



Department
for Business
Innovation & Skills

BIS RESEARCH PAPER NUMBER 165

**Apprenticeship Evaluation:
London Employers Report**

MARCH 2014

RESEARCH

Trinh Tu is a Research Director with over 15 years research experience. Her areas of research include skills shortages, unemployment and the evaluation of government training and employment initiatives. She has previously led on several projects to inform government plans for expanding Apprenticeships.

Claire Johnson is a Research Director in Ipsos MORI's Employment, Welfare and Skills team with 16 years research experience. She recently re-joined Ipsos MORI after 2 years leading value for money studies at the National Audit Office.

Matt Colahan is a Senior Research Executive at Ipsos MORI who joined from the University of East London where he completed his Psychology PhD. Matt is a Fellow of the Higher Education Academy. His past research interests include work in the higher education sector regarding the provision of employability skills training.

The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Business, Innovation and Skills.

Department for Business, Innovation and Skills

1 Victoria Street

London SW1H 0ET

www.gov.uk/bis

Research paper number 165

March 2014

Contents

Contents	3
London employers	4
The Profile of London’s Apprentice Employers	5
Awareness and Understanding of Apprenticeships	8
Recruitment.....	8
Information, Support and Guidance	10
London Employers’ involvement in training delivery and assessment.....	11
Employers’ Involvement in Decisions About Apprenticeship Training	12
Satisfaction with Apprenticeship Training	13
Reported completion rates and perceived business benefits of Apprenticeships.....	15
Advocacy of Apprenticeships	16
Current and Continuing Involvement with Apprenticeships.....	16
Conclusions.....	17

London employers

This report presents the findings from the 317¹ London employers who responded to the 2012-13 Apprenticeship Evaluation Employer Survey. In total, the survey explored the views and experiences of 4,009 employers across England who had employees complete an Apprenticeship programme between August 2011 and March 2012.

In the analysis stage of this report, the data was reweighted to reflect the profile of apprentice employers in London. On the whole, the responses from the London employers are consistent with those provided nationally. Only statistically significant differences² are highlighted in this report.

This report presents:

- **The profile of London apprentice employers including:**
 - **Size and sector**
 - **Their awareness and understanding of Apprenticeships**
 - **Their methods of recruitment**
 - **The level of their involvement in Apprenticeship training delivery and assessment**
 - **Reported completion rates of Apprentices.**
- **The attitudes of London apprentice employers towards Apprenticeships including:**
 - **Their opinions on the information, support and guidance available to employers about Apprenticeships**
 - **Their satisfaction with Apprenticeship training**
 - **Main business benefits derived from Apprenticeships**
 - **Advocacy of Apprenticeships**
 - **Their current and continuing involvement with Apprenticeships.**

¹ This figure represents the weighted total. The unweighted total was 315. All figures in this report are weighted.

² Statistical significance has been calculated based on a 95% Confidence Interval (CI).

The Profile of London's Apprentice Employers

Size and Sector

The majority of the London employers were small businesses with fewer than 25 staff (64%). London respondents closely reflected the national profile in terms of business size, with similar proportions of small (1-24 employees) and large (100+ employees) businesses (see Table 1). There was a lower proportion of medium sized organisations in London than nationally (19% versus 24%).

The London employers operated across a range of sectors, the most common being 'Human health and social work' (29%), 'Wholesale and retail trade, and motor repair' (15%) and 'Accommodation and food service' (12%). In addition, the 'Other service activities' and 'Education' sectors each account for a tenth of London employers. The largest sub-section was those with 1-24 staff working in the 'Human health and social work' sector, accounting for nearly a quarter (23%) of London respondents.

Table 1: Profile of London employers by size and sector					
			Number of employees employed UK wide		
	Base		1-24 staff	25-99	100+
All England Employers	4009	100%	64%	24%	11%
All London Employers	317	100%³	64%	19%	13%
Human health and social work activities	91	29%	23%	3%	2%
Wholesale and retail trade, repair of motor vehicles and motorcycles	48	15%	10%	5%	0%
Accommodation and food service activities	39	12%	11%	0%	1%
Other service activities	34	11%	6%	0%	3%
Education	33	10%	4%	4%	2%
Construction	24	8%	4%	2%	0%
Administrative and support service activities	14	4%	2%	1%	1%
Arts, entertainment and recreation	9	3%	1%	1%	1%

³ 4% of London respondents did not know how many staff were employed across their entire organisation. These are not shown separately in this table, but the percentage breakdowns by size do take them into account. In contrast, all London employers identified which sector they worked in.

Manufacturing	5	2%	0%	1%	1%
Information and communication	5	2%	1%	0%	0%
Professional, scientific and technical activities	4	1%	1%	0%	0%
Public administration and defence, compulsory social security	4	1%	0%	0%	1%
Transportation and storage	3	1%	0%	0%	1%
Financial and insurance activities	2	1%	0%	0%	0%
Real estate activities	2	1%	0%	0%	0%
Agriculture, forestry and fishing	0	0%	0%	0%	0%
Water supply, sewerage, waste management and remediation activities	0	0%	0%	0%	0%

*Denotes a statistically significant difference at 95% Confidence Interval (CI).

