



Preparing for the future:

Understanding the skills & training needs
of the automotive retail sector

Roadside assistance



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Introduction

Purpose

Each year the Institute of the Motor Industry (IMI), as the Sector Skills Council (SSC) for the automotive retail sector, carries out a Sector Skills Assessment (SSA). The SSA, which is commissioned and funded by the UK Commission for Employment and Skills (UKCES), gives a high level overview of the skills needs of the sector.

With this in mind, and in order to enable employers to prepare for the future, the IMI initiated and conducted an extensive programme of in-depth granular research, building on the SSA to fully understand the extent of the skills and training needs across each of the 12 sub-sectors within its footprint. The purpose of this research is to recognise, at job role level, within each distinct sub-sector, precise skills and needs within the existing workforce.

It is vital that the IMI, as the SSC and the professional association for the automotive retail sector, understand employers' immediate and critical skills needs in order to identify and/or formulate effective solutions to address these skills needs. We need to ensure that the automotive retail sector begins to improve its overall productivity and profitability. This will ultimately help business position themselves for economic recovery, when it comes, allowing them to compete in a globally competitive market.

Methodology

To achieve our stated purpose the IMI engaged with employers, stakeholders, training providers and trade associations to ensure that the research findings were accurate, validated at each stage, robust and fit for purpose.

To accomplish this, a qualitative phase of research was carried out. This involved 170 in-depth telephone interviews, each lasting one and a half hours, with employers across each of the sub-sectors. The focus of these interviews was on skills and training needs within the business, the issues facing the employer and the future challenges they envisaged over the next 18 months – 2 years. This first qualitative element (i.e. the use of open questions to gain responses) successfully defined the broad skills needs of the sub-sector.

The second phase of the research, the quantitative phase, was designed to validate and expand on the issues raised in the first phase, by the use of a telephone survey which contained the summary findings and analysis from the first stage. The telephone interview asked respondents to confirm that the skills needs identified from the in-depth interviews were accurate, they were then asked to prioritise each of the skills and training needs identified. In total, 876 employers took part in the telephone interviews, with a target of 100 from each sub-sector, to enable accurate data to be collected and robust conclusions to be drawn. This stage was complemented by a web survey, which furnished 630 additional responses, to ensure that as many employers as possible had the opportunity to respond to the questionnaires in as many different ways as possible.

The final main phase of the research involved 12 focus groups with employers to benchmark their views on skills needs against the findings from the first and second phases of the research. This enabled us to arrive at a final set of core skills needs, covering technical, management and customer service job roles.

Once all the data had been collected it was analysed by channelling the responses from the initial in-depth interviews into a much more concise number of core skills needs, using the findings from each consecutive stage of the research as the starting point for the next. By doing this, we have achieved a high level of confidence in the conclusions we have arrived at.

The first phase of research involved in-depth interviews with 10 employers across the combined roadside assistance and roadside recovery sub-sectors. The nature of qualitative interviewing allows conclusions to be drawn from small samples; essentially it is answering the 'what' and the 'why' question and not quantifying the response at this stage. In the second phase of the research 75 telephone surveys were carried out, (59 operating in the assistance sub-sector). The data on skill needs are based on 90 responses as a further 15 responses were completed online. A focus group of industry experts was also held to assist the IMI in prioritising skills needs, adding or refining the skills needs identified through the first phase. The web survey outcomes were used to assist in decision making should there be 'borderline' critical skills needs identified or where it was difficult to distinguish which skills needs should be categorised as critical.

Background

Across the automotive retail sector as a whole, in 2008 the sector generated £146 billion or 4.7% of all UK turnover and contributed £25 billion or 2.8% of gross value added. The sales of motor vehicles sub-sector (SIC 50.10) generated the majority of turnover (70%) and contributed the most in value added terms (47%). Geographically England, as would be expected, generated the majority share in terms of both turnover and value added at 88%.

In the latest IMI State of the Sector Report (July 2011), businesses report that trading conditions remain challenging, with 54% of companies experiencing lower orders/sales over the last six months and 66% showing lower profit margins.

Predictions for the next six months are similar, with 41% showing reduced orders/sales and 21% predicting higher sales.

