



Department  
for Education



# Employer Perspectives Survey 2016

Technical Report

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IFF Research

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# 1. Introduction

## The Employer Perspectives Survey 2016

This report provides detail on the key aspects of the survey methodology used for the Employer Perspectives Survey (EPS) 2016, available on the gov.uk website. This is a large scale survey involving over 18,000 UK employers and is part of a series of studies historically commissioned by the UK Commission for Employment and Skills (UKCES) to provide robust and reliable labour market information. Ownership of the survey transferred to the Department for Education (DfE) in late 2016 following the closure of the UKCES.

EPS is a key customer insight tool for colleges, universities, schools and other providers looking to understand how employers view and engage with the skills system. It sits alongside the Employer Skills Survey<sup>1</sup>, which focuses on employer skills demand, skills shortages and training within organisations. The two surveys run in alternate years.

This is the fourth iteration of EPS, which started in its current guise in 2010. The EPS is the successor to the Sector Skills Development Agency (SSDA)'s Employer Survey, carried out in 2002 and 2008.

The design and execution of the research was overseen by a project Steering Group convened by the UKCES, including officials representing: the former Department for Business, Innovation and Skills (BIS), Department for Education (DfE), Department for Communities and Local Government (DCLG) and Department for Work and Pensions (DWP) in England, the Welsh Government, the Scottish Government, and the Department for the Economy in Northern Ireland.

## Purpose and structure of this report

This technical report provides background information on the methodology and techniques used in carrying out EPS 2016. It is divided into 6 chapters, each considering a different area of survey design and methodology in detail:

- Sample Design; exploring the method by which specific employers were selected to take part in the research, and the reasoning behind the number and distribution of employers interviewed following the sample review conducted prior to the survey;

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<sup>1</sup> The report for the 2015 Employer Skills Survey is available here: <https://www.gov.uk/government/publications/ukces-employer-skills-survey-2015-uk-report>

- Questionnaire Design; exploring the considerations taken into account in survey design, comparability with previous surveys, and the methods by which the survey was tested and refined to ensure high quality and relevant data was gathered;
- Fieldwork; giving a detailed overview of how the interviews were carried out, quality control procedures, and the level of response achieved;
- Coding; showing how text responses to survey questions were classified for analysis;
- Weighting; exploring how the survey responses were processed to ensure that the resulting dataset was representative of all types of employer, avoiding under-representation of those groups less likely to respond to the survey; and
- Using the data; considering the reliability and error margins of figures produced from the dataset in statistical terms, and reflecting on how the data might be used outside of the main report.

## Accessing the data

Much of the data in this report can be downloaded from the gov.uk website in table format. If you cannot find the data you need or have further questions relating to the survey, please contact [employer.surveys@education.gov.uk](mailto:employer.surveys@education.gov.uk).

## 2. Sample Design

### Summary

UK establishments across all sizes and sectors of the economy with two or more staff were deemed eligible for the survey, in line with previous EPS surveys and the last two Employer Skills Surveys (ESS). Prior to the 2016 EPS, a statistical review of the sampling strategy was conducted to weigh up the relative merits of different approaches to the sampling; this was independent of both UKCES and IFF Research. While this review confirmed the previous approach to sampling had been sufficiently robust, it led to a series of recommendations that would enhance the statistical rigour of the 2016 sampling strategy. The final decisions on sampling strategy accounted for wider considerations such as user needs, practical concerns and the need to allow for time series analysis.

As in 2014, interviews were allocated to countries on a purposive basis, rather than in proportion to the population (England: 10,000; Northern Ireland: 2,000; Scotland: 4,000; Wales: 2,000).

Within country, target interviews were then stratified against a two-dimensional sector by size grid (12 sectors and seven sizebands). As a result of the sample review, sector and size classifications were modified slightly in 2016, in order to improve sampling efficiencies. Size bands were made more granular, with the 25-99 size band split into 25-49 and 50-99, while the 100+ size band was split into 100-249 and 250+. By contrast the level of granularity by sector was reduced, with Agriculture, Mining and Quarrying, and Electricity, Gas and Water combined into 'Primary Sector and Utilities'.

The initial allocation was of interviews to employer size bands, using a set of ratios that over-sampled larger employers. Interviews were then allocated to sector within size band in proportion to their representation within the business population. In this way the sampling strategy returned improved sampling efficiency at the overall and country level, while incurring minimal impact on the ability to conduct time series analysis.

Alongside the review of the sampling strategy, the coverage and quality of the sample source used for EPS was also explored. Sample was acquired from three different sources on top of the IDBR, and a series of checks were installed before, during and after fieldwork to assess the quality of each. Outcomes are reported later in the chapter and are intended to inform decisions over sample sources for future EPS and ESS surveys.



## Sampling population and survey sampling unit

The EPS 2016 sampling population encompasses establishments across the full geographical spread of the UK, in all sectors of the economy (across the commercial, public and charitable spheres). All UK establishments with **two or more people working at them** were eligible for the survey as they were deemed to have employees at their site. The 2015 Inter-Departmental Business Register (IDBR) was used to determine the starting population as the main sampling frame for the survey.

Establishments were used as the sampling unit for the survey, as opposed to an organisation-based approach. “Establishments” denote specific **individual sites or premises**; thus if an organisation has several sites it is possible that more than one of these sites will have appeared in the sample. This approach has been chosen because it is at the establishment level where respondents are most likely to be able to provide a detailed and accurate picture of how employers go about meeting their skills needs. Decisions around training staff are often based on the training offer available in the local area, while recruitment also tends to occur at a more localised level. This approach has been used in the EPS series, and its sister survey, the Employer Skills Survey (ESS), since each series began.

Since 2012, both the EPS and ESS surveys have considered establishments with two or more people working at their site in scope. The rationale for this is based on both practical and conceptual considerations.

From a conceptual viewpoint, the focus of the skills surveys is on the workforce, and as such any establishment covered logically needs to have staff (or the desire / potential to employ staff in the future). In this particular iteration, the survey covers in depth employers’ approach to recruiting (particularly young people), their facilitation of Vocational Qualification training for staff, and their engagement with apprenticeships, among other areas. Findings from the survey will then be used to enhance employers’ experience of various recruitment and people development initiatives, and reduce barriers to uptake of these initiatives. Accordingly, the survey should be aimed at those for whom such initiatives carry relevance (i.e. establishments with at least one employee).

On a more practical level, however, it tends to be much easier for survey respondents to think in terms of the overall ‘headcount’ for their site – including both working proprietors and employees – than to split out the two groups (particularly when the lines between the two are not clear-cut). For example, it is typically easier for employers to answer about recruitment channels for all managers/staff, rather than ‘only those managers who are not working proprietors’.

The EPS and ESS series also exclude the self-employed (with no employees), as the question approach / context for this group would need to be somewhat different, since they are by definition not “employers”. Additionally, there is an absence of robust population figures for this group, and they would have necessitated a supplementary sample source (with a large proportion of the self-employed not represented on the usual business databases used for the surveys).

## Sampling approach and setting quotas

A full statistical review of the approach to sampling – independent of both UKCES and IFF Research – was conducted in order to inform the sampling strategy for EPS 2016. While it confirmed that the sampling strategy used in EPS 2014 (and earlier surveys) was suitable, it contained a number of recommendations for modification that were taken forward in the 2016 sampling strategy, although pragmatic considerations such as costs and the need to allow for time-series analysis limited the extent to which all recommendations were actioned. Appendix A documents in some detail the objectives, findings and outcomes of this review.

The broad approach to sampling remained consistent with 2014: using business population figures from the IDBR, the sample was stratified by nation, establishment size and industrial sector in order to ensure robust coverage of the full range of business types in all parts of the UK. Size and sector quotas were calculated on an interlocking basis, separately within each country. Allocations were initially devised by employer sizebands, using a set of ratios that oversampled larger employers, thus ensuring statistically reliable analysis could be conducted within this group. Targets were then set by sector in proportion to their representation within the business population for that particular sizeband.

As a consequence of the review, the following changes to 2014 occurred:

- Sampling and weighting approaches were made consistent.
- The granularity of sector classifications in sampling was reduced from 14 to 12.
- More detailed sizeband classifications were used in sampling, increasing from five sizebands to seven.
- Sampling targets by sizeband were slightly re-purposed away from large establishments (with 100+ staff) to the smallest establishments (2-4 staff).

The following sections identify how quotas were set by country, size and sector and how these approaches differed to 2014.

## Quotas by geography

A sample size of 18,000 interviews was set which consisted of a minimum of: 10,000 interviews to be achieved in England; 4,000 in Scotland; 2,000 in Wales; and 2,000 in Northern Ireland. This was consistent with 2014 country quotas.

This approach oversampled employers in the devolved administrations (i.e. they represent a much lower proportion of the UK population than the targets set out for EPS). While such distortions impact the design effect<sup>2</sup> at the UK level, it ensures that survey data for Northern Ireland and Wales can be reported with a relatively high level of statistical confidence / accuracy, while for Scotland there is also the ability to deliver disaggregated findings.

Table 2.1 presents the target number of interviews by country in 2016, and associated sampling error<sup>3</sup>. Note that there are no differences to sampling error between 2014 and 2016 hence only one column is presented here. The table also shows the effective sample size<sup>4</sup> for each country, if the interviews were to fall out as targeted by size and sector within each country, highlighting the improvement at the UK level and by each country since 2014. The higher the effective sample size, the greater statistical confidence one can have in the survey data being representative of the population. This improvement in effective sample size is due to the changes made to the sampling strategy as a result of the sample review.

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<sup>2</sup> In order to achieve a statistically robust number of interviews within certain sizebands and by country, the specific size by sector within nation targets are not representative of the UK business population. The greater the distortion from the overall population, the higher the design effect. Higher design effects tend to lead to more extreme weights being applied, and thus greater manipulation of the data. Therefore, for greatest sampling efficiency and statistical robustness, design effects should be as low as possible.

<sup>3</sup> Sampling errors shown have been based on an anticipated survey result of 50% (the 'worst' case in terms of statistical reliability), and have used a 95% confidence level. Where the table indicates that a survey result based on all respondents has a sampling error of +/- 0.8%, this should be interpreted as follows: 'for a question asked of all respondents in this group where the survey result is 50%, we are 95% confident that the true figure lies within the range 49.2% to 50.8%'.

<sup>4</sup> The effective sample size is an estimation of the equivalent sample size were a simple random sampling approach taken (i.e. if no country, size or sector targets were set). A lower design effect leads to higher effective sample sizes.

**Table 2.1 Quota targets by country compared with 2014**

	Targeted interviews	Sampling error (+/-)	Effective sample size	
			2014	2016
<b>United Kingdom</b>	<b>18,000</b>	<b>0.73%</b>	<b>9,263</b>	<b>9,681</b>
England	10,000	0.98%	6,841	7,198
Northern Ireland	2,000	2.15%	1,345	1,414
Scotland	4,000	1.53%	2,896	3,041
Wales	2,000	2.17%	1,323	1,414

## Quotas by size band

A target number of interviews was set for each sizeband. As a result of the sample review, the number of sizebands used in the sampling strategy increased from five in 2014 to seven in 2016. To allocate these in proportion to the true population of establishments would have produced a sample dominated by small companies, with only a very small proportion of large companies. A number of options for allocations were considered prior to agreeing those outlined in

Table 2.2. These ranged from those that better represented smaller establishments, in order to achieve a higher effective sample size at the UK level<sup>5</sup>, to those which better represented larger establishments, to ensure that survey data could be reported with a high level of statistical confidence on these establishments. Assigning targets by sizeband meant that the risk of needing to apply high weights to particular establishments in the data preparation phase would be minimised, as identified by Recommendation 4 in the statistical sample review.

The final targets balanced the drive to maximise yield of interviews among larger establishments while minimising any skew within the sample. This is an approach consistently taken in the EPS series and ensures the findings are representative of the relative importance of large establishments which employ a large proportion of the UK workforce. By weighting back to the UK population by a seven size band classification (the same as used in 2014) the impact on time series analysis will be minimal.

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<sup>5</sup> Note that changes to the number of targeted interviews by size band will not affect the design effect within each size band. The impact will be a distortion by sector and country (as for example small businesses are less prevalent in Public Administration). There are still differences by effective sample size owing to the change in the proportion of establishments targeted by size band.

**Table 2.2 UK business population and quota targets by size band compared with 2014**

Size band	UK Population	Proportional distribution	Targeted interviews	% of total targeted	Effective sample size	Sampling error (+/-)
<b>2014</b>						
2-4	908,004	52%	4,500	25%	3,364	1.46%
5-9	388,918	22%	3,960	22%	3,005	1.55%
10-24	262,665	15%	3,780	21%	2,871	1.58%
25-99	146,527	8%	3,600	20%	2,692	1.61%
100+	37,733	2%	2,160	12%	1,595	2.05%
<b>2016</b>						
2-4	996,002	53%	4,860	27%	3,607	1.40%
5-9	411,578	22%	4,140	23%	3,119	1.52%
10-24	283,116	15%	3,960	22%	2,983	1.55%
25-49	103,307	5%	2,340	13%	1,753	2.00%
50-99	51,253	3%	1,080	6%	799	2.95%
100-249	27,430	1%	1,080	6%	794	2.92%
250+	11,933	1%	540	3%	400	4.12%

## Quotas by sector

Within each size band, interviews were allocated to sectors in direct proportion to the population of establishments in each sector for that size band. Employers were grouped into 12 sector classifications, a drop from 14 in 2014, with Agriculture being merged with Mining and Quarrying, and Electricity, Gas and Water to create a broad sector of 'Primary sector and Utilities'. In 2014, these sectors had been merged for both weighting and reporting, hence this change does not unduly affect time series comparisons, whilst improving sampling and weighting efficiency.

Table 2.3 presents the target interviews by sector, accompanied by the effective sample size and sampling error.

**Table 2.3 Quota targets by sector compared with 2014**

2014				2016			
Sector (SIC definitions)	Targeted interviews	Effective sample size	Sampling error (+/-)	Sector (SIC definitions)	Targeted interviews	Effective sample size	Sampling error (+/-)
Agriculture (01-03)	749	445	3.57%	Primary Sector and Utilities (01-09; 35-39)	951	528	3.16%
Mining and Quarrying (05-09)	35	13	16.39%				
Electricity, Gas and Water (35-39)	139	62	8.26%				
Manufacturing (10-33)	1,131	572	2.90%	Manufacturing (10-33)	1,131	572	2.90%
Construction (41-43)	1,305	738	2.70%	Construction (41-43)	1,276	747	2.73%
Wholesale and Retail (45-47)	3,702	2,012	1.60%	Wholesale and Retail (45-47)	3,627	2,026	1.62%
Hotels and Restaurants (55-56)	1,653	903	2.40%	Hotels and Restaurants (55-56)	1,826	1,028	2.28%
Transport, Storage & Comms (49-53; 58-63)	1,161	595	2.86%	Transport, Storage & Comms (49-53; 58-63)	1,183	643	2.84%
Financial Services (64-66)	445	234	4.62%	Financial Services (64-66)	401	219	4.87%
Business Services (68-82)	2,931	1,647	1.35%	Business Services (68-82)	3,169	1,873	1.73%
Public Administration (84)	497	196	4.34%	Public Administration (84)	392	164	4.90%
Education (85)	1,152	523	2.86%	Education (85)	1,026	501	3.03%
Health and Social Work (86-88)	1,836	912	2.27%	Health and Social Work (86-88)	1,777	920	2.31%
Community etc. (90-96)	1,163	654	2.86%	Arts and Other (90-96) <sup>6</sup>	1,240	711	2.77%

It should be noted that in the case of some of the small sectors (such as Primary sector and Utilities), using this approach produced a target within some size bands that was greater than the number of interviews realistically achievable given the population in that sector. Where these occurred, targets were revised down to the maximum possible using an 8:1 sample to target ratio, with the difference redistributed as evenly as possible across the remaining sectors.