Length of Time Offering Apprenticeships

Compared to the national picture, London employers had a shorter history of offering Apprenticeships. Most London employers (66%) had been offering Apprenticeships for less than five years (compared to 59% at the national level) with the largest proportion (42%) having offered them for between 1 and 3 years.

Over a quarter of London employers (29%) had offered Apprenticeships for more than five years (8% having offered them between 5-10 years and 21% for more than 10 years). This compares with 38% who had offered Apprenticeships for more than five years across England as a whole.

Apprenticeship Main Frameworks and Levels Offered

The profile of Apprenticeship frameworks and levels provided by London employers largely reflected the national profile (see Table 2). When asked to identify the main Apprenticeship framework offered to employees, the most prevalent was 'Business, Administration & Law' (35%), followed by 'Health, Public Services & Care' (26%), and 'Retail & Commercial Enterprise' (17%). The other frameworks were offered to a far lesser extent. For the most part, this pattern mirrored the national profile. London employers were more likely than employers nationally to offer 'Business, Administration & Law' as their main framework (35% compared with 27%). They were also more likely to offer 'Health, Public Services and Care', and less likely to offer 'Engineering Manufacturing Technologies' (Table 2), reflecting differences in the sectoral profile of London employers compared with England as a whole.

In line with the national profile, two-thirds (67%) of London employers offered Level 2, and half (49%) offered Level 3 Apprenticeships. However, only a sixth (16%) of London employers offered both (see Table 2).

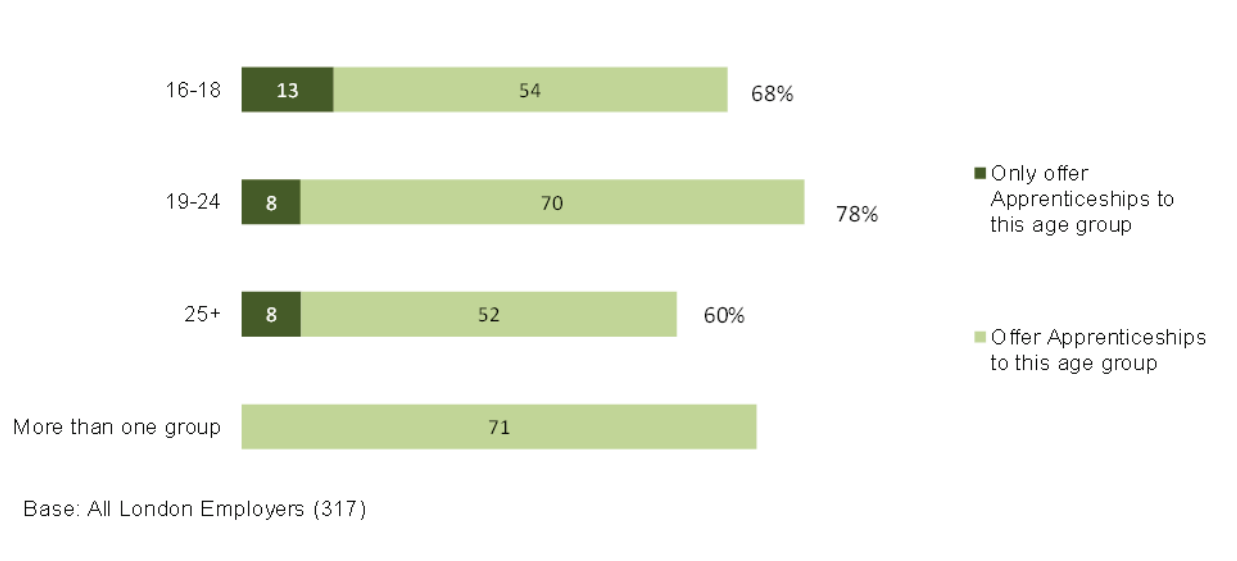
Table 2: Profile of London employers by main Apprenticeship Framework and Level of Apprenticeship offered		
	London (317)	England (4009)
Framework		
Business, Administration Law	35%*	27%
Health Public Services & Care	26%*	21%
Retail Commercial Enterprise	17%	19%
Construction Planning Built Environment	7%	9%
Engineering Manufacturing Technologies	7%*	11%
Information Communication Technology	3%	2%
Leisure Travel Tourism	2%	3%
Other	2%*	6%
Agriculture Horticulture Animal Care	1%*	3%
Level		
L2	67%	68%
L3	49%	48%
Both	16%	16%

*Denotes a statistically significant difference at 95% Confidence Interval (CI).

Age of Apprentices

More London employers offered Apprenticeship training to 19-24 year olds (78%) than to 16-18 year olds (68%) (see Figure 1). This represented a significantly greater difference than at the national level (with equivalent figures of 73% and 71% respectively). London employers were also more likely to have provided Apprenticeships to 19-24 year olds than employers nationally.

