



Department  
for Business  
Innovation & Skills

RESEARCH

BIS RESEARCH PAPER NUMBER 162

Employer Influence on  
Apprenticeships

MARCH 2014

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](http://www.gov.uk/bis)

Research paper number 162

March 2014

# Contents

<b>Contents</b> .....	<b>3</b>
<b>Executive Summary</b> .....	<b>6</b>
<b>Chapter 1: Introduction</b> .....	<b>12</b>
The context for this research.....	12
Aims and objectives .....	13
Methodology.....	14
The structure of this report .....	16
<b>Chapter 2: SME motivations for providing Apprenticeship training</b> .....	<b>17</b>
What motivates SMEs to offer Apprenticeships? .....	18
The importance of training providers.....	22
<b>Chapter 3: SME motivations to influence Apprenticeship training</b> .....	<b>25</b>
Why do some SMEs not want influence over Apprenticeships? .....	25
What motivates some SMEs to want more influence?.....	28
<b>Chapter 4: Barriers and enablers to SME influence on Apprenticeships</b> .....	<b>33</b>
Barriers to SME influence over their Apprenticeships.....	33
Enablers to employer influence over Apprenticeships .....	35
<b>Chapter 5: Placing more purchasing power in the hands of employers</b> .....	<b>38</b>
SMEs' views about more direct control over Apprenticeship funding .....	39
<b>Chapter 6: Perceptions and experiences of the Direct Grant</b> .....	<b>42</b>
What motivated employers to operate the Direct Grant? .....	42
What impact did the Direct Grant have on the delivery of the Apprenticeship training? .....	43
What impact has the Direct Grant had on provider relationships? .....	45

What impact has the Direct Grant had on employers' views regarding Apprenticeship costs and funding? ..... 45

What do Direct Grant employers identify as barriers and enablers to exercising more influence? ..... 47

**Chapter 7: Conclusions and Policy Implications..... 49**

## About the Ipsos MORI authors

**Claire Johnson** is a Research Director with 16 years' experience. Her research interests include young people's transitions into the labour market, unemployment, and the evaluation of government skills and employment initiatives. Claire has led a number of qualitative studies on skills policies including National Skills Academies and integrated employment and skills trials. She is currently overseeing the employer survey element of the 2014 Apprenticeship Evaluation.

**Jo Swiecicka** is a Senior Research Executive at Ipsos MORI specialising in education, skills and welfare research. Jo is an experienced quantitative and qualitative researcher who has led a number of projects on behalf of government clients including BIS, the Money Advice Service, and the DfE.

**Matt Colahan** is a Senior Research Executive at Ipsos MORI who joined from the University of East London where he undertook his PhD. He managed the employer survey element of the 2012-2013 Apprenticeship Evaluation, and is currently managing a large-scale employer survey for BIS designed to measure the impact on employers of poor basic skills in the workplace.

**Rachael Emmett** is a Senior Research Executive specialising in education and skills research. Rachael graduated from the London School of Economics with a BSc in Social Policy with Government. She managed the learner component of the 2012-2013 Apprenticeship Evaluation and has also conducted research among providers, employers and learners on awareness of and attitudes towards FE Loans for those aged 24+.

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

# Executive Summary

## Introduction and policy context

In 2012-13, Ipsos MORI conducted the Apprentice Employer and Learner Surveys on behalf of the Department of Business Innovation and Skills (BIS). While responses from the employer survey revealed high levels of overall satisfaction with Apprenticeships and positive views on their business benefits, they also showed that employer influence over Apprenticeships was limited. Only half of employers said they were able to influence the structure, content, delivery and duration of the Apprenticeship *before* it started, while 58% said they were able to exert influence *during* the Apprenticeship. A third had no influence either before or during the training. Of particular concern was the proportion of employers – 26% - who reported that they did not have any influence and did not *want* to influence the Apprenticeship training at all.

SMEs account for the vast number of businesses in the English economy, and therefore their engagement in, and ability to shape, the training their employees receive is crucial to meeting government commitment for a more employer-led skills system. Recent reviews of the role, delivery and assessment of Apprenticeships by the entrepreneurs Jason Holt<sup>1</sup> and Doug Richard<sup>2</sup> have reinforced the move towards a more demand-driven approach to Apprenticeship training. Richard recommends giving purchasing power to employers to incentivise investment in Apprenticeship training. Similarly, Holt recommends rebalancing purchasing power to allow SMEs to exert greater control on the supply-side of Apprenticeship provision.

As policy moves to place employers at the heart of the reformed Apprenticeship system, it is critical for BIS to understand the barriers and enablers to facilitating greater employer influence, especially for SMEs. Employer influence - and engagement - with Apprenticeships at sectoral level can help to ensure that the content of Apprenticeship Frameworks is relevant and delivers economically valuable skills that industry needs. But it is also paramount at the individual level, where the relationship between the employer and their apprentice(s) should be fundamental. BIS therefore commissioned Ipsos MORI to undertake 28 qualitative follow-up interviews with survey respondents, aiming to understand:

- The reasons why, despite the vast majority of employers using training providers to deliver their training, only two-thirds had influence over the structure, content, delivery and duration of the Apprenticeship *either* before it started or during the Apprenticeship.
- The reasons why a quarter of employers do not influence and do not want to influence the structure, content, delivery and duration of the Apprenticeship, and how they may be encouraged to be more engaged.

---

<sup>1</sup> Jason Holt (2012), *Making Apprenticeships More Accessible to SMEs*. BIS. London.

<https://www.gov.uk/government/news/support-for-small-businesses-in-taking-on-apprenticeships>

<sup>2</sup> Doug Richard (2012), *The Richard Review of Apprenticeships*. BIS. London.

<https://www.gov.uk/government/publications/the-richard-review-of-apprenticeships>

At the same time as the research with SMEs, BIS also commissioned Ipsos MORI to conduct 12 interviews with Apprenticeship employers operating Direct Grant funding. These are all large employers operating across multiple sites, often with hundreds of apprentices in training, who have opted to receive the government component of Apprenticeship funding directly. While these interviews provide insight into how Direct Grant funding has been used and the impacts it has had on employer engagement in Apprenticeship training, it should be remembered that Direct Grant employers differ greatly from SMEs, not least because of their extra resources and the economies of scale they can exercise when sourcing training or deciding to deliver it themselves.

## Methodology

The research adopted a qualitative approach in order to gain deeper insight into small employers' views and experiences. Fieldwork ran between mid-September and late November, comprising:

- Twenty-eight interviews with SMEs across England. Interviews typically lasted around 45 minutes, and were conducted by telephone. This sample was sourced from respondents who took part in the 2012-13 Apprenticeship Employer Survey and agreed to be re-contacted, focusing on those in organisations with fewer than 100 staff, who reported that they either did not have or want any influence on the training, wanted influence but did not get any, or got some influence but wanted more.
- Twelve interviews with large, Direct Grant employers, typically lasting an hour, were conducted by a mixture of telephone and face-to-face visits. This sample was sourced from the National Apprenticeship Service, and recruited by Ipsos MORI.

It is important to note that although qualitative research provides detailed insights into motivations, experiences and behaviours, the views obtained are not statistically representative of all employers. Readers should also bear in mind that the research did not purposively target SMEs who were satisfied with the influence they had, as it sought to identify what motivated SMEs to want more influence, and the main impediments to this.

## Key findings

### ***What motivates SMEs to provide Apprenticeship training?***

The SMEs in our sample were motivated to offer Apprenticeships for a range of reasons which differed according to their sector and how embedded Apprenticeships were as the standard form of training within it. Most employers were not likely to offer Apprenticeships unless there was a business need for them to do so. This could be external – for example, the Apprenticeship was the accepted training route for new recruits within that sector and effectively a licence to practice within the industry – or internal – for example, the employer viewed offering Apprenticeships as a way to retain and develop their existing staff.

Employers in the more traditional Framework areas were more likely to have a personal history of completing an Apprenticeship themselves and also more likely to be delivering Apprenticeships due to this being the standard training route within their sector. As a result, they had strong personal and business investment in Apprenticeship training.

Employers in the newer, growth Frameworks areas were more likely to see Apprenticeships as a way of offering free or subsidised training to retain and up-skill their existing staff. In addition, in some growth sectors such as social care, there is a new sector impetus driving the increase in Apprenticeship training, often promoted by Sector Skills Councils (SSCs) or other industry bodies. In our sample, it was employers in the newer Framework areas who were also more likely to have been persuaded to offer Apprenticeships at the instigation of a training provider.

### ***What motivates SMEs to want to influence Apprenticeship training?***

There were three key drivers of influencing behaviour: employers' motivation to influence; their capability to influence; and how much opportunity for influence they got.

Not all employers wanted to influence their Apprenticeship training, and the main reason for this was that they were already satisfied with it and saw no need to get any further involved. Other reasons for employers not wanting to influence their Apprenticeships were:

- Lack of belief in their capability to exert influence with providers because they felt that they were simply too small for their views to hold any weight.
- Lack of awareness about what good Apprenticeship training should look like, which meant they did not feel they could effectively hold their providers to account.
- Lack of opportunity to exercise influence due to the particular provider relationship they had, coupled with their perceptions of how much of their time it would take up.

On the other hand, those employers who did want more influence voiced a range of reasons for this, centred on the desire to improve the relevance of the training to their business and the quality of the experience for their learners. The main reasons for wanting more influence over different elements of the Apprenticeship were:

- A lack of clarity about the design of the Framework and what it covered. Some employers wanted a better understanding of the design of the Framework so that they could have more input into the content and occupational standards.
- Linked to this, course content that did not fully meet the needs of the business, or that was presented as a standard package by their training provider, with no choice in terms of the modules that staff were able to do. Some employers were dissatisfied with elements of their existing provision, but frustrated that they could do little about it.
- Inflexible course structures which did not fit with how the business worked, or programmes that were deemed either too long or too short.
- A lack of communication about and input into learners' progress assessments.

### ***What hinders or facilitates SME influence over their Apprenticeships?***

Regardless of their motivations for offering Apprenticeships, for most small employers their access to the training was mediated by their contact with a training provider such as a further education college or private training company. This meant that the degree of



influence they had over how the training was delivered and the extent to which it was tailored to meet their own business needs was very much affected by the 'balance of power' within their relationship with the provider.

The most significant barrier to more SME involvement in Apprenticeships was the level of disconnect between training providers and employers. In many of the interviews, employers reported that providers were distant and uncommunicative, difficult to get a hold of and uninterested in engaging the employer in discussions about how best to see their apprentices achieve. This frustrated many of the employers we spoke to, who wanted more influence than they got, as they felt they deserved more involvement.

Conversely, where the provider relationship was good, this translated into a greater degree of influence because communication channels were open and two-way: providers asked for employer input and fed back on how students were doing, while employers were able to relay their training needs and felt comfortable about raising any issues they had.

The other main enablers to more employer influence over their Apprenticeships were:

- Knowledge of how the Apprenticeship was structured, which gave employers better capability to know what they wanted to get out of the Apprenticeship and enabled them to feel more confident about asking for modifications to content.
- Feeling invested in the Apprenticeship either personally or from a business perspective – this applied particularly to employers within traditional Frameworks such as construction or engineering.
- Having the confidence and self-belief to ask providers for input. This often stemmed from employers being involved in some form of collective forum to share their views, such as a local provider-employer consultation group. Being part of a collective group of SMEs helped to counter the belief barrier that small employers' views held less weight with providers.

### ***Would more direct control of Apprenticeship funding encourage greater influence?***

Both Richard and Holt argued that the current, provider-based funding model for Apprenticeships handicaps employers, who are the actual consumers of the training, because providers rely more on the government funding contribution than on what employers pay them directly. One way to address this is to place more spending power into the hands of employers by giving them the government element of Apprenticeship funding to spend on provision, rather than it going direct to providers. This model already operates for a relatively small number of large, national employers with high volumes of apprentices, who have opted to use the 'Direct Grant' system.

We asked small employers hypothetical questions about the potential impact on their attitudes towards influencing Apprenticeships, if they were to have more direct control over the government portion of Apprenticeship funding. SMEs' views were essentially mixed, with three different segments emerging from the research:

- Those who did not want funding control, and thought it would not affect their views about influence. These employers were already satisfied with the status quo and

resistant to change because of concerns about the additional administrative burden they thought funding control would bring.