<sup>6</sup> This is the same SIC definition as 2014 but name changed from 'Community, social and personal services'

## Implications of changes to sampling and quotas between 2014 and 2016

The change in approach to 2016 sampling has a number of benefits for the sampling and weighting efficiency, as detailed earlier in this chapter. However, it is important to reflect on the limitations of the current approach while also assessing the impact that the change in approach might have on the potential for time-series analysis.

One element that the 2016 sampling review explored was the possibility to improve the robustness of findings at the local / LEP level. The review determined that a substantial increase in sample size in England would be required in order to return meaningful gains at this level and hence LEPs were not considered in the sampling strategy. Because LEP profiles were not controlled for in sampling or during fieldwork it is recommended that caution is taken when analysing findings at this level<sup>7</sup>, and that due consideration is given in future sampling strategy development to the ability to deliver robust findings at the LEP level.

Re-purposing sizeband allocations to better reflect the size distribution of the UK population reduced the number of interviews targeted among establishments with 100+ staff. This naturally incurs slightly greater restrictions on use of this data within these groups of establishments. While there were sufficient 100-249 establishments and 250+ establishments sampled to be able to conduct statistically robust analysis at an overall level, the ability to conduct such robust analysis is weakened where there are questions asked of a smaller portion of the sample (such as among those with apprentices). Table 7.2 in Chapter 7 presents common base sizes and their accompanying confidence interval for 2016 split by sizeband.

The change to sector classifications involved the Mining and Quarrying, and Electricity, Gas and Water sectors merging with Agriculture to create 'Primary sector and Utilities'. While this prevents analysis being conducted individually among these smaller sectors, it should be noted that these three sectors were also combined at the weighting phase in 2014 due to a relatively small number of interviews achieved among establishments in the Mining and Quarrying, and Electricity, Gas and Water sectors (as a result of the relatively small business population in these sectors).

The re-purposing of size classifications does also have minimal impacts on the sector profile targeted, owing to the different size distributions within each sector. For example, there is a much higher proportion of large establishments in the Public Administration and Education sectors than other sectors: in 2016, 15% of establishments in the Public Administration sector and 9% of establishments in the Education sector had 100+ staff,

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<sup>7</sup> For a discussion on LEP survey findings and how these can be used please see Chapter 7.



compared with a UK average of 2% (see Table B.1 in Appendix B for the UK population size by sector distribution).

By reducing targets in the 100-249 and 250+ sizebands compared to 2014, these sectors were undersampled slightly compared to 2014. For instance, Table 2.4 shows that the 2014 sampling strategy oversampled establishments in Public Administration by 225% (i.e. the proportion of Public Administration businesses sampled was 2.25 times greater than their proportional representation within the UK business population). The 2016 strategy reduced this to 217%. The opposite effect is most apparent in the Hotels and Restaurants sector where the sampling target increased from 103% in 2014 to 109% in 2016. Whilst these changes are worth noting, they are relatively minor changes and the weighting measures in place ensure the final data is representative of the size and sector profile of the UK population.

**Table 2.4 2014 and 2016 Sampling targets by sector**

2014	Targeted interviews	Sampling target	2016	Targeted interviews	Sampling target
Agriculture	749	77%	Primary sector and Utilities	951	90%
Mining and Quarrying	35	204%			
Electricity, Gas and Water	139	145%			
Manufacturing	1,230	118%	Manufacturing	1,131	118%
Construction	1,305	78%	Construction	1,276	78%
Wholesale and Retail	3,702	96%	Wholesale and Retail	3,627	100%
Hotels and Restaurants	1,653	103%	Hotels and Restaurants	1,826	109%
Transport, Storage & Comms	1,161	93%	Transport, Storage & Comms	1,183	91%
Financial Services	445	108%	Financial Services	401	107%
Business Services	2,931	81%	Business Services	3,169	80%
Public Administration	497	225%	Public Administration	392	217%
Education	1,152	194%	Education	1,026	182%
Health and Social Work	1,836	137%	Health and Social Work	1,777	137%
Community etc.	1,163	87%	Arts and Other	1,240	89%

## Sample Sources

Alongside the review of the sampling strategy, EPS 2016 also incorporated a process that determined the quality of the sample sources providing the establishment-based data.

Traditionally the EPS series has used Experian's National Business Database as the principle source for establishment-based data containing telephone contact details. This has been supplemented in the past by sample ordered direct from IDBR with telephone numbers appended via a third-party telematching service. The sample ordered from the IDBR was limited to sectors or specific SIC codes where either (1) previous analysis has shown that Experian's National Business Database under-represents the business population, or (2) the absolute numbers of businesses in certain sectors or SIC codes are relatively low, thus requiring as much sample as possible to maximise the interviews that

could be achieved. The SIC codes included in the IDBR top-up sample were the same as those ordered for the ESS 2015<sup>8</sup>.

Aside from these sectoral under-representations in Experian's National Business Database, since ESS 2015 the total number of businesses in Experian's database with 2+ employment had decreased (from 1.36 million to 1.24 million) and this was most notable among the largest sizebands (from 19,500 with 100-249 employees to 11,500, and from 9,900 with 250+ employees to 2,100). There had not been a decrease in large establishments according to the IDBR, thus suggesting that – at least for the purposes of the EPS and ESS series – the Experian database had become less representative of the business population. As a result of these changes to Experian's database it was agreed that EPS 2016 would explore alternative data sources. Two other sources were identified – Data HQ and Market Location – which held business databases with the required coverage for EPS. Records were drawn from all three data sources (Data HQ, Experian and Market Location), with the same number of businesses requested (where possible) by each size and sector cell within nation to allow for comparability across the three sources. A series of monitoring indicators were set up to assess the quality of each source and to reassure that altering the sample source(s) used would not impact on the comparability with EPS 2014. This is discussed later in this section of the report.

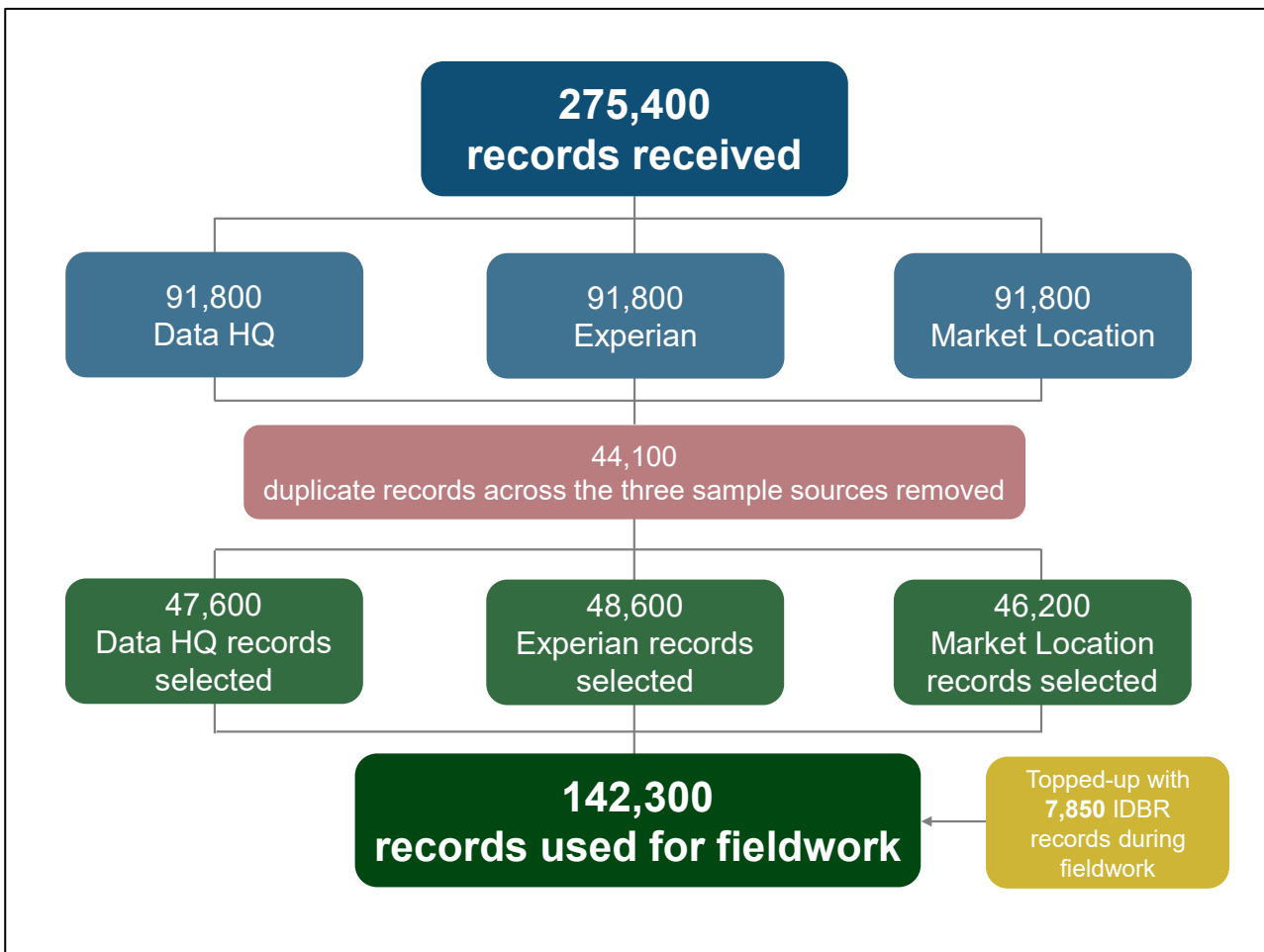
In total, around 90,000 records were drawn from each sample source. A much higher proportion of establishments in the top three size bands (50 plus staff) was requested compared to quota targets, owing to the relatively small population of businesses of this size and thus a stronger likelihood for duplication across different sample sources. There were naturally some differences in the coverage of each data source. Where one source could not provide all of the required records in a particular size band, records for neighbouring size bands were drawn. The same approach was applied for sectors.

Once each sample file had been received, the records were combined into one master file. Businesses that appeared in multiple files were marked up as duplicates. Figure 2.1 summarises the sample selection across the various sources. Records were then drawn for the survey at random in an 8:1 ratio for each size band by sector cell within country, ensuring that any duplicated establishments were only drawn once. This ratio was chosen to maximise response in the length of fieldwork period allocated to the survey; any smaller ratio would have required a longer fieldwork period to achieve the necessary response. In this way, sample was chosen at random by sample source and fell out relatively even by the core criteria of size, sector and country.

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<sup>8</sup> The SIC 2007 codes included in the IDBR order in order to address where Experian's National Business Database is limited were: 01-03\*, 05-09\*, 35-39\*, 41-43, 61, 66, 72, 78, 84\*, 92, 4616, 4645, 4725, 4730, 6201, 6202, 6832, 7010, 8010, 8110, 8690, 8710, 8720, 8790, 8810 and 8891. (\* indicates those that were included in the IDBR order made for EPS 2014).

**Figure 2.1 Overview of sample drawn from the various sample sources and the number of records loaded for fieldwork**



As in previous years, these records were then supplemented by sample taken from the IDBR, on the assumption that particular subsectors where Experian’s coverage is low were likely to be common across each of the sample providers. A total of 414,318 records with 2+ employment was drawn from the IDBR (compared to 127,132 records in 2014). These records were checked against the main sample files for duplicate records using a combination of company name and postcode. This left 363,135 of the IDBR records eligible for inclusion. The amount of sample that would be needed within each SIC category was then calculated on the basis of how many interviews had been achieved against the relevant size by sector by country quota targets at the point at which the IDBR sample was received, which, in 2016, was two weeks before the end of fieldwork. From this sample selection, records with a telephone number were selected. However, since the majority of the IDBR records received did not include telephone numbers, most telephone numbers were sourced using a combination of automated and manual directory look-ups. (8,137 records were successfully telematched or had a telephone number on sample). A second round of checks for duplicates against the main sample was carried out, this time factoring in telephone numbers into the duplication

checks, which left 7,850 IDBR records that were loaded for fieldwork (compared with 3,066 records in 2014).

Due to the availability of sample the final ratio of sample drawn to quota targets ranged from 11:1 (Construction in Northern Ireland) to 5:1 (Public Administration in Northern Ireland). Table C.1 in Appendix C presents the ratio of sample drawn for each key quota group, by size and sector within country.

There were a small number of known sectors for which SIC code misclassifications have commonly arisen within Experian sample (based on previous experience of the ESS and EPS surveys). For example, 'Nursing Homes' tend to be allocated to SIC 2007 code 86.1 (which includes "Medical nursing home activities"), whilst nursing homes are in fact more likely to be residential than medically-focused, in which case they should be allocated to SIC 2007 code 87.1 ("Residential nursing care activities"). Additional misclassifications include 'printers' in the company name (miscoded as SIC 2007 code 46.51 instead of 18.12), and employers involved in employment activities (70.22 when they should often be 78.10 or 78.20<sup>9</sup>).

Checks were performed on the sample to correct such systematic misclassifications before fieldwork was undertaken in order to minimise the proportion of employers that disagreed with the classification of their business at question A7 in the survey.

A series of checks were established and conducted at regular intervals throughout fieldwork in order to determine the quality of each sample source<sup>10</sup>, alongside checks to reassure that the use of different sample sources would not impact the comparability with EPS 2014. Table 2.5 shows that the size and sector profile of completed interviews did not differ significantly between sample sources.

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<sup>9</sup> These SIC codes include establishments offering the following services:

46.51: Wholesale of computers, computer peripheral equipment and software; 18.12: Other printing (this includes manufacture of printed labels and most printing except newspapers, pre-press and pre-media services and binding services); 70.22: Business and other management consultancy activities  
78.10: Activities of employment placement agencies; and 78.20: Temporary employment agency activities.

<sup>10</sup> These checks can be categorised into three broad categories: coverage (i.e. the extent to which the available sample maps to the UK establishment population); quality (i.e. the usability of phone numbers supplied); and accuracy (i.e. whether records are confirmed during the interview to match up to the classification as noted on the sample, especially size and sector).