Figure 1: Age Profile of London Employers' Apprenticeship Offer



A significant difference emerged when looking at the provision of Apprenticeships to those aged 25 and over. Less than half (45%) of employers across England offered Apprenticeships to this age group, but this rose to six out of ten (60%) London employers.

Overall, the majority (71%) of London employers offered Apprenticeships to more than one age group, and they were more likely to do so than employers across England as a whole (63%). Reflecting this, London employers were less likely to *only* offer Apprenticeships to 16-18 year olds (13% compared with 21% nationally).

Awareness and Understanding of Apprenticeships

London employers' awareness of Apprenticeships closely reflected national awareness. Whilst 70% of employers knew that their employees were on an Apprenticeship, 30% did not.

A similar proportion of London employers (53%) said that they knew about the Government's Apprenticeships Offer compared to the national profile (50%). However, more London employers said that they knew 'a great deal' about Apprenticeships than employers nationally (19% compared with 13%).

Around a third (37%) of both London and national employers knew 'just a little' about the Government's Apprenticeships offer, and around one in ten stated that they either 'knew nothing' about it or had 'never heard' of it.

Recruitment

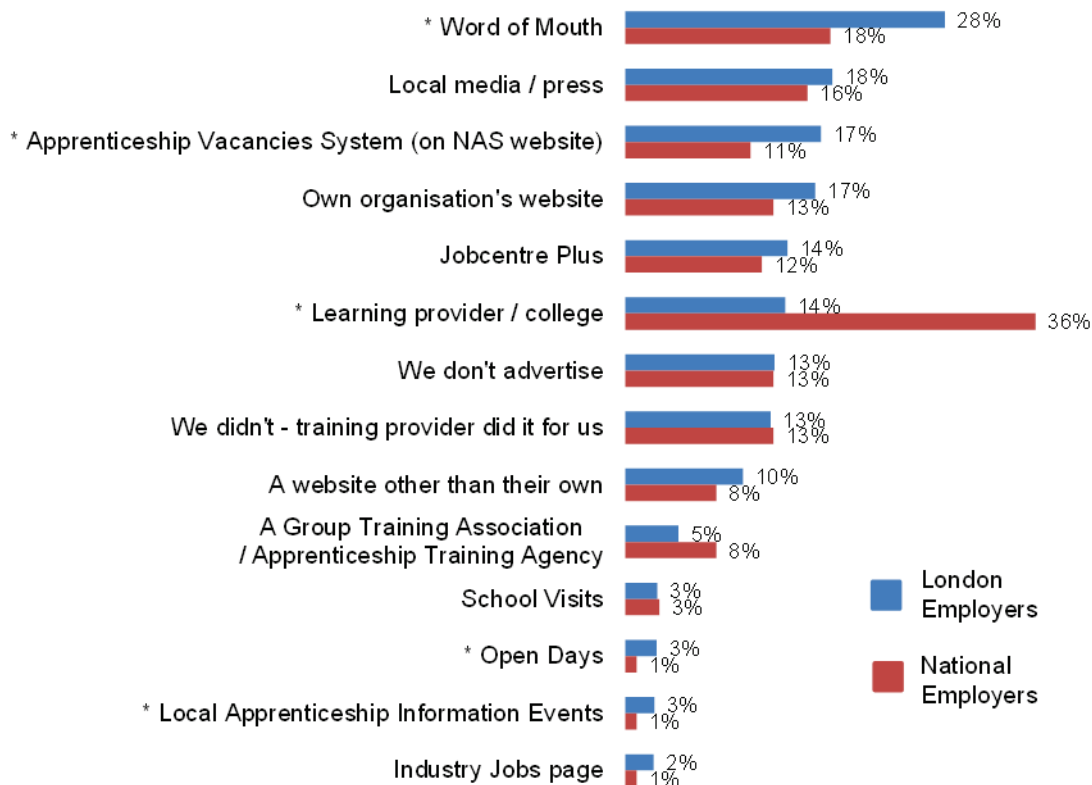
Employers in London were more likely to source their apprentices from existing employees (54%) than to recruit new staff specifically as apprentices (39%). This differed from the national picture where it was more common for employers to recruit new staff as apprentices (49%) than to offer Apprenticeships to their existing workforce (45%). Seven

per cent of London employers used both approaches, in line with employers nationally (5%).

London employers who recruited new staff as apprentices were more likely to recruit 16-18 year olds only (28%) compared to those who recruited apprentices from existing staff (1%), or those that used both (9%). However, regardless of their approach, the majority (61%) of London employers recruited more than one age group of apprentice. Whilst this broadly mirrored the national pattern, employers nationally more commonly recruited 16-18 year olds to their Apprenticeship programmes, either as new staff (34%) or from existing staff (8%).

London employers who recruited new staff specifically as apprentices used a range of recruitment methods (see Figure 2), with the most common approach being ‘Word of mouth’ (28%), followed by ‘Local press / media’ (18%), the ‘NAS Apprenticeship Vacancies System’ (17%), and the employer’s ‘Own organisation’s website’ (17%).

