



Careers at the cutting edge:
Tackling the skills shortage in the hair and
beauty sector

March 2022





Supporting the hair, beauty
and barbering industries

Careers at the cutting edge: Tackling the skills shortage in the hair and beauty sector

A report for the National Hair & Beauty
Federation

India Burgess, Clare Leckie, Rebecca Munro
and Mark Pragnell



Executive summary

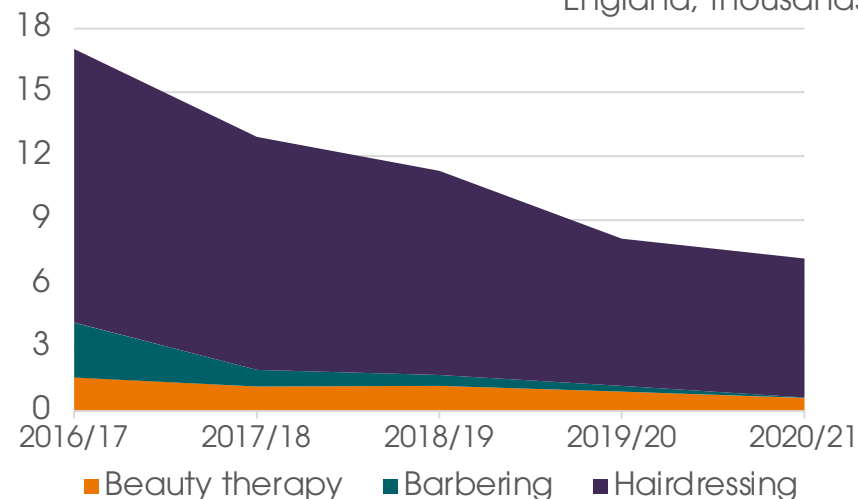
Multiple issues are coming together to create a skills crisis for the hair and beauty industry.

An in-depth interview programme with business owners and training providers, alongside an industry-wide survey, identified a multitude of interlinked factors, both direct and indirect, that have been steadily building over time. These have come together to create challenges with recruitment and retention, as well as concerns with the standards of qualifications.

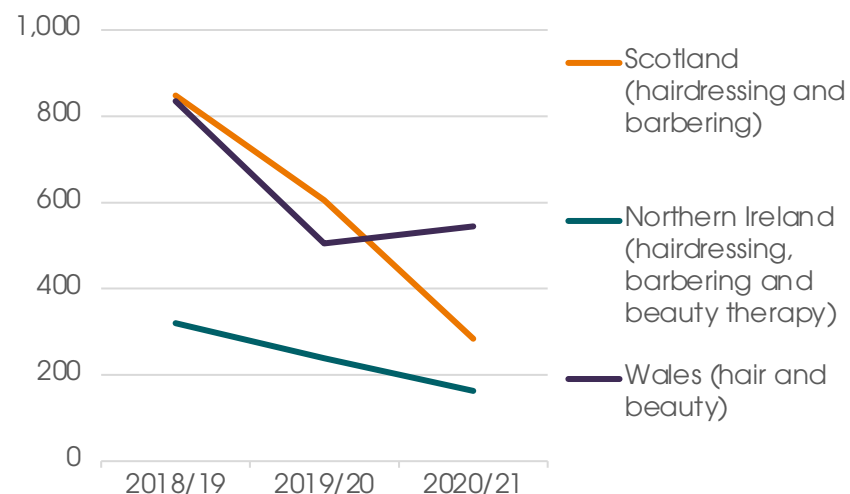
As self-employment has grown in the sector, the number of employers available to take on apprentices has fallen. This, coupled with lower funding and the requirement for sixteen and seventeen year olds to stay on in education, has seen the number of apprenticeship starts fall to just 7,000 in England last year, less than half that of five years ago.