- Those who were positive about more funding control, but ambivalent about its impact on how much influence they would want. These employers liked the idea of having more control over Apprenticeship funding but thought this would not encourage them to want more influence, due to concerns that they did not know enough about the Apprenticeship system to be able to influence it effectively. Some thought there were already enough organisations involved in influencing, and indeed policing, Apprenticeships, such as sector bodies and Ofsted.
- Those who wanted funding control and felt that this would motivate them to want more influence. The most common view was that this would encourage them to act more like consumers – potentially taking the funding elsewhere if their provider did not give them the input they wanted, and generally being more ‘vocal’ if they were dissatisfied about anything and wanted to change it. This was particularly the case among those employers who had previously been dissatisfied with the provision they had received. Some employers considered that if they were paying more towards the Apprenticeship (even if this was using government money) they would actively seek to have it more tailored around the needs of their business, rather than accepting an ‘off the shelf’ package that met some but not all of their needs.

When asked about the potential impact if employers had to make a greater cash contribution to the cost of Apprenticeships, most of the SMEs we interviewed felt this would encourage them to be more vocal with their training provider if they were dissatisfied. At the same time, almost all of them said that having to pay more would mean they would have to recruit fewer apprentices or stop recruiting them altogether.

The way that Apprenticeships operated within the Direct Grant employers represented ‘best practice’ in terms of the level of employer involvement in training, and reflected many of the goals highlighted in the Richard Review. However, unlike SMEs, this was a unique group of employers characterised by their ability to draw on large scale resources, who employed large volumes of apprentice learners across multiple Frameworks. Therefore, it is likely that SMEs would need additional support in order to reap similar benefits from an expanded Direct Grant funding model.

## Policy implications

### ***Improve understanding of Apprenticeships***

Improving employer knowledge about Apprenticeships – focusing on the distinctiveness of an Apprenticeship compared with other forms of work-based training – would help to build their understanding of the purpose of Apprenticeships and when they are most appropriate as a form of training. At the same time, simplifying the structure of Apprenticeship Frameworks so that they can see what topics are covered and why would help to make these more transparent to employers. Both would help to encourage small employers to be more knowledgeable as ‘consumers’ of Apprenticeship training, in line with the ambitions of the Richard Review. At the same time, employers need better information to make more informed choices about which Apprenticeship providers to use – focusing on indicators of quality and employer-responsiveness.

### ***Building SME empowerment***

Among the employers in our sample it was common for providers to offer a fixed training 'product'. What then becomes critical is employers' motivation and ability to challenge this, and this was strongly related to size. For example, there were a number of similarities in the responses of SMEs and Direct Grant employers. The main difference was that the latter held more weight with providers because of the volume of apprentices they employed, which meant they wielded much greater buying power. There may be opportunities here for local groups of SMEs to work more closely with providers, for example via Group Training Associations and the like, to both increase purchasing power and collective 'voice'. Developing the provider market would also help to expand SME choices about Apprenticeship provision and potentially open up more avenues for employer-led programmes.

### ***Developing supportive brokerage and funding mechanisms***

Employer and provider cultures are unlikely to change fast and, in the meantime, current initiatives such as the Employer Ownership Pilot (EOP) and the Growth and Innovation Fund (GIF) may help to strengthen the brokerage arrangements for SMEs to get the type of Apprenticeship training they want. While these initiatives are in their early stages and currently being evaluated, many of them aim to develop more employer influence and extend employer-led provision through business supply chains and other collective networks.

In terms of funding, this research has found that giving SMEs direct access to *government funding* to pay towards Apprenticeships would encourage more of them to both want and exercise influence. Many SMEs predicted that this would encourage them to think more carefully about what they wanted Apprenticeships to deliver for their business, communicate this more actively with providers, and be more challenging with providers if they felt their views were not being taken into account. However, this approach was not universally welcomed, with other SMEs concerned that it would create new administrative burdens for little additional reward, in particular where they did not want any further influence and were satisfied with their existing provision. Notably, Direct Grant employers also highlighted the administrative complexity of Apprenticeship funding and voiced concerns that very small employers would find this model difficult to navigate, pointing to a need for further simplification. The majority of the SMEs we interviewed also remained reluctant to pay a greater cash contribution towards Apprenticeship training in the tight economic climate: an important consideration in light of reforms which emphasise the principal of employer co-investment.

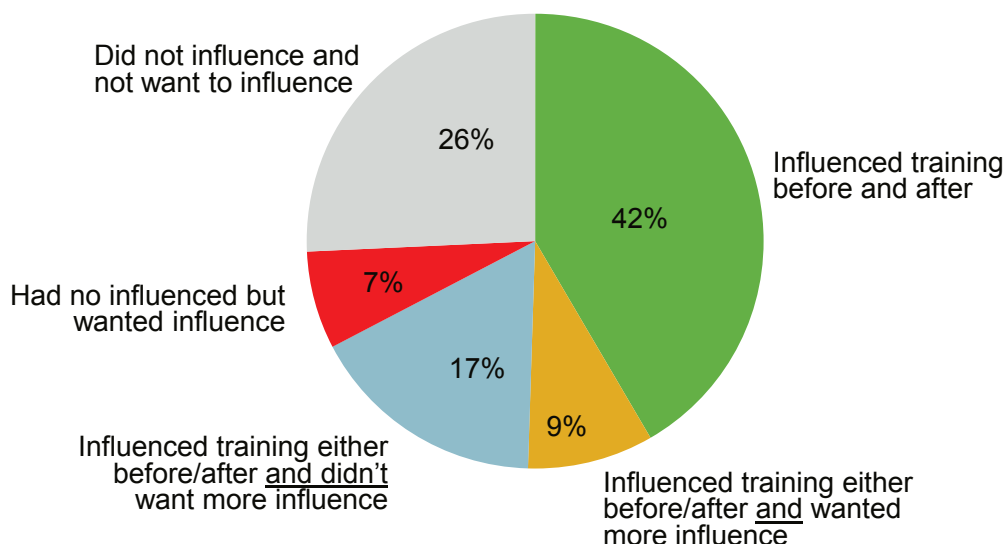
# Chapter 1: Introduction

In this section of the report we set out the policy background and the research objectives. We then outline the methodology including a breakdown of the interviewed sample of employers according to the type of Apprenticeship Framework they offered and their attitude towards having greater influence over Apprenticeship training.

## The context for this research

In 2012-13, Ipsos MORI conducted the Apprentice Employer and Learner Surveys on behalf of the Department of Business Innovation and Skills (BIS). While responses from the employer survey revealed high levels of overall satisfaction with Apprenticeships and positive views on their business benefits, they also showed that employer influence over Apprenticeships was limited. Only half of employers said they were able to influence the structure, content, delivery and duration of the Apprenticeship *before* it started, while 58% said they were able to exert influence *during* the Apprenticeship. A third had no influence either before or during the training. Of particular concern was the proportion of employers – 26% - who reported that they had no influence and did not *want* to influence the Apprenticeship training at all.

**Figure 1: Employers' influence on Apprenticeship training**



Base: All

Source: Ipsos MORI, Apprentice Employers Survey, 2012-13.

This is important for two key reasons. Firstly, employers' assessment of their ability to influence the structure, content and duration of training is one of the main 'performance factors' determining overall satisfaction and dissatisfaction with Apprenticeships. Just 42% of employers were very satisfied with this aspect, rating it as 8 out of 10 or higher. The survey findings showed that small and medium employers (SMEs) in particular felt less

able to exert influence because, compared to larger employers, they employ fewer apprentices and have less established training infrastructures.

Secondly, SMEs also account for the vast number of businesses in the English economy, and therefore their engagement in, and ability to shape, the training their employees receive is crucial to meeting government commitment for a more employer-led skills system. Recent reviews of the role, delivery and assessment of Apprenticeships by the entrepreneurs Jason Holt<sup>3</sup> and Doug Richard<sup>4</sup> have reinforced the move towards a more demand-driven approach to Apprenticeship training. Richard recommends giving purchasing power to employers to incentivise investment in Apprenticeship training. Similarly, Holt recommends rebalancing purchasing power to allow SMEs to exert greater control on the supply-side of Apprenticeship provision.

Informed by both the Holt and Richard Reviews, Apprenticeships are to be reformed so that, among other changes, all employers, including SMEs, will have much more input into setting occupational standards, more flexibility in deciding what training individuals need to attain those standards, and more control over how the government contribution to Apprenticeship funding is spent<sup>5</sup>. In the latter half of 2013 the Coalition government consulted on the most appropriate and efficient option to deliver Apprenticeship funding reforms, whether via the PAYE system, through direct grant-based funding to the employer, or through a reformed version of the current provider-based payment model.

## Aims and objectives

As policy moves to place employers at the heart of the reformed Apprenticeship system, it is critical for BIS to understand the barriers and enablers to facilitating greater employer influence, especially for SMEs. BIS therefore commissioned Ipsos MORI to undertake 28 qualitative follow-up interviews with survey respondents, aiming to understand:

- The reasons why, despite the vast majority of employers using training providers to deliver their training, only two-thirds had influence over the structure, content, delivery and duration of the Apprenticeship *either* before it started or during the Apprenticeship.
- The reasons why a quarter of employers do not want to influence the structure, content, delivery and duration of the Apprenticeship, and how they may be encouraged to be engaged.

The specific objectives of this research were to:

- Understand how and why SMEs decide to do Apprenticeship training.

---

<sup>3</sup> Jason Holt (2012), *Making Apprenticeships More Accessible to SMEs*. BIS. London.

<https://www.gov.uk/government/news/support-for-small-businesses-in-taking-on-apprenticeships>

<sup>4</sup> Doug Richard (2012), *The Richard Review of Apprenticeships*. BIS. London.

<https://www.gov.uk/government/publications/the-richard-review-of-apprenticeships>

<sup>5</sup> BIS (2013), *The Future of Apprenticeships in England: Implementation Plan*. BIS, London.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/253073/bis-13-1175-future-of-apprenticeships-in-england-implementation-plan.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/253073/bis-13-1175-future-of-apprenticeships-in-england-implementation-plan.pdf)

- Explore whether and how SMEs have been able to influence Apprenticeship training.
- Understand what hinders or facilitates SME influence over their Apprenticeships.
- Explore the extent to which SMEs want more influence over their Apprenticeships, and why, as well as understanding the reasons for not wanting influence.
- Assess what would encourage SMEs to want (more) influence, including the potential for more direct control over Apprenticeship funding.

At the same time as the research with SMEs, BIS also commissioned Ipsos MORI to conduct 12 interviews with Apprenticeship employers operating Direct Grant funding and a small number of interviews with their main training providers. These are all large employers operating across multiple sites, often with hundreds of apprentices in training, who have opted to receive the government component of Apprenticeship funding directly. It is up to the employer how they use this funding: some opt to deliver the training directly and use government funding to cover a portion of their costs, while others continue to work with one or more training providers.

While these interviews provide insight into how Direct Grant funding has been used and the impacts it has had on employer engagement in and influence on Apprenticeship training, it should be remembered that Direct Grant employers differ greatly from SMEs, not least because of their extra resources and the economies of scale they can exercise when sourcing training or deciding to deliver it themselves. Therefore, while their experiences do offer insight into the impact of Direct Grant funding on employer influence, they are not directly comparable with SMEs. For this reason, findings from the interviews with Direct Grant employers are presented in a separate chapter at the end of this report.

## Methodology

The research adopted a qualitative approach in order to gain deeper insight into small employers' views and experiences of influencing Apprenticeships. Interviews were held between mid-September and late November:

- Twenty-eight interviews took place with apprentice-employing SMEs across England. Interviews typically lasted around 45 minutes, and were all conducted by telephone.
- Twelve interviews were conducted with Direct Grant employers, typically lasting around an hour, and were conducted by a mixture of telephone and face-to-face visits. Around half of these Direct Grant employers used training providers, of whom four were interviewed.

## Sampling

The sample of SMEs was drawn from those who took part in the 2012-13 Apprenticeship Employer Survey and agreed to be re-contacted for research purposes. The sample was drawn purposively, based on employers' combined responses to questions about whether they had influenced their Apprenticeships (either before or during the training), and by

whether they had wanted any (more) influence. The three groups identified for further investigation were SMEs who:

- Influenced training either before/after it started but wanted more influence;
- Had no influence but wanted some influence; and
- Had no influence and did not want to influence.

