Victorian Employer Skills Survey 2018

Metropolitan Melbourne

13,600 employers responded to the *Victorian Employer Skills Survey* in 2018. Of these, nearly 7,930 were located in Metropolitan Melbourne. Employers report that skills are important to productivity, but over half are facing challenges filling jobs and finding the right applicants with the right skills. These challenges are expected to continue into the future. However, a high proportion of employers that accessed training to improve the skills of their workforce, report improved productivity, a positive return on investment and improved value of staff in the workplace.

The statistics below reflect the experience of employers in Metropolitan Melbourne compared to the overall Victorian average.

**Productivity**

**Skills are important to productivity**

Businesses with a lack of skills found it had a medium impact on workplace productivity.

**High impact**

Metropolitan Melbourne: 28%

Victoria: 28%

**Medium impact**

Metropolitan Melbourne: 56%

Victoria: 56%

**Low impact**

Metropolitan Melbourne: 15%

Victoria: 15%

**Impact of insufficient workforce skills**

Businesses lacking skills mainly reported the following workplace issues:

**Increased workload for other staff**

Metropolitan Melbourne: 63%

Victoria: 66%

**Increased operating costs**

Metropolitan Melbourne: 46%

Victoria: 46%

**Inability to meet customer needs**

Metropolitan Melbourne: 43%

Victoria: 41%

**Challenges**

**Managing the skills of the workforce**

Employers reported that recruitment was challenging due to candidates not having the required skills or being job ready.

**Finding people with the right skills**

Metropolitan Melbourne: 60%

Victoria: 59%

**Finding job ready candidates**

Metropolitan Melbourne: 35%

Victoria: 35%

More than a quarter of employers saw the need to improve the skills of existing staff.

**Faced challenges training staff to keep skills up to date**

Metropolitan Melbourne: 27%

Victoria: 27%

**Recruitment challenges**

Employers facing recruitment challenges mainly reported applicant related reasons for their difficulties.

**Agreed roles were difficult to fill**

Metropolitan Melbourne: 59%

Victoria: 59%

**Lacked relevant experience**

Metropolitan Melbourne: 59%

Victoria: 56%

**Lacked technical / job specific skills**

Metropolitan Melbourne: 52%

Victoria: 52%

**Few applicants**

Metropolitan Melbourne: 49%

Victoria: 52%

**Skills**

**Skills needed now and for the future**

**Businesses are concerned they may not have the skills they need for the future**

Metropolitan Melbourne: 26%

Victoria: 26%

**Businesses lack the skills they need today**

Metropolitan Melbourne: 12%

Victoria: 12%

**Businesses believe they have the skills needed for today and for the next 12 months**

Metropolitan Melbourne: 62%

Victoria: 62%

**Type of skills lacking today and in the next 12 months**

Employers who lack the skills today, or expect to over the next year, identified various skills needs.

**Technical / job specific skills**

Metropolitan Melbourne: 66%

Victoria: 68%

**Management / leadership skills**

Metropolitan Melbourne: 40%

Victoria: 39%

**Problem solving skills**

Metropolitan Melbourne: 37%

Victoria: 36%

**Training**

**Employers’ access to training**

Employers supported staff training last year

Metropolitan Melbourne: 65%

Victoria: 64%

Employers who supported training either utilised external trainers or made provisions for training within the organization by other staff.

**Internal training**

Regional Victoria: 58%

Victoria: 57%

**External training**

Regional Victoria: 80%

Victoria: 82%

**Training contribution and quality**

Employers who supported training agreed it had a positive contribution to productivity and business success.

**Positive return on Investment**

Metropolitan Melbourne: 91%

Victoria: 90%

**Positive impact on productivity**

Metropolitan Melbourne: 91%

Victoria: 90%

**Trained staff are more valuable to the workplace**

Metropolitan Melbourne: 95%

Victoria: 95%

**Quality of provider training was high**

Metropolitan Melbourne: 88%

Victoria: 88%