



The Cleaning and Support Services Industry 2010

Asset Skills Research

May 2010

Headlines - To remain competitive the cleaning and support services industry needs to:

- Operate effectively and efficiently within a highly competitive and price sensitive market, at a time of challenging economic conditions.
- Ensure compliance with ever increasing legislation and regulation.
- Respond to increasingly sophisticated clients, and formalisation and professionalisation of the procurement process.
- Address and capitalise on issues of sustainability.
- Take advantage of the opportunities available through technology.
- Tackle issues of recruitment, retention and labour turnover.
- Address low take up of training and skills development within the industry.

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

Headlines - Skills needed within the cleaning and support services industry:

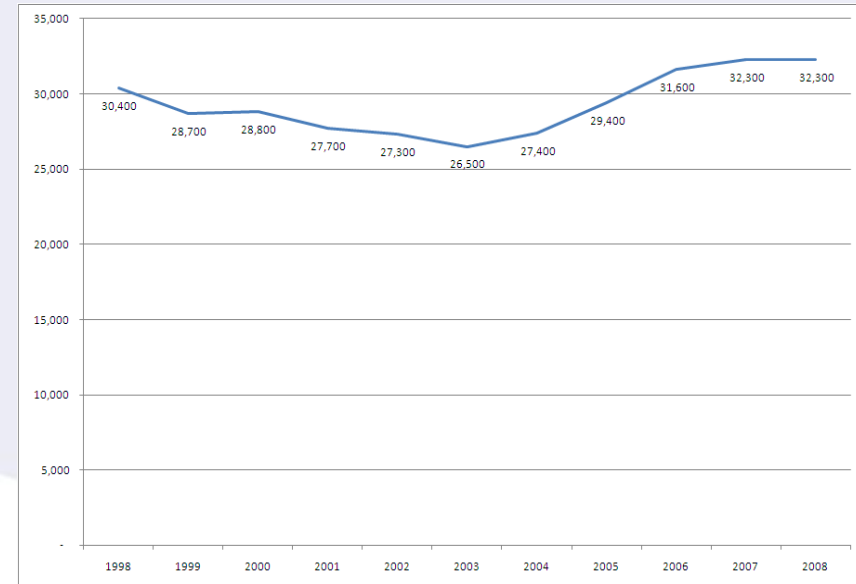
- Management and leadership
- Communication skills
- Knowledge and awareness of 'green products' and sustainability issues
- Customer service skills
- Employability skills for those entering elementary job roles
 - Literacy, Language and Numeracy skills
 - English for Speakers of Other Languages (ESOL)

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

Profile of the cleaning and support services industry

- The number of workplaces within the cleaning and support services industry has been growing steadily, and there are now over 32,300 workplaces within Great Britain.
 - 6% growth between 1998 and 2008
- There are 448,400 people employed within the cleaning and support services industry.
- London and the South East have the highest concentrations of workplaces and employees.
- The industry has a very high proportion of small businesses employing between 1-10 employees (86%).

Number of cleaning and support services workplaces, 1998 - 2008



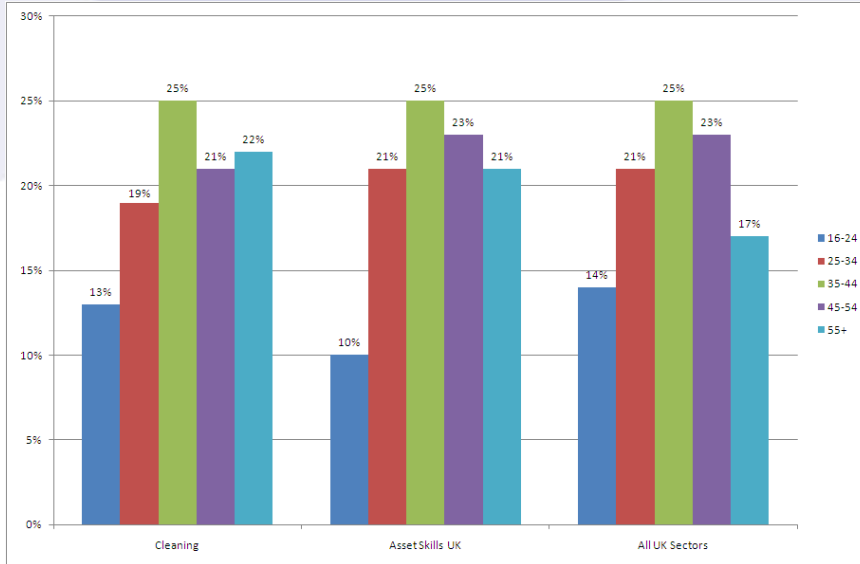
Source: Asset Skills analysis of the Annual Business Inquiry, 1998 - 2008

