Festo Training and Consulting

# Skills for success

WM discusses the findings of the People & Productivity research with Festo Training and Consulting's managing director Gary Wyles

hy are you particularly interested in the area of people and productivity?
As both a manufacturer and a company that trains other organisations, we are very aware of the skills shortage in manufacturing and engineering.

I passionately believe in helping to create a sustainable manufacturing industry in the UK and that means having a genuine understanding of the challenges organisations face in terms of people and productivity and what we can do, as an industry, to address them.

### What do you believe are the main reasons for a skills shortage?

It's an accumulation of a number of different factors. There is a clear lack of younger talent coming into the industry. The research has shown that there is a high group of employees in the 40-55 age category, where a lot of knowledge and experience is held. This can be difficult to transfer to the younger generation. The challenge is to bring in young and enthusiastic employees, and then quickly transfer knowledge so that the 10-15 year experience gap can be minimised.

### The survey has identified that talent development and training is the most important management issue. What can companies do to address this?

It's a tough climate at the moment, and definitely a difficult one in which to ask for investment, but this is exactly what's needed. We do have a conundrum. To meet the skills shortages, employers often look for multi-skilled people – or recruiting one person to fill the roles of two employees. This makes recruitment a really difficult task.

Equally, when things get difficult and costs need to be cut, reducing investment in training and development is seen as an easy win. However, this is one of the reasons that we're in this position already. Manufacturers need to understand that they have to upskill their own people and take responsibility for investing in skills development. This is especially important in the areas where there's most competition for people – skilled engineers and skilled shopfloor positions.

Our automation division in Festo sees this as highly important and invests heavily in training and development. Yes, it does mean that we lose some good people to competitors, but also we know that people really value the investment, which helps retain them in the long term. We recently wrote a white paper called 'Manufacturing – It's a people business' because people should be at the heart of any business and long-term success.

#### Are apprentices the answer to skills shortages?

I am delighted to see apprenticeships back on the agenda and believe that they're important to raise the perception of the industry and provide a viable career option. I'm pleased to see that 62% of organisations are planning on taking on an apprentice this year.

The survey has shown that enthusiasm and commitment are key attributes when recruiting apprentices, yet there is disappointment in the level of literacy, numeracy and technical skills. Interestingly, through our own conversations in the industry, it seems that the new apprentice schemes are attracting a good quality of applicants. Perhaps it is because individuals are considering apprenticeships as a viable alternative to university and therefore this is raising the calibre.

For our part, we've been spoilt for choice in the selection of potential apprentices. This could also be because we invest a lot of time in working closely with education establishments providing an insight into the career possibilities within Festo. This is important. To get the quality of applicants, you need to put the effort into making your organisation an attractive proposition for them.

## Is the lack of qualified people putting pressure on profitability?

There is a tendency to put our head in the sand over this issue, as the industry is so busy coping with the pressure of problems today. If this continues, the risk of not being able to cope in the future grows. As the capable workforce narrows, whether through people moving to new jobs, retirement, or the presence of new technology, there will be increasing pressure on maintaining service levels.

The research has shown that while the lack of skilled people is not currently reducing profitability for many, some of the industry comments have highlighted that many shopfloor staff are working overtime. Managers are also working long hours to fill in, which takes them away from more strategic issues. This is unsustainable in the long term.

### What do you think the future holds for manufacturing?

We have been addressing skills shortages since 1867 when the first report was conducted into the industrial skills base. However, I am optimistic as I see the industry, further education and the government really working together to reinstate manufacturing as one of the jewels in the UK's crown.



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