

The Sector Skills Council for Science,  
Engineering and Manufacturing Technologies

semta



Metals, Mechanical and Electrical  
Sector Skills Agreement

# Highlights

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# Foreword

Semta, the Sector Skills Council for Science, Engineering and Manufacturing Technologies, is working with employers, trade associations and trades unions towards a Sector Skills Agreement for the Metals, Mechanical and Electrical sector (MME SSA). The MME SSA is a pact between employers, trades unions, Semta and those who plan, fund and deliver education and training to ensure employers have the skills they need – now and in the future. The development of the SSA is being driven by an employer-led Sector Strategy Group (SSG), whose 27 members include senior managers from small,

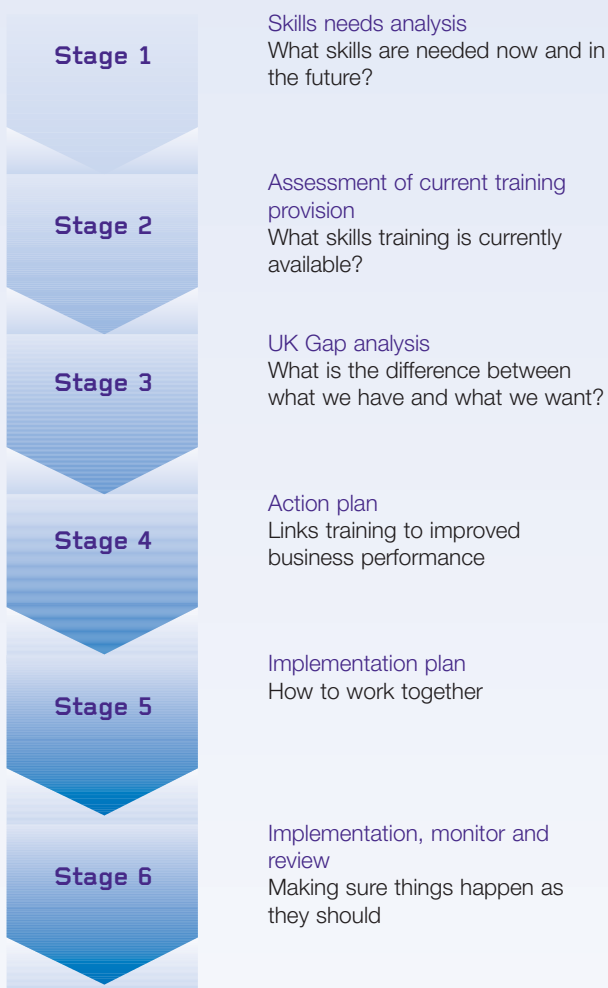
medium and large companies in the mechanical, electrical, maintenance, metals and engineered metals products sectors, ensuring the broadest possible representation of sector needs.

This publication outlines the process and progress to date and examines the benefits the MME SSA will bring. As an MME employer, you have the opportunity to shape the Agreement that will help take the industry forward. Your input is important.

Lynn Tomkins, UK Policy Director, Semta

## SSA process

The MME SSA consists of a six-stage process.



Following widespread consultation with employers and partners in the devolved administrations and the nine English regions, Stages 1 - 3 have been completed.

## SSA priorities

### SSA priorities

Through the SSA process employers in the sector have identified four key themes which need to be addressed:

#### Leadership and Management

- Considered the most important theme – managers can lead by example in upskilling
- Training in leadership and management is a foundation for any company to build a robust, competitive business
- Priority: to rapidly grow the number of trained leaders and managers by introducing business-oriented, cost-effective leadership and management training

#### Process Improvement

- To survive, grow and sustain their position in a global economy, MME companies need to use accredited process improvement tools and techniques but very few are doing so
- Implementing lean manufacturing processes will help boost quality, productivity and customer service to directly improve bottom-line performance
- Priority: to encourage companies, especially SMEs, to adopt a structured approach to process improvement, using the best tools for their business

#### Technical Skills

- 70% of skills gaps reported by MME companies are in core technical, engineering, craft and production skills
- Most technical skills are specific to a company, machine or process and need to be developed through in-house training (71% of MME sites deliver their own training)
- Priority: to measurably improve companies' ability to deliver quality in-house training

#### Apprenticeships

- Only 22% of MME companies provide apprenticeships
- The number and quality of apprenticeships (particularly at medium and small sites) needs to increase to offset skills lost through retirement and leavers and to develop new-technology skills
- Priority: to develop detailed, costed action plans in each nation and English region to double the number of apprenticeships by 2013

# Stakeholder support

Semta is pleased to be working with trade associations and employer bodies. Their support for the SSA helps to ensure the wide range of sector needs are understood and met.

"The SSA process is well-guided and supported, with employers firmly in the driving seat. EEF is particularly pleased to see smaller companies involved. There's been openness and rigour in determining what the needs of the sector are and things are progressing well."

Bill Nicholls, Director of Education and Training, EEF West Midlands



"BEAMA is very happy to be associated with the work of the Sector Skills Agreement and looks forward to providing input particularly regarding the needs of the UK's electrical manufacturing sector."

Peter Downham, Director, BEAMA



"We are pleased to be working on the development of apprenticeships in our sector, thereby addressing one of the key SSA priorities."