**Table 2.5 Size and sector profile of interviews completed by each of the three main sample sources<sup>11</sup>**

	<b>Overall</b>	<b>DataHQ</b>	<b>Experian</b>	<b>Market Location</b>
<b>Total interviews completed</b>	<b>18,028</b>	<b>6,067</b>	<b>5,755</b>	<b>5,368</b>
<b>By size (column %)</b>				
2-4	24%	24%	23%	24%
5-9	24%	25%	22%	24%
10-24	24%	24%	25%	25%
25-49	13%	13%	14%	13%
50-99	7%	7%	7%	6%
100-249	6%	5%	6%	5%
250+	3%	3%	3%	3%
<b>By sector (column %)</b>				
Primary Sector and Utilities	5%	4%	4%	5%
Manufacturing	6%	6%	6%	6%
Construction	7%	6%	5%	6%
Wholesale and Retail	22%	23%	24%	21%
Hotels and Restaurants	10%	10%	11%	11%
Transport, Storage and Communication	6%	6%	6%	5%
Financial Services	2%	2%	2%	3%
Business Services	17%	17%	17%	17%
Public Administration	2%	2%	2%	2%
Education	5%	6%	6%	6%
Health and Social Work	11%	11%	11%	11%
Arts and Other Services	6%	7%	6%	7%

<sup>11</sup> The profile of completed interviews with the IDBR sample source has been excluded from this table given that the sample drawn from this source is deliberately skewed towards certain sectors and is therefore not relevant for the comparisons by sample source being made in Table 2.5.

Table 2.6 shows the key survey measures split by sample source (the table shows unweighted data). This provides reassurance that key measures of the survey were not influenced by sample source and does not impact on the comparability with EPS 2014.

**Table 2.6 Key survey measures split by the three main sample sources<sup>12</sup>**

	Overall	DataHQ	Experian	Market Location
<b>Total interviews completed</b>	<b>18,028</b>	<b>6,067</b>	<b>5,755</b>	<b>5,368</b>
Had vacancies in the last 12 months (question C1)	67%	67%	69%	67%
Offers any type of work placement (C17)	49%	50%	50%	49%
Provides internal training to staff (D6a)	73%	73%	75%	72%
Provides external training to staff (D6b)	59%	58%	59%	59%
Has or offers apprenticeships (D22/D23)	24%	24%	24%	23%

*It should be noted that the data presented in this table is **unweighted** and therefore the overall percentages shown will not match the data presented in the main EPS report. The percentages presented in this table are shown solely for the purpose of demonstrating that the survey results are not skewed by any one particular sample source.*

In line with the approach taken in EPS 2014, the head offices of certain banks were contacted prior to the survey commencing in order to obtain telephone numbers at branch level for establishments included in the sample drawn. This approach was taken as the original telephone numbers supplied commonly directed interviewers to call centres from where, from past experience in the EPS and ESS series, it has proved challenging to reach individual branches. A copy of this letter can be seen in Appendix D.

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<sup>12</sup> Again, the key measures from interviews completed with records drawn from the IDBR has been excluded from this table given that the sample drawn from this source is deliberately skewed towards certain sectors and is therefore not relevant for the comparisons by sample source being made in Table 2.6.

## 3. Questionnaire Design

### Summary

UKCES looked to maximise the relevance and usage, and impact, of the Employer Perspectives Survey (EPS) 2016. In response to stakeholder feedback, UKCES sought to refresh the coverage of the EPS questionnaire to reflect policy needs and fulfil the call for greater analytical insights. However, each time EPS is run, a core part of the questionnaire remains the same. Central to EPS is the need to **retain core questions** to maintain the integrity of existing time series and build on EPS 2014 to create new time series.

UKCES explored past data usage and impact, and current views on the requirements of EPS to inform the development of the questionnaire. As a result, the EPS questionnaire underwent a comprehensive review for 2016 to ensure its relevance for key stakeholders and to reflect changing policy needs. A set of overarching policy questions were developed to guide decisions on what to keep, amend / improve, remove or add / develop. These questions reflected the views of UKCES and the EPS steering group on the key policy interests and therefore potential usage and application of EPS data. These focussed particularly on employers' choices regarding their investment in skills, their approach to recruitment and their engagement with apprenticeships.

Full cognitive and pilot interviewing was carried out to test new questions that were designed to meet these objectives. As part of this process, existing questions from the 2014 survey were also reviewed and revised where appropriate. Throughout this testing phase, an overarching consideration for the final survey design was to retain the possibility of time series analysis where relevant.

The final questionnaire covered a range of employer experiences of skills, namely:

- Approach to recruitment;
- The recruitment of young people and education leavers;
- Work placements and work inspiration;
- Approach to training and VQs;
- Apprenticeships and traineeship;
- Employer influence over external training;
- Awareness and use of National Occupational Standards;
- Accreditation with Investors in People; and
- General attitudes towards training.



The average survey length was 22 minutes, although this varied depending on the level of engagement with particular approaches and schemes.

## Review of the EPS objectives

The EPS series has historically focussed on how employers engage with the external skills system with the questionnaire adapting to meet changing policy needs and to address new government schemes. The last few years have seen the vocational qualifications and apprenticeships systems overhauled in England (with a target of 3 million apprenticeship starts by 2020), new flexibilities in the FE sector, and the introduction of traineeships. In this context there was a need to revisit the coverage of the survey and ensure it continues to provide the information required to help assess whether the publicly funded skills system meets employers' needs.

On commissioning the project, UKCES worked with the EPS steering group and other key users of EPS data to develop a set of objectives for the survey. Key questions asked during the consultation were:

- **Reflective** - asking consultees about usage of EPS data, how the data had been used and what it had been used to inform over the past 1-2 years;
- **Analytical** – asking for views on the strengths and gaps in the coverage of EPS and how the data has been / could be used
- **Looking ahead** – asking what emerging or additional questions / priorities that EPS16 could contribute to and the potential for follow-up research.

Representatives from a wide range of national and Whitehall government departments contributed to the consultation. As a result of this process, a series of overarching policy questions were created covering a wide range of issues for EPS to seek to inform. These were predicated on the understanding that the EPS would not be able to cover all in depth within the confines of quantitative telephone survey and that wider and further research also has a role to play. The eight questions are noted below:

1. What is the best way to support the pipeline of talent into business and entry routes into employment?
2. What types of employers invest in skills, how do they invest and what are the benefits?
3. What drives employer choices about where and how to invest in skills provision?
4. How well does the vocational skills offer meet the needs of employers?
5. How can employers be encouraged to input to the design, delivery and content of skills initiatives?
6. How can the take up of apprenticeships be increased?
7. How can the take up of Investors in People be increased?
8. How can employers be supported to make informed skills choices that lead to improved performance and progression?

IFF developed a matrix to map the EPS 2014 questionnaire against these overarching questions in order to identify gaps in the previous questionnaire and use this matrix as a basis for developing new questions for 2016. The overarching policy questions provided a focus on what the learning from EPS can inform and how it can be applied. The review against EPS 2014 questions informed decisions on what to keep, amend / improve, remove or add / develop.

The development process was also guided by a number of principles, namely:

- The ability to conduct time series analysis on relevant measures that appeared in previous surveys;
- The need to reduce to a survey length of 22 minutes (in 2014 average survey length was 24.5 minutes), a more appropriate length for a telephone survey of this nature; and
- The need to account for national differences in skills support systems across the UK.

In collaboration with UKCES, a number of new survey questions were thus created in order to meet the requirements of the overarching questions. The questions were then tested during cognitive and pilot fieldwork to allow for further refinement and determine their suitability in the EPS series. Table 3.1 summarises these new questions, which overarching question they contribute to and whether they were retained for the final survey<sup>13</sup>.

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<sup>13</sup> For some overarching questions no new questions were developed for EPS 2016. This was either because the existing survey sufficiently captured required information or because – in an effort to keep to a 22 minute survey – some areas were deemed lower priority than others.

**Table 3.1 New questions designed for EPS 2016**

<b>Measure</b>	<b>Overarching Question</b>	<b>Retained for Mainstage</b>
The extent to which young people recruited to the establishment had the skills required for the job role	1	No
The extent to which those on work placements taken on to a permanent role had the skills required for the job role	1	No
The last type of training staff received and the type of training provider supplying this training	3	No
Whether have any individuals undertaking a traineeship currently	1	Yes
Whether use work experience placement or traineeship to determine suitability of an apprenticeship candidate	1	Yes
Whether involved in the design of apprenticeships/VQs/external training, or would like to be	4, 5, 6	Yes
Number of current apprentices	6	Yes
Whether offered apprenticeships in the past 3 years	6	Yes
Type of training provider supplying training for an apprenticeship	6	Yes
Length of time offering apprenticeships	6	Yes
Trigger for offering apprenticeships	6	Yes
Who approached the establishment to offer apprenticeships	6	Yes
Motivations for offering apprenticeships	3, 6	Yes
Historic churn of apprentices, and reasons for this	6	Yes
Anticipated churn of apprentice numbers over next few years, and reasons for this	6	Yes
Anticipated timescale for offering apprenticeships in future (if not doing so currently)	6	Yes
Awareness of the Apprenticeship Levy	6	No
General attitudes towards training staff	8	Yes

## Cognitive testing

Cognitive testing was undertaken with the aim of ensuring that the language used in the questionnaire was understood by employers and was conducive to consistently capturing employers' views and experiences in the way intended. The primary focus was on new questions added to the questionnaire, as set out in Table 3.1, as well as existing questions from 2014 which we felt might benefit from a review.

A total of 19 interviews were conducted between 15th February and 3rd March 2016. The cognitive interviews comprised a cut-down version of the main questionnaire and a follow-up guide, typically lasting 1 hour.

Sample for the cognitive interviews was drawn from employers who took part in EPS 2014 and agreed to being recontacted for future research. The interviews were selected to ensure representation from employers in each country (13 in England, two in Scotland, three in Wales and one in Northern Ireland) as well as a range of size bands and sectors.

Employers were also sampled to ensure coverage of a range of recruitment and training behaviours as identified by their participation and responses in EPS 2014. In total, 16 employers answered questions about recruitment channels, 14 about work placements, 17 about external training and 10 about apprenticeships.

The results of cognitive testing led to a number of recommendations which informed preparation of the pilot questionnaire. While a number of these recommendations involved the development of new questions, refinements were also proposed regarding existing questions, with key refinements noted below:

- Following successful cognitive testing, the means by which we capture recruitment channels used (C4) was amended. In previous EPS surveys, employers have been asked to state which channels they have used to fill vacancies in the previous 12 months with unprompted, but specific, answer codes. An alternative arrangement was then proposed whereby employers were provided with a shorter, prompted list of broader codes, with follow-up questions asked of particular answers. While this limited time series analysis, it was considered a more reliable mechanism for obtaining data on recruitment methods.
- Employers' engagement with schools, colleges and universities was one of the key foci of the 2014 survey. With an onus on prioritising other areas of the survey in 2016, we wanted to scale back the size of this section while still ensuring we picked up the extent to which employers engaged with these institutions to provide 'work inspiration' opportunities to their students and their reason for doing so. Cognitive testing determined that the scaled down questions worked in their format and thus these remained in place for the pilot survey.

- There had been some appetite among stakeholders to use the term ‘Professional and Technical qualifications’ as alternative wording to Vocational qualifications (D13). However, most establishments responding to the cognitive survey were uncertain what was meant by a ‘Professional and Technical qualification’, thus the original wording for D13 was retained.
- It was agreed to reduce D36 (asking about employer collaboration) to one question, with a broad understanding among employers that the revised wording incorporated the same aspects as previously captured by two separate questions in 2014.
- In the 2014 survey (and earlier iterations), the means of separating employers that offered formal apprenticeships and those that offered informal apprenticeships came from a single question (D24A). In order to remove D24A, and thus reduce survey length, the cognitive questionnaire tested revised wording at the opening question to the apprenticeships section (D22) which incorporated the definition of formal apprenticeships. In the context of maintaining time series on the proportion of employers that offer (formal) apprenticeships, it was important to test this new question wording to ensure that it was understood by employers and was only filtering out employers who only offer informal apprenticeships. One employer during the testing process thought that they offered formal apprenticeships but were not entirely sure this was the case. Follow-up questions revealed that they did indeed offer formal apprenticeships and had thus answered correctly. As the rest were clear on the differences between formal and informal apprenticeships, the revised D22 was retained.
- The placement of the traineeship section was also considered in cognitive interviews. Previously they had been incorporated as an option in the work placement section (C17). However, given concerns that a lack of understanding about what a Government traineeship was had led to inflated (reported) take-up of the service it was felt better to refer to traineeships within the context of apprenticeships, and thus move them to later in the survey.

## Pilot testing

The pilot survey sought to expand on cognitive findings and determine which questions to take forward to mainstage. A key consideration at this stage of the process was ensuring that the average survey length for mainstage fieldwork was 22 minutes.

Overall 50 interviews were achieved between Thursday 17th March and Wednesday 23rd March 2016. Interviews were conducted with employers in each UK country, with a reasonable spread of interviews achieved by size and sector.

The average interview length was approximately 27 minutes, although as we oversampled larger employers for the Pilot to a greater extent than for mainstage we revised the estimated time down to 25 minutes (larger employers typically take longer to respond to the survey as they have more engagement with the various skills initiatives contained within the survey). There was a particular burden for employers offering apprenticeships, where the average length was 36 minutes. While the survey was long, it flowed well and employers were for the most part comfortable with the questions being asked.

The pilot identified areas that could be sacrificed for higher priority areas and further refining particular questions. With apprenticeships forming a key part of the Government's skills agenda over the next few years, it was agreed to retain the majority of the Apprenticeship section as had been tested in the cognitive and pilot surveys. As a result, questions were dropped from elsewhere in the survey. The order of certain questions was also reviewed and slightly refined to improve the respondent experience of the survey. Appendix E documents all the details on these deletions, as well as modifications and additions from the 2014 survey.

One area of concern that the pilot flagged was the potential for employers to interpret a Government traineeship as a type of work placement in C17. Thus a couple of check questions were established, at D35Bi and D35Bii, to determine whether this was the case, if, at D35B they reported offering traineeships in the last 12 months.

## **Question coverage in EPS 2016 and impacts on time series analysis**

The final questionnaire used in mainstage fieldwork drew on findings from cognitive and pilot fieldwork, and also sought to reduce survey length to an average of 22 minutes. While changes have been made to the survey, particularly to accommodate the wealth of new questions regarding apprenticeships, care has been taken to ensure time series analysis is still possible across a range of measures.

Table 3.2 shows each section used in EPS 2016, and documents whether time series comparisons with 2014 are appropriate; where questions have been revised, comparisons are often still possible due to only minimal changes being made. Some existing questions from 2014 had also been moved<sup>14</sup> (for example a number of

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<sup>14</sup> While moving questions can potentially impact response we have ensured that the risk of this is kept to a minimum. It is a particular concern when asking about complex issues or reasons for taking certain decisions; however on the whole questions that were moved were relatively simple business classification questions (e.g. how long the business had been in operation – A6) or were moved due to a concern that

'firmographic' questions were moved to the end of the survey to improve flow); but the question numbering has remained consistent since 2014 to facilitate comparisons. Appendix F contains a similar table, but detailing each question.