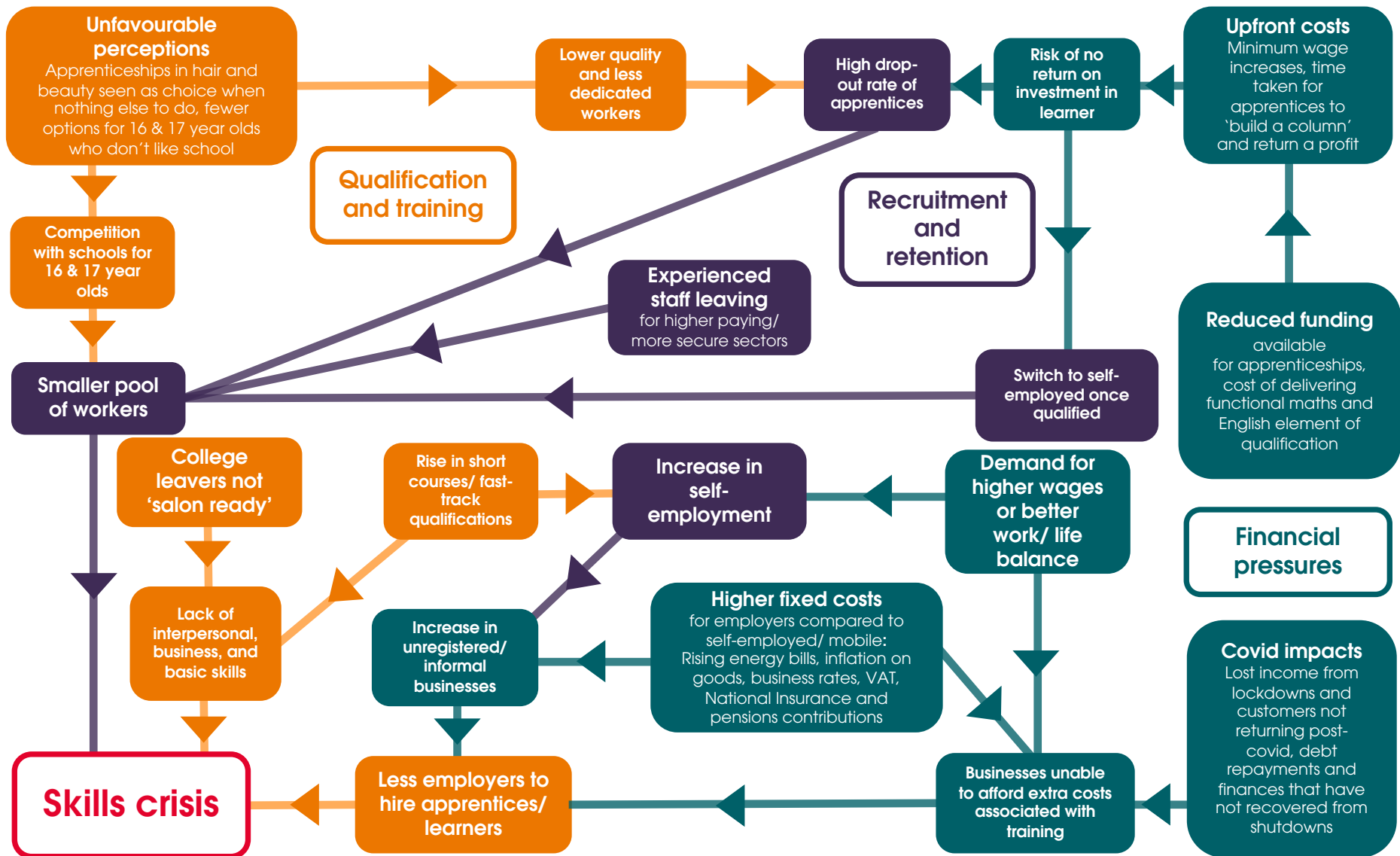
In addition, employers have concerns that further education qualifications don't prepare college graduates for salon working, and that some modules are out of date or are being taught by tutors without sufficient experience in the techniques.