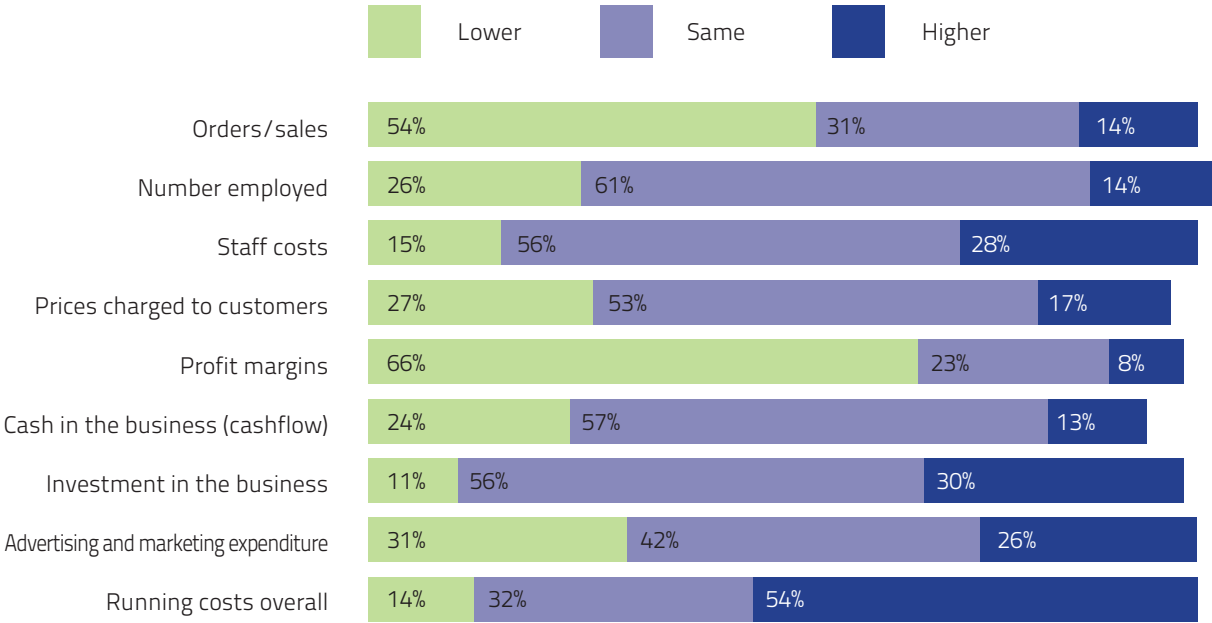


Table 1. Business performance in last 6 months, compared with previous 6 months.
Source: IMI State of the Sector (July 2011)

Respondents to this research were asked what the main issues were affecting their overall business most. It was clear that three issues were critically important:

- Impact of changes in legislation, and changes in legislation forecast over the next 18 months.
- Trading conditions – the fall in car sales in particular over the last two years and the sluggish revival (particularly important to the sales sub-sector).
- The relentless drive in technology development across all vehicle types.

Across the whole automotive retail sector, 85% of businesses are micro, employing less than 10 people. However, they employ only 38% of the total sector workforce. While 57% of all employment is concentrated in those companies that employ over 11 (this accounts for only 14% of all companies), with the remaining 5% of the workforce working for large employers who account for less than 1% of all businesses. (See table 2 below) Given the make up of the automotive retail sector, we are confident that our telephone research targeted the appropriate range of businesses.

	% of workforce	All UK	Difference
1-10	38%	21%	16%
11-199	57%	47%	10%
200+	5%	32%	-26%

Table 2. Employees by business size
Source: Annual Business Inquiry (2008)

Roadside assistance business approach to training and development

The figure below shows that 73% of the respondents to the survey employ under 10 people.

