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Evaluation of Apprenticeships:
Employers

MAY 2012



IFF Research and the Institute of Employment Research (IER)

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Chapter 1: Executive Summary

This report details the findings of a telephone survey conducted in late 2011 of 4,075 employers that had people complete an Apprenticeship with them in the preceding 18 months.

The profile of employers

Employers with recent Apprenticeship completers were heavily concentrated in a relatively small number of sectors, with the following accounting for three-fifths of the employers in the survey: health, social work and childcare (20%), retail and wholesale (15%), construction (13%) and hair and beauty (12%). Three-quarters of employers were SMEs, indeed exactly half had fewer than 25 staff across the UK (50%).

The length of time that these employers had been offering Apprenticeships varied quite widely: exactly half had been offering formal Apprenticeships for more than five years, a third (32%) had been offering them for more than 10 years. Employers in the hair and beauty, manufacturing and construction sectors were far more likely than average to have been offering formal Apprenticeships for more than ten years (50%, 48% and 46% respectively); these are clearly sectors with a long tradition of Apprenticeship training.

Employers were more likely to have provided Level 2 than Level 3 Apprenticeships (85% v. 59%), with exactly half having had people start Apprenticeships at both levels in the previous three years. It was relatively common for employers to provide only Level 2 Apprenticeships (35%), though only 9% reported exclusively having starts at Level 3 within their main Apprenticeship framework.

More employers had provided Apprenticeship training to 16-18 years old (76%) than to people aged 19 plus (54%), and twice as many employers had only provided Apprenticeships to 16-18 year olds (46%) as had provided them exclusively to those aged 19 plus (23%). Larger employers with 100 or more staff were far more likely than average to have trained older apprentices: two thirds (66%) reported any of their recent apprentices were aged 19 plus (compared to 46% among employers with fewer than 25 staff). Among the smallest employers with fewer than 25 staff just over half had only trained apprentices aged 16-18 (this compares to 32% among those with 100 or more staff). Figures here refer to the proportion of employers with apprentices of each type, not the proportion of apprentices with that age profile. (Data from the Individualised Learner Record shows that those undertaking an Apprenticeship in late 2011 or who had recently completed split relatively evenly between those aged under 19 (30%), 19-24 (34%) or 25 plus (36%).)

Just over half of employers were single site organisations (56%). Of those that were multi-site operations, a slight majority (56%) said their site had complete autonomy on the number of apprentices they recruited, a finding with implications for communications strategies.

How employers source their apprentices

Employers were much more likely to have recruited any of their apprentices in the last three years in their main framework area (76%) than to have had any existing staff start an Apprenticeship (31%). Employers tended to use one method or the other (indeed two-thirds had recruited all of their apprentices in the last three years): just 9% had used both. The means of sourcing their apprentices varies widely by size of employer, and large employers with 250 or more staff, who accounted for a majority of the total number of apprentices trained, were much more likely to have had existing staff undertake Apprenticeships (44%) than SMEs (26%), indeed 33% of large employers had only provided Apprenticeships to existing staff. These figures relate to the proportion of employers sourcing apprentices in each way, not the proportion of apprentices that were recruited or that had been existing staff. Data from the Learner Evaluation shows that approximately one third of current and recent apprentices were recruited specifically as an apprentice, while two thirds were existing staff.

Employers offering Apprenticeships in Engineering and Construction frameworks almost exclusively recruit their apprentices, while for Retail and Commercial Enterprise and particularly Leisure, Travel and Tourism frameworks, although the majority of employers recruit at least some of their apprentices, quite high proportions have provided at least some of these Apprenticeships to existing staff (40% and 51% respectively).

The younger the age of the apprentice when they start the more likely employers are to recruit them to the role: among employers with only 16-18 year old starters in the last three years, 88% had recruited all their apprentices, while among those where all their starts were aged 19 plus only 31% had relied solely on recruitment (59% of this group said all their apprentices aged 19 plus were existing staff).

Among employers that had recruited any of their apprentices (as opposed to all apprentices being existing staff) just over half (54%) recruited apprentices on fixed term contracts only, with this approach especially prevalent in the public sector (78%, compared to 50% among the private sector). Those frameworks with the highest use of fixed term contracts (ICT 72%; Health, Public Services and Care 61%; Retail and Commercial Enterprise 59%) were also those in which the highest levels of post-Apprenticeship unemployment was found in the learner survey.

Sufficiency of information, support and guidance available

Most employers (81%) feel there was sufficient information, support and guidance available when they were considering offering Apprenticeships. Around one in seven (14%) thought there had not been sufficient support (5% were unsure or could not remember).

Smaller employers were more critical about the information, support and guidance than larger employers: 17% of those with fewer than 25 staff said sufficient information had not been available, compared with 13% of those with 25-99 staff and 9% of those with 100 plus staff. Clearly among all size groups, the vast majority of employers felt the information and support had served their needs, though at the same time even among larger employers still around one in ten felt the support at the time they were considering offering Apprenticeships could have been better.

Employers offering the following frameworks were less positive than average: Engineering (18% thought the support inadequate); ICT Apprenticeships (18% thought the support insufficient, though a low base of 66 respondents should be noted); and Construction (17% thought it inadequate). Given that Engineering and Construction are two framework areas with long established tradition of involvement in Apprenticeships, the findings suggest as a minimum that it cannot be assumed that because of this less support is needed in these sectors.

Around a quarter (24%) of the employers in the survey had used information, advice or support about Apprenticeships specifically from National Apprenticeship Service (NAS) in the last three years. Public sector bodies (48%), and to a lesser extent charities and voluntary sector bodies (36%), were far more likely than private sector employers (20%) to have used NAS, as were large employers with 100 or more staff across the UK (34% compared with 17% among those with fewer than 25 staff). There were also wide differences by sector, with use of NAS particularly high among those in education (56%) and in public administration (60%). In comparison use of NAS was far lower than average among retail and construction sector employers (13% and 15% respectively).

Clearly if NAS wishes to serve the full spectrum of employers wanting to become involved in Apprenticeships, then more work is needed to engage smaller employers, particularly those in the private sector generally, and in some sectors in particular. Often this may involve working with and through intermediary bodies.

Where NAS is used, employers are generally very positive, with over three-fifths (62%) very satisfied with the usefulness of this information and support (a score of 8-10 on a 0-10 scale). A very small proportion of employers that had used NAS were dissatisfied (4% gave a score of 0-4): reasons included not getting a response or getting a slow response, information not being in sufficient depth or not being tailored to their sector, and it being too general.

Employers are most likely to have advertised for apprentices via providers (32%), with word of mouth (17%) and local press/media (15%) the next most likely routes. The Apprenticeship Vacancies System was cited by just 6% of employers, although this is likely to under-record where training providers made use of this on employers' behalf. By some distance, an approach by a provider is the most common stimulus for offering Apprenticeships (27%).

Employers' and providers' involvement delivering training and assessing apprentices

The vast majority of employers (94%) indicated that their apprentices received training delivered by an external provider. Employers themselves are also heavily involved in delivering elements of the training: three-quarters (76%) provided formal training sessions as part of the Apprenticeship. Most employers indicated that training was delivered both by the provider and the employer (72%). In comparison just over a fifth indicated that training was only delivered by the provider (22%) and fewer than one in twenty employers indicated that they had sole responsibility for the formal training within the Apprenticeship (4%). In comparison assessment of apprentices is much more reliant on the providers, and just 1% of employers indicated that they were responsible for the assessment.

Employers' involvement in decisions regarding Apprenticeship training

Although most employers' apprentices received training delivered by a training provider, only around a half (55%) of employers were actually involved in and able to influence decisions regarding the training before it started (such as structure, content, delivery and duration), while a slightly higher proportion (60%) were able to influence the delivery and content of the training during the Apprenticeship. More than two thirds of employers were involved in these decisions for at least one of these stages (69%), and approaching half (46%) were involved at both stages. However almost a third (31%) of employers were not involved in decisions about training for their apprentices either at the design stage or during its delivery.

Results differ widely by framework. Employers offering ICT and Business Administration and Law Apprenticeships were more likely than average to have had involvement with decisions about the training either before or during the process (80% and 79% respectively). In contrast only around half of employers offering Construction Apprenticeships (51%) were involved in and able to influence training decisions at any stage of the Apprenticeship.

Employers were slightly more positive about their ability to influence the delivery and content of the training during the Apprenticeship (68% of all employers were satisfied) than their level of involvement in and ability to influence decisions about the structure, content and delivery of the training before it started (62% satisfied). In both cases though more than one in ten were dissatisfied (11% and 14% respectively). Dissatisfaction was highest amongst smaller employers. For example, 17% of employers with fewer than 25 employees were dissatisfied with their level of involvement in and ability to influence Apprenticeship content before it started, compared to 10% of employers with 100 plus employees expressing similar concerns.

These questions on the ability to influence decisions before and during training were asked of all employers, not just those who were involved in discussions at each stage. This is simply because employers can be satisfied with not having to be involved in these decisions, and in effect leaving it to the provider. However, results show very clearly that satisfaction is much higher where employers are involved in decisions. Of those involved in decisions before the training, 63% were very satisfied with their level of input and 4% were dissatisfied, whereas for those not involved just 17% were very satisfied and 28% were dissatisfied. Similar results were seen in relation to employers' ability to influence decisions during training.

Employers' satisfaction with the Apprenticeship training

Employers were generally positive about their level of involvement in and ability to select an Apprenticeship framework relevant to their needs (77% were satisfied, and 56% very satisfied, compared with 6% dissatisfied). Similarly the majority that had recruited any individuals to Apprenticeships were satisfied with the quality of applicants (75%), though one in twelve (8%) were dissatisfied. Employers with 100 or more staff and those only recruiting people to Apprenticeships aged 19 plus were more positive than average.

Satisfaction is high for the relevance of the training to the employer's needs (69% very satisfied v. 4% dissatisfied). Satisfaction with relevance increases with the number of

apprentice starts in the last 3 years, and, related to this, by whether the employer had been involved in training decisions either before or during the Apprenticeship (76% very satisfied).

Satisfaction with the quality of the training from the provider is high (66% very satisfied v. 7% dissatisfied). Smaller employers (with fewer than 25 employees) were less satisfied than average (59% very satisfied v. 70% among those with 25-99 staff and 73% among those with 100 or more employees across the UK).

On nearly every measure assessed, employers offering Construction, Planning and the Built Environment Apprenticeships were less satisfied than average.

The value to employers of various elements within the Apprenticeship

Employers were asked the extent to which they valued each main individual element of the Apprenticeships, covering: the competency element, such as achieving an NVQ; the knowledge element, such as a technical certificate; transferable skills (covering such areas as ICT, communication and application of numbers); and employer rights and responsibilities.

The vast majority of employers feel each of the four elements are valuable (mean scores on a 0-10 scale ranged from 7.6 to 8.4). The competency element is rated the most valuable element, with over three-quarters (78%) describing this as very valuable (a rating of 8-10). In relative terms transferable (or key or functional) skills were considered the least valuable element: 6% of employers felt they were not of value though still three-fifths (60%) found them very valuable.

Deadweight and the impact of fees

The evaluation of deadweight and additionality, presented in detail in chapter 6 of this report, is concerned with the likely impact of changes in employer funding for Apprenticeships on levels of participation, and gives an indication of deadweight based on how employers say they would respond if all, or half, of current State funding were to be removed. Employers who had taken on apprentices aged 19 years or over at the start of their training were asked a series of questions about whether they would still have engaged in this form of training, the numbers of apprentices they would have taken on, and the likely impact on their business of needing to contribute to the costs of training. The results offer a good insight into employers' views about their likely response in different scenarios but cannot be regarded as a definitive guide to what their responses would be in practice were the scenarios to be realised.

When asked whether they would still have trained apprentices over the last three years if they had had to bear the full costs, 17% of all employers with apprentices aged 19 years and older indicated that they would have taken on apprentices with full fees or that they already paid equivalent fees, whilst 29% would have continued training apprentices aged 19 plus if they had to pay half fees. It is the Apprenticeship training undertaken by these employers that comprises the deadweight loss arising from Government funding of the programme as this training (or at least some of it) would have taken place without funding.

In terms of the impact of increased cost to employers on the number of apprentices that would have been trained, the number of apprentices aged 19 plus was found to be 85% lower if employers faced full fees and 73% lower with half fees. Considering the total number of apprentices, including 16 to 18 year olds (the numbers of which are assumed to be unchanged in the presence of fees for those aged 19 plus) as well as those aged 19 plus, a decrease of 61% was found for full fees and 53% for half fees. In reality this may overstate the impact of fees, if a proportion of employers switched from training apprentices aged 19 plus to fully funded Apprenticeships for those aged under 19.

Overall 43% of all employers reported that training fewer apprentices would have no impact on their business. The most commonly reported impact of training fewer apprentices was skill shortages in the future (20% of all employers), followed by leading to an older workforce (7%), reductions in the quality of products and services (6%), staff shortages (6%) and increased recruitment costs (6%). Employers delivering Engineering frameworks were particularly likely to feel they would be affected, with 37% citing skills shortages and fewer (35%) citing no impact.

Payment of Fees

Overall, 11% of employers paid some level of fees to providers, ranging from 21% in Engineering to 6% in Retail and Commercial frameworks. The average payments, where these were made, were higher for 16-18 year olds (£2,042) than at 19+ (£1,759), despite the principle of full funding for training at 16-18 and 50% at 19+. Follow up research is needed to understand this apparent anomaly better, although one factor is likely to be the greater proportion of younger apprentices in sectors with higher training costs.

Very few employers (2%) who had been involved in the programme for less than 12 months had paid any fees to providers (although a relatively low base of 167 respondents for this figure should be noted).

Main business benefits derived from Apprenticeships

Respondents were read a list of potential benefits and asked which they had experienced in their organisation as a result of offering and training apprentices. Results are very positive, and nearly all employers (96%) reported at least one of the benefits listed having occurred. This was most often improved productivity (72%), followed by improved staff morale, improved product or service, a more positive image in the sector, better staff retention, and the introduction of new ideas to the organisation, each mentioned by around two-thirds of employers.

There were only two of the business benefits read out to respondents which a minority of the employers had gained. Around two-fifths of private sector firms reported that it had helped them win new business (43%), while just over a third (36%) indicated that offering and training apprentices had lowered their overall wage bill. The latter can of course be seen in a positive light in that Apprenticeships are not generally being seen as, or turning out to be, a form of cheap labour.

Advocacy of Apprenticeships

Nearly half (47%) had recommended Apprenticeships to other employers. A further 22% indicated that if asked by an employer in their sector they would strongly recommend them and an additional 15% stated that they would recommend Apprenticeships though with some reservations. Just 1% of employers had recommended employers **not** to offer Apprenticeships and a further 1% said if asked they would recommend against them.

Continuing their involvement with Apprenticeships

The majority of employers are committed to the Apprenticeship programme and plan to continue to offer Apprenticeships (80%). Around one in ten were currently undecided or were reviewing their involvement (11%), leaving one in eleven (9%) that were not planning to continue to offer Apprenticeships. The latter figure is higher among employers with fewer than 25 staff (14%), those involved in Apprenticeships for less than three years (14%) and those offering Construction frameworks (17%).

Three main reasons explain why employers are planning to end their involvement: all their staff being seen as fully skilled and therefore having no need to train existing or new staff (30%), the perceived high cost (23%) and their having a negative experience with Apprenticeships or feeling that the training had not gone well (22%).

Chapter 2: Introduction

This report summarises the findings of a survey of 4,075 employers that had people complete an Apprenticeship with them in the 18 months prior to the interview (conducted in late 2011).

It is one element of a wider evaluation of Apprenticeships, for which separate reports will be produced, which includes a quantitative survey of 5,000 apprentices, as well as a qualitative exercise among providers, employers and apprentices with recent involvement in Apprenticeships.

The policy context

The Coalition Government's strategy for skills was set out in *Skills for Sustainable Growth, and Investing in Skills for Sustainable Growth* (both published in late 2010). These confirmed the government's commitment to Apprenticeships, placing these at the 'heart of the system' as the preferred vocational route for individuals and employers. A commitment was made to increasing the number and range of Apprenticeships on offer, reshaping Apprenticeships so that Level 3 becomes the Level to which learners and employers aspire, and to improving their quality so that they become 'the gold standard for workplace training'.

As a flagship policy for Government on which large amounts of public money is spent, it is critical to evaluate the impact of Apprenticeships to ensure the investment is producing the best value for employer, individuals and for the economy as a whole. The National Audit Office recently undertook a Value for Money assessment of Adult Apprenticeships, which reported in February 2012, which used some of the initial findings from the current evaluation study. It concluded:

"Apprenticeships for adults offer a good return for the public money spent on them overall, according to the National Audit Office. However, the Department for Business, Innovation and Skills could improve value for money significantly by targeting resources on areas where the greatest economic returns can be achieved."

The Apprenticeship Programme expanded by 140% between the 2006/07 and 2010/11 academic years. Apprentices aged over 25 account for 68% of this increase. Most of the increase in the programme has been in just 10 Apprenticeship occupations. Apprentices and inspectors are generally positive about the quality of Apprenticeships, with 91% of Apprentices satisfied with their training; but the rapid expansion of the programme brings risks that need to be managed. One concern is that in 2010/11, 19% (34,600) of Apprenticeships lasted less than six months, when most are expected to last at least a year."

The aims of the research programme, which involved not just this survey of employers but also a large quantitative survey of current and recent apprentices, were to:

- Develop understanding of the Apprenticeship programme, and the value it provides for employers, individuals and the economy, to help inform how high quality delivery can be maintained / improved;
- Explore how the programme is accessed and used by employers and individuals;
- Assess the perceived impact and identify areas for improvement;
- Develop a baseline for future research.

More specifically the objectives of the study were to:

- Establish the additionality provided by public investment in Apprenticeships in producing skills for the economy;
- Explore the quality of Apprenticeships and how this differs by such factors as the size of employer, framework and level;
- Understand employers and individuals rationale for choosing Apprenticeships;
- Explore learner experiences and satisfaction with Apprenticeships, and the benefits and shortcomings;
- Understand trainees' progression into and through Apprenticeships.

Method

A total of 4,075 employer interviews were conducted for the study. These were undertaken by telephone using Computer Assisted Telephone Interviewing (CATI). Fieldwork took place from 14th November to 13th December 2011. All interviewing was conducted from IFF's telephone centre in London.

The main stage was preceded by a pilot exercise involving 21 interviews, conducted on 7th, 10th and 11th October 2011. Following this a number of refinements were made to the questionnaire. The final questionnaire used for the study is appended.

The sample of employers was derived from the Individualised Learner Record (ILR) of individuals completing their Apprenticeship in the period August 2010 to March 2011. The sample covered England only. The learner information on the ILR also has the employer name, though not any contact details or firmographics such as size and sector. This information was appended by an agency, Blue Sheep. Once de-duplicated this yielded an initial sample, with telephone numbers of some 37,000 employers.

The sampling approach adopted, in terms of the targets set for the interviews to be achieved, took account of the following factors:

- The Level of the Apprenticeship (Level 2 v. Level 3);

- The broad framework, divided into nine categories: Agriculture, Horticulture and Animal Care; Business, Administration and Law; Construction, Planning and the Built Environment; Engineering and Manufacturing Technologies; Health, Public Services and Care; Information and Communication Technology; Leisure, Travel and Tourism; Retail and Commercial Enterprise; and Other.

Each employer in the sample was assigned to one cell of the interlocking framework by level grid. If an employer had learners complete across multiple broad frameworks in the period August 2010 to March 2011 then they were assigned to the one with most learners (selected at random if there were equal numbers across different frameworks). If within this broad framework they had completers across both Level 2 and Level 3 the level was selected on the most numerous (or randomly if they had equal between the two levels).

In discussion with BIS, the sampling approach agreed was as follows:

- 100 interviews distributed evenly within each of the 18 cells (nine broad frameworks by two levels);
- The remaining interviews to achieve the target of 4,000 interviews distributed in proportion to the population;
- Targets were 'pegged back' where available sample was limited so that targets were approximately a quarter to a fifth of available sample. This affected 'Other' frameworks at Level 2 and Level 3, ICT Level 2 and Level 3; and Agriculture at Level 3;
- Targets in each cell were rounded to the nearest 10;
- Remaining 'spare' interviews were distributed evenly across smallest cells where sample to quota target ratio allowed.

This approach led to a higher initial target for Level 2 than Level 3 (55% v 45% respectively).

Our ability to achieve the initial target number of interviews was affected by the high number of employers contacted who said that they had no apprentice completers in the 18 months before the interview. In total we spoke to 4,390 respondents that fell into this category. Because of the high number of employers contacted at the pilot stage that indicated they did not fit the screening criteria an additional question was added post-pilot which explored their involvement in Apprenticeships. Of the 4,390 respondents:

- 2,669 said they had had people complete NVQs in the last two years but that these were not part of an Apprenticeship (61% of those with no recent completers);
- 1,267 reported that at some point there had been people based at that site undertaking an Apprenticeship, but none of these had completed in the last 18 months (29% of those with no completers);

- 549 had people at that site undertaking an Apprenticeship at the time of interview (13% of those with no completers);
- 482 had people complete an Apprenticeship within the last three years but not the last 18 months (11% of those with no recent completers);
- 264 said there were other sites in their organisation which had people complete Apprenticeships in the last 18 months (6% of those with no completers).

At the analysis stage the data was grossed up to the total number of employers on the ILR with completers in the August 2010 to March 2011 period (matching the period over which the sample was drawn from the ILR), a total of some 42,250 employers. This grossing up was undertaken on an interlocked broad framework by level matrix (see Appendix B).

Although there is often a correlation between the Apprenticeship framework being delivered and the sector of the employer, as discussed in paragraph 3.7, it is worth noting that the weighting did not take account of the sector of the employer. This was because the ILR, from which the sample was drawn, does not have information on the sector of the employer. As a result the sector profile arising from the survey (see Table 3.1) may not be representative of the actual sector profile of employers with apprentices. For example, the sector profile arising from the survey indicates that just over half (53%) of employers delivering Apprenticeships in the Retail and Commercial framework operated in the hair and beauty sector – this may overstate the role of this sector within the framework (it certainly does so in terms of the *number of apprentices* within that framework, which is heavily dominated by the large retail chains). At the same time it should be noted there is less comprehensive management information about the sector profile of employers with apprentices than there is about Apprenticeship frameworks (size and sector of employer is not collected on the Individualised Learner Record (ILR)), hence the actual sector profile of employers with recent apprentice completers is not known with certainty.

Nor did the weighting take account of the size of the establishment or their number of recent apprentice completers. Hence for example in the weighting strategy a large supermarket with a large number of Level 2 apprentices in the Retail framework was treated in the same way (was given the same weight) as a small, single site retailer with one Level 2 apprentice. As with sector, this means that the size profile arising from the survey may not be representative of the actual size profile of employers with apprentices (although again management information on the size profile of employers with recent completers is not comprehensive). One result of this weighting approach is that the number of apprentice completers that the employer survey generates after it is weighted would not be expected to match data from the ILR on the number of learners completing an Apprenticeship, hence in this report we do not present data on the actual number of apprentices (for example who are still working for the employer on completion) but discuss results in terms of the proportion of apprentices (as derived from this survey of employers) in particular circumstances or with particular characteristics.

It is worth noting that while the ICT framework has been reported on within the report, findings are based on a relatively low number of responses (66) meaning results must be treated with caution. (For example, at the 95% confidence level, the sampling error on a survey finding of 50% is +/-12%.)

This report sits within a wider evaluation of Apprenticeships being undertaken by the Department for Business, Innovation and Skills. Within this report references are made to some of these other surveys, including:

- A quantitative Learner Survey conducted by IFF involving 5,000 telephone interviews conducted in late 2011 with individuals that were undertaking an Apprenticeship or had completed an Apprenticeship in the previous 12 months.
- A qualitative exercise conducted in early 2012 by IFF among 20 providers, 30 employers and 40 apprentices.
- Employer Investment in Apprenticeships and Workplace Learning 2011, the fifth in a series assessing the net costs to employers of training. The study was by led by IER and involved approximately 80 employer case studies spread across eight sectors of industry.
- The Apprenticeship Pay Survey 2011, conducted by Ipsos Mori and involving approximately 11,000 interviews with apprentices across the UK.

Chapter 3: The profile of employers, and the number and nature of their apprentices

In this chapter we discuss the profile of employers with recent apprentice completers in terms of such factors as their size and sector, and whether they operate in the private or public sector. We also explore how long they have been involved in offering formal Apprenticeships. We then look at aspects relating to the apprentices taken on in terms of such factors as the age of the apprentices, the level of the Apprenticeships, and whether the apprentices tend to be recruited or offered just to existing staff.

The profile of employers

The survey of employers covered those with apprentices completing their training in the 18 months prior to the interview. As described in chapter 2, quotas were set based on the profile of their main Apprenticeship by broad framework and by level ('main' being the single specific Apprenticeship framework where they had had most completers in the previous 18 months, or the one where they had the most recent completer if they had the same number of completers across two or more different frameworks). Likewise the weighting / grossing up was undertaken on a framework and level basis (not on a sector or size basis). The sector and size profile that this sampling and weighting strategy produced are shown in Table 3.1.

Employers with recent Apprenticeship completers were heavily concentrated in a relatively small number of sectors, with the following sectors accounting for three-fifths of the employers in the survey: health, social work and childcare (20% of all employers interviewed), retail and wholesale (15%), construction (13%) and hair and beauty (12%).

In terms of size, half the employers had fewer than 25 staff across the UK (50%). This compares with around one in six (17%) employing 25-99 staff, and three in ten (31%) employing 100 or more staff.

Size varies very widely by sector. Establishments with recent apprentices that operated in hair and beauty, agriculture, and construction were much more likely than average to employ fewer than 25 staff (85%, 82% and 69% respectively). By contrast, in public administration nearly all employers indicated that their organisation employed more than 100 staff (93%). Differences in the size profile of each sector need to be borne in mind throughout the report when differences in results by sector are discussed.

Table 3.1: Profile of employers by size and sector

Row percentages shown	Unweighted Base	%		Number of staff employed UK-wide		
				1-24 staff	25-99	100+
All employers	4,075	100	%	50	17	31
Agriculture, horticulture & animal care	49	1	%	82	6	8
Mining and utilities	19	<0.5	%	25	20	55
Manufacturing	315	7	%	31	23	46
Construction	548	13	%	69	18	13
Retail and wholesale (including motor trade)	599	15	%	48	10	40
Hospitality	237	7	%	44	11	42
Financial services	30	1	%	27	17	52
Professional and business services	382	9	%	50	22	27
Education	304	7	%	33	21	41
Health, social work and childcare	833	20	%	43	25	28
Public administration	98	2	%	2	3	93
Hair and beauty	434	12	%	85	7	7
Arts, sport and recreation	184	4	%	31	9	55
Other	43	1	%	71	6	21

The vast majority of employers were operating in the private sector (83%), with the remainder relatively evenly split between public sector organisations (10%) and charities and the voluntary sector (7%). Public sector organisations were larger than average (57% were part of organisations with 250 or more staff across the UK, compared with 19% among private sector organisations and 30% among charities and the voluntary sector organisations).

Overall, a slight majority of employers were single site operations (56%). This was much higher among private sector employers (59%) than found among public sector employers (34%) or charities / voluntary sector employers (46%). It is interesting that most branches of multisite operations indicated that they had complete autonomy at their site on the number of apprentices trained (56%, though this was lower for public sector organisations (44%)). While some said the number was determined by their head office (13%), a more common approach was for the head office to have to approve the branch's recommendation (27%).

The frameworks being undertaken within each sector largely follow predictable patterns, hence:

- Nearly all financial services employers (a relatively low base of 30 respondents) were providing Apprenticeships falling within the Business Administration and Law broad framework area (97%). The majority of employers in the public administration sector (78%) and in professional and business services were undertaking the Business Administration and Law framework Apprenticeship (61%);
- Nearly all those employers in the hair and beauty sector were providing Apprenticeships falling within the Retail and Commercial Enterprise broad framework area (95%)¹;
- The vast majority of agriculture sector employers were undertaking Apprenticeships in Agriculture, Horticulture and Animal Care (93%);
- The vast majority of construction sector employers were undertaking Apprenticeships in Construction, Planning and the Built Environment (89%);
- The vast majority of health, social work and childcare sector employers were undertaking Apprenticeships in Health, Public Services and Care (77%);
- In hospitality most employers were providing Apprenticeships falling within the Retail and Commercial Enterprise broad framework area (68%);
- Most manufacturing employers were undertaking Apprenticeships in Engineering and Manufacturing Technologies (64%).

It is worth noting however that the majority of employers in the retail and wholesale sector, which includes the selling and servicing of motor vehicles, were more likely to be undertaking Apprenticeships in the broad Engineering and Manufacturing Technologies framework (42%) than the Retail and Commercial Enterprise framework (28%).

How long employers had been offering formal Apprenticeships

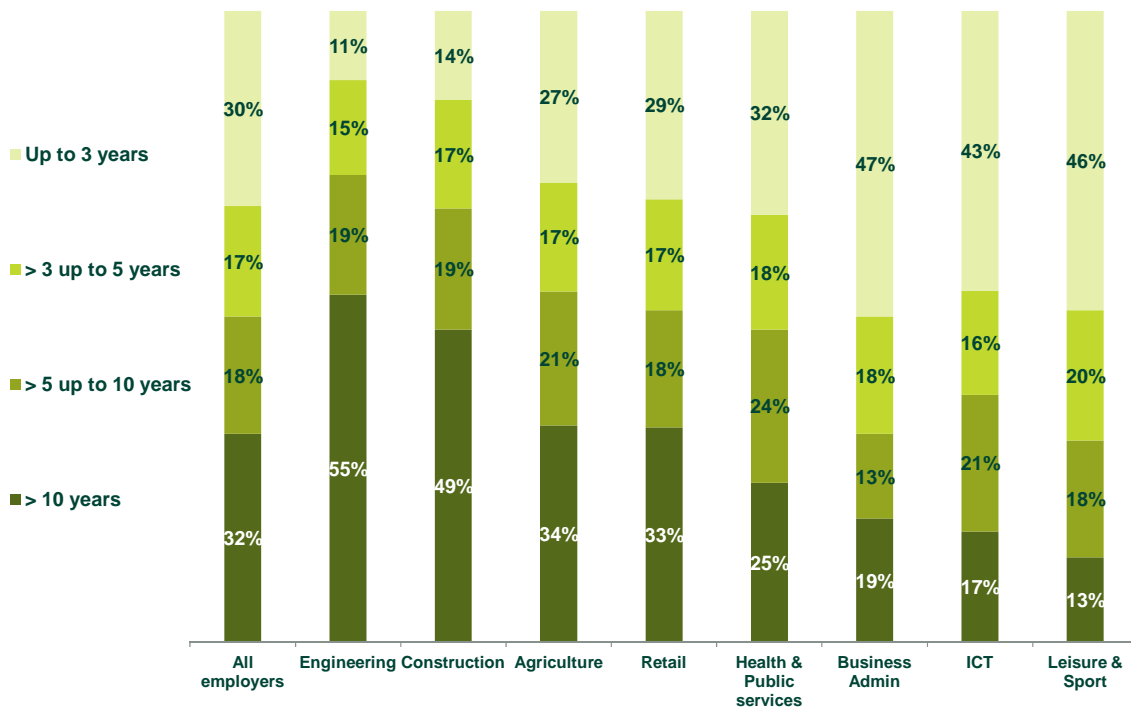
The survey covered employers with Apprenticeship completers in the 18 months prior to interview. The length of time that these employers had been offering Apprenticeships varied quite widely: exactly half had been offering formal Apprenticeships for more than five years, indeed a third (32%) had been offering them for more than 10 years. Employers in the hair and beauty, manufacturing and construction sectors were far more likely than average to have been offering formal Apprenticeships for more than ten years (50%, 48% and 46% respectively); these are clearly sectors with a long tradition of Apprenticeship training.

¹ Just over half (53%) of the employers in the survey delivering Retail and Commercial Enterprise Apprenticeships operated in the hair and beauty sector. In terms of the number of individuals undertaking Retail and Commercial Enterprise Apprenticeships a very much lower proportion undertake their Apprenticeship with employers in the hair and beauty sector, and a large proportion undertake their Apprenticeship in this framework with large retail chains such as the supermarkets. One consequence is that the Employer Survey results in the retail sector underestimate the role of large retail chains in terms of their importance in relation to the *volume* of apprentices.

Three in ten (30%) had been offering formal Apprenticeships for three years or less. Employers in hospitality, professional and business services, and in arts, entertainment, sport and recreation were far more likely than average to be new to Apprenticeships (45% - 47% in each case had been offering them for three year or less).

Following the sector pattern, certain Apprenticeships are more established than others, as illustrated in Figure 3.1 which shows the broad frameworks in descending (right to left) order of the percentage of employers offering each saying that they had been engaged with Apprenticeships for 10 years or more.

