

# Retail

## Workforce Development Action Plan 2002-2005



### Introduction

This action plan has been developed with our partner organisations and follows initial research and consultation with employers in the sector. This action plan is one of 12 sector action plans and four generic issue action plans.

Sussex Learning and Skills Council is focused on delivering its **overarching objectives** for Sussex employers, people and communities, namely:

- A step change in the number of level 3 qualifications obtained by the under 30 year old population
- A step change in the reduction of adults who lack basic skills in literacy and numeracy
- A step change in the skills of the workforce and the ways in which employers access training

This action plan is an important tool in achieving these objectives.

*"Learning brings major benefits to everyone in the community and has been proven to provide the basis for a successful economy."*

Henry Ball, Executive Director, Sussex LSC

The research findings and outcome of the consultation with employers are set out on pages 2 and 3. A detailed action plan is outlined on page 4.

### The Strategy

As set out in our Local Strategic Plan 2002-2005, the **demand for learning** needs to be considered in three ways:

- Economic Demand – the current and projected employer skills needs
- Individual Demand – the projected number of learners, their choices, goals and aspirations
- Community Demand – promote social inclusion and support local regeneration activities

This action plan has been developed on these **three drivers of demand**.

### The Sector

The retail sector covers retail sales:

- in non-specialised stores
  - of food, beverages and tobacco
  - of pharmaceutical and medical goods, cosmetics and toiletries
  - of new goods (inc. textiles, clothing, footwear, furniture, electrical household appliances, hardware, books, newspapers and other goods)
  - of second-hand goods
  - not in stores (inc. mail order, stalls and markets, internet)
- And
- Repair of personal and household goods

## > Occupations & Qualifications

- The largest occupational group in the sector comprises buyers, brokers and sales representatives, accounting for 29% of employment
- One fifth of employees are in elementary occupations and another fifth are managers and senior officials
- 44% of managers in the sector are qualified to NVQ equivalent level 2 or below
- This occupational structure means that there is a limited number of graduates in the sector (12%), and only 37% are qualified to at least NVQ equivalent level 3
- One third of employment has NVQ equivalent level 1 or no qualifications
- Average annual gross job demand is likely to number around 4,500 in Sussex
- 62% of annual demand will be in sales occupations
- One third of future demand will be at NVQ equivalent level 2 and about 40% will be at level 3 or above
- This picture reflects the current levels of employment in the sector

## > Training Supply

### College attendances

- During 2000-01 493 Sussex residents attended colleges to study courses related to the retail sector
- 61% of these attended courses outside Sussex
- Only 25% of these take courses at level 3 or above. Nearly half (47%) are at level 2
- Around half of students (48%) are over the age of 25, while 29% are aged 18 or under
- 62% of students are female, broadly in line with the employment breakdown of the sector
- A third of students drop out of courses before completion
- Only 14% of students attended specific retail courses. The most common sector-related courses were in customer services (36%)

### Private suppliers

- 744 people were in training with private suppliers in the retail sector in 2000-01
- 72% of this training is at level 2
- Sussex-based suppliers confirm that the main interest in retail-related training is in customer services
- Some major chains such as Sainsburys carry out their own in-house training and others, including Tesco, B&Q and Harveys use local suppliers
- There are a number of trade associations within the retail sector, including the British Shops and Stores Association which runs courses for the retail clothing trade

## > Main Skills Issues

- Employers are aware of skills gaps in their workforces, but most are doing very little about them and just accept them as a fact of life. They are reluctant to take steps to train staff because of:
  - the high level of staff turnover
  - difficulties in training a flexible workforce
  - a lack of fully proficient managers and supervisors

### Need for high quality management

- Flatter management structures and the lack of obvious career progression means the pool from which higher level management can be drawn is small and the quality of management staff is not as high as it needs to be
- Poor quality management is having a knock-on effect on the quality of staff at more junior levels. Much of the training in the sector is work-based or on-the-job. Staff beneath managers lacking people management and training skills do not benefit from mentoring and the development of high quality customer care and sales skills that the industry requires