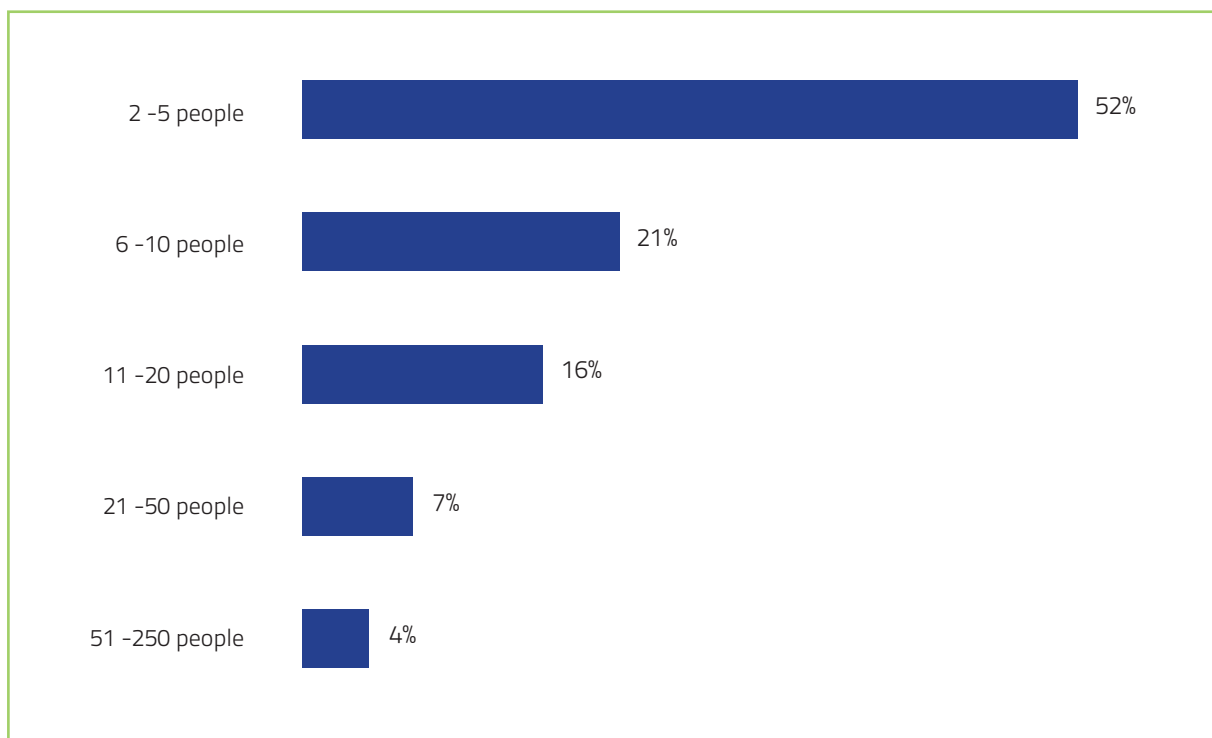


Table 3. Number of people employed
Source IMI sample telephone Interviews September 2011

Table 4 below shows that 44% of the sample had a business plan, 59% had a training plan (rising to 80% for SMEs), with 75% of organisations having trained in the last two years and 63% planning to train in the next two years.

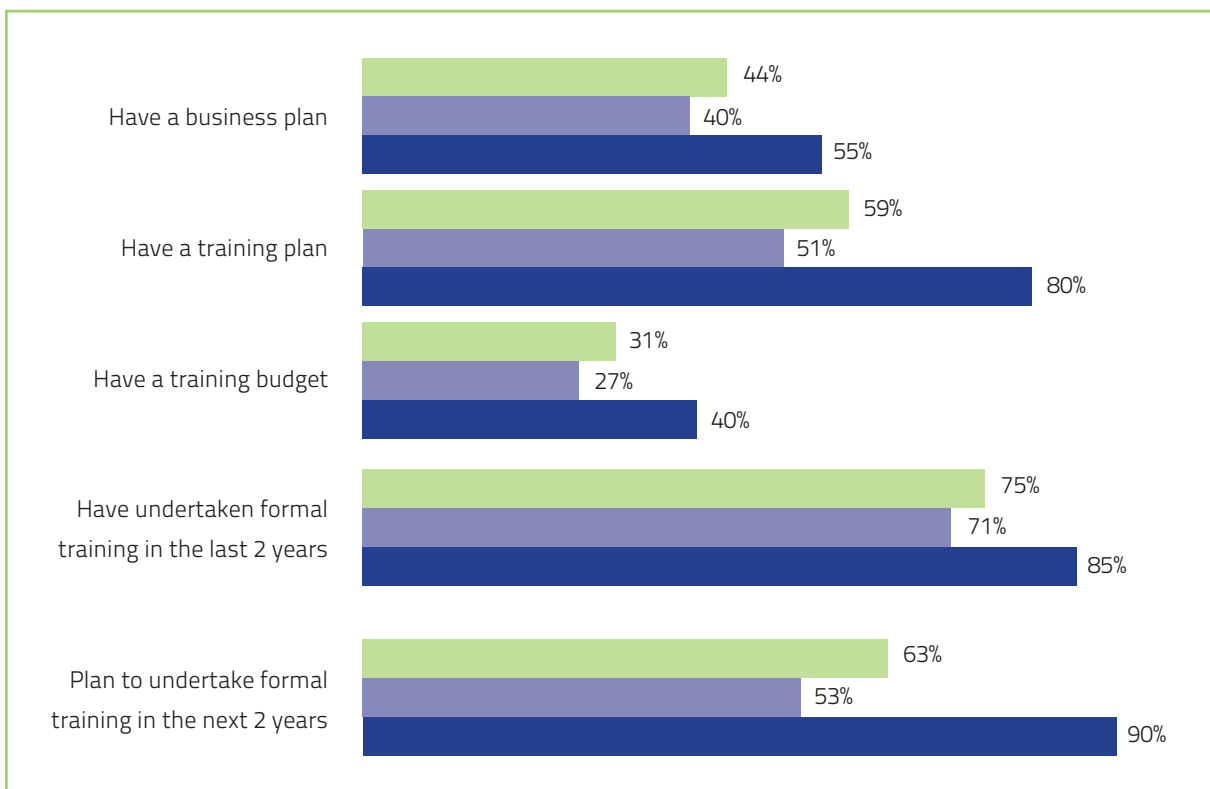


Table 4
Source IMI quantitative telephone interviews September 2011

All
 1-10 employees
 11+ employees

Table 5 below shows that 43% of the businesses sampled train when they feel it is necessary, compared to 29% that train as part of a structured business strategy (this figure goes up to 60% for SMEs).