Apprenticeship starts
England, thousands



Hair and beauty apprenticeship starts
Scotland, Northern Ireland and Wales

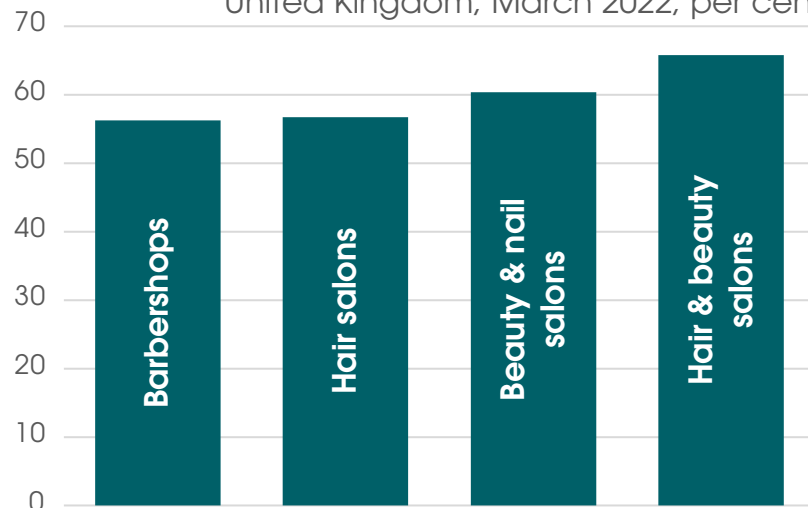




Network of contributors to the skills crisis in hair and beauty

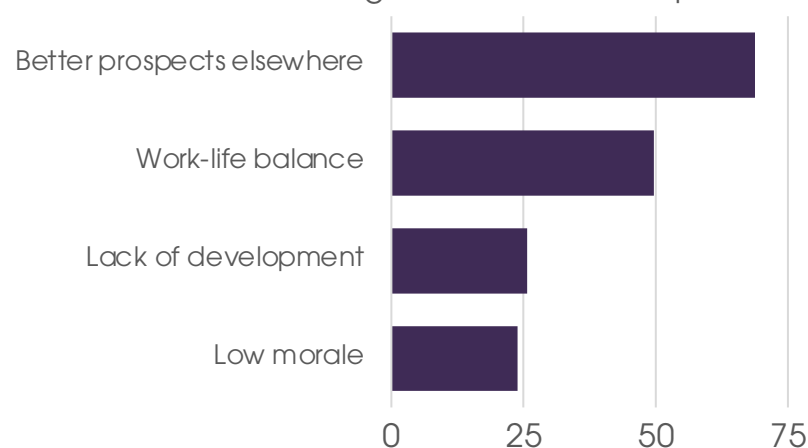
Hair and beauty businesses with unfilled vacancies

United Kingdom, March 2022, per cent



Business opinion on why employees are leaving the hair and beauty sector

United Kingdom, March 2022, per cent



Businesses in the sector are facing big challenges recruiting and retaining staff, too.

Changes brought about by the pandemic mean businesses are struggling to recruit experienced staff and hold on to existing employees even more so than they were before. As workers have been reassessing their work life balance, the cost of living has been rising, and these two factors have seen many leave the sector in search of higher paying or more flexible jobs elsewhere. Around 57 per cent of hair and beauty businesses reported having unfilled vacancies in March 2022, with half of hair salons saying it took them over sixteen weeks on average to fill a vacancy.

Financial pressures are also impacting on businesses' ability to take on trainees, with the VAT threshold, minimum wage rises, reductions in income and covid debts squeezing already tight margins.

