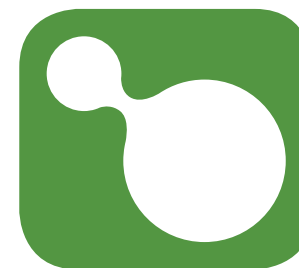


# Tackling the skill shortage

Responsible long term planning and innovation is needed to solve the region's engineering skill shortage

The engineering skill shortage is the biggest issue facing the region's industrial and manufacturing sector today, and it's an issue which is prominent within most industries and across all levels.



**"Demand in the market for engineering talent is driven, in large part, by the burgeoning oil and gas industry."**

The market is more optimistic now than it has been in a long time, yet according to Lisa Taylor, head of Nigel Wright's engineering and manufacturing recruitment team, while demand for engineering talent continues to increase exponentially, "...the supply of talent is scarce and businesses, particularly those operating in, or supplying, the oil and gas and automotive industries, have had to find new and creative ways to attract and retain talent".

At the onset of the recession, industrial and manufacturing businesses significantly reduced spending on all 'non essentials' and for many companies, training and development of staff fell into the 'non essential' category. As Lisa notes, "Training apprentice engineers and bringing them through the ranks stopped being a priority". Furthermore, those leaving university with engineering degrees at that time were not entering the profession straight away, because of the lack

of jobs. Consequently, five years later, "...there is a skill shortage right across project, electrical, electronic, mechanical, maintenance, quality, design and structural engineering".

The recent NECC Quarterly Economic Survey confirmed that the North East has the most rapidly growing industrial and manufacturing sector in the UK, with "orders, sales and exports at unprecedented levels". Demand in the market for engineering talent is driven, in large part, by the burgeoning oil and gas industry. Significantly, according to Lisa, "Big oil and gas companies have deep pockets and can afford to pay high salaries to attract the best talent; this is making life difficult for some of the smaller players in the market". Furthermore, oil and gas companies are also starting to subcontract more specialist work, particularly around precision engineering, welding and fabrication, to tier-one suppliers. Subsequently,





**“Nigel Wright has also been innovative in terms of how it tries to identify engineering talent; essentially finding ways to identify the best candidates before they become openly available on the market.”**

the larger suppliers are also in the habit of poaching the best niche skill-sets. This, again, is "...at the detriment of smaller companies, who are suffering as a consequence".

In the automotive sector in the region, the continued expansion of the Nissan manufacturing plant in Sunderland, and the subsequent growth of tier one automotive suppliers that supply Nissan, is also impacting the engineering talent market. During the last few years, Nissan has focused on NPI (New Product Introduction) and trialling new manufacturing processes prior to gearing up to full scale manufacture, focusing on driving process improvement and efficiency. Automotive businesses typically recruit more engineers during the NPI phase and, Lisa noted, "Like its peers in the oil and gas industry, Nissan is offering higher salaries to attract the best talent". Larger, tier one suppliers are also being forced to appoint talent from non-automotive high volume manufacturers, to manage increasing demand, resulting in "...other manufacturing businesses struggling to find the calibre and quality of the talent they need".

There is growing awareness, however, that the culture of 'short-term recruitment fixes' to solve talent issues isn't sustainable, and companies across the industrial and manufacturing sector are beginning to "...plan for skill shortages more responsibly by seeking longer term solutions". Lisa explained that Nigel Wright is working in partnership with its clients, and helping them to focus on and conceive longer term solutions to counter the engineering skill shortage. For example, instead of trying to find the 'ideal candidate', Nigel Wright now advises clients to consider candidates with 'a good attitude and some potential' and to invest in improving internal training and development programmes "...to essentially mould the talent they need".

Elsewhere in the industrial and manufacturing sector, talent management and succession planning is increasingly important. As Lisa notes, "...this is another area where Nigel Wright has found a high demand for its consultative services". The UK's ageing workforce is a particularly prominent issue within engineering, and many industrial and manufacturing companies are facing up to the fact that 10% of their typically 'long serving' workforces, could retire during the next five to ten years. As Lisa explains, "A lot of employees with long tenures have essentially reached their natural level and have become comfortable at that level". Young engineers looking to progress in their careers, therefore, often find a lack of management opportunities available. "Because people only have to give one month's notice before they retire now, it is increasingly difficult for businesses to plan for the future. This is a common issue in the chemical process industry in Teesside at the moment, as many companies are expanding rapidly, while

competing to attract and retain talent and build capacity to meet changing business demands".