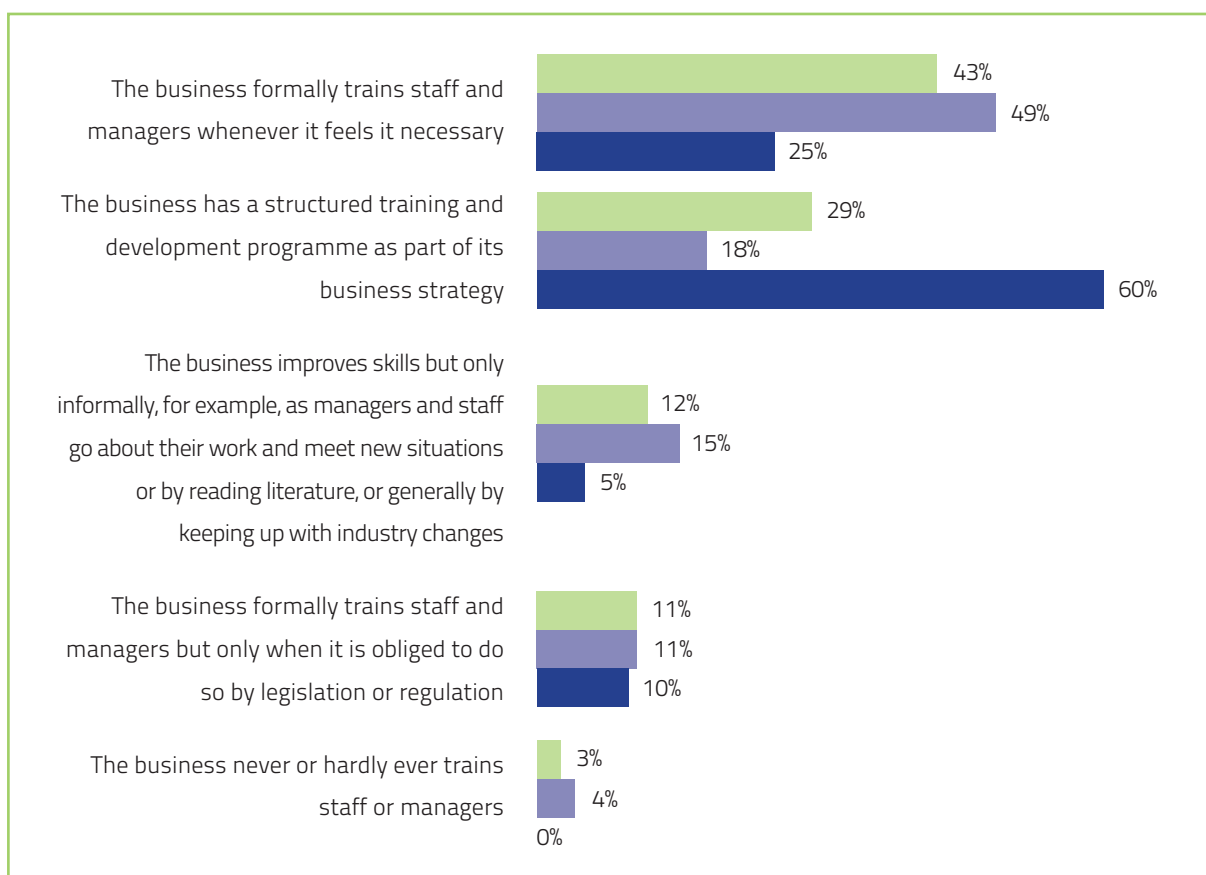


Table 5 - Involvement in Training
Source IMI quantitative telephone interviews September 2011

All
 1-10 employees
 11+ employees

No need is the reason most often cited for not training with 100% of organisations stating that 'the business is quite small and all staff and managers are fully skilled

for their roles'. 82% of respondents stated that training courses are too expensive.

Qualitative in-depth interviews

Qualitative research was carried out with 10 businesses within the combined roadside assistance and roadside recovery sub-sectors through pre-arranged telephone conversations with previously identified, appropriate staff within the businesses who could comment authoritatively on relevant job roles within their business. These interviews lasted approximately one and a half hours and were conducted by researchers from BMG Research, Birmingham.

The interviews were mostly unstructured and used open questioning (i.e. they didn't ask questions where a 'yes'/'no' answer could be given), covering a range of different types of organisation, mostly independents employing up to 50 people, but with a small number of franchise organisations contacted as well. Interviews were conducted across all nations, England, Scotland, N Ireland and Wales in August 2011. The following questions were asked by the researchers, who asked to speak to employers capable of covering at least two job roles within the interview:

- What job roles exist within the business?
- What are the current skills and training needs required by (each job role)?
- Which of these skills and training needs are particularly important or critical to your business?
- What skills and training needs do you anticipate you will have in the next two years?

The focus was on identifying skills needs related to key job roles. From the responses to the open questions it was possible to identify the training and skills needs, which are listed overleaf.

Job-role specific skills needs

The following skills needs were identified across the roadside assistance sub-sector.