**Table 3.2 Sections covered in EPS 2016 questionnaire**

Section	Questions	Time series possibility
Firmographics (i) (e.g. size, sector)	A1-A8	Yes
Approach to recruitment	C1-C6e	Some
Recruitment of young people	C8-C10nwii	Some
Recruitment of education leavers	C10a-g	Yes
Work experience and inspiration	C17-C23a	Some
Sources of training information and advice	D1-D5	Yes
Training activity	D6a-D12/D36	Yes
Training to VQs	D13_D17	Yes
Apprenticeships	D22-D35d	Some
Employer involvement in content and design	D39-D41	No
National Occupational Standards	D20-D21	Yes
Investors in People	E1	Yes
Employer Attitudes	F4	No
Firmographics (ii) (e.g. growth prospects)	A6-A9	Yes

## Questionnaire timings

The average overall interview length of the mainstage survey was 22 minutes, although this varied widely between different employers depending on their level of engagement

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their previous location had contributed to some misinterpretation (e.g. whether they had offered traineeships – D35b).

with initiatives, services and activities. The minimum length was just under 11 minutes, and the maximum 49 minutes.

As might be expected, interviews with larger establishments took longer on average given that they are more likely to have engaged with the skills system and to have used more services / initiatives. Table 3.3 details average interview length by size band.

**Table 3.3 Average interview length by size band**

<b>Sizeband</b>	<b>Average interview length</b>
<b>Overall</b>	22 mins
2-4	19 mins
5-9	21 mins
10-24	22 mins
25-49	23 mins
50-99	24 mins
100-249	27 mins
250+	27 mins

For employers offering apprenticeships, the average interview length was 26 minutes.



## 4. Fieldwork

### Summary

Fieldwork for the survey was undertaken between May and August 2016, involving over 18,000 telephone interviews. Interviews were conducted with the most senior person at the site with responsibility for recruitment, human resources and workplace skills.

The survey achieved a strong overall conversion rate of 41%, the same as achieved in 2014. As the survey neared the end of the fieldwork period it became clear that it would not be possible to fill some of the size and sector quotas with the remaining available sample. In these instances, targets were increased in neighbouring size or sector cells within country to compensate.

### Methodology

A total of 18,028 interviews were conducted by telephone using computer-assisted telephone interviewing (CATI) systems. By country, 10,015 interviews were achieved in England, 2,007 in Northern Ireland, 4,009 in Scotland and 1,997 in Wales. Fieldwork took place between May and August 2016.

Establishments were not pre-notified that they would be called for the survey, partly due to financial considerations (the cost of writing to 150,000 establishments being prohibitive) and partly because it was felt that this could lead to a reduction in response rates owing to head offices potentially opting out for all of the establishments in their organisation. An exception was made for certain large banks, where head offices were contacted by members of the UKCES team prior to the survey commencing in order to obtain telephone numbers at branch level for establishments included in the sample drawn. This approach was taken as the original telephone numbers supplied in the sample directed interviewers to call centres from where, based on past experiences of the Employer Perspective Surveys and Employer Skills Surveys, it has proved particularly challenging to reach individual branches.

All interviewers were provided with a detailed briefing on the questionnaire design, the aims of the research, and background of the project and the organisations involved. These briefings paid particular attention to the screener section of the questionnaire to ensure the correct respondent was reached. They also focussed on suitable prompts to use for the SIC question and explored the necessary level of detail required at this question. UKCES staff attended one of the briefings at the start of fieldwork.

The survey process was monitored throughout to ensure a high quality of interviewing, whereby all interviewers were monitored by IFF's Quality Control team at least once, and at least 5% of interviews were monitored.

Interviews were conducted with the most senior person at the site with responsibility for recruitment, human resources and workplace skills. Reassurances were provided to respondents prior to the survey, including confirmation that data would be reported in aggregate form and in a way that would not allow them or their organisation to be identifiable. If after the first contact the respondent or gatekeeper wanted more information about the survey a reassurance email was sent (see Appendix G for a copy of the reassurance email). New for EPS 2016, employers were asked at the end of the survey whether they would like to receive a summary report of the survey findings via email once the results were published (42% of employers requested to be emailed the summary report).

For respondents in Wales, the survey was made available in both English and Welsh. In total 6 interviews were completed in Welsh.

## **Response rates**

The survey achieved an overall response rate of 41%, the same response rate as was achieved in 2014. Table 4.1 breaks down the sample outcomes and response rate for 2014. Response rate was calculated as the number of achieved interviews as a proportion of 'total complete contacts', where a final outcome was reached with the establishment (this includes those respondents who completed the interview, refused to take part or quit during the interview).

**Table 4.1 Sample outcomes and response rate**

<b>Sample outcome</b>	<b>Number of contacts</b>	<b>% of all sample</b>	<b>% of complete contacts</b>
<b>Total issued sample</b>	<b>150,173</b>	<b>100</b>	
Ineligible establishments (e.g. sole traders)	4,445	3	
Unavailable during fieldwork / out of quota / ongoing or live sample	84,822	56	
Unobtainable / invalid numbers	17,700	12	
<b>Total complete contacts</b>	<b>43,623</b>	<b>29</b>	<b>100</b>
Achieved interviews	18,028	12	41
Respondent refusal	19,627	13	45
Quits during interview	1,280	1	3
Company policy refusal	4,688	3	11

Regular adjustments were made to the balance of establishments contacted to ensure an even distribution of interviews with employers from different nations, sectors and size bands throughout the fieldwork period. Sample was loaded into fieldwork in proportion to quota targets so that quota progression was as even as possible, and to ensure employers were called and re-called at suitable points without being over-contacted.

As is usual with surveys of this kind, there were certain types of employers with whom it proved more difficult to achieve interviews and so various methods were employed to help improve response rates among these employers. For example, calls were often made to Construction and Agriculture establishments outside of normal business hours (before 9am and after 5pm) as their work is typically site/outdoor based rather than carried out near a telephone.

As the survey neared the end of the fieldwork period it became clear that it would not be possible to fill some of the quotas with the remaining available sample. This was particularly evident among large establishments (with 100 or more staff) where the available sample was fairly limited relative to establishments of smaller size bands. Appendix C shows the drawn sample ratios; where these are lower than 8:1 this is because the required volume of sample was simply not available from the sources used. It was generally in these areas where it was harder to reach the original quota targets.

When it became evident during fieldwork that a target quota within a particular cell was unachievable, targets were increased in neighbouring cells to compensate. As an initial step, this entailed increasing the target within the same SIC sector (and country) in an

adjacent size band. If this then became unachievable, any remaining achievable size bands within the SIC sector were used to try to reach the overall sector target in that country. Towards the end of fieldwork, quota targets were also opened up within each of the largest size band (100 plus employees) irrespective of sector or country in order to get closer to the overall size band targets. If compensating within sizeband across SIC sector was deemed preferable, or if all sizebands within a SIC Sector had become unachievable, then targets would be adjusted where possible according to a “neighbouring” SIC sector, as per Table 4.2.

**Table 4.2 Sector groupings for quota management**

<b>Sector</b>	<b>SIC 2007</b>
Primary Sector and Utilities	01 to 09; 35 to 39
Manufacturing	10 to 33
Construction	41 to 43
Wholesale and Retail	45 to 47
Hotels and Restaurants	55 to 56
Transport, Storage and Communication	49 to 53; 58 to 63
Financial Services	64 to 66
Business Services	68 to 82
Public Administration	84
Education	85
Health and Social Work	86 to 88
Arts and Other Services	90 to 96

## 5. Coding

### Methodology

Open ended responses to the survey were coded by IFF Research's internal coding team. To ensure consistency, a formal codeframe was developed and regularly reviewed during development by the research team, and in collaboration with UKCES. In addition, the application of the codeframe in practice was monitored through quality control checks to ensure a high level of accuracy of codes assigned to verbatim responses. Table H.1 in Appendix H details the questions for which coding was required.

### Sector Classifications

Where respondents did not agree with the classification of their establishment, they were asked to give a description of the organisation's activities, using an approach developed by IFF over multiple surveys. This data was coded to 4 digit Standard Industrial Classification (SIC) 2007, and subsequently grouped into the sector categories used for analysis and reporting. In total, just over one in five respondents (22%) disagreed with the classification of their establishment.

The table below shows the 12 sectors and their corresponding SIC 2007 definitions.

**Table 5.1 SIC detail within EPS Sectors**

Sector	SIC 2007
1. Primary sector and Utilities	<p>A - Agriculture, forestry and fishing (01-03) Including farming, hunting and other related service activities, forestry and logging, fishing and aquaculture</p> <p>B - Mining and quarrying (05-09) Including mining of coal, metals, sand/stone/clay, and extraction of crude petroleum and natural gas</p> <p>D - Electricity, gas, steam and air conditioning supply (35)</p> <p>E - Water supply, sewerage, waste management and remediation activities (36-39) Including electric power generation, transmission and distribution, manufacture of gas and distribution of gaseous fuels, steam and air conditioning supply, water collection, treatment and supply, sewerage and waste collection, treatment and disposal activities and materials recovery</p>

2. Manufacturing	<p>C - Manufacturing (10-33)</p> <p>Including manufacture of food and beverages, textiles, chemicals and chemical products, basic pharmaceutical products, other mineral products, manufacture of metals and metal products, machinery, computer and electronic products and equipment, motor vehicles and other transport equipment, furniture, and repair and installation of machinery and equipment</p>
3. Construction	<p>F - Construction (41-43)</p> <p>Including the construction of buildings, civil engineering (constructing roads, railways and other utility projects), demolition, and specialised activities such as electrical installation, roofing and scaffold erection</p>
4. Wholesale and Retail	<p>G - Wholesale and retail trade; repair of motor vehicles and motor cycles (45-47)</p> <p>Including sale, maintenance and repair of motor vehicles, parts and accessories, non-vehicle wholesale (for example agriculture, food, household goods), and the retail trade of all products whether in stores, stalls, markets, mail order or online</p>
5. Hotels and Restaurants	<p>I - Accommodation and food service activities (55-56)</p> <p>Including hotels, campsites, youth hostels, holiday centres, villages and other short stay accommodation, restaurants and takeaways, event catering and licensed clubs, pubs and bars</p>
6. Transport and Communications	<p>H - Transport and storage (49-53)</p> <p>Including land, water and air transport (passenger and freight), warehousing and support activities for transportation, postal and courier activities.</p> <p>J - Information and communication (58-63)</p> <p>Including land, water and air transport (passenger and freight), warehousing and support activities for transportation, postal and courier activities, publishing (books, journals, newspapers etc. and software/computer games), television, film and music production, broadcasting, telecommunications, computer programming and consultancy, information service activities (e.g. data processing and hosting)</p>
7. Financial Services	<p>K - Financial and insurance activities (64-66)</p> <p>Including banks and building societies, activities of holding companies, trusts, funds and similar financial entities, credit granting, pensions, insurance and reinsurance</p>
8. Business services	<p>L - Real estate activities (68)</p> <p>M - Professional, scientific and technical activities (69-75)</p> <p>N - Administrative and support service activities (77-82)</p> <p>Including the buying, selling and renting of real estate, legal activities, accounting, bookkeeping and auditing, management consultancy, architectural and engineering activities, scientific research and development, advertising and market research, specialist design, photographic activities, translation and interpretation, veterinary activities, renting and leasing of tangible goods (motors, household, machinery), employment agencies, travel agencies and tour operations, security and investigation activities, office administration and business support</p>

9. Public Administration	<p>O - Public administration and defence; compulsory social security (84)</p> <p>Including administration of the State and economic and social policy of the community, provision of services to the community as a whole such as defence activities, foreign affairs, justice and judicial activities, fire service and compulsory social security activities</p>
10. Education	<p>P - Education (85)</p> <p>Including pre-primary, primary, secondary and higher education, other education (such as sports, driving schools, cultural education), educational support activities</p>
11. Health and Social work	<p>Q - Human health and social work activities (86-88)</p> <p>Including Hospitals, medical and dental practices, residential care, social work activities</p>
12. Arts, entertainment, recreation and other service activities <sup>15</sup>	<p>R - Arts, entertainment and recreation (90-93)</p> <p>S - Other service activities (94-96)</p> <p>Including performing arts, libraries and museums, gambling and betting, sports facilities, amusement and recreation activities, activities of membership organisations (religious, political, trade union, professional), personal services (hairdressing, beauty, textile cleaning, well-being activities, funeral activities)</p>
<i>NOT COVERED IN SURVEY</i>	<p>T - Activities of households as employers; undifferentiated goods and services producing activities of households for own use (97-98)</p> <p>U - Activities of extraterritorial organisations and bodies (99)</p> <p>Including households as employers of domestic personnel, private households producing goods for own use</p>

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<sup>15</sup> Previously labelled 'Other Community, Social and Personal Services'.

## 6. Weighting

The approach to weighting the EPS data underwent an independent, statistical review before the survey commenced. The results of this review, predominantly focussed on the approach to sampling, are documented in Appendix A. From a weighting perspective, the review determined that the sampling and weighting mechanisms should employ the same sector and size classifications. It also established that weighting by region (split into 9 in England, 4 in Wales, 2 in Scotland, and 6 in Northern Ireland) undermined weighting efficiencies at a size and sector level.

The survey data were weighted and grossed up to population figures of 1.88 million establishments (with two or more employees). All population estimates used were derived from the latest available (March 2015) Inter-Departmental Business Register (IDBR).

Weighting was based upon nation, size and sector, with the same classifications across each as used in sampling. Within each country, weights were applied on a separate, interlocking seven size band and 12 SIC sector grid based on IDBR population counts. In this way data were weighted in the same manner as the 2014 survey. However, as a result of the sample and weighting review, no regional rim weight was applied on top of this. While rim weighting ensures that each weighted subregion size is consistent with the subregion population, the sample and weighting review illustrated that this approach was largely cosmetic and slightly distorted the precise weighting mechanism at a size and sector level. Given a stronger need for size and sector representation as opposed to regional representation, the decision was taken to remove regional weighting from the main survey data.

While a change to the weighting approach between 2014 and 2016 has the potential to impact time series analysis, the effect on survey findings of removing the regional rim weight is negligible. Table 6.1 presents four survey measures showing weighted data with and without the regional rim weight at the UK level, and against the 2014 measure (which did apply a regional rim weight). As the table shows, there is very little difference between findings with and without the regional rim weight applied in both 2014 and 2016, a pattern that was also consistent at a national level.



**Table 6.1 Core survey measures with and without regional rim weight applied**

	2014		2016	
	Weight excl. region rim	Weight incl. region rim	Weight excl. region rim	Weight incl. region rim
C1 – Any vacancies in last 12 months	49.3%	49.2%	52.4%	52.6%
C17 – Any work placements in last 12 months	38.8%	38.3%	38.3%	38.6%
D6A/B – Any training offered	68.9%	68.9%	72.6%	72.6%
D22 – Any current apprentices	10.5%	10.4%	11.5%	11.4%

An employment-based weight was designed for use when analysing the number of work placements reported by establishments over the previous 12 months. This was devised according to the same structure as the unit weight, using nation, sector and size. Using an employment weight as opposed to a unit weight ensures volumetric calculations are not affected by disproportionate spread of establishment interviews particularly in the higher size bands.