Lisa added, "There has been a noticeable shift back to the 'pre-recession' candidate driven market, where high calibre talent is often in receipt of multiple job offers and counter offers are increasingly common again". With the shift in focus towards attracting talent based on non-monetary factors, however, such as training and career development opportunities, another key area that Nigel Wright has assisted clients with is the employment brand. Lisa noted that "Because the engineering talent market has effectively been a 'bidding war' during the last few years, businesses have not invested in developing their employment brands. But employment brand and being seen as 'an employer of choice' has ...returned to the fore of recruitment strategies within the industrial and manufacturing sector". During the last 12 months Nigel Wright instigated numerous recruitment campaigns where "...we have gone to market with engineering opportunities by selling a different yet compelling proposition to candidates, focused on career opportunities and other benefits aside from salary".

Nigel Wright has also been innovative in terms of how it tries to identify engineering talent; essentially finding ways to identify the best candidates before they become openly available on the market. In Lisa's words, "Because we've been established in the engineering and manufacturing space for so long, we have excellent networks, which means we're not just looking in the same places for the same people, like some of our competitors". Additionally, she says, "Our solution is also different because our internal research team gives us a greater dimension to offer a broad and varied search for talent".

Lisa, who has worked in recruitment for 19 years across Leeds, Manchester, the North East and Edinburgh, is currently expanding her established team of specialist consultants and, due to a high demand for her team's services, is actively seeking to grow headcount over the next few months. Anyone interested in a career in recruitment should contact Lisa directly, using the details below.

Nigel Wright is a trusted recruitment partner to the UK's industrial and manufacturing sector. Its clients are diverse and range from local niche suppliers to multi-national, global leaders. It covers a broad range of industrial sectors including Automotive, Oil and Gas, Warehouse and Distribution, Process and Chemicals, Manufacturing and Engineering.

**To find out more about how Nigel Wright's engineering and manufacturing team could help you, please call Lisa Taylor on +44 (0)191 269 0685 or email [lisa.taylor@nigelwright.com](mailto:lisa.taylor@nigelwright.com).**



# Construction boom leads to new appointment

With UK construction output volumes increasing by 6.2% over the past year, the construction sector has been experiencing a period of sustained growth.

Increased consumer confidence and a revival in the general housing market have been key growth drivers for both construction activity and the wider economy.

The sector in the North East has benefited considerably from the rise in housing market turnover and mortgage availability, which have attracted more private housing development.

As a result, recruitment activity for the sector has increased significantly in the past 12 months. Companies in the industry also continue to push the boundaries in innovation and sustainability as they play ever more critical roles in solving some of the UK's built environment challenges, such as carbon reduction, waste reduction and resource efficiency.

Having recognised the new opportunities created by this growth in the sector, this summer we had the pleasure to welcome a new member of staff to our Built Environment team. Natalie Moyles joined Nigel Wright as a Managing Consultant responsible for the Built Environment Division and specialises in the supply of contract and permanent staff, up to Director level in the Architecture, Building Surveying, General Practice Surveying, Facilities Management,

Building Services Engineering, Civil Engineering, Quantity Surveying and Construction professions.

Natalie has several years' recruitment experience in the North East, during which time she has developed strong relationships with a number of key clients, ranging from PLCs, SMEs, Public Sector, Professional Services and blue chip companies. She said:

"I'm delighted to join Nigel Wright at such an exciting time for the Built Environment sector. The growth experienced at both a regional and national level has been very promising. The value of the project starts in 2014 in the North East alone was 30% higher than in the previous year, which means that more job opportunities have been created in the region. My objective here at Nigel Wright is to consolidate our Built Environment brand by continuing to build and maintain strong relationships with key decision makers within the sector and become more heavily involved in regional networking events. "

**Anyone interested in our work within the Construction and Property sector should contact Natalie on +44 (0)191 269 0692 or email her at [natalie.moyles@nigelwright.com](mailto:natalie.moyles@nigelwright.com)**