Figure 3.1: Length of time offering Apprenticeships by Apprenticeship framework



Base: All employers (4,075 unweighted)

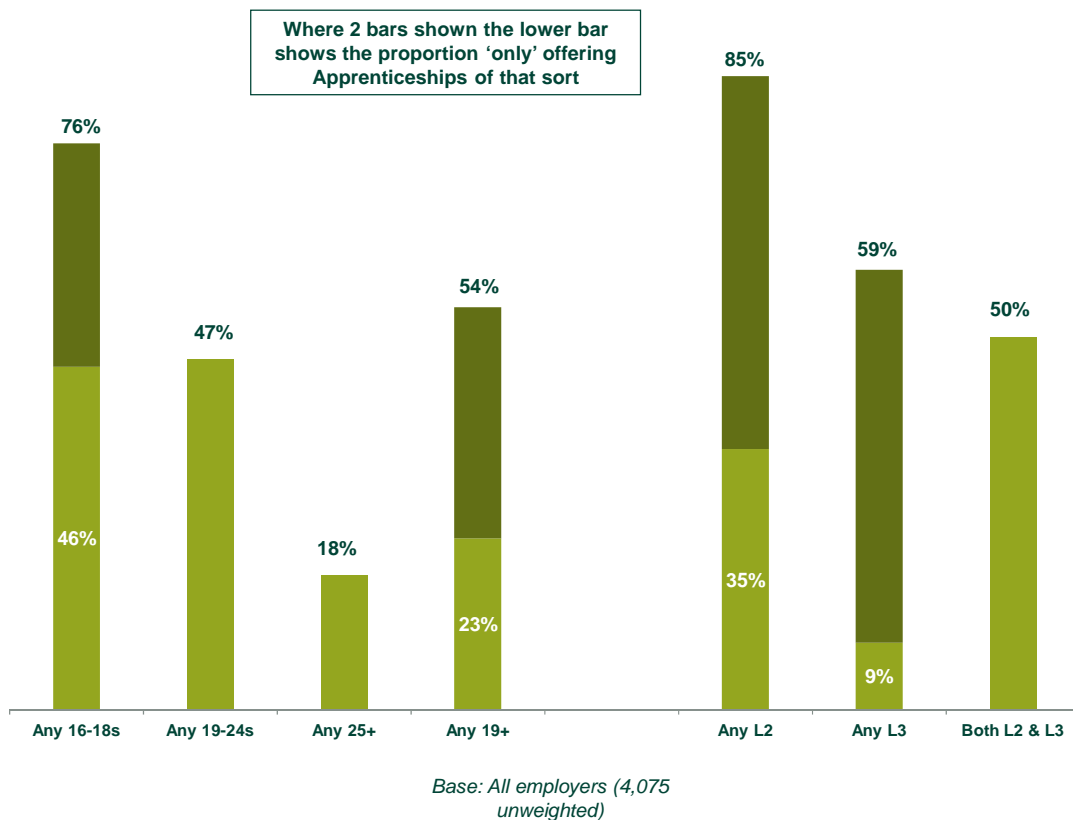
The Apprenticeship offer

Employers were asked, for the specific framework being covered in detail for the interview (their main one in terms of number of completers in the last 18 months), the age of the people that had started these Apprenticeships in the last three years, the level of these Apprenticeships, and whether they had been for people specifically recruited as apprentices, for existing staff, or both.

Results on the age of apprentices (at the start of the training) and the levels of the Apprenticeships are shown on the following chart. By level, although a majority of employers had provided each, employers were more likely to have provided Level 2 than

Level 3 Apprenticeships (85% v. 59%), with exactly half having had people start Apprenticeships at both levels in the last three years. It was relatively common for employers to only provide Level 2 Apprenticeships (35%), though only 9% reported exclusively having starts at Level 3 within their main Apprenticeship framework. (It should be noted that some employers were unsure what level of Apprenticeship their staff were working to, hence the sum of those providing one level or the other only, and both levels is less than 100%).

Figure 3.2: The proportion of employers with apprentice starts in the last 3 years (on their main framework) of different ages and level



By age, more employers had provided training to 16-18 years old (76%) than to those aged 19 plus (54%). Twice as many employers had only provided Apprenticeships to 16-18 year olds (46%) as had provided them exclusively to those aged 19 plus (23%).

Predictably there is some correlation between younger apprentices and lower level Apprenticeships: for example among employers only offering Level 2 Apprenticeships in the last three years 51% provided them exclusively to 16-18 year olds, whereas among those only offering Level 3 Apprenticeships 37% provided them exclusively to 16-18 year olds.

However, it should be noted that employers with apprentices aged 19 plus are still more likely to provide any Level 2 than Level 3 Apprenticeships: three-quarters (75%) of employers with older apprentices had at least some of these apprentices aged 19 plus

undertaking Level 2 qualifications compared with just over half (55%) providing any of their older apprentices with Level 3 Apprenticeships.

The age and level offered within different frameworks varies widely. By age for example, employers offering Engineering and Manufacturing technology frameworks and those offering Construction, Planning and Built Environment frameworks were much more likely than average to have provided these to those aged 16-18 (89% and 84% respectively), and were much more likely to have only provided them to this age group (60% and 57% respectively, against the average of 46%).

Regarding apprentices aged 25 plus, overall 18% of employers said they had had people of this age start an Apprenticeship in the last three years. This rose to around a quarter for those offering Apprenticeships in Health, Public Services and Care (28%), Leisure, Travel and Tourism (26%) and Business, Administration and Law (23%). In contrast fewer than one in ten employers offering Apprenticeships in Engineering and Manufacturing Technologies (7%), Construction, Planning and the Built Environment (8%) and ICT (9%) had provided them to those aged 25 plus.

Respondents were also asked whether any of the people starting the Apprenticeship in their main framework area in the last three years were ethnic minorities or were disabled people. Overall 18% of employers indicated some of their starts were ethnic minorities, with this figure much higher than average among employers in public administration (40%), health, social work and care (30%) and education (28%), hence predictably also much higher among the broad public sector (30%) and charities and the voluntary sector (26%), and among employers delivering Apprenticeships in the Health, Public Services and Care framework (30%).

Overall 5% of employers indicated that any of the people starting an Apprenticeship with them in the last 3 years within their main framework had had a disability. The pattern of those more likely to have had such apprentices was the same as for ethnic minorities, and was higher among: public sector bodies (15%) and charities / the voluntary sector (12%, compared against 3% among private sector employers); and those employers operating in public administration (28%), education (11%) and health, social work and care (8%).

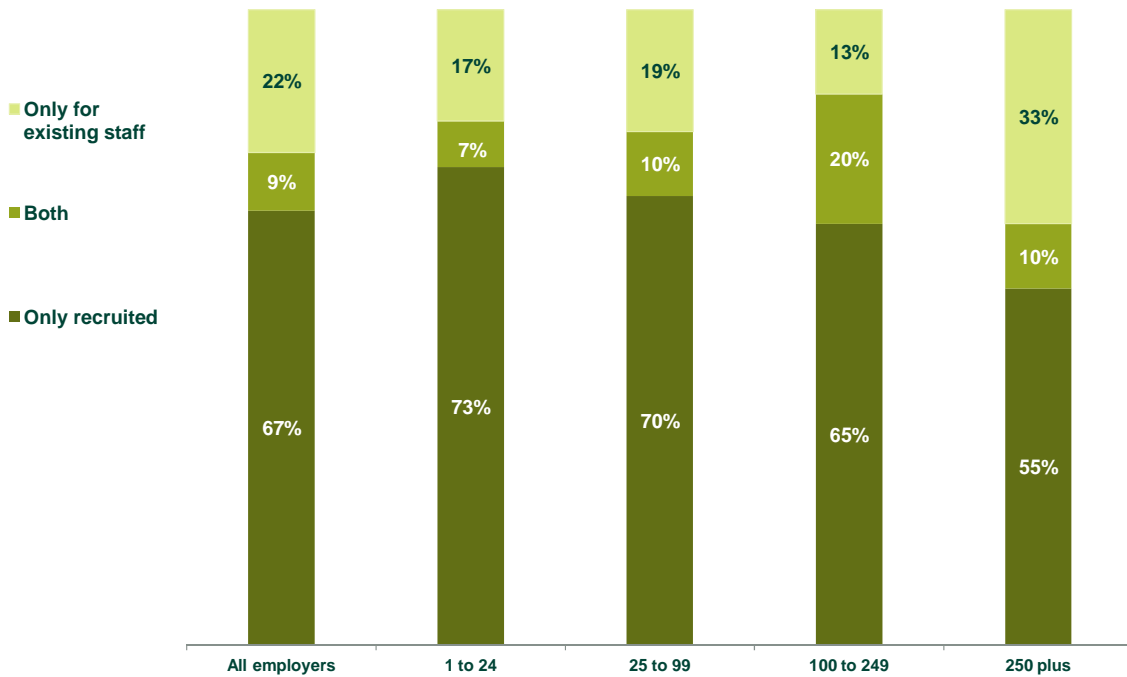
Methods of sourcing apprentices

The two main means of 'sourcing' apprentices is that they can be recruited specifically to an Apprenticeship or they are provided for existing employees. Many more employers reported that they recruited any of their apprentices (76%) than indicated that any of their apprentice starts in the last three years (in their main framework area) had been for existing staff (31%). Employers tended to use one method or the other (just 9% had recruited some apprentices and also provided Apprenticeships for their existing staff): two-thirds had recruited all of their apprentices in the last three years.

It is important to note that these figures relate to the *proportion of survey employers* that used each method for sourcing their *apprentices*, not the proportion of apprentices sourced in each way. Data from the Learner Survey conducted in parallel to this Employers Survey, shows that most apprentices (around two thirds) were existing staff when they started their training, and only around a third were recruited specifically as apprentices. That the Employer Survey shows most employers recruit their apprentices

while the Learner Survey indicates that most apprentices are existing staff rather than recruits is not as contradictory as it may first appear since large employers with more than 250 staff in their organisation, who account for a large volume of apprentices, are much more likely to only provide Apprenticeships for their existing staff, as shown in Figure 3.3.

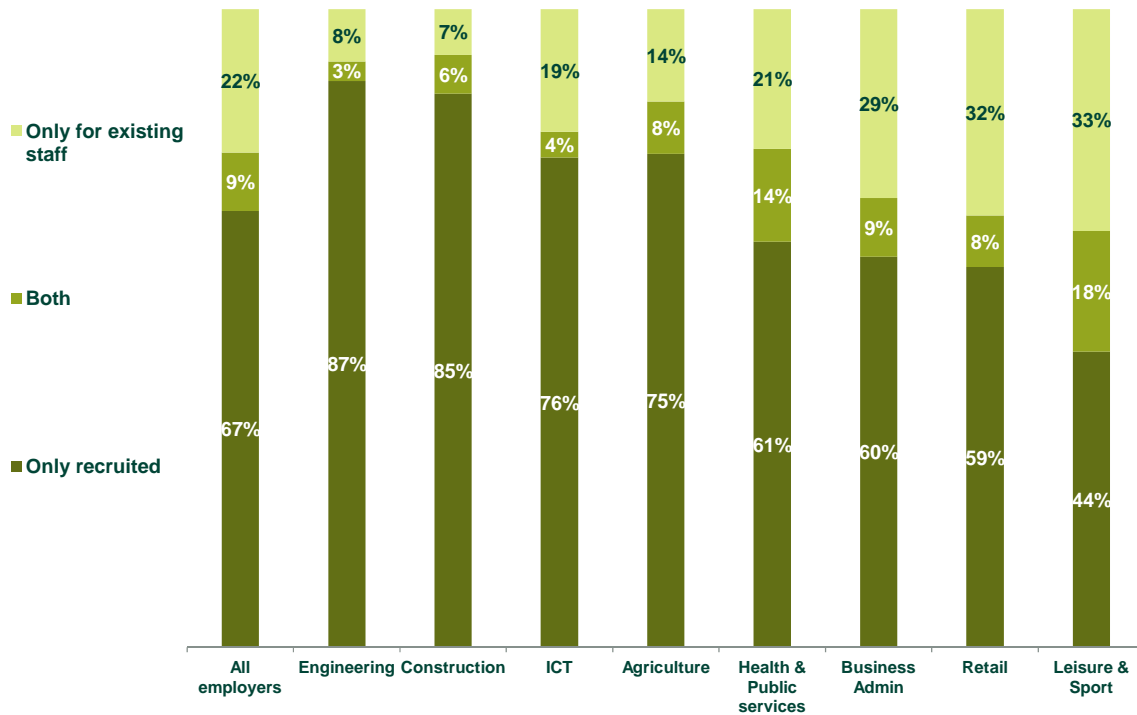
Figure 3.3: The proportion of employers recruiting their apprentices compared with apprentices being existing staff, by employer size



Base: All employers (4,075 unweighted)

Results also differ widely by framework, as shown on the following chart, which presents the proportion of employers only recruiting, those recruiting and providing Apprenticeships to existing staff, and those only providing them to existing staff. Frameworks are ordered left to right in descending order of likelihood to only recruit their apprentices.

Figure 3.4: The proportion of employers recruiting their apprentices compared with apprentices being existing staff, by framework



Base: All employers (4,075 unweighted)

Results show that employers offering Apprenticeships in Engineering and Construction frameworks almost exclusively recruit their apprentices, while for Retail and Commercial Enterprise and particularly Leisure, Travel and Tourism frameworks, although the majority of employers recruit at least some of their apprentices, quite high proportions have provided at least some of these Apprenticeships to existing staff (40% and 51% respectively). Results here are consistent with the Learner Study, where it was found that apprentices undertaking Engineering, Construction and ICT frameworks were by far the most likely to say they were recruited specifically to the Apprenticeship (63%, 60% and 57% respectively, against the average of 34%).

There is a close correlation between the age of the apprentice when they start and the method by which they are sourced, such that there is much greater reliance on recruiting apprentices the younger they are. Among employers with only 16-18 year old starters in the last three years, as many as 88% had recruited all their apprentices, while among those where all their starts were aged 19 plus only 31% had relied solely on recruitment (59% of this group said all their apprentices aged 19 plus were existing staff). The difference is particularly stark for apprentices aged 25 plus where the emphasis is very much on existing staff: just a quarter of employers with these older apprentices said they had relied exclusively on recruiting their apprentices (24%).

We have seen that a majority of employers (76%) had recruited any of their apprentices starting in the last three years on their main Apprenticeship framework. Just over half

(54%) of these recruiting-to-Apprenticeship employers said all of those recruited were on a fixed term contract specifically for the period of their Apprenticeship, while almost two-fifths (38%) said none were taken on on this basis. There was wide variation by framework and type of employer, as shown in the following table, with frameworks ranked in descending order of the likelihood that all recruits were on fixed term contracts for the period of their Apprenticeship.

Table 3.2: Use of fixed term contracts by employers recruiting their apprentices

Row percentages			All	Some	None	Don't know
<i>Base: those recruiting any apprentices in the last 3 years on their main framework</i>						
All employers	3,141	%	54	5	38	3
Broad Framework:						
ICT	54	%	72	-	28	-
Health, Public Services and Care	559	%	61	10	26	3
Retail and Commercial Enterprise	517	%	59	5	34	3
Business, Administration and Law	622	%	56	7	34	3
Leisure, Travel and Tourism	89	%	55	13	28	3
Agriculture, Horticulture and Animal Care	208	%	54	5	39	2
Construction, Planning and Built Environment	527	%	46	3	50	1
Engineering and Manufacturing Technologies	545	%	44	1	52	2
Type of employer						
Private sector	2,600	%	50	5	42	2
Charity / voluntary sector	207	%	63	7	27	3
Public sector	317	%	78	9	10	3

Public sector recruiters (78%), and those providing ICT (72%) and Health, Public Services and Care framework Apprenticeships (61%), were particularly likely to have taken all their recruited apprentices on a fixed term contract lasting for the period of the Apprenticeship. This is very different to the situation for those delivering Engineering and Manufacturing Technology and Construction, Planning and the Built Environment Apprenticeships where around half said none of the recruits were taken on this fixed term contract basis.

It is interesting to note that the three framework areas with the highest proportion of employers taking all apprentices on a fixed term contract (ICT; Health, Public Services and Care; and Retail and Commercial Enterprise) were those on the Learner Survey where completers were most likely to be unemployed following their Apprenticeship.

Results from the Employer Survey suggest that apprentices recruited on a fixed term contract were somewhat less likely to still be working for the employer than those recruited to their Apprenticeship on some other basis (in most cases this will be on a permanent basis). Some caution is needed in the results since these can only be analysed for employers where all their apprentices were recruited on a fixed term contract or where all were recruited on some other basis. But with this proviso in mind, employers reported that 55% of apprentices recruited on a fixed term contract were still working for them at the time of interview compared with 61% of those recruited on some other basis. It is worth noting that the Employer Survey and Learner Survey showed very consistent results on post-completion employment: employers reported that 58% of apprentice completers that had been recruited were still working for them at the time of interview; on the Learner survey 54% of apprentices that had been recruited to the Apprenticeship were still working for the same employer 12 months after completion.

Recruitment methods

A majority of employers (76%) had recruited any of their apprentices starting in the last three years on their main Apprenticeship framework. These employers had used a variety of methods for advertising these Apprenticeship positions. A third had advertised via a learning provider or college (32%) and one in eight (12%) said they had not advertised the position themselves but had left it to the provider, both indicating that providers are often playing a central role in the recruitment process. Those employers who indicated that the original stimulus to their becoming involved in Apprenticeships was being approached by a training provider were predictably much more likely to have left the advertising of the position completely to the provider (29%, compared to 10% among those whose initial stimulus came through other means). Other quite common means of advertising the positions were word of mouth (17%), local press / media (15%) and Jobcentre Plus (10%).

Overall 6% of employers recruiting any apprentices said the positions had been advertised on the Apprenticeship Vacancies System (AVS). It should be noted that that the Apprenticeship Vacancies System is mainly used by providers currently as they are required to use this system for new vacancies. Given the high proportion of employers that recruit their apprentices using a provider (see Figure 3.5) the actual number of Apprenticeship places advertised on, and recruited via the AVS, is likely to be much higher than the 6% figure might suggest.

Figure 3.5: Methods used to advertise apprentice positions (spontaneous)

Base: All employers recruiting their apprentices in the last 3 years (3,141 unweighted)

Predictably there was quite wide variation by sector in how employers advertise their Apprenticeship positions:

- Employers in manufacturing and in hair and beauty were particularly likely to advertise with a training provider (44% and 37% respectively). (The next chapter discusses the role of providers in stimulating employers to get involved in Apprenticeships. Manufacturing and hair and beauty employers were *less* likely than average to have become involved because of being contacted by a provider, and more generally those becoming involved because a provider first contacted them were only slightly more likely than other employers to then use the provider to advertise their Apprenticeship vacancies).
- Word of mouth is frequently used among construction, agriculture and hair and beauty employers (31%, 28% and 28% respectively)
- Those in public administration, in education, and in arts, sport and recreation were much more likely than average to advertise on their own website (47%, 25% and 22% respectively)

- Those in public administration, arts, sport and recreation, and in health and care were much more likely than average to advertise with Jobcentre Plus (20%, 20% and 18% respectively)
- While overall 6% of employers recruiting any apprentices said they had advertised the positions on the Apprenticeship Vacancies System, this was much higher among those in education (31%) and in public administration (29%).

Chapter 4: Stimulus to involvement with Apprenticeships, and views on the support and guidance available

In this chapter we explore who or what was the stimulus to offering Apprenticeships among those employers that became involved in Apprenticeships relatively recently (in the last five years), and the views of all employers in the survey on the information, support and guidance available when considering offering Apprenticeships, and the use and views of support provided specifically by the National Apprenticeship Service.

Stimulus for starting to offer Apprenticeships

We have seen in the last chapter that just under half of employers in the survey had first started offering formal Apprenticeships within the last five years (48%). These employers were asked who or what stimulated their establishment to first start offering Apprenticeships. Results on this spontaneous question are presented in Figure 4.1.

Figure 4.1: Stimulus for starting to offer Apprenticeships (spontaneous)



Base: All employers who began their involvement with formal Apprenticeships in the last 5 years (1,911 unweighted)

Employers were prompted to offer Apprenticeships by a variety of factors, though by far the most common single stimulus, mentioned by a quarter of these employers (27%), was being approached by a training provider. Somewhat less common was for employers to have been prompted by having identified the need for qualified staff (12%) or to develop skills within the company (5%), by it being suggested or encouraged by another part of the organisation (11%, rising to 18% among public sector employers), and their having been approached by an employee (10%) or by an applicant wanting to be an apprentice (4%). Overall 3% indicated that the stimulus was seeing advertising or publicity about Apprenticeships. The same proportion mention the availability of a grant as the key factor (3%, though this increases to 12% among those training 20 or more apprentices in the last three years).

The qualitative study looked in further depth at the motivations of employers approached by a training provider. Several were attracted by the availability of funding or the low cost, while a number also mentioned more positive motivating factors, such as responding to skills shortages, improving their care to customers, and training up employees to have the right skills for their business.

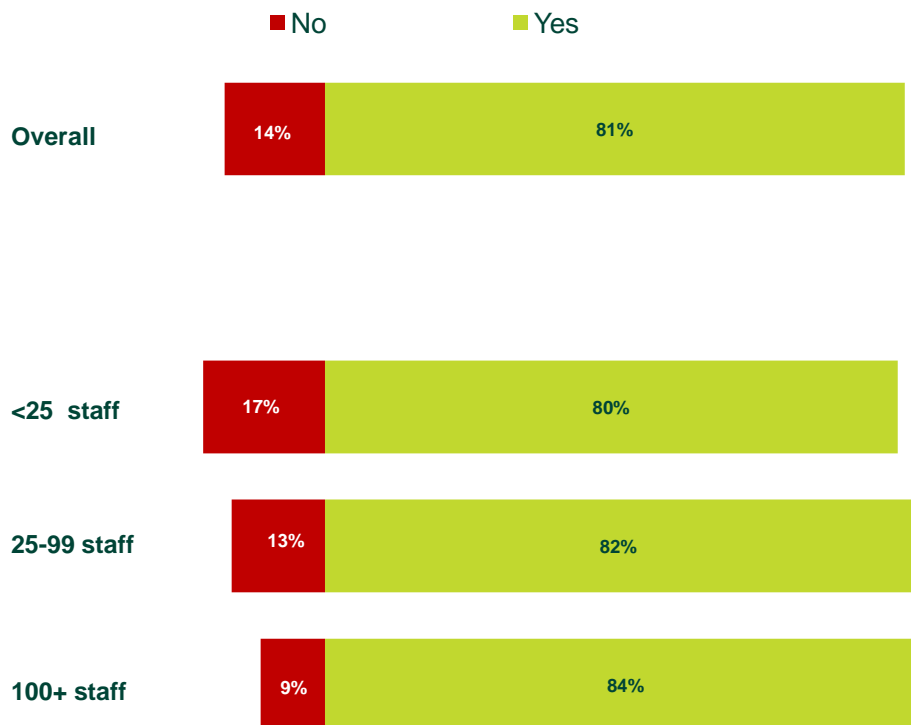
Results differed quite widely by sector. Being approached by a training provider was much more of a factor for those in hospitality (34%), arts, entertainment, sport and recreation (34%), health and social care (32%) than for those in construction (14%) and in manufacturing / engineering (16%). This suggests a relatively targeted approach by providers, and one directed away from sectors with a long tradition of involvement in Apprenticeships (such as engineering and construction). In construction and in manufacturing / engineering employers were more likely than average to say the stimulus was the need for qualified staff (17% and 16% respectively, the figure was also higher than average in hair and beauty (21%)). Construction and hospitality employers were also characterised by a higher than average proportion saying the push came from employees asking about them (15% and 16% respectively) suggesting that in these sectors Apprenticeships are particularly valued by the workforce and well established. This is confirmed particularly in construction where a high proportion of employers said the stimulus was their being approached by an apprentice (16%).

Sufficiency of information, support and guidance available

Most employers (81%) feel there was sufficient information, support and guidance available when they were considering offering Apprenticeships. Around one in seven (14%) thought there had not been sufficient support (5% were unsure or could not remember). There was no significant difference by how recently the employers had become involved in Apprenticeships, indicating no change in views on the quality of support and guidance over time.

Smaller employers were more critical about the information, support and guidance than larger employers: 17% of those with fewer than 25 staff said sufficient information had not been available, compared with 13% of those with 25-99 staff and 9% of those with 100 plus staff. Clearly among all size of employer, the vast majority felt the information and support had served their needs, though at the same time even among larger employers still around one in ten felt the support could have been better.

Figure 4.2: Whether there was sufficient information, support and guidance available when considering Apprenticeships, overall and by size



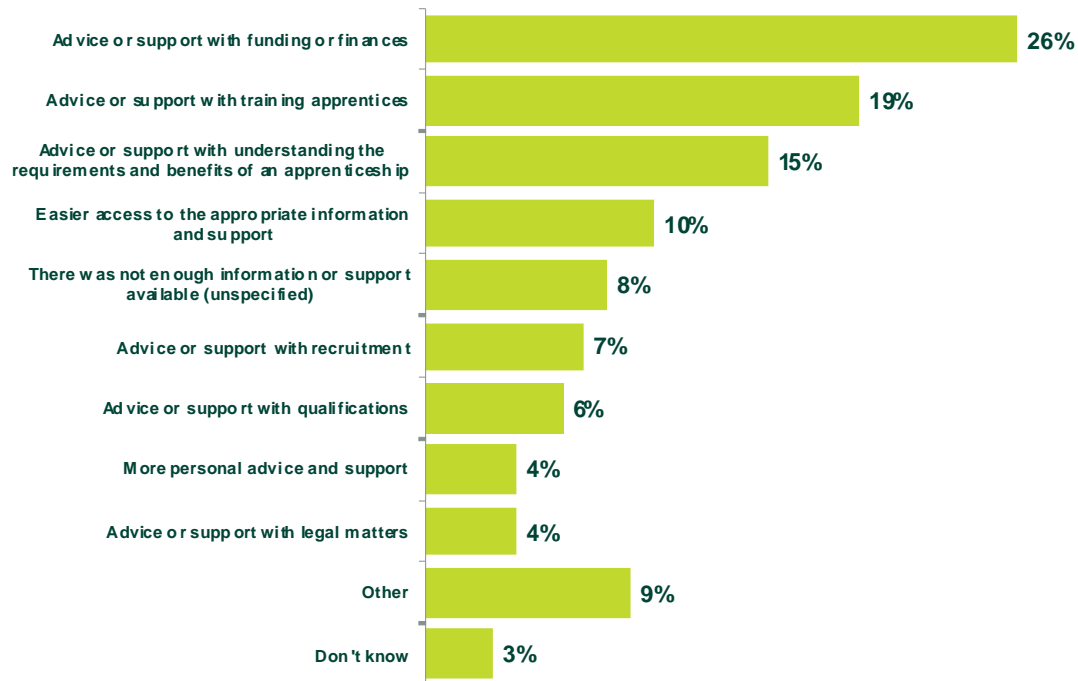
Base: All employers (4,075 unweighted)

Results also differ somewhat by the framework and by sector. By framework, for example, those offering the following were less positive than those offering other frameworks:

- Engineering Apprenticeships (74% thought the support sufficient v. 18% thinking it inadequate)
- ICT Apprenticeships (73% thought the support sufficient while 18% thought it inadequate)
- Construction Apprenticeships (79% thought the support sufficient while 17% thought it inadequate).

Given that Engineering and Construction are two framework areas with long established tradition of involvement in Apprenticeships, the findings suggest it cannot be assumed that because of this less support is needed.

Employers feeling that there had been insufficient information, advice or support available at the time they were considering Apprenticeships were asked what additional information, support and guidance they would have wanted. Results on this spontaneous question are summarised in the following chart.

Figure 4.3: Additional information, support and guidance wanted (spontaneous)

Base: All employers who felt the information, support and guidance available was insufficient (564 unweighted)

A quarter of employers (26%) would have liked more information and support on financial issues, both in terms of more financial support to have been provided by the government but also more information on the grants system and its requirements (what grants are available and what are the criteria, duration and amount of subsidy that could be provided). The following were typical of the comments made on this theme:

“I would like to know more about employer incentives, more information on the financial help for taking on apprentices.”

“I think we would've needed more information on what inspections and visits cost, as we incur costs when we have visits from our local college to assess our apprentices.”

“There needs to be more support, when they go to the college, the government says they pay but we still pay a wage. The government should pay the employer to have apprentices.”

“There wasn't enough information telling me I wasn't eligible for the grants initially. The only reason I took on staff is because of the grants they were offering but I was then told I wasn't eligible for any.”

Those providing Construction, Planning and the Built Environment frameworks were particularly likely to have wanted more information and support in this area (41% of the 98

respondents delivering this framework that felt the overall information, guidance and support had been lacking).

More / better information, guidance and support with regard to the training of apprentices was mentioned by a fifth (19%) of those feeling the support had been insufficient. Responses included how to find appropriate providers to undertake the training, information about the range and content of different frameworks, and the balance of responsibility between the provider and employer.

“It was difficult to find an organisation that would put them through training. I would have liked more knowledge on where to find the providers.”

“I would have liked more information about frameworks and providers - and colleges- and more information about how the programmes actually work practically day to day.”

“We didn’t know what was involved in relation to the specific training needed at our end.”

Those providing Engineering and Manufacturing Technology Apprenticeships were particularly likely to have wanted more information and support in this area (30% of the 112 respondents delivering this framework that felt the overall information, guidance and support had been lacking).

Two other relatively common desires were for there to have been more information about both the requirements and the benefits of an Apprenticeship (15%), and for easier access to the information and support (10%).

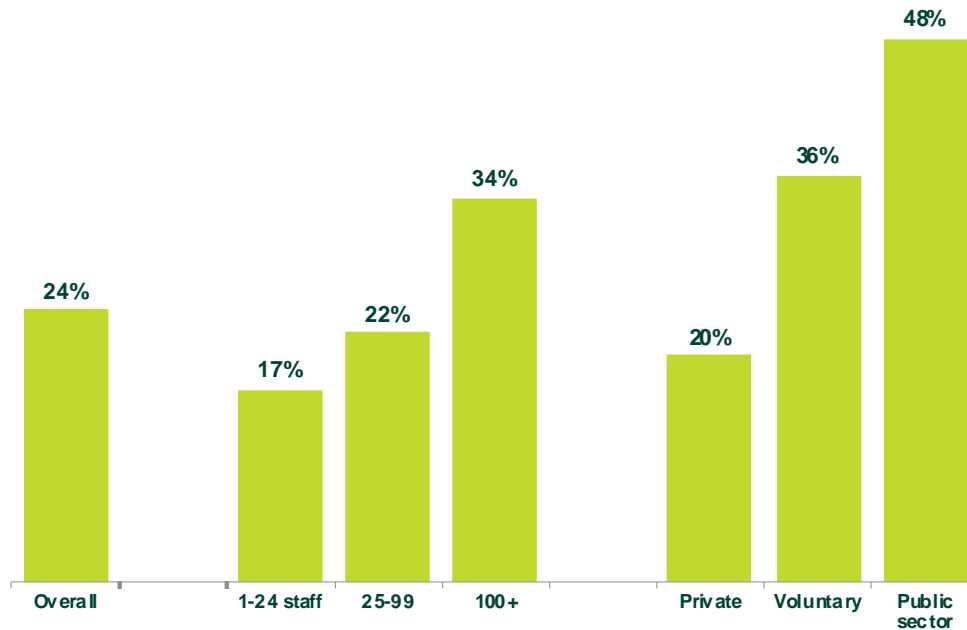
All the employers interviewed had gone to provide Apprenticeships, hence for these employers the lack of desired information and support did not prevent them continuing with the training programme. However, it seems fair to assume that there will be many other employers who faced with the same issues would decide to pursue alternative paths such as recruiting experienced workers.

Use of and satisfaction with the National Apprenticeship Service’s guidance

The National Apprenticeship Service (NAS) supports, funds and co-ordinates Apprenticeship delivery throughout England, and provides extensive information in a variety of formats aimed to inform and support employers (as well as learners and providers) about what Apprenticeships are, their benefits, the range of frameworks and levels, and how they are delivered and funded.

Around a quarter (24%) of the employers in the survey had used information, advice or support about Apprenticeships from NAS in the last three years. Public sector bodies (48%), and to a lesser extent charities and voluntary sector bodies (36%), were far more likely than private sector employers (20%) to have used NAS, as were large employers with 100 or more staff across the UK (34% compared with 17% among those with fewer than 25 staff). Results are summarised in the following chart.

Figure 4.4: Proportion of employers that have used information, advice or support about Apprenticeships from the National Apprenticeship Service in the last 3 years



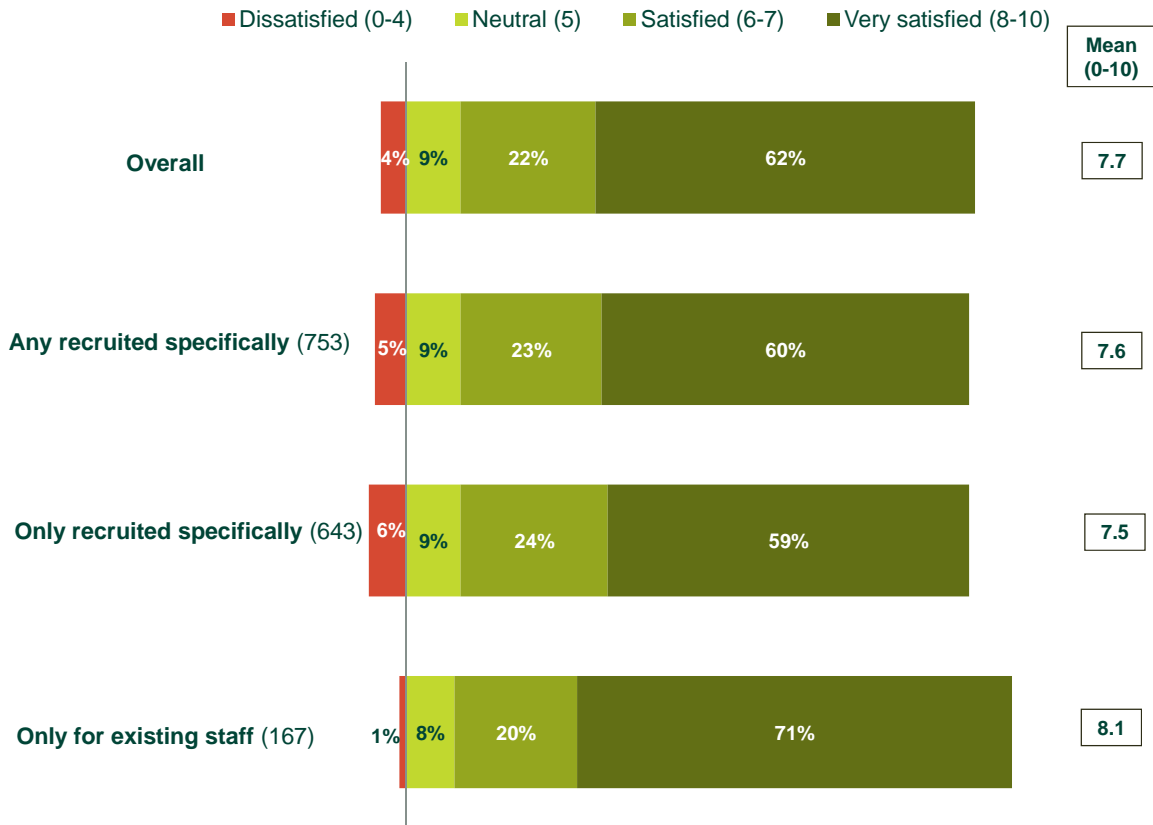
Base: All Employers (4,075 unweighted)

There were also wide differences by sector, with use of NAS particularly high among those in education (56%) and in public administration (60%). In comparison use of NAS was far lower than average among retail and construction sector employers (13% and 15% respectively).