Businesses opinion on how to improve college courses



Increase hands-on salon time
76%



Ensure skills of tutors up to date
54%

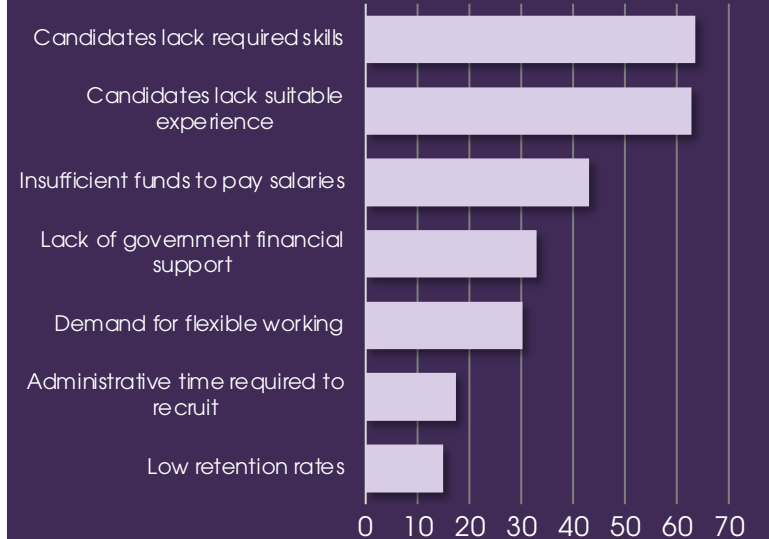
16+ weeks:
Time taken to fill over half of all hair & beauty vacancies

57% of hair & beauty businesses
Have unfilled vacancies



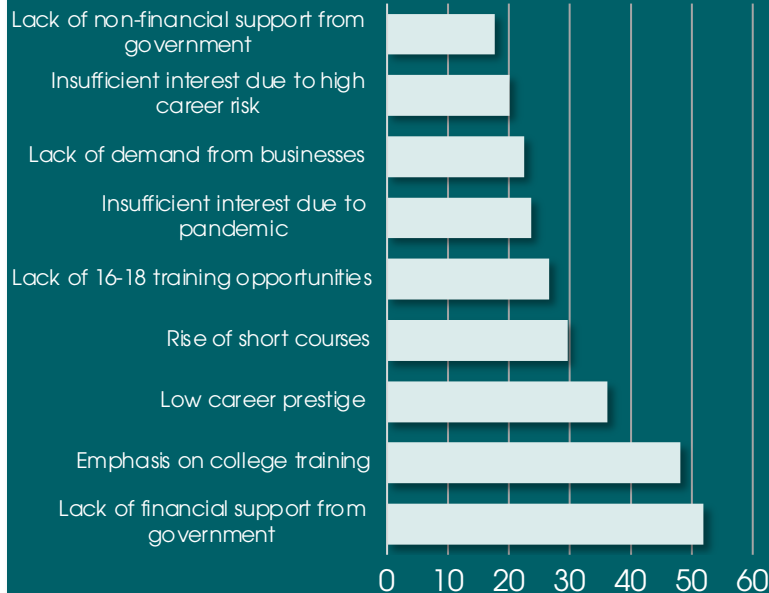
Issues facing hair and beauty businesses looking to recruit staff

United Kingdom, March 2022, percentage of businesses



Businesses opinions of the biggest threats to apprenticeships in hair and beauty

United Kingdom, March 2022, per cent of businesses



If current trends continue, there will be fewer than 3,400 hair & beauty apprenticeship starts in the UK by 2025

Most important skill for a stylist, barber or beauty therapist, according to businesses