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

Profile of the cleaning and support services workforce

- 65% of the workforce is aged between 25 and 55.

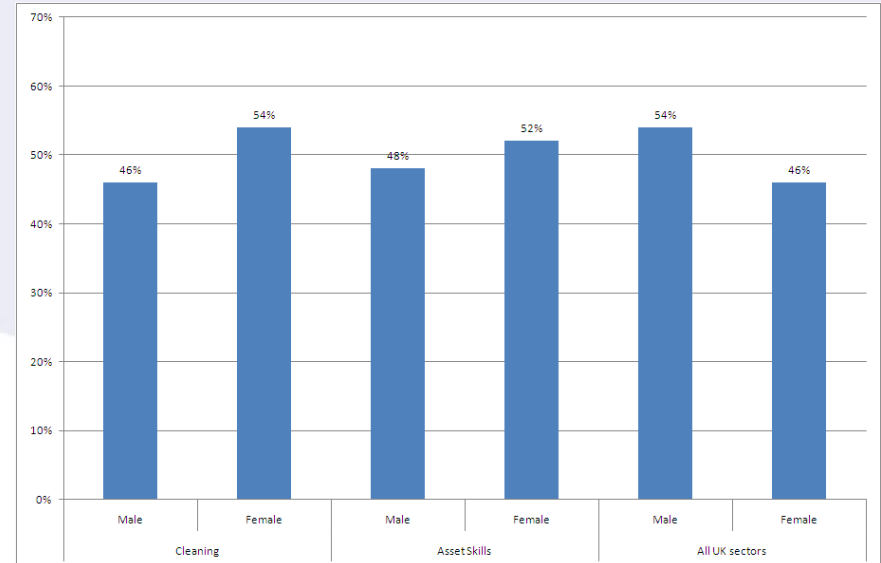
Cleaning and Support Services Workforce by Age, 2008



Source: Asset Skills analysis of the Annual Population Survey, 2008

- There is a significantly higher proportion of female employment (54%) within the cleaning and support services industry whole).

Cleaning and Support Services Workforce by Gender, 2008



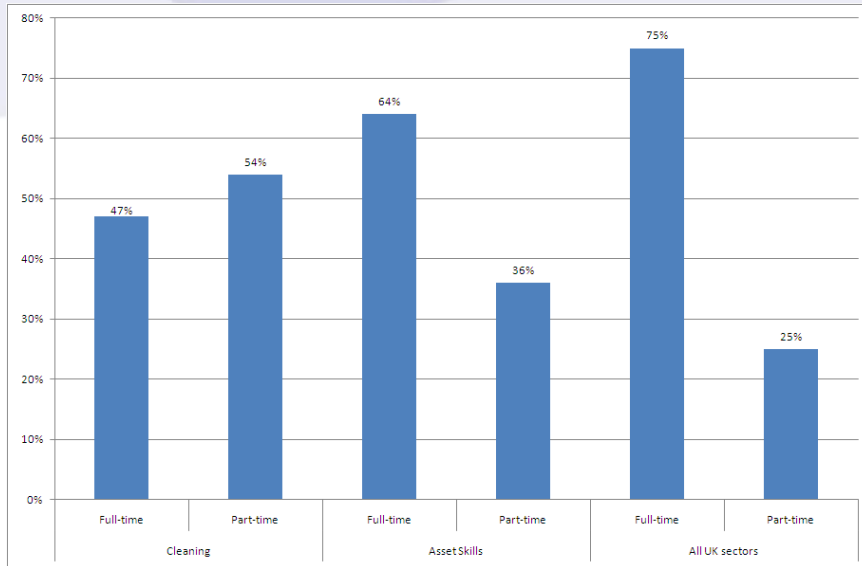
Source: Asset Skills analysis of the Annual Population Survey, 2008