Clearly if NAS wishes to serve the full spectrum of employers wanting to become involved in Apprenticeships, then more work is needed to engage smaller employers, particularly those in the private sector generally, and in some sectors in particular.

Where NAS had been used in the last three years, the majority of employers were very positive, with 85% satisfied with the usefulness of this information and support (a score of 6-10 out of 10), indeed 62% were very satisfied (giving a score of 8 or higher). Those using NAS that had recruited some or all of their apprentices (the figures differed little by whether all or some of those they offered Apprenticeships to had been recruited) were somewhat less positive than average. This may suggest that employers recruiting apprentices have somewhat greater support needs than those only providing them to existing employees. Results are summarised on Figure 4.5.

Figure 4.5: Satisfaction with the usefulness of the information and support from NAS, overall and by whether Apprentices were recruited or for existing staff



Base: All employers who had used the information, advice or support about Apprenticeships from NAS (944 unweighted)

A very small proportion of employers (4%) that had used NAS were dissatisfied (a score of 0-4 out of 10) with the usefulness of the information and support. Reasons for dissatisfaction (among the 42 dissatisfied respondents) included not getting a response or getting a slow response, information not being in sufficient depth or being tailored to their sector and it being too general. The following quotes illustrate some of these themes:

“I didn’t get any answers to the questions asked, I didn’t get a follow up call.”

“Because they couldn’t give me the information I required and they didn’t respond quickly, it took weeks and weeks to respond and a number of emails to get them to respond.”

“They had no idea about Apprenticeships within our industry.”

“The information I was given was very generic and not very clear. I had to use other services to clarify the information that I was given.”

“The actual booklet they produced with all the Apprenticeships listed was very helpful but anything above that was confusing and a waste of time.”

Chapter 5: Training delivery, satisfaction and the value of different elements of the Apprenticeship

In this chapter we examine the extent of employer involvement in and ability to influence the design and content of the Apprenticeship training both before and during the Apprenticeship, and their involvement in delivery of training and / or assessment. This is compared to the role of providers in delivering training and assessment. We then examine employer views on a range of issues relating to the delivery of the Apprenticeship, covering such areas as the quality of applicants, their ability to select an appropriate framework and to influence the design and content of the training, and the quality of the support from and the training delivered by the provider. As a measure of overall views of Apprenticeships we also explore the extent to which employers have and would recommend Apprenticeships to other employers.

Employers' and providers' involvement delivering training and assessing apprentices

The vast majority of employers (94%) indicated that their apprentices received training delivered by a training provider (either on their own or the provider's premises). This is perhaps higher than might be expected from the Learner Survey side of the evaluation, though direct comparisons are hard to make because the Learner Survey did not ask for every type of training whether it was delivered specifically by the provider. On the Learner Survey, 44% of apprentices indicated that they had gone to a college or learning provider to receive training, 76% had either gone to a provider or received formal training sessions at their workplace from either their employer or training provider, and 91% received any of the training previously described or had received on-the-job training at their workplace from either their employer or training provider.

The high figure for the incidence of provider-delivered training on the Employer Survey may in part be explained by some employers including assessments of the apprentices undertaken by the provider within provider-delivered training (training provider involvement in assessments was asked about later in the questionnaire, but some may have included this provider involvement in Apprenticeships at this question).

Employers themselves are also heavily involved in delivering training as part of their Apprenticeship: three-quarters (76%) provided formal training sessions as part of the Apprenticeship. In most cases training is delivered both by the provider and the employer (72%). In comparison just over a fifth indicated that training was only delivered by the provider (22%) and fewer than one in twenty employers indicated that they had sole responsibility for the formal training within the Apprenticeship (4%). Overall 2% of employers gave responses implying neither they nor a provider delivered training within the Apprenticeship. Results are shown on Table 5.1.

Table 5.1: Training and Assessment during the Apprenticeship

Base: all employers	4,075
	%
TRAINING:	
Apprentices receive training from a provider	94
<i>Apprentices trained by both the provider and employer</i>	72
<i>Apprentices trained by the provider but not the employer</i>	22
Apprentices formally trained by the employer	76
<i>Apprentices trained by both the provider and employer</i>	72
<i>Apprentices trained by the employer but not the provider</i>	4
Apprentices trained by neither a provider nor the employer	2
ASSESSMENT:	
Apprentices assessed by the provider	97
Apprentice assessed by the employer but not the provider	1

In comparison assessment of apprentices is much more reliant on the providers, and just 1% of employers indicated that they were responsible for the assessment.

There was some variation in the pattern of training by framework, as follows:

- Employers undertaking Construction and ICT frameworks were less likely than average to report that providers delivered training (89% and 88% respectively, for the latter a relatively low base of 66 respondents should be noted) and were more likely to deliver the training themselves with no involvement from a provider (7% and 9% respectively, against the average of 4%).
- Employers with apprentices in the following frameworks were more likely to deliver formal training sessions themselves as part of the Apprenticeships: Agriculture, Horticulture and Animal Care (84%), Retail and Commercial Enterprise (82%) and Leisure, Travel and Tourism (81%). The high figure in the Retail framework is largely driven by employers operating in the Hair and Beauty sector, among whom 93% provide formal training sessions themselves as part of the Apprenticeship (indeed among retail and wholesale sector employers, the proportion providing formal training themselves as part of the Apprenticeship is below average, at 68%).

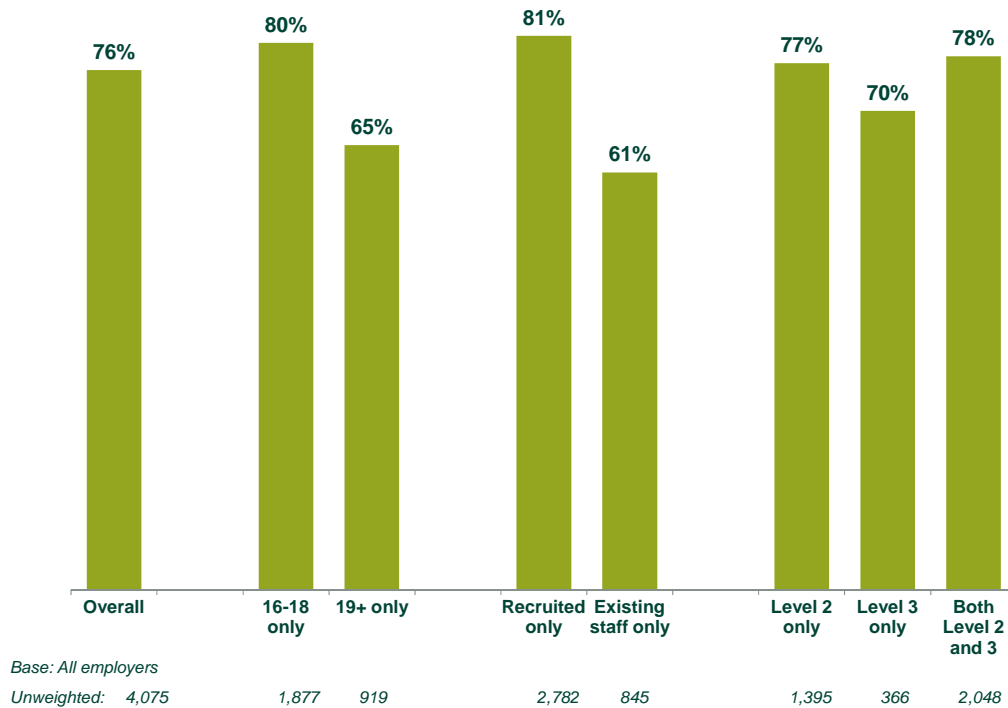
- In contrast employers with Business, Administration and Law and with ICT apprentices were less likely than employers offering other frameworks to deliver any of the training for the Apprenticeship themselves (71% and 69% respectively).

Employers who had been offering Apprenticeships for longer were more likely to provide formal training sessions themselves as part of the Apprenticeship. Nearly four-fifths of employers who had been offering Apprenticeships for five years or more provided formal sessions (79% v. 73% of employers who had been offering Apprenticeships for less time), suggesting that longer experience of Apprenticeships training leads some employers to want to complement provider training with their own. The likelihood of employers providing formal training of their own within the Apprenticeship also increases with the number of apprentice starts over the last three years (from 74% among those with fewer than five, to 79% among those with 5-9 starts, to 81% among those with 10-19 starts up to 83% among those with 20 plus people starting an Apprenticeship in the last 3 years). This may be in part because it is more cost effective to deliver formal training to a number of apprentices at the same time.

There were also wide differences in the likelihood of the employer providing formal training as part of the Apprenticeship by the age of the apprentice, whether they were recruited or an existing employee, and the level of the Apprenticeship. This is shown on Figure 5.1, which presents figures based on those only delivering Apprenticeships of each type (though also those delivering both Level 2 and Level 3 Apprenticeships). Employers only providing Apprenticeships to recruits rather than existing employees (81%), to 16-18 year olds (80%), and only offering Level 2 Apprenticeships (77%) were far more likely than average to deliver formal sessions as part of the Apprenticeship. This suggests that employers are particularly likely to want to provide training sessions to young recruits brought in from outside the organisation, presumably in part to inform them of their way of working.

The employers interviewed in the qualitative stage confirmed a diversity of approach in terms of the extent to which training and support was provided by providers and / or the employers, with no approach being clearly preferred over another. Some employers were particularly satisfied with their Apprentices studying at college on day-release, while others mentioned all training being conducted on-site as being a positive feature of their Apprenticeship.

Figure 5.1: Employers who provide formal training sessions as part of the Apprenticeship by type of apprentice trained



Employers’ involvement in decisions regarding Apprenticeship training

Although most employers’ apprentices received training delivered by a training provider, only around a half (55%) of employers were actually involved in and able to influence decisions regarding the training (such as structure, content, delivery and duration) before it started, while a slightly higher proportion (60%) were able to influence the delivery and content of training during the Apprenticeship. More than two thirds were involved in these decisions either before or during the training (69%), and approaching half (46%) were involved at both stages. Results differ widely by framework and also by the number of apprentice starts, as shown on Table 5.2, which presents results as row percentages.

Table 5.2: Whether employers involved in and able to influence decisions regarding Apprenticeship training, overall and by broad framework

<i>Row percentages</i>			<i>Before the training</i>	<i>During the training</i>	<i>Either</i>	<i>Both</i>
	<i>Base</i>					
All employers	4,075	%	55	60	69	45
Broad Framework:						
ICT	66	%	72	71	80	63
Business, Administration and Law	897	%	68	69	79	58
Retail and Commercial Enterprise	764	%	58	66	72	51
Agriculture, Horticulture and Animal Care	250	%	51	60	72	39
Leisure, Travel and Tourism	142	%	54	60	67	47
Engineering and Manufacturing Technologies	607	%	53	56	67	41
Health, Public Services and Care	743	%	50	57	66	41
Construction, Planning and Built Environment	581	%	34	45	51	27
Number of apprentice starts in the last 3 years						
1-4	2,789	%	51	57	67	41
5-19	1,009	%	61	66	73	53
20+	215	%	79	77	85	70

Employers offering ICT and Business Administration and Law Apprenticeships were more likely than average to have had involvement with decisions about the training either before or during the process (80% and 79% respectively, and around three-fifths in each case had involvement both before and during). In contrast only around half of employers offering Construction Apprenticeships (51%) were involved in and able to influence training decisions at any stage of the Apprenticeship starting.

Results also vary by the number of apprentice starts the organisation has had over the previous 3 years: those with more starts are more involved in training decisions. It is hard to know if this merely reflects a higher degree of interest and engagement among those with more apprentices, or providers being more proactive with employers providing more apprentice starts.

A number of employers in the qualitative follow-up study mentioned that it is difficult for employers with only one apprentice to influence training decisions, and accepted that this was fair enough where the training provider has to train apprentices from a number of employers in one group (“It’s very difficult for colleges to take on such individual attention, except in special cases”). There was also a perception from some employers that tailoring of Apprenticeships was not possible or feasible because Apprenticeships operated within strict national frameworks, and these employers had no expectation of becoming involved in decisions regarding the training (“They’re working to a framework, designed to fit the national framework, it’s a set thing”).

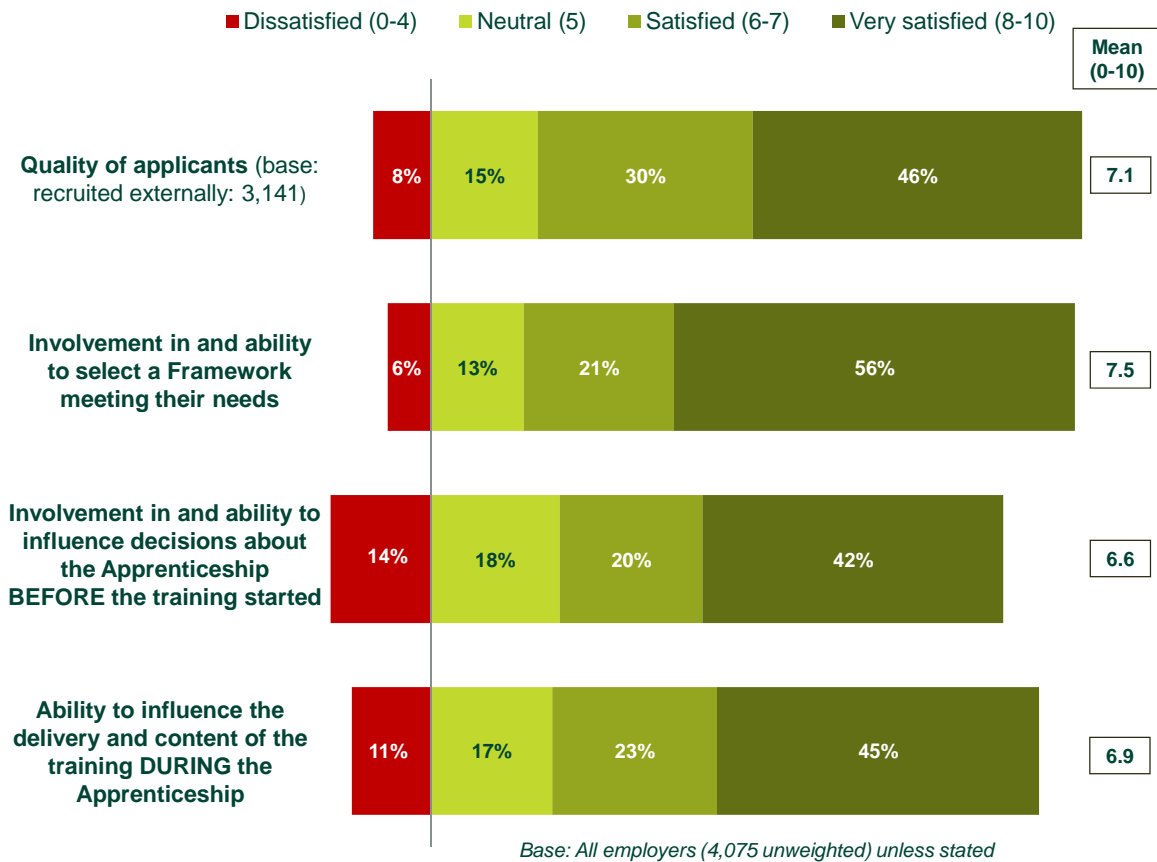
We see later in the chapter that those involved in and able to influence decisions about the training were more positive about the relevance of the training delivered in the Apprenticeship (see Figure 5.3). Results therefore indicate that although there were employers that do not expect providers to be able to revise or adapt the training to meet their individual needs, providers should be encouraged to involve employers in discussions about the training.

Employers’ satisfaction with the Apprenticeship training

Employers were asked how satisfied they were with various aspects of the Apprenticeship training in regard to those that had completed their Apprenticeships in the 18 months prior to the interview. For each aspect, respondents were asked to give a score from 0 – 10, with 0 described as very dissatisfied, 5 as neither satisfied nor dissatisfied, and 10 as very satisfied. Throughout this section we convert these as follows: 0-4 dissatisfied; 5 neither satisfied nor dissatisfied; 6-7 satisfied; 8-10 very satisfied.

Figure 5.2 shows satisfaction levels with four aspects: the quality of applicants (if they recruited individuals to Apprenticeship positions), employer involvement in and ability to select a framework relevant to their needs, and then their level of involvement in and ability to influence the design and content of training before and during provision.

Figure 5.2: Satisfaction with Apprenticeship training (i)



On these four aspects of Apprenticeships, most employers are satisfied or very satisfied, with mean scores in the 6.6 to 7.5 range (on a 0-10 scale).

In relative terms employers were most positive about their level of involvement in and ability to select an Apprenticeship framework relevant to their needs. Over three-quarters (77%) were satisfied, and over half (56%) were very satisfied. Results differed relatively little by framework.

Those that had recruited any individuals to Apprenticeships (this is the majority of employers in the survey – 22% had only provided Apprenticeships for their existing staff) were generally satisfied (75%) with the quality of applicants, while one in twelve (8%) were dissatisfied. Dissatisfaction was higher among employers recruiting to Leisure, Travel and Tourism and in Retail and Commercial Enterprise frameworks (each 11%). Dissatisfaction with the quality of applicants was much lower among those recruiting to Engineering and Manufacturing Technology and Construction, Planning and the Built Environment frameworks (6%) and ICT (2% though on a relatively low base of 54 respondents). Larger employers with 100 or more staff across the UK were more positive about the quality of applicants than average (51% very satisfied and a mean of 7.4). Those that only recruited people to Apprenticeships aged 19 plus were also more positive than average (53% very satisfied, compared with 45% among those only taking on 16-18 year olds and 44%

among those taking on both age groups), suggesting their extra maturity makes them more job ready.

Satisfaction with the quality of applicants varied relatively little by the method used to advertise the vacancies, though it was slightly lower where the employer had advertised with a training provider (or where the training provider had undertaken the advertising on the employer's behalf); in these cases 43% of employers were very satisfied (compared with 49% among those using Jobcentre Plus and 51% using the Apprenticeship Vacancies System).

Employers were slightly more positive about their ability to influence the delivery and content of the training *during* the Apprenticeship (68%) than their level of involvement in and ability to influence decisions about the structure, content and delivery of the training before it started (62%). In both cases though more than one in ten were dissatisfied (11% and 14% respectively).

There were quite wide differences by framework. Regarding their involvement and ability to influence training before it started, employers delivering Construction, Planning and the Built Environment and Health and Social Care were the most dissatisfied (22% and 18% respectively). The smaller the organisation the more dissatisfied they were on this measure (17% of those employing fewer than 25 staff across the UK were dissatisfied, compared with 14% among those employing 25-99 staff, and 10% where 100 or more staff are employed). For their ability to influence training decisions during the Apprenticeship, employers delivering Construction, Planning and the Built Environment frameworks were again the most dissatisfied (17%); in comparison a majority of those in ICT, Retail and Commercial Enterprise and Business, Administration and Law frameworks were very satisfied (54%, 53% and 51% respectively).

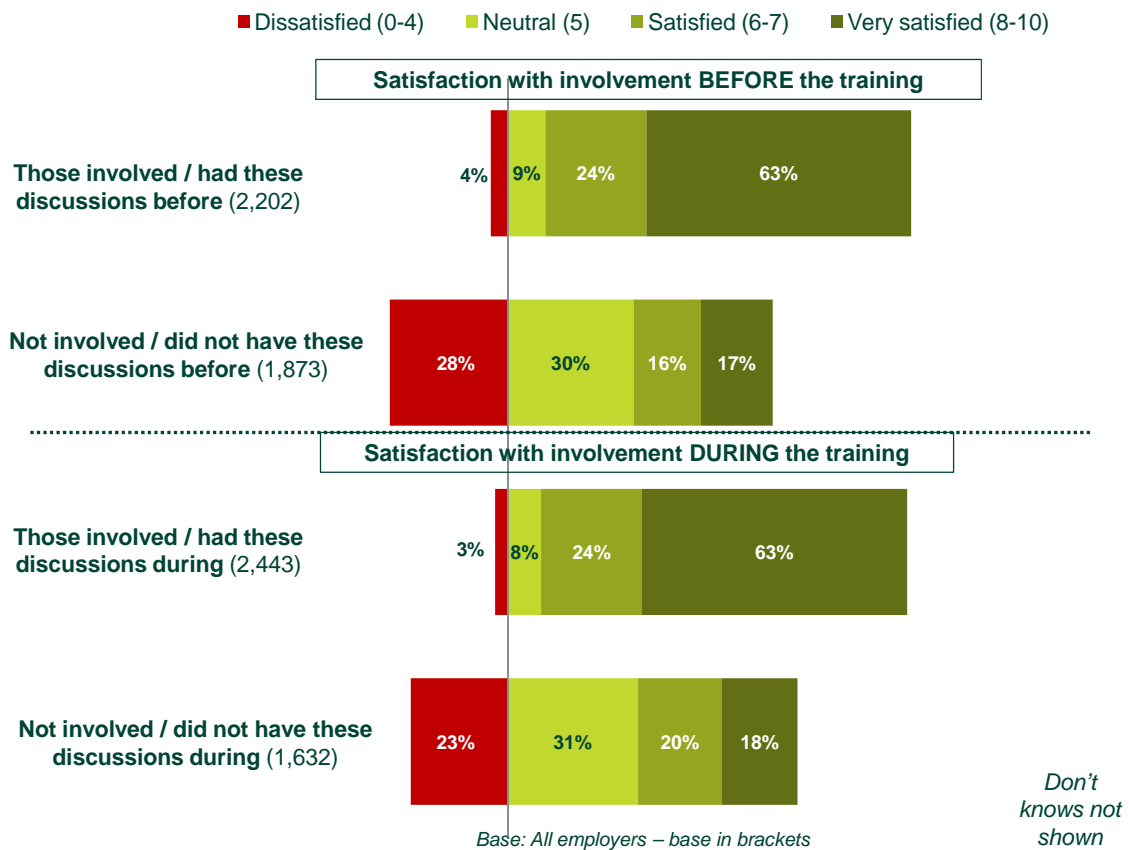
It is also the case that employers recently becoming involved in Apprenticeships (in the last five years) that said the stimulus to their offering Apprenticeships was being contacted by a provider were slightly more satisfied than average with their ability to influence decisions before the training started (49% were very satisfied) than those offering Apprenticeships for other reasons (44%). This suggests the contact from the provider can lead to more involvement of employers in decisions about the training.

These questions on the ability to influence decisions before and during training were asked of all employers not just those who were involved in discussions at each stage (we have seen earlier in this chapter that a majority of employers were involved in these decisions at each stage). This is simply because employers can be satisfied with not having to be involved in these decisions, preferring in effect to leave the decisions to the provider. Results split by employers that were and were not involved in decisions at each stage are shown on the following chart. This shows very clearly that satisfaction is much higher where employers are involved in decisions. Among those not involved, around a quarter were dissatisfied with this level of involvement in decisions, compared with around a third that were satisfied not to be involved.

In the qualitative study, several employers made it clear they were happy to have no involvement in decisions (*"We're happy with the 'minimal fuss' relationship."*). Reasons for this included being happy with the training that was delivered, feeling involvement would be unnecessary, and not having enough time to spend on Apprenticeships and so being

happy to leave it all to the provider (“We haven’t the time really to be liaising with colleges in terms of what we want the apprentices to know”). Some employers felt that the standardised training was satisfactory for their needs, as their business is ‘generic’ enough for a one-size fits-all approach.

Figure 5.3: Satisfaction with involvement in and ability to influence decisions about training, by whether involved or not



Employers who were dissatisfied with each element of the Apprenticeship training were asked why they were dissatisfied. Regarding issues to do with involvement in and ability to select a framework relevant to their needs, and their involvement in and ability to influence the training before and during the Apprenticeships, responses focused heavily on it being a set framework with little apparent scope to tailor the training to their needs. For example, regarding discussions before the training began the key reasons for dissatisfaction centred on it being a set framework with little opportunity for involvement (66%), followed by a lack of communication from the provider at that stage (17%) and elements of the training not being relevant to their needs (16%). The same factors were the key reasons for dissatisfaction regarding input during the training (and results for the three reasons were within 5 percentage points of those just described in regard to the situation before the training).

The following examples illustrate reasons for dissatisfaction in their involvement in and ability to influence training decisions before and during the training:

“Because it’s something that is set in stone, there has been no communication with us from the training provider.” [Dissatisfied with involvement pre training]

“We had no involvement at all: they have a set structure. We have no control over what the modules are.” [Dissatisfied with involvement pre training]

“No real input from firms of our size is allowed, it all revolves around large national companies, which isn’t suitable for our needs. The training providers are frequently part of the larger construction organisations.” [Dissatisfied with involvement pre training]

“The college had never run a creative Apprenticeship before. I felt they needed to know more about how to do it. They needed to guide me as an employer but I was guiding them.” [Dissatisfied with involvement pre training]

“Because it’s a year long, I would have liked to influence it a little bit more. Once they’ve started something it was difficult to influence what the training provider provided.” [Dissatisfied with involvement during the training]

“Mainly because most of the providers follow the curriculum structure laid out by the auditing organisation rather than be flexible and contextualising the learning.” [Dissatisfied with involvement during the training]

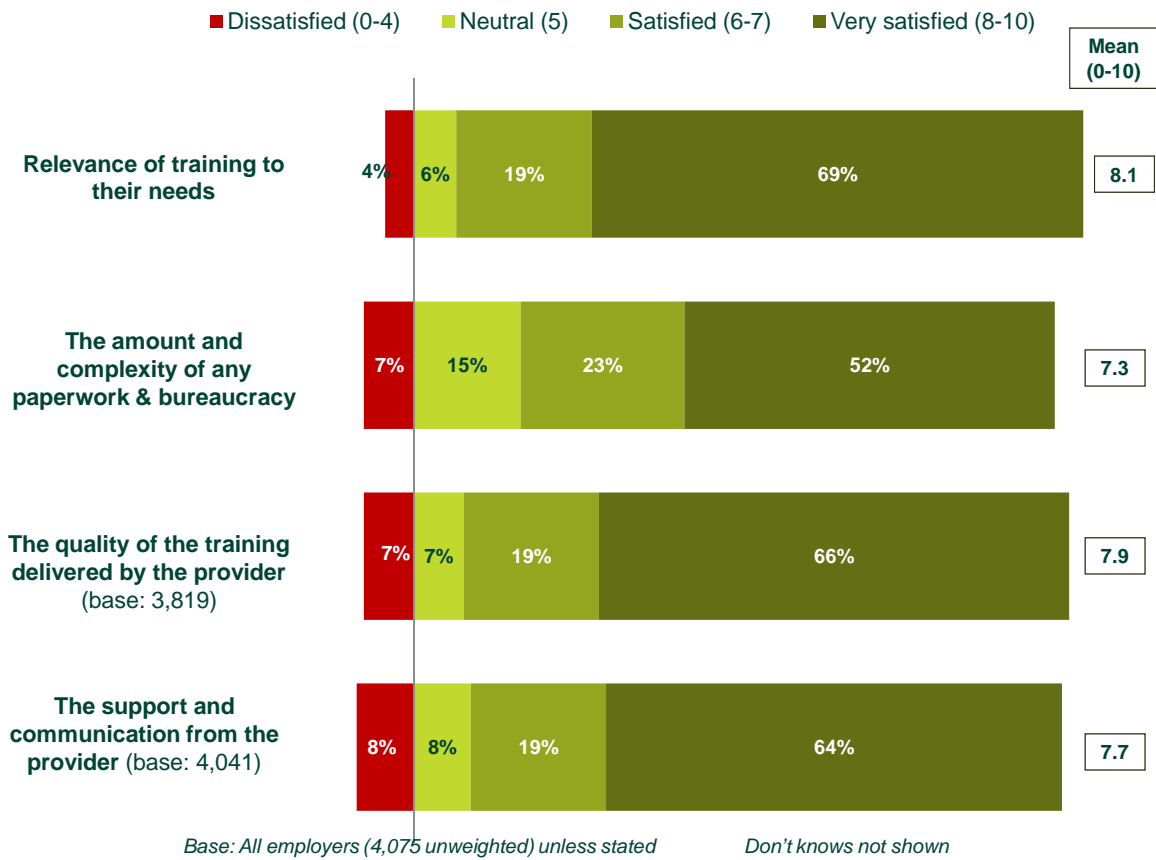
“The training given was too rigid. The guidelines given to the provider from the government were too rigid. The manager had to give extra experience in task form to make up the difference and fill the gaps.” [Dissatisfied with involvement during the training]

“Because we’re not really involved in the standard or format, no one comes to you and asks you what you specifically need for your business.” [Dissatisfied with involvement during the training]

Dissatisfaction with the quality of Apprenticeship applicants focuses more on poor attitudes and ‘professionalism’ (56%) than on their skills, qualifications or experience (39%). Some of these employers were dissatisfied with the training provider (9%), suggesting cases where the provider had led the recruitment of the apprentices rather than the employer themselves.

Figure 5.4 looks at satisfaction on issues relating to the quality and relevance of provision, the support from the provider (if a provider was involved in providing training or assessment) and the amount of paperwork and bureaucracy.

Figure 5.4: Satisfaction with Apprenticeship training (ii)



Satisfaction is clearly high for the relevance of the training to employers’ needs (69% very satisfied v. 4% dissatisfied). Those with apprentices undertaking the Leisure, Travel and Tourism frameworks were particularly satisfied on this measure (82% very satisfied). Satisfaction with relevance increases with the number of starts in the last 3 years (the proportion very satisfied increases from 67% among those with fewer than 5 starts, to 73% with 5-9 starts, to 76% with 10-19, up to 84% among those with 20 or more starts in the last 3 years). While this reflects in part that providers are more able and willing to tailor training to employers delivering more starts, it is also the case that those with a larger number of apprentices are more likely to get involved in decisions about training before and during the Apprenticeship, and this has a positive effect on the perceived relevance (and quality) of the training delivered. The findings show that where the employer was involved in or able to influence decisions about the Apprenticeship either before or during the training, they were far more likely to be very satisfied with its relevance (75%) than those with no such involvement (58%).

In comparing results on the perceived relevance of the training with those presented earlier in chapter (Figure 5.2) for satisfaction with their involvement in and ability to influence decisions about the training, it can be seen that employers are more satisfied with the former than the latter. The implication is clearly that many of those dissatisfied with their involvement in decisions about the Apprenticeship are still satisfied with the relevance of the training. Indeed although much higher than average still relatively few of

those dissatisfied with their involvement in decisions about the Apprenticeship before the training were dissatisfied with the relevance of the subsequent training (17%) and almost two-fifths (39%) of this group were very satisfied.

It should be noted too that while clearly the aim is for employers to feel the training provided is relevant to their needs, a perceived lack of relevance can result from employers wanting the training to relate to the individual's immediate job role, whereas the Apprenticeship is aiming for a broader career grounding. Some employers not seeing the relevance of some aspects of these broader elements is revealed in the fact that transferable skills are in relative terms the least valued constituent element of Apprenticeships (see Figure 5.6).

Satisfaction with the quality of the training from the provider is also high (66% very satisfied v. 7% dissatisfied). Again employers with apprentices undertaking the Leisure, Travel and Tourism frameworks were particularly satisfied on this measure (75% very satisfied). Smaller employers with fewer than 25 employees were less satisfied than average (59% very satisfied v. 70% among those with 25-99 staff and 73% among those with 100 or more employees across the UK).

As found with the perceived relevance of the training, employers involved in or able to influence decisions about the Apprenticeship either before or during the training, were far more likely to be very satisfied with the quality of the training from the provider (71%) than those with no such involvement (53%). Among employers with fewer than 25 staff, while around three-fifths (59%) overall were very satisfied with the quality of the training delivered by the provider, this fell to less than half (46%) where they were not involved in or able to influence decisions about the training before or during the Apprenticeship. Figures were similar among SMEs more generally (those with fewer than 250 staff): 63% were very satisfied with the quality of the training delivered by the provider, falling to less than half (48%) where they were not involved in or able to influence decisions about the training before or during the Apprenticeship.

Relatively few employers indicated that they had problems with the amount or complexity of the paperwork and bureaucracy associated with Apprenticeships: 7% were dissatisfied compared with 75% satisfied (15% gave a rating of 5 out of ten, suggesting they were neutral on this measure). While it might be expected that smaller employers would be less positive on this measure than average, differences by size of employer in satisfaction with the level of paperwork and bureaucracy were negligible: 51% of those with fewer than 25 staff were very satisfied and 9% were dissatisfied, compared with 52% very satisfied and 7% dissatisfied among those with 25-99 staff, and 53% satisfied and 6% dissatisfied among those with 100 or more employees.

Most employers were satisfied with the support from their provider where a provider delivered training or assessed the apprentices (83%). Overall 8% were dissatisfied on this aspect, though this rose to 18% among those with apprentices undertaking ICT frameworks. Again smaller employers were relatively less satisfied with the support provided (59% of those with fewer than 25 staff very satisfied, compared with 67% among those with 25-99 staff, and 70% among those with 100 or more staff).

