Victorian Employer Skills Survey 2021 Professional, Scientific and Technical 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**

Professional, Scientific and Technical Services 20%

Vic Avg 19%

**Contracted**

Professional, Scientific and Technical Services 16%

Vic Avg 19%

**Remained the same**

Professional, Scientific and Technical Services 62%

Vic Avg 61%

**Don’t know**

Professional, Scientific and Technical Services 2%

#### Outlook

Employers in the industry were optimistic about their business outlook. Fewer expected to contract and more expected to grow or remain the same size.

**Predict growth**

Professional, Scientific and Technical Services 32%

Vic Avg 33%

**Remain about the same**

Professional, Scientific and Technical Services 60%

Vic Avg 56%

**Predict contraction**

Professional, Scientific and Technical Services 5%

Vic Avg 5%

#### Impacts of COVID-19

COVID-19 skills-related challenges experienced by employers in the industry were lower than the Victorian average.

**Skills-related challenges**

Professional, Scientific and Technical Services 49%

Vic Avg 57%

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

Professional, Scientific and Technical Services 41%

Vic Avg 45%

**Staff retention challenges**

Professional, Scientific and Technical Services 20%

Vic Avg 26%

## Skills

#### **COVID-19 presented the most common skill challenge in the past year. More employers are expecting skill shortages in 2022 than in 2021.**

#### Skills shortages

One in five employers in the industry expect to face skills shortages in 2022. This was similar to the state average.

**Last 12 months**

Professional, Scientific and Technical Services 16%

Vic Avg 16%

**Next 12 months**

Professional, Scientific and Technical Services 20%

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**

Professional, Scientific and Technical Services 39%

Vic Avg 47%

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

Professional, Scientific and Technical Services 41%

Vic Avg 45%

**Finding job-ready candidates**

Professional, Scientific and Technical Services 24%

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**

Professional, Scientific and Technical Services 75%

Vic Avg 73%

**The right attitude/mindset**

Professional, Scientific and Technical Services 38%

Vic Avg 50%

**Digital skills**

Professional, Scientific and Technical Services 43%

Vic Avg 27%

## 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.

**Professional, Scientific and Technical Services** 47%

Vic Avg 62%

Recruitment challenges

Almost three in four employers reported having difficulties recruiting for particular roles. This was similar to the state average.

**Professional, Scientific and Technical Services** 74%

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**

Professional, Scientific and Technical Services 55%

Vic Avg 63%

**Candidates lacked relevant experience**

Professional, Scientific and Technical Services 52%

Vic Avg 50%

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

Professional, Scientific and Technical Services 59%

Vic Avg 47%

## Training

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

**Engagement in training**

More employers in the industry used external training only. Fewer used internal training or both internal and external training (35% compared to 37% state average).

**Internal training**

Professional, Scientific and Technical Services 13%

Vic Avg 13%

**External training**

Professional, Scientific and Technical Services 52%

Vic Avg 45%

**Satisfaction with training**

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

**Helped staff do their job better**

Professional, Scientific and Technical Services 83%

Vic Avg 81%

**Trainers had good industry knowledge**

Professional, Scientific and Technical Services 80%

Vic Avg 80%

**Training was high quality**

Professional, Scientific and Technical Services 80%

Vic Avg 76%

**Training was reasonably priced**

Professional, Scientific and Technical Services 71%

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.

Postal and Warehousing 67%

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 and trainees over the past 12 months was lower than the state average.
 **Apprenticeship**

Professional, Scientific and Technical Services 4%

Vic Avg 24%

**Traineeship**

Professional, Scientific and Technical Services 12%

Vic Avg 18%

**Challenges**

Employers in the industry cited cost as the most common barrier. Fewer reported lack of suitable applicants was a barrier.

**There are no barriers/challenges**

Professional, Scientific and Technical Services 14%

Vic Avg 17%

**Cost of taking on apprentice(s)/trainee(s)**

Professional, Scientific and Technical Services 15%

Vic Avg 14%

**Don’t need more apprentice(s)/trainee(s)**

Professional, Scientific and Technical Services 13%

Vic Avg 13%

**Work placement students**

Fewer employers in the industry took on work placement students (18% compared to 21% for Victoria). The most common type of work placement students were:

**University student**

Professional, Scientific and Technical Services 78%

Vic Avg 49%

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

Professional, Scientific and Technical Services 31%

Vic Avg 41%

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

Professional, Scientific and Technical Services 6%

Vic Avg 22%

**A VET student**

Professional, Scientific and Technical Services 6%

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)