Figure 2: London Employers’ most frequently used methods of Apprentice recruitment



Base: All London Employers who recruit employees specifically as apprentices (141). All Employers nationally who recruited employees specifically as apprentices (2076).

*Denotes a statistically significant difference at 95% Confidence

Although the profile of recruitment methods was broadly similar to that across England, London employers were more likely than those nationally to recruit apprentices via word of mouth (28% compared with 18%) or via the Apprenticeship Vacancies System hosted by

NAS (17% compared with 11%). They were much less likely to recruit via a learning provider or college (just 14%, compared with 36% nationally). This may reflect, to an extent, the fact that they are more likely to recruit from existing employees, and, where they do recruit externally, less likely to take on 16-18 year olds than employers nationally.

Information, Support and Guidance

In line with the national picture, around two thirds (68%) of London employers felt that there was sufficient information, support and guidance available to employers interested in offering Apprenticeships. However, this meant that nearly a third (30%) felt that there was insufficient support.

When asked what information they felt was missing, the 95 London employers who felt that there was insufficient support and guidance were most likely to state that they wanted more help with ‘Understanding the requirements and benefits of an Apprenticeship’ (56%), knowing ‘Who to approach /how to get information on Apprenticeships’ (54%), ‘What funding is available and how to get it’ (25%), and ‘Personal advice and support’ (24%). Compared with the national figures, more London employers wanted help to understand the requirements and benefits of an Apprenticeship, but fewer wanted advice on funding or how to find a suitable training provider (see Figure 3).

Figure 3: The information, support and guidance that London Employers think is missing



Base: All London Employers who said their is insufficient information and guidance (95). All Employers nationally who said their was insufficient information and guidance (989).

In the last three years, three out of ten (30%) apprentice employers in London had used the National Apprenticeship Service for information, advice or support. For those London employers who used NAS, three quarters (76%) were positive about the support they received, with 37% satisfied (scoring 6-7 on a 0-10 point scale) and 38% very satisfied (scoring 8-10). While this was generally comparable to the national profile, where 83% of employers were positive, more employers nationally were very satisfied (54%). Very few London employers who used NAS were dissatisfied with it (0.5%), compared with 17% of employers nationally.

London Employers' involvement in training delivery and assessment

London employers' involvement in the delivery of Apprenticeship training and assessment mirrored the national pattern. Almost all (97%) of London employers had used a training provider, although most employers were also delivering training directly (77%). On the whole, the majority of employers (75%) indicated that both in-house and external methods had been used, with only 23% solely using a training provider and even fewer (3%) providing all the training themselves.

Mirroring the national picture, London employers had markedly less involvement in Apprenticeship assessment than in the training itself. The vast majority (98%) used a training provider for assessment with only 2% conducting the assessments themselves.

Table 3: London Employers Involvement in Training Delivery and Assessment

Training (Base 299)	
Apprentices receive training from a provider	97%
Apprentices trained by both the provider and the employer	75%
Apprentices trained by the provider only	23%
Apprentices formally trained by the employer	77%
Apprentices trained by both the employer and a provider	75%
Apprentices trained by the employer only	3%
Assessment (Base 302)	

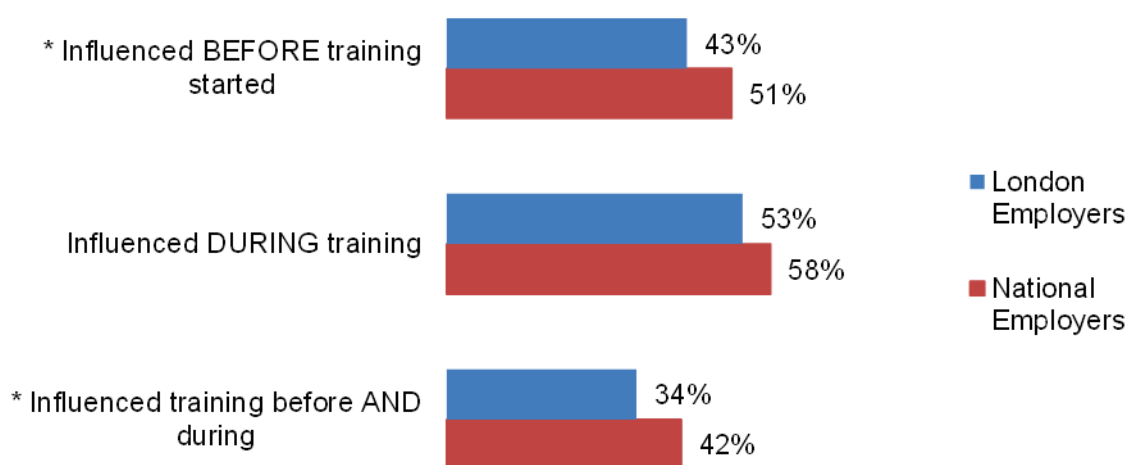
Table 3: London Employers Involvement in Training Delivery and Assessment

Apprentices assessed by a provider	98%
Apprentices assessed by the employer	2%

Employers' Involvement in Decisions About Apprenticeship Training

Although most London employers' apprentices had received their Apprenticeship training from an external provider, only two-fifths (43%) of the employers said that they were able to influence the structure, content, delivery or duration of that training *before* it started. This was a significantly lower than across England as a whole (51%). London employers' influence increased once the training had started (53%, similar to the national picture). However, only one third (34%) of London employers were able to influence both before *and* during the training, compared with 42% of employers nationally.