Where employers were dissatisfied with the quality of training, reasons tended to focus simply on the training being seen as of low or poor quality (25%), aspects being seen as

irrelevant, including it not being practical enough (23%), a lack of communication from the provider (18%), training not being long enough or covering issues in sufficient depth (13%), and some specific issues relating to the providers – the provider not always keeping appointments (8%) and there being high staff turnover with the provider meaning a lack of continuity in the training (6%). The following quotes illustrate some of these themes:

“It’s all focusing on statistics and not actually making sure that they could do the job at the required level. Things used to be very strict but now it seems you can just tick a box and get the qualifications.”

“They are signed off too quickly which means we can never put them on the client floor. From the standard given by the Apprenticeship we always need to provide further training to bring them up to our standard.”

“A lot of irrelevant stuff taught such as Maths and English are not necessary for our needs. The delivery was poor. There’s not enough focus on the practical element.”

“They don’t do any training, we do it all, they just come in and assess them so they are useless really.”

“He wasn’t given any training, we were disappointed as we were told he would be trained at the college but he only had to go twice.”

“It’s so bad we’re looking at moving college. The student is not getting support, it’s badly planned, and the tutors turn up late and don’t know what they’re talking about.”

Areas of dissatisfaction mentioned in the qualitative stage included: too much time between assessor visits, the variable quality of providers, poor training from providers, poor organisation or communication from provider, the provider just tick-boxing existing skills, having to do functional skills, and courses not being tailored enough.

We have seen that 8% of employers receiving training or assessment from their providers were dissatisfied with the support and communication they provided. Reasons for dissatisfaction focussed on a general lack of support and information at all stages of the process, and a lack of proactiveness, as shown in the following quotes:

“After the original meeting we didn’t hear from them for about ten weeks. Nothing was discussed. People there were difficult to get hold of.”

“Very poor communication, they were slow to respond to issues raised. They did not want to listen to anything if it was negative - just pushing trainees through like a production line.”

“They do not generally respond to individual employer requests or requirements.”

“We rarely got any feedback. The only time they did was about lack of attendance; we rarely got told of performance - it's all about the numbers.”

“They were never particularly proactive in contacting us. We always contacted them.”

“I just did not get feedback to where the training was up to; what had and had not been covered.”

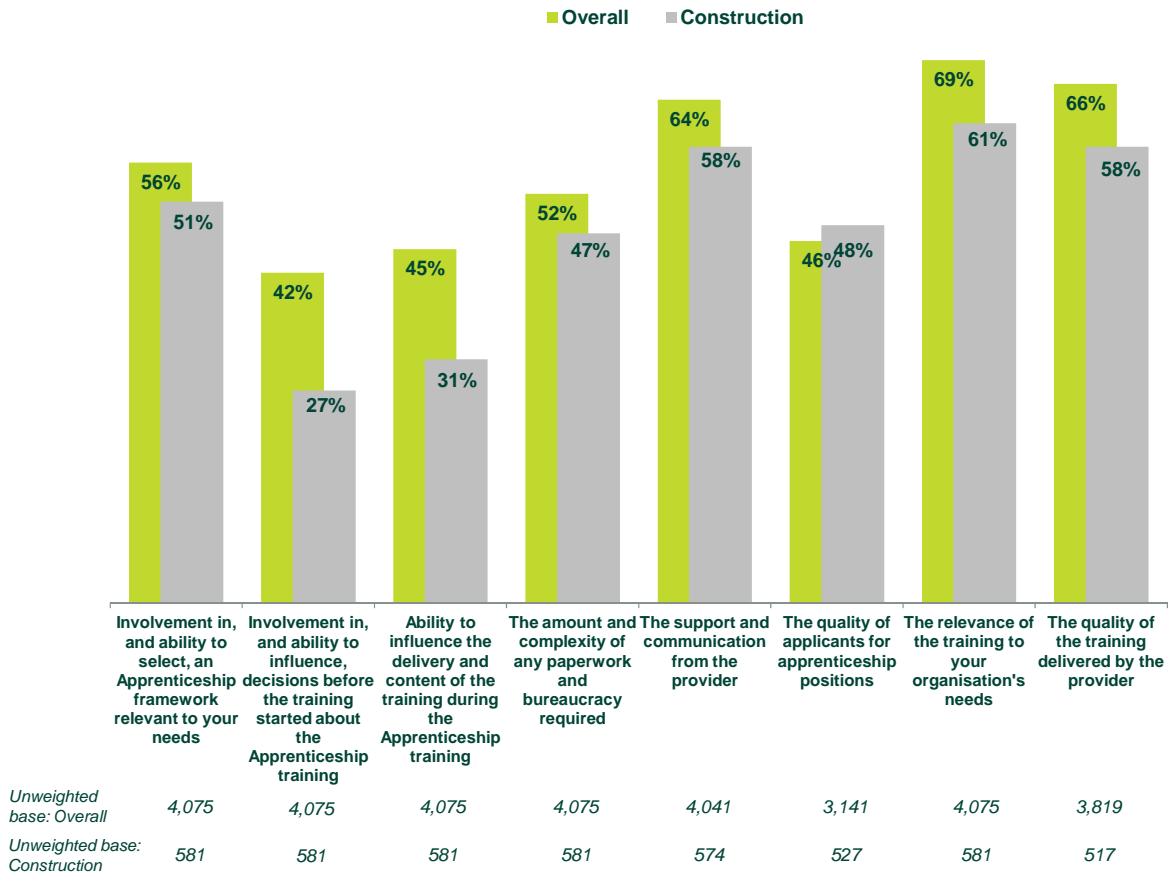
“It could have been better. There were too many decisions expected to be communicated by the apprentice rather than by the provider.”

“The provider seemed to listen to the apprentice then contact the company. You can't make an informed decision before consulting with the employer. They should communicate with the company. The company shouldn't chase the college, it should be the other way around.”

Satisfaction with Apprenticeship training by framework

As has been discussed on a number of specific measures, employers offering Construction, Planning and the Built Environment Apprenticeships were less satisfied than average. Figure 5.5 highlights this, showing the proportion very satisfied (giving a rating of 8-10).

Figure 5.5: Proportion ‘very satisfied’ comparing employers with Construction, Planning and the Built Environment Apprenticeship framework with all employers



It was noticeable in the reasons for dissatisfaction with various elements of their Apprenticeship that employers in Construction were quite often dissatisfied due to the content of the training being out of date, or delivered by individuals unaware of the latest methods.

“I wanted the guys to specifically work in bathrooms, kitchens and internal joinery and carpentry. The courses are too diverse...there are two versions or joinery...internal and external. We didn't get the training we needed as it was delivered by old people in the industry with old habits and using old methods and machinery. We need younger, updated trainers who could train staff with the relevant, current, construction industry as 70% of what my staff were given was not relevant. My observation coming into the construction industry is the failure of current Apprenticeship schemes that are not relevant, that cause business not to take them on.”

“I feel the things they do in college, the things they teach them is irrelevant to the modern construction industry.”

“The course is irrelevant to today's plumbing methods.”

Although there was no one Apprenticeship framework where employers were more satisfied across all measures, some differences are worth noting:

- Employers offering Business, Administration and Law Apprenticeships were more satisfied with the 'inputs' of their Apprenticeship training, for example their involvement in, and ability to select, an Apprenticeship framework suitable to their needs (61% very satisfied compared to 56% overall), as well as their involvement in decisions regarding training before the Apprenticeship started (50% very satisfied compared to 42% overall). This did not lead to a higher than average satisfaction with the relevance of the training.
- Employers offering ICT Apprenticeships were more satisfied than those offering other frameworks with the quality of applicants when recruiting (58% very satisfied v. 46% across all frameworks), and their involvement in decisions regarding training both before (53% very satisfied) and during the Apprenticeship (54%), although these results should be treated with caution due to the low base size (66).
- Employers offering Leisure, Travel and Tourism Apprenticeships were significantly more satisfied than average with the relevance of the training (82% very satisfied) and the quality of training delivered by the provider (75% very satisfied).
- Employers offering Engineering and Manufacturing Technology Apprenticeships tended to be less satisfied with their input into decisions regarding training before and during the Apprenticeships and this would appear to have resulted in lower satisfaction levels with the subsequent relevance of the training. For example, two in five employers (40%) offering Engineering Apprenticeships were very satisfied their involvement in decisions regarding training during the Apprenticeship (compared to 45% overall) and 64% were very satisfied with the relevance of the training (compared to 69% among all employers).

Assessing the value to employers of various elements within an Apprenticeship framework

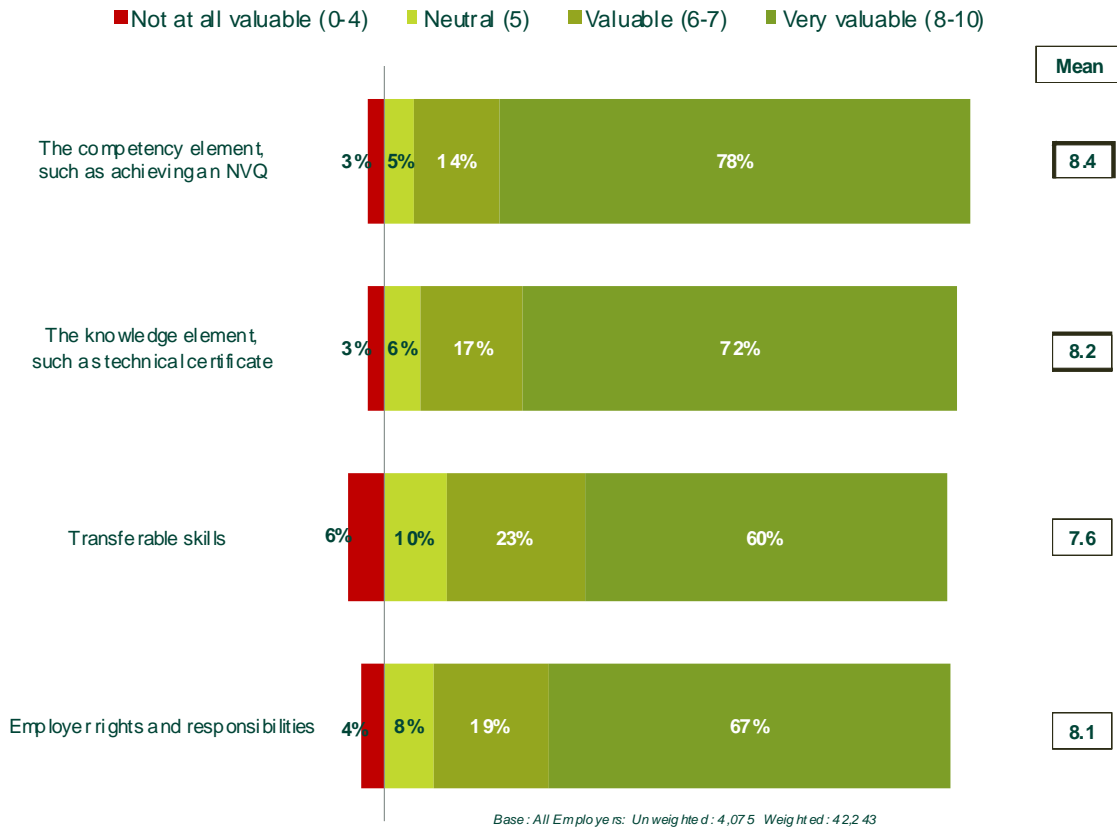
Apprenticeships are made up of a number of distinct elements, usually involving apprentices working towards work-based learning, functional Skills and a relevant knowledge-based qualification. Employers were asked the extent to which they valued each individual element, covering:

- The competency element, such as the apprentice achieving an NVQ;
- The knowledge element, such as a technical certificate;
- Transferable skills sometimes known as key skills or functional skills covering such areas as ICT, communication and application of numbers; and
- Employer rights and responsibilities, where apprentices demonstrate that they know and understand areas such as employer and employee statutory rights and responsibilities under employment law, health and safety, and equality and diversity for their organisation.

For each respondents were asked to give a 0-10 rating, where 0 meant the specific element was not at all valuable for the employer and 10 was extremely valuable.

As shown in Figure 5.6 the vast majority of employers found each of the four elements valuable. The competency element (such as the NVQ) is rated the most valuable element, with over three-quarters (78%) describing this as very valuable (a rating of 8-10).

Figure 5.6: How valuable elements of the Apprenticeship framework were to employers



In relative terms, transferable (or key or functional) skills were considered the least valuable element: 6% of employers felt they were not of value though still three-fifths (60%) found them very valuable.

By framework the overall pattern of the competency element being rated the most valuable and transferable skills the least valuable is generally followed. The exceptions were the employers with Engineering and Manufacturing Technology apprentices, who placed slightly greater emphasis on the knowledge element than the competency element, and Business, Administration and Law, where transferable skills were the seen as the second most element important element after the competency element.

The previous analysis examined the ranking of each element of the Apprenticeship by framework, using the mean score. In terms of the actual, absolute value placed on each element:

- The competency element such as the NVQ is particularly valued by employers offering the Health, Public Services and Care framework (83% rate it as very valuable, and the mean is 8.7);

- The knowledge based element is particularly valued by employers with Engineering and Manufacturing Technology apprentices (79% regard it as very valuable, and the mean score is 8.4) and those with Construction, Planning and the Built Environment apprentices (76% rate it very valuable, and the mean is 8.3);
- Employer Rights and Responsibilities is particularly valued by employers with Health, Public Services and Care apprentices (71% regard it as very valuable, and the mean score is 8.3) and with Retail and Commercial Enterprise apprentices (73% regard it as very valuable, and the mean score is 8.3);
- Transferable skills are highly valued by those with Business, Administration and Law apprentices (72% regard it as very valuable, and the mean score is 8.2). In contrast relatively few offering Agriculture, Horticulture and Animal Care Apprenticeships value transferable skills (fewer than half, 46%, rate them as very valuable, and the mean is 7.0).

Employers' propensity for recommending Apprenticeships

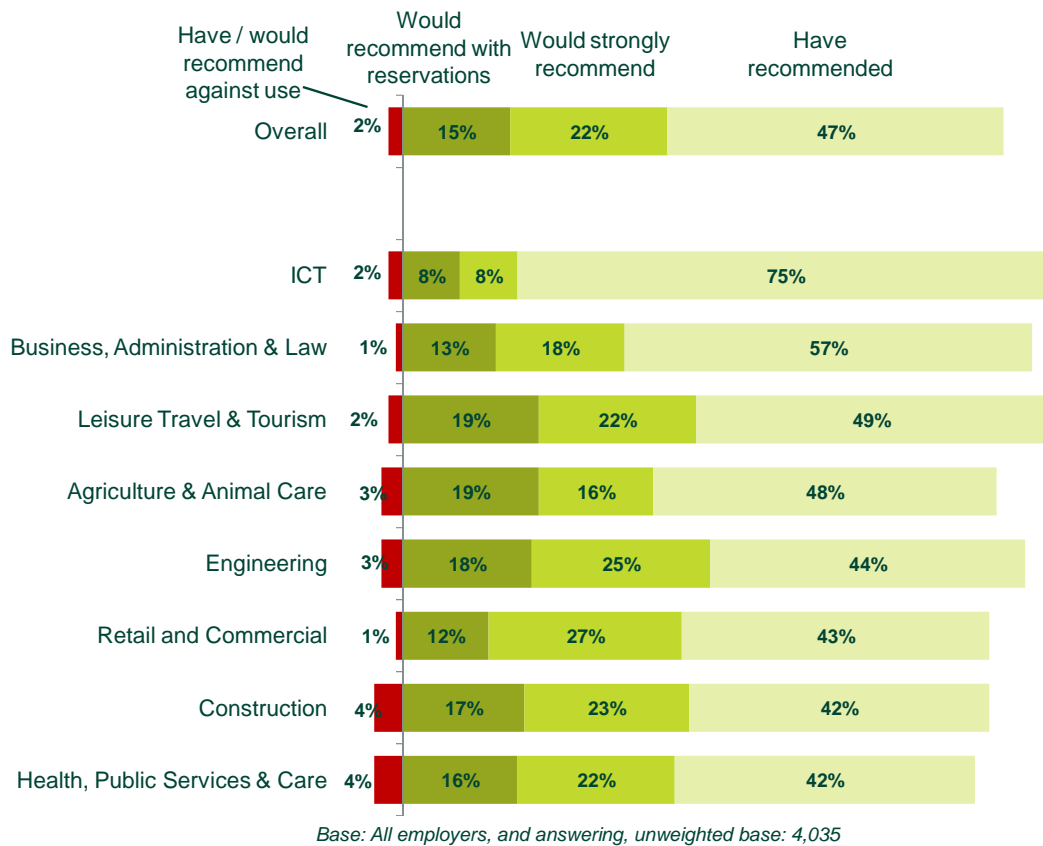
As an overall measure of positivity to Apprenticeships and the extent to which employers can and do act as advocates, employers were asked if they had ever recommended Apprenticeships to other employers, or indeed if they had recommended employers not to get involved in Apprenticeships.

Nearly half (47%) of all survey employers said they had recommended Apprenticeships to other employers. A further 22% indicated that if asked by an employer in their sector they would strongly recommend them and an additional 15% stated that they would recommend Apprenticeships though with some reservations.

Just 1% of employers had recommended employers not to offer Apprenticeships and a further 1% said if asked they would recommend against them.

Around one in eight employers (13%) said they had made not made any recommendations to employers and if asked would be neutral.

Results are presented in Figure 5.6 overall and by framework, ranked in descending order of the likelihood to have recommended Apprenticeships.

Figure 5.7: Likelihood to recommend Apprenticeships by framework

Three-quarters of employers offering ICT Apprenticeships had recommended Apprenticeships to other employers (75%, though a relatively low base of 66 employers should be noted), and a majority of those offering Apprenticeships in Business Administration and Law had done so (57%). For other frameworks the figure ranged from two-fifths to a half (42% to 49%). For all frameworks at least three-fifths had or would strongly recommend Apprenticeships to other employers. In no framework would more than 4% of employers recommend against Apprenticeships.

Taking having actually made a recommendation as a key measure, the following were all more likely to have acted as advocates for Apprenticeships:

- Public sector bodies (64%) and charities / the voluntary sector (60%). It may be lower among private sector employers (44%) because some may be reluctant to recommend something to potential competitors.
- Larger employers: half (51%) of employers in organisations with 100 or more staff across the UK had recommended Apprenticeships (the figure was the same for those with 250 plus staff) compared with 44% among those with fewer than 25 staff and 48% among those with 25-99 staff.

- Those with more starts. Among those with fewer than five starts in the last 3 years, 44% had recommended Apprenticeships to other employers, a figure which rises to 52% among those with 5-19 apprentice starts, and 69% among those with 20 or more apprentice starts.

Chapter 6: Deadweight, Additionality and Impact

Since its introduction in the mid 1990s there have been a series of studies which have sought to estimate the extent of deadweight and the level of additionality associated with the Modern Apprenticeship initiative. The interest in each of these stems from an interest in the extent to which public funding for Apprenticeships not only increases the volume of accredited training at a given level, but also in some way adds to the overall quality of training.

Formally, the measurement of the impact of the Apprenticeship initiative and the value for money of government investment in the programme requires an estimation of the additional training outcomes that result. Additionality refers to any increase in the volume or quality of Apprenticeships that is a consequence of employers having to bear less of the costs of training as a result of public funding. It thus refers to both the quantity and quality of training. Any training that would have taken place in the absence of publicly-funded Apprenticeships without the State's contribution to training costs (either the same amount or of the same quality) is referred to as deadweight.

At the time Modern Apprenticeships were introduced a survey of the provision of NVQ Level 3 training in 1996 indicated that 77% of employers reported that they would have continued to provide training even if they had not received funding via the Modern Apprenticeship initiative.² At this time, funding channels were substantially different to what they are today with money provided via the Training and Enterprise Councils (TECs). Using a slightly different method, a 2003 study indicated that 54% of employers providing training leading to a Level 3 Apprenticeship would have provided that training without the assistance of Modern Apprenticeships.³ The equivalent figure for Level 2 Apprenticeships was 44%. The evidence suggests, therefore, that the level of deadweight has been in decline, in part, due to the increase in participation levels by individuals and employers in Apprenticeships.

In addition, the surveys cited above along with a further study in 1998,⁴ showed that the take up of Modern Apprenticeships by employers was associated with qualitative improvements in the training provided, including the use of externally accredited qualifications (i.e. NVQs) and the use of more structured training provision. Employers in

² Hasluck, C., Hogarth, T., Maguire, M. and Pitcher, J. (1996) *The Effect of Modern Apprenticeships on Employers' Training Practices and the Availability of NVQ Level 3 Training*, Department for Education and Employment Research Report

³ Riley, R. and Metcalf, H. (2003) *Modern Apprenticeship Employers: Evaluation Study*, Department for Education and Skills, Research Report RR417

⁴ Economic Research Services (2000) *Evaluation of Modern Apprenticeships: 1998 Survey of Employers*, Department for Education and Employment

all three surveys generally reported that participation in Modern Apprenticeships brought about a general improvement in the quality of the training they provided.

It is nearly ten years since the last survey of Apprenticeship employers was undertaken and in that time Apprenticeship has established itself as one of the principal Initial Vocational Education and Training (IVET) entry pathways, at an intermediate skill level, into nearly every industrial sector. The earlier surveys were very much concerned with how employers, especially in those sectors without any tradition of this type of vocational preparation and where the idea of offering an Apprenticeship constituted a radical break with the past, would respond to its requirement for structured training and externally verified assessment of competence. By 2011/12, Apprenticeship training has become commonplace across nearly all sectors as a result of successive initiatives to widen employer participation, with many employers generally informed about its operation.⁵ Accordingly, many more employers may have become dependent upon the provision and funding of Apprenticeships.⁶

Measuring Deadweight and Additionality

The evaluation presented in this chapter is concerned with the likely impact of changes in employer funding for Apprenticeships on levels of participation. In doing so, it gives an indication of deadweight - albeit through a different method to those employed in the earlier surveys mentioned in the previous section – based how they would respond if all, or half, of current State funding for Apprenticeships were to be removed.

Estimating the net impact, or additionality, of a policy intervention is a key concern of most evaluation studies. Measuring additionality usually involves a comparison of the outcomes of a new policy intervention (observed at some time after its implementation) with an estimate of the situation had the policy not been introduced, referred to as the counterfactual. The counterfactual normally cannot be observed and has to be estimated by one method or another depending upon the nature and context of the policy intervention. The difference between observed outcomes and the estimated counterfactual provides the basis for estimating the additional impact of the intervention.

The present exercise is somewhat different in two significant ways. First, Apprenticeship is a well-established programme and represents the main vehicle for vocational training at Levels 2 and 3. The current Apprenticeship system, with its significant public funding provided through training providers, thus represents the baseline against which future changes to the training system need to be compared (i.e. it provides, formally, the counterfactual). Second, most evaluations are conducted *ex post*, that is after the policy has been introduced, so that actual outcomes can be compared with the estimated counterfactual. Here the situation is reversed. The survey provides data on the actual

⁵ Economic Research Services (2000) Evaluation of Modern Apprenticeships: 1998 Survey of Employers, Department for Education and Employment

⁶ Hogarth, T, et al. (2012) Employer Investment in Apprenticeships and Workplace Learning, Department for Business Innovation and Skills

outcomes of the current Apprenticeship system (the counterfactual) while employers provide estimates of what they would consider to be the likely outcome of being required to bear all, or half, of the costs currently borne by the State. This difference is important because it means that the assessment being made is not an assessment of Apprenticeship per se but an assessment of a particular change to the Apprenticeship system (namely who bears the cost).

There are many aspects to the current Apprenticeship system - such as employer led frameworks, a national system of vocational qualifications and a training infrastructure - which employers may still value and which would not change even if the balance of cost were to do so. The evidence from the survey – which poses questions to employers about their probable responses to bearing more of the cost of Apprenticeships – may, therefore, only relate to the impact of bearing more of the direct training cost but may not take account of the additional costs that employers would have to bear if they abandoned Apprenticeship training but had to provide the training infrastructure necessary to do so.

Current Payment for Apprenticeship Training

Indicative evidence suggests that many employers which participate in Apprenticeships are somewhat removed from their funding.⁷ Funding is provided by the Skills Funding Agency to training providers to deliver the Apprenticeship. The training providers then either recruit employers or are approached by employers to deliver the formal training element of the Apprenticeship. The employer, therefore, tends not to come into contact with the funding provided via the State.⁸ Evidence from 2008 indicated that even where employers were expected to make a contribution to the costs of Apprenticeship training this often did not result in a cash transfer.⁹

Current levels of state funding for Apprenticeship are shown in Table 6.1. These funds cover some or all of the providers' costs of delivering the formal training element. In most cases the state funding means that employers do not pay for training provider costs, although a minority of employers do pay provider fees. A critical question for the current study is what impact the removal of all or part of that State subsidy has on employers' training decisions. The survey asked employers to respond to a series of questions based on the assumption that any reduction in State funding to training providers would be passed on to employers in the form of an increased provider fee. Two scenarios were explored. First, that all State funding was removed meaning that employers would face increased provider fees equivalent to the current level of state funding. This is referred to as the employer's response to a 'full fee' increase in training costs. Second, the impact of a smaller increase in costs was explored by asking for likely responses to an increase in

7 Hogarth et al., *ibid*

8 The situation is often different with regard to larger employers who act as their own training providers through the National Employment Service.

9 Hasluck, et al., (2008) *The Net Benefits to Employers of Apprenticeships*, Report to the Apprenticeship Ambassadors Network, London

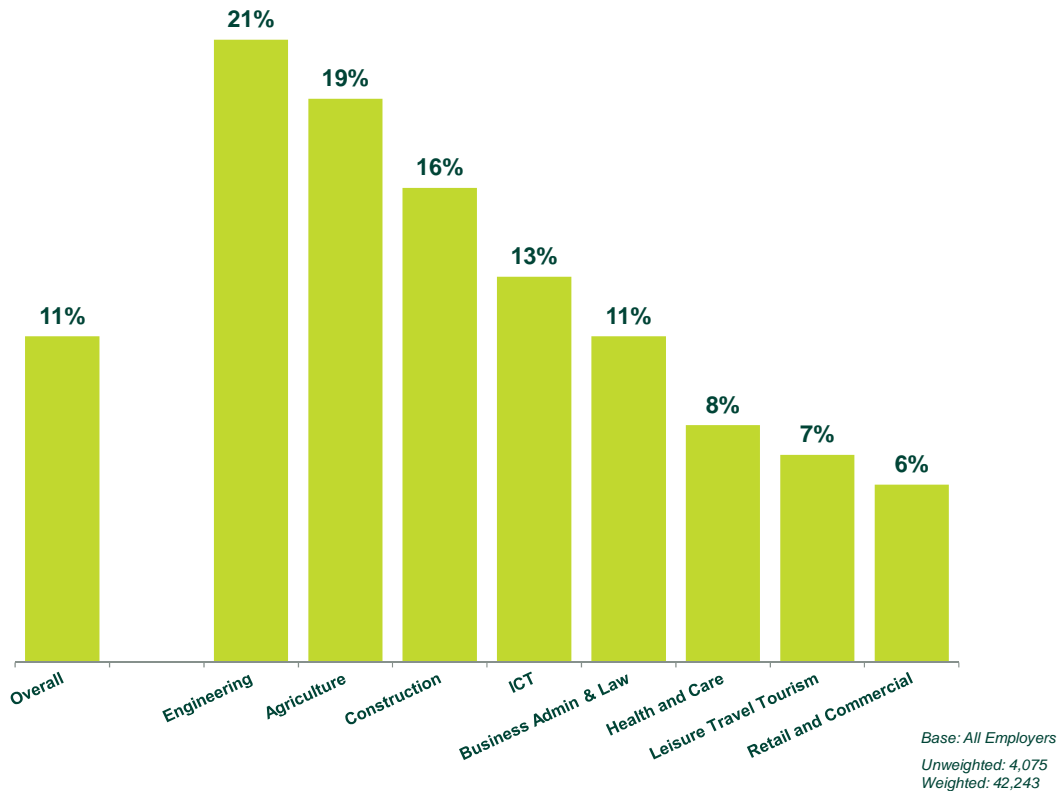
provider costs equivalent to half the level of current State funding. This situation might arise if state funding was reduced but not eliminated. This is referred to as the employer's response to a 'half fee' increase in training costs.

Table 6.1: Average funding for 19+ Apprenticeships (as presented to survey respondents)

Subjects / grouped frameworks	Level 2	Level 3
Health, Public Services and Care	£2,200	£2,600
Agriculture, Horticulture and Animal Care	£4,000	£5,200
Engineering and Manufacturing Technologies	£4,300	£10,000
Construction, Planning and the Built Environment	£6,125	£7,350
Information and Communication Technology	£3,200	£5,100
Retail and Commercial Enterprise	£1,650	£1,850
Leisure, Travel and Tourism	£2,000	£2,950
Business, Administration and Law	£1,850	£1,950
Other	£2,500	£3,300

The current survey reveals that 11% of employers already paid fees directly to a training provider for Apprenticeships. This varied widely by framework, as shown in Figure 6.1, though not by the size of the employer. Although a relatively low base of 137 respondents, hence some caution is needed in drawing general conclusions, it is interesting that very few employers that had been involved in Apprenticeships for less than 12 months had paid fees to a provider (just 2%).

Figure 6.1: Whether paid fees to a provider for the cost of the Apprenticeships, by framework



The amount paid per apprentice over the entire duration of training ranged from £100 to £16,000¹⁰. The variation is skewed by a small number of employers training under the Engineering and Manufacturing Technologies framework which reported exceedingly high levels of payment: the average paid was £1,856 whilst the median was £980 per apprentice across all Frameworks. Overall, 11% of employers paying any fees paid fees paid in excess of £5,000 per apprentice. Of those who paid any fees, employers offering Apprenticeships only to starters aged 16 to 18 years paid £2,042 per apprentice, on average, whilst those offering Apprenticeships to people aged 19 years or older paid £1,759, on average. Given the principle of full funding for training at 16-18 and 50% funding at 19+ this finding is anomalous. However one factor likely to impact these figures is that where employers' apprentices were all aged 16–18 years old they were more likely to be working towards completion of frameworks with relatively high costs attached to them such as Engineering and Manufacturing Technologies and Construction. For instance, where Apprenticeships were only offered to 16 to 18 year olds, 17% each were

¹⁰ All employers providing unfeasibly high fees - £20,000 or more per apprentice - were excluded from the analysis.

in Engineering and Manufacturing Technologies and Construction compared with 6% and 9%, respectively, where all apprentices were aged 19 years or older.

The amount of fees paid to a training provider, among those paying any fees, varied by size of employer (see Table 6.2). The average paid ranged from £1,453 for employers with one to nine employees, to £2,639 for employers with 100 to 249 employees. Table 6.2 shows the range of payments made to a training provider by employer size for those employers who indicated that they had paid fees directly to a training provider. Around half paid less than £1,000 per apprentice though the figure was lower among those with 100 to 249 employees (46% paid less than £1,000) and those with 250 or more employees (40% paid less than £1,000). Less than 10% of employers with less than 100 employees paid more than £5,000 whilst the shares of employers paying this amount was greater in organisations with 100 to 249 employee and 250 or more employees (25% and 16%, respectively).

Table 6.2: Distribution of payments to training provider per apprentice (among employers making any payments), by employer size

	Size of employer				All employers
	1 to 24	25 to 99	100 to 249	250 or more	
	%	%	%	%	%
£100 to £499	29	33	38	13	26
£500 to £999	25	24	6	27	24
£1,000 to £2,499	22	21	22	28	23
£2,500 to £4,999	15	13	10	17	15
£5,000 to £9,999	7	6	12	14	9
£10,000 or more	1	3	12	2	2
Mean	£1,537	£1,469	£2,639	£2,402	£1,856
<i>Weighted Base</i>	2,209	820	392	1,292	4,761
<i>Unweighted Base</i>	227	86	37	126	483

Base: All employers paying fees (less than £20,000) to a training provider

Source: **BIS Survey of Apprenticeship Employers (IFF)**

As shown in Table 6.3, 74% of employers who paid any fees paid less than £2,500¹¹ to a training provider for the full period of training for each apprentice, but there was variation across frameworks. Whilst for all frameworks, only 1% of employers paid £10,000 or more in fees to a training provider, this percentage was higher in Engineering and Manufacturing Technologies (4% of employers paid £10,000 or more) and Construction, Planning and the Built Environment (3%). Around 11% of employers which paid fees to a training provider paid £5,000 or more, though this was higher among those which offered Apprenticeships

¹¹ Excluding those reporting fees of £20,000 or more.

in Engineering and Manufacturing Technologies (20% paid £5,000 or more), Construction, Planning and the Built Environment (18%) and Information and Communication Technology (ICT) (19%). In many respects this reflects the relatively long duration of Apprenticeships under these frameworks and the fact that they tend to be at Level 3.

Table 6.3: Payments to training provider by framework/group frameworks

Framework:	% paying fee directly to provider	Level of fees paid						Mean	Weighted Base	Unweighted Base
		£100 to £499	£500 to £999	£1,000 to £2,499	£2,500 to £4,999	£5,000 to £9,999	£10,000 or more			
Health, Public Services and Care	8	55	20	15	8	2	--	£793	555	58
Agriculture, Horticulture and Animal Care	19	16	21	25	29	7	2	£2,120	305	50
Engineering and Manufacturing Technologies	21	11	19	26	22	16	7	£2,926	1,078	120
Construction, Planning and the Built Environment	16	17	16	30	19	15	4	£2,474	899	88
Information and Communication Technology	13	--	17	29	35	19	--	£2,532	72	8
Retail and Commercial Enterprise	6	46	19	19	11	6	--	£1,245	603	49
Leisure, Travel and Tourism	8	69	23	8	--	0	--	£411	104	11
Business, Administration and Law	10	23	41	24	6	5	--	£1,203	1,131	97
All Frameworks	11	26	24	23	15	9	2	£1,856	4,761	483

Base: All employers paying fees (less than £20,000) to a training provider

Source: **BIS Survey of Apprenticeship Employers (IFF)**

Fees of less than £1,000 were paid by more than three-fifths of employers offering Apprenticeships in Leisure, Travel and Tourism (92% paid between £100 and £999), Health, Public Services and Care (75%), Retail and Commercial Enterprise (65%), and Business Administration and Law (64%). The average value of fees paid ranged from £411 for Apprenticeships in Leisure, Travel and Tourism to £2,926 for those in Engineering and Manufacturing Technologies.

