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**Apprenticeships Evaluation 2015 –
Employer Summary Report**

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RESEARCH

Summary

This summary report presents the findings of the Apprenticeships Evaluation Employer Survey 2015, and is the fourth in an annual series, the first of which was published in 2012.

The evaluation, which sits alongside the Apprenticeships Evaluation Learner Survey, consisted of quantitative interviews with 4,000 employers that had had individuals complete an apprenticeship between March and October 2014.

The research is intended to monitor key progress indicators and to develop understanding of the apprenticeship programme and the value it delivers. It provides insight into the impact of recent policy reforms and will help shape future development (and growth) of the programme.

Specifically the research covered employers' experience of offering apprenticeships: who they took on and to what types of apprenticeship; their motivations for offering apprenticeships; the way the apprenticeships were delivered; the outcomes for their apprentices; and the satisfaction of employers and their future intentions.

Who employs apprentices?

A quarter (24%) of employers with recent apprentices operated in the Health and Social Work sector, making this by far the largest sector. While there were few differences at a sector level since 2014, there were some changes by size of employer: over two-fifths (44%) of employers with apprenticeships had 25 or more employees at their site, compared with 34 per cent in 2014.

The majority (67%) of employers offering apprenticeships had only one apprentice recently complete their training, reducing to 45 per cent of employers with 100 or more staff. Around one in 11 (9%) had ten or more completers.

While larger employers tended to have more apprentices, mid-size sites (with 10 to 99 employees) actually had the highest ratio of apprentices to overall staff numbers (11 per 1,000 employees), around twice the level found among employers of other sizes. By sector, Other Services (which includes hairdressers and barbers) provided more apprentices per employee than any other sector, followed by Health and Social Work and Education.

Reflecting a recent plateauing of employer take-up of apprenticeships, a quarter (25%) had been offering apprenticeships for less than three years, a considerable reduction from the 42 per cent in 2014.

Two-thirds (66%) of employers were aware that the training their staff had undertaken was an apprenticeship. However less than two-fifths (38%) of those that only provided apprenticeships to existing staff were aware. Awareness was higher for "traditional" frameworks (Construction and Engineering).

What types of apprenticeships are on offer?

As in 2014, there were three broad frameworks that accounted for the majority of the apprenticeships offered by employers. One in three (34%) provided Business frameworks to apprentices within the research window, while just under a quarter provided each of Health (23%) and Retail (22%).

Most employers (90%) provided only one broad framework. Two-thirds (65%) of employers provided apprenticeships at Level 2, and half (49%) at Level 3. Only one in seven (14%) provided both, although this rose to two-thirds (66%) among those with six or more apprentices. There was a wide variation by framework, with employers offering Construction frameworks much more likely to offer their apprenticeships at Level 2, while in Arts, Education and ICT most apprenticeships were at Level 3.

Most employers offered apprenticeships to those aged 19 to 24 (80%) or under 19 (74%). Only 16 per cent exclusively offered apprenticeships to those aged under 19. Under half (46%) of employers offered apprenticeships to individuals aged 25 or over. For those who did not offer apprenticeships to individuals aged under 19, the most common reason was due to simply not being able to employ people of this age in the workplace (34%, rising to 46% among those offering a Health framework).

Employers targeting existing employees for apprenticeships were much more likely to provide them to people aged over 25 (70% compared to 34%), and much less likely to provide them to people aged under 19 (57% compared to 86%) than those recruiting from outside.

How and why were apprentices recruited?

A variety of reasons were given for choosing to offer apprenticeships to staff over other forms of training. When asked to choose a single reason which best described why they had made this choice, the most common related to apprenticeships being more relevant to the needs of the business (31%, an increase from 25% in 2014). Other frequently chosen reasons were the convenience of having the training provider handle recruitment (19%), that apprenticeships were the required form of training in the industry (18%) and their being the best way to aid recruitment (17%). Altruism or financial motivations were far less common. There were no large differences between those offering apprenticeships to their existing staff and those recruiting new employees as apprentices, although those recruiting new apprentices were more likely to say that it was because it was the required form of training for the industry (20% compared to 14%).