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

Profile of the cleaning and support services workforce

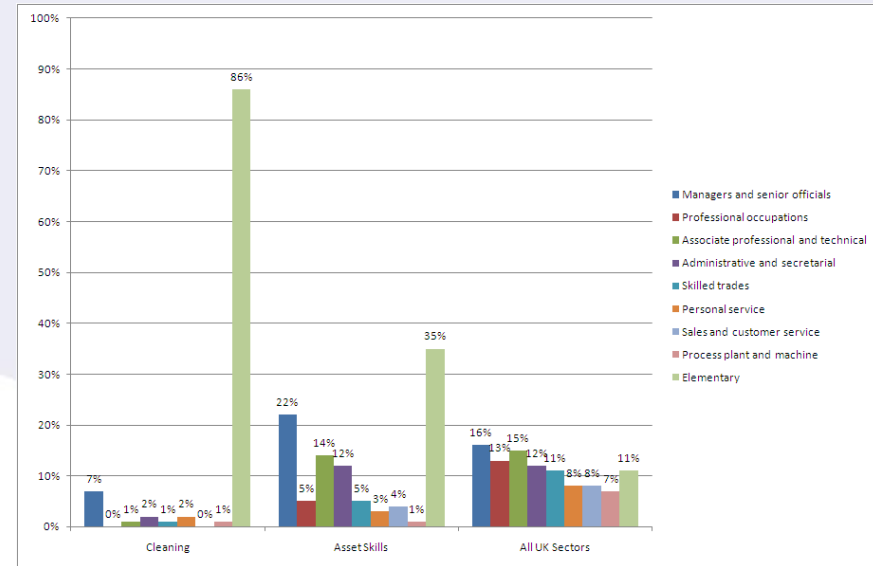
- The cleaning and support services industry has a predominance of part time workers.
- The occupational distribution within the cleaning and support services industry is dominated by elementary occupations (86%).

Cleaning and Support Service Workforce by Working Status, 2008



Source: Asset Skills analysis of the Annual Population Survey, 2008

Occupational Profile of the Cleaning and Support Services Workforce, 2008



Source: Asset Skills analysis of the Annual Population Survey, 2008

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

The Operating Environment

- The cleaning and support services industry is thriving but intensely competitive.
- Low profit margins are the norm.
- The industry is characterised by staff retention and recruitment difficulties, and high rates of labour turnover.

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

PESTLE Analysis: Key Industry Drivers

Political and Legislative

- Benefits trap and 16-hour rule
- National Minimum Wage
- Health, Safety and Environmental Protection (HESP)

Economic

- The industry is viewed as being more 'recession proof' than other sectors.
- Evidence that clients are becoming more demanding during the economic downturn.
- Many cleaning and support services companies are also being proactive and actively renegotiating contracts, recognising the need to offer the service at a level which is affordable. This makes them less at risk of being undercut through the retendering process.

Social

- Growing sophistication of consumer demand.
- Increasingly demanding customers / clients.
- Growing importance of customer service.
- One-stop shopping for services.
- Value for money.
- Adoption of more formal procurement processes
- Shifting demographics and the changing composition of the workforce.
- Changing working patterns – hybrid job roles and a growing emphasis on multi-skilling.
- Daytime cleaning is also growing in prominence.