Communication & customer service
76%

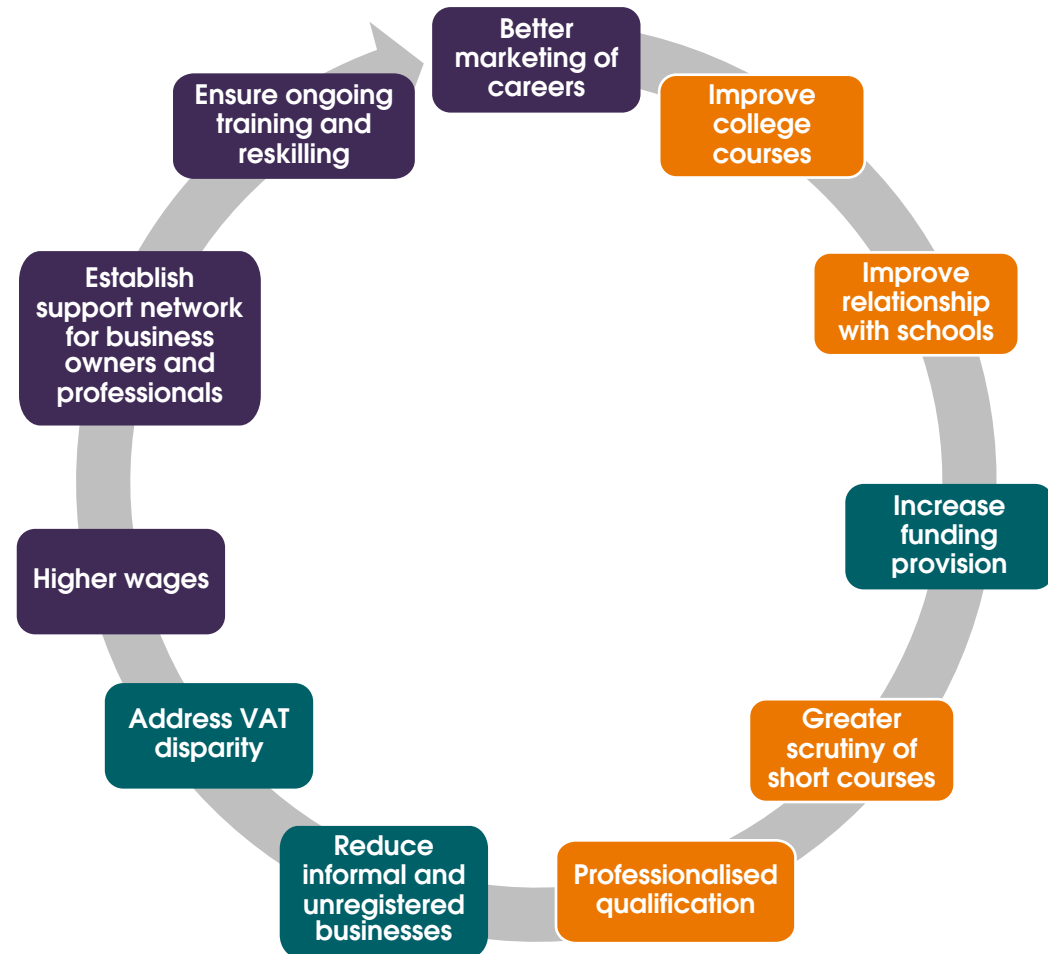


Practical skills
54%

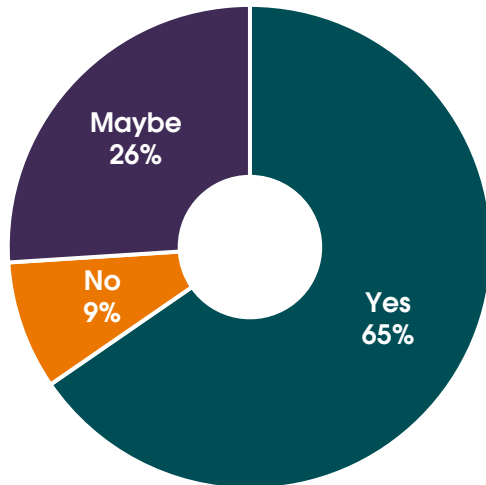
Just as no one factor is to blame for the skills crisis in hair and beauty, there is no single solution to it either.

A programme of complimentary and far-reaching measures are required to address the growing problem within hair and beauty. They range from interventions in the early stages of training, including improved college courses and better marketing of the sector, to tackling the factors impacting on business growth.

