Victorian Employer Skills Survey 2021 Financial and Insurance Services

The Victorian Skills Authority (VSA) asked businesses about their skills, recruitment and training needs for the Victorian Employer Skills Survey 2021.

Findings from the survey will help the Victorian government identify areas of skills demand, drive innovation across the VET sector and better plan for Victoria’s future training needs.

The VSA conducted the survey between August and December 2021. It approached 70,000 businesses and achieved a response rate of 20.5%, with coverage across all industries, business sizes and regions in the state.

*The statistics below reflect the experience of employers across the five key survey domains:*

#### Business climate | Skills | Recruitment | Training | Apprentices, trainees and work placements

## Business climate

#### **Despite the global pandemic, many employers adapted to maintain or grow their workforce. Employers had a mostly positive outlook for the year ahead.**

#### Workforce

More employers reported growing their workforce over the past 12 months (compared to the Victorian average).

**Grew**

Financial and Insurance Services 25%

Vic Avg 19%

**Contracted**

Financial and Insurance Services 13%

Vic Avg 19%

**Remained the same**

Financial and Insurance Services 62%

Vic Avg 61%

#### Outlook

Employers in the industry were very confident about their business outlook, with close to a quarter of employers expecting their workforce to grow.

**Predict growth**

Financial and Insurance Services 38%

Vic Avg 33%

**Remain about the same**

Financial and Insurance Services 55%

Vic Avg 56%

**Predict contraction**

Financial and Insurance Services 3%

Vic Avg 5%

#### Impacts of COVID-19

Fewer employers in the industry reported experiencing COVID-19 related skills-challenges and staff retention challenges.

**Skills-related challenges**

Financial and Insurance Services 55%

Vic Avg 57%

**Adopted new ways of working related to COVID-19**

Financial and Insurance Services 45%

Vic Avg 45%

**Staff retention challenges**

Financial and Insurance Services 22%

Vic Avg 26%

## Skills

#### **Finding candidates with the right skills presented the most common skill challenge in the past year. More employers are expecting skills shortages in 2022 than in 2021.**

#### Skills shortages

Around one in six employers in the industry expect to face skills shortages in 2022. This was lower than the state average.

**Last 12 months**

Financial and Insurance Services 10%

Vic Avg 16%

**Next 12 months**

Financial and Insurance Services 16%

Vic Avg 21%

#### Skills challenges

The top skills challenges reported by employers were the same across all industries. They were:  
  
**Finding candidates with the right skills**

Financial and Insurance Services 46%

Vic Avg 47%

**Adapting to the new ways of working due to COVID-19**

Financial and Insurance Services 45%

Vic Avg 45%

**Finding job-ready candidates**

Financial and Insurance Services 30%

Vic Avg 37%

#### Skills needs

More employers reported needing workers with job-specific skills. Fewer needed workers with job-ready skills or the right mindset compared to the state average.  
 **Technical/job-specific skills**

Financial and Insurance Services 80%

Vic Avg 73%

**The right attitude/mindset**

Financial and Insurance Services 47%

Vic Avg 27%

**Job-ready skills**

Financial and Insurance Services 36%

Vic Avg 47%

## Recruitment

Most employers in the industry had undertaken some recruitment activity over the past year and the majority reported experiencing challenges.

Recruitment need

Fewer employers in the industry undertook some form of recruitment over the past 12 months, compared to the state average.

Financial and Insurance Services 58%

Vic Avg 62%

Recruitment challenges

Two-thirds of employers reported having difficulties recruiting for particular roles. This was lower than the state average.

Financial and Insurance Services 66%

Vic Avg 76%

Type of challenge

The most common challenges faced by employers were related to the number, experience and job-specific skills of candidates.

**Few applicants**

Financial and Insurance Services 51%

Vic Avg 63%

**Candidates lacked relevant experience**

Financial and Insurance Services 60%

Vic Avg 50%

**Candidates lacked relevant technical/job-specific skills**

Financial and Insurance Services 55%

Vic Avg 47%

## Training

Over two-thirds of employers in the industry engaged in some form of staff training.

**Engagement in training**

More employers in the industry used both internal and external training (47% compared to 37% state average). Fewer used external training only.

**Internal training**

Financial and Insurance Services 17%

Vic Avg 17%

**External training**

Financial and Insurance Services 36%

Vic Avg 45%

**Satisfaction with training**

Satisfaction levels were higher than the state average for price, and similar for improved staff performance, industry knowledge and quality.

**Helped staff do their job better**

Financial and Insurance Services 81%

Vic Avg 81%

**Trainers had good industry knowledge**

Financial and Insurance Services 80%

Vic Avg 80%

**Training was high quality**

Financial and Insurance Services 76%

Vic Avg 76%

**Training was reasonably priced**

Financial and Insurance Services 74%

Vic Avg 71%

**Skillsets**

Just over two-thirds of employers said they would consider a skillset (micro credential or part qualification) rather than a full qualification to upskill their staff.

Financial and Insurance Services 68%

Vic Avg 61%

## Apprentices, trainees and work placements

Employers continue to make use of apprentices, trainees and work placements to assist them in filling the skills pipeline.

**Apprentices and trainees**

Uptake of apprentices over the past 12 months was the lowest among all industries. **Apprenticeship**

Financial and Insurance Services 3%

Vic Avg 24%

**Traineeship**

Financial and Insurance Services 16%

Vic Avg 18%

**Challenges**

Employers in the industry cited no barriers/challenges followed closely by lack of suitable applicants as the most common barrier.

**Lack of suitable applicants/people**

Financial and Insurance Services 14%

Vic Avg 20%

**There are no barriers/challenges**

Financial and Insurance Services 16%

Vic Avg 17%

**Not aware of program availability in the industry**

Financial and Insurance Services 12%

Vic Avg 11%

**Work placement students**

Fewer employers in the industry took on work placement students (9% compared to 21% for Victoria). The most common type of work placement students were:

**University student**

Financial and Insurance Services 80%

Vic Avg 49%

**Secondary school student as part of work experience**

Financial and Insurance Services 17%

Vic Avg 41%

**Secondary school student as part of a VET qualification**

Financial and Insurance Services 7%

Vic Avg 22%

**A VET student**

Financial and Insurance Services 8%

Vic Avg 19%

**View the complete report here or visit** [Victorian employer skills survey | Victorian Government (www.vic.gov.au)](https://www.vic.gov.au/victorian-employer-skills-survey)