Technological

- Use of technology is becoming more widespread.
- However, research indicates that due to depressed margins, and the aggressive price motivated competition within the market, cleaning companies now struggle to meet the cost of capital and investment in new technologies

Environmental

- The drive towards environmental sustainability is having an increasing impact on the sector.
- Sustainable procurement is becoming more widespread.
- Much of the industry is working towards tailoring more sustainable solutions that provide 'greener' and more cost effective solutions – offering truly sustainable solutions that meet current needs and future demands.

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

PESTLE Analysis: Key Industry Drivers – Skills Implications

Political & Legislative

- Keeping staff training up-to-date with regulations is seen to be particularly difficult in some parts of the industry due to the high turnover rates and, as such, represent a significant challenge to employers.

Economic

- Management and leadership skills.
- Customer service skills.
- Negotiation skills to improve client retention.
- Sustainability skills.

Social

- Interpersonal skills and good communication are seen as essential, backed up by the appropriate level of literacy, language and numeracy skills.
- A highly flexible workforce to meet customers shifting demands.
- Tendering, procurement, contract management skills.
- Ability to multi-task, self start, self motivate and maintain professionalism.

Technological

- Management and leadership – improved managerial practices to ensure effective use of technology.
- Communication.
- End user skills.

Environmental

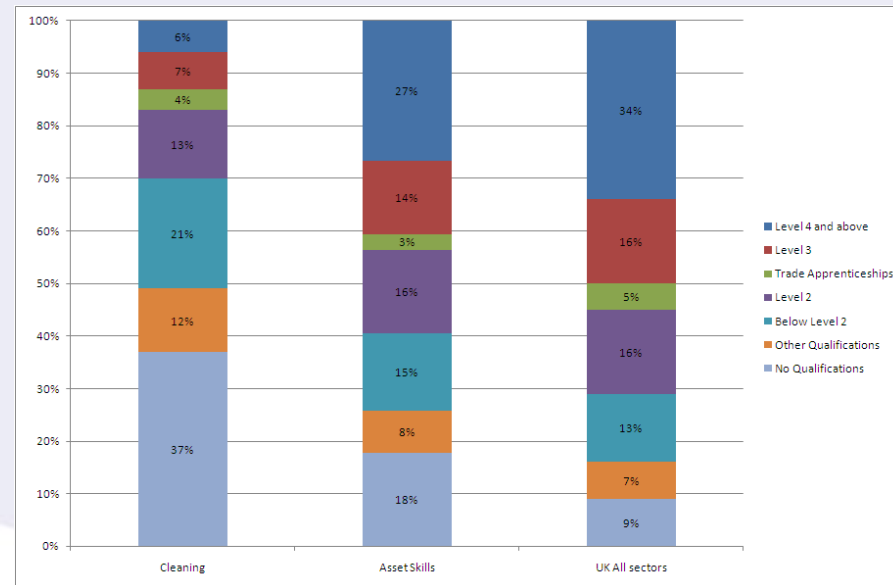
- Energy management.
- Knowledge of green products and processes.
- Sustainable use of resources.

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

Current Skills and Qualifications

- Take up of training within the cleaning and support services industry has been low.
- 37% of the workforce within the industry have no qualifications (compared to the UK all sector figure of 9%).
- 46% of the workforce is qualified to Level 2 or below.