The survey analysis identified a link between extent of influence and organisation size, with small workplaces that were not part of a larger organisation least likely to have had influence. Previous qualitative research has noted that it is difficult for employers with only one or a small number of apprentices to influence training decisions, especially where the training provider has to train apprentices from a number of employers in one group<sup>6</sup>. Therefore, the follow-up research was focused only on SME workplaces that were not part of larger organisation – that is, organisations with less than 99 employees. In addition, only employers who were aware that they were delivering an Apprenticeship were included in the sample, to provide more useful findings for the implementation of the Apprenticeship reforms.

In order to achieve a broad distribution of interviews, quotas were set by degree of influence and the subject area of the main Apprenticeship Framework used by the employer. The profile of achieved interviews is outlined in Table 1.

**Table 1: Achieved sample composition**

<b>Framework:</b>	<b>Health/ public/ care</b>	<b>Agric/ Hortic/ Animal</b>	<b>Eng/ Manuf/ Tech</b>	<b>Construct /Built Env/ Planning</b>	<b>ICT</b>	<b>Retail/ Enterprise</b>	<b>Leisure/ Tourism</b>	<b>Business/ Admin</b>	<b>Total</b>
Influenced and wanted more influence	1	1	2	2	-	2	-	1	<b>9</b>
Had no influence but wanted influence	2	-	2	2	1	2	-	1	<b>10</b>
Did not influence and did not want to influence	1	1	1	2	1	1	1	1	<b>9</b>
<b>Total</b>	<b>4</b>	<b>2</b>	<b>5</b>	<b>6</b>	<b>2</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>28</b>

## Recruitment

Small employers were recruited by telephone using a brief screening questionnaire to ensure quotas were met. To encourage participation, interviews were conducted at a time most convenient to the employer (including early mornings and evenings if required) and a £50 charitable donation was offered to a charity of the employer's choice. Employers were

<sup>6</sup> IFF Research (2012). *Evaluation of Apprenticeships 2012: Employers Survey*. BIS Research Paper Number 77, p43.

also contacted the day before the interview in order to remind them of their appointment. Despite this, several employers dropped out of their original appointment slots resulting in a number of revised appointments. A small number of employers withdrew from taking part in an interview, mainly due to time pressures on their business, or illness, and had to be replaced with alternatives from the sample.

Direct Grant employers were initially sent an opt-out letter to ensure that they were informed about the research and willing to be contacted by Ipsos MORI. Ipsos MORI researchers then emailed to invite them to participate in an interview at a time and place of their choosing. Employers were selected to provide a range of main Framework areas covering both 'traditional' Apprenticeship areas such as Engineering and newer ones such as Social Care. Although the aim was to conduct these interviews in person, in practice a few of the interviews took place by telephone, either because the employer preferred this approach or because it was difficult to find a mutually convenient time for a face-to-face meeting within the fieldwork period.

### Topic guide design

One core discussion guide was designed around the research objectives, with routed questions for Direct Grant employers. The guide was reviewed after the first few interviews resulting in a small number of minor adjustments to reduce the interview length. The final version of the discussion guide can be found in Appendix A.

### The structure of this report

In the remainder of this report we set out the findings from our research:

- Chapter Two is an introductory chapter outlining what motivates SME involvement in Apprenticeships and which factors influence their choice of Framework and training provider.
- Chapter Three explores the drivers for SMEs to want more influence over the Apprenticeship training they get.
- Chapter Four focuses on those SMEs who have influenced or tried to influence their Apprenticeship training. It examines their experiences and identifies key enablers and barriers to SME influence.
- Chapter Five discusses the role of funding in encouraging more SME influence over Apprenticeships, in light of the drive to place greater 'purchasing power' in the hands of employers.
- Chapter Six focuses on the findings from our interviews with Direct Grant employers.
- Chapter Seven sets out the conclusions and policy implications of the research.



## Interpreting the data in this report

It is important to note that although qualitative research provides detailed insights into motivations, experiences and behaviours, the views obtained are not statistically representative of all employers. Where verbatim comments are used in the report, the views expressed are illustrative and do not always represent the views of all the employers who were interviewed. In order to protect their anonymity, we have not attributed verbatims from Direct Grant employers.

Readers of this report should also bear in mind that the research did not purposively target SMEs who were satisfied with the influence they had, as it sought to identify what motivated SMEs to want more influence, and the main impediments to this. The sample is therefore not a representative selection of SMEs, rather one that is deliberately focused on those who did not want any influence or who wanted to have more influence than they got. This should be remembered when interpreting the report findings, in particular when considering the findings on employers' relationships with their training providers, which on the whole tend to be less positive than the survey findings.

## Chapter 2: SME motivations for providing Apprenticeship training

**This chapter focuses on the motivations for small employers to offer Apprenticeships and explores what influences their choice of Apprenticeship Framework and training provider. It reveals underlying issues that act as barriers to wielding greater influence on Apprenticeship training, such as limited knowledge about the structure of the training and constraints on choice of training provider.**

### What motivates SMEs to offer Apprenticeships?

SMEs' motivations for offering Apprenticeships were influenced by a range of external and internal factors, and differed according to whether they offered Apprenticeships to new recruits or to existing employees. External factors were mainly sector-driven or provider-influenced; while internal factors were linked to business need or the employer's own personal commitment to Apprenticeship training.

- Most employers were not likely to offer Apprenticeships unless there was a business need for them to do so. This could be external – for example, the Apprenticeship was the accepted training route for new recruits within that sector and effectively a licence to practice within the industry – or internal – for example, the employer viewed offering Apprenticeships as a way to retain and develop their existing staff.
- Employers in the more traditional Framework areas were more likely to have a personal history of completing an Apprenticeship themselves and also more likely to be delivering Apprenticeships due to this being the standard training route within their sector.
- Employers in the newer, growth Frameworks areas were more likely to see Apprenticeships as a way of offering free or subsidised training to retain and up-skill their existing staff. In addition, in some growth sectors such as social care, there is a new sector impetus driving the increase in Apprenticeship training, often promoted by Sector Skills Councils (SSCs) or other industry bodies. In our sample, it was employers in the newer Framework areas who were also more likely to have been persuaded to offer Apprenticeships at the instigation of a training provider.

### Business needs

#### ***Addressing new or replacement skills needs***

For most employers who hired apprentices as new recruits, the main drive was business need – either to deal with increased workloads by taking on new recruits and training them up, or – in the longer term - to address replacement demand within their workforce as older workers left or drew close to retirement.

In this scenario, what most employers found attractive was being able to train new staff up so that they had a strong grounding in the practical and theoretical skills that underpinned the job, combined with an appreciation of how things were done at that specific workplace.

The appeal was that they could train someone coming to them as a ‘clean slate’ with the expectation that they would be likely to stay with the company for some time after they completed their training. Indeed, many of the SMEs we interviewed still employed a number of staff who had first started working for them as apprentices, several years previously.

*“You can get someone in with basic knowledge and you train them as you want them. It’s less stressful than training someone with experience somewhere else when they’re always saying ‘at my old place we did it like this...’ especially in a small company.”*

Business, Administration and Law, Had no influence but wanted some

*“It’s the main means we’ve got for the young lads to actually learn the fundamental skills they need to actually become fully trained in the end. It enables us to train the younger guys to work the way we want to work as opposed to sort of picking up bad habits from elsewhere prior to coming here.”*

Engineering Manufacturing Technology, Had no influence but wanted some

### **Sector impetus**

For many employers, particularly those in the more ‘traditional’ Framework areas, business need was underpinned by a clear and longstanding sector impetus for doing Apprenticeships, as the accustomed training route for entry into particular occupations. For example, the ‘main aim’ within an Apprenticeship is often an NVQ of some description, which may also form the statutory element required for a particular role or job, effectively forming a ‘licence to practice’ for certain job roles such as skilled construction and engineering trades<sup>7</sup>.

Some employers also mentioned the challenges their sector is facing in terms of an ageing workforce. They felt responsible for training up the ‘next generation’ in their profession to ensure that supply will match demand for jobs in the future. Again, this was more common among employers offering Apprenticeships in the more traditional Frameworks.

*“If we didn’t have them, we’d have no electricians in the future. Until we move on to complete non-wire installations, then there’s always a need for electricians, electrical contractors, and we need to bring the youth on. That’s one of the main reasons is continuity of employees. Very few of our apprentices leave once they’ve completed.”*

Construction, Planning and Built Environment, Had some influence but wanted more

A few employers in newer Framework areas such as social care also cited sector impetus as one of the driving factors for offering Apprenticeships. This reflects that in recent years some sectors have actively promoted Apprenticeship training through Sector Skills Councils and other industry bodies, as an effective way to both train new entrants and upskill their existing workforce.

### **Offering development opportunities to retain existing staff**

For some employers, in particular those in newer Framework areas, offering Apprenticeship training was a relatively convenient and cheap way for them to provide

---

<sup>7</sup> In the 2012-13 apprentice survey, a third (34%) of learners said they had to do an Apprenticeship to be able to do their job.

staff the opportunity to do accredited training, as a form of staff retention, while up-skilling their workforce.

This was typified by one employer we interviewed, who had agreed to four of his nine existing staff doing Level 2 Apprenticeships in retail. His staff had approached him about doing the training after being prompted by a visit from a local training provider. For the staff, the main appeal was the personal challenge of getting the qualification, while the employer wanted to keep his staff happy so that they would stay longer with the company, by offering them opportunities to develop new skills and improve their existing ones.

*“On my day off a gentleman from [training provider] came in and had a chat with a couple of deputy managers and a couple of the other staff and sort of I think, I assume did a bit of a sales job on them and they actually came to me and said could they do it?... It was to get the qualification and I think actually it was a bit of a challenge for them.”*

Retail and Commercial Enterprise, Had no influence but wanted some

### Personal attachment and social responsibility

Other than business need, many of the employers had come through the Apprenticeship route themselves and were personally committed to upholding what they saw as the Apprenticeship tradition. These employers felt that the skills they learned as an apprentice were embedded over time and had stayed with them over many years, in which time they had progressed in their careers to the point that some had been able to start their own businesses. As a result of their experience they perceived that Apprenticeships equip the employee with a highly valuable skillset that stands the test of time. As might be expected, employers with first-hand experience of completing Apprenticeships themselves were more likely to be operating the more traditional Frameworks.

*“Well 15 years ago it was me at the same college doing an Apprenticeship and I’m still using those skills I learnt today, I’ve never forgotten them.”*

Construction, Planning and Built Environment, Had no influence but wanted some

Related to this, some employers were passionate about being able to pass down the skills they had learned in their trade to the next generation. Being able to impart their skills was felt to not just be about training up someone new for the business but a way of gaining personal satisfaction and pride in seeing young apprentice recruits develop into fully fledged, productive members of staff.

*“It’s an opportunity for young people to learn the skills of the trade and for me to pass on my skills. It’s very satisfying to take on a new young recruit and see them develop and blossom so that they finish their training and still have them working here now.”*

Hairdressing, Had some influence but wanted more

A few employers, particularly those in the public or voluntary sectors, or situated in areas where jobs were scarce, also spoke of their broader commitment to offering Apprenticeships as part of a civic ethos to provide training opportunities for local young people.

*“We feel a social responsibility because the area is a quite a deprived area; and what we do find is the apprentices are generally drawn from the area around us. I think we give*

*opportunities to people who perhaps couldn't go to university... And then they start on this path and we've got a number of people just like [name], who's done a foundation degree, and now she's going through doing her professional exams."*

Business Administration, Did not influence and did not want to

### Access to free or subsidised training

For many of the employers who took on apprentices as new recruits, Apprenticeships were appealing as a form of training because they could employ someone on a lower wage. They did not perceive this as about cutting wage costs but rather as recognising that, until the person is fully proficient in their job and working at the anticipated level of productivity, they should be paid at a reduced rate<sup>8</sup>.

*"There is a good benefit if you manage to find someone that is keen, what you pay them is a bit lower than normal so it takes a little bit of financial strain from the business."*

Leisure and Tourism, Did not influence and did not want to

*"I needed some extra help to deal with the growing demands of his business and thought it would help with the costs of recruiting someone if I could take on a young person and get financial support to train them up. Having an extra person would help to cut response times and halve the workload."*

Information and Communication Technology, Did not influence and did not want to

A few of the employers we interviewed – typically those who offered Apprenticeships to existing staff – were not particularly engaged with the training programme their employees were doing. Some of these employers were quite passive in signing up their employees for Apprenticeship training, admitting that they had been encouraged to do so by a training provider without fully looking into the details of the course. In these cases, the employers had been attracted by the appeal of free or subsidised training leading to an accredited qualification, but did not necessarily need to have signed up for the full Apprenticeship Framework, and reflected that the course they had signed up for was not always fully appropriate to their business.