Technicians/recovery drivers

- Effectively appraising the area and identifying hazards in the recovery area
- Effectively preserving evidence at a recovery area
- Effective liaison with emergency services
- Awareness and understanding of PAS 43
- Awareness and understanding of Health and Safety legislation
- Effectively understanding and using risk assessments in the breakdown environment
- How to effectively handle vehicles carrying hazardous materials
- Effectively securing electric / hybrid vehicles
- Awareness and understanding of electronics in the modern vehicle
- How to effectively gather information from customers
- Effective use of diagnostic systems
- Awareness of different car models to allow effective repair at the roadside
- Effective customer service skills for the technician
- Effectively providing roadside assistance for hybrid vehicles
- Effective diagnosis for hybrid vehicles
- Developing an effective roadside assistance technician

Management staff

- Developing effective communication within the team
- Effective decision-making for managers within roadside assistance sector
- People management – team working, motivation, recruitment, appraisals, delegation, discipline, managing targets
- Developing effective time management for managers
- Developing an effective marketing and sales function within the roadside assistance business
- Effective ways to gain repeat business – driving a 'customer care' culture in the business
- Effectively managing company-wide targets through the daily targets of staff
- Maintaining positive customer relations/dealing with complaints
- How to make a profit running an efficient department
- Understanding health and safety legislation and applying it within the roadside assistance sector
- Developing effective IT skills for managers
- Effective report writing for managers within the roadside assistance sector
- Effective handling/procedures for staff shortages
- Effectively managing wages and bonuses of staff
- Developing awareness and understanding of company law, laws that affect the business
- Effectively managing meetings – conference calls
- Having good product knowledge and awareness – new car and HV technology
- Understanding the business – how this fits in the industry structure
- Managing accounts/books

Customer service staff

- How to effectively undertake follow up calls with customers who have been assisted
- Effective problem solving – dealing with customers to ensure their needs are addressed
- Effective telephone skills
- Effective sales skills for customer advisers
- Understanding new car and HV technology
- Background understanding of new cars being introduced
- Effective communication for customer service advisers
- Awareness and understanding of IT in the workplace, invoicing, accounts, booking
- How to deal effectively with complaints
- Effective counter service skills for customer advisers in the roadside assistance sector

Skills needs across the roadside assistance sub-sector over the next two years

Respondents to the quantitative telephone survey were asked what they felt that the changes to skills and training needs would be over the next two years.

The key areas reported for technicians included:

1. Developing the team's skills to deal effectively with the requirements of electric cars and changes in electronic diagnosis (focus on hands on and not classroom based courses).
2. Ongoing updates of issues relating to different vehicles.
3. Developing in-house updates covering changes that are issued through the manufacturers.
4. Updating skills in line with accreditation and legislation requirements.
5. Enhanced knowledge and skills around CAN electronics and dealing with new electrical and electronic faults.

One of the most striking features of the survey has been the references to new technology made in the in-depth interviews, across all sub-sectors. It is clear that respondents are aware of a significant change in the underlying make-up of vehicles, in particular the impact of advanced electronics both within the overall management and performance of the engine, and also

across the brakes, gearbox, suspension and interior 'comfort management systems'. This development impacts on how the modern vehicle works, how it needs to be maintained and serviced, and how it needs to be repaired in the event of an accident. For people working within the sector this development has significant implications. For managers modern employment law is expected to change quite dramatically, especially human rights, discrimination and bribery policies. There are also likely to be changes in the way organisations communicate with customers, for example, internet, web, apps etc. There is expected to be a greater emphasis on sales across all levels and roles and a growing requirement for managers to keep up to date with human resources legislation and health and safety.

The relentless drive in technology development across all vehicle types was noted across all sub-sectors, with the impact increasingly being felt within sales, technical and customer service roles within the sector (data taken from the IMI State of the Sector Report 2011).

Quantitative telephone survey

Once the qualitative in-depth interviews had identified the skills needs of the roadside assistance sub-sector, the quantitative series of telephone interviews were carried out. Respondents were prompted with the skills and training needs identified in the previous stage of research and were asked to rank them in order of priority: (i) critical need, (ii) some need or (iii) no need.

This survey quantified the initial set of responses and identified a potential set of skills and training needs that were seen as critical, of some need, or of no need. This phase of the research was pivotal in identifying those skills and training needs that were in need of priority action.

In total 75 interviews were conducted with employers and business owners across the roadside assistance and roadside recovery sub-sectors combined. Data on skill needs is based on 90 interviews as a further 15 questionnaires were completed online.

The final outcomes of this process are detailed in the Conclusions section of this report.

Focus groups and web survey

Focus group

The roadside assistance focus group was held in September 2011 and comprised representatives from roadside assistance employers and trade associations. The main agenda for these group meetings was to confirm the validation of the findings from the qualitative and quantitative telephone interviews. For the roadside assistance sub-sector, this particular focus group raised no issues with the outcomes of either sets of interviews. The focus group confirmed the skills and training needs of the roadside assistance sub-sector.