Whilst the majority of employers surveyed did not pay anything directly to a training provider for Apprenticeship training, for those who did pay there is some evidence that this has had an effect on apprentice numbers and / or the preferred age of starters. In particular:

- Of those employers who indicated that they had paid fees to a training provider, 35% said that they took on fewer apprentices than they would have in the absence of fees.
- Of those employers who only offered Apprenticeships to 16 to 18 year olds, almost a quarter indicated that fees were the main reason they did not take on older apprentices (i.e. aged 19 years and over). Another 7% indicated that fees were at least part of the reason for offering Apprenticeships only to fully funded 16 to 18 year starters.

Later sections look further at the effects of paying fees on the participation of employers in Apprenticeship training, including the impact on the number of apprentices in order to estimate the overall deadweight owing to Government funding for the programme.

Changes to Costs of Apprenticeship Training

At present, people who are between 16 and 18 years of age have the costs of their education paid for by the State regardless of which pathway they take through further education. Increasingly, the direction of policy is to obtain a contribution to the costs of education and training once a person is over 18 years of age. This was evident in the first instance in higher education where students have had to contribute to the costs of their tuition since 1998. It is now evident that the costs of training within the education and skill system require a contribution from either the employer or the individual trainee.¹² In 2010/11, 71% of all apprentices were 19 years of age or older at the start of their programme. The implications of changes to the funding arrangements for this group would be expected to be significant.

In order to gauge the impact of employers meeting either the full costs, or half the full costs of an Apprenticeship, they were asked a series of questions about whether they would still engage in this form of training, the numbers of apprentices they would employ, and the likely impact on their business of needing to contribute to the costs of training. This was asked only of employers who had trained apprentices aged 19 year or over at their start of their training.

¹² BIS (2011) *New Challenges, New Changes: Next Steps in Implementing the Further Education Reform Programme*, BIS: London

Table 6.4 indicates the level of fees employers would need to contribute if they were to pay full or half the fees which are currently met by the training provider. In a number of cases, the fees that employers reported paying to a training provider were greater than the full fees outlined in Table 6.4. This was only found for 8% of those employers who paid any fees to a provider which equates to around 35 survey respondents (330 weighted).

Table 6.4: Estimated contribution required from employers if paying full or half fees

Subjects / grouped frameworks	Full Fees		Half fees	
	Level 2	Level 3	Level 2	Level 3
Health, Public Services and Care	£2,200	£2,600	£1,100	£1,300
Agriculture, Horticulture and Animal Care	£4,000	£5,200	£2,000	£2,600
Engineering and Manufacturing Technologies	£4,300	£10,000	£2,150	£5,000
Construction, Planning and the Built Environment	£6,125	£7,350	£3,065	£3,675
Information and Communication Technology	£3,200	£5,100	£1,600	£2,550
Retail and Commercial Enterprise	£1,650	£1,850	£825	£925
Leisure, Travel and Tourism	£2,000	£2,950	£1,000	£1,475
Business, Administration and Law	£1,850	£1,950	£925	£975

Source: Average cost figures supplied by BIS (see employer survey questionnaire, Annex 1)

When asked whether they would still have trained apprentices over the last three years if they had had to bear the full costs of provision currently funded by the State, 15% of employers (who offered Apprenticeships to people aged 19 years and older) indicated that they would have still trained through an Apprenticeship and a further 2% indicated that they already paid the specified amount (or more) to a training provider. In contrast, 72% of employers indicated that they would not have trained through Apprenticeships and the remaining employers were unsure as to whether or not they would continue to train people in this manner if they were required to bear all of the cost of apprenticeships.

Employers were asked about the impact of picking up some but not all of the costs currently funded by the state. If employers had to pay half the current state contribution to costs, 58% of employers reported that they would not have trained people through Apprenticeships, 27% indicated that they would have still used Apprenticeships, and a further 2% said they already paid the same amount (or more) to a training provider.

Table 6.5 summarises employer responses to bearing additional training costs equal to full and half provider fees, by number of employees. Employers with less than 10 employees in their organisation were least inclined to continue with Apprenticeships without the additional funding with 8% indicating that they would do so and 1% indicating that they already paid the equivalent of full fees to a training provider. Of employers with 250 or more employees, 23% said they would have still trained people through Apprenticeships without government funding or already paid the equivalent of full fees. Between 46% (employers with 250 or more employees) and 73% of employer (with less than 10 employees) indicated that they would not have trained people through Apprenticeships if they had had to pay additional costs equivalent to half fees.

Hence the smaller the employer the more likely they are to indicate that they would withdraw from Apprenticeship training if they had to pay the full or half fees.

Table 6.5: Whether or not employers would have trained people aged 19 years and over through Apprenticeship without public funding, by size of employer

	1 to 9	10 to 24	25 to 99	100 to 249	250 or more	All
Full fees	%	%	%	%	%	%
Yes, would still train apprentices	8	14	17	14	20	15
Already pay this amount	1	2	1	3	3	2
No, would not train apprentices	85	78	73	71	59	72
Half fees						
Yes, would still train apprentices (or already pay this amount)	19	28	30	33	36	29
No, would not train apprentices	73	65	58	48	46	58
<i>Weighted base</i>	<i>4,630</i>	<i>4,340</i>	<i>3,345</i>	<i>1,739</i>	<i>6,143</i>	<i>20,860</i>
<i>Unweighted base</i>	<i>445</i>	<i>422</i>	<i>332</i>	<i>167</i>	<i>564</i>	<i>1,994</i>

Base: All employers with apprentices aged 19+ (with valid responses)

Source: **BIS Survey of Apprenticeship Employers (IFF)**

Notes: 'Don't know' responses are excluded thus columns do not add to 100%

The responses of employers (with apprentices aged 19 years and older) to training cost increases equivalent to full and half fees are summarised by framework in Table 6.6. Employers offering Apprenticeships in ICT were the least inclined (7%) to indicate that they would have offered such training without public funding for Apprenticeships, followed by those offering Retail and Commercial Enterprise frameworks (10%). Employers offering Apprenticeships in Leisure, Travel and Tourism were most likely to report that they would have trained apprentices if required to pay full fees (19%). With half fees, the share of employers who indicated that they would still have trained apprentices ranged from 19% in Retail and Commercial Enterprise frameworks to 34% in Leisure, Travel and Tourism. Employers with apprentices in Engineering and Manufacturing Technologies were most likely to indicate that they already paid training providers amounts equivalent to full fees (7%).

Table 6.6: Whether or not employers would have to trained people aged 19 plus through Apprenticeship without public funding by framework/grouped frameworks

Framework	Health, Public Services and Care	Agriculture, Horticulture and Animal Care	Engineering and Manufacturing Technologies	Construction, Planning and the Built Environment	ICT	Retail and Commercial Enterprise	Leisure, Travel and Tourism	Business, Administration and Law	Total
Full fees	%	%	%	%	%	%	%	%	%
Yes, would still train apprentices	16	16	18	14	7	10	19	16	15
Already pay this amount	1	4	7	2	3	1	0	3	2
No, would not train apprentices	71	71	68	76	77	76	72	70	72
Half fees									
Yes, would still train apprentices (or already pay this amount)	27	37	36	32	36	20	34	32	29
No, would not train apprentices	59	53	55	58	52	66	55	55	58
<i>Weighted base</i>	<i>4,520</i>	<i>752</i>	<i>1,963</i>	<i>2,180</i>	<i>223</i>	<i>4,428</i>	<i>893</i>	<i>5,817</i>	<i>20,860</i>
<i>Unweighted base</i>	<i>459</i>	<i>117</i>	<i>218</i>	<i>219</i>	<i>25</i>	<i>356</i>	<i>92</i>	<i>496</i>	<i>1,994</i>

Base: All employers with apprentices aged 19+ (with valid responses)

Source: **BIS Survey of Apprenticeship Employers (IFF)**

Notes: 'Don't know' responses are excluded thus columns do not add to 100%

The responses of employers (with apprentices aged 19 years and older) to training cost increases equivalent to full and half fees, by whether apprentices were specifically recruited as such or whether they were existing employees, are summarised in Table 6.7. Employers who only took on new recruits as apprentices were more likely to indicate that they would still train through Apprenticeships if they were required to pay full fees compared with those which offered Apprenticeship training only to existing employees (16% compared with 12%). With half fees, the difference between these two groups of employers remains, with 32% of those who trained only new recruits as apprentices indicating that they would still have trained apprentices but 21% of those who trained only existing employees as apprentices indicating that they would have continued to do so. Where employers both recruited specifically to the Apprenticeship and offered Apprenticeships to existing staff, they were more likely to indicate that they would continue to train through Apprenticeship if faced with full fees (19% would still train apprentices, including those already paying this amount) or half fees (34%). The fact that they train both groups of employees may indicate a relatively high degree of commitment to Apprenticeships.

Table 6.7: Whether or not employers would have trained people aged 19 years and over through Apprenticeship without public funding, by type of recruitment

	Only new recruits	Only existing employees	Both	Don't know	All
Full fees	%	%	%	%	%
Yes, would still train apprentices	16	12	17	13	15
Already pay this amount	3	1	2	4	2
No, would not train apprentices	72	73	71	80	72
Half fees					
Yes, would still train apprentices (or already pay this amount)	32	21	34	32	29
No, would not train apprentices	57	62	55	59	58
<i>Weighted base</i>	10,245	7,145	3,072	397	20,860
<i>Unweighted base</i>	1,016	645	294	39	1,994

Impact of Increased Fees on Apprentice Numbers

At present, skills policy is oriented towards employers (or apprentices) meeting more of the cost which has, over recent decades, been borne by the State, where apprentices are aged 19 years or older at the time they start their Apprenticeships. This section examines what might be the consequences of employers being required to contribute more to meeting the cost of the Apprenticeship for apprentices aged 19 years and over.

As reported in the previous section, 17% of all employers with apprentices aged 19 years and older indicated that they would continue to take on apprentices even if faced with a increase in training costs equivalent to the full state subsidy (or already paid equivalent

fees to training providers), and 29% would continue with Apprenticeships if faced with increased costs equivalent to half fees (or already paid the equivalent). It is the Apprenticeship training undertaken by these employers that comprises the deadweight loss arising from Government funding of the programme as this training would have taken place without funding.

Table 6.8 summarises whether employers would have trained the same number of apprentices, fewer apprentices, or no apprentices if faced with cost increases equivalent to full fees and half fees. Of all employers with apprentices aged 19 years and older, 11% would not have changed the number of people trained through the programme if required to pay full fees whilst 6% would have trained fewer apprentices. In the case of half fees, 20% would have maintained their apprentice numbers whilst 8% would have trained fewer.

Table 6.8 also summarises the reduction in the number of apprentices indicated by employers in response to full and half fee cost increases. Where employers indicated that they would have reduced the number of Apprenticeships, they were subsequently asked to indicate the scale of any reduction (as either a percentage or a number). This allows the impact on the number of apprentices to be estimated based on those responses. The number of apprentices aged 19 years and older was found to be 85% lower if employers faced a cost increase equivalent to full fees and 73% lower with a cost increase of half that amount. Considering the total number of apprentices, including 16 to 18 year olds (the numbers of which are assumed to be unchanged even in the presence of fees) as well as those aged 19 years and older, a decrease of 61% was found in response to a full fee increase in costs and 53% for a half fee increase in costs.

Table 6.8: Estimated Change in the Number of Apprentices Trained

Employer response to fees	Full fees	Half fees
Percentage of employers who would train same number or apprentices	11%	20%
Percentage of employers who would train fewer apprentices	6%	8%
Percentage of employers who would train no apprentices	72%	58%
<i>Weighted base (all employers offering apprenticeship to 19+)</i>	20,860	20,860
<i>Unweighted base</i>	1,994	1,994
Reduction in number of apprentices		
Percentage reduction in number of apprentices trained (aged 19+)	85%	73%
Percentage reduction in total number of apprentices (all ages)	61%	53%
<i>Weighted base (all employers offering to 19+ and with valid responses)</i>	18,151	17,652
<i>Unweighted base</i>	1,741	1,693

Base: All employers with apprentices aged 19+ (with valid responses)

Source: BIS Survey of Apprenticeship Employers (IFF)

Note: 'Don't know' responses are not presented in the table, thus figures in the top half of the table sum to less than 100%

Table 6.10 presents the percentage reduction in apprentice numbers resulting from training cost increases by size of employer, and Table 6.11 examines the equivalent

figures by framework. Before presenting these figures Table 6.9 provides contextual information on differences in the profile of the age of apprentices recruited by the size of the employer and the framework. This clearly shows that the largest employers are the most likely to have apprentices aged 19 plus, either exclusively or in combination with those aged 16 to 18. In contrast employers with fewer than 10 staff are the most likely to have provided Apprenticeships only to those aged 16 to 18 (60%, against the average of 46%). By framework, there were large differences in the age profile of apprentices. A majority of employers providing Apprenticeships in Engineering and Manufacturing Technologies (61%), in Construction, Planning and the Built Environment (57%) and in ICT (53%) said all their recent apprentices had been aged 16 to 18 when they started their Apprenticeship. In contrast just a quarter (26%) of those delivering Leisure, Travel and Tourism Apprenticeships and a third (33%) delivering Health, Public Services and Care Apprenticeships had provided them exclusively to those aged under 19.

Table 6.9: Starting age of apprentice(s) by employer size and by framework

Row percentages		16-18 only	19+ only	both	Unweighted base	weighted base
All	%	46	23	31	4,039	41,873
Number of employees:						
1-9	%	60	22	18	1,215	12,403
10-24	%	46	18	36	834	8,648
25-99	%	47	20	33	682	6,908
100-249	%	39	24	37	301	3,111
250 or more	%	31	32	37	906	9,767
Framework:						
Leisure, Travel and Tourism	%	26	30	44	139	1,360
Health, Public Services and Care	%	33	27	40	736	7,200
Business, Administration and Law	%	40	32	28	887	10,466
Retail and Commercial Enterprise	%	49	23	28	759	9,362
Agriculture, Horticulture & Animal Care	%	50	22	28	249	1,604
Information and Communication Technology	%	53	21	26	63	544
Construction, Planning and the Built Environment	%	57	15	28	576	5,776
Engineering & Manufacturing Technologies	%	61	11	29	605	5,387

Base: All employers (re-based excluding 'don't knows')

Source: **BIS Survey of Apprenticeship Employers (IFF)**

By size, the reduction in the number of apprentices aged 19 years and older was found to range from 82% (organisations with 100 to 249 employees) to 90% (with less than 10 employees) in response to cost increases equivalent to full fees, and between 65% (100 to 249 employees) to 78% (less than 10 employees) for cost increases equivalent to half

fees. The corresponding reduction in the total number of apprentices (any age) was found to range from 40% (less than 10 employees) to 72% (250 or more employees) for full fees and between 34% (less than 10) and 62% (250 or more) for half fees. The explanation for the fact that among the smallest employers (with fewer than 10 staff) fees would appear to lead to well above average falls in the number of apprentices aged 19 plus that would be trained, but well below average falls in the number of apprentices of all ages, is that, as presented in Table 6.9, the smallest employers are less likely to train apprentices aged 19 plus.

Table 6.10: Percentage decrease in number of apprentices with full and half fees by employer size

Number of employees	Full Fees		Half Fees		Unweighted base	Weighted base
	Decrease in 19+	Decrease in all	Decrease in 19+	Decrease in all	(employers with any age apprentice)	(employers with any age apprentice)
1-9	90%	40%	78%	34%	1,152	11,764
10-24	86%	52%	76%	46%	774	8,013
25-99	86%	52%	73%	44%	614	6,243
100-249	82%	51%	65%	41%	265	2,737
250 or more	85%	72%	73%	62%	735	7,844
All	85%	61%	73%	53%	3,618	37,400

Source: BIS Survey of Apprenticeship Employers (IFF)

Base: All employers (with valid responses)

Table 6.11 presents the percentage reduction in apprentice numbers resulting from training cost increases by framework. The reduction in the number of apprentices aged 19 years and older was found to range between 77% (Engineering and Manufacturing Technologies) to 94% (Leisure, Travel and Tourism) when considering full fee cost increases and between 52% (ICT) and 88% (Leisure, Travel and Tourism) with half fees cost increases. In terms of the total number of apprentices, the reduction found ranged from 44% of employers who offered Construction, Planning and the Built Environment Apprenticeships to 86% of those with Apprenticeships in Leisure, Travel and Tourism.

Table 6.11: Percentage decrease in number of apprentices with full and half fees by framework

Framework	Full Fees		Half Fees		Unweighted	Weighted
	Decrease in 19+	Decrease in all	Decrease in 19+	Decrease in all	(employers with any age apprentice)	(employers with any age apprentice)
Health, Public Services & Care	90%	70%	78%	60%	642	6,268
Agriculture, Horticulture & Animal Care	78%	46%	65%	38%	230	1,483
Engineering & Manufacturing Technologies	77%	53%	69%	47%	565	5,013
Construction, Planning & the Built Environment	79%	44%	62%	35%	525	5,254
Information and Communication Technology	90%	56%	52%	32%	56	484
Retail & Commercial Enterprise	82%	51%	71%	44%	678	8,357
Leisure, Travel & Tourism	94%	86%	88%	81%	117	1,149
Business, Administration & Law	88%	71%	74%	60%	782	9,231
All	85%	61%	73%	53%	3,618	37,400

Source: BIS Survey of Apprenticeship Employers (IFF)

Base: All employers (with valid responses)

Displacement

The percentage reductions in apprentice numbers found here do not explicitly account for employers shifting away from older apprentices (19 years and over) to younger, fully-funded apprentices (16 to 18 year olds) in response to increased training cost. In the survey, employers were asked about the actual number of apprentices trained in the reference period and the number of apprentices they would have trained in the face of cost increases equivalent to full and half fees. Employers may have included any shift between starters of different ages when reporting their hypothetical apprentice numbers but it is possible that this has not been accounted for in their responses. If employers were to shift to younger apprentices thereby resulting in smaller decreases in apprentice numbers then the overall impact of increased training costs on training volumes may be somewhat lower than that reported above. In any case, the figures presented above indicate a significant effect of increased costs to employers on the number of people trained through Apprenticeship which can be considered the upper bound of an estimate of the impact on training volume.

Other Responses to Fees

Training fewer apprentices is not the only possible reaction of employers to making a greater contribution to the costs of training apprentices through paying increased fees. Table 6.12 indicates other responses reported by employers if faced by increased costs

equivalent to half fees. Employers were permitted to have multiple responses to this question and thus the figures in Table 6.12 do not sum to 100%.

If required to pay half fees, 81% of employers with apprentices aged 19 years or over would expect their current training provider to reduce the fees/costs or they would shop around for a cheaper training provider (indicating a very competitive provider market). Almost 70% would consider bringing in-house those training activities which are currently undertaken by external training providers, and approaching two-fifths (38%) of employers indicated that they would expect to offer Apprenticeships only to 16 to 18 year olds, as they would be fully funded, and 11% would expect to increase the proportion of Apprenticeships offered to 16 to 18 year olds.

Nearly 30% of employers expected that they would reduce expenditure on other forms of training in the business in order to continue funding Apprenticeships. These employers appeared to place relatively more value on Apprenticeship training than other forms of training currently offered to their workers. Less than 1% expected that they would do nothing in response to increased Apprenticeship costs.

Table 6.12: Ways in which employer might expect to reduce costs in response to half fees (prompted)

Reaction to half fees	%
Look to training provider to reduce cost or shop around for cheaper providers	81
Bring in-house rather than using training provider	70
Get business to absorb additional costs of training	58
Look for cost-savings elsewhere in business	55
Offer to ONLY 16-18 year olds	37
Reduce duration of Apprenticeship training	34
Reduce expenditure on other training	30
Offer greater proportion of Apprenticeships to 16-18 year olds	11
Not do anything	1
<i>Weighted Base</i>	<i>20,860</i>
<i>Unweighted Base</i>	<i>1,994</i>

Base: All employers with apprentices aged 19+ (with valid responses)

Source: BIS Survey of Apprenticeship Employers (IFF)

Where employers reported that they would stop training apprentices altogether if faced with fees equivalent to half the total state funding provided to their provider, a number indicated that they would, nevertheless, continue to pay for some elements of the apprenticeship. Just under half (45%) said they would not pay for any particular elements of the Apprenticeship. The NVQ was the most popular area they would continue with and more than a quarter (26%) indicating that they would pay to retain this element of the Apprenticeship. More than 15% of employers indicated that they would retain the technical certificate, 13% would continue to pay for the key, functional skills, and 6% indicated that they would retain aspects of the Apprenticeship but were unsure of which elements in particular.

Substitution for Apprentices

Table 6.13 describes employer responses concerning other activities that might be undertaken instead of Apprenticeship in response to having to pay increased costs equivalent to half fees. The most common response amongst employers was that they would look to retain more of their skilled employees (80% of employers). More than two-thirds (68%) of employers with apprentices aged 19 years and older said they would continue to recruit trainees but would use an alternative form of training. More than half said they would expect to recruit fully experienced workers instead of apprentices (56%) or would recruit older, more experienced workers who require less training (54%). Recruiting more graduates into jobs usually filled by apprentices was the least common response, although not infrequent (29% of employers expected to do so).

There were some differences in responses by employers depending on the Apprenticeship frameworks offered. Graduates were considered a possible substitute for apprentices by 44% of employers offering Apprenticeships in Leisure, Travel and Tourism, but by only 16% of employers offering Apprenticeships in Engineering and Manufacturing Technologies. The share of employers by framework who indicated that they would expect to try to improve retention of their skilled employees in response to partial fees for Apprenticeship ranged from 58% in ICT to 85% in Health, Public Services and Care.

Table 6.13: Expected reactions of employers to partial fees for training apprentices (prompted)

	%
Look to retain more of own skilled employees	80
Continue to recruit trainees but train through alternative type of training	68
Recruit fully experienced workers into apprentice jobs	56
Recruit older, more experience people who need less training	54
Recruit more graduates into apprentice jobs	29
None of the above	5
<i>Weighted Base</i>	22,626
<i>Unweighted Base</i>	2,162

Base: All employers with apprentices aged 19+ (with valid responses)

Source: **BIS Survey of Apprenticeship Employers (IFF)**

Employers offering Apprenticeships in Construction, Engineering and Agriculture were least inclined to consider alternative forms of training to Apprenticeships: Less than 60% of these employers expected to do so compared with 68% of all employers. This is consistent with other research which suggests that employers in sectors with a long tradition of Apprenticeship training, such as those in the engineering and construction industries, are

the most reluctant to move away from their current provision of Apprenticeships even if their costs in doing so were to substantially increase.¹³

Employers offering ICT Apprenticeships were the least inclined to recruit older, more experienced people who would require less training (28% of employers) compared with 54% of all employers who expected to react in this manner.

The business impact of training fewer apprentices

Table 6.14 shows the proportion of employers (overall, and by size) reporting various impacts that they believe would result from training fewer apprentices. Whilst 43% of all employers reported that training fewer apprentices would have no impact on their business, this varied somewhat by size of employer (see Table 6.14) and by Apprenticeship framework (see Table 6.15). Just over half (51%) of employers with less than 10 employees said training fewer apprentices would have no impact on the organisation but only 33% of those with 500 or more employees indicated the same. By Apprenticeship framework, the share of employers who indicated that there would be no impact from training fewer apprentices ranged between 35% of employers with Apprenticeships in Engineering and Manufacturing Technologies and 53% offering ICT Apprenticeships.

Table 6.14: Impact of training fewer apprentices, overall and by employer size (spontaneous)

	All employers	Employer size				
		1-9	10-24	25-99	100-249	250 +
	%	%	%	%	%	%
Skill shortages in the future	20	15	19	21	23	27
Lead to having an older workforce	7	4	5	7	9	11
Reductions in the quality of products and services	6	5	8	7	6	7
Lead to a shortage of staff / increased workload	6	6	7	5	7	7
Increased recruitment costs	6	4	5	8	9	6
Difficulties in delivery standards of customer service	5	4	5	4	7	5
Difficulties meeting performance targets	5	7	5	3	6	4
Slow down company development / loss in profit	3	3	3	3	2	2
Increased costs other than	3	2	3	5	4	1

¹³ Hogarth *et al.*, (2012). *Employer Investment in Apprenticeships and Workplace Learning: the Fifth Net Benefits of Training to Employers Study*, BIS, London

	All employers	Employer size				
		1-9	10-24	25-99	100-249	250 +
recruitment (payroll, training, etc)						
Would change recruitment/training practices	3	3	4	4	5	3
General negative effect on the organisation	2	2	3	2	3	3
General positive impact on business	1	2	2	1	1	1
Other	3	2	2	2	4	4
No impact	43	51	43	43	36	35
Don't know	6	6	6	4	5	8
<i>Weighted base</i>	<i>42,243</i>	<i>12,434</i>	<i>8,694</i>	<i>6,973</i>	<i>3,140</i>	<i>9,953</i>
<i>Unweighted base</i>	<i>4,075</i>	<i>1,219</i>	<i>838</i>	<i>688</i>	<i>304</i>	<i>923</i>

Base: All employers

Source: BIS Survey of Apprenticeship Employers (IFF)

Table 6.15: Impact of training fewer apprentices, by framework (spontaneous)

	All employers	Health, Public Services and Care	Agriculture, Horticulture and Animal Care	Engineering and Manufacturing Technologies	Construction Planning and the Built Environment	ICT	Retail and Commercial Enterprise	Leisure, Travel and Tourism	Business, Administration and Law
	%	%	%	%	%	%	%	%	%
Skill shortages in the future	20	16	17	37	23	11	19	19	15
Lead to having an older workforce	7	4	6	11	7	5	3	5	9
Reductions in the quality of products and services	6	8	7	5	4	6	7	5	6
Lead to a shortage of staff / increased workload	6	5	7	5	4	2	8	7	7
Increased recruitment costs	6	9	3	5	4	10	4	9	6
Difficulties in delivery standards of customer service	5	5	2	3	3	2	7	6	5
Difficulties meeting performance targets	5	2	5	5	4	3	8	3	6
Slow down company development / loss in profit	3	2	3	3	3	3	4	1	2
Increased costs other than recruitment (payroll, training, etc)	3	5	4	1	3	3	2	3	2
Would change recruitment / training practices	3	4	2	4	3	3	3	2	3
General negative effect on the organisation	2	1	4	2	2	1	3	1	3
General positive impact on business	1	2	4	1	2	0	1	0	1
Other	3	4	2	2	3	0	3	3	3
No impact	43	44	46	35	47	53	41	42	44
Don't know	6	7	5	3	4	11	8	8	7
<i>Weighted base</i>	<i>42,243</i>	<i>7,259</i>	<i>1,610</i>	<i>5,409</i>	<i>5,824</i>	<i>567</i>	<i>9,430</i>	<i>1,392</i>	<i>10,579</i>
<i>Unweighted base</i>	<i>4,075</i>	<i>743</i>	<i>250</i>	<i>607</i>	<i>581</i>	<i>66</i>	<i>764</i>	<i>142</i>	<i>897</i>

Base: All employers

Source: BIS Survey of Apprenticeship Employers (IFF)

Across all employers, the most commonly reported impact of training fewer apprentices was skill shortages in the future (20% of all employers). By employer size, the share of employers reporting this ranged from 15% amongst employers with less than 10 employees to 30% amongst those with 250 to 499 employees. By framework, the percentage citing future skills shortages as a potential impact of training fewer apprentices ranged from 11% of employers offering Apprenticeships in ICT to 23% of employers with Apprenticeships in Construction, Planning and the Built Environment, and 37% of employers offering Apprenticeships in Engineering and Manufacturing Technologies. The share of employers who saw skills shortages as an impact stemming from reduced involvement in Apprenticeship training was particularly high in Engineering and Manufacturing Technologies and Construction, Planning and the Built Environment where apprenticeship training appears to be an integral part of skills planning for employers and, consequently, the required skills might be more difficult to obtain in the absence of Apprenticeship training.

Consequences for training generally

A significant share of employers with apprentices aged 19 years and older (61%) indicated that if they were to pay additional costs equivalent to half fees for Apprenticeship training, the overall amount of training at their establishment (Apprenticeship or otherwise) would be reduced. Only just over a quarter (28%) said that paying half fees would have no effect and only 5% reported that these fees would result in an increase in the overall amount of training at their establishment. Tables 6.15 and 6.16 summarise employer responses to this question by size and framework, respectively.

Table 6.16: Effect of half fees on overall amount of training, by employer size

Row %s	Greatly / slightly reduce overall amount of training	No change in overall amount of training	Greatly / slightly increase overall amount of training	Weighted base	Unweighted base
Total	61%	28%	5%	22,626	2,162
1-9	68%	25%	4%	4,962	478
10-24	66%	24%	6%	4,653	450
25-99	61%	31%	4%	3,660	365
100-249	63%	28%	4%	1,889	182
250+	55%	32%	5%	6,738	617

Base: All employers with apprentices aged 19+

Source: BIS Survey of Apprenticeship Employers (IFF)

Just over half (55%) of employers with 250 or more employees indicated that half fee additional costs for 19+ Apprenticeships would greatly or slightly reduce their overall amount of training. The smallest employers were more inclined to report that half fees would reduce overall training with 68% of those with less than 10 employees and 66% of those with 10 to 24 employees indicating that the overall amount of training undertaken at their establishment would be reduced.

In all frameworks except Retail and Commercial Enterprise more than 60% of employers with apprentices aged 19 years and older indicated that paying half fees for Apprenticeships would result in a reduction in the overall amount of training within their establishment. For most frameworks, 5% of employers or less indicated that they would expect there to be an increase in the overall amount of training as a result. This proportion was highest amongst employers offering Apprenticeships in Retail and Commercial Enterprise (8%) and lowest in Construction, Planning and the Built Environment (2%).

Table 6.17: Effect of half fees on overall amount of training, by framework

Row %s	Greatly / slightly reduce overall amount of training	No change in overall amount of training	Greatly / slightly increase overall amount of training	Weighted base	Unweighted base
Total	61%	28%	5%	22,626	2,162
Agriculture, Horticulture and Animal Care	67%	23%	7%	802	124
Leisure, Travel and Tourism	65%	22%	7%	1,003	103
Health, Public Services and Care	64%	25%	4%	4,802	488
Engineering and Manufacturing Technologies	64%	28%	4%	2,125	236
Construction, Planning and the Built Environment	64%	31%	2%	2,467	247
Information and Communication Technology	62%	22%	4%	253	29
Business, Administration and Law	61%	30%	5%	6,301	537
Retail and Commercial Enterprise	55%	30%	8%	4,776	384

Base: All employers with apprentices aged 19+

Source: BIS Survey of Apprenticeship Employers (IFF)

Post-completion

The activities and progression of apprentices after completion of their training gives some indication of the value of the Apprenticeship to the employer. Around four-fifths (79%) of employers (where apprentices have remained with the organisation) indicated that some or all of their apprentices received wage increases on completion of the programme. This varies by size of employer with 62% of employers with 250 or more employees giving a wage increase to some or all apprentices upon completion and 85% of those with less than 100 employees doing the same. The share of employers providing a wage increase

on completion to some or all apprentices ranges from 60% of those with Leisure, Travel and Tourism frameworks to 93% with Construction, Planning and the Built Environment and 94% in Engineering and Manufacturing Technologies. An increase in wages after completion of Apprenticeship training should reflect the improved productivity of the apprentice as well as employers' efforts to retain their former apprentices.

Some or all apprentices have taken on supervisory responsibilities after completion of their training programme within almost half (46%) of employers (where apprentices have been retained post-completion). All or some apprentices have been promoted within 55% of employers and within 62%, some or all apprentices have taken on more responsibilities. Only 18% of employers reported that any apprentices have moved into management jobs in their organisation after completion of their Apprenticeship training.

Table 6.18 summarises post-completion activities reported by employers by size. There is little difference by size of employer in the shares of employers reporting that some or all apprentices undertake particular roles or activities after completion.

Table 6.18: Post-completion activity of apprentices by employer size

Row %s		% of employers in which some or all apprentices have:			
		Taken on supervisory responsibilities	Been promoted	Moved into management jobs in the organisation	Taken on more responsibility
Total	%	46	55	18	62
1-9	%	47	51	16	64
10-24	%	48	56	16	68
25-99	%	44	56	18	66
100-249	%	42	56	18	66
250+	%	45	57	22	52
<i>Weighted base</i>		34,829	34,829	34,829	12,577*
<i>Unweighted base</i>		3,359	3,359	3,359	1,246*

Base: Employers with completers still working at establishment

Source: BIS Survey of Apprenticeship Employers (IFF)

Notes: * the base includes only those employers where no apprentices had taken on supervisory responsibilities, been promoted or moved into management jobs in the organisation.

There is greater variation across Apprenticeship frameworks compared to size of employer, as indicated in Table 6.19. The share of employers who reported that apprentices had taken on supervisory responsibilities post-completion ranged from 28% in Engineering and Manufacturing Technologies, to 62% in Leisure, Travel and Tourism.