In one such example, a stable that had been employing apprentices in Horse Care for many years had subsequently signed up for some of their trainees to do a Heavy Goods Vehicle Licence, as this was sometimes necessary for transporting horses. What the employer had not realised was that they had actually signed up to an Apprenticeship in logistics, the majority of which had no relationship to the job the apprentices were doing

*"I hadn't even really realised that they were working in a similar style folder as the horse industry one but it's for Road Haulage and their HGV licence... When I actually sat down and read the folder with the girls, it was all geared as though they were already working for a haulage company. I mean obviously there was funding there for the youngsters to do it but I didn't properly take it on board."*

Agriculture, Horticulture and Animal Care, Did not influence and did not want to

---

<sup>8</sup> For employers that want financial help to be able to train someone until they are qualified the Apprenticeship route is very attractive because they can get fully subsidised training and offer reduced wage rates for under 19 year olds, or for those aged over 19 and in their first year of training.

## The importance of training providers

Once motivated to offer Apprenticeships, the main choice that SMEs exercised was about which provider to use. Very few of the SMEs in our sample had made an informed choice about which Apprenticeship Framework to follow: most reported that they just accepted the Framework that was offered by their training provider, as long as it was a broad fit with the main business of their company and contained relevant qualifications.

Regardless of their motivations for offering Apprenticeships, for most small employers their access to the training was mediated by their contact with a training provider such as a further education college or private training company. This meant that the degree of influence they had over how the training was delivered and the extent to which it was tailored to meet their own business needs was very much affected by the 'balance of power' within their relationship with the provider. Hence, it is important to explore which factors affect employers' choice of provider and indeed how much choice of provider they feel they have.

## What influences SMEs' choice of Apprenticeship provider?

Employers' choice of provider was shaped by chance, practical considerations or previous experience. Most of the employers we interviewed who had been offering Apprenticeships for several years had always used the same training provider, because of a combination of satisfaction with what was being offered (and therefore not seeing any reason to change), and convenience (primarily related to using the most local provider). Some employers stressed that convenience related equally to concerns for their staff, many of whom did not have the financial or practical means to travel long distances to and from the training. As a result, many of these employers used their local provider, which was often the first one they had come into contact with.

While maintaining a longstanding relationship with the same provider was positive in terms of reflecting satisfaction with what was being offered, in the context of opportunities for greater employer influence it revealed a prevalence to accept the 'status quo' and a certain detachment between employer and training provider, especially among those employers who did not influence the training and did not want to. These employers distanced themselves from the formal elements of the Apprenticeship because they considered them to be very much the responsibility of the provider rather than something they needed to have any involvement in themselves. While recognising the importance of the theoretical elements of the training, they considered the on-the-job, time-served element to be the more critical and were less likely to want to influence what was taught off-the-job.

*"We've used X college for many years and all we really do is trust that they will run the course, that you know they tell us what they're going to be doing to a level, and then they run the course accordingly. That's their job, it's not our job, that's their job."*

Engineering Manufacturing Technology, Did not influence and did not want to

A minority of the employers we interviewed had changed their Apprenticeship training provider, and where this had occurred it was usually because they had been dissatisfied with the provision in some way. The main reasons for this were perceived poor communication from the training provider, disorganisation in how the training was delivered or assessed, or poor quality of the provision itself.

Among those employers who were relatively new to offering Apprenticeships, very few in traditional and new sectors alike had made an active choice between different training providers. The majority had simply approached their local provider, out of convenience, or – more commonly – had been approached themselves by a college or private training provider seeking new business. Where the training was instigated by contact with a training provider, employers had little motivation to look elsewhere: they had already been relatively passive in the decision to embark on Apprenticeship training in the first place and therefore had little inclination to ‘shop around’ beyond the training provider who had made the initial contact. Such employers were also less likely to have tried to influence their training or to have wanted to do so.

## Restrictions on choice of provision limit employer influence

### ***Being offered a standard package***

Some of the employers we interviewed were presented with their Apprenticeship as a set package by training providers<sup>9</sup>. Training providers themselves have to work on the basis of economies of scale and if they are working with many small employers they will develop an Apprenticeship training offer which is geared to suit as many different employers as possible. The training offer may therefore be quite generic to the Framework and not tailored to suit a particular business need. Presented with a set training package from the start, some employers were unlikely to even think it was possible to influence what they got.

*“It’s more based on what they [the training provider] say they can do for us, as opposed to us saying, this is what we want.”*

Engineering and Manufacturing Technologies, Had no influence but wanted some

When presented with the Apprenticeship as a fixed programme of content, many employers knew little about the Apprenticeship offer and what was expected in the different components. They were less likely to understand what specific modules were being taught by the training provider. Without a clear understanding of what the offer actually was, they were also less likely to know how they could change it.

*“I went to an open evening and they showed me round the new building where they could do practical work so I assumed they’d (the apprentice) be doing a lot of that there too... nine months down the line the apprentice tells me he doesn’t get any practical training there”*

Construction, Planning and the Built Environment, Had no influence but wanted some

### ***Local availability***

For employers in rural areas, or those offering some of the more specialised Frameworks, the choice of provider was quite limited. This reduced the scope for competition between providers and therefore the scope for employers to make a choice or to change provider if they were not getting what they wanted. Some employers prioritised finding a provider in the local area above finding one who offered the exact training they wanted, or the scope to influence training.

---

<sup>9</sup> The Apprenticeship Evaluation 2012-13 Employer survey found the most common main reason for employers offering Apprenticeships was if they were approached by a training provider (38%)

*“I think we’ve got a bit of an issue at the moment because obviously our local college is probably a mile from our yard here and that’s what we’ve always used... From the practicality point of view we have no choice but to use our local college.”*

Construction, Planning and the Built Environment, Did not influence and did not want to

### **Pre-recruitment by providers**

In a few cases, the employer had no choice about which provider to use because the apprentice had already been signed up to a course before they started their job. These employers reported that local providers sometimes signed up large volumes of learners at a time and so monopolised the pool of people that were seeking Apprenticeship posts, thereby restricting employers’ subsequent choice about which provider to use.

*“There is a training company in [town] that monopolises every single person that comes out of school... We found it really hard when we first tried to switch away from them to get people to start their apprenticeships away from that company because all their friends were signed up to them... basically they get the student to sign up but they don’t actually have a placement for them, and then they tell the student to go and find themselves a placement. So literally every person that turns up on the doorstep who wants an apprenticeship, you say are you already signed up for training and they say yes, we’re with this company.”*

Health, public services and care, Had some influence and wanted more



# Chapter 3: SME motivations to influence Apprenticeship training

This chapter examines why some SMEs may not want to influence the Apprenticeships being delivered for their business. It also examines why others want more influence than they currently get, and over which aspects of the Apprenticeship. Our analysis draws on three key drivers of behaviour: employers' motivation to influence; their capability to influence; and how much opportunity for influence they get.

## Why do some SMEs not want influence over Apprenticeships?

### Lack of motivation to influence

#### ***Some were satisfied with the training they got and saw no need to influence it***

Employers who were content with the relationship that they had with their training provider, and the standards that they set for their learners, were not motivated to have any further influence over the Apprenticeship. These employers perceived no need to get involved in what was already meeting their needs. This tended to be the case where employers reported good communications from the provider and satisfaction with standards of training. In these cases, employer expectations of the Apprenticeship were being met and, should any issues arise, they felt their relationship with the training provider was good enough to be able to raise and address them. There were no specific differences according to Framework or provider type.

*"I think if we needed to have influence we could but it just hasn't been something that's raised its head for us at all. You know we're not sat here thinking we're not really satisfied with the way this is working or anything like that you know so we need to get to speak to someone."*

Business Administration and Law, Had no influence but wanted some

Some employers who felt this way had in fact changed provider recently, and it was clear that they had learned from a negative experience and had been more selective this time around. The key elements leading them to be happy not to intervene centred on the provider's reliability, timekeeping and communications.

*"The old company we used were awful. They lost all the girls' work, people weren't finished on time, so we switched to a new company. They make sure that they keep everyone informed, they make sure that if somebody gets a little bit behind then it is jumped on straight away...they're always coming out to observe people every month."*

Childcare, Had some influence and wanted more

#### ***Others expressed disillusionment with the taught components of Apprenticeships***

Some of the other employers we interviewed were also unmotivated to get involved in the delivery of Apprenticeships for their staff, but for a more negative reason. These employers reported being disillusioned with providers in general (having tried a few) and a feeling that the standards of taught provision were low across the board. They therefore

placed a lower priority on the off-the-job content taught to Apprentices by providers because they regarded the ‘real’ learning as taking place in the workplace. In their view, they saw no point in expending effort to try and influence the content of the Apprenticeship or the assessment methods, because they already had input into the component that mattered the most to them, which was the on-the-job, time-served element. These employers tended to be operating in traditional Apprenticeship sectors and some of them had been offering Apprenticeships for several years, mainly because it was the required form of training within their sector. Many of the employers who held this view had a distant relationship with their training provider, and regarded the taught, provider-based elements of the Apprenticeship Framework as being incidental to the on-the-job elements, often perceiving them as being divorced from the reality of the work environment because they were too theoretical, or out-of-date. A few had negative experiences of working with training providers, although most were ambivalent.

*“What they’re taught in the workshops and any stuff like that I take with a pinch of salt because basically it’s very much monkey see, monkey do. ....Like I said, they go to college to get the bits of paper and that’s the briefest way I can put it to be honest. They come here to learn to be a plumber.”*

Construction, Planning and the Built Environment, Did not influence and did not want to

### Limited capability to influence

#### **A belief that SMEs’ views will not be listened to**

The second strand of reasons why some employers did not want influence over their Apprenticeship training related to lack of belief in their capability to exert influence with providers. Many of the SMEs we spoke to did not believe that they would be able to have any influence over the types of things their Apprentices were learning, or the standards to which they would be assessed, because they felt that they were simply too small for their views to hold any weight with providers. Where they only contributed two or three individuals in a college course of 50, for example, they did not believe that providers would really listen to them, and therefore trying to exert any influence would be redundant.

*“I think if it was possible we would like to have some influence but well if you bear in mind that we’ve only got two or three [Apprenticeships] running at any one time, I think it’s unlikely... You know the influence I would want if we had a number of apprentices is to do something more relevant to the business but we accept that that doesn’t really exist at the moment.”*

Business Administration and Law, Had no influence but wanted some

#### **Lack of knowledge about the training**

Employers’ sense that they had limited capacity to influence also stemmed from a lack of awareness about what good Apprenticeship training should look like, which meant they did not feel they could effectively hold their providers to account. This was more common in newer Framework areas or where the employer was relatively new to delivering Apprenticeships, and was especially the case where employers had become involved in Apprenticeships mainly at the instigation of a provider offering some ‘free’ training. In these cases it was not always clear to employers what they were actually buying into, so they did not feel able to influence the training programme which was vague to them in the first place.

*“I think they did say what they were likely to be doing because you know how you initially talk to someone, the salesperson type that comes out and tells you about the Apprenticeships, and then obviously when they go to the delivery side there are different people... and not knowing this course provider, it was very difficult to know what they were all about exactly... I don’t know whether we knew exactly what outcome we wanted.”*

ICT, Did not influence and did not want to

There was also a belief that, as the training is provided to them ‘for free’, some did not want to approach providers for more input because they felt they were not entitled to it.

*“It’s the old adage isn’t it, if I had been paying the wages and paying for the course, I would have had a say in it.”*

Construction, Planning and the Built Environment, Had no influence but wanted some

### ***The view that influence from too many employers would threaten standards***

A few employers were concerned that giving more businesses influence over Apprenticeships would create too much diversity and potentially, in the longer term, dilute industry standards. Their view was that most employers only really know their own business as opposed to what the wider sector needs, and so they would not be capable of taking a more strategic, high level perspective. As a result some of the SMEs we interviewed felt that more employer influence would bias Apprenticeship content towards what larger employers wanted, because they believed that those views held more weight with providers. As a result some SMEs felt that influence over Apprenticeship Frameworks was best left to bodies such as Sector Skills Councils or employer associations, which were more representative of the sector as a whole and could take a more strategic overview of what was required.