Figure 4: London Employers' reported levels of influence over Apprenticeship training



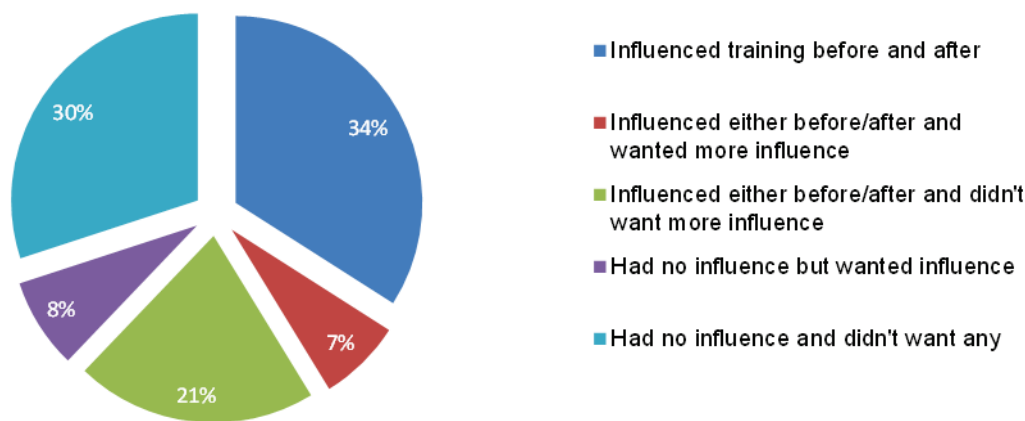
Base: All London Employers (317); All Employers nationally (4009)

London employers were less positive than employers nationally about their **ability to influence the structure, content, delivery and duration of the Apprenticeship training**. Nearly six out of 10 (59%) were positive (see Figure 7 on page 12), compared with 66% nationally. While similar proportions of London employers and employers overall said they were satisfied with how much influence they had (scoring 6-7 out of 10), fewer London employers said that they were very satisfied, scoring 8-10 out of 10 (32% compared with 40% nationally). More London employers (21%) were dissatisfied (scoring 0-4 out of 10) with their ability to influence training, compared to the national picture (13%).

Of the London employers who did not influence the provision of training at *any* stage, nearly three quarters (74%) said they had not wanted to influence it, but just over a quarter (26%) said that they had wanted to, but were unable.

Combining these questions presents a five-fold typology based on employers' ability and desire to influence Apprenticeship training (see Figure 5). This highlights that 30% of London employers neither sought nor wanted any influence over the content of training (in line with 26% of employers nationally). Only 15% of London employers in total felt that they wanted more influence over the training their apprentices received (again, similar to the national figure of 16%). More London employers than employers nationally (21% compared with 17%) were able to influence the training but did *not* want any more influence.

Figure 5: London Employers Ability and Desire to Influence Apprenticeship Training



Base: All London Employers (317)

The ability to influence training is related to London employers' overall levels of satisfaction with the Apprenticeship programme. Whereas 70% of employers who 'Influenced training before and after' said that they were very satisfied with the programme (scoring it 8-10 on a 0-10 scale), this fell to 28%⁴ of those employers who said they 'Had no influence but wanted influence'.

