



# INTRALOGISTICS Magazine

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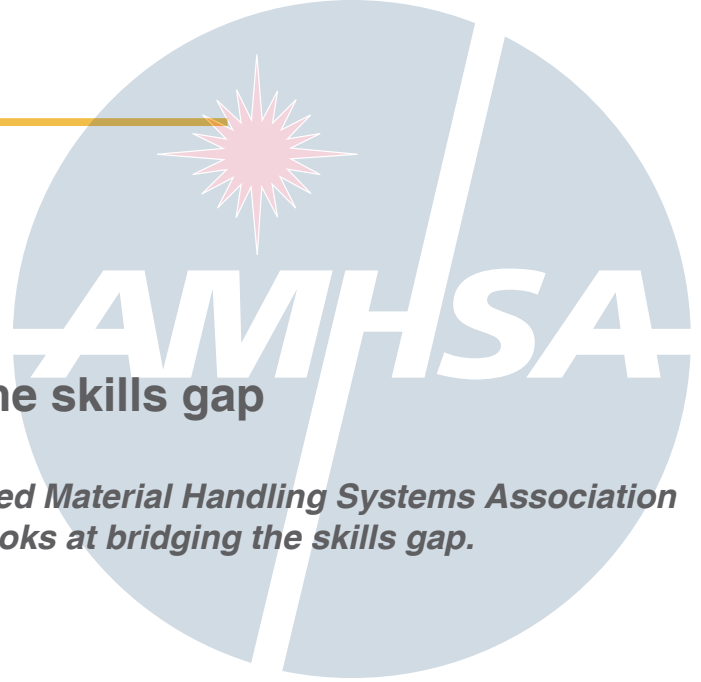
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**AMHSA**  
Bridging the skills gap

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## Bridging the skills gap

*In this month's article from the Automated Material Handling Systems Association (AMHSA), Dave Berridge, looks at bridging the skills gap.*

**T**he shortage of skilled engineers remains an obstacle to Britain's ability to maximize economic growth in a post-Brexit world. Dave Berridge, Secretary of the Automated Material Handling Systems Association (AMHSA), explains that apprenticeships are a key part of the solution.

Britain is facing its biggest skills shortage for generations, with talent gaps across a wide range of professions threatening to hamper economic prosperity. The scarcity of skills in key sectors – such as construction – has huge repercussions, with major projects having to be put on hold and soaring pay bills for some of the roles in most demand. Engineering is a major problem area. The 2016 'Engineering and Technology Skills and Demand in Industry' report produced by the Institution of Engineering and Technology (IET) found deeper concern than in previous years around the skills, knowledge and experience of the future workforce. Of the 400+ employers surveyed, 52% were seeking new recruits, with businesses having the greatest difficulty recruiting senior engineers with 5-10 years' experience.

### Diversity

The shortage of engineering skills is apparent in the logistics industry. For some reason, logistics does not have the most alluring reputation for the average school leaver or university graduate, making operations – and growth – difficult for many companies in the sector. One solution to this problem is to diversify the workforce. Incredibly, women still only account for 9% of all engineering



and technology employees in the UK. The IET report found that some 63% of businesses do not have gender diversity initiatives and even more do not have ethnic or LGBT diversity initiatives in place.

### Apprenticeships

Another key solution to the skills gap is apprenticeship schemes, which can draw in young people at grass-roots level. Employers get the human resources they need quickly and also the opportunity to embed their corporate culture and organization-specific skills. The apprentices, meanwhile, acquire transferable skills while earning a wage and avoiding the tuition fee debts that many of their contemporaries will be building up while studying for a more academic qualification.

Trade associations are ideally placed to foster apprenticeship programmes. AMHSA has its very own apprenticeship scheme, which operates in association with car manufacturer, Toyota. The scheme allows AMHSA members to sponsor staff to participate in a specially designed four-year training programme, with apprentices spending the first two years learning a range of hands-on and high-tech engineering skills at the Toyota Academy in Burnaston, Derbyshire, and the remaining two years building on this with industry-specific skills and knowledge at the premises of the AMHSA member. The foundation year involves topics such as Basic Electricity, Mechanical Hand Skills and Engineering Principles, with the apprentices progressing to topics such as Pneumatics, Hydraulics, Welding and Electronics in the second year. After extended placement with the AMHSA member in years 3 and 4 – when they acquire invaluable soft skills such as effective communication, teamwork and problem solving – apprentices achieve the NVQ Diploma (Level 3) in Maintenance Engineering. If they want to – and have the ability – they can go on to study for Level 4 qualifications or an engineering degree.

AMHSA members recently had the opportunity to experience for themselves the high quality of the facilities and education at the Toyota Academy during AMHSA's Training Workshop, held at the Burnaston site in early April. In addition to presentations by industry specialists on a number of material handling topics – including containers, cranes/shuttle systems, AGVs and picking systems – delegates enjoyed a fascinating tour of the training facilities and of Toyota's production halls.

## The levy

The impact of the government's new apprenticeship levy is yet unclear. With all employers that have a pay bill of £3 million or more required to pay a 0.5% levy, much of the cost of funding apprenticeships is shifting from the state to employers. Organisations that pay the levy are eligible for apprenticeship vouchers to spend on training from registered providers. Worryingly, the IET's 2016 skills report showed that over half (53%) of employers did not know how the levy could benefit their organisation.

## Brexit

Of course, with Article 50 now triggered, the Brexit clock is ticking and the implications of reduced freedom of movement for labour across the EU may increase the skills gap further. The IET's report recommended that government and industry work together to create a long-term strategy to develop 'home grown' engineering talent and to ensure that any future immigration policy will support growth of the UK's engineering

industry.

## What can we do?

As an industry, we need to make serious efforts to convey to the public at large the idea that a career in logistics can be challenging, rewarding and enjoyable. This message has to get through to the more mature influencers – parents, teachers and careers advisors – as well as to young people themselves. This means using a combination of traditional and new marketing channels. There are some fantastic vehicles already out there that we can make use of to enhance the image of logistics. For example, check out the website [icould.com](http://icould.com). This site, which is operated by a small but dynamic charity, aims to provide career inspiration for young people through access to over 1000 short video stories from real people in real jobs, some of them in the logistics sector.

[www.amhsa.co.uk](http://www.amhsa.co.uk)