*“If you’ve got five employers, they all have five different ways of how they want to influence their apprentice. So if all five of us were to rock up to the college we’d all be wanting something different it would lead to a disaster. From that point of view I’m happy to leave [my training provider] to set the standard really.”*

Construction, Planning and the Built Environment, Did not influence and did not want to

Some added concerns that too much employer influence might create an uneven playing field where apprentices were not covering the same content or assessed against the same criteria, disadvantaging some of them when it came to looking for work elsewhere within the sector, because they would not have sufficiently transferable skills.

*“I don’t particularly want any other influence. ... If you’re employing somebody you would want to know certain standards have been reached I guess. So if individuals had too much say in it, it might create an uneven playing field.”*

Agriculture, Horticulture and Animal Care, Did not influence and did not want to

### **Limited opportunity to influence**

The third aspect which discouraged SMEs from wanting influence was limited opportunity. This was affected by whether or not the employer felt there was scope to exercise

influence in the particular provider relationship they had (discussed in more detail in Chapter Four), coupled with their perceptions of how much time it would take up.

Some small employers thought that the liaison required to influence Apprenticeship training would take too much of their time – potentially with limited impact – which they did not always have. A few of those we spoke to, who said they did not want any influence when surveyed, acknowledged on further probing that they would have liked influence under different circumstances, but they thought it would be too time-consuming at a point when they were busy with the priorities of running their business.

*“There has been an element of not having the actual senior resource available to look into these things, and say ‘what do we want’ from a full-blown training process. We haven’t really had the people in-house to be able to do all of this stuff.”*

Business, Administration and Law, Did not influence and did not want to

## What motivates some SMEs to want more influence?

In this section we explore the reasons why some SMEs are motivated to want more influence over their Apprenticeships, breaking this down according to the design of the Apprenticeship Framework, the content of the training, how it is delivered, and how it is assessed.

### A lack of clarity about the design of the Framework and what it covered

Some of the SMEs we spoke to were frustrated that they had little to no influence over the design of the Framework being used with their apprentices. The kind of influence they wanted here was often as simple as understanding the standards being worked towards and being engaged in discussion as to why the standards are set out the way they are, and how their apprentices might be helped to meet them.

*“I don’t really know who writes the syllabus in the first place...but really the understanding where the syllabus is coming from would be more helpful to me because we’re just presented with these pieces of paper and said, “That’s what we’re going to teach. Do you want to take someone on for it?””*

Leisure and Tourism, Had some influence and wanted more

For some of the employers we interviewed, simply being able to see what the Apprenticeship Framework covered before they enrolled their staff on it would have allowed them to have more insight into the delivery of the training and how it would fit with their business needs, as well as reassuring them that their staff would meet the required industry standards. Employers felt that a better understanding of the Framework would have also made it easier for them to select one at the appropriate level for their staff, and to support them while they were doing the programme, to make sure they got the most relevant mix of experience.

*“It would have been nice to have seen the portfolio that they’ve got to work through and give the lads that to say look this is what we expect, is that something you feel you could cope with.”*

Engineering Manufacturing Technology, Had no influence but wanted some

*“I would have wanted to know what sort of standards are we working to, you know are we going to try and turn people out there that have got good working standards, you know, because the industry is slipping.”*

Construction, Planning and the Built Environment, Did not influence and did not want to

### Syllabus not fitting the needs of the business

The second, and related, Framework-linked reason for employers wanting more influence over their Apprenticeships was that some felt that the syllabus laid out in the Framework was not fully relevant to their business, or in some cases elements they perceived as being essential to the industry were missing. They would have liked to either have some personal influence over the design of the Framework itself, or, at the least, to know that sector representatives had input into the Framework design process. While the latter is likely to be taking place ‘behind the scenes’ in most sectors, through organisations such as Sector Skills Councils, this was not apparent to many of the small employers we interviewed, who were unaware of how this is currently achieved.

*“I do think there are elements missing...I think there should be a basic men’s haircutting involved in the standard at level two and three and there should be a basic overview of Afro Caribbean hair within both standards so that they get an overview of the profession...I think there’s a consultation process but of the people that put the meat on the bones, I don’t think there’s enough working hairdressers involved.”*

Hairdressing, Had some influence and wanted more

Some employers – in particular those in more specialised companies - felt frustrated that they did not have influence over the design of the Frameworks their staff could study, and wanted to be able to work with their provider to put a course together with more specific content, considering that the Framework their learners were doing was too generic.

*“I’d love to be a bit more involved with training providers to put together programmes that are focused on data management, or analysis or something a bit more specialised than business admin. Because that is only the tip of the iceberg for me.”*

Business Administration and Law, Did not influence and did not want to

### Course content being irrelevant or presented as a standard package

This brings us to course content – a key area where employers wanted more influence. Some employers felt that they would definitely have liked to influence the Apprenticeship content because in their some of the elements covered had not kept up to date with industry practice. This was mainly the case in traditional Apprenticeship Frameworks in areas like engineering and electrical installation.

*“It would be nice actually to talk to people about that because [awarding body] do the same things they’ve done for years and it’s totally irrelevant. ... [name of material], it’s something that you’ll very rarely see nowadays and it still forms part of it. I mean, we end up training the lads in the yard for parts of the exam that they’ll probably never see in their everyday work.”*

Construction, Planning and the Built Environment, Had some influence but wanted more

Some employers were frustrated with the coverage of Apprenticeships– they felt that they should have had more involvement in the choice of modules that staff were able to do, rather than this being decided for them by an external training provider, as a standard package. Employers found this particularly frustrating in cases where they had been told they would be able to have some input by their training provider, to persuade them to start offering Apprenticeships in the first place.

*“It wasn’t quite what we were originally led to believe...we were told that myself and the assessor would sit down and work out which modules were best and which [the staff] were most interested in doing and which would suit us the most, which we thought was fine; but when he actually came ... He said fill in this form and then he came back and said right you’re doing these six modules, and here they are.”*

Retail, Had no influence but wanted some

The other main bugbear that small employers wanted more influence on was the inclusion of functional skills in the Apprenticeship programme. This was mainly in cases where the training was being offered to existing or older members of staff, who possessed these skills but did not have up to date qualifications to prove it. Employers wanted to be able to influence this decision and make the literacy and numeracy elements of the Apprenticeship optional.

*“He was twenty seven when he started... but because his GCSEs were out of date he has had to do Maths and English key skills which I consider to be a complete waste of everybody’s time and resources.”*

Agriculture, Horticulture and Animal Care, Had some influence and wanted more

### Course structures not fitting with the business’ needs

Next to course content, the main aspect that small employers wanted to influence was related to the structure of the training and how it was delivered by providers. A number of employers wanted to be able to have some say over what days and times the off-site training would be offered to their apprentices, as they felt the business was burdened by having a number of apprentices off-site at particularly busy times.

*“Suddenly you’ve got not an apprentice in sight and they’re all screaming, “Where’s my apprentice?” “Oh, he’s not here.” When [the provider] ran two or three courses, you could put two people in one day and three in another, and it wasn’t so bad, but now the courses are fixed... no control over it at all.”*

Construction, Planning and the Built Environment, Had some influence and wanted more

Overall, this was one of the most difficult areas for employers to influence especially where they were involved with providers who stuck to block release patterns, which some employers regarded as disruptive to the business because they took learners away from their everyday work for too long, causing a drop in productivity when they got back.

*“I think, in an ideal world it would be better for them not to be going off for three weeks at a time. Because the nature of the thing that they are doing at college is different to the day to day nature of what they are doing at work, they sometimes come back a bit rusty for work.”*

Agriculture, Horticulture and Animal Care, Had some influence and wanted more

Duration was also another area where employers were frustrated and therefore motivated to want more influence. The direction of this frustration depended greatly on the sector – some in more traditional Framework areas considered that modules of the Apprenticeship were ‘rushed’ through in a shorter time frame than they felt was required. They felt the timescales and workload planned were sometimes unrealistic and would have fed this back to their training provider, if they had been asked.

*“Well I would have wanted to know, how they break the syllabus down really and what they’re going to be teaching [when] ...I knew the way that it was going, there was no possible way that they could teach what they’re were going to do...‘cause there weren’t enough days in the week for him to do it.”*

Construction, Planning and the Built Environment, Did not influence and did not want to

A few others – who tended to be in newer Framework areas – would have liked to shorten the duration of the Apprenticeship. This was mainly the case when the training was being offered to existing employees, and employers felt that it was predominantly accrediting existing skills rather than imparting new ones. One community organisation did not feel they had enough breadth of work to keep apprentices going for a full year – they offered Apprenticeships to support local young people but did not have long term positions available for all of them on completion.

### **A lack of clarity about and input into assessment**

The final area where employers wanted influence was assessment. Some employers felt strongly that having a better understanding of what the assessment process entailed would have helped them to offer better on-site experience and training to their apprentice. They wanted the provider to involve them in the assessment process so that they could compare on-site and off-site performance and work out how to plug any gaps or difficulties their apprentices encountered. At the very least, employers wanted to be kept informed about what progress was being made, so that they could offer more support through extra on-site training. Reforms are set to introduce end-point (synoptic) assessment and more direct employer involvement in the design of the assessment process itself.

*“Well what I’d like to know is, what other things can we be showing him that aren’t necessarily going to get covered here? What other things can we do with him to help him towards getting this qualification? We had no idea how he was really getting assessed...and so we had no idea whether what we were doing was good, bad, indifferent, the right way, the wrong way.”*

Leisure and Tourism, Had some influence but wanted more

Many small employers also wished they could influence assessment on a more basic level, such as making sure it happened at appropriate times. A lot of the employers we interviewed reported rearranging shifts and preparing their apprentices for assessments where the assessors simply failed to turn up. This frustration motivated many to want to have more say here.

*“The other thing that really annoyed me is when he used make an appointment and not turn up ... or he’d cancel on the day; you know when you’ve got a rota done a month in*

*advance, you can't then turn round to staff and say we don't need you; and that was happening most months; by then end it was like well will he bother turning up this month."*

Retail, Had no influence but wanted some

A few employers wanted to influence assessment because they felt it too difficult or too easy for an Apprentice to pass – they wanted to be able to negotiate the form of assessment or the method used. For example, one employer felt multiple choice questions were not challenging enough for their apprentices and another felt that closed book exams were too difficult and did not reflect how the apprentices would encounter those situations in the workplace.

*"It wasn't until he'd been going to college for three years that I realised that a lot of the exams are just multi-choice. Now my daughter would be able to pass one of them with just what she's picked up off me. And to me, that's not good enough."*

Engineering Manufacturing Technology, Had no influence but wanted some

*"To go into an exam with no books because it's a closed exam is rubbish because if you're on a building site, you want to know the answer, someone will look it up for you."*

Construction, Planning and the Built Environment, Had some influence but wanted more



# Chapter 4: Barriers and enablers to SME influence on Apprenticeships

This Chapter provides an overview of the key barriers and enablers to SME influence over Apprenticeships, drawing on the findings about employers' motivations for wanting influence set out in Chapter 2. We explore 'gaps' in the awareness, knowledge and confidence of these small employers that act as barriers to influence, and the assets that some of them have to enable influence. As we might expect, the relationship between the employer and their training provider was of key importance.

## Barriers to SME influence over their Apprenticeships

### Belief barriers

A number of barriers related to small employers' lack of belief about their ability to influence Apprenticeships. As SMEs, many felt that they simply did not employ enough apprentices for providers to pay them any attention, and some referred to a sense of pointlessness about trying to influence a much bigger system. Part of this stemmed from lack of a collective mechanism through which to voice what they wanted.

*"It's trying to fight against the system... you know that there's something that seems a lot bigger than our company and we are conscious of that... So from a point of we've got four apprentices in our mix you know we're not really going to turn the tide by us jumping up and down."*

Information and Communication Technology, Did not influence and did not want to

On top of this, many SMEs believed that having more involvement in Apprenticeships would take up too much of their time, which was already thinly spread across the business. Unlike larger employers, with dedicated training or Human Resource functions, SMEs did not have the specialist staff to spend time liaising with providers, arranging assessments or designing bespoke course content. Some SMEs in this research did have a general manager who took care of HR and training issues, but they were not always professionals in the same field, so they struggled to engage with the detail of the course.