Satisfaction with Apprenticeship Training

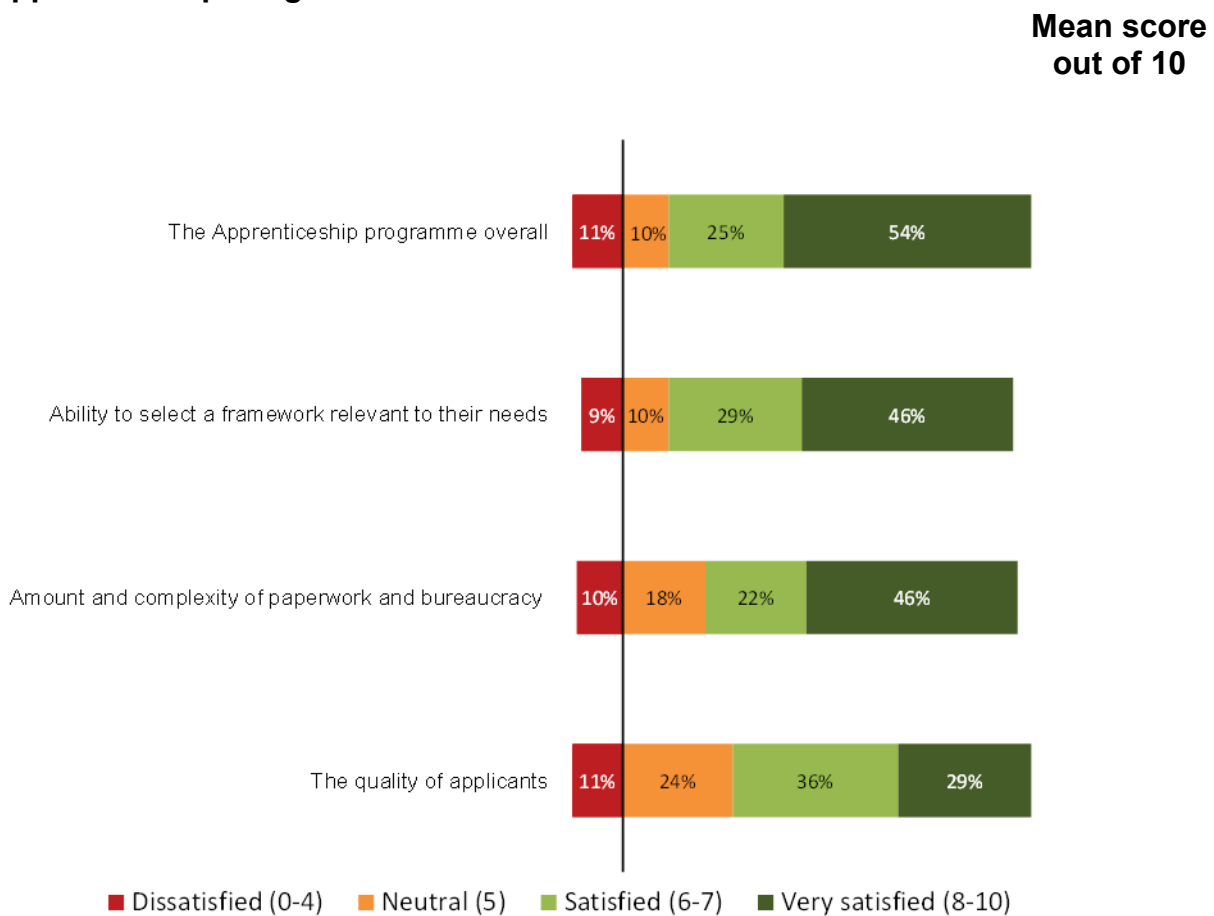
London employers' were positive about the **Apprenticeship programme** overall, with 79% being satisfied (see Figure 6). While just over half the London employers were very satisfied, this was lower than employers nationally (54% compared with 60%). Although still in the minority, more London employers were dissatisfied than employers nationally (11% compared with 7%).

⁴ Note, small base size of 25 means that limited conclusions can be drawn and comparisons with the national sample are not feasible.

Three quarters of London employers were either satisfied (29%) or very satisfied (46%) with their **ability to select an Apprenticeship framework relevant to their needs**. This differed slightly from the national picture where significantly more employers (53%) were very satisfied. Only 9% were dissatisfied, in line with the national level. Furthermore, nearly 7 in 10 London employers (68%) were satisfied (versus 10% dissatisfied) with the **amount and complexity of paperwork and bureaucracy** required of them. Again, these figures were in line with results across England.

In addition, 65% of London employers were positive about the **quality of Apprenticeship applicants**, whilst 11% were dissatisfied. Both of these figures reflected the national picture.

Figure 6: London Employers’ satisfaction levels with specific aspects of the Apprenticeship Programme