Greater scrutiny of short courses and online qualifications would help to maintain high standards of training and safe delivery of services. Championing 'job ready' professional qualifications along the lines of 'chartered' status, managed jointly by industry bodies, would enhance the status of salons and barbershops, show professional competency, provide clarity for clients and enable continual professional development for workers.



Hair and beauty businesses willing to consider hiring 19+ year old apprentices with government incentive funding
United Kingdom, 2022, percentage of businesses



If there is to be progress in addressing the issues the sector is facing, the changes would need to come jointly from employers, businesses, government and trade bodies.

The solutions suggested by businesses and training providers during our research are not exhaustive but provide a starting point from which to begin discussions on how best to address the skills crisis in hair and beauty.

Tackling just one or two of these factors would not go far enough. Resolving the problems contributing to the skills crisis would be complex and require multiple interventions.

Some of the solutions may seem obvious, but how to achieve them is not.

Although paying higher wages is important to help address issues with recruitment and retention, the ability for employers to do is far from simple. The hair and beauty sector needs to increase its value, and to do this the business model needs to change. Having a growing number of informal and unregistered businesses will continue to limit prices, and the higher costs incurred by VAT registered businesses will persist in preventing wage increases.

Businesses paying higher wages might be one of the solutions to the skills crisis but achieving that would be a long and complex process, requiring many changes to the current structure of the sector, and to government tax policy.

The interventions suggested to us will not work for everyone. It will be up to the sector to decide on the best approach, and which, if any, of the suggested interventions they choose to pursue.

Potential skills and qualification interventions

Action	Government	Industry	Salons
Improving college courses	<ul style="list-style-type: none"> ❑ Introduce requirement for minimum number of 'hands-on' hours per week in a salon as a mandatory part of completing a qualification ❑ Require FE providers to review educators understanding of course material at regular intervals (e.g. annually) and update their CPD, including maintaining current industry "hands on" training and qualifications as required 	<ul style="list-style-type: none"> ❑ Build stronger links between further education providers, salons and barbershops, including careers days and ongoing dialogue 	<ul style="list-style-type: none"> ❑ Provide viable placement for college learners to gain hands on experience
Greater scrutiny of short courses	<ul style="list-style-type: none"> ❑ championing, regulated "Job ready" professional qualifications based on competency across the sector, including those offered by short courses 	<ul style="list-style-type: none"> ❑ Create a simple qualification recognition programme which identifies and rates different types of qualifications to support employer and consumer understanding of qualification standards ❑ Develop an accreditation scheme for short course providers 	<ul style="list-style-type: none"> ❑ Awareness of the difference between regulated qualification and continual professional development
Relationships with schools	<ul style="list-style-type: none"> ❑ Promote hair and beauty as a sound career of choice 	<ul style="list-style-type: none"> ❑ Campaign to promote hair and beauty as a sound career of choice ❑ Build stronger links with schools, training and FE providers, including careers days 	<ul style="list-style-type: none"> ❑ Introduce in-salon career development plan Build relationships with local school, colleges and training providers ❑ Attend local careers fairs and careers days ❑ Run 'taster sessions'
Professionalisation of the sector	<ul style="list-style-type: none"> ❑ Provide sufficient funding, guidance and education on carers in the hair and beauty sector 	<ul style="list-style-type: none"> ❑ Create, administer and award a professional accreditation scheme, based on "job ready" competency jointly with other sector bodies 	<ul style="list-style-type: none"> ❑ Support the development of a professional development accreditation scheme for short non regulated courses ❑ Register for and encourage take-up of professional development accreditation scheme

