Victorian Employer Skills Survey 2021 Retail Trade

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

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

**Grew**

Retail 18%

Vic Avg 19%

**Contracted**

Retail 19%

Vic Avg 19%

**Remained the same**

Retail 62%

Vic Avg 61%

#### Outlook

Employers in the industry were more cautious about their business outlook. More employers were expecting their workforce to remain the same size.

**Predict growth**

Retail 30%

Vic Avg 33%

**Remain about the same**

Retail 61%

Vic Avg 56%

**Predict contraction**

Retail 3%

Vic Avg 5%

#### Impacts of COVID-19

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

**Skills-related challenges**

Retail 62%

Vic Avg 57%

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

Retail 51%

Vic Avg 45%

**Staff retention challenges**

Retail 28%

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

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

**Last 12 months**

Retail 18%

Vic Avg 16%

**Next 12 months**

Retail 21%

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**

Retail 47%

Vic Avg 47%

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

Retail 51%

Vic Avg 45%

**Finding job-ready candidates**

Retail 38%

Vic Avg 37%

#### Skills needs

More employers in the industry reported needing workers with the right attitude and with job-ready skills compared to the state average.
 **Technical/job-specific skills**

Retail 71%

Vic Avg 73%

**The right attitude/mindset**

Retail 69%

Vic Avg 50%

**Job-ready skill**

Retail 69%

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

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

Retail 68%

Vic Avg 62%

Recruitment challenges

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

Retail 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**

Retail 57%

Vic Avg 63%

**Candidates lacked relevant experience**

Retail 50%

Vic Avg 50%

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

Retail 42%

Vic Avg 47%

## Training

Close to half of employers in the industry engaged in some form of staff training.

**Engagement in training**

More employers in the industry used internal training or both internal and external training (38% compared to 37% state average). Fewer used external training only.

**Internal training**

Retail 26%

Vic Avg 17%

**External training**

Retail 36%

Vic Avg 45%

**Satisfaction with training**

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

**Helped staff do their job better**

Retail 82%

Vic Avg 81%

**Trainers had good industry knowledge**

Retail 78%

Vic Avg 80%

**Training was high quality**

Retail 75%

Vic Avg 76%

**Training was reasonably priced**

Retail 66%

Vic Avg 71%

 **Skillsets**

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

Retail 55%

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 similar to the state average.
 **Apprenticeship**

Retail 23%

Vic Avg 24%

**Traineeship**

Retail 18%

Vic Avg 18%

**Challenges**

Employers cited lack of suitable applicants as their most common barrier. More employers in the industry reported they did not need more apprentices or trainees.

**Lack of suitable applicants/people**

Retail 21%

Vic Avg 20%

**You don’t need more apprentice(s)/trainee(s)**

Retail 15%

Vic Avg 13%

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

Retail 16%

Vic Avg 11%

**Work placement students**

Fewer employers in the industry took on work placement students (15% compared to 21% for Victoria). The most common type of work placement students were:

**University student**

Retail 35%

Vic Avg 49%

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

Retail 50%

Vic Avg 41%

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

Retail 31%

Vic Avg 22%

**A VET student**

Retail 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)