Employers that had been offering apprenticeships for a year or less (4% of all employers) were asked why they decided to start doing so. Commonly this was in order to acquire skilled staff (40%), while smaller proportions cited more reactive reasons such as being approached by a learning provider (19%) or existing staff (12%) to offer apprenticeships.

Most workplaces had control over the number of apprentices they took on, even if they belonged to a wider organisation. Approaching nine in ten (86%) of all workplaces decided for themselves the number of apprentices to train, and a further seven per cent suggested the number to take on that then required Head Office approval. Among branch sites, more than half (56%) made the decision on apprenticeship recruitment without any head office

input, while for around one in six (17%) of branches the decision was made entirely off-site, at Head Office.

The majority of employers (64%) recruited externally at least some of the apprentices who completed their training in the research window. Two-fifths (38%) provided apprenticeships to existing staff. Just over half (56%) recruited at least one apprentice who started their apprenticeship immediately (compared with 50% in 2014, although due to changes in questionnaire design these differences are not strictly comparable).

The National Apprenticeship Service's Apprenticeship Vacancies website, now called 'Find an apprenticeship', was used by around a fifth (21%). This rose to 25 per cent among employers who had at least some recent completers that had been recruited specifically as apprentices.

Employers generally felt the information, support and guidance available to them when making decisions on offering apprenticeships was sufficient (71%), although this was a less commonly held view among small businesses (63% of those with fewer than 10 employees).

Keeping apprentices: retention and progression

For most employers (88%), all of their apprentices who *finished* their apprenticeship during the survey window successfully *completed* their apprenticeship. Similar to 2014, around two-thirds (65%) of employers' apprentices were still with the company at the time of the survey, typically around 12-18 months later. This was much more common among employers offering an Engineering apprenticeship.

A variety of reasons were given for apprentices leaving the organisation. More than half (53%) of employers whose apprentices had left reported that this was due to them receiving other or higher paid employment, in line with 2014. This was a more common outcome among individuals whose employers offered a Construction apprenticeship (66%). Just over seven in ten (71%) employers used fixed term contracts when recruiting a new apprentice, in line with 2014 (72%).

The availability of suitable progression routes beyond the apprenticeship are an important ingredient of the apprenticeship offer. Just over half (53%) of all employers offered any kind of qualification at Level 4 or above. A quarter (26%) offered Higher apprenticeships, while nearly one in seven (13%) offered Degree apprenticeships. However only 13 per cent had actually had an apprentice proceed to a higher level qualification. There was substantial variation in progression routes offered by framework, with those offering Health apprenticeships much more likely to offer and provide progression routes than others. Smaller businesses were also less likely to offer higher level qualifications.

A variety of reasons were given for not offering higher level qualifications, with the most common relating to a lack of demand from staff (24%), that it was not a requirement of the job (23%) or that there was a perceived lack of suitable qualifications available (23%).

New initiatives – Traineeships and Trailblazers

Traineeships were introduced in 2013 to provide work experience to young people not in work who need additional skills to get a job or an apprenticeship.

Approaching two-thirds (64%) of employers had heard of traineeships, while over two-fifths (43%) had at least some knowledge of what these entailed. Awareness and knowledge of traineeships was higher among larger employers, and those offering an Arts and Media, Health or Business framework.

The number of employers actively engaged in traineeships was much lower: only five per cent reported that the apprentices covered in the survey had undertaken a traineeship prior to their apprenticeship, although nearly one in five (19%) had participated in traineeships in *some* way. A further seven per cent of employers intend to offer traineeships in future.

The government also launched Trailblazer standards in 2013, with a view to these replacing the current apprenticeship frameworks over the next few years. These standards are being developed by employers, and thus enable them to influence the design of both training delivery and assessment, such that apprenticeships better meet the needs of industry.