### Growing importance of sales staff and customer service skills

- It is argued that retail in the UK is suffering due to the inadequate sales skills of shop floor staff. This is increasingly problematic as the sector will have to compete more and more with other sectors for skilled sales and customer staff
- Many companies believe that while sales skills can be taught, customer service skills are dependent on personality. Some companies therefore have introduced personality testing into their recruitment procedure. This is likely to continue, especially considering the lack of emphasis placed on formal qualifications
- There are feelings within the industry that young people lack the right kind of work attitude and also that their communication and interpersonal skills are lacking. There is also a feeling that because of the increased use of ICT, and specifically email to converse with customers, sales staff will require higher levels of literacy



## > Key Issues and Priorities

- 1 The trend in the industry for part-time working means that there are fewer full-time jobs available below supervisory level and this, together with the lack of career opportunities, is making high-calibre youngsters reluctant to enter the sector
- 2 The pool of young retired will increasingly become a valuable source of workers for the industry. Their experience often means they are more skilled and adept at providing customer service than many young people. They are also likely to be more stable and therefore may help to reduce turnover in the sector
- 3 Women are under-represented at management levels, despite being dominant overall in the sector. If the industry is to improve the supply of potential management candidates and the quality of management staff, more women need to be trained to take on these positions. Consequently, training delivery (at all levels) will need to be flexible to meet the needs of female and part-time staff
- 4 There is a feeling within the industry that government training programmes do not always reflect the reality of the sector. There is sometimes a conflict between the needs of employers to develop skills that are transferable across employers and across sectors, and the needs of employers to get maximum value from their training investment
- 5 The training offered by many employers in the sector may exceed the requirement of NVQs but the bureaucracy of assessment puts employers off becoming involved. Consequently the true skill levels in the workforce are not represented by the qualification profile



## > Contact Us

We welcome your views and reactions to this action plan. We are especially looking for information about:

- Skills gaps and skills needs
- Hard to fill vacancies
- Future trends and challenges facing your industry

**Call the Learning Pays Hotline**  
**0845 000 0026**

**Sussex Learning and Skills Council**  
Princes House, 53 Queens Road, Brighton, BN1 3XB  
**Fax:** 01273 783535  
**Email:** [sussexinfo@lsc.gov.uk](mailto:sussexinfo@lsc.gov.uk)  
**Website:** [www.lsc.gov.uk/sussex](http://www.lsc.gov.uk/sussex)

Objective	Actions	Timescale	Working With...
<b>Creating a demand-led system</b>	Promote a workforce development culture by engaging with owners/managers through attendance at representative groups and network meetings, with 1:1 follow-up	Start December 2002	Employers, Unions
	Develop skills-linked career progression routes to meet the need for high-quality management	Start December 2003	Sector Skills Council, employers
	Research with local retailers the need to develop targeted training to improve the progression process from non-managerial to managerial roles	Start July 2003	Employers, Consultants
	Develop a structured placement programme for training provider staff to ensure demand-led curriculum development	Start September 2003	FE Colleges, training providers, employers
	Work with HE Institutions to ensure provision closely matches demand for high-level IT skills	Start July 2003	HE Institutions, employers, Unions
	Invest in a pilot programme to provide funding for small business staff replacement costs, enabling the uptake of training and development activities	Start January 2003	Employers
	Attract more candidates at management level by reviewing the use of a level 4 NVQ to support a skills-linked career progression	Start December 2003	FE Colleges, training providers, employers
<b>Improving supply and capacity</b>	Redesign NVQ requirement to address sector need for training to deliver high-quality customer care, sales skills and interpersonal skills at non-managerial level	Start January 2004	Sector Skills Councils, employers
	Implement an e-commerce skills set for all staff sub-level 4 to address future sector demand	Start January 2004	Training providers, business advisers
	Develop flexible, tailor-made short courses in customer care/ICT to increase take-up in nationally-recognised courses	Start January 2003	learnirect Sussex, training providers
	Increase the progression of women into managerial roles through schools/FE Colleges to develop more flexible, tailor-made training to motivate progression through to level 4	Start January 2003	FE Colleges, training providers, schools

## *Developing the Sussex workforce*



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