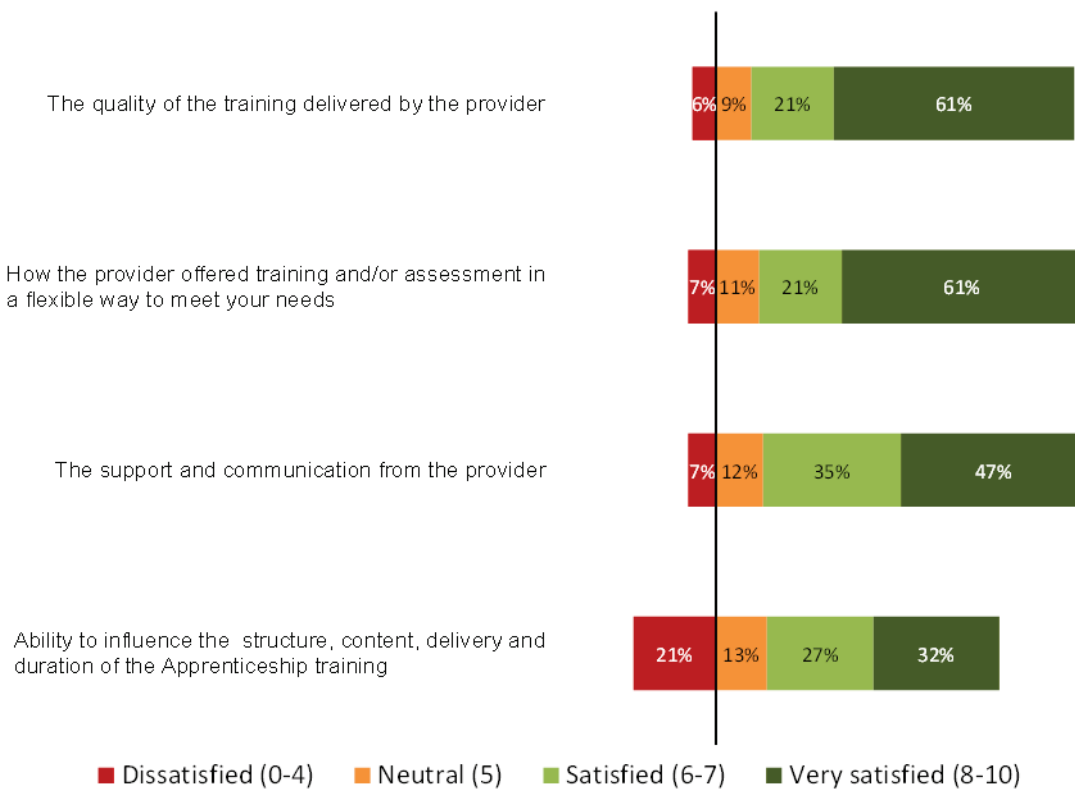


Base: All London Employers (317) except for 'Quality of Applicants' (141).

On the whole, London employers were positive about their involvement with training providers (see Figure 7). Similar to employers at the national level, 8 out of 10 London employers who used a training provider were satisfied (including 60% very satisfied) with the **quality of training** delivered by the provider, while only a small proportion (6%) were dissatisfied. This pattern was also reflected in the fact that 81% of London employers were satisfied with the way in which the training provider offered **training and/or assessment in a flexible way to meet the employers’ needs**, with only 7% dissatisfied (a pattern which also mirrored responses nationally). Moreover, similar proportions of London employers were satisfied (82%) versus dissatisfied (7%) with the **support and**

communication from the training provider. Although this is broadly in line with the national level, fewer London employers were very satisfied with the support and communication they received (47% versus 58%) with more being satisfied (35% versus 22% nationally).

Figure 7: London Employers’ satisfaction levels with their level of influence and the performance of training providers

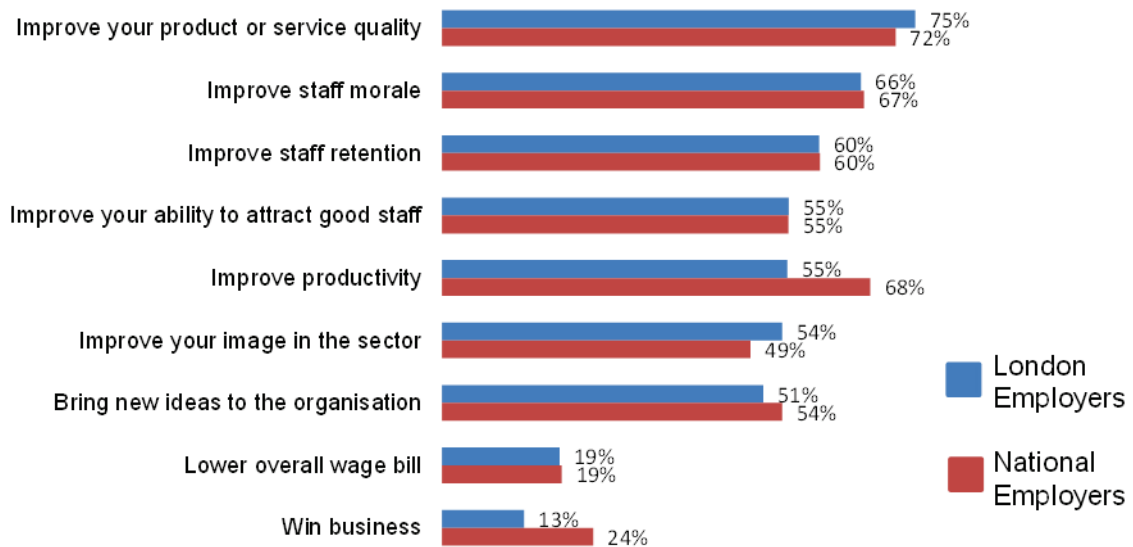


Reported completion rates and perceived business benefits of Apprenticeships

London employers reported Apprenticeship completion rates in line with the national level. Eighty per cent stated that all of their apprentices completed their training, with 9% saying that some did, and only a small proportion (8%) indicating that none of their apprentices had completed training.

London employers reported their businesses had benefitted from Apprenticeships in a number of ways (see Figure 8) with improved product or service quality being the most common (75%), followed by ‘Improved staff morale’ (67%), and ‘Improved staff retention’ (60%). On the whole, London employers cited similar benefits to those nationally, although significantly fewer reported ‘Improved productivity’ (55% versus 68%) or ‘Winning Business’ (13% versus 24%).