### England – LEA/LEP analysis

In the 2014 survey a rim weight accounting for Local Authority (LA) – grouped according to the LEA definitions – was laid on top of the core unit weight for running LEP (Local Enterprise Partnership) based figures. However, the sampling review raised concerns that correcting the data in this way through weighting carried some risk as LEPs were not taken into consideration at the sampling phase. This meant that while the rim weight accounted for LA population sizes, it had the potential to distort the data at a sector and size level. For 2016 we therefore reviewed the impact that applying an LA rim weight had on LEP sector and size profiles, and compared these profiles to the LEP population profiles, as well as to unit weight-based sector and size profiles. While applying an LA rim weight enhanced the size and sector profile of some LEPs (i.e. it brought them more in line with their population profile), for others it distorted the profile. As a result, we recommend that the core unit weight is applied when running LEP data.

For LEPs the effect on the data is slightly more pronounced than that presented earlier at a UK level; reflecting the smaller base sizes. Users should be aware of this and exercise a degree of caution when conducting time series analysis on the EPS data at a LEP level.

### Scotland – ROA analysis

In the 2014 survey, local level analysis of Scotland data was conducted at the Regional Skills Assessment (RSA) regions. Similar to the approach for the England LEA/LEPs

described above, in 2014 a rim weight was applied laid on top of the core unit weight for running figures by RSA.

These RSA regions have since changed to Regional Outcome Areas (ROA). For the same reasons outlined above, a separate weight for ROAs incorporating a local authority rim weight was not applied in EPS 2016. Again, the effect on the data is slightly more pronounced than that presented earlier at a UK level; reflecting the smaller base sizes.

Given the change in regional classifications used in EPS 2014 and 2016, the potential for time series analysis is disrupted. Whilst there is an element of continuity in these two regional splits, any attempts to infer timer series trends should be treated with caution due to the change in weighting approach.

## 7. Using the data

### Statistical accuracy of survey results

Table 7.1 shows sampling error for the survey results overall and for key sub-groups by which analysis is presented in the report. Figures have been based on a survey result of 50% (the 'worst' case in terms of statistical reliability), and have used a 95% confidence level. Where the table indicates that a survey result based on all respondents has a sampling error of +/- 0.7%, this should be interpreted as follows: 'for a question asked of all respondents in this group where the survey result is 50%, we are 95% confident that the true figure lies within the range 49.3% to 50.7%'.

The calculation of sampling error has taken into account the finite population correction factor to account for cases where we are measuring a significant portion of the population universe (i.e. even if two sample sizes are the same, the sampling error will be lower if in one case a far higher proportion of the population was covered).

**Table 7.1 Sampling error (at a 95% confidence level) associated with findings of 50%, by country, size and sector**

<b>Subgroup</b>	<b>Number of interviews achieved</b>	<b>Population</b>	<b>(Maximum) sampling error (+/-)</b>
<b>Overall</b>			
UK	18,028	1,884,619	±0.7
<b>Country</b>			
England	10,015	1,591,571	±1.0
Northern Ireland	2,007	55,104	±2.1
Scotland	4,009	150,876	±1.5
Wales	1,997	87,068	±2.2
<b>Size</b>			
2 to 4	4,297	996,002	±1.5
5 to 9	4,290	411,578	±1.5
10 to 24	4,312	283,116	±1.5
25 to 49	2,337	103,307	±2.0
50 to 99	1,250	51,253	±2.7
100 to 249	1,043	27,430	±3.0
250+	499	11,933	±4.3
<b>Sector</b>			
Primary Sector and Utilities	866	110,312	±3.3
Manufacturing	1,065	100,752	±3.0
Construction	1,212	170,296	±2.8
Wholesale and Retail	3,933	379,922	±1.6
Hotels and Restaurants	1,792	174,736	±2.3
Transport, Storage and Communication	1,143	136,650	±2.9
Financial Services	395	39,235	±4.9
Business Services	3,081	414,047	±1.8
Public Administration	403	18,940	±4.8
Education	990	59,052	±3.1
Health and Social Work	2,023	135,604	±2.2
Arts and Other Services	1,125	145,073	±2.9

Table 7.1 highlights the number of interviews achieved across the entire sample. However, a number of measures captured in the survey are based only on a subsection of the survey. For instance, questions regarding the provision of external training are asked only of those establishments who made use of external training providers to train their staff (10,654 unweighted establishments). Table 7.2 presents common base sizes across the survey, split by size band. Lower numbers of interviews achieved serve to increase the maximum sampling error as shown in Table 7.1.

**Table 7.2 Interviews achieved across key measures and by size band**

<b>Base measure</b>	<b>Total</b>	<b>2 to 4</b>	<b>5 to 9</b>	<b>10 to 24</b>	<b>25 to 49</b>	<b>50 to 99</b>	<b>100 to 249</b>	<b>250+</b>
<b>All employers</b>	<b>18,028</b>	<b>4,297</b>	<b>4,290</b>	<b>4,312</b>	<b>2,337</b>	<b>1,250</b>	<b>1,043</b>	<b>499</b>
<b>All employers with vacancies</b>	<b>12,151</b>	1,310	2,608	3,451	2,122	1,171	1,004	485
<b>All employers offering any training</b>	<b>14,820</b>	2,496	3,452	3,906	2,237	1,214	1,023	492
<b>All employers offering external training</b>	<b>10,654</b>	1,437	2,186	2,843	1,811	1,046	888	443
<b>All employers with apprentices</b>	<b>2,842</b>	265	476	637	493	334	371	266

## Using the data at a regional level

The relatively high number of interviews achieved within each subregion affords fairly robust analysis to be conducted at this level. However, users should be aware that the weighted subregion profile of businesses may not be representative of the population profile at a size and sector level. This represents no change from 2014; despite the weighting mechanism no longer incorporating a subregion rim weight, this weight only ensured that the total number of weighted subregion businesses was consistent with the subregion population and therefore did not adjust for the size and sector population profiles of each subregion.

Table 7.3 shows the number of interviews achieved across each subregion, and the associated sampling error.

**Table 7.3 Sampling error (at a 95% confidence level) associated with findings of 50%, by region**

<b>Region</b>	<b>Number of interviews achieved</b>	<b>Population</b>	<b>(Maximum) sampling error (+/-)</b>
<b>England</b>			
North East	395	60,625	±4.9
North West	1,122	191,230	±2.9
Yorkshire and The Humber	922	144,038	±3.2
East Midlands	947	128,638	±3.2
West Midlands	985	152,757	±3.1
East of England	1,043	179,988	±3.0
London	1,539	283,952	±2.5
South East	1,806	273,267	±2.3
South West	1,254	177,076	±2.8
<b>Northern Ireland</b>			
Belfast WDF	442	10,684	±4.6
Northern WDF	486	12,570	±4.4
North West WDF	176	4,822	±7.3
Southern WDF	312	9,585	±5.5
South West WDF	294	8,416	±5.6
South East WDF	299	9,027	±5.6
<b>Scotland</b>			
Scottish Enterprise	3,429	131,759	±1.7
Highlands and Islands	580	19,117	±4.0
<b>Wales</b>			
North (incl Gwynedd)	519	21,698	±4.3
Mid	200	10,135	±6.9
South West	842	19,884	±3.3
South East	436	35,351	±4.7

There is also some potential to conduct analysis at a Local Enterprise Partnership (LEP) level in England. However, we would recommend that caution is applied when analysing or presenting data at this level. The sheer number of LEPs meant that they could not be incorporated into the sampling and weighting strategy for a survey of this size without distorting the nation, sector and size profile of the sample. This means the achieved sample within a certain LEP will not necessarily be representative by sector and size of the LEP population. Users of data at this level should therefore explore the profile of achieved interviews to ensure it broadly reflects the respective population profile before they proceed to analyse data. Reflecting the different population size of LEPs, the number of interviews achieved in certain LEPs was also fairly low, thereby limiting the statistical confidence one can have in these data. Table 7.4 shows the number of interviews achieved across each LEP and their associated sampling error.

**Table 7.4 Sampling error (at a 95% confidence level) associated with findings of 50%, by LEP**

<b>LEP</b>	<b>Interviews achieved</b>	<b>Population</b>	<b>(Maximum) sampling error (+/-)</b>
London	1,540	283,952	2.49
South East	672	116,625	3.77
Leeds City Region	489	80,644	4.42
Heart of the South West	404	57,581	4.86
Derby, Derbyshire, Nottingham and Nottinghamshire	398	55,429	4.89
Coast to Capital	380	59,450	5.01
Enterprise M3	371	57,206	5.07
Greater Manchester	356	69,300	5.18
South East Midlands	348	51,917	5.24
Solent	330	44,574	5.37
New Anglia	326	49,522	5.41
Sheffield City Region	323	43,764	5.43
North Eastern	308	46,052	5.57
Greater Birmingham and Solihull	294	49,645	5.70
Greater Cambridge and Greater Peterborough	285	44,825	5.79
York and North Yorkshire	281	41,570	5.83
Lancashire	277	40,558	5.87
Greater Lincolnshire	230	30,626	6.44
West of England	210	32,689	6.74
Leicester and Leicestershire	209	28,727	6.75
Hertfordshire	200	36,904	6.91
Dorset	198	24,456	6.94
The Marches	187	23,912	7.14
Liverpool City Region	187	32,721	7.15
Stoke-on-Trent and Staffordshire	175	29,811	7.39
Coventry and Warwickshire	173	24,988	7.43
Humber	172	25,244	7.45
Thames Valley Berkshire	170	28,290	7.49
Cheshire and Warrington	168	29,494	7.54
Oxfordshire LEP	167	22,428	7.56
Cornwall and the Isles of Scilly	158	20,022	7.77
Northamptonshire	154	21,030	7.87
Swindon and Wiltshire	152	21,367	7.92
Black Country	146	25,691	8.09
Cumbria	134	19,157	8.44
Gloucestershire	132	20,961	8.50
Worcestershire	130	17,927	8.56
Buckinghamshire Thames Valley	120	18,928	8.92
Tees Valley	87	14,573	10.48



## Future use of the data

The Employer Perspectives Survey data should not be treated in isolation. As mentioned elsewhere, it sits alongside its sister survey, the Employer Skills Survey, and the two together provide a comprehensive assessment of the skills landscape and employers' behaviour regarding recruitment and people development.

While each survey provides context for the other, there is also more that can be done to generate deeper insight into employers' choices. Due to the number of interviews collected in the ESS series, there will be a subset of employers who appear in both ESS and EPS iterations. By matching their data across the surveys, there are various questions that can be pursued to a further level of detail unachievable if both series are taken in isolation. Such questions could include how barriers to engagement in the skills system have changed over time, whether certain approaches to recruitment or people development are linked to higher levels of skill-shortage vacancies or skills gaps, and the extent to which employers' plans to offer apprenticeships in future materialise.

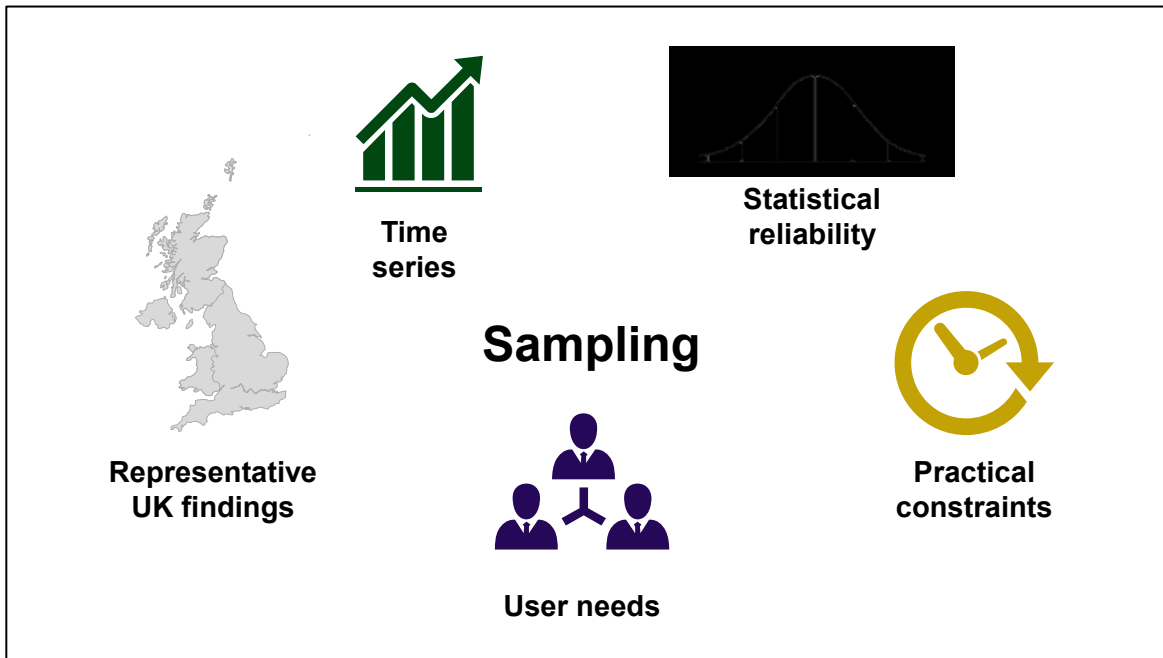
Furthermore, 72% of respondents to EPS in 2016 – accounting for 12,958 establishments (7,111 in England, 1,413 in Northern Ireland, 2,931 in Scotland and 1,503 in Wales) – consented to being contacted for further research on issues related to the survey. This affords an easily accessible sample base about whom we already hold a wealth of information. LEPs for example can follow up establishments in their locality to unpick why employers feel training courses are not relevant to them and understand what more could be done to provide relevant training. Government departments and their agencies can follow up employers who are considering stopping offering apprenticeships, or those planning to offer in future, to develop an understanding of the conditions that have led to employers making these choices. They can then tailor future communications to the wider business population to address such conditions and potential issues and concerns that are raised.

Finally, 82% of respondents – accounting for 14,788 establishments (8,220 in England, 1,603 in Northern Ireland, 3,302 in Scotland and 1,663 in Wales) – gave consent for their answers to be linked to other government datasets, such as the Inter-Departmental Business Register (IDBR), or placed on the Virtual Microdata Laboratory. Apprenticeship responses could be linked to the Skills Funding Agency's Individual Learner Record (ILR). In this way, large datasets ("Big Data") could be created that generate more universal insights into the motivations, actions and outcomes of employers' interactions with the skills system. Data that are linked across a variety of sources will allow governments to help employers make more considered choices regarding their investment in skills.

## Appendix A: Sample Review

When preparing the sampling strategy for the EPS series, a number of factors had to be considered, as summarised in Figure A.1.