*"[The barriers to involvement are] only time, nothing else. I think as we are such a small setup, that... You know, I'm responsible for the payroll and it's not just staff training, I've got to do everything. So that's where a small business probably does rely on outside providers because they don't have the time to do it themselves."*

Hairdressing, Had no influence but wanted some

*"To me it is a timeframe thing, I want to be involved and I want to speak to the assessors and things like that. But with regards to changing the framework and all that, I haven't actually got the time to sit down and have these meetings and say, "Look at this, look at that". Because I'm managing on a daily basis and that is my priority."*

Childcare, Had no influence but wanted some

## Capability barriers

Some SMEs admitted they had limited capability to be involved in the design and delivery of Apprenticeships because they simply did not know enough about the system and the relevant industry standards to be able to have meaningful influence.

Our interviews also revealed a small number of employers who were not invested enough in the Apprenticeship model to be capable of meaningful involvement. They were unclear about why they were doing Apprenticeships with their staff rather than another form of training and therefore did not feel they could comment on what the appropriate training should look like. This was especially true where the training had been instigated by a visit from a training provider, and the employer had been relatively passive in the decision to sign up. This tended to be in some of the newer Framework areas where employers were offering Apprenticeships to existing staff rather than recruiting specifically for new Apprenticeship posts (where it would be likely that an employer would have a clearer business case for delivering this form of training).

## Opportunity barriers

The most significant barrier to more SME involvement in Apprenticeships was the level of disconnect between training providers and employers. In many of the interviews, employers reported that providers were distant and uncommunicative, difficult to get a hold of and uninterested in engaging the employer in discussions about how best to see their Apprentices achieve. This frustrated many of the employers we spoke to, who wanted more influence than they got, as they felt they deserved more involvement. What is interesting from the quote below, and echoed in interviews with several other employers, is the passive and detached relationship between the employer and their training provider. The employer here talks about never getting a phonecall or asked a question, but at the same time, never took it upon himself to instigate contact during the Apprenticeship programme or ask for more involvement, because they thought it was the providers' .

*“We were out the loop, you know, we were never given a phone call, we’ve never been asked a question...they want to get the employers on board and say what can we do for you, can we get you more involved.”*

Construction, Planning and the Built Environment, Had no influence but wanted some

Some of the employers we interviewed were presented with their Apprenticeship programme as a fixed package that was defined by the provider and not open to change. Employers were particularly frustrated where providers had told them they would be able to input at the time of enrolling their staff on a particular programme, but then not given them the opportunity. Instead they were presented with a programme where the content was already decided, rather than being tailored to business or individual staff members' development needs, as they had first expected.

*“You don’t have a choice. You all go through this, because that’s what we [the providers] want you to do.”*

Business Administration and Law, Had no influence but wanted some

*“It’s more based on what they say they can do for us, you know as opposed to us saying this is what we want.... You don’t get any [influence] at all really. You know they’ve set out their criteria on how it should run and that’s how it runs.”*

Engineering Manufacturing Technology, Had no influence but wanted some

## **Enablers to employer influence over Apprenticeships**

The following section outlines the main factors that did or could enable greater employer influence over Apprenticeships. Some of these were actual enablers, which emerged from the interviews with employers who had been able to influence their Apprenticeship but wanted more influence. Others emerged from our analysis of the main barriers to influence and what could help to overcome these.

### **Motivation: being invested in the Apprenticeship programme**

Many of the employers that we spoke to were heavily invested in the value of Apprenticeships – they had been taking on apprentices for many years and believed that by doing so they were building the future of their industry. This investment may have been motivated by personal or business reasons, but generally these employers were happy to put effort into their own apprentices’ training, and some took this a step further by inputting into the broader Apprenticeship system, for example, attending consultation meetings with their local training provider. A sense that they wanted their apprentices to do well, and that they wanted the Apprenticeship programmes within their industry to be of as high quality as possible, motivated these employers to spend time helping their apprentices and being involved with their providers to improve the quality of the Apprenticeship experience for all parties.

*“I’m willing to give the time; the way I look at it if the staff are learning and improving then it benefits the business.”*

Retail, Had no influence but wanted some

### **Belief: confidence and collective voice**

The second enabler for more employer influence over Apprenticeships was the combination of confidence and collective voice. Some employers felt very strongly that they simply deserved to be listened to, even if they did have only a small number of apprentices. This was coupled with a determination on the part of those employers to find ways to make themselves heard, often through local employer networks or sector bodies.

A few of the employers in our sample had been able to influence the design of their Apprenticeship Framework, or – at a less strategic level – how this was delivered by their local training provider to best meet employer needs. They tended to have a long history of offering Apprenticeships, in the more traditional subjects such as hairdressing, construction, or animal care, where Apprenticeships were the standard entry route to becoming qualified to do a particular occupation. These employers stood out because they had either taken the initiative to get involved with their industry employer federation, at the highest level, or had been involved in employer-provider consultative committees to influence the content of the training delivered locally. Being well-networked with other

employers, through sector bodies, helped them to amplify their influence as a small business, because it came through a collective forum.

*“My husband is a member of the [national employer association] and as such sat on the Training Agency committee when they discussed training requirements and things like that so there are overseeing bodies, or people who do get to input things into the training.”*

Agriculture, Horticulture and Animal Care, Had some influence and wanted more

While recognising the time pressures, many of these employers advocated for other SMEs to get more actively involved in Apprenticeships, particularly if they had gripes about out of date or missing content within the Frameworks.

*“You have to stand up and be counted when they’re asking for employers to go to meetings and to go to education committees or forums and that’s how you get more involved by just standing up and being counted and do it. Albeit all of it is time out of the salon but I just think it’s important for the student.”*

Hairdressing, Had some influence and wanted more

### **Capability: Knowledge of the system and what they want from it**

Employers who were more able to influence the Apprenticeships they supervised tended to have a better level of knowledge about the structure and content of Apprenticeships as well a clear picture of what they wanted from it. They tended to have clear business and training plans in their organisation, and were clear on how an Apprenticeship could support these plans because they understood the Frameworks being covered and how the training provided fed into this. As a result, while they may not have had influence on the Framework itself, they were actively engaged in the Apprenticeship and worked with their provider to ensure that learners were getting the right types of on-the-job experience and adequate support.

*“When they start the course we are often forwarded the entire Framework, so I have got that on email. It’s always good to have input... I can talk quite openly. I’ve got a good relationship with the assessor, so if I have got problems or if I think they need some help in extra areas, I will say.”*

Childcare, Had some influence and wanted more

### **Opportunity: A good provider relationship**

Where employers did have good relationships with their Apprenticeship provider (as in the case above), this tended to translate into a greater degree of influence because communication channels were open and two-way; providers asked for employer input and fed back on how students were doing, while employers were able to relay their training needs and felt comfortable about raising any issues they had. Some of the employers in our sample had gone through several different providers before they found one who was open and responsive to queries, consultative in their approach to assessment, and willing to adapt course content to better suit the needs of the learners and their employers.

We saw in Chapter Two that the content of the Apprenticeship programme was one of the key areas where SMEs would like to have more of an influence. Having a good relationship with the training provider was critical here because they had to work together to adapt the Apprenticeship content so that it was most relevant to their business, while

adhering to the criteria set out in the Framework. For example, one employer, a large nursery, had been able to influence this because they had good communications with their provider and were able to feed back that they felt their learners were not getting to grips sufficiently well with the Early Years Foundation Stage (EYFS) curriculum. They negotiated with their provider to adapt the Apprenticeship so that the EYFS was embedded within most of the modules rather than being covered in just one. Although a small employer, they had a relatively large volume of apprentices who formed the majority in the class. This undoubtedly gave them greater confidence that their views would hold weight and be listened to by the provider.

*“The syllabus covers what we need it to do. We’ve got quite a good relationship with our training company so they are able to tailor anything we want. Well because we’ve got so many students they only really have our students in their class. Therefore if we say we want to cover this because our girls seem to be struggling with that, then they do.”*

Childcare, Had some influence and wanted more

Generally, employer influence over the structure of the Apprenticeship (including duration and timing) was constrained by the degree of choice they had about local training providers, and was more limited if they could only choose from colleges who tended to work to fixed academic terms. However, there were examples where a few employers had been able to influence the duration of Apprenticeships through discussion with their provider. One, an electrical business, had asked their provider to slow the pace of the Apprenticeship programme for his learners because he did not want them to be rushed through the before their technical skills were ready.

*“Four years is do-able. They take their final exam when both us and [training provider] are confident that they can go off and not kill anybody. There’s a discussion between us as to when they take their exam, which is one of the main reasons I went to [training provider A] because with [training provider B], it was a pure money on feet exercise and they put them all through their exam at the end of the second year and told them they were qualified.”*

Construction Planning and Built Environment, Had some influence, wanted more

Assessment was one of the easier elements of Apprenticeships for employers to influence, perhaps because a significant proportion of this for most apprentices was carried out ‘on the job’. Many SME employers we spoke to had meetings with provider assessors to discuss apprentices’ progress and what they could do to strengthen their performance. A few had been able to negotiate with providers to change the format of the assessments, where apprentices had particular needs such as help with literacy. Notably, employers often had to request this level of involvement rather than being offered it to begin with, but they were pleased where they had done so as they felt all parties gained from a more collaborative approach and better communication.

*“[The assessor] came out and just stood and watched and had a chat amongst themselves and left, so we had no contact...and so one day, I went up to him and said, “Can we be a bit more involved?” and he says, “Yes, what do you want to do?” and I was like “Well what I’d like to know is, what other things can we do with him to help him towards getting this qualification?” and so on the next time he came out we all sat down together and I just offered suggestions on how we could go forward. I think [the apprentice] got a bit more out of the qualification because we were paying attention.”*

Leisure and Tourism, Had no influence but wanted some

# Chapter 5: The relationship between purchasing power and influence

**With a policy model that is moving towards placing more purchasing power in the hands of employers, this Chapter explores SMEs' views about the role of funding in the debate about how to enable more employer influence on Apprenticeships. While all employers have to pay their apprentices' wages and other employment-related costs such as National Insurance, most of those in our sample had either not paid fees directly towards the cost of their Apprenticeship training or had paid a proportion of the fee, which was supplemented by government funding direct to the training provider.**

## Placing more purchasing power in the hands of employers

Both the Richard and the Holt Reviews into Apprenticeships and SME involvement recommended placing greater purchasing power in the hands of employers. The existing system means that, other than the wages they pay to their apprentices and related costs such as National Insurance, a minority of employers make a financial contribution to the training provider<sup>10</sup>. Most of those offering Apprenticeships to young people aged between 16 and 18 do not pay anything at all because the training is fully funded by government. Government funding is reduced for 19 to 24 year olds, and again for adult apprentices aged 25 or over, as increasing levels of employer co-investment are assumed.

Both Richard and Holt argue that this funding model handicaps employers as consumers of Apprenticeship training, because providers rely more for their income on the government contribution than on the contribution from employers. One way to address this is to place more spending power into the hands of employers by giving them direct control over the government element of the funding for Apprenticeships. Richard argues that routing funding through employers in this way would increase the likelihood that providers would see employers – rather than government – as the customer. In addition, Richard highlights the importance of employer co-investment, with potentially more employers contributing their own money towards the training if they are more assured that it will meet direct business needs and employer-set industry standards. This model already operates for a relatively small number of large, national employers with high volumes of apprentices, who have opted to use the 'Direct Grant' funding system (discussed in more detail in Chapter 6).

---

<sup>10</sup> The Apprentice Employer Survey 2012-13 found that one in five (22%) employers with current apprentices had paid fees to their training providers for the cost of the Apprenticeship; the figure was higher amongst employers who had provided frameworks in Engineering & Manufacturing Technologies (36%) and Construction, Planning & Built Environment (37%).

## SMEs' views about more direct control over Apprenticeship funding

In our interviews we asked employers hypothetical questions about the potential impact on their attitudes towards influencing Apprenticeships, if they were to have more direct control over the government portion of the funding. SMEs' views were essentially mixed, with three different segments emerging from the research which we discuss in turn below.