Table 6.19: Post-completion activity of apprentices by framework

Row %s		% of employers in which some or all apprentices have:			
		Taken on supervisory responsibilities	Been promoted	Moved into management jobs in the organisation	Taken on more responsibility
Health, Public Services and Care	%	49	55	16	55
Agriculture, Horticulture and Animal Care	%	46	45	11	58
Engineering & Manufacturing Technologies	%	28	40	8	72
Construction, Planning and the Built Environment	%	41	45	11	70
Information and Communication Technology	%	33	56	10	60
Retail and Commercial Enterprise	%	54	67	26	51
Leisure, Travel & Tourism	%	62	55	30	59
Business, Administration & Law	%	47	59	21	63
All Frameworks	%	46	55	18	62
<i>Weighted base</i>		<i>34,829</i>	<i>34,829</i>	<i>34,829</i>	<i>12,577*</i>
<i>Unweighted base</i>		<i>3,359</i>	<i>3,359</i>	<i>3,359</i>	<i>1,246*</i>

Base: Employers with completers still working at establishment

Source: **BIS Survey of Apprenticeship Employers (IFF)**

Notes: * the base includes only those employers where no apprentices had taken on supervisory responsibilities, been promoted or moved into management jobs in the organisation.

Promotion of apprentices after completion of their training was most commonly reported by employers with Apprenticeships in Retail and Commercial Enterprise (67% of employers indicated that some or all had been promoted) and least common in Engineering and Manufacturing Technologies (40%). Movement of some or all apprentices into management roles in the organisation was much less common than taking on supervisory duties or being promoted. Employers offering Apprenticeship training in Engineering and Manufacturing Technologies were least likely to have all or some of their apprentices move into management after completion of their training with 8% of employers indicating this to be the case. Progression into management roles was more commonly reported by employers with Apprenticeships in Leisure, Travel and tourism and Retail and Commercial enterprise where 30% and 26%, respectively, reported that all or some of their apprentices had moved into management jobs. More than half of employers in all frameworks indicated that some or all apprentices who had not taken on supervisory responsibilities, been promoted or moved into management roles, had still taken on more responsibility. While these differences may be associated with differences in Apprenticeships they will also reflect differences in career structures and working practices in the sectors concerned.

In some Apprenticeships, such as Engineering and Construction, there may be relatively more progression over the training period given that Apprenticeships in these sectors often take between three to four years to complete at Level 3. Accordingly, by the time apprentices are formally considered to have completed they may have already taken on more responsibility reflected in their wage rates. Promotion to the next level – typically considered to be to supervisor or first line management positions – is only achieved after substantial experience has been gained in the job to which the Apprenticeship provided entry.¹⁴ In other sectors, the Apprenticeship may be of shorter duration such that the apprentice is expected to take on relatively less responsibility, but there may be a more graduated occupational structure in the organisation such that completion of the Apprenticeship is rewarded with a more senior job title.

Conclusion

The additional training of apprentices that occurs due to government funding of the programme is found to be substantial on the basis of responses to the survey. Without any public funding for Apprenticeships for those aged 19 years and older (assumed to raise training costs for employers by an amount equivalent to the current level of state funding), the majority of employers indicated that they would have trained less than they had under the existing funding system (and most say they would not train apprentices at all). Even when faced with a smaller increase in training costs (equivalent to half the current level of state funding) substantial decreases in training volumes were reported to be likely. The likely reduction in the number of apprentices aged 19 years and older is found to be 85% were employers to be faced by full fees and 73% if faced with half fees. Looking at the total number of apprentices, of any age, full fees were estimated to result in a 61% reduction and half fees in 53% fewer apprentices than under the current funding arrangements.

It is important to note however, that reductions in public funding for Apprenticeships would not apply where apprentices are aged 16 to 18 years at the start of their training. Employers have indicated that age differentials in funding for the programme may influence their training behaviour in terms of the balance of apprentices by age group. Almost two-fifths of employers (37%) with apprentices over the age of 18 years indicated that if required to pay half fees they would expect to offer Apprenticeships only to fully-funded starters, aged 16 to 18. Additionally, 11% of employers with older apprentices would expect to offer a greater proportion of their training to 16 to 18 year olds if faced with half fees. Such behaviour would result in the total decrease in the number of Apprenticeships being lower than that indicated above.

The findings from this section of the employer survey indicate that government funded Apprenticeships has resulted in a significant amount of additionality, particularly in terms of the quantity of training. Deadweight is found to be much lower in this recent survey than in previous analyses of Modern Apprenticeships, though it is acknowledged that the present approach differs from previous studies. Critically, the current study examined employers' responses to the prospect of having to pay additional training costs whereas earlier studies

¹⁴ Hogarth, T. *et al.* (1996) *The Net Costs of Training to Employers*, Department for Education and Employment Research Report, HMSO, London

examined the effect of reduced cost through (often unseen) state funding. It is conceivable that employers react differently to these two situations and may be particularly negative to any perceived risk that state funding will be reduced. Whether the scale of the responses would be as great should such funding changes actually come about remains a matter of conjecture. Nonetheless, earlier surveys have shown the level of deadweight to be decreasing over time and the findings presented above are consistent with such a trend continuing. This decline in deadweight can be attributed to Apprenticeships having been established as one of the principal IVET routes for delivering intermediate level skills and this form of training becoming commonplace across nearly all sectors. Particularly since the last survey of Apprenticeship employers, many more employers have become accustomed to and reliant upon the provision and funding of Apprenticeships.

In relation to employers' response to how they would most likely respond to being faced with making an additional contribution to towards the overall costs of training, insights can be gained from the Fifth Net Benefits of Training Study conducted during 2011.¹⁵ In this qualitative study, based on semi-structured interviews with employers, respondents were asked a series of unprompted questions about how they would react if they had to meet 50% or 100% of the costs currently met by the training provider. The study revealed that, upon further consideration, employers would explore how they would defray the costs. A number of ways were considered about how this might be realised, including:

1. simply absorbing the additional cost of training cost without any impact on the volume or structure of training undertaken;
2. looking to achieve efficiency savings to reduce the impact of any additional costs (e.g. reducing the duration of the traineeship or Apprenticeship, seeking out new training providers, changing the structure of training, etc.);
3. shifting from Apprenticeship to some other, less costly, form of WPL;
4. moving to some form of non-certificated mode of training;
5. reducing the number of trainees taken on each year;
6. withdraw from the provision of initial vocational education and training.

The key point is that faced with increased costs of training employers are reluctant in many instances to withdraw from training which they consider to be essential to meeting their current and future skill needs. It was also apparent that in sectors such as engineering, construction and financial services - and amongst specific employers in other sectors – where Apprenticeships had become well established and / or were seen to confer a number of business benefits on the organisation, there was a reluctance to withdraw from this form of training. Accordingly, employers considered a number of ways in which the costs of training could be defrayed within the existing Apprenticeship set up. Hence one has to regard the survey derived estimates about the overall impact of employees meeting

¹⁵ Hogarth, T, *et al.* (2012) *Employer Investment in Apprenticeships and Workplace Learning*, Department for Business Innovation and Skills

half or the full costs of Apprenticeship currently met by the State in relation to apprentices aged 19 years and older at the start of their Apprenticeship with a degree of circumspection. At the same time, the Fifth Net Benefits of Training Study also revealed that there were employers who would withdraw from Apprenticeships for specific age groups if faced with additional costs.

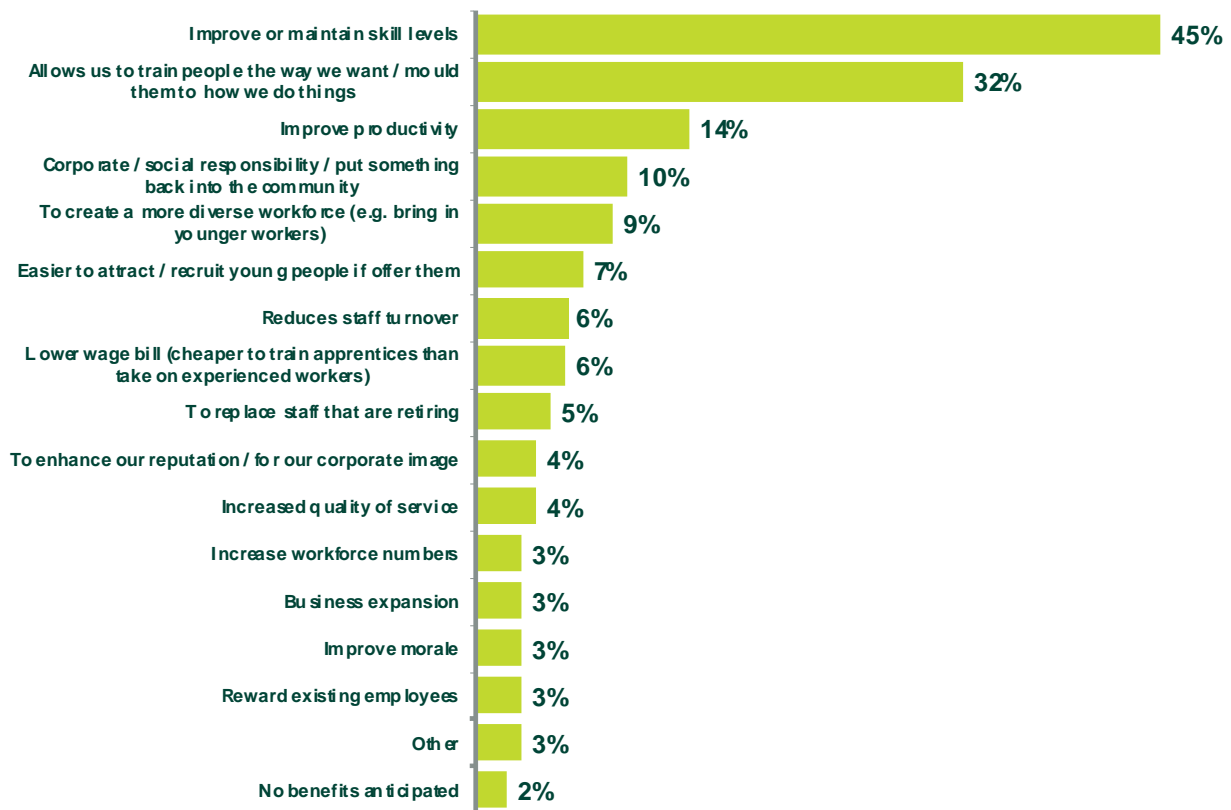
Chapter 7: The Business Benefits of Apprenticeships

In this chapter we explore the business benefits that employers hope to achieve by offering Apprenticeships, the benefits they have actually experienced as a result of offering and training apprentices, and whether any benefits are realised while the apprentice was still undergoing their training. We also examine whether apprentices share with other employees what they have learned in their training.

Main business benefits employers hoped to achieve

Respondents were asked as a spontaneous question the benefits they hoped to achieve by offering Apprenticeships – the question was about Apprenticeships at an overall level rather than concentrating on a specific framework as done in earlier sections of the questionnaire. Results are summarised on Figure 7.1.

Figure 7.1: Anticipated business benefits from offering Apprenticeships (spontaneous)



Base: All employers
Unweighted: 4,075

Employers spontaneously mentioned a relatively wide range of business benefits that they hoped would be achieved by offering Apprenticeships, most commonly improving or maintaining skill levels in their organisation (45%) and the related reason of wanting to improve productivity (14%), and being able to train people in the way they want them to work (32%). Hence the most common benefits desired related directly to skills and business performance. It was also quite common for Apprenticeships to be a vehicle for creating a more diverse and younger workforce (9%) and making it easier to recruit young people if Apprenticeships are offered (7%). Others mention factors including corporate social responsibility and putting something back into the community (10%) and enhancing their reputation and corporate image (4%). Overall 6% spontaneously say that it is for reasons of cost i.e. that it is cheaper to take on and train apprentices than to recruit experienced workers.

There were some differences by size, type and sector of employer:

- Public sector employers were far more likely to be motivated by creating a more diverse workforce (20% v 8% among private sector companies) or by Corporate Social Responsibility and putting something back into the community (17% v. 9% among private sector companies, it was also high in the charity / voluntary sector at 20%);
- The larger the employer, the more likely they were to be motivated by the desire to increase or maintain skill levels (this was mentioned by 39% of organisations employing fewer than 25 staff, 45% of those with 25-99 staff and 54% of those with 100 or more employees across the UK). Related to this, those with 20 or more apprentice starts in the last 3 years were more likely to mention the desire to increase or maintain skill levels (53%);
- Manufacturing / engineering firms, those operating in hospitality and those in retail and wholesale were particularly likely to hope Apprenticeships would improve or maintain skills levels (57%, 56% and 52% respectively). In comparison this was mentioned by a third to two-fifths of those operating in agriculture (34%), hair and beauty (34%) and construction (38%). Being able to train apprentices in their way of doing things was more likely to be a factor than average for those in professional services or finance (39%).

Predictably there were very wide differences in the benefits desired from offering Apprenticeships by whether the firm had recruited apprentices or provided them for existing staff, indeed the different motivations clearly affect the recruitment approach they take. Differences are shown in the following table which look at those only providing Apprenticeships for existing employees and those only offering Apprenticeships to new recruits, as well as differences between those only recruiting 16-18 year olds and those restricting their (recent) offer to those aged 19 plus. This shows that those only offering Apprenticeships to existing employees and those offering them just to those aged 19 plus are particularly likely to hope the benefit is maintaining or increasing skill levels, whereas those offering Apprenticeships just to younger people and to new recruits place greater relative emphasis on being able to train them in their way of doing things, as well as their corporate social responsibility.

Table 7.1: Anticipated main business benefits by recruitment approach and by age of apprentice (spontaneous)

	Recruited only	Only for existing staff	Only 16-18s	Only 19+
Base: unweighted	2,782	845	1,877	919
	%	%	%	%
To improve / maintain skills	39	59	39	53
Allows us to train people the way we want / mould them to how we do things	37	20	37	23
Improve productivity	13	17	14	16
Corporate Social Responsibility / put something back into the community	12	5	12	7
To create a more diverse workforce (e.g. bring in younger workers)	11	5	10	7
Easier to attract / recruit young people if offer them	8	3	8	4
Reduces staff turnover	6	7	5	6
Lower wage bill (e.g. cheaper to train apprentices than take on experienced workers)	7	2	6	4

Note: the table just shows factors mentioned by more than 5% of the total sample spontaneously

Main business benefits employers experienced

Respondents were read a list of potential benefits and asked which they had experienced in their organisation as a result of offering and training apprentices. Results are shown on Figure 7.2.

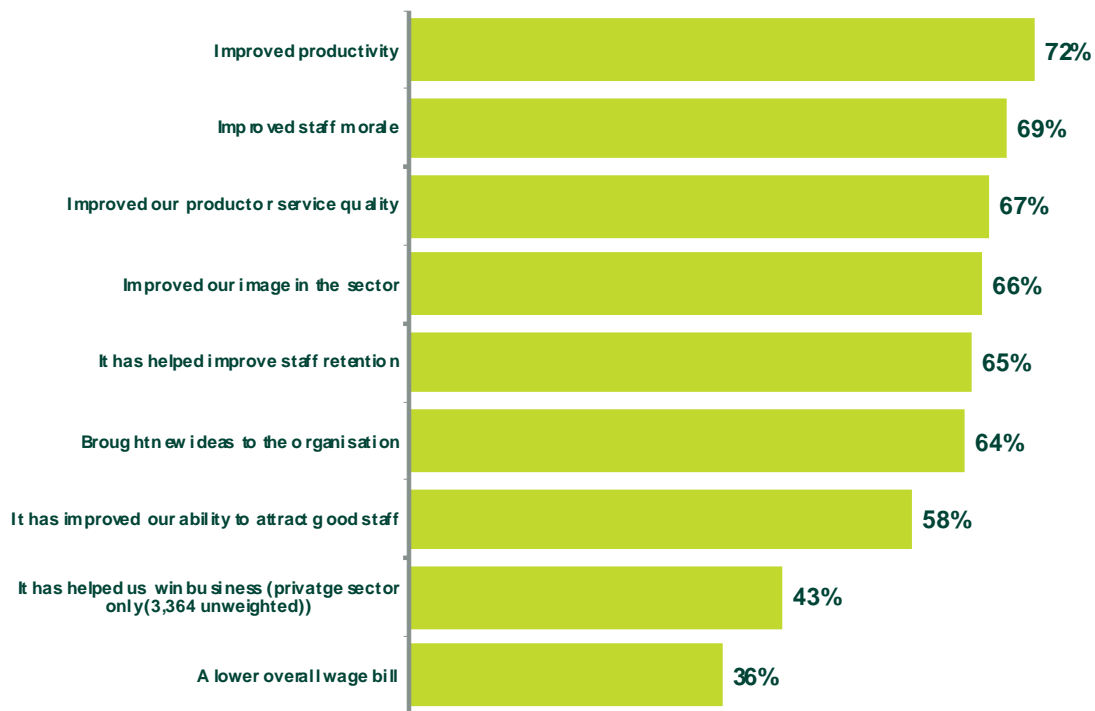
Nearly all employers (96%) reported at least one of the benefits listed having occurred. The most common individual benefit was improved productivity, mentioned by almost three-quarters of employers (72%), followed by improved staff morale, improved product or service, a more positive image in the sector, better staff retention, and the introduction of new ideas to the organisation, each mentioned by around two-thirds of employers.

There were only two of the business benefits read out to respondents which a minority of the employers had gained. Around two-fifths of private sector firms reported that it had helped them win new business (43%), whilst just over a third (36%) indicated that offering and training apprentices had lowered their overall wage bill.

Despite nearly all employers experiencing benefits as a result of offering and training apprentices, it needs to be borne in mind that around two-fifths (43%) of employers felt that if they stopped training apprentices altogether it would have no negative impact on

their business (see Table 6.14). The apparent inconsistency might be explained by employers feeling that alternatives to Apprenticeships would deliver the benefits to a broadly similar extent. It should also be noted that the question on the range of benefits was asked as a prompted question (with potential benefits read out to respondents) while that on the impact of not offering Apprenticeships was spontaneous: as a result comparisons between the level of each are hard to make. If the question on the impacts of not offering Apprenticeships had been asked as a prompted question with options read out to respondents then those saying there would be no negative impacts of not offering them would be lower than reported by using the spontaneous question.

Figure 7.2: Benefits experienced as a result of training and offering Apprenticeships (prompted)



Base: All Employers

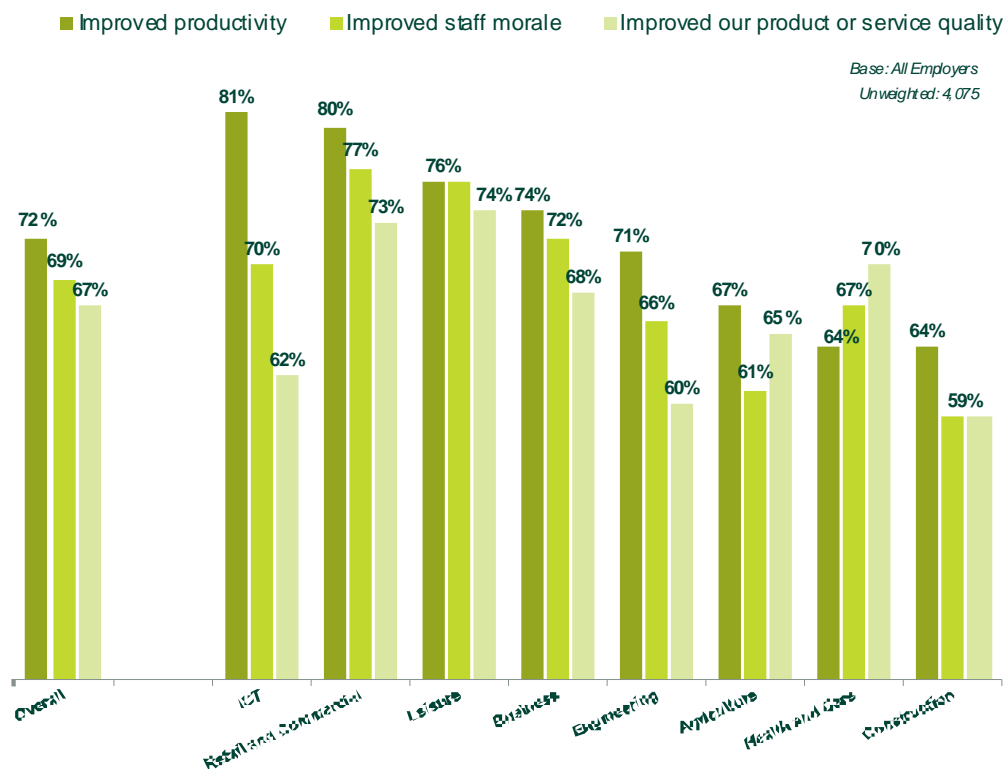
Unweighted: 4,075

There were relatively few differences by size of employer, though organisations with 250 or more staff across the UK were more likely than average to report Apprenticeships bringing new ideas to the organisation (70%) and less likely to report it lowering the wage bill (28%). Nor was there much difference between those training 1-4, 5-9 or 10-19 apprentices; however, those who had taken on more than 20 apprentices (a base of 215 respondents) were much more likely than average to report the following benefits: an improved image in the sector (86%), improved staff morale (82%), it bringing new ideas to the organisation (81%), improved product or service (78%) and it being easier to attract new staff (71%).

There were some differences in the extent to which benefits had occurred by framework and sector (though noting that the question was about their overall involvement in Apprenticeships not the specific framework discussed in detail during the interview). Those with Retail and Commercial Enterprise and Leisure Travel and Tourism Apprenticeships were more likely to report most of the individual benefits. (As a note, those operating in the hair and beauty sector, nearly all of whom were undertaking Apprenticeships falling within the broad Retail and Commercial Enterprise framework, were particularly positive on all measures.) Those delivering ICT frameworks were more likely to report increased productivity (81%) though less likely to report most of the other benefits (a low base of 66 respondents for this framework should be noted). Those delivering Construction, Planning and the Built Environment Apprenticeships were less likely than average to report most benefits (the difference was particularly marked for bringing new ideas to the company, mentioned by 47% compared with 64% of all employers) – the one exception was it improving their image in the sector (mentioned by 73% compared with 66% of all employers).

Figure 7.3 shows the extent of differences by framework, just showing the main three benefits reported by employers.

Figure 7.3: Benefits experienced as a result of training and offering Apprenticeships by framework (prompted)



How soon benefits are experienced

We have seen that the vast majority of employers indicated that they had gained benefits through offering Apprenticeships and training apprentices (96%). The vast majority (91%)

felt these benefits were realised while the apprentices were still undergoing their training: more felt this was the case to some extent (64%) than a great extent (27%), suggesting that most feel the benefits start to occur during the training, but continue on completion. Those discussing Construction, Planning or Built Environment Apprenticeships were the most likely to feel the benefits to the organisation do not begin during the Apprenticeship (15% v. 7% among all employers experiencing benefits). It was also higher than average among those with apprentices undertaking Engineering and Manufacturing Technology Apprenticeships (10%). Both are sectors with a tradition for formal Apprenticeships, where the training is longer than average, and where achieving an Apprenticeship is the first step on the way to becoming a fully productive worker. This may explain why more employers than average in these sectors say the benefits only come into effect after completion of the training.

It is interesting that there was little difference in the extent to which the benefits start during the training by whether the employer only recruited apprentices or only offered Apprenticeships to existing staff.

Knowledge sharing between apprentices and other employees

We have seen that almost two-thirds of employers felt that their involvement in Apprenticeships had brought new ideas to the organisation (64%). Related to this, it is encouraging that most employers felt apprentices often share what they have learned with other employees (59%), in addition a quarter felt this happened though only infrequently. In the qualitative survey, a number of employers stated that the confidence and enthusiasm of the apprentices can rub off on their fellow workers, as well as making them more open to new technology and ideas,

Employers operating in hair and beauty (69%), health and social work (65%), hospitality (64%) and education (63%) were the most likely to say such dialogue happened frequently.

Chapter 8: Apprenticeships and the alternatives

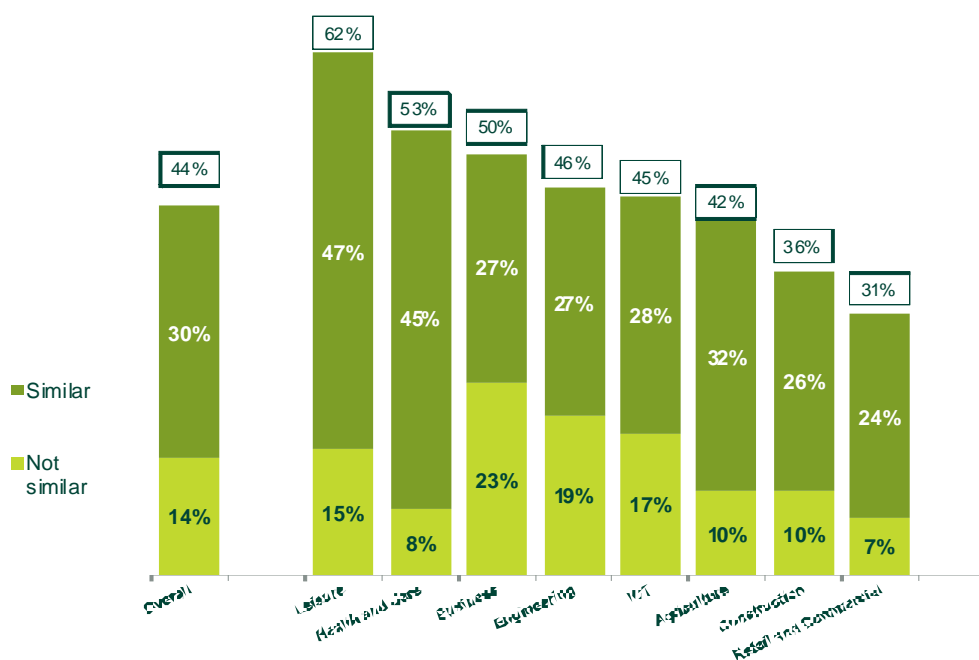
One means of evaluating Apprenticeships is comparing them to similar qualifications that employers may be using. To this end employers were asked whether in the last three years they had provided other training for staff leading to qualifications of a similar level and in a similar subject area as the Apprenticeship. If so they were asked why they provided both, and then asked to compare the two for their impact on skills, proficiency and their relative value to the organisation. In this chapter we also explore what the main alternatives to providing Apprenticeships are and which, if any, they have pursued in the last three years.

The incidence of and reasons for training at a similar level and in similar subject areas to Apprenticeships

Just over two-fifths of employers in the survey had provided training for staff over the last three years that led to a similar level of qualification as their Apprenticeships (44%). A majority of these employers (68%) indicated that this training was in a broadly similar subject area to those which their apprentices work towards, hence overall three in ten employers (30%) had offered alternative, similar-level training in the same broad subject areas as their Apprenticeship in the last three years. Results by framework are shown on Figure 8.1.

Figure 8.1: The proportion providing alternative, same-level training to Apprenticeships in the last 3 years, and whether in broadly similar subjects areas, by framework

Base: All employers answering
Unweighted: 4,070



Employers delivering Apprenticeships in Leisure, Travel and Tourism and in Health, Public Services and Care frameworks were by far the most likely to have offered alternative same-level, same-subject training to their Apprenticeships. In each case approaching half had done so (47% and 45% respectively). For all other frameworks, around a quarter to a third of employers had provided alternative training of this sort. The figure was lowest among employers offering Construction and Retail and Commercial Apprenticeships, where around a quarter had offered alternative training to Apprenticeships at the same-level and in a similar topic area. In Construction this is likely to reflect traditional, long term reliance on Apprenticeships as the means to train the next generation of skilled workers, while in Retail it is likely to reflect that in the sector overall there is a lower incidence of employers offering formal training more generally.

As one might expect larger employers with 250 or more employees were more likely than SMEs to have provided alternative training to Apprenticeships which leads to qualifications at a similar level (57% compared to 39%; in terms of this being at a similar level and in a similar subject area the figures were 38% v. 27% respectively). The greater availability of alternative training for larger organisations is likely to reflect greater variety of employees to train, more investment in training generally and the internal structure in place to be able to manage and run alternative training programmes.

We have seen that 30% of employers surveyed had provided both Apprenticeships and alternative training in similar subject areas leading to similar level qualifications to their Apprenticeships in the last 3 years. These 1,240 respondents were asked why they chose to offer both. Results on this spontaneous question are shown in Figure 8.2.

Figure 8.2: Reasons why employers offer alternative training to Apprenticeships, at a similar level and in a similar subject (spontaneous)

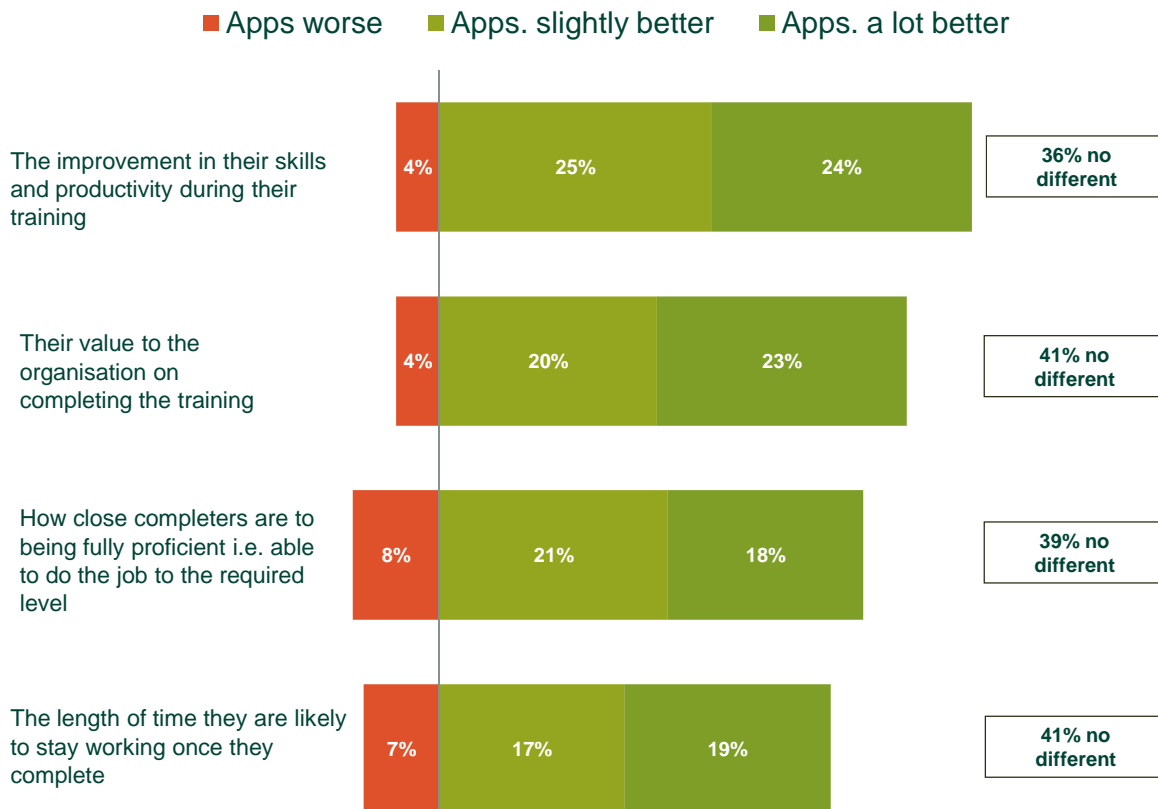


The most common reasons for offering Apprenticeships and similar alternatives are that the alternative qualifications are more specific or tailored (39%), the alternative qualifications tend to be used for existing staff whilst Apprenticeships are for new recruits (28%) and the mix being needed to optimise skills (17%). Less common reasons included age restrictions on (the funding of) Apprenticeships (6%) and needing to offer alternatives as not all staff qualify for Apprenticeships (2%), costs (6%), and it being the choice of staff themselves (5%).

Views of Apprenticeships compared against similar qualifications

Employers providing Apprenticeships and recent alternative training at a similar level in similar subject areas were asked to compare each for their impact on skills and productivity, proficiency, how completers tend to stay, and their value to the organisation. Results are summarised in the following chart, in descending order for the proportion indicating Apprenticeships are a lot better or slightly better than the alternative. Percentages in the bars do not add to 100% because those answering that there is no difference are not shown (the figures appear in the boxes to the right), nor are those answering that the two are not comparable (c. 10% in each case) or answering 'don't know' (2% - 5%).

Figure 8.3: Views on Apprenticeships in comparison to similar level alternatives qualifications employers provide



Base: employers providing alternative similar level, similar subject training as their Apprenticeships and answering (1,228 unweighted)

Results are clearly encouraging, with many more employers thinking Apprenticeships better (c two-fifths) than preferring the alternatives (c 5%). In relative terms results were most positive about improving learners' skills and productivity during the training: almost half (48%) thought Apprenticeships better in this regard than the alternatives, indeed a quarter felt Apprenticeships were much better (24%); just 4% thought Apprenticeships were worse than the alternatives for improving skills and productivity. In terms of the overall value of the learners to the organisation on completion of their training, just over two-fifths (43%) preferred Apprenticeships to the alternatives they used, compared with 4% preferring the alternatives.

While across all broad frameworks many more employers were more positive about Apprenticeships than the alternatives, results varied somewhat by framework. This is shown in Table 8.1, which presents mean scores using the following rating system: those employers who thought Apprenticeships were a lot better were counted as +100, with those who felt Apprenticeships were slightly better given a score of +50 points, those who felt there was no difference were allocated 0, those who thought Apprenticeships were slightly worse were given a value of -50 and those who felt Apprenticeships were a lot worse had a value of -100.

