Skills for the Digital Economy programme.

Skillset Cymru also offers bursaries to individuals to attend training in the areas of leadership and management, offering to pay 80% of training costs.

## Skillset (Fashion and Textiles)

Skillset has responsibility for the fashion and Textiles subsector of Creative Media.

### What are the main drivers of management & leadership skills in your sector?

47% of fashion and textile employers in Wales saw improving management and leadership skills as an important or very important skills priority.

### What are the specific management & leadership skills/occupational needs?

- The redefining of the sector with the outsourcing of much manufacturing has led to the need for change management skills whilst a number of new business start-ups within niche manufacturing require business skills.
- The large number of SMEs in the sector means that managers often undertake a variety of roles within their own businesses. This often means that many have good technical skills but may not have the requisite management and leadership skills and likewise the other way round.
- Production management: as balanced sourcing and production is spread across a number of countries, this process needs closely managing both in home and domestic markets.
- Supply chain management: again, relating to the globalisation of production, the need to manage supply chains is a key skills need identified.
- Branding and marketing: in order to take advantage of the British style and opportunities in new and emerging markets, branding and marketing skills will be required.
- Crisis management skills: as firms in the fashion and textiles sector survive under great pressures, staff levels tend to be optimised. However, when staff are not available, short term recruitment issues become persistent.

### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- Skillset are looking to run a number of Enterprise workshops within Wales for Fashion and Textiles employers.
- Rolling out the Manufacturing Alliance Toolkit that addresses the broader business skills issues facing manufacturers and designers within the sector.
- It hopes to work with the Skillset Media Academy Wales to deliver CPD training in this area over the next four years.

## Skillsmart Retail

Skillsmart Retail is the sector Skills Council for retail

### What are the main drivers of management & leadership skills in your sector?

The economy is the key driver for the sector: this determines consumer confidence and as a consequence their spending patterns. In response this drives retailers to change their behaviour to achieve greater productivity by:

- Sourcing goods at a better price which may mean changing suppliers, driving down factory gate prices or buying from the worldwide commodity markets e.g. coffee;
- Investing in technology such as self-service tills, tap and go, iPhone 'apps', m-commerce;
- Operating through more, or possibly fewer, channels to market.
- A second, but just as important, driver is that of customer expectations. Customers are more knowledgeable because of the internet and demand higher levels of service. This includes the very real issue of online goods delivery.

### What are the specific management & leadership skills/occupational needs?

For store based management staff the key areas are:

- the ability to drive sales
- the ability to motivate teams
- being resourceful

### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

The National Skills Academy for Retail is being extended to cover Wales. We anticipate 4 retail skills shops being developed by Dec 2011. One is already in place. These skills shops will provide fit-for-purpose training to local retailers which is either subsidised by WAG e.g. apprenticeships, or is marketed on a full cost-recovery basis.

New retail courses in this category have been developed for delivery by the skills shops with Mary Portas and World Host:

The World Host courses cover service, selling and the supervision of sales teams while the Mary Portas courses targets smaller retail managers or owners.

### Summit Skills

SummitSkills is the Sector Skills Council for the building services engineering sector.

#### What are the main drivers of management & leadership skills in your sector?

- In SummitSkills Sector Skills Agreement, the need for the sector to engage in more management and leadership training for its operatives was identified as a real issue for managers at all grades, but particularly first line supervisors and middle management levels.
- The recession is currently the main driver of management and leadership skills in the BSE sector.
- Many companies have reached the end of an 18-24 month order book and have reduced their training budgets beyond what is required to achieve regulatory compliance, and health and safety.
- There appears to have been reduction rather than a growth in management training in the sector in Wales between 2008 and 2009, and the number of managers holding management qualifications has dropped.
- However Welsh companies have shown a desire provide management training in previous years, and the number expressing this desire increased between 2008 and 2009.

#### What are the specific management & leadership skills/occupational needs?

- The most commonly held management and leadership qualifications in Wales are MBAs, Level 2 team leadership, Level 5 Diploma in Management and Level 4 NVQ.
- However few companies identified any management and leadership needs at all, except a small minority (3%) who identified a Diploma in Management Studies as a possible investment in training they may be willing to make at some point in the future.

#### What action is your SSC taking/planning to take/would like to take in order to address these management & leadership skills issues in your sector in Wales?

- SummitSkills will continue to encourage Welsh BSE companies to invest in management training on recognised management qualifications to facilitate productivity.
- SummitSkills intends to support this through the development of appropriate standards.