A quarter (24%) of employers were aware of these standards, although only 12 per cent had at least some knowledge of what they involved. Similar to traineeships, larger employers and those offering an Arts and Media or Business apprenticeship tended to have higher levels of awareness and knowledge. A minority (6%) of employers had actually been involved in the Trailblazer standards in some way, rising to 19 per cent of employers with 100+ staff. While it is still quite early to determine the quality of these standards, over half (55%) of those involved considered Trailblazers to be an improvement on the current apprenticeship frameworks (25% felt it was too early to say).

Fewer than one in ten (8%) of all employers surveyed intended to offer Trailblazers within the next five years; however, this accounts for two thirds (67%) of those employers aware of them.

Delivery, assessment, cost and influence of apprenticeship training

Most employers (94%) made use of an external training provider to deliver at least some of their apprenticeship training, consistent with 2014. There was little difference by framework.

Just under three-quarters (73%) of all employers provided formal training themselves, and here there was a greater variation by framework: nearly eight in 10 (79%) employers with an Agriculture or Retail broad framework provided formal internal training sessions compared with just 59 per cent of employers offering an Education framework.

Only one per cent of employers carried out the apprenticeship assessment themselves, rising to three per cent of sites with 100+ employees.

Just over a quarter (27%) of employers who were employing apprentices at the time of the survey paid fees to a training provider, representing an increase of two percentage points

from 2014 (25%). Employers offering apprenticeships in more “traditional frameworks” such as Construction and Engineering were much more likely to pay fees to a provider.

The majority (65%) of employers felt able to influence the content, delivery or duration of their apprenticeship training. Levels of influence *before* delivery of the apprenticeship were higher among those offering “newer” frameworks such as Arts and Media, as well as larger employers. Three in ten (30%) employers who had limited or no influence over the design of training reported that they wanted to have more influence over its design, representing 16% of all employers. However, a quarter (24%) of all employers did not have, nor want, any influence over their apprenticeship training.

Recent apprenticeship policy in England has placed increased emphasis on developing maths and English skills. Such skills were deemed more important to employers offering “newer” frameworks such as Education (where 95% of employers regarded these skills as important) than more “traditional” frameworks like Construction (64%).

Satisfaction, benefits and future plans

Satisfaction levels with apprenticeships have increased since 2014, rising from 83 per cent to 87 per cent, although satisfaction varied widely by framework. Satisfaction was highest among those offering a Business apprenticeship, while the lowest levels of satisfaction occurred among employers offering Construction or Arts and Media frameworks.

Exploring specific aspects of the apprenticeship, employers were most satisfied with the quality of the assessment carried out by their provider (88%), how the provider offers training and / or assessment in a flexible way (86%), the quality of training (86%) and the support and communication from their provider (84%). There were lower levels of satisfaction regarding the quality of applicants (63%) and employers’ ability to influence structure, content, delivery and duration of the apprenticeship (65%).

High satisfaction levels were reflected in the proportion of employers who would recommend apprenticeships to others (83%). Just over a third (37%) would recommend apprenticeships to other employers without being asked.

Employers experienced a wide range of benefits as a result of training apprentices. Improved productivity, product or service quality, staff morale, staff retention and image in the sector, as well as generating new ideas, were all cited by at least two-thirds of employers, with improved productivity the most frequently cited benefit (76%).

The vast majority of employers remained committed to apprenticeships: 86 per cent intended to continue offering apprenticeships in future, an increase from 79 per cent in 2014. Some were also planning to expand their apprenticeship offer, with 25 per cent of those intending to continue apprenticeships (or who were unsure) reporting that they would increase the number of apprenticeship places offered. A minority of employers intended to either decrease (4%) their apprenticeship numbers or stop altogether (6%). For these employers, nearly half (48%) attributed the change to needing to recruit or train fewer people, while 30 per cent stated that they had decided to recruit or train in other ways.



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