Table 8.1: Mean scores of whether Apprenticeships were better or worse than those undertaking similar alternative training, by main broad framework

		The improvement in their skills and productivity during their training	Their value to the organisation once training complete	Completers are fully proficient	The length of time completers are likely to stay at the organisation
<i>Base: those offering Apprenticeships and alternative training at a similar level</i>	Base	MEAN	MEAN	MEAN	MEAN
Overall	1,228	38	34	27	27
Retail and Commercial	177	46	49	33	35
Engineering & Manufacturing Technologies	158	44	46	33	43
Construction, Planning & the Built Environment	147	41	36	28	31
Business Admin & Law	241	38	31	32	23
Leisure, Travel & Tourism	66	37	38	27	36
Agriculture, Horticulture & Animal Care	79	30	27	22	23
Health, Public Services and Care	331	29	23	20	18

		The improvement in their skills and productivity during their training	Their value to the organisation once training complete	Completers are fully proficient	The length of time completers are likely to stay at the organisation
<p><i>Mean score values: 100 = Apprenticeships a lot better, 50 = Apprenticeships slightly better, 0 = no different; -50 = Apprenticeships slightly worse, -100 = Apprenticeships a lot worse</i></p> <p><i>All figures shown are positive scores. ICT framework has been omitted due to low base size (19).</i></p>					

Employers offering Apprenticeships in Retail and Commercial, in Engineering and Manufacturing Technology, and in Construction, Planning and the Built Environment frameworks were the most positive about Apprenticeships in comparison to alternative similar-level training that they offer, and on each of the four measures assessed their mean scores are above average. The difference to the average was particularly marked for the first two of these broad framework areas. It was noticeable that views of how long apprentices tend to stay on completion, compared to those completing alternative training, was particularly positive among those offering Apprenticeships in Engineering and Manufacturing Technology frameworks.

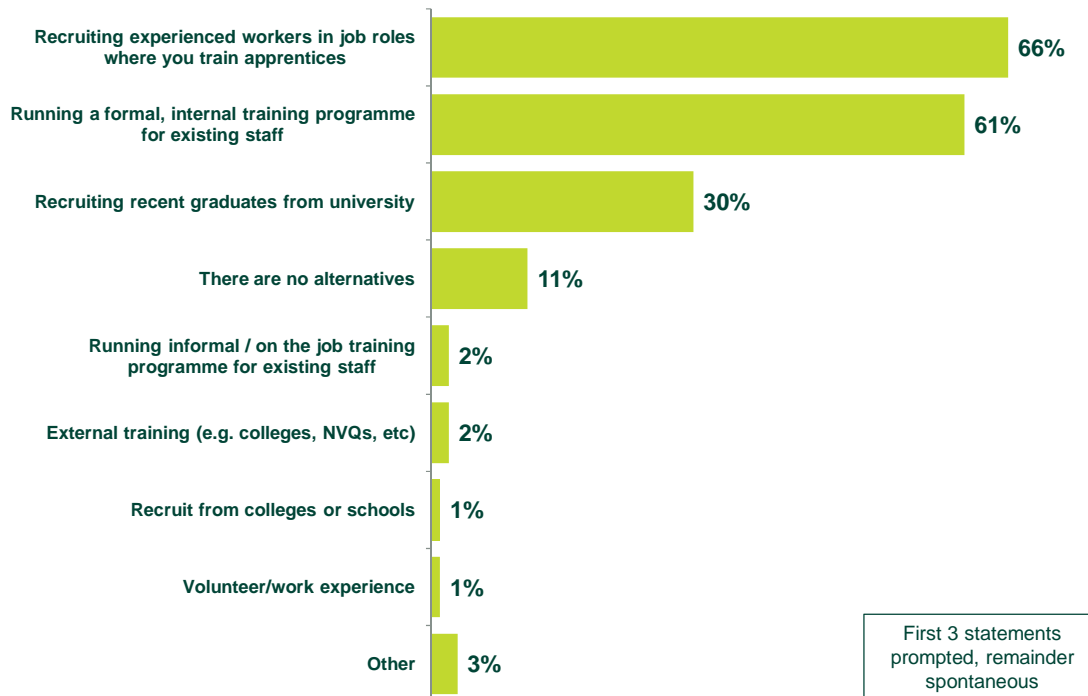
Employers offering Health, Public Services and Care and offering Agriculture, Horticulture and Animal Care frameworks were the least positive, and on each of the four measures were far less positive than average. For example in the case of how close completers are to being fully proficient 13% of those employers offering Agriculture and 10% of those employers offering Retail frameworks felt Apprentices were worse than those on alternative training schemes, compared to just 5% of those employers offering Business Administration frameworks.

There was relative little difference by the age of the apprentices, the level of the Apprenticeship training or how they are taken on, for example when comparing those only training 16-18 year olds to those only recruiting those aged 19 plus, or those only providing Apprenticeships to existing staff compared to solely offering them to recruits.

Alternatives to Apprenticeships

To understand what the main alternatives to Apprenticeships are for employers, all respondents were asked which from a list that they considered to be realistic alternatives, and then what other alternatives existed. Two-thirds considered recruiting experienced workers a realistic alternative (66%) as did three-fifths (61%) regarding running a formal, internal training course for existing staff. Only three in ten felt that taking on recent graduates was an alternative to Apprenticeship training (30%). Overall one in nine felt there were no alternatives (11%).

Figure 8.4: Realistic alternatives to offering Apprenticeships (first three statements prompted)



Base: All employers and answering (4,044 unweighted)

The likelihood of being able to put on their own internal training programme to replace Apprenticeships increased with the size of organisation (from 55% among those fewer than 25 staff across the UK, to 60% among those with 25-99 staff, to 70% among those with 100 or more staff) and, related to this, with the number of apprentice starts (57% of those training fewer than 5 in the last 3 years feel it is a realistic alternative rising to 68% among those with more starts in that time period). Differences also exist by framework, in particular:

- Those delivering Health, Public Services and Care Apprenticeships were more likely than average to mention each of the three main alternatives (76%, 70% and 37% respectively), as were those delivering Leisure, Travel and Tourism Apprenticeships (70%, 77% and 46% respectively);
- Those delivering Construction, Planning and the Built Environment and Agriculture, Horticulture and Animal Care Apprenticeships were the most likely to say there were no alternatives (19% and 18% respectively, compared with 11% overall);
- Employers delivering Construction, Planning and the Built Environment Apprenticeships were the least likely to feel they could recruit recent graduates to replace apprentices (15%) and the least likely to feel they could set up a formal, internal training programme as an alternative (41%). Employers delivering

Engineering and Manufacturing Technology Apprenticeships were also much less likely than average to see these as alternatives (21% and 51% respectively);

- In two framework areas, running an internal formal training programme was more often considered an alternative than recruiting experienced staff: Leisure, Travel and Tourism (77% v 70% respectively) and Retail and Commercial Enterprise (69% v 62%). In Business Administration and Law, the same proportion of employers mentioned each (63%);
- Although still ranked the third of the realistic alternatives within each framework area, employers delivering Apprenticeships in the following broad framework areas were far more likely than average to see recruiting graduates as a possible: ICT (47%), Leisure, Travel and Tourism (46%), Business Administration and Law (38%), and Health, Public Services and Care (37%).

Most employers had undertaken at least one of the three main alternatives to Apprenticeships in the last 3 years (73%). Just over half of employers had run a formal internal training programme for existing staff (55%), and half had recruited experienced workers in the same job roles where they run apprenticeships (51%). Around a fifth had hired university graduates in the last three years (19%). Larger employers (those with 250 employees or more) were more likely to have done each (73%, 57% and 33% respectively).

Again, there was wide variation by the broad framework area. Those offering Construction, Planning and Built Environment and Agriculture, Horticulture and Animal Care frameworks were the least likely to have taken any of the three measures in the last three years (62% and 66% against the average of 73%). In these frameworks the proportion recruiting recent graduates was lower than others (9% and 15% respectively) as it was in Engineering and Manufacturing technologies (14%) and in Retail and Commercial (13%). In comparison over two-fifths of employers with ICT apprentices had taken on recent graduates in the last three years (43%).

Those respondents that felt realistic alternatives to Apprenticeships existed but who had not undertaken any of these alternative measures in the last three years (a base of 625 respondents) were asked why this was the case. The most common reason given was that they had not needed to, for example because their organisations had been fully staffed (27%), followed by it being because their Apprenticeship training had been working well or their preferring Apprenticeships (19%). Other reasons for not pursuing the alternatives often involved the relative costs, or the value, of each, and included recruiting experienced workers being too expensive in terms of their salary (5%, 2% also mentioned this in regard to high salaries for recent graduates), training apprentices offering better value for money (5%), and unspecified costs (6%). Further reasons include struggling to find the calibre of experienced workers (3%) or recent graduates (2%), and Apprenticeships being seen as preferable to taking on experienced workers because they can be 'moulded' to their way of doing things (4%).

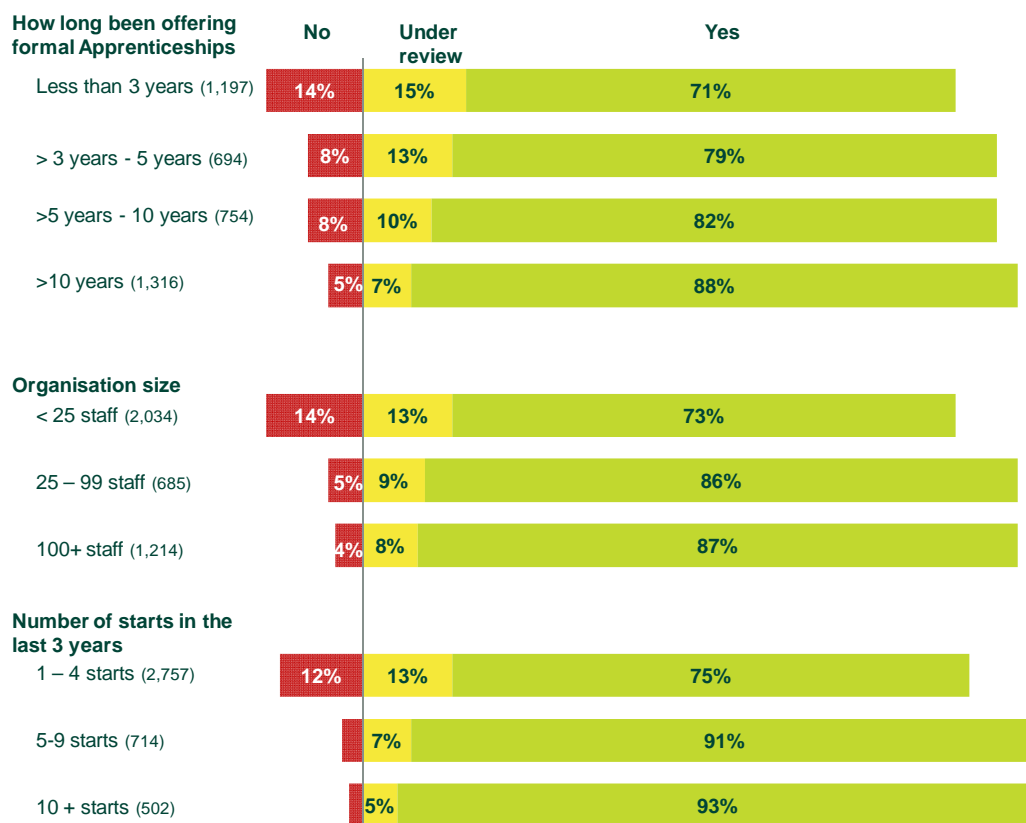
Chapter 9: Future plans in regard to Apprenticeships

This short chapter examines the future intentions of employers regarding Apprenticeships, in particular:

- The extent to which the sample of employers covered in the survey (those with recent Apprenticeship completers) plan to continue to offer Apprenticeships
- The reasons why some employers do not expect to continue to offer them
- Whether those that do plan to offer them expect to expand the number of places and or their use within the organisation.

The majority of employers are committed to the Apprenticeship programme and plan to continue to offer Apprenticeships (80%). Around one in ten were currently undecided or were reviewing their involvement (11%), leaving one in eleven (9%) that were not planning to continue to offer Apprenticeships.

The likelihood of wanting to continue to offer Apprenticeships varies widely by the length of involvement with Apprenticeships, size of organisation, and the number of apprentice starts. As shown on the following chart, small organisations with fewer than 25 staff across the UK, those with fewer than five people starting an Apprenticeship in the last three years, and those first becoming involved in offering Apprenticeships in the last three years are all more likely than average to plan not to continue Apprenticeships (12% - 14% in each case). Still over seven in ten in each group plan to continue.

Figure 9.1: Whether plan to continue offering Apprenticeships

Base: All employers answering (4,035 unweighted, 41,836 weighted) – unweighted figures in brackets

The likelihood of wanting to continue to offer Apprenticeships also varies widely by framework (and sector):

- Those offering the following broad frameworks were more likely than average to plan to continue to offer Apprenticeships: Leisure Travel and Tourism (87%) and Health, Public Services and Care (86%). In each case few planned to stop offering Apprenticeships (5% and 3% respectively).
- Those offering the following broad frameworks were much more likely than average to plan not to continue their involvement with Apprenticeships: Construction, Planning and the Built Environment (17%), Agriculture, Horticulture and Animal Care (14%). Among those offering ICT Apprenticeships a relatively high proportion either did not plan to continue (11%) or the decision was under consideration (18%). Still, across all three of these broad framework areas just over seven in ten planned to continue offering Apprenticeships (71% or 72%).

There was little difference by the level of Apprenticeship being offered, but those only offering Apprenticeships to those aged 19 plus were significantly less likely than those only offering them to those aged 16-18 to definitely be planning to continue to offer Apprenticeships (73% v 78%) – most of the differences are explained by a higher

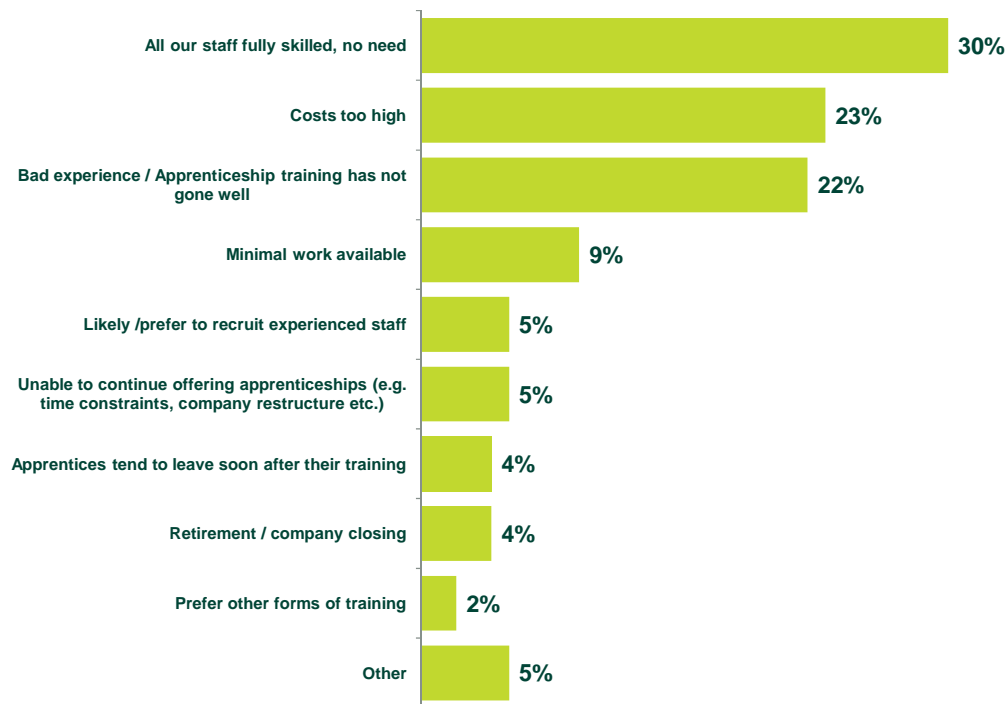
proportion saying it was under review (16% v. 12% respectively); the proportion saying they would no longer offer Apprenticeships was almost the same (11% and 10%).

Related to this, those confining their Apprenticeships to people they specifically recruit in were significantly more likely to be planning to continue their Apprenticeship offer compared with those only providing them to existing staff (81% v 75% respectively).

Reasons for ending their Apprenticeship offer

Overall 9% of surveyed employers planned not to continue to offer Apprenticeships. The main reasons for this, mentioned spontaneously, are shown in Figure 9.2.

Figure 9.2: Reasons why plan not to continue offering Apprenticeships (spontaneous)



Base: All employers who don't plan to continue to offer Apprenticeships, and answering
Unweighted: 374
Weighted: 3,762

Three main reasons dominate: all their staff being seen as fully skilled and therefore having no need to train existing or new staff (30%), the perceived high cost (23%) and their having a negative experience with Apprenticeships or feeling that the training had not gone well (22%). No other individual reason was mentioned by more than one in ten employers.

Construction sector employers, who were more likely than other frameworks to discontinue their involvement in Apprenticeships, were particularly likely to mention costs (30%) and that they did not have sufficient levels of work to justify taking on new apprentices (19%). Conversely they were far less likely than average to say the reason was that their staff were fully skilled (16%).

Change in the use of Apprenticeships

Most of the employers planning to continue to offer Apprenticeships (or still reviewing this) expected the number of Apprenticeship places they would offer in the next two to three years to remain unchanged (68%). Slightly more expected an increase in numbers (18%) than expected a decrease (11%).

Large employers were the most likely to expect an increase in apprentice numbers: among those with 250 or more staff continuing to offer Apprenticeships 24% expected the number of places to increase compared with 10% expecting a decrease (the figures were almost identical whether looking at those with 100 or more staff or those with 250 or more staff). In comparison among organisations with fewer than 25 staff, almost as many expected fewer places (12%) as expected an increase (13%). By broad framework, employers offering Apprenticeships in the following areas were more likely than average to anticipate an increase in apprentice numbers: Business, Administration and Law (24%) and Leisure, Travel and Tourism (23%).

The measure is of course fairly crude as an indicator of overall Apprenticeship numbers in the near future, if only because the size of the expected increase or decrease was not asked. The findings though do suggest at a very headline level that other things being equal, employers already involved in Apprenticeships are likely to continue to offer broadly similar numbers of apprenticeship places (most expect the number to stay the same, the net gain in the proportion expecting an increase over those expecting a decrease is similar to the proportion expecting to withdraw from offering them altogether).

As with Apprenticeship numbers, most employers that expect to continue to offer Apprenticeships do not expect to extend their use of them within the organisation (in the question this was described as for example, introducing them into sites, departments or divisions that previously did not offer them). A third (32%) of employers expecting to continue offering Apprenticeships did expect to extend their use: this was much higher in large organisations with 100 plus staff (50%), multi-site organisations (41%), and public sector organisations (57%).

Overall the results suggest that among employers with recent involvement in Apprenticeships on balance the next few years will see a period of consolidation rather than expansion.

Chapter 10: Conclusions

This evaluation has provided a comprehensive review of Apprenticeships from the employer perspective. It provides timely evidence on how apprentices are sourced, the nature of the training experience, employer satisfaction with their involvement in the design of the training and then with the delivery of the training, the value of Apprenticeships to employers, and the extent to which employers would continue to be involved if they had to pay more for Apprenticeship training.

The findings of this evaluation come at a time when there is significant focus from government on ensuring that value and quality underpin the continuing expansion of Apprenticeships, as seen by the announcement in April 2012, and coming into effect from August 2012, of a new minimum duration of 12 months for all publicly-funded Apprenticeship schemes. The fundamental minimum standard for Apprenticeships is that they should offer the three key elements of employment, new learning and a nationally recognised qualification.

This section brings together some key themes emerging from the evaluation, and the implications for Apprenticeship strategy.

Providers have played a key role in recent years in promoting Apprenticeships to employers. Among employers that had been offering Apprenticeships for five years or less, being approached by a provider was the most single most common stimulus to their involvement (mentioned spontaneously by 27%), and among employers recruiting their recent apprentices (as opposed to offering them just to existing staff) the most common means of recruitment was using, or leaving it to, a training provider (44%).

Most employers feel well supported at the time they first consider offering Apprenticeships. Four-fifths felt there was sufficient information and support when they were considering offering Apprenticeships, though still 14% thought there had been insufficient support. Smaller employers with fewer than 25 staff were most likely to feel the support had been insufficient at this stage (17% compared with 9% among those with 100 or more staff), indicating that more needs to be done to help the smallest firms embarking on the Apprenticeship journey. The desire for more support at this stage is not confined to specific sectors or frameworks.

A quarter of employers had used information or support for the National Apprenticeship Service (NAS). While those engaging with NAS were very satisfied with the assistance provided (62% were very satisfied v. 4% dissatisfied), more could be done to engage with private sector employers and smaller employers, among whom contact with NAS was far lower than found among public sector bodies, the voluntary sector and large employers.

Only just over half of all employers (and only a third of those providing Construction frameworks) were involved in or felt able to influence decisions about the content and delivery of training before it started, and overall 14% of employers were dissatisfied with their influence / involvement at this stage (11% were dissatisfied with their ability to influence content and delivery of the training once it was underway). Dissatisfaction is much higher among those not involved at either stage (around a quarter were dissatisfied,

whereas very few of those involved in discussions were dissatisfied with how these went). **Results therefore indicate that providers need to do more to involve employers in discussions about the training both before and during the Apprenticeship.** This is supported by the finding that employers involved in decisions about the Apprenticeship were far more satisfied with the quality of the training from the provider (71% very satisfied) than those with no such involvement (53%).

Results show that **employer satisfaction with Apprenticeships is high:**

- Around seven in ten (69%) were very satisfied with the relevance of the training (just 4% were dissatisfied on this measure).
- Around two-thirds (66%) of those where a provider delivered training were very satisfied with the quality of the training (v 7% dissatisfied).
- Nearly half (47%) had recommended Apprenticeships to other employers and in addition more than a fifth (22%) would strongly recommend them if asked (just 1% had recommended employers not to offer them and 1% would strongly recommend against it if asked).
- The vast majority of employers with recent completers (80%) remain committed to Apprenticeships and plan to continue to offer them (11% were reviewing their involvement and 9% were not planning to continue).

Related to this, **nearly all employers reported benefits to their organisation resulting from their involvement in Apprenticeships**, most commonly improved productivity (72%), followed by improved staff morale, improved product or service, a more positive image in the sector, better staff retention, and the introduction of new ideas to the organisation, each mentioned by around two-thirds of employers. While these are very positive findings it needs to be noted that when employers were asked, as a spontaneous question, what the impacts of training fewer apprentices would be more than two-fifths felt there would be no negative impacts (43%).

Results on satisfaction with and the benefits derived from Apprenticeships vary widely by framework and sector. In particular, on many measures those offering Construction frameworks are less positive than average. It needs to be borne in mind though that employers delivering Apprenticeships in this area, together with those in Engineering, have a somewhat different 'model' to the norm and are much more likely to be recruiting all their apprentices specifically as opposed to providing them for existing staff, and more likely to be training 16 to 18 year olds. In both framework areas employers have much longer experience of offering Apprenticeships and hence may be more demanding. This may be reflected in the fact that on the Learner Survey learners in on Construction frameworks were among the most positive.

It is important when discussing the perceived value and benefits of Apprenticeships to note that just 11% of employers reported paying any fees to a provider for the delivery of their training. (Although this did vary quite widely by framework, even in those frameworks where employers were more likely than average to pay, namely Engineering, Agriculture and Construction frameworks, still only around a sixth to a fifth paid fees to their provider).

A key measure of the value placed on Apprenticeships by employers is the extent to which they would be prepared to pay (more) for them. This is particularly important in the context of government policy which has indicated that “The cost of paying for training should ultimately be shared between employers, individuals and the state to reflect the benefit each receives. As well as being a better way of allocating scarce resource, it means that individuals and business are motivated to ensure that what is provided meets their needs” (BIS’ Skills for Sustainable Growth)

The findings indicate that government funded Apprenticeships have resulted in a significant amount of additionality, particularly in terms of the quantity of training: the majority (72%) of employers training apprentices aged 19 or over indicated that they would not have trained apprentices of this age if they had to pay the training costs equivalent to the current level of state funding. Even when faced with a smaller increase in training costs (equivalent to half the current level of state funding) substantial decreases in training volumes were reported as being likely. The likely reduction in the number of apprentices aged 19 years and older is found to be 85% were employers to be faced by full fees and 73% if faced with half fees (equivalent to reductions of 61% and 53% respectively in the number of all apprentices, irrespective of age). However, this is likely to overstate what would actually occur with the introduction of higher fees, for the following reasons:

- Reductions in public funding for Apprenticeships would not apply where apprentices are aged 16 to 18 years at the start of their training. Employers indicate that age differentials in funding would influence their training behaviour in terms of the balance of apprentices by age group: if required to pay half fees almost two-fifths of employers (37%) with apprentices over the age of 18 years indicated that they would expect to offer Apprenticeships only to fully-funded starters aged 16 to 18, and additionally 11% would expect to offer a greater proportion of their training to 16 to 18 year olds.
- Other qualitative research among employers, where reactions to fee increases could be explored in more depth, suggests that while some would withdraw from Apprenticeships altogether, others would be reluctant to withdraw from training which they consider to be essential to meeting their current and future skill needs and would explore how the costs of training could be defrayed within the existing Apprenticeship set up.

When asked whether they would still have trained apprentices over the last three years if they had had to bear the full costs, 17% of all employers with apprentices aged 19 years and older indicated that they would have taken on apprentices with full fees or that they already paid equivalent fees, whilst 29% would have continued, or already paid, half fees. It is the Apprenticeship training undertaken by these employers that comprises the deadweight loss arising from Government funding of the programme as this training (or at least some of it) would have taken place without funding.

Deadweight is found to be much lower in the current survey than in previous analyses of Apprenticeships (though it should be noted that the present approach differs somewhat from previous studies, as discussed in Chapter 6). Nonetheless, earlier surveys have shown the level of deadweight to be decreasing over time and the findings of the current survey are consistent with such a trend continuing. This decline in deadweight

can be attributed to Apprenticeships having been established as one of the principal routes for delivering intermediate level skills and this form of training becoming commonplace across nearly all sectors. Particularly since the last survey of Apprenticeship employers, many more employers have become accustomed to and reliant upon the provision and funding of Apprenticeships.

Appendix A: Apprenticeships Evaluation Survey of Employers

Quotas – taken from sample information		
Subjects / grouped frameworks	Level 2	Level 3
Health, Public Services and Care		
Agriculture, Horticulture and Animal Care		
Engineering and Manufacturing Technologies		
Construction, Planning and the Built Environment		
Information and Communication Technology		
Retail and Commercial Enterprise		
Leisure, Travel and Tourism		
Business, Administration and Law		
Other (write in)		

Number of Apprentices completed August 2010 - March 2011	
One	1
2-4	2
5-9	3
10+	4

From sample	
Company name	
Size (if known)	
Sector (if known)	
Respondent name	
Sampled framework and level	

From sample	
Other frameworks where have completers	
Training provider	

Screener

ASK TELEPHONIST

Good morning / afternoon. May I speak to the person at this site in charge of training and Apprenticeships - <**IF NAME ON SAMPLE: I believe that this may be "NAMED RESPONDENT"**>?

Named person speaking	1	ASK S3
Transferred (COLLECT NAME IF DIFFERENT)	2	
Not in / not available at the moment (COLLECT NAME)	3	MAKE APPOINTMENT
Named person no longer works for the organisation / nobody here with that name	4	ASK S2
No one has this role at the site (e.g. head office deals with Apprenticeships)	6	ASK S3a
Refused	5	THANK AND CLOSE

IF NAMED PERSON NO LONGER WORKS FOR THE ORGANISATION (S1=4)

We are undertaking a survey on behalf of the Department for Business, Innovation and Skills (BIS) and the National Apprenticeship Service about Apprenticeships. May I speak to the person at this site who deals with Apprenticeships, or training more generally?

IF A NUMBER OF PEOPLE DEAL WITH APPRENTICESHIPS ASK FOR THE PERSON DEALING WITH <SPECIFIC FRAMEWORK>

Person in charge of Apprentices / training speaking		ASK S3
Transferred (TAKE NAME AND JOB TITLE IF GIVEN)		

Not in / not available at the moment (ASK FOR NAME AND JOB TITLE)		MAKE APPOINTMENT
Nobody with that responsibility at this site		ASK S3a
Refused		THANK AND CLOSE

ASK ALL REFERRED ON FROM S1 OR S2

Good morning / afternoon, my name is <NAME> calling from IFF Research, an independent market research company. We are undertaking a study on behalf of the Department for Business, Innovation and Skills (BIS) and the National Apprenticeship Service about employer perceptions of Apprenticeships, and the impact that they have for organisations. Are you the best person at this establishment to talk to about Apprenticeships, [ADD IF NECESSARY: particularly in relation to <SPECIFIC FRAMEWORK> Apprenticeships]?

Yes		CONTINUE
No - Referred to someone else at this establishment NAME _____ JOB TITLE _____ CONTACT NUMBER IF DIFFERENT _____		TRANSFER AND RE-INTRODUCE AT S3
Maybe / one of the best people to talk to / depends on the questions		CONTINUE
Best person to answer about apprenticeships is not based at this establishment		ASK S3a

IF PERSON WHO DEALS WITH APPRENTICESHIPS NOT BASED AT THIS SITE (S1=6 OR S2=4 OR S3=4)

S3A CAN YOU TELL ME THE NAME, JOB TITLE, AND CONTACT NUMBER FOR THIS PERSON?

Yes	1	THANK AND CLOSE (generate new named
-----	---	-------------------------------------

NAME _____ JOB TITLE _____ CONTACT NUMBER _____		sample; restart at S1)
No / Refused	2	THANK AND CLOSE

IF S3=1 or 3

Can I just check, have you had people complete an Apprenticeship with you in the last 18 months (**IF DETAILED SECTOR ON SAMPLE** = 'Technical and vocational secondary education' or 'other education' ADD: If you are a provider delivering Apprenticeship training please answer this and other questions only in relation to your own apprentices NOT those you are training for other employers)?

ADD IF NECESSARY: whether they are still working for you or not. If you had apprentices completing a Level 2 programme and then going straight onto a Level 3, please count these apprentices as completers.

Yes		ASK S5
No		ASK S4a
Don't know		

IF NO / DON'T KNOW AT S4 (S4=2 OR 3) AND PROVIDER NAMED ON THE SAMPLE

S4a According to our records this may have been undertaken with <TRAINING PROVIDER> as the provider. Do you now recall having apprentices complete their training in the last 18 months?

Yes	1	ASK S5
No	2	ASK S4b
Don't know	3	

IF NO / DK AT S4a (S4a=2 OR 3) OR (NO / DK AT S4 & S4a NOT ANSWERED BECAUSE NO TRAINING PROVIDER NAMED ON SAMPLE)

S4b Can I check, do any of the following apply...READ OUT AND CODE ONE PER ROW

	Yes	No	DK
In the last 2 years have you had people at this site undertaking NVQs which were not part of an Apprenticeship?	1	2	X
Have there EVER been people based at this site undertaking an Apprenticeship?	1	2	X

IF YES TO S4b b) ASK Do you have people at the site currently undertaking an Apprenticeship?	1	2	X
IF YES TO S4b b) ASK Have you had people at this site complete an Apprenticeship within the last 3 years?	1	2	X
IF D=1 We are currently still aiming to speak to employers with more recent Apprenticeship completers, but may we contact you in the near future if this changes? [IF YES ASK FOR NAME AND JOB TITLE]	1	2	X
ASK ALL IN S4b Are there other sites of your organisation that have had people complete Apprenticeships in the last 18 months?	1	2	X
IF YES AT E) Can you tell me who it would be best to contact about this? IF YES COLLECT NAME AND TELEPHONE NUMBER	1	2	X
THANK AND CLOSE			

ASK IF YES AT S4 OR S4a

And were any of these completers undertaking an Apprenticeship in **<SPECIFIC FRAMEWORK ON SAMPLE>**?

Yes		ASK S7
No		ASK S6
Don't know	X	

IF NO OR DON'T KNOW

S6 What is the main framework, subject area or job role, where you have had Apprenticeship completers over the last 18 months?

IF TWO EQUAL: ASK THEM TO PICK THE ONE WITH THE MOST RECENT COMPLETER

_____		CONTINUE
Don't know / can't remember		THANK AND CLOSE

IF ANSWER GIVEN AT S6

S6a So would you classify this as falling within...**[INTERVIEWER EITHER READ OUT THE MOST LIKELY AREA OR READ OUT THE FULL LIST] – CODE ONE ONLY.**

Health, Public Services and Care	1
Agriculture, Horticulture and Animal Care	2
Engineering and Manufacturing Technologies	3
Construction, Planning and the Built Environment	4
Information and Communication Technology	5
Retail and Commercial Enterprise	6
Leisure, Travel and Tourism	7
Business, Administration and Law	8
None of the above / Don't know	0

ASK IF YES AT S5 OR FRAMEWORK NAME PROVIDED AT S6

S7 Is now a good time to run through the questions – these take on average 25 minutes. All your responses will be treated in the strictest confidence and nothing will be attributed to you as a specific individual or to your organisation?

Yes		GO TO MAIN QUESTIONNAIRE
Now not a good time		MAKE APPOINTMENT
Refused		THANK AND CLOSE

REASSURANCES TO USE IF NECESSARY

The interview will take around 25 minutes to complete.

Please note that all data will be reported in aggregate form and your answers will not be reported to our client in any way that would allow you or your employer to be identified.

If respondent wishes to confirm validity of survey or get more information about aims and objectives, they can call:

MRS: Market Research Society on 0500 396999

IFF: Christoph Koerbitz and Andrew Skone James: 0207 250 3035

BIS: Vikki McAuley: 0114 207 5321

Establishment/organisation details

ASK ALL

First, some questions about your organisation and this specific site. What is the main business activity at this site?

PROBE AS NECESSARY:

What is the main product or service of this site?

What exactly is made or done at this site?

WRITE IN. MUST BE ABLE TO cODE TO 4-DIGIT SIC.