It should be noted that the group concentrated on the issue of flows of information within the sub sector and how independents can potentially access information on changes to vehicles.

It was pointed out that it was difficult to keep up to date with the vehicle 'PARC' in the UK as it is so varied. Therefore, anything that could be developed to access this information would be useful.

Web survey

The web survey was conducted across the entire automotive retail sector, with respondents identifying which sub-sector they worked in and were able to comment on. Due to some sub-sectors having a small number of respondents, the outcomes of the web survey were only factored in, if the outcomes of the qualitative and quantitative telephone interviews, along with the focus groups, did not produce an unambiguous outcome in terms of identifying the criticality of skills and training needs for the sub-sector.

Conclusions

The aim of this research was to be able to identify and prioritise the skills and training needs of the automotive retail sector at a 'granular' level, which has never been achieved before. We have been able to achieve this by looking at each individual sub-sector across the whole of the automotive sector footprint.

For the roadside assistance sub-sector we have achieved this aim, through a blended approach of telephone interviews, focus groups and web surveys.

The methodology applied was as follows:

- Taking the skills needs identified by the in-depth telephone survey at the beginning of the research project as the basis for the analysis.
- Taking the focus group and telephone responses and comparing the skills needs identified by the group with the results from the in-depth telephone survey, to arrive at a more refined set of skills, set in a priority listing.
- Taking the website results and applying these to the outcomes of the previous stages to either confirm or change the list.

In the roadside assistance sub-sector there were very clear and unambiguous outcomes in terms of criticality and the web survey responses have been collated into the telephone survey results.

Prioritised skills and training needs for the roadside assistance sub-sector

As a result of the three-stepped approach outlined previously, the following sets of skills and training needs were identified as critical to the roadside assistance sub-sector. They have been ranked in order of criticality with 1 seen as the most critical. The top five skills needs (when analysing data from across all research instruments) by key job role are highlighted below:

Technicians and recovery drivers

1. Effectively appraising the area and identifying hazards in the recovery area.
2. Awareness and understanding of health and safety legislation.
3. Effectively understanding and using risk assessments in the breakdown environment.
4. Awareness and understanding of electronics in the modern vehicle.
5. How to effectively gather information from customers.

Management staff

1. Understanding health and safety legislation and applying it within the roadside assistance sector.
2. Developing awareness and understanding of company laws, laws that affect the business.
3. Maintaining positive customer relations/dealing with complaints.
4. People management – team working, motivation, recruitment, appraisals, delegation, discipline, prioritising, managing targets.
5. Effective ways to gain repeat business – driving a 'customer care' culture in the business.

Customer service staff

1. Effective problem solving – dealing with customers to ensure their needs are addressed.
2. Effective telephone skills.
3. Effective communication for customer service advisors.
4. How to deal effectively with complaints.
5. Effective counter service skills for customer advisors in the roadside assistance sector.

Recommendations

The skills and training needs listed in this report are those that employers have reported as being critical for their business. Numerous reports have identified the link between training and business performance. The IMI itself has recently conducted ROI studies across a number of sectors that have identified significant increases in business performance from rolling out training and accreditation programmes. The studies show that up skilling in the automotive retail sector delivers a conservative gross value added (GVA) of £4,000 per person per annum¹.

It seems that the commitment to train and develop staff is engrained within the roadside assistance and roadside recovery sub-sectors, as the demands of changing technology and legislation are ever present. Incidence of formal training – having a training plan – is 59% across the sub-sectors compared with 54% across the sector as a whole.

The value of this project is the underlying understanding and knowledge in granular detail required to direct provision across the sub-sector and all job roles. Our challenge is to use this research to ensure that training is relevant and up to date, meeting the needs of the whole sector.

As the SSC, the IMI will focus on developing skills solutions across job roles, against the priority skills needs highlighted in this report.

The IMI commits to prioritising the development of solutions to meet the skills needs where employers have identified their need as being either critical or of some need. Therefore, solutions to the following skill needs will be progressively developed over the next 12 months.

For technicians and recovery drivers.

- Effectively appraising the area and identifying hazards in the recovery area.
- Awareness and understanding of health and safety legislation.

For management staff the following were critical skills needs.

- Understanding health and safety legislation and applying it.
- Developing awareness and understanding of company law, laws that effect the business.

For customer service staff the following were critical skills needs.

- Effective problem solving – dealing with customers to ensure their needs are addressed.
- How to deal effectively with complaints.

¹ www.theimi.org.uk/information/roi-ata.html

In addition, for management staff the following were critical skill need across all automotive retail sub-sectors.

- Understanding and awareness of health and safety.
- People management/How to keep staff effective.

For customer service staff the following were critical skill needs across all automotive retail sub-sectors.

- Effective communication skills.
- Effective problem solving - dealing with customers to ensure their needs are addressed.
- Effective telephone skills.
- How to deal effectively with complaints (10 including roadside assistance).