### Did not want funding control, and would not affect views about influence

#### **Employers who were already satisfied with the status quo**

A small group of the employers in our sample reported that they did not want to have direct control over the government portion of Apprenticeship funding, being concerned about what they perceived to be the additional administrative burden this would bring. This was particularly the case where employers were already satisfied with their existing Apprenticeship provision and saw no reason to change the current payment structure. One employer who had been operating Apprenticeships for many years reflected back on what they regarded as the more bureaucratic system of the past.

*"In the back of my mind I remember doing these horrendous claims forms that went to the TECs [Training and Enterprise Councils] and if you had not crossed a 't' they would send it back. And the idea of having to do all of that again, maybe to claim back, is much more difficult because it's got to create another layer of administration here doesn't it?"*

Business Administration and Law, Did not influence and did not want any

Some of these employers thought that having more control of funding would make no difference to them anyway, because they would still have a very limited choice of providers and therefore could not 'move' the funding elsewhere in return for more influence over the provision.

### Wanted funding control, but ambivalent about impact on influence

#### **Desire for influence still inhibited by limited knowledge and motivation**

A second segment of employers looked positively on the idea of more funding control, but were ambivalent about its impact on how much influence they would want.

These employers liked the idea of having more control over Apprenticeship funding but thought this would not encourage them to want more influence on the training. They tended to be either satisfied with the provision they already got, or quite disengaged from it. Some had concerns that even if they had more control over how the funding was spent, they still did not know enough about the Apprenticeship system to be able to influence it effectively. A few employers questioned the need for more employer influence, considering that there were already enough organisations involved in influencing, and indeed policing, Apprenticeships, such as sector bodies and Ofsted, that individual employers did not need to get involved.

While they were neutral about the impact this would have on how much influence they wanted, some employers did feel that being in control of the government portion of Apprenticeship funding would make them more cost conscious and more aware of value for money. Others had concerns about possible fraudulence and the additional layers of administration that might need to be put in place to audit how employers spent the money.

*“I think if I had the funding for training them and I had to have somebody come in to assess them or something, I’m guessing I would look very closely at the cost.”*

Agriculture, Horticulture and Animal Care, Did not influence and did not want to

*“If I was physically paying this chap I would have gone ballistic, because if I was to write him a cheque out and I wasn’t feeling I was getting value for money, I would have probably taken it a lot further up to his superiors.”*

Retail and Commercial Enterprise, Had no influence but wanted some

## **Wanted funding control, and would motivate them to want more influence**

### **More vocal as consumers, and more involved**

Thirdly, there were a number of employers who were positive about wanting more control of Apprenticeship funding and who believed this would impact on their attitudes and behaviours towards influencing Apprenticeship provision. The most common view was that this would encourage them to act more like consumers – potentially taking the funding elsewhere if their provider did not give them the input they wanted.

*“At the moment we don’t get an awful lot of influence and if you were to then go and give us the cash that gives us the option to use these other people, then that would be easier for us.”*

Engineering Manufacturing Technology, Had no influence but wanted some

The other key potential impact that employers reported greater funding control would have was to make them more ‘vocal’ as consumers of Apprenticeship training rather than taking a step back from it, potentially narrowing the detachment reported in Chapter 2. This was particularly the case among those employers who had been dissatisfied with the provision they had received for some reason, generally because of what they perceived as poor communication or lack of organisation by the provider. Employers felt this would empower them to withhold payments if they were dissatisfied or to move to a different training provider.

*“If I’m holding the purse strings and they’re not performing, well they’ve got the potential of not getting paid haven’t they.”*

Construction, Planning and the Built Environment, Had no influence but wanted some

Some employers considered that if they were paying more towards the Apprenticeship (even if this was using government money) they would actively seek to have it more tailored around the needs of their business, rather than accepting an ‘off the shelf’ package that met some but not all of their needs.

*“If I felt I was paying for it, and I know technically I wouldn’t be because I’d be given the money to pay for it, but if I actually had control of the money I would be pushing to have it more based around our business.”*

Retail and Commercial Enterprise, Had no influence but wanted some

*“If you’ve got the money and you’re directing it to somewhere you’d probably want greater influence really. Because it’s handling the money, seeing the money, knowing exactly where it’s going - I’d want proof that X has been learned and has gone to the right thing.”*



Childcare, Had some influence and wanted more

However, even when they were positive about the potential impacts, some retained concerns about the potential for additional bureaucracy and administrative burden on the business.

*“I would have a direct influence on what my people are studying and direct control. I could see the benefit in that but I would be cautious about putting another logistic and administrative burden onto my managers.”*

Information and Communication Technology, Had no influence but wanted some

It is important to note that these employers were clear about wanting more *control* over the funding, rather than more funding per se. Furthermore, the majority of them remained reluctant to co-invest more of their own money towards the training in the tight economic climate. Some were concerned that giving them more control over government funding would be the first step towards asking them to contribute more towards the cost of Apprenticeship training themselves, stating that they would not be able to afford to take on apprentices if they were asked to pay more towards the training. This is an important consideration in light of the planned reforms to the Apprenticeship system, which emphasise the importance of employer co-investment.

*“Every penny counts and over the last few years, although we’ve seen growth in our business, we’ve also seen quite a lot of price increases and the biggest bonus for us about the training is when it’s at no cost to us.”*

Leisure and Tourism, Had some influence and wanted more

# Chapter 6: Perceptions and experiences of the Direct Grant

This Chapter explores the dominant themes which emerged from the qualitative interviews with Direct Grant employers. The sample comprised employers from a broad range of sectors, covering both ‘traditional’ Apprenticeship Frameworks such as Engineering and Construction, and relatively ‘new’ Apprenticeship Frameworks such as Catering, Retail and Social Care. However, the themes which emerged were common across all the employers, and not specific to certain Frameworks.

## What motivated employers to operate the Direct Grant?

Broadly speaking, the Direct Grant employers fell within one of two groups:

- Early adopters of the Direct Grant, most of whom who had experienced the old model – where training providers received the funding directly.
- More recent adopters, who had only ever experienced receiving a Direct Grant.

### Early adopters

For those employers who had experienced the previous provider-based payment system, one of the key drivers for adopting the Direct Grant was that they wanted more influence and control over the quality, content and structure of Apprenticeship training to ensure that the training was suitable for their business. This attitude was frequently driven by the perception that training providers were not delivering the level of quality or responsiveness that the employers wanted.

*“We wanted to have more ownership of who was providing the training and make sure that the training was meeting our needs.”*

*“We couldn’t get any colleges or training providers to deliver what we wanted at the right standard. So it was... it wasn’t something we planned to do, but it turned out that it was better to do it ourselves.”*

This desire to influence Apprenticeship training often developed gradually as employers realised the level of influence they were *entitled* to as consumers of training. Overcoming the inertia they felt was present within existing training models and within their own organisation took time, and was usually driven by motivated Learning and Development teams. What is interesting from the quote below is the similarity between the position of this large national employer and that of many of the SMEs we interviewed, in terms of being presented with a fixed offer and not being aware that they had an opportunity to influence the content.

*“What we were guilty of is not really understanding the Apprenticeship and how it benefited our business and the learner, or taking an active role in ensuring that training was as it should be. We didn’t know that we could choose the units, we were just told ‘This is what your learners are working towards’.”*

Some employers indicated that being able to develop more influence over their Apprenticeship training was facilitated through broader political debate and discussions about employer involvement.

*“I didn’t know, to start with, how far I could demand to change it and shape it. Whereas I am absolutely now 100% convinced on what I can do and what I can’t do and also it helps that the government and all the supporting agencies are talking to us in a way that says well you can change this.”*

## Recent adopters

In contrast to the early adopters, the recent adopters had only ever experienced the Direct Grant approach to funding. These employers viewed Apprenticeships as an integral part of the future of the organisation and the best way of training new employees to meet required occupational standards. The Direct Grant approach complimented the culture of their organisations, which was built around a high-quality product or service and therefore relied on a high quality, well-trained workforce. Having control over the content and quality of this training was an important part of their business model.

*“[We were] very keen that this was done as a direct contract, and that basically fitted our needs as well, because we believe that we should be responsible [...] so the very fact that we would be the actual direct grant holder and therefore accountable, made perfect sense to us.”*

## What impact did the Direct Grant have on the delivery of the Apprenticeship training?

Amongst the Direct Grant employers, two main models of training delivery emerged:

- Bringing the training ‘in-house’ into the company; or
- Developing a strong relationship with a training provider, or small group of training providers.

## Taking the training in-house

With the advent of the Direct Grant many of the employers had brought training in-house (either entirely, or everything barring assessment) in order to have better control over its content, structure and quality. As outlined earlier, this was often driven by previous poor experiences with training providers in which the qualifications and training were not of suitable quality and the provider exhibited resistance to change. Both of these issues were also identified motivations for SMEs to want more influence over Apprenticeships, and barriers to achieving this.

*“I got asked by the CEO to set this up because we’d come to the conclusion that there were not very good training providers out there. [...] In terms of the quality of what we wanted to achieve we thought we’d do a better job ourselves in terms of actually having a proper integrated and embedded training programme.”*

In this model, employers also functioned as the training providers and therefore they had to create the associated infrastructure (such as administrative staff, or even small in-house

training departments) to deal with the delivery of the Apprenticeship programme, Ofsted inspections, and processing and reporting back on funding. The Direct Grant employers interviewed were large enough to buy in the expertise that they needed to do things in-house and they considered the additional cost worthwhile to ensure greater influence and quality. Effectively, they had complete control over the content of the training as well as the mechanisms for delivery and assessment. Some found that taking on greater responsibility for this via the Direct Grant had enabled them to expand the range of Apprenticeships they offered.

*“We’ve become more diverse since we’ve had direct grant and we’ve had the control of it. [...] Once you’ve been approved for one [Framework] and you’ve got them set up you’re approved with the National Apprenticeship Service it’s much easier to take on more.”*

In general, all the Direct Grant employers offered apprentices a broader range of learning methods than was found among the surveyed employers (although this was also influenced by their size and access to resources). However, those who had taken the Apprenticeship provision inside their organisation felt that it was easier for them to pursue innovative approaches:

*“We have classroom time, we have work books, we have revision books, we have one to ones, face to face visits, but we’re also going to develop a surgery where they can phone and speak to experts on a regular basis [...] or we’ll arrange a web chat [...] and then we’ll post the web chat on the apprentice pages. It’s all the time trying to develop new things.”*

The other benefit of taking the training in-house was that employers felt that it was much more learner-centred, with any issues being dealt with more quickly and effectively because there was no need to deal with an external, third party outside of the company.

*“If there are any issues you can work with the mentor, the manager, the assessor, to find local solutions very quickly so it doesn’t impact the learner’s progress and I think that’s probably missing for a training provider.”*

In this way, the employers who took training in-house felt that they could guarantee that the Apprenticeship was relevant to their business and lead to appropriate progression routes.

### **Retaining and improving relationships with external providers**

Other Direct Grant employers had developed relationships with large national providers. This was often driven by the provider’s ability to supply national coverage.

*“I am sure there are some diamonds amongst them but they are of no use to us because I don’t need somebody that services Birmingham or Manchester, I need someone that delivers nationwide and [our provider] can do that for me.”*

In other cases, some employers who offered lots of different Frameworks contracted out the training for small groups of apprentices where they were very specialist (e.g. in certain technologies) or where numbers were not big enough to warrant bringing the training in house yet. Some of the Direct Grant employers also contracted the funding administration to their provider as it was seen to be too complex and bureaucratic.

## What impact has the Direct Grant had on provider relationships?

Regardless of the specifics of the employer-provider relationship, all the Direct Grant employers reported having a high level of influence in the provision of training. Several of the Direct Grant employers using a training provider reported excellent relationships with their providers, and described these as “true partnerships” where the provider was very responsive.

*“People talk about partnership endlessly, in my forty years this is probably the only supplier I can think of who I would describe as a genuine partnership.”*

The employers had very clear expectations of standards and a strong influence over the content and delivery of the training. Employers who worked with a large provider felt they could collaborate, and indicated that their providers were flexible to their needs.

*“I can have what I want, they will do what I tell them to do, there’s no issues whatsoever in that respect but as I say I think it’s because of [our provider].”*

*“[...] he will deliver assessments basically whenever we want. So if I want them Sunday afternoon at 4 o’clock he will let me have them Sunday afternoon at 4 o’clock.”*

However, the employers also acknowledged that this level of influence did not stem purely from the Direct Grant funding model. Rather, the employers felt that their size was highly salient in the relationship with their provider. They were large enough, with sufficient volumes of apprentices (and therefore sufficient purchasing power), to be able to demand flexibility; while the providers could rely on sufficient economies of scale for it to be worth their while adapting their offer. The Direct Grant employers felt that SMEs might not be able to exert the same level of influence, and this also emerged in broader discussions around funding for Apprenticeship training.