ASK ALL

Would you classify your organisation as...**READ OUT AND CODE ONE ONLY**

Mainly seeking to make a profit	1
Or a charity, voluntary or co-operative organisation	2
Or a public sector organisation	3
DO NOT READ OUT None of the above / other [WRITE IN – ASK WHAT WOULD CLASSIFY THEMSELVES AS]	4

ASK ALL

Is this site...**READ OUT AND CODE ONE ONLY**

The only site in the organisation,	1	ASK A5
Or is this the head office of an organisation with a number of sites	2	
Or is this a branch of an organisation with a number of sites	3	ASK A4
DO NOT READ OUT: Don't know	X	ASK A5

IF BRANCH (A3= 3)

Which of the following best describes the situation regarding the number of apprentices you train at this site...**READ OUT AND SINGLE CODE**

The number is decided by head office	1
We recommend the number but head office has to approve it	2
Or do you have complete autonomy at this site on this decision	3
DO NOT READ OUT: Other (SPECIFY)	0
DO NOT READ OUT: Don't know	X

ASK ALL

Including you and any working proprietors, how many people are on the payroll at this site?

PROBE FOR BEST ESTIMATE

ADD AS NECESSARY: Do not include outside contractors/agency staff nor the self-employed other than a self-employed owner; Include both full-time and part-time staff. Partners in a partnership should be included.

IF DON'T KNOW AT A5**A5a** Is it approximately...*READ OUT LIST UNDER A5a ON GRID*

IF MULTI SITE ORGANISATION (A3=2 or 3)

And approximately how many people are on the payroll across the whole organisation in the UK? **PROBE FOR BEST ESTIMATE. [A6 ANSWER MUST BE HIGHER THAN A5 EXACT ANSWER]**

ADD AS NECESSARY: Do not include outside contractors/agency staff nor the self-employed other than a self-employed owner; Include both full-time and part-time staff. Partners in a partnership should be included.

IF DON'T KNOW AT A6

A6a Is it approximately...*READ OUT LIST UNDER A6a ON GRID* [A6 RANGE CANNOT BE LOWER THAN A5 RANGE]

	A5	A6
EXACT NUMBER		
Don't know	X	X
	A5a	A6a
[DO NOT READ OUT] 1	1	1
2-4	2	2
5-9	3	3
10-24	4	4
25-49	5	5
50-99	6	6
100-199	7	7
200-249	8	8
250-499	9	9
500 or more	10	10
(DO NOT READ OUT) Don't know / refused	X	X

Involvement with Apprenticeships

ASK ALL

I would now like to ask you a few questions about your establishment's involvement with formal Apprenticeships i.e. ones which lead to a recognised qualification. How long has your establishment been offering formal Apprenticeships...**READ OUT. SINGLE CODE**

For a year or less		ASK B1a
For more than a year, up to 3 years	2	
More than 3 years, up to 5 years	3	
More than 5 years up to 10 years	4	ASK B1b
More than 10 years	5	
(DO NOT READ OUT) Don't know	X	

ASK IF IN LAST 5 YEARS

B1a What or who was the stimulus to your establishment first starting to offer Apprenticeships?

DO NOT READ OUT. MULTI CODE

Approached by a training provider	1
Another part of the organisation / e.g. encouraged by our head office	2
Saw publicity / advertising promoting Apprenticeships	3
An employee enquired about it	4
Have routinely or recurrently taken on apprentices for several years	5
Other (Specify)	0
(DO NOT READ OUT) Don't know	X

ASK ALL

B1b Do you feel there was sufficient information, support and guidance available when you were considering offering Apprenticeships?

Yes	1	ASK B2
No	2	ASK B1c
Can't remember / someone else made the decision	3	ASK B2

IF NO

B1c What additional information, support and guidance would you have liked?

--

ASK ALL

In the last 3 years, have you used information, advice or support about Apprenticeships from the National Apprenticeship Service?

Yes	1	ASK B3
No	2	ASK B4
Don't know	X	

IF YES AT B2

How satisfied were you with the usefulness of this information and support? Please use a scale of 0 to 10 where 0 is very dissatisfied, 5 is neither satisfied nor dissatisfied, and 10 is very satisfied.

Rating	(0-10)
Don't know	X

IF DISSATISFIED (0-4)**B3a** Why were you dissatisfied?

WRITE IN

ASK ALL

Over the last 3 years, at this establishment how many people have started an Apprenticeship - whether they still work for you or not? **PROBE FOR BEST ESTIMATE [FIGURE CAN BE 0]**

IF 0 AT B4 (OTHERS ASK B5)

B4b And over the last 5 years how many people at this establishment have started an Apprenticeship, whether they still work for you or not? **PROBE FOR BEST ESTIMATE**

IF 0 AT B4b THANK AND CLOSE**IF B4 OR B4b > 0**

And how many of these completed their Apprenticeship [**IF B4b ANSWERED ADD:** in the last 3 years]? **PROBE FOR BEST ESTIMATE (FIGURE MUST BE > 0 BUT NOT GREATER THAN B4). ADD IF NECESSARY:** if someone has completed their level 2 Apprenticeship but are now doing their level 3 treat this as a completer.

And how many of these completers still work at this establishment? **[FIGURE MUST NOT BE > B5]**

ASK ALL EXCEPT IF B5=B4

And how many people at this establishment are currently undertaking an Apprenticeship?
PROBE FOR BEST ESTIMATE

ASK ALL

I'd like now to concentrate specifically on **<FRAMEWORK FROM S5 or S6>** Apprenticeships. Please answer the following questions considering only **<FRAMEWORK FROM S5 or S6>** Apprenticeships, regardless of others your establishment may be involved in. Over the last **[IF B4>0: 3] [IF B4b ANSWERED: 5]** years how many people at this establishment have started an **<FRAMEWORK FROM S5 or S6>** Apprenticeship?
[ANSWER MUST NOT BE GREATER THAN B4 BUT MUST BE GREATER THAN 0]

IF B8 = B4 SKIP TO B12

How many of these completed their Apprenticeship **[IF B4b ANSWERED ADD: in the last 3 years]**? **[ANSWER MUST NOT BE > THAN THE LESSER OF B5 OR B8 BUT MUST BE GREATER THAN 0]**

And how many of these **<FRAMEWORK FROM S5 or S6>** completers still work at this establishment? **[ANSWER MUST NOT BE GREATER THAN THE LESSER OF B6 OR B9]**

ASK ALL EXCEPT IF B8=B4 or B9=B8

And how many people at this establishment are currently undertaking an **<FRAMEWORK FROM S5 or S6>** Apprenticeship? **PROBE FOR BEST ESTIMATE** **[ANSWER CANNOT BE > THAN B7 OR B8]**

	B4	B4b	B5	B6	B7	B8	B9	B10	B11
WRITE IN									
Don't know	X	X	X	X	X	X	X	X	X

B4a - B11a: Is it approximately...READ OUT

	B4a	B4bb	B5a	B6a	B7a	B8a	B9a	B10a	B11a
None				0	0			0	0

1-4	1	1	1	1	1	1	1	1	1
5-9	2	2	2	2	2	2	2	2	2
10-19	3	3	3	3	3	3	3	3	3
20-49	4	4	4	4	4	4	4	4	4
50-99	5	5	5	5	5	5	5	5	5
100+	6	6	6	6	6	6	6	6	6
Don't know	X	X	X	X	X	X	X	X	X

ASK ALL

Still thinking specifically about <**FRAMEWORK FROM S5 or S6**> Apprenticeships, approximately how many of the <**INSERT B8 ANSWER EXCEPT IF DON'T KNOW**> people who started these Apprenticeships with you in the last **[IF B4>0: 3] [IF B4b ANSWERED: 5]** years were....**READ OUT**

IF 'DON'T KNOW' CHECK IF AWARE WHETHER ANY WERE IN THAT CATEGORY

	Number B8 limit unless B4 is lower than B8 DK range	Don't know exact number but some	Don't know
16-18 when they started their Apprenticeship	0-B8	2	X
ASK EXCEPT IF B12a number = B8 19-24 when they started their Apprenticeship	0-B8	2	X
ASK EXCEPT IF B12a+B12b=B8 Over 25 when they started their Apprenticeship	0-B8	2	X
ASK ALL DELETED	0-B8	2	X

ASK ALL Undertaking Level 2 Apprenticeships, sometimes known as Intermediate Level Apprenticeships	0-B8	2	X
ASK ALL Undertaking Level 3 Apprenticeships, sometimes known as Advanced Level Apprenticeships	0-B8	2	X
IF HAVE 16-18s & 19+ AND APPRENTICES AT LEVEL 2 AND LEVEL 3 ASK [((B12a > 0 or code 2) & [(B12b > 0 or code 2) or (B12c > 0 or code 2)]) & ((B12e>0 or code 2) & B12f>0 or code 2))] k) How many of your apprentices aged 19+, if any, are or were undertaking level 2 Apprenticeships?	0-B12e	2	X
IF HAVE 16-18s & 19+ AND APPRENTICES AT LEVEL 2 AND LEVEL 3 ASK [((B12a > 0 or code 2) & [(B12b > 0 or code 2) or (B12c > 0 or code 2)]) & ((B12e>0 or code 2) & B12f>0 or code 2))] l) How many of your apprentices aged 19+, if any, are or were undertaking level 3 Apprenticeships?	0-B12f	2	X
ASK ALL How many of the <FRAMEWORK FROM S5 or S6> apprentices over the last 3 years were recruited specifically as apprentices	0-B8	2	X
ASK ALL EXCEPT IF B12g=B8 How many were already working for you when they started their Apprenticeship	0-B8	2	X
How many were disabled people	0-B8	2	X
How many were ethnic minorities	0-B8	2	X

CHECK IF B8 exact figure given that if exact numbers given at B12A, B and C THAT $A+B+C = B8$;

AND IF EXACT NUMBERS GIVEN FOR G AND H THAT $G+H = B8$

ASK ALL DELIVERING LEVEL 3 AT B12f WHO KNOW THE EXACT NUMBER (B12f>0)

B12a You mentioned that you have had <B12f> <ADD IF B8 NOT EQUAL TO B4 ADD FRAMEWORK FROM S5 or S6> level 3 starts in the last [IF B4>0: 3] [IF B4b ANSWERED: 5] years. How many of these, if any, had also done a level 2 Apprenticeship with you? **PROBE FOR BEST ESTIMATE**

None	0
Number	(Range: 1- B12f)
Don't know	X

IF RECRUITED APPRENTICES (B12 G = >0 OR CODE 2)

B13 You mention that you have recruited people as <FRAMEWORK FROM S5 or S6> apprentices. Were all, some or none of these recruited on a fixed term contract specifically for the period of the Apprenticeship?

All	
Some	
None	
Don't know / can't remember	X

IF RECRUITED APPRENTICES (B12 G = >0 OR CODE 2)

B13a What methods do you use to advertise these apprentice positions? **DO NOT READ OUT. MULTICODE OK**

Own organisation's website	
Apprenticeship Vacancies System (on National Apprenticeship Service website)	
A website other than their own	
Local media / press	
Learning provider / college	
Jobcentre Plus	
Word of Mouth	
A Group Training Association / Apprenticeship Training Agency	
Other (write in)	
We didn't – training provider did it for us	
Don't know / can't remember	X

ASK ALL DELIVERING LEVEL 2 AND HAVE SOME LEVEL 3 STARTS [(B12e > 0 or code 2) & (B12f>0 or code 2)]

B14 What percentage of your Level 2, or intermediate level <FRAMEWORK FROM S5 or S6> apprentice completers in the last 3 years, if any, have gone on to undertake a Level 3, or Advanced Apprenticeship with you?

None	0
Percentage	___%
Don't know	X
Not applicable – no level 2 completers	V

ASK ALL WITH LEVEL 3 APPRENTICES [(B12d OR b12f > 0 OR code 2)]

B15 Over the past three years how many of your level 3 <FRAMEWORK FROM S5 or S6> apprentice completers, if any, have gone on to undertake the following qualifications while working with you? READ OUT

	None	%	Don't know	Not applicable no L3 completers
--	------	---	------------	---------------------------------

A Higher National Certificate (HNC)	0	___%	X	X (SKIP TO SECTION C)
A Foundation Degree	0	___%	X	
A Degree (other than a Foundation Degree)	0	___%	X	
Some other form of higher level training leading to a qualification	0	___%	X	

C Perceptions of, and satisfaction, with apprenticeships

C1 Still thinking about <FRAMEWORK FROM S5 or S6> Apprenticeships, can you tell me which if any of the following apply in relation to the <FRAMEWORK FROM S5 or S6> Apprenticeship training. **READ OUT**

	Yes	No	DK
Do the apprentices receive training delivered by a training provider either on their or your premises	1	2	X
Do you as the employer provide formal training sessions as part of the Apprenticeship	1	2	X
Does a training provider assess the apprentices	1	2	X
IF NO AT C Is this assessment done by your own staff	1	2	X
ASK ALL And were you involved in and able to influence decisions BEFORE the training started about the structure, content, delivery and duration of the Apprenticeship training	1	2	X
And were you able to influence the delivery and content of the training DURING the period of the Apprenticeship training	1	2	X

	Very dissatisfied										Very satisfied										DK	
IF A PROVIDER INVOLVED (C1a or c=1)	0																					X
The support and communication from the provider																						

EACH DISSATISFIED (0-4)

C3 And why were you dissatisfied with [TEXT SUB]?

WRITE IN

ASK ALL

C4 As you may be aware there are a number of elements within an Apprenticeship framework. I'd like to know how valuable each are for you as an employer, on a scale of 0 to 10 where 0 is not at all valuable and 10 is extremely valuable. So first....**READ OUT**

<i>ROTATE START</i>	0-10	Don't know
The competency element, such as achieving an NVQ		X
The knowledge element such as a technical certificate		X
Transferable skills, sometimes known as key skills or functional skills, covering such areas as ICT, communication and application of numbers		X
Employer Rights and Responsibilities, where apprentices demonstrate that they know and understand areas such as employer and employee statutory rights and responsibilities under employment law, health and safety, and equality and diversity for their organisation		X

D Impacts and Additionality

NOTE FOR PROGRAMMER: IF THE RESPONDENT HAS IN THE LAST 3 YEARS HAD APPRENTICES START AGED 16-18 AND AGED 19-24 (from b12) ADD THE TEXT IN SECTION D WITHIN { }.

IF PERSON ONLY TRAINS 16-18 YEAR OLD APPRENTICES AT B12 (SEE NOTE BELOW B12 TABLE) ASK D1, D2, D2a & D2b THEN D14, D16 & D17. ALL RESPONDENTS ANSWERING D3 AND BEYOND GET FIGURES FROM ANNEX 1

NOTE THE SECTOR TO USE FROM ANNEX 1 COMES FROM THE SAMPLE UNLESS S6a ANSWERED IN WHICH CASE TAKE IT FROM THAT SECTOR

ASK ALL

I would now like to ask you some questions about the costs of Apprenticeship training undertaken at this establishment, and the potential impact of increased costs. Please answer in relation to **<FRAMEWORK FROM S5 or S6>** apprenticeships {aged 19 or over when they start their apprenticeship}

ASK ALL

D1 First, can I just check, for current or recent <FRAMEWORK FROM S5 or S6> apprentices {aged 19 plus}, have you paid fees to a training provider for the cost of the Apprenticeship training?

Yes	1	ASK D2
No	2	ASK D3 IF TRAIN ANY AGED 19+
Don't know	X	ASK D2b IF TRAIN ONLY 16-18s

IF YES

D2 What do you pay the provider per apprentice {aged 19 plus} across the whole period of their Apprenticeship? ASK FOR BEST ESTIMATE

EXACT FIGURE	£
Don't know / Refused	X

ASK ALL PAYING FEES (D1=1)

D2a Did the fact that you had to pay fees to your training provider mean you took on fewer apprentices than you would otherwise have done?

Yes	1
No	2
Don't know	X

ASK ALL TRAINING 16-18s ONLY (B12a=B8)

D2b As you may be aware employers, usually need to meet some or all of the training providers' costs for training those apprentices who are aged 19 or over at the start of their Apprenticeship. Is this the reason why have not taken on apprentices aged 19 over at the start of their Apprenticeship?

Yes	1	NOW ASK D14
It was part of the reason	2	
No	3	
Don't know	X	

ASK ALL TRAINING APPRENTICES AGED 19+ (UNLESS D2 > or EQUAL TO THE L2 <£XXXX>; THESE GO TO D12) – IF ONLY TRAIN 16-18s THEN SKIP TO D14

D3 If you had had to pay a training provider <£XXXX> per level 2 and <£XXXX> per level 3 <FRAMEWORK FROM S5 or S6> apprentice {aged 19 plus}, would you still have trained people through an Apprenticeship over the over the last 3 years?

Yes	1	ASK D4
No	2	ASK D7
Don't know	X	

IF YES (D3=1)

D4 And if you had had to pay a training provider <£XXXX> per level 2 and <£XXXX> per level 3 <FRAMEWORK FROM S5 or S6> apprentice {aged 19 plus} over the last 3 years, do you think you would have had the same number of apprentices or fewer?

Same number	1	ASK D11
Fewer	2	ASK NEXT QUESTION
Don't know	X	CHECK D7

IF FEWER AT D4 (D4=2)

D5 You said that over the last 3 years you had trained <B8/B8a> <FRAMEWORK FROM S5 or S6> apprentices. Approximately how many do you think you would have had taken on or trained if you had had to pay <£XXXX> per level 2 and <£XXXX> per level 3 <FRAMEWORK FROM S5 or S6> apprentice {aged 19 plus}? PROBE FOR BEST ESTIMATE

Exact number	_____ (range: 0 to answer at B8)	SKIP TO NEXT ASK ALL
Don't know	X	ASK NEXT QUESTION

IF DON'T KNOW

D6 Is it approximately...READ OUT

None	0
------	---

1-4	1
5-9	2
10-14	3
15-19	4
20-24	5
25-49	6
50-74	7
75-100	8
101-199	9
200-499	10
500+	11
Don't know	X

ASK IF SAY WOULD HAVE TRAINED NO APPRENTICES IN THE LAST 3 YEARS WITH FULL ADDITIONAL FEES OR DON'T KNOW (ASK IF D3=2 or X)

D7 If instead you had had to pay a training provider <£XXXX / 2> per level 2 and <£XXXX / 2> per level 3 <FRAMEWORK FROM S5 or S6> apprentice {aged 19 plus}, would you still have trained people through an Apprenticeship over the over the last 3 years?

Yes	1	ASK D8
No	2	ASK D11
Don't know	X	

ASK IF WOULD TRAIN WITH 50% CUT OR IF WOULD HAVE TRAINED FEWER OR DON'T KNOW WITH A 100% CUT (ASK IF D7=1 OR D4=2 or X)

D8 And if you had had to pay <£XXXX / 2> per level 2 and <£XXXX / 2> per level 3 <FRAMEWORK FROM S5 or S6> apprentice {aged 19 plus}, do you think that you would have had the same number of apprentices over the last 3 years or fewer?

Same number	1	ASK D11
-------------	---	---------

Fewer	2	ASK NEXT QUESTION
Don't know	X	ASK D11

IF FEWER AT D8 (D8=2)

D9 **You said that over the last 3 years you had trained {B8/B8a} <FRAMEWORK FROM S5 or S6> apprentices. Approximately how many do you think you would have taken on or trained if you had had to pay <£XXXX / 2> per level 2 and <£XXXX / 2> per level 3 per apprentice {aged 19 plus)? PROBE FOR BEST ESTIMATE**

Exact number	_____ (range: 0 to answer at B8)	SKIP TO NEXT ASK ALL
Don't know	X	ASK NEXT QUESTION

IF DON'T KNOW AT D9

D10 **Is it approximately...READ OUT**

None	0
1-4	1
5-9	2
10-14	3
15-19	4
20-24	5
25-49	6
50-74	7
75-100	8
101-199	9

200-499	10
500+	11
Don't know	X

ASK ALL TRAINING APPRENTICES AGED 19+ IN THE SPECIFIC FRAMEWORK
(B12 b or c > 0 or coded a 2)

D11 How would you respond if you had to pay the training provider <£XXXX / 2> per level 2 and <£XXXX / 2> per level 3 apprentice {aged 19 plus}? DO NOT READ OUT. MULTICODE OKAY

ASK EACH STATEMENT NOT CODED AT D11

D12 And if you had to pay fees to the training provider of <£XXXX / 2> per level 2 and <£XXXX / 2> per level 3 apprentice {aged 19 plus}, would you expect to do any of the following...READ OUT

	D11	D12		
		Yes	No	Don't know
Get the business to absorb the additional costs of training	1	1	2	X
Reduce the duration of Apprenticeship training	2	1	2	X
Look to training providers to reduce their costs, or shop around for cheaper providers	3	1	2	X
Bring activities in-house which are currently undertaken by training providers	4	1	2	X
Reduce expenditure on other forms of training in the business to continue funding Apprenticeships	5	1	2	X
Look for other cost savings elsewhere in the business	6	1	2	X
ONLY ASK THIS AND NEXT STATEMENT AT D12 IF ANSWERING ABOUT 19+. ONLY ASK Switch to ONLY offering Apprenticeships to those aged 16-18	7	1	2	X

ASK D12_8 UNLESS D11=7 OR D12_7=1				
Provide a greater proportion of your Apprenticeships to those aged 16-18	8	1	2	X
Stop training apprentices altogether	11	1	2	X
ONLY ASK IF NONE OF PREVIOUS D12s a 1				
Not do anything	12	1	2	X
Other (SPECIFY)	0			
Don't know	X			

ASK IF CODE 11 AT D11 or 11th CODE AT D12 = 1

D12a Although you mention stopping Apprenticeship training altogether, would you continue to pay for certain aspects of the Apprenticeship, such as the NVQ, the Technical Certificate or the key, functional skills? MULTICODE OK

NVQ	1
Technical certificate	2
Key, functional skills	3
Yes – though not sure which elements	4
No	5
Don't know / depends on costs	X

ASK ALL TRAINING APPRENTICES AGED 19+ IN THE SPECIFIC FRAMEWORK (B12 b or c > 0 or coded a 2)

D13 And if you had to pay fees to the training provider of <£XXXX / 2> per level 2 and <£XXXX / 2> per level 3 apprentice {aged 19 plus} would you expect to do any of the following instead of training apprentices? READ OUT. MULTICODE OKAY

Recruit fully experienced workers into the jobs usually filled by apprentices	1
Recruit more graduates into jobs usually filled by apprentices	2
Continue to recruit trainees but train them through an alternative type of training	3
Recruit older, more experienced people who need less training	4
Look to retain more of your skilled employees	5
(DO NOT READ OUT) None of the above	V
(DO NOT READ OUT) Don't know	X

ASK ALL

D14 If you were to train fewer apprentices, what impact, if any, would this have for your organisation? DO NOT READ OUT. MULTICODE OKAY

Skill shortages in the future	1
Reductions in the quality of our products and services	2
Difficulties delivering standards of customer service	3
Difficulties meeting our performance targets	4
Increased recruitment costs	5
Would lead to our having an older workforce	6
Other (SPECIFY)	0
No impact	V
Don't know	X

ASK ALL TRAINING APPRENTICES AGED 19+ (B12 b or c > 0 or coded a 2)

D15 And if you had to pay fees to the training provider of <£XXXX / 2> per level 2 and <£XXXX / 2> per level 3 apprentice {aged 19 plus} what impact, if any, would this have on the overall amount of training you undertake at this establishment, whether through apprenticeships or otherwise...**READ OUT**

Greatly reduce it	1
Slightly reduce it	2
Have no effect	3
Slightly increase it	4
Greatly increase it	5
(DO NOT READ OUT) Don't know	X

ASK ALL

D16 On completion of their Apprenticeship in <FRAMEWORK AT S5 OR S6> do the apprentices receive a wage increase?

Yes -all	1
Yes- some	2
No	3
Don't know	X

IF ANY COMPLETERS ON <FRAMEWORK AT S5 or S6> STILL WORKING AT THE ESTABLISHMENT [B10>0 OR ((B8=B4) AND (B6>0))]

D17 Thinking about individuals that have completed <FRAMEWORK AT S5 or S6> Apprenticeship with you in the last 3 years, since completing, have all, some or none....**READ OUT**

	All	Some	None	Don't know
--	-----	------	------	------------

Taken on supervisory responsibilities	1	2	3	X
Been promoted	1	2	3	X
IF PREVIOUS STATEMENT CODES 1 or 2 Moved into management jobs in the organisation	1	2	3	X
IF NONE OF PREVIOUS STATEMENTS CODED 1 or 2 Taken on more responsibility	1	2	3	X

E. Employer Benefits

The following questions cover Apprenticeships at an overall level, rather than any specific frameworks.

E1 What are the main business benefits you hope to achieve by offering Apprenticeships?

DO NOT READ OUT. MULTICODE

Improve productivity	1
Improve or maintain skill levels	2
To replace staff that are retiring	3
Easier to attract / recruit young people if offer them	4
Allows us to train people the way we want / mould them to how we do things	5
Reduces staff turnover	6
To enhance our reputation / for our corporate image	7
To reward existing staff	8

Lower wage bill (cheaper to train apprentices than take on experienced workers)	9
Corporate / social responsibility / put something back into the community	10
To create a more diverse workforce (e.g. bring in younger workers)	11
Other (write in)	0
Don't know	X

E2 And which if any of the following benefits has your organisation experienced as a result of offering and training apprentices? **READ OUT. SINGLE CODE PER ROW. ROTATE START**

	Yes	No	(DO NOT READ OUT) Don't know	(DO NOT READ OUT) Too early to say
IF SEEKING A PROFIT				
It has helped us win business	1	2	3	4
Improved productivity	1	2	3	4
A lower overall wage bill	1	2	3	4
It has helped improve staff retention	1	2	3	4
It has improved our ability to attract good staff	1	2	3	4
Brought new ideas to the organisation	1	2	3	4
Improved staff morale	1	2	3	4
Improved our product or service quality	1	2	3	4
Improved our image in the sector	1	2	3	4

IF ANY PREVIOUS QUESTION = 1

E3 Thinking about all the benefits you just mentioned, to what extent were these benefits, on the whole, realised while the apprentices were still undergoing their framework?

To a large extent	1
To some extent	2
Not at all	3
Don't know	X

ASK ALL

E4 In practice, do apprentices share with other employees what they have learned from their Apprenticeship training? **IF YES: is this often or infrequently?**

Yes – often	1
Yes – infrequently	2
No	3
Don't know	X

F Apprenticeships v. other WBL and alternatives

F1 Over the last 3 years, excluding Apprenticeship training, have you provided other training for staff which has led to qualifications at a similar level to those gained by apprentices?

Yes	1	ASK F2
No	2	ASK F5
Don't know	X	

IF YES AT F1

F2 Has this been in broadly similar subject areas as your Apprentices work towards?

Yes	1	ASK F3
No	2	ASK F5
Don't know	X	

IF YES AT F2

F3 Why do you have people undertaking BOTH apprenticeships AND other qualifications which are at a similar level in similar subject areas? **PROBE:** Why else? **DO NOT READ OUT. MULTICODE OKAY**

Other qualifications tend to be for existing staff, apprenticeships for new recruits	1
Other qualifications for more specific, tailored training	2
Reasons of cost	3
Persuaded by the training provider	4
Other (SPECIFY)	0

No particular reason	V
Don't know	X

ASK ALL WITH OTHER TRAINING IN SIMILAR SUBJECTS TO APPRENTICESHIPS (F1=1 & F2=1)

F4 I'd like to know how these other qualifications compare with Apprenticeship. For each please say whether Apprenticeships are better, worse or not really different to this other training which leads to qualifications. If you feel they cannot be compared on each measure please say.

IF SAY BETTER OR WORSE, ASK IF THAT A LOT OR A LITTLE BETTER / WORSE

	Apps A LOT better	APPS SLIGHTLY BETTER	nO DIFFERENT	apps SLIGHTLY WORSE	aPPS A LOT WORSE	nOT COMPARABLE	don't know
The improvement in their skills and productivity during their training	1	2	3	4	5	v	x
How close completers are to being fully proficient i.e. able to do the job to the required level	1	2	3	4	5	V	X
The length of time they are likely to stay working in the organisation once they complete	1	2	3	4	5	V	X
Their value to the organisation on completing the training	1	2	3	4	5	v	x

ASK ALL

F5 Which of the following are realistic alternatives to you offering Apprenticeship training...**READ OUT. MULTICODE**

F6 And which, if any, of the following have you done in the last 3 years....**READ OUT FIRST THREE CODES (changed to past tense)**

	F5	F6
Recruiting experienced workers in job roles where you train apprentices	1	1
Recruiting recent graduates from university	2	2
Running a formal, internal training programme for existing staff	3	3
What other alternatives you feel there are (write in)	0	
(DO NOT READ OUT) There are no alternatives	V	
None of the above		V
Don't know	X	X

IF ANY ALTERNATIVES BUT NONE UNDERTAKEN 1-3 (ANY F5 CODED 1-3 BUT NO F6 CODED 1-3)

F7 You mention <ANSWERS CODED 1-3 AT F5> as possible alternatives to Apprenticeships. Why have you not pursued these alternatives in the last 3 years? **DO NOT READ OUT. MULTI OK**

Apprenticeship training working well / prefer Apprenticeships	1
Prefer apprentices over experienced workers / graduates as can train them to do things our way	2
Struggle to find suitable graduates (of the calibre we want)	3
Struggle to find suitable experienced workers (of the calibre we want)	4
Taking apprentices the cheaper option / better value	5
Experienced workers too expensive (demand high salaries)	6
Recently qualified graduates too expensive (demand high salaries)	7

Other (write in)	0
Don't know	X
None	V

Future plans and intentions

ASK ALL

G1 Do you plan to continue to offer Apprenticeships?

Yes	1	ASK G3
No	2	ASK G2
Don't know / it depends / undecided / reviewing it	X	ASK G3

IF NO (G1=2)

G2 Why do you say that? **DO NOT READ OUT (MULTICODE OKAY)**

Bad experience / Apprenticeship training has not gone well	1	NOW ASK G5
Apprentices tend to leave soon after their training	2	
Prefer other forms of training (SPECIFY)	3	
Likely /prefer to recruit experienced staff	4	
All our staff fully skilled, no need	5	
Other (SPECIFY)	0	
(DO NOT READ OUT) Don't know / it depends	X	

IF PLAN TO CONTINUE USING APPRENTICESHIPS OR UNSURE (G1=1 OR 3)

G3 Do you expect the number of apprenticeship places you offer at this site over the next 2-3 years to.... **READ OUT**

Increase	1
Decrease	2
Or to stay at about the same level	3
(DO NOT READ OUT) Don't know	X

IF PLAN TO CONTINUE USING APPRENTICESHIPS OR UNSURE (G1=1 OR 3)

G4 And do you expect to extend the use of Apprenticeships within the organisation, for example introduce them into sites, departments or divisions that previously did not offer them?

Yes	1
No	2
Don't know	X

ASK ALL

G5 Have you ever recommended Apprenticeships to other employers, have you ever recommended employers NOT to get involved in Apprenticeships, or have you never made recommendations either way?

Have recommended	1	ASK G7
Have recommended employers NOT to get involved	2	
Neither	3	ASK G6
Don't know	X	

ASK IF NOT RECOMMENDED EITHER WAY (G5=3,X)

G6 If asked by an employer in your sector would you...**READ OUT**

Strongly recommend Apprenticeships	1
Recommend them though with some reservations	2
Be neutral	3
Generally recommend against them	4
Or strongly recommend against them	5
(DO NOT READ OUT) Don't know	X

ASK ALL

G7 If the government and its agencies wish to undertake further work on related issues in the future would it be ok for them or their appointed contractors to contact you on these issues?

Yes – both client and/or their contractors may recontact	1
Only the client may recontact	2
No	3

ASK ALL

G8 Finally, it is sometimes possible to link the data we have collected with other government surveys or datasets to enable further statistical analysis. Would you be happy for this to be done?

ADD IF NECESSARY: Your confidentiality will be maintained, and linked data will be anonymised and only used for statistical purposes by researchers authorised by the Office for National Statistics.

Yes	1
No	2

CONFIRM NAME, JOB TITLE, TELEPHONE AND EMAIL

THANK AND CLOSE

THANK RESPONDENT AND CLOSE INTERVIEW

I declare that this survey has been carried out under IFF instructions and within the rules of the MRS Code of Conduct.		
Interviewer signature:	Date:	
Finish time:	Interview Length	Min s

Annex 1: Average funding for 19+ Apprenticeships (if asking section D about apprentices aged 19+)

Subjects / grouped frameworks	Level 2	Level 3
Health, Public Services and Care	£2,200	£2,600
Agriculture, Horticulture and Animal Care	£4,000	£5,200
Engineering and Manufacturing Technologies	£4,300	£10,000
Construction, Planning and the Built Environment	£6,125	£7,350
Information and Communication Technology	£3,200	£5,100
Retail and Commercial Enterprise	£1,650	£1,850
Leisure, Travel and Tourism	£2,000	£2,950
Business, Administration and Law	£1,850	£1,950
Other (write in)	£2,500	£3,300

Appendix B: Weighting Matrix

At the analysis stage the survey data was grossed up to the total number of employers on the ILR with completers in the August 2010 to March 2011 period (matching the period from which the sample was drawn from the ILR). This indicated a total of approximately 42,250 employers. The grossing up was undertaken on an interlocked broad framework by level matrix (using the framework and level identified on the sample, not that which the employer indicated was their main framework or level) – see Table B. An employer could only appear in a single cell of the matrix / grid. If they had completers in more than one cell (i.e. across different levels of the same framework, or across different frameworks) then they were assigned to the framework with the most learners (selected at random if there were equal numbers across different frameworks). If within this broad framework they had completers across both Level 2 and Level 3 the level was selected on the most numerous (or randomly if they had equal between the two levels).

Table B: Grossing up matrix

Subjects / grouped frameworks	Level 2	Level 3	Total
Agriculture, horticulture and animal care	1,051	546	1,561
Business, Administration and Law	7,344	4,443	11,787
Construction, Planning and the Built Environment	2,028	3,755	5,783
Engineering and Manufacturing Technologies	1,883	3,128	5,011
Health, Public Services and Care	2,769	3,869	6,638
Information and Communication Technology	304	231	535
Leisure, Travel and Tourism	680	445	1,125
Retail and Commercial Enterprise	7,153	2,470	9,623
Other	52	128	180
Total	23,228	19,015	42,243

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