



Raising the standard – National Skills Survey

FSB one page briefing

Small businesses have long argued that a lack of basic employability skills is a major barrier to growth. This continues to be the case. However, small businesses are being more selective over their training. They want to invest in skills but only in areas that will bring the greatest benefits to the business.

Small businesses want to invest in skills to increase the promotion of the business. Competition is critical which is why businesses want to spend time focussing on sales and marketing skills, alongside customer services/IT development skills to raise the awareness of their businesses.

Small businesses are unsure about compulsory training requirements and are concerned that they are spending money on unnecessary training when they would much rather be developing the business through leadership and management training and technical learning.

The majority of training that takes place is through external private providers, however, the most effective training for small businesses is on the job, informal and unaccredited learning – somehow the Qualifications and Curriculum Authority must be able to capture and assess the learning that takes place in micro businesses.

Recommendations based on survey results:

- **For the Government to make Leadership and Management Skills obtainable for businesses of all sizes if they can demonstrate the capacity for growth.**
- **Allocated funding to apprenticeships must be used to benefit micro businesses and not spent on larger businesses that are in a position to fund more training.**
- **The National Apprenticeship Service must do more to promote the benefits of Apprenticeship Training Agencies (ATAs) to small businesses. (ATAs are separate organisations that deal with matters such as sourcing training and administrative and employment issues.**
- **Government must reintroduce the Graduate internship scheme for small businesses. The original scheme was scrapped in March 2011.**

The FSB calls on the Government to accept our recommendations to help small businesses grow and drive the recovery.

Key Statistics

- 47 per cent of businesses have not invested in training for either the business owner or the employees in the past year
- Almost half (46 per cent) of business owners believe that sales, marketing and PR training for themselves (34 per cent for employees) would help their business develop or improve in order to grow
- 32 per cent perceive customer services, and 20 per cent say basic communication skills, are integral to business growth.
- 58 per cent of businesses have used external private providers to facilitate their training requirements in the past year
- 68 per cent of businesses said that their recent investment in training had no impact on the profitability of the business
- 44 per cent of businesses have said that the training in the last year had increased staff motivation.

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