Only 31% of businesses in the roadside assistance sub-sector had a training budget. 82% believe that training is too expensive.

We commit to work with partners to

- Develop high quality, cost effective training.
- Ensure that the link between business performance and training is clear.

An impressive 90% of businesses in the roadside assistance sub-sector plan to train in the next two years.

As the SSC we commit to

- Further develop the innovative online CPD management system for the sector.
- Create a common template for training in the sector by ensuring that all provision has clear and measurable learning outcomes that link training to increased business performance.

59% of all roadside assistance businesses have a training plan (this was the joint highest of all sub-sectors) but this reduces to 51% for independent businesses.

- We will continue to work with SMEs to advocate the use of training plans.

The roadside assistance and recovery sub-sectors demonstrate a high awareness of IMI at 77%.

- As the SSC we will work to build on the awareness of the IMI in the sub-sector and the awareness of skills solutions as being necessary for successful businesses.

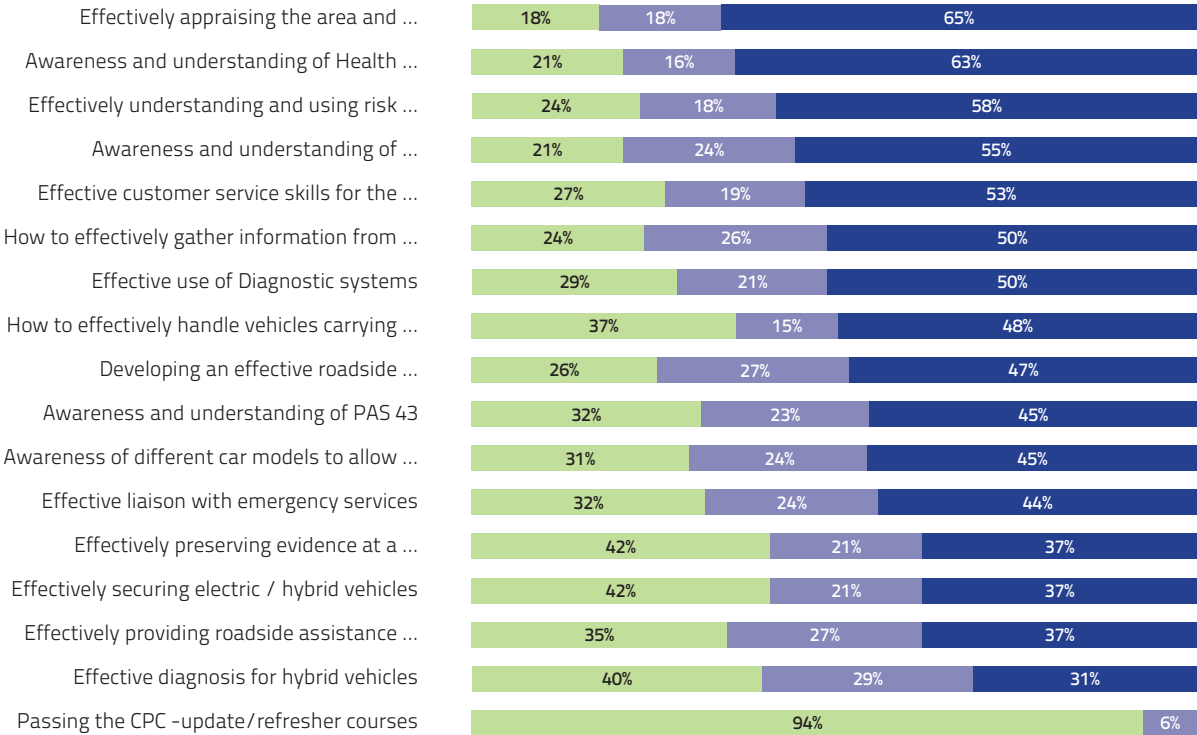
We would like to express our gratitude to the employers and stakeholders who committed time to participate in the roadside assistance part of this research project.

Annex 1:

Skills and training needs by job role and priority

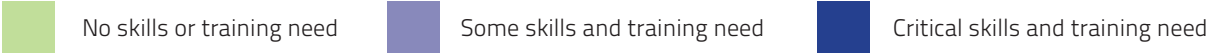
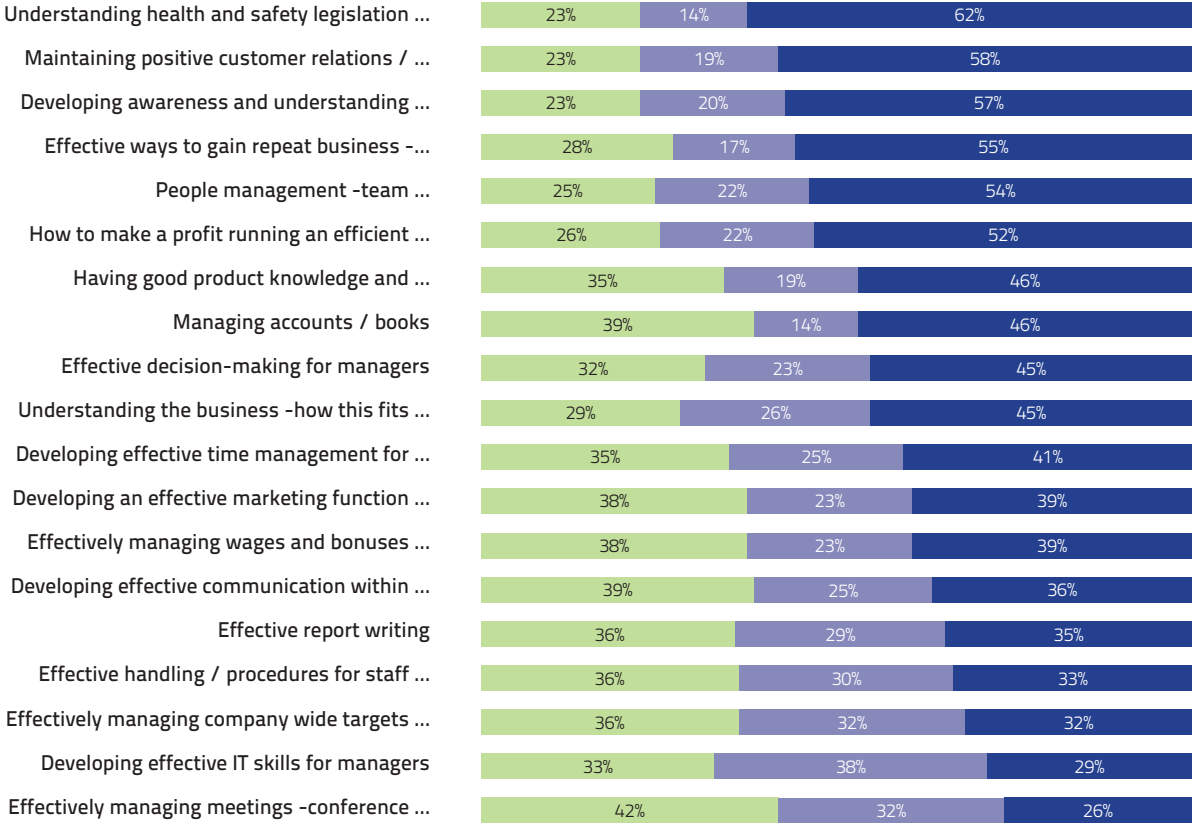
Given below are the detailed percentage results of the quantitative telephone survey carried out for roadside assistance sub-sector.

Technicians and recovery drivers

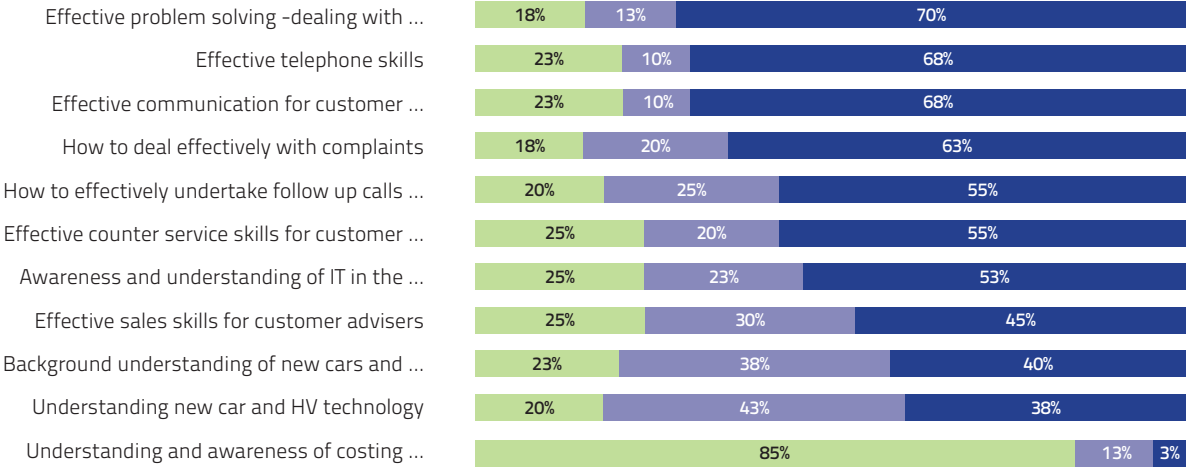


No skills or training need
 Some skills and training need
 Critical skills and training need

Management staff



Customer service staff/control centre staff



No skills or training need
 Some skills and training need
 Critical skills and training need

Annex 2:

Focus group attendees

The focus group for roadside assistance met in September 2011 and comprised of representatives from the following organisations:

- Automobile Association
- AXA Assistance
- LARO
- AVRO