Highest Qualification held by the Cleaning and Support Services Workforce, 2008



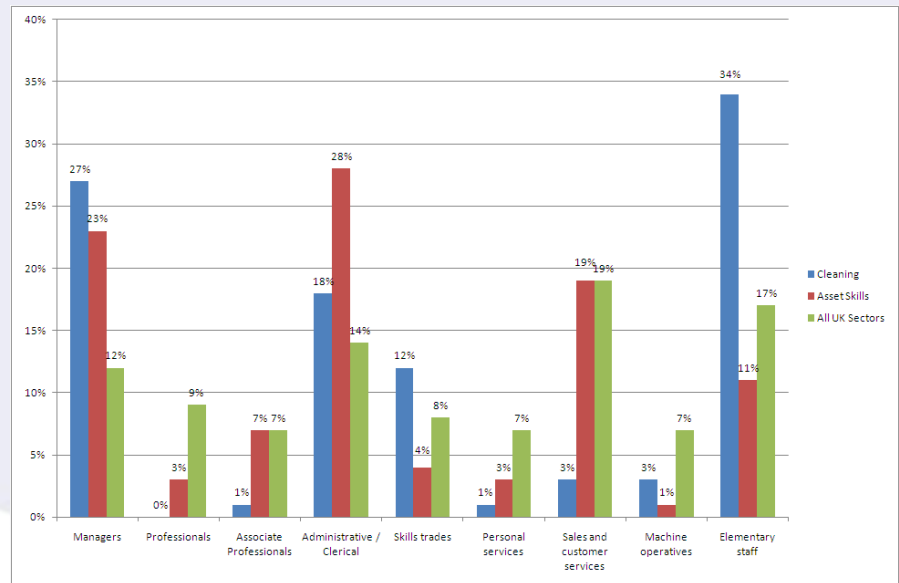
Source: Asset Skills analysis of the Annual Population Survey, 2008

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

Skills Gaps

- A number of specific skills gaps have been identified within the cleaning and support services industry:
 - Technical, practical or job-specific skills (16%)
 - Management and leadership (10%)
 - Customer handling skills (10%)
 - Oral communication skills (9%)
 - Team working skills (8%)
 - Office admin skills (8%)
 - Literacy and numeracy (7%)

Skills Shortages by Occupational Group



Source: Asset Skills analysis of the National Employer Skills Survey, 2007

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

The Future – Summary of Key Themes

- To respond to increasing economic competition, the industry needs to train individuals to become more flexible.
- The increasing use of technology will have a profound impact on the productivity of the industry and in its ability to add value to customers.
- The ability to attract people to the industry is seen as key; as such, a re-branding of the sector is required.
- At its heart, the industry has identified the need for a positive attitude to training and development, something that is consistent with the need for a bigger role in lifelong learning.

Source: Asset Skills Sector Skills Assessment for the Cleaning Industry, 2010

Reports of Interest

- Sector Skills Assessment for the Cleaning and Support Services Industry, Asset Skills, February 2010
<http://www.assetskills.org/Research/SectorSkillsAssessment2010.aspx>
- Cleaning and Support Services Labour Market Intelligence Factsheet, Asset Skills, February 2010
<http://www.assetskills.org/Research/LabourMarketInformation/labourKeyFacts.aspx>
- Barometer Results for the Cleaning and Support Services Industry, Asset Skills, October 2009
http://www.assetskills.org/Research/Projects/Barometer_Questionnaire.aspx
- State of the Cleaning and Support Services Sector, Asset Skills, February 2010
<http://www.assetskills.org/Research/LabourMarketInformation/LabourMarket.aspx>

About Asset Skills

Asset Skills is the Sector Skills Council (SSC) for facilities management, housing, property, planning, cleaning and parking.

It is a UK-wide organisation, licensed by Government to work with business to ensure training and vocational qualifications are relevant and meeting the needs of industry. Its work is shaped by leading employers who steer the organisation through a main board. There are also separate boards for Scotland, Northern Ireland and Wales.

There are several strands to its work:

- **Occupational Standards** - all careers must be backed by sound occupational standards. Asset Skills develops standards in consultation with industry. These are descriptions of the tasks and responsibilities of particular jobs and form the basis for workplace qualifications such as Apprenticeships and National Vocational Qualifications (NVQs) or awards offered by professional bodies.
- **Employer engagement** - this is at the heart of its work. Asset Skills is led by a board of employers from each of the industries it represents and its teams meet businesses of all sizes on a daily basis.
- **Labour Market Information** - good research enables greater understanding of each sector's shifting requirements in terms of markets, working practices and technological change

Further Information

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www.assetskills.org/Research/Research.aspx