Derek Tordoff, Director General, British Constructional Steelwork Association



"MME firms rank among the UK's most successful exporters, so they have to train to survive in one of the world's most competitive markets. EAMA very much welcomes the fact that Semta is drawing up a Sector Skills Agreement that will reflect the practical requirements of competitive businesses as well as the wider aspirations that come with the opportunity to raise skills and so deepen the ability to innovate and earn."

Rupert Hodges, Secretary, Engineering and Machinery Alliance



"Metal recycling companies have seen a wide range of benefits from using MetSkill's Health and Safety Passport Plus programme which has been customised to meet the particular needs of our industry. Under Semta's SSA we hope that more companies will access this and other relevant programmes."

Lindsay Millington, Director General, British Metals Recycling Association



## A simple route to upskilling the workforce



Stephen Tilsley

Stephen Tilsley, Chief Executive of Metsec plc, chairs Semta's MME Sector Strategy Group. He says: "We are hoping the Sector Skills Agreement will play a big part in simplifying the complexities of the current skills world and enable Semta to offer a one-stop shop to SMEs with accredited products, local quality providers and funding to upskill their workforce. The four areas of key importance: management and leadership, process improvement, technical skills and apprenticeships are common to all MME companies and we have many good products

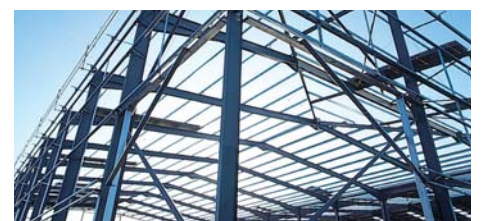
already available to meet needs. We are working with the National Skills Academy for Manufacturing to quality assure that provision as world-class and have targets to extend the network of accredited providers across the four nations and all English regions. We envisage working with local partners such as the LSC, RDAs, EEF, the Manufacturing Advisory Service (MAS) and others to connect successfully with companies.

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"Research carried out as part of the SSA process revealed that 95% of business leaders surveyed – including those in small companies – recognised that skills are necessary for business success, which is good news. But despite that, many of their

companies were only managing to upskill employees in a limited way and were not developing them to their full potential. Our job is to help those companies move up the scale and find a simple, quality-assured and cost-effective route to the skills they need."

There are growing signs of interest amongst employers to bring back apprenticeships into their companies. Many employers are realising they can no longer recruit the specialist skills they need to operate equipment and design products – they have to grow their own. However, many employers find the current arrangements complex and inflexible. We are running a pilot project in the West Midlands with major providers and employers looking to make apprenticeship delivery simpler and more flexible to suit different requirements."



# Matching needs to delivery and funding



Ian Good

**Ian Good, MAG UK Human Resources Director at 200-employee Cincinnati Machine Ltd, has a strong personal interest in promoting training through the industry. A member of the SSG, he also chairs the training and education committee of the MTA.**

Ian says: "The nature of our business means that the vast majority of our workforce need skills – be they practical, engineering or office-based – so we've always been an active training organisation. I was attracted both personally and company-wise to get involved in the SSG. For a long time there has been a mismatch between needs and provision and a disconnect from the government standpoint and the delivery and needs standpoint. I saw the SSG as a vehicle for starting to set appropriate skills priorities, match them with delivery and make sure government money was being spent in the right areas. I feel this is now happening and Semta is applying the necessary resource."

"It's refreshing that the government has come along and said 'we're spending a lot of money on training – is it going to the right places and being best utilised?' Clearly the view is that it isn't always best directed so it's a great opportunity for us to say 'these are the priorities – this isn't getting delivered'. We can then start to talk with organisations that can deliver and know that perhaps the government is going to stand behind it with some funding."

# World-class skills for SMEs



Derbyshire-based Star Micronics GB employs 22 people. Its niche business involves importing, selling, marketing, servicing and supporting precision sliding headstock multi-axis machines from Japan and acting as sole agents for FMB automatic bar feeds from Germany. The company also sources ancillary equipment which enhances the installation before its sale into British industry. Managing Director, Bob Hunt, is passionate about skills and an active member of the SSG.

He says: "If you're going to be world-class there's no substitute for skills. Having a skilled workforce makes the difference between work going to Russia, China or India or it staying in the UK and if you don't have those skills you have to train. Eighteen months ago we took

on our first apprentice, using our skilled senior people as mentors: we cannot let them leave the business without passing on their skills. We have another apprentice planned for 2008 and expect to take on one every two years. We're constantly retraining and upskilling existing staff: it's their skills that give us – and our customers – the world-class edge."

"SSG membership is very important to me. I wanted to be involved with an organisation that shares our efforts and try to do everything to help provide for SMEs. There's no doubt in my mind that Semta has enormous talent for presenting things to government that government has confidence in and will support through funding."

"Semta has visited us and understands where we're coming from. We've now enrolled three of our staff on its MetSkill leadership programme and they're really motivated about it."



Bob Hunt

"Galvanizers Association and its members recognise that a well-trained workforce is vital for the industry to compete in the world market. We welcome the focus the SSA will give to key needs and look forward to a strong emphasis on health and safety."



David Baron, General Manager, Galvanizers Association



# Find out more

For further information, please visit Semta's website: [www.semta.org.uk](http://www.semta.org.uk)

To get involved, please email Darren Race, MME SSA Implementation Manager, at [drace@semta.org.uk](mailto:drace@semta.org.uk) or call him on 01740 627000.