Figure A.1: Sampling considerations for the Employer Perspectives Survey



One concern was to deliver an achieved sample that represented the population of UK employers and allowed for statistically robust analyses of survey findings by a range of firmographic variables.

As a result, a full statistical review of the sampling (and weighting) approach for EPS 2016 was conducted shortly after the project was commissioned<sup>16</sup>. This was carried out independently of IFF Research and UKCES. The review was intended to establish whether the approach taken in 2014 was still optimal for the 2016 survey from a statistical perspective or whether alternative approaches would better deliver the survey objectives. In particular, the review focussed on areas such as design effects that the existing sampling strategy incurred, weighting efficiencies and the range of weights applied in 2014. This section of the technical report documents the review, using as its starting point the 2014 sampling strategy, before covering the objectives and subsequent outcomes of the review.

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<sup>16</sup> The Stats People, an independent statistical consultancy, conducted this review.

## Outline of the 2014 sampling strategy

The 2014 EPS Technical Report<sup>17</sup> provides full detail of the sampling approach taken in 2014.

In summary, interviews were allocated to countries on a purposive basis, rather than in proportion to the population (England: 10,000; Northern Ireland: 2,000; Scotland: 4,000; Wales: 2,000).

Within country, target interviews were then stratified against a two-dimensional sector by size grid. The initial allocation was of interviews to employer sizebands, using a set of ratios that oversampled larger employers<sup>18</sup>. Large employers were oversampled to ensure a suitable number of interviews were achieved with this group of establishments to be able to conduct statistically reliable analysis within the group. While employers with 100+ staff only represent 2% of the business population, their staff account for 42%<sup>19</sup> of the workforce population in the UK, hence their importance to the survey.

Interviews were then allocated to sector within sizeband in proportion to their representation within the business population for that particular sizeband. This approach was first introduced to the series in 2012 to improve sampling efficiency and reduce design effects. As a whole, this strategy ensured sample sizes would be returned that allowed findings to be reported with a sufficient level of statistical reliability across each country, sizeband and sector (with the exception of the smallest sector, Mining and Quarrying).

## Objectives for the statistical sampling strategy review

The statistical review used the 2014 sampling strategy as its starting point before exploring the best approach for 2016. It thus sought to establish:

- How efficient and robust the 2014 design was, the effective sample size it delivered, and whether / how this could be improved.
- Whether the weighting approach was consistent with the sampling approach and with the aims and objectives of the survey (in terms of the levels at which data reporting is required), and whether / how this could be improved.

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<sup>17</sup> This can be accessed here: <https://www.gov.uk/government/publications/employer-perspectives-survey-2014>

<sup>18</sup> Interviews were allocated by size in EPS 2014 as follows: 2-4 emp estabs 25%, 5-9 emp estabs 22%, 10-24 emp estabs 21%, 25-99 emp estabs 20% and 100+ emps 12%.

<sup>19</sup> According to Inter-Departmental Business Register (IDBR) March 2015 statistics.

- In particular, whether the approach to analysis and reporting at a local / LEP level could be improved without negative impact on other areas of the study.
- Whether the survey would take a different sampling and weighting approach if the population it was describing was restricted to employers with at least 5, or at least 10, employees (as opposed to covering all employers with at least one employee) and what impact that different approach would have on the reliability of survey estimates.
- What impact any changes suggested might have for the survey's ability to sustain time series analysis against previous waves.

## Outcomes of the statistical sampling strategy review

While the statistical review confirmed that the previous sampling approach was 'fit for purpose' and that the broad approach was suitable, it proposed a few areas for consideration that could further enhance sampling efficiencies<sup>20</sup>. These are summarised in Table A.1. The table also shows how these recommendations were taken forward in relation to the sampling strategy, and the rationale for each decision. It is worth noting that as this review purely focussed on the sampling strategy from a statistical perspective, there were other considerations taken into account, as previously outlined in Figure A.1, such as user needs, practical requirements etc.

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<sup>20</sup> Improved sampling efficiencies ensure the data are more representative of their respective populations, ensuring one can have greater confidence in extrapolating findings to the full population.

**Table A.1 Outcomes of statistical review**

<b>Recommendation 1:</b>	The sampling and weighting processes should use the same definitions for establishment size and sector <sup>21</sup> .
<b>Action taken for EPS16</b>	Sampling and weighting both employed the same definitions.
<b>Rationale for action</b>	Consistency of sampling and weighting processes improves the weighting efficiency and limits the number of high weights applied to individual responses.
<b>Recommendation 2:</b>	Granularity by establishment sector should be reduced and granularity by establishment size should be increased.
<b>Action taken for EPS16</b>	Number of sectors sampled reduced from 14 to 12 <sup>22</sup> ; number of sizebands sampled increased from 5 to 7.
<b>Rationale for action</b>	<p>Within some sectors (particularly Mining and Quarrying, and – to a lesser extent – Electricity, Gas and Water), a dearth of establishments limits the ability to analyse findings within these sectors, and thus there is less requirement to use in sampling. Reducing sector granularity places less strain on sampling efficiencies.</p> <p>A greater granularity by sizeband prevents possible skew within particular sizebands. For example, splitting 100+ into 100-249 and 250+ ensures the 100+ group is neither dominated by very large establishments, or medium-sized companies.</p>
<b>Recommendation 3:</b>	Refocus the survey on establishments with 5 or more employees.
<b>Action taken for EPS16</b>	Not taken forward.
<b>Rationale for action</b>	While this would have lowered design effects and improved sampling efficiency, the EPS series are designed to deliver findings that are representative of the whole UK business population, thus it was important to retain these establishments. It would also restrict

<sup>21</sup> The intention in 2014 was to use the same definitions of size band and sector during both sampling and weighting. However, in order to meet policy needs that emerged towards the start of the reporting phase, it was agreed with UKCES to expand the number of size bands used in the weighting process from 5 to 7.

<sup>22</sup> In 2012 we did reduce the number of sectors to 6, but, while this improved the sampling efficiency, it entailed a level of aggregation that was too broad for audience needs.

	comparability with 2014.
<b>Recommendation 4:</b>	Additional sample should be allocated to address areas of the sample where high weights occur.
<b>Action taken for EPS16</b>	Slight re-purposing of interviews from larger establishments (100+) to smallest establishments (2-4).
<b>Rationale for action</b>	By increasing the number of 2-4 establishments sampled, this better reflects the UK business population, and thus reduces design effects at the overall level as well as reducing the likelihood of particularly high weights. The number of interviews targeted among large businesses still afforded statistically reliable analysis within this group of establishments.
<b>Recommendation 5:</b>	The sample should be rebalanced to better reflect the business population by country.
<b>Action taken for EPS16</b>	Not taken forward.
<b>Rationale for action</b>	This would require either an increase in the total number of interviews achieved (not feasible within the scope of EPS), and/or transferring interviews from the devolved administrations to England (fewer interviews in the devolved administrations would not meet key user needs for disaggregated data or give statistically robust results at this level).
<b>Recommendation 6:</b>	Steps should be taken to improve the robustness of estimates obtained at LEP level.
<b>Action taken for EPS16</b>	Not taken forward.
<b>Rationale for action</b>	Unless particularly small LEPs were targeted for interviews (which would require a significant change to the sampling strategy), a considerable increase of targeted interviews would be required in England to return a consistently low confidence interval for each LEP. A sample of this size would not be within the scope of EPS.

## Appendix B: UK population profile

Table B.1 Size profile of UK establishments, within sector

	Total number of establishments	Size profile within sector (%)					
		2-4	5-9	10-24	25-49	50-99	100+
<b>UK overall</b>	<b>1,884,600</b>	<b>53%</b>	<b>22%</b>	<b>15%</b>	<b>5%</b>	<b>3%</b>	<b>2%</b>
Primary Sector and Utilities	110,300	76%	15%	6%	2%	1%	1%
Manufacturing	100,800	43%	22%	18%	8%	5%	4%
Construction	170,300	70%	17%	9%	2%	1%	1%
Wholesale and Retail	379,900	47%	28%	17%	5%	2%	1%
Hotels and Restaurants	174,700	39%	28%	23%	8%	2%	1%
Transport, Storage and Communications	136,700	60%	17%	12%	5%	3%	3%
Financial Services	39,200	43%	27%	19%	5%	3%	4%
Business Services	414,000	64%	18%	11%	3%	2%	2%
Public Administration	18,900	22%	16%	22%	14%	10%	15%
Education	59,100	21%	15%	20%	20%	14%	9%
Health and Social Work	135,700	29%	23%	27%	12%	6%	3%
Arts and Other	145,100	57%	25%	12%	3%	2%	1%

Source: ONS Inter-Departmental Business Register

Note: Populations have been rounded to the nearest 100

## Appendix C: Quota targets, Drawn Sample and Achieved Interviews

The table below shows for each country the ratio of sample drawn for each key quota group, and the achievement of interviews against the original target. Note that “sample drawn” figures are based on the sample information about size and sector, whereas the “interviews achieved” figures are based on the size and sector information confirmed by the respondent.

**Table C.1 Final quotas and achieved interviews by size and sector within country**

	Overall Target	Sample drawn	Ratio of sample drawn to target	Interviews achieved	% of Overall Target
<b>United Kingdom</b>	<b>18,000</b>	<b>150,173</b>	<b>8:1</b>	<b>18,028</b>	<b>100</b>
<b>Size</b>					
2-4	4,860	43,210	9:1	4,297	88
5-9	4,140	33,018	8:1	4,290	104
10-24	3,960	31,073	8:1	4,312	109
25-49	2,340	19,187	8:1	2,337	100
50-99	1,080	10,494	10:1	1,250	116
100-249	1,080	9,060	8:1	1,043	97
250+	540	4,131	8:1	499	92
<b>Sector</b>					
Primary Sector and Utilities	951	8,480	9:1	866	91
Manufacturing	1,131	9,066	8:1	1,065	94
Construction	1,276	12,574	10:1	1,212	95
Wholesale and Retail	3,627	28,706	8:1	3,933	108
Hotels and Restaurants	1,826	14,520	8:1	1,792	98
Transport, Storage and Communication	1,183	11,031	9:1	1,143	97
Financial Services	401	3,520	9:1	395	99
Business Services	3,169	26,768	8:1	3,081	97
Public Administration	392	3,012	8:1	403	103
Education	1,026	8,056	8:1	990	96
Health and Social Work	1,777	14,305	8:1	2,023	114
Arts and Other Services	1,240	10,135	8:1	1,125	91



	Overall Target	Sample drawn	Ratio of sample drawn to target	Interviews achieved	% of Overall Target
<b>England</b>	<b>10,000</b>	<b>85,811</b>	<b>9:1</b>	<b>10,015</b>	<b>100</b>
<b>Size</b>					
2-4	2,700	23,425	9:1	2,261	84
5-9	2,300	19,100	8:1	2,353	102
10-24	2,200	18,286	8:1	2,461	112
25-49	1,300	10,858	8:1	1,339	103
50-99	600	4,941	8:1	670	112
100-249	600	6,174	10:1	628	105
250+	300	3,027	10:1	303	101
<b>Sector</b>					
Primary Sector and Utilities	364	3,597	10:1	375	103
Manufacturing	642	5,137	8:1	612	95
Construction	693	7,011	10:1	656	95
Wholesale and Retail	2,019	16,247	8:1	2,072	103
Hotels and Restaurants	1,004	8,029	8:1	991	99
Transport, Storage and Communication	733	7,226	10:1	712	97
Financial Services	239	2,094	9:1	220	92
Business Services	1,987	17,130	9:1	1,934	97
Public Administration	167	1,758	11:1	209	125
Education	538	4,304	8:1	572	106
Health and Social Work	938	7,809	8:1	1,066	114
Arts and Other Services	676	5,469	8:1	596	88

	Overall Target	Sample drawn	Ratio of sample drawn to target	Interviews achieved	% of Overall Target
<b>Northern Ireland</b>	<b>2,000</b>	<b>16,157</b>	<b>8:1</b>	<b>2,007</b>	<b>100</b>
<b>Size</b>					
2-4	5,40	5,764	11:1	521	96
5-9	460	3,435	7:1	483	105
10-24	440	3,149	7:1	475	108
25-49	260	1,917	7:1	245	94
50-99	120	1,153	10:1	151	126
100-249	120	533	4:1	87	73
250+	60	206	3:1	45	75
<b>Sector</b>					
Primary Sector and Utilities	177	1,462	8:1	120	68
Manufacturing	136	1,051	8:1	124	91
Construction	147	1,616	11:1	161	110
Wholesale and Retail	432	3,386	8:1	531	123
Hotels and Restaurants	164	1,283	8:1	131	80
Transport, Storage and Communication	104	869	8:1	96	92
Financial Services	42	411	10:1	46	110
Business Services	219	1,824	8:1	246	112
Public Administration	62	309	5:1	34	55
Education	164	1,141	7:1	139	85
Health and Social Work	219	1,593	7:1	252	115
Arts and Other Services	134	1,212	9:1	127	95

	Overall Target	Sample drawn	Ratio of sample drawn to target	Interviews achieved	% of Overall Target
<b>Scotland</b>	<b>4,000</b>	<b>32,084</b>	<b>8:1</b>	<b>4,009</b>	<b>100</b>
<b>Size</b>					
2-4	1,080	2,196	9:1	1,004	93
5-9	920	1,826	8:1	983	107
10-24	880	2,604	7:1	905	103
25-49	520	5,976	8:1	519	100
50-99	240	3,481	12:1	289	120
100-249	240	2,025	6:1	207	86
250+	120	687	5:1	102	85
<b>Sector</b>					
Primary Sector and Utilities	263	2,196	8:1	257	98
Manufacturing	222	1,826	8:1	187	84
Construction	293	2,604	9:1	252	86
Wholesale and Retail	777	5,976	8:1	847	109
Hotels and Restaurants	438	3,481	8:1	448	102
Transport, Storage and Communication	239	2,025	8:1	233	97
Financial Services	82	687	8:1	91	111
Business Services	686	5,584	8:1	669	98
Public Administration	109	621	6:1	109	100
Education	197	1,571	8:1	172	87
Health and Social Work	396	3,095	8:1	463	117
Arts and Other Services	297	2,418	8:1	281	95

	Overall Target	Sample drawn	Ratio of sample drawn to target	Interviews achieved	% of Overall Target
<b>Wales</b>	<b>2,000</b>	<b>16,121</b>	<b>8:1</b>	<b>1,997</b>	<b>100</b>
<b>Size</b>					
2-4	540	4,615	9:1	511	95
5-9	460	3,499	8:1	471	102
10-24	440	3,211	7:1	471	107
25-49	260	2,129	8:1	234	90
50-99	120	1,441	12:1	140	117
100-249	120	873	7:1	121	101
250+	60	353	6:1	49	82
<b>Sector</b>					
Primary Sector and Utilities	147	1,225	8:1	114	78
Manufacturing	131	1,052	8:1	142	108
Construction	144	1,343	9:1	143	99
Wholesale and Retail	399	3,097	8:1	483	121
Hotels and Restaurants	221	1,727	8:1	222	100
Transport, Storage and Communication	106	911	9:1	102	96
Financial Services	37	328	9:1	38	103
Business Services	277	2,230	8:1	232	84
Public Administration	53	324	6:1	51	96
Education	127	1,040	8:1	107	84
Health and Social Work	225	1,808	8:1	242	108
Arts and Other Services	133	1,036	8:1	121	91

## Appendix D: Advance letter (to banks)

### Employer Perspectives Survey 2016: Capturing your views on recruitment and workforce development

Dear [NAME],

I'm writing to let you know about the Employer Perspectives Survey 2016. The survey collects data on **skills, training and recruitment issues**. Interviews started in May and run through to early August 2016. The survey has been conducted every two years since 2010 by the UK Commission for Employment and Skills (UKCES). The UKCES is a publicly funded, industry led organisation providing strategic leadership on skills and employment issues across the UK. Our employer surveys support the development of government policy and help inform strategic economic plans at a local level. It is crucial that organisations like [BANK] take part, so that the findings accurately reflect the views of businesses both large and small.