## What impact has the Direct Grant had on employers’ views regarding Apprenticeship costs and funding?

Employers running in-house training programmes reported that Direct Grant funding did not cover the whole cost of running their Apprenticeship training (for example, one employer estimated that the grant they received covered approximately one sixth of the total costs of delivering the Apprenticeship programme). However, they accepted the additional costs in light of the additional benefits.

*“What we get is a contribution and that’s it. It’s a partial payment to what it costs us. But the company realise the value of Apprenticeships so they haven’t got an issue with paying it because they realise the value the apprentice adds to the business.”*

A further expense that the Direct Grant employers identified was the resources needed to provide suitable pastoral care for young apprentices aged 16 to 18. This was an area where they had tended to under-estimate costs until they started to deliver the training directly themselves: several noted that using the Direct Grant had therefore given them a much better idea of the true cost of delivering Apprenticeships.

*“I think for young people, it costs us a lot more than the funding we get. The actual amount of work that we have to do and counselling and support, and additional training that's not included in it is... in fact it's more than we thought it would be.”*

Again, this was a cost that these employers accepted as a price to pay for being able to have more control over developing and shaping their future workforce. Furthermore, the wider organisational culture was identified as being important. Where Apprenticeships were embedded in the company and viewed as intrinsic to its business strategy, senior management were behind using the Direct Grant to co-fund direct delivery of Apprenticeship training.

*“We are very lucky in that we have such top level management support that goes, actually cost here is not our first consideration, here development is about people and serving our customers better is. We're prepared to take that hit, and we've been very lucky in having forward thinking senior leaders that have taken that position.”*

In contrast, one cost which the Direct Grant employers did resent was the cost of delivering functional skills. Whilst they acknowledged that these were important for the apprentices to learn, they felt strongly that these should be skills that were learned at school, and not funded by employers later.

*“But the functional skills, having a large employer discount to it, for me, is wrong, morally wrong. Because, as employers we shouldn't have to be funding maths and English for young people, you know, we shouldn't have to pay for that.”*

Among the small number of employers we interviewed there was no appetite for Direct Grant funding via PAYE: they thought the current funding model was already transparent, and that moving to a PAYE system would be an additional administrative burden. This issue was raised spontaneously during the interviews (potentially prompted by the recently completed government consultation on new Apprenticeship funding mechanisms), indicating that employers felt strongly about it.

*“The way it works now is that the funding is very visible within the organisation in the Learning and Development budget, so then we know what we can spend on the programme, we know what funds are available.”*

However, some employers did acknowledge that they did not know much detail about how the alternatives to the Direct Grant would work in practice, and were reacting more against the general idea of change than against a specific proposal to move to PAYE.

*“The PAYE thing I see no particular merits in that whatsoever [...] It just seems unnecessarily additional bureaucratic to me, but I may be wrong. I mean I haven't wanted to change from what we are doing so I haven't particularly studied it.”*

## What do Direct Grant employers identify as barriers and enablers to exercising more influence?

### Inflexible training providers

One of the principal barriers to Direct Grant employers exercising influence *prior to the Direct Grant* was the extent to which training providers were perceived as being resistant to change.

*“We gave them lots and lots of feedback about what we’d like and I had several meetings and we expressed how we wanted things working going forward and they felt I was too demanding. They were quite open about that and unrealistic in what I was striving to achieve.”*

However, the size of these employers, *coupled with* their subsequent control of the funding, meant that they had the buying power to get what they wanted. They could change providers or offer the economies of scale needed to make tailoring viable. In contrast to the SMEs interviewed, with these companies the employer-provider relationship was rebalanced towards the employer so that they had almost total influence. The Direct Grant employers who used training providers emphasised the importance of setting out very clearly from the beginning what they wanted in order to make the training a ‘joint programme’ and take a partnership approach with the provider.

*“You need to be 100% clear how you want [that training] to work in your business. I look at it now very much that it needs to be a partnership... So while you’re employing a provider you need to make it very clear in negotiations that it’s a joint programme and therefore everything that you develop is joint going through. You don’t want a blanket approach.”*

### Perceived lack of information and guidance

The second barrier to exercising more influence identified by Direct Grant employers was a perceived lack of information and guidance when setting themselves up as Direct Grant holders. This was regarded as an ongoing barrier which many had to grapple with even after they took control of the Direct Grant funding. Firstly, employers who took the training in-house spoke of the challenge of setting themselves up as a training provider.

*“It was a big learning curve, especially with all of the bureaucracy that we actually had at the time, and the audit requirements, and OFSTED were quite difficult.”*

Similarly, Direct Grant employers who used a training provider spoke of the difficulties in knowing how to source reputable, good quality providers. This was a common theme (also identified in the Richard Review) and many of the employers stated that they would like to see a government approved list of providers.

*“We need a league table of good training providers sanctioned by BIS that can be easily run off Ofsted ratings. Something’s got to be there to help businesses identify the best training providers to deliver Apprenticeships for their people. There are a lot of charlatans out there.”*

As a way of mitigating the uncertainty surrounding providers, some recent adopters of the Direct Grant had gained confidence from speaking to other large companies who had gone

through the process. In turn, several of the Direct Grant employers were motivated to influence other employers in their sectors by improving the training available, and thereby raising standards and improving the quality of the workforce across the board.

*“So we're actually trying to make sure that we lead in the sector, to support other employers to get what they need, to make sure the workforce are qualified enough to deliver what we need [...] it gives us the opportunity to influence other employers. And it's really important to us that we drive up the standards in the industry.”*

Furthermore, in terms of accessing information and exercising influence, most of the Direct Grant employers interviewed highlighted the importance of being effectively networked with their Sector Skills Councils, professional bodies and qualification boards in order to influence occupational standards at the Framework design stage.

*“We work very closely with [our Sector Skills Council] or any Sector Skills Council that we can become involved in so we help to shape qualifications [...] so we're very much involved in what the qualification looks like.”*

### Administrative burden

The final major barrier to Direct Grant employers exercising influence was the perceived administrative burden associated with running Apprenticeships; especially where the employer was also the training provider, or where a UK-wide employer was dealing with different regulations across the home nations.

*“The Apprenticeship system is incredibly admin heavy and there's no real support on what you've got to be able to do to do that. We know what we're doing in terms of training people but it's that admin thing where we get caught out and you need support from the Skills Funding Agency.”*

It is important to note that, to a greater or lesser extent, this was flagged by almost all the Direct Grant employers we interviewed as being a continuing issue. Some of the Direct Grant employers noted that having a dedicated contract manager at the National Apprenticeship Service was very helpful in negotiating the complexities of the funding and administrative processes. However, many of them felt that, for smaller employers with only one or two apprentices, the administrative burden was likely to outweigh the benefits of receiving Direct Grant funding.

*“What is still weak is how you go about doing it, and particularly for an SME, I imagine it's very difficult if you're operating out of one unit at an industrial estate.”*

*“They [small employers] think these people will come in and do this for me and I haven't got to worry about it because it's free. I don't think smaller employers understand the system or what they should be getting for their money [...] because they think it's free, they don't consider the other costs as costs. They just do it.”*



# Chapter 7: Conclusions and Policy Implications

This follow-up research to the 2012-13 Apprenticeship Employer Survey was prompted by findings which suggested that a substantial minority of employers – especially SMEs – either were not satisfied with how much influence they got over their Apprenticeships or did not want any influence at all. Given that the developing policy model seeks to offer employers more opportunity to influence the design and delivery of Apprenticeships, BIS commissioned Ipsos MORI to undertake follow-up qualitative research among small businesses and large Direct Grant employers, to ascertain the enablers and barriers to more employer influence.

## **Stimulating more employer influence means addressing a number of complex and inter-related barriers**

The research has revealed a number of underlying issues that constrain SMEs' motivation capability or opportunity to have influence over their Apprenticeships. These include: limited knowledge about the structure and content of the training; a lack of confidence that the views of small employers will be taken on board by training providers; and a gap between what some employers want and what some providers deliver. Distant communication – on the part of providers and employers alike – exacerbates this disconnect, while employers themselves may not be able to seek influence elsewhere if their choice of provider is limited by geography, a niche marketplace, or lack of information about possible alternatives. Another issue, more common among those employers who were offering Apprenticeships in some of the newer Framework areas, commonly to existing staff, was that they were not invested enough in the Apprenticeship training to want to influence it. Finally, there was a group of employers who saw no need to influence their Apprenticeship provision because they were already satisfied with the product they were getting.

The way in which Apprenticeships operated within the Direct Grant employers often represented 'best practice' in terms of the level of employer involvement in training, and reflected many of the goals highlighted in the Richard Review. However, unlike SMEs, this was a unique group of employers characterised by their ability to draw on large scale resources, who employed large volumes of apprentice learners across multiple Frameworks. Therefore, it is likely that SMEs would need additional support in order to reap similar benefits from a Direct Grant funding model.

## **What can BIS do to support greater SME influence?**

### **Improve understanding of Apprenticeships**

It was clear from our research that some small employers, particularly those in some of the newer Framework areas, were unclear about why they were offering Apprenticeships as a form of training as opposed to another work-based qualification such as a stand-alone NVQ. In addition, even employers in more traditional sectors could be unclear about the design of the Apprenticeship Framework their learners were on, the scope to select

modules or for certain modules to be tailored to suit the needs of the business, and how assessment structures worked. Improving employer knowledge about Apprenticeships – focusing on the distinctiveness of an Apprenticeship compared with other forms of work-based training – would help to build their understanding of the purpose of Apprenticeships and when they are most appropriate as a form of training. At the same time, simplifying the structure of Apprenticeship Frameworks would help to make them more transparent to employers. Both would help to encourage small employers to be more knowledgeable as ‘consumers’ of Apprenticeship training. At the same time, employers need better information to make more informed choices about which Apprenticeship providers to use – focusing on indicators of quality and employer-responsiveness.

### **Building SME empowerment**

Among the employers we interviewed, it was common for providers to offer employers a fixed ‘product’. What then becomes critical is employers’ motivation and ability to challenge this, and this was strongly related to size. For example, there were a number of similarities in the responses of SMEs and Direct Grant employers. The main difference was that the latter held more weight with providers because of the volume of apprentices they employed, which meant they wielded much greater buying power. There may be opportunities here for local groups of SMEs to work more closely with providers, for example via Group Training Associations and the like, to both increase purchasing power and collective ‘voice’.

Developing the provider market would also help to expand SME choices about Apprenticeship provision and potentially open up more avenues for employer-led programmes. For example, one of the Direct Grant employers we interviewed had been approached by smaller companies in its sector to deliver its own bespoke Apprenticeship programme to them, but reported that this was difficult under the current contract arrangements.

### **Developing supportive brokerage and funding mechanisms**

Employer and provider cultures are unlikely to change fast and, in the meantime, current initiatives such as the Employer Ownership Pilot (EOP) and the Growth and Innovation Fund (GIF) may help to strengthen the brokerage arrangements for SMEs to get the type of Apprenticeship training they want. While these initiatives are long-term programmes, in their early stages and currently being evaluated, many of them aim to develop more employer influence and extend employer-led provision through business supply chains and other collective networks.

In terms of funding, this research suggests that giving SMEs direct access to government funding to pay towards Apprenticeships would encourage more of them to both want and exercise influence. Many SMEs predicted that this would encourage them to think more carefully about what they wanted Apprenticeships to deliver for their business, communicate this more actively with providers, and be more challenging with providers if they felt their views were not being taken into account. This was particularly the case among those in more traditional Apprenticeship Frameworks who were already firmly invested in Apprenticeship provision (because the success of this provision was critical for the future of their business), without yet getting the quality or the degree of influence that they wanted.

However, this approach to funding was not universally welcomed, with many other SMEs concerned that it would create new administrative burdens for them for little additional reward, in particular where they did not necessarily want any further influence and were satisfied with their existing provision. Notably, Direct Grant employers also highlighted the administrative complexity of Apprenticeship funding and voiced concerns that very small employers would find this model difficult to navigate; pointing to a need for further simplification