Figure 8: Business Benefits realised by London Employers as a result of offering Apprenticeships



Base: All London Employers (317); All Employers nationally (4009)

Nearly two thirds (63%) of London employers stated that all of the apprentices who finished were still working for them, with 17% saying that *some* were still working for them. Just 14% stated that all the apprentices had left the organisation.

By far the most common reason (given by 48% of London employers) for apprentices leaving was that they 'left for another or higher paid job'. The second most common reason, given by 15% of employers, was that the apprentice was not 'performing to the standard they demand'. A tenth of employers said that the apprentices 'moved away from the area' and 9% said that there had been a 'lack of jobs / employment opportunities'. On the whole this pattern was similar to that found nationally.

Advocacy of Apprenticeships

Seven in ten (72%) London employers said that would recommend Apprenticeships, compared with 82% of employers nationally. More London employers (25%) said they were 'neutral' towards Apprenticeships than employers nationally (6%), but on the plus side, only 1% of London employers said that they would recommend *against* Apprenticeships (compared to 2% overall).

Current and Continuing Involvement with Apprenticeships

Looking at current involvement with Apprenticeships, London employers were more engaged than employers nationally. Sixty-eight per cent still employed at least one apprentice at the time of the survey, compared with 62% nationally. Most London employers (31%) had a single apprentice, with 17% having two, and 14% having between 3 and 9 apprentices.

The majority (75%) of London employers stated that they planned to continue offering Apprenticeships (versus 80% nationally). Just 8% of London employers said that they had no intention of continuing, with 16% being undecided.

London employers' propensity to continue offering Apprenticeships was shaped by the size of the employer. Whereas 92% of employers with 100 or more employees said that they would continue, this figure fell to 72% of employers with 1-24 staff. Employers with 25-99 employees were the most non-committal with a fifth saying they were still undecided.

Conclusions

On the whole, London employers' experiences of Apprenticeships reflect the national picture and they reported high levels of satisfaction as well as a range of business benefits. However, similar to employers nationally, London employers also reported that some areas of Apprenticeships are not working as well as intended.

Satisfaction and Business Benefits

Apprenticeships are delivering for most London employers, who report a number of business benefits. Satisfaction levels reflected the national profile along a range of dimensions.

- However, London employers' satisfaction with **Apprenticeships Overall** was lower than across England, with more indicating that they were dissatisfied and fewer stating that they were very satisfied.
- Similarly, London employers were less likely to recommend Apprenticeships compared to employers nationally, and more likely to be neutral.

Involvement and Influence in Apprenticeships

London Employers' levels of involvement in the delivery of Apprenticeship training and assessment mirrored the national picture. In terms of influencing Apprenticeships, a varied picture emerged.

- Compared to employers nationally, London employers were less likely to have had influence either before the Apprenticeship training started, or before *and* during the Apprenticeship training.
- London employers were also significantly more likely to say that they were dissatisfied with their level of influence.
- However, at the same time, the proportion of London employers who felt that they wanted more influence over the training their apprentices received was relatively low and mirrored the national figure of 16%.
- Furthermore, significantly more London employers (21%) indicated that they *were* able to influence Apprenticeship training but did *not* want more influence than national employers (17%).

Exploring these trends further would be of value as the ability to influence training appeared to be related to London employers' overall levels of satisfaction with the

Apprenticeship programme. However, due to the small base sizes, caution should be used when drawing conclusions from the data presented here.

Awareness and Understanding of the Apprenticeship Brand

The national report indicated that a proportion of employers have limited awareness and understanding of the Apprenticeship brand, suggesting that this needs to be improved. This pattern was also evident for London employers.

- London employers' awareness of Apprenticeships closely reflected national awareness. Although 70% of employers knew that their employees were on an Apprenticeship, a significant minority (30%) did not.
- While a similar proportion said that they knew about the Government's Apprenticeships Offer, more London employers said that they knew 'a great deal' about Apprenticeships than employers nationally (19% compared with 13%).

Support and Guidance

While two thirds (68%) of London employers felt that there was sufficient information, support and guidance available to employers interested in offering Apprenticeships, nearly a third (30%) felt that there was insufficient support. This reflected the national picture. London employers in particular were more likely than employers nationally to want information and guidance about understanding the requirements and benefits of an apprenticeship.

Thirty per cent of London employers had used NAS for support and guidance, similar to employers nationally. There is room to increase their satisfaction levels.

- Fewer London employers were very satisfied with the support and guidance they had received from NAS (38% versus 54% nationally), although hardly any were dissatisfied.

© Crown copyright 2014

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. Visit www.nationalarchives.gov.uk/doc/open-government-licence, write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

This publication available from www.gov.uk/bis

Any enquiries regarding this publication should be sent to:

Department for Business, Innovation and Skills
1 Victoria Street
London SW1H 0ET
Tel: 020 7215 5000

If you require this publication in an alternative format, email enquiries@bis.gsi.gov.uk, or call 020 7215 5000.

BIS/14/624