The telephone interview is conducted at branch level where respondents have day-to-day knowledge of recruitment, human resources and workforce development in the locality. While we understand that there may not be a Human Resources function at this level, our survey is aimed at the person on site who is best placed to answer these questions. All the data collected are treated in the strictest confidence and no information can be linked to individual businesses or respondents. Both the UK Commission and its fieldwork partner, IFF Research, adhere to the Market Research Society (MRS) code of conduct.

The findings from the project should also be of use to you in benchmarking how your organisation compares to industry averages and the wider economy. Below are some examples of previous data:

- Financial services employers are more likely to **use recruitment agencies** to hire staff (32%) compared to all other sectors (19%)
- Fewer financial services employers **offer work experience placements** (31%) compared to the UK average 38%)
- 7% of financial services employers **had or offered formal apprenticeships** (compared with 10% across all industries)

We may contact a number of your branches as part of the survey. We can let you know which branches we will call, and if helpful set up appointments to call at the most convenient time for staff at each branch. You can help by:

- Telling us of specific times of the week that are best to avoid calling branches.
- Providing direct telephone numbers and the name of the branch manager for these sites. These details would only be used to call them for this project.
- Allowing us to mention your name when contacting the branches. This will help to reassure them about the legitimacy of the project.

We have used this approach successfully before with [BANK] and your continued support would be much appreciated. Please don't hesitate to contact my colleague Zoey Breuer on [zoey.breuer@ukces.org.uk](mailto:zoey.breuer@ukces.org.uk) or 01709774873 for more information.

Yours sincerely,

**Ian Kinder**

Chief Executive

## Appendix E: Questionnaire changes since 2014

Question number	Question area	Change made	Reason for change
S2	Asking to speak to appropriate person	Added clarification about who this will be for small/medium/large companies e.g. for a small company might be owner or director	To more quickly reach the respondent.
A2	Whether establishment is only one or one within larger organisation	Clarification added if necessary to what is meant by establishment.	To improve respondents' understanding
A3	Whether it is the Head Office of the organisation	Question added	To provide a bit more nuance into the type of site, and to aid in future survey research and data linking which might only focus on head offices or single sites (for example, a requirement of the SFA).
A1	How many people work at the specific site	Wording revised to refer to 'specific site', rather than 'particular establishment'. Question also moved after the new A3	To ensure respondent clarity around the intention of the question.
C1	Whether establishment has had vacancies in past 12 months	Addition of 'your establishment' to replace 'you' in question wording	To provide clarity around the term 'you', i.e. not whole organisation, but specific site.
C2	Whether they have heard of recruitment services	From 2014 the following services/initiatives were removed:  NI Steps to Work WL Go Wales WL Traineeships  With the following introduced:  NI Steps to Success EN Find an Apprenticeship (previously known as the Apprenticeship Vacancies)	The C2 list was updated to reflect recent changes in recruitment schemes and initiatives across the UK. Welsh traineeships were removed from this question and included in a standalone set of questions at D35a and D35b.

Question number	Question area	Change made	Reason for change
		System) EN National Careers Service WL Apprenticeship Matching Service	
C4	What specific recruitment channels (unprompted) they have used in the last 12 months to fill vacancies	Question replaced with C4a and C4b	It was determined that this style of questioning did not fully meet stakeholder needs and had the potential to miss certain recruitment avenues as a result of being unprompted.
C4a	What broad recruitment services (prompted) they have used to fill vacancies over the last 12 months	Question added. Replaces C4, separated into two separate questions	<p>There have been notable changes in the ways in which employers fill vacancies and the recruitment channels they use over recent years, with online services blurring the lines between traditional forms of recruitment, and the extent to which the employers themselves control this process.</p> <p>As a read out question covering broad approaches to recruitment, it was felt this presented a tighter measure for determining establishments' approaches to recruitment. It also determines a level of agency as well (e.g. whether they themselves place adverts or secure the help of others)</p> <p>Full cognitive and pilot questioning then tightened up the wording of these codes to remove ambiguity and improve employer understanding.</p>
C4b	What paid-for services they have used (unprompted) to fill	Question added.	This change accompanied the introduction of C4a and provides



Question number	Question area	Change made	Reason for change
	vacancies over the last 12 months		a greater level of detail on the type of broad paid-for recruitment service covered in C4a. In this way we capture the same level of detail as achieved in C4 in 2014.
C5	What factors establishment is looking for in candidates.	Wording revised to specify 'establishment'.  Slight tweaks to the wording of the factors for Scotland establishments.	To provide clarity around the term 'you', i.e. not whole organisation, but specific site.  Ensure relevance for Scotland establishments.
C10	What specific recruitment channels (unprompted) they have used to fill role of last young recruit	Question replaced with C10nw and C10nwi	To reflect change to C4
C10nw, C10nwi	What broad recruitment services (prompted) they have used to fill role of last young recruit	See C4a and C4b	Revised to align with C4a and C4b
C10nwii	Which government services used to hire young person	Question added	To determine specific government schemes or services establishments used to recruit young people.  Welsh traineeships were removed from this question and included in a standalone set of questions at D35a and D35b.
C17	Establishment's activities relating to work experience	Wording revised, addition of text 'relating to work experience you have offered'.  Removal of 'traineeships' code.	To improve clarity for respondent.  There was concern that the placement of traineeships in C17

Question number	Question area	Change made	Reason for change
			had led to inflated positive response, even with the definition being supplied. As a result, questions around traineeships have been moved to the end of the Apprenticeships section.
C19	Age of individuals taken on for placements	This question removed	Unlike other areas of the survey, there is less need for time series information on this measure, and thus other areas of the survey have been prioritised. This also reduced the number of loops of questions between C17-C19D that employers were asked to go through.
C19A	Length of placements	This question removed	Unlike other areas of the survey, there is less need for time series information on this measure, and thus other areas of the survey have been prioritised. This also reduced the number of loops of questions between C17-C19D that employers were asked to go through.
C19D	Whether new employee taken on following placement had certain skills	This question removed	Has reduced value as C8a deleted and to save time
C22	Level of awareness of traineeships	This question was moved to Apprenticeships section	See C17
C22A	Whether establishment plans to offer traineeships	This question was moved to Apprenticeships section	See C17
C23	Whether establishment has engaged with students	Multi-code options removed and changed to Yes/No/Don't Know options.	Due to the list of read out options at C23 there were concerns from a practical perspective about the time it took to reach the level of

Question number	Question area	Change made	Reason for change
			<p>detail required.</p> <p>Cognitive testing trialled a shortened version of the question to check employers' understanding of the new terminology. This confirmed that the new approach was suitable, and – while the level of detail captured was reduced compared with 2014 – it still produced a reliable figure showing the extent to which employers engage with students in education.</p>
C23a	Main reasons for engaging with students	This question added	To understand establishments' motivations for engaging with students, and compare these with C20 (reasons for offering work placements)
C24	Which types of educational institutions establishment has been involved with	This question removed	This section was a priority for UKCES in 2014, but has been reduced to allow other areas of interest to be covered in more depth.
C25	Whether establishment has encountered difficulties when engaging with educational institutions	This question removed	See C24
C25a	What difficulties establishment has encountered when engaging with educational institutions	This question removed	See C24
C26	The reasons why the establishment did not	This question removed	See C24

Question number	Question area	Change made	Reason for change
	engage with educational institutions to provide work experience		
C27	Reasons establishment has not had work placements or internships, or engaged with educational institutions in last 12 months	Wording revised to specify 'your site'.  Removal of codes (including those referring to educational institutions being difficult to engage with)	To provide clarity around the term 'you', i.e. not whole organisation, but specific site.  Codes were removed due to the paucity of responses relating to these issues in 2014.
C28	What could be done to encourage employers to offer work experience or engage with educational institutions	This question removed	While the 2014 survey provided us with useful insights into encouraging employers to engage with work placements, it would best be served by unpicking particular triggers in a qualitative environment.
D1B	Reasons for not seeking help on training or skills from an external organisation	This question removed	To reduce survey length and because not used/reported extensively in EPS14
D1C	What prompted establishment to seek advice on training or skills	This question removed	To reduce survey length and because not used/reported extensively in EPS14
D1D	How satisfied establishment was with advice given regarding skills and training	This question removed	Without being able to tie this to a particular type of training or support received, findings at the overall level were not used/reported extensively in EPS14
D1E	Why the establishment was dissatisfied with the advice given regarding skills and training	This question removed	See D1D

Question number	Question area	Change made	Reason for change
D2	Whether establishment has received advice on skills and training issues from certain providers	Separation of code for 'commercial or not-for-profit training provider' into two separate codes  The following were removed:  NI Skills Solutions DEL removed  WL Skills Gateway introduced	Cognitive testing confirmed that respondents could distinguish between a commercial provider and a not-for-profit provider. Thus to improve the granularity of this information, these were separated.  Other codes updated to reflect recent changes in training support mechanisms across the UK
D4	Whether establishment has heard of particular training initiatives	The following were removed:  WL Skills Growth Wales WL Basic Skills Employer Pledge WL Workforce Development Programme NI 'Made Not Born' NI Customised Training from DELNI  The following code was added:  Skills Priorities Programme	To reflect recent changes in training support mechanisms across the UK
D7	The percentage of training considered external	This question removed	Cognitive and pilot testing uncovered conflicts in employers' interpretation of this question. Combined with it not being covered in much depth in EPS14 reporting, this was removed.
D8	What external training has been used by the site	Wording revised to specify 'your site' instead of just 'you'. Sequence of codes also changed	To improve employer understanding.
D9A/B	Reason for choosing to use particular type of training provider	Codes updated	To reflect most common responses from EPS14.

Question number	Question area	Change made	Reason for change
D9C	Whether establishment has communicated with a training provider/FE/HE institution about training or skills	This question removed	This was a filter question to ensure the correct respondents were asked D9D (now removed)
D9D	What types of contact establishment has had with external training providers	This question removed	A new question has been added (D39) which focusses more on employers' engagement with the design of training courses.
D10, D10B, D10D	How training is funded	These questions removed	Historically, these questions highlighted issues around awareness and misconceptions of funding but these were not deemed to be priority areas for EPS16.
D11A/B	Reasons establishment does not use particular types of training provider	Codes updated	To reflect most common responses from EPS14.
D12	Reasons establishment has not used external training services in past 12 months	Codes updated	To reflect most common responses from EPS14.
D36	Whether establishment has worked with another employer to develop skills or expertise across workforce.	Moved to before D13. Reduced from two Yes/No statements to one.	Emphasis on working with other employers has reduced (see D37-D9). In a view to save time, and to get one measure, D36 was also scaled back. As a standalone question it fit better after the training provision rather than in a separate section after Apprenticeships.
D15	Whether establishment has arranged training or funded training leading to	Question wording changed to specify 'over the past 12 months'	To help focus the employer

Question number	Question area	Change made	Reason for change
	qualifications		
D16	Extent to which employers think vocational qualifications improves staff retention and business performance	The following iterations were removed: 'ability of staff to do their jobs better', 'improved productivity', 'improved staff commitment'	In seeking to reduce interview length, D16 and 17 were reviewed as they included a mix of benefits for both the employer and individual, and there was a degree of overlap between the codes.  The questions were tightened up to bring the focus more in line with the EPS brand, i.e. on the experience of the employer (their drivers, barrier and benefits)
D17	Extent to which employers think vocational qualifications are suitable for the business in terms of business needs, skills and value for money.	'Provide staff with a suitable balance of work and study' was removed	See D16
D18	Whether a vocational qualification leads to a pay increase	This question removed	Focus of the question was benefit to individual, not benefit to employer; with a view to save time, this was deemed superfluous
D19	Whether a vocational qualification leads to promotion or improved job status	This question removed	See D18.
D22	Whether employer has staff undertaking apprenticeships at site	Addition of sentence to clarify that apprenticeships refers to formal apprenticeships which follow a framework and lead to a nationally recognised qualification	Previously this question captured both incidences of formal AND informal apprenticeships. However, given reporting focusses only on formal apprenticeships, it was determined that the question should change to reflect this.

Question number	Question area	Change made	Reason for change
D22A/B	How many apprentices at this site	These questions added	To understand the extent of engagement, and the ratio of staff numbers to current apprentices
D23i	Whether establishment has offered apprenticeships in the last 3 years	This question added	To capture more historic engagement.
D24A	Whether apprenticeships follow a formal framework and lead to nationally recognised qualification	This question removed	To account for the change at D22.
D25iii	What type of training provider delivers training to apprentices	This question added	A key focus for EPS16 is to understand what drives employer choices in the type of provider / training they use
D27	How many hours apprentices spend per week on activities that are not part of job role within organisation	This question removed	Other sources of information (e.g. the Apprenticeship Evaluation survey) adequately cover this.
D27i	Length of time establishment has been offering formal apprenticeships	This question added	Useful measure by which to assess employers' current apprenticeship offering.
D27A	Whether establishment decided to offer apprenticeships actively or whether they were approached by external organisation or individual	This question added	To show proactive or reactive nature of employers' decision for offering apprenticeships, with a view to seeing what drives engagement
D27B	What type of organisation approached establishment	This question added	See D27A.