Potential recruitment and retention interventions

Action	Government	Industry	Salons
Paying higher wages	<ul style="list-style-type: none"> <input type="checkbox"/> Reduce cost pressures for businesses (see financial pressures actions) 	<ul style="list-style-type: none"> <input type="checkbox"/> Engage with businesses to identify new or additional cost pressures as they arise and provide advice <input type="checkbox"/> Lobby for policy change where issues are ongoing or longer-term 	<ul style="list-style-type: none"> <input type="checkbox"/> Increase prices <input type="checkbox"/> Engage with workers to discuss salary expectations
Ongoing training and reskilling		<ul style="list-style-type: none"> <input type="checkbox"/> Work with awarding organisations and education providers to tailor short courses for early, mid- and late-career professionals <input type="checkbox"/> Quality assure and promote high-quality short courses and retraining opportunities to salons, barbershops and self-employed professionals 	<ul style="list-style-type: none"> <input type="checkbox"/> Regularly review and enhance relevant employee skills and knowledge <input type="checkbox"/> Promote continual professional development <input type="checkbox"/> Encourage employees to complete high-quality professional development <input type="checkbox"/> Enable opportunities to help with costs of courses
Establishing a support network		<ul style="list-style-type: none"> <input type="checkbox"/> Establish local and regional networking groups for business owners, self-employed professionals and newly qualified stylists, barbers, therapists and technicians <input type="checkbox"/> Nominate network chains and set up regular meeting with times, with relevant subjects for discussion – networks could eventually run semi-autonomously 	

Potential interventions to ease financial pressures

Action	Government	Industry
Reduce informal businesses	<ul style="list-style-type: none"> <input type="checkbox"/> Voluntary register of businesses and individuals operating in the sector <input type="checkbox"/> Compulsory licencing of businesses and individuals operating in the sector 	<ul style="list-style-type: none"> <input type="checkbox"/> Create, administer and award a professional development accreditation scheme jointly with other sector bodies <input type="checkbox"/> Open dialogue with businesses and other sector bodies to gauge opinion on formal licensing/ registration <input type="checkbox"/> Support and promote the 'salon/ barbershop with employees' business model
Address VAT disparity	<ul style="list-style-type: none"> <input type="checkbox"/> Crack-down on tax-evading business <input type="checkbox"/> Consider a lower rate of VAT <input type="checkbox"/> Reduce the threshold at which businesses pay VAT <input type="checkbox"/> Enact one flat rate of VAT for all businesses 	<ul style="list-style-type: none"> <input type="checkbox"/> Continue to develop and lobby for alternatives to the current VAT arrangements
Increase funding provision	<ul style="list-style-type: none"> <input type="checkbox"/> Fund the gap between the apprentice wage and minimum wage for apprentices aged 19+ <input type="checkbox"/> Introduce a financial incentive (i.e. £3,000) for employers to take on learners on any 'job ready' qualification 	<ul style="list-style-type: none"> <input type="checkbox"/> Lobby government with quantitative evidence of the costs and benefits of increased funding <input type="checkbox"/> Develop case study examples of the squeeze on business finances and inability to hire new learners due to cost pressures

Having the hair and beauty industry set the standards it wants and needs would go some way to addressing the skills gap.



Championing regulated 'job ready' qualifications along the lines of 'chartered' status, administered and awarded jointly by industry bodies, would clearly demonstrate the professional competency of salons.

For salons and barbershops, formal accreditation would be something to aspire to. It would offer prestige, and be a clear distinction of quality. It would also be a quick and easy way for potential clients to determine the quality level of the business, offering them peace of mind particularly when accessing ever more specialised treatments and services.

As it is currently, the perception of a significant proportion of the sector is that an individual does their college course or apprenticeship, completes it, and that is the only qualification they need. With a professionalised qualification, there would be continuing personal and professional development for hairdressers, barbers and beauty therapists throughout their career, ensuring they maintained high standards and up-to-date skills.

The professional qualification would be a positive way for the industry to attract new talent, by providing an aspirational career path with the potential for progression, growth and development over time.

Pragmatix Advisory Limited

enquiries@pragmatixadvisory.com

020 3880 8640

pragmatixadvisory.com

Registered in England number 12403422

Registered address: 146 New London Road, Chelmsford, Essex CM2 0AW

VAT Registration Number 340 8912 04