Question number	Question area	Change made	Reason for change
	regarding apprenticeships		
D27C	Reasons for starting to offer apprenticeships	This question added	To better understand employers' choices around offering apprenticeships
D27D	Whether number of apprentices have increased, decreased or remained the same since the introduction of formal apprenticeships	This question added	To understand churn of apprentice numbers over time.
D33	Why the establishment does not offer apprenticeships	This question moved to follow question on knowledge of apprenticeships (D28)  Codes updated	Section re-structured to aid flow.  Codes updated to reflect most common responses from EPS14.
D29	Apprenticeship government schemes with which employers are familiar	The following codes were removed:  WL Pathways to Apprenticeship WL Apprenticeships.  The following code was added: EN Degree Apprenticeships	To reflect recent changes in apprenticeships
D31	Whether establishment has used or had contact with specific organisations/schemes	'EN Apprenticeship vacancies online' replaced with 'EN Find an Apprenticeship'	To reflect the re-branding of Apprenticeship vacancies online.
D27E	Whether expecting number of apprentices to increase, decrease or stay the same over the next 2 years	This question added	To get a better sense of future plans regarding apprenticeships.
D27F-H	Why employer expects change in number of apprentices over the	These questions added	To understand what is driving employer choices regarding apprentice numbers

Question number	Question area	Change made	Reason for change
	next 2 years		
D34i	The timescale in which organisation is planning to offer apprenticeships	This question added	To get a better sense of future plans regarding apprenticeships.
D34ii	The reasons why the organisation is intending to start offering apprenticeships	This question added	To understand what is driving employer choices regarding apprenticeship engagement
D34a	Reasons organisation does not plan to offer apprenticeships in the future	Position changed with codes updated	Section re-structured to aid flow.  Codes updated to reflect most common responses from EPS14.
D35a	Awareness of traineeships	Question moved from section C in 2014, and incorporates Wales establishments	To ensure a more reliable measure of awareness was captured
D35B	Whether establishment has had a trainee in the last 12 months	This question moved from C17	To ensure a more reliable measure of incidence of traineeships was captured
D35Bi	Whether included traineeships when talking about work experience placements previously	This question added	To check whether trainees are being included in C17 measure.
D35Bii	Which type of work experience they included.	This question added	To check whether Trainees are being included in C17 measure.
D35C	Whether establishment has used work experience placements to determine whether individuals are suitable for apprenticeship	This question added	To provide information on routes into employment

Question number	Question area	Change made	Reason for change
D35D	Whether establishment has used traineeships to determine whether individuals are suitable for an apprenticeship	This question added	To provide information on routes into employment
D37	Relationship with other employers	This question removed	Not a key focus for EPS16
D38	Motivation for working with other employers	This question removed	Not a key focus for EPS16
D39 (OLD)	Benefits of working with other employers	This question removed	Not a key focus for EPS16
D39	Establishment's level of involvement in designing training	This question added	To find out more information on the extent of influence employers wield over training.
D40	Whether establishment would have liked to have been involved in designing training	This question added	To gauge level of desire to be involved in training
D41	What prevented the establishment from being involved in designing training	This question added	To understand barriers to designing training
D20	Awareness of National Occupational Standards	This question moved from before the Apprenticeship section	To improve survey flow
D21	Use of National Occupational Standards	See D20.	See D20.
E2	Whether organisation was previously or is working towards Investors in People accreditation	This question removed	Not a key focus for EPS16

Question number	Question area	Change made	Reason for change
E3	Whether organisation has ever head of Investors in People	This question removed	Not a key focus for EPS16
E4	How much organisation knows about the Investors in People Standard	This question removed	Not a key focus for EPS16
F4	Establishment's views and attitudes towards training	This question added	<p>There was greater stakeholder interest for EPS16 in gaining more insights into the attitudes and priorities of employers which might inform their decisions regarding training choices and investment in skills, i.e. what drives employers to make the decisions that they do.</p> <p>Analysis was conducted to determine the extent of correlation between such attitudes and employers' approach to training.</p>
A6	How long the establishment has been operating for	This question moved from Section A to Section F	To aid survey flow
A6a	Growth outlook	This question moved from Section A to Section F	To aid survey flow
A9	How the number of people employed at the establishment has changed over the past 12 months	This question moved from Section A to Section F	To aid survey flow
G3A	Whether respondent would like a summary report of findings	This question added	To improve relationships with respondents and raise awareness of the survey.

## Appendix F: 2016 Questionnaire coverage

Question	Question Number	Comparison to 2014	Time series possibility
<b>Firmographics (i)</b>			
Multi or single site	A2	Same	Yes
Whether Head Office	A3	New	-
Total staff across organisation	A4	Same	Yes
Number of staff on site	A1	Same	Yes
Organisation classification	A5	Same	Yes
Sector	A7/A8	Same	Yes
<b>Recruitment</b>			
Whether had vacancies	C1	Same	Yes
Familiarity with and use of government services or initiatives	C2/C3	Revised	Yes
Broad recruitment channels used	C4a/C4b	Revised	No
Factors looked for in candidates	C5	Revised	Yes
Whether recruited in last 12 months	C6a	Same	Yes
Age of recruits	C6b-e	Same	Yes
<b>Recruitment of young people</b>			
Role of last young person recruited	C8	Same	Yes
Broad recruitment channels used for last young person recruited	C10nw /C10nwi	Revised	No
Whether used government scheme or initiative for last young recruit	C10nwii	New	-
<b>Recruitment of education leavers</b>			
Whether recruited anyone to their first job on leaving education in last 2-3 years	C10a/b/e	Same	Yes
Preparedness of education leavers for work	C10c/d/f/g	Same	Yes

Question	Question Number	Comparison to 2014	Time series possibility
<b>Work experience and inspiration</b>			
Type of work experience placement offered in last 12 months	C17	Revised	Yes
Number of individuals on work placements in last 12 months	C18	Revised	Yes
Whether individuals taken on to long-term role	C19C	Revised	Yes
Reason for offering work placements	C20	Same	Yes
Whether engaged with education institutions to provide work inspiration to students	C23	Revised	No
Reasons for offering work inspiration opportunities	C23a	New	-
Reasons for not offering work placements or inspiration	C27	Revised	Yes
<b>Sources of training information and advice</b>			
Whether sought or needed to seek advice on training in last 12 months	D1/D1a	Same	Yes
Sources of advice used	D2	Revised	Yes
Familiarity and use of Government schemes and initiatives	D4/D5	Revised	Yes
<b>Training activity</b>			
Whether provided internal or external training in last 12 months	D6a/b	Same	Yes
External sources of training used	D8	Revised	Yes
Reason for using private/public provision	D9a/b	Revised	Yes
Reason for not using private/public provision	D11a/b	Revised	Yes
Reason for not using external training providers	D12	Revised	Yes
Whether worked with other employers to develop staff	D36	Revised	Yes

Question	Question Number	Comparison to 2014	Time series possibility
<b>Training to VQs</b>			
Whether train to VQs	D13	Same	Yes
Reasons for not training to VQs	D14	Same	Yes
Level of VQs	D15	Same	Yes
Extent VQs improve the business	D16/17	Revised	Yes
<b>Apprenticeships</b>			
Whether offer formal framework	D22	Revised	Yes
Number of current apprentices	D22a	New	-
Whether offer apprenticeships	D23	Revised	Yes
Whether site previously offered apprenticeships	D23i	New	-
Age of apprentices	D23A	Same	Yes
Whether apprentices are recruits external to the business	D23B	Same	Yes
Type of training provided	D25i/ii	Same	Yes
Type of training provider used	D25iii	New	-
Typical length of apprenticeship	D26	Same	Yes
History of apprenticeship offer	D27i	Same	Yes
Trigger for offering apprenticeships	D27a/b	New	-
Motivation for offering apprenticeships	D27c	New	-
Historic churn of apprenticeship offer	D27d	New	-
Awareness of apprenticeships	D28	Same	Yes
Reasons for not offering apprenticeships	D33	Revised	Yes
Awareness of or interaction with apprenticeships schemes	D29/D31/D32	Revised	Yes
Whether plan to offer apprenticeships in future	D34	Same	Yes

Question	Question Number	Comparison to 2014	Time series possibility
Anticipated churn in apprentice numbers	D27e	New	-
Reason for anticipated churn	D27h	New	-
When plan to offer apprenticeships in future	D34ie	New	-
Reason for starting to offer apprenticeships	D34ii	New	-
Awareness of traineeships	D35a	Revised	Yes
Whether had anyone undertake a traineeship in last 12 months	D35b	Revised	No
Check questions around work experience and traineeships	D35bi/ii	New	-
Whether work experience / traineeship seen as route to apprenticeship	D35c/d	New	-
<b>Employer involvement in content and design</b>			
Level of involvement with apprenticeships, VQs and external training	D39	New	-
Whether would have like to be more involved	D40/41	New	-
<b>National Occupational Standards</b>			
Awareness of NOS	D20	Same	Yes
Use of NOS	D21	Same	Yes
<b>Investors in People Accreditation</b>			
Whether currently accredited with iIP	E1	Same	Yes
<b>Employer Attitudes and Firmographics (ii)</b>			
Attitudes towards training	F4	New	-
History of operating	A6	Same	Yes
Growth prospects	A6a	Same	Yes
Growth over last year	A9	Same	Yes
Closing questions	G1-G3a	Same	Yes



## Appendix G: Reassurance email

REF: [KEY NUMBER]

### Employer Perspectives Survey 2016

Thank you for considering participating in this important research.

The Employer Perspectives Survey 2016 is being conducted on behalf of the UK Commission for Employment and Skills and the Department for Business, Innovation and Skills (now known as the Department for Business, Energy and Industrial Strategy), the Welsh Government, the Scottish Government and the Department for the Economy in Northern Ireland (DfE). The project is being conducted by IFF Research, an independent market research organisation.

The survey aims to help Government and other organisations to help employers like you, by better understanding your needs in terms of skills, training and employment. Your co-operation will ensure that the views expressed are representative of all employers in your sector.

Participation in the survey will involve a telephone interview with an IFF interviewer lasting around 20 minutes at a time that is convenient for you and we hope very much that you are able to take part.

For further information regarding the survey, please see the UK Commission's website: [www.gov.uk/government/news/ukces-employer-perspectives-survey-2016-now-underway](http://www.gov.uk/government/news/ukces-employer-perspectives-survey-2016-now-underway)

If you have any queries concerning the format or content of the interview, please contact Helen Wrathall or Mark Tweddle at IFF Research, tel: 020 7250 3035 or e-mail: [EmployerPerspectivesSurvey2016@IFFResearch.com](mailto:EmployerPerspectivesSurvey2016@IFFResearch.com). If you would like to speak to somebody at the UK Commission for more information on the aims and objectives of the survey, you can contact Zoey Breuer on <mailto:EPS16@ukces.org.uk>.

Your replies will be treated in the strictest confidence under the Code of Conduct of the Market Research Society. Responses will not be linked to individual companies or respondents without their prior consent.

Thank you for your assistance.

Yours sincerely,

Helen Wrathall

Research Executive, IFF Research

## Appendix H: Coding

A number of questions in UKCEPS 2014 captured verbatim responses, either where an interviewer felt the response could not be allocated to a pre-code, or where there were no pre-codes available (open ended). After the interview these responses were then assigned codes or left in 'Other' where it was not possible to do so. Table H.1 identifies the questions that required coding.

**Table H.1: Questions requiring coding**

Question number	Question wording	Coded variable
<b>Section A</b>		
A5	Would you classify your organisation as one ...?	None of the above, other (specify)
A8	How would you describe the main business activity of this establishment?	<i>OPEN ENDED</i>
<b>Section C</b>		
C4a	Over the last 12 months has your establishment done any of the following to fill vacancies...?	Other (SPECIFY)
C4b	What types of paid-for recruitment services has your establishment used to fill vacancies over the past 12 months?	Other (SPECIFY)
C8	Firstly, what position or role were they recruited to?	<i>OPEN ENDED</i>
C10nw	And still thinking about the role this young person was recruited to, did your establishment use any of the following to fill this role...?	Other (SPECIFY)
C10nwi	What types of paid-for recruitment services did your establishment use to fill this role?	Other (SPECIFY)
C10d	In what ways have they been poorly prepared? (EN, NI, WL)	Other (WRITE IN)
C10g	In what ways have they been poorly prepared? (SC)	Other (WRITE IN)
C17	I'd now like to ask about your establishment's activities in the past year relating to work experience you have offered. Thinking about people of all ages, in the last 12 months have you had anyone in for: [C17 ITERATION TEXT]?	Any other type of placement (SPECIFY)
C20	What are the main reasons you offer work experience placements or internships at this site?	Other (SPECIFY)

Question number	Question wording	Coded variable
C23a	What are the main reasons why your establishment has engaged in these types of activities?	Other (SPECIFY)
C27	You mentioned that your site has not had any work placements or internships in the last 12 months, or engaged with educational institutions to provide other forms of work-related experience to their students. What would you say are the main reasons for not doing so?	Other (SPECIFY)
<b>Section D</b>		
D2	Has anyone at this establishment received advice or help on skills and training related issues in the last 12 months from any of the following?	Any others (SPECIFY)
D8	Which of the following external sources of training has your site used in the past 12 months...?	Other (SPECIFY)
D9a	Why do you choose to use [INSERT ANSWERS 3-7 FROM D8] to deliver [IF D8=1 or 2: some of] your training?	Other (WRITE IN)
D9b	Why do you choose to use [INSERT ANSWERS 1 AND/OR 2 FROM D8] to deliver [IF D8=3-7: some of] your training?	Other (WRITE IN)
D11a	And why do you not use commercial organisations or non-profit making organisations to deliver your training?	Other (WRITE IN)
D11b	And why do you not use [Further Education Colleges] [Universities and Higher Education institutions] to deliver your training?	Other (WRITE IN)
D12	[D6A=1 AND D6B=2: Why hasn't your establishment used the teaching or training services of external training providers in the last 12 months?] [D6A=2 AND D6B=2: Why has your establishment not decided to deliver any training using the teaching or training services of external training providers in the last 12 months?]	Other (WRITE IN)
D14	For which of the following reasons has your establishment NOT arranged training for your employees that was designed to lead towards the achievement of a vocational qualification?	And is there any other reason why vocational qualifications do not fit your business needs (SPECIFY)
D15	Now thinking about the level of qualifications that your establishment has arranged for staff to undertake over the past 12 months, have you arranged or funded training leading to	Other (SPECIFY)

Question number	Question wording	Coded variable
	qualifications at...?	
D25iii	What type of training provider delivers the training for your apprentices. Is it...?	Or is it another type of provider (SPECIFY)
D27b	Who or what type of organisation approached you regarding your establishment offering Apprenticeships?	Other (SPECIFY)
D27c	And why did you start offering Apprenticeships?	Other (SPECIFY)
D33	Why does your establishment not currently offer Apprenticeships?	Other (SPECIFY)
D27f	Why do you expect the number of apprentices at this site to increase over the next 2 years?	Other (SPECIFY)
D27g	Why do you not expect the number of apprentices at this site to increase over the next 2 years?	Other (SPECIFY)
D27h	Why do you expect the number of apprentices at this site to decrease over the next 2 years?	Other (SPECIFY)
D34i	In what timescale is your organisation planning to offer Apprenticeships, is it...	Or is it some other timescale (SPECIFY)
D34ii	What are the main reasons why your organisation is intending to start offering Apprenticeships in the future?	Other (SPECIFY)
D34A	Is there any particular reason you do not plan to offer Apprenticeships in the future?	Other (SPECIFY)
D41	What prevented you from being involved in designing the content of the [ITERATION TEXT: Apprenticeships / Vocational Qualifications / External Training]?	Other (SPECIFY)
D21	Does your establishment use the National Occupational Standards covering your sector in any of the following ways?	Are they used in any other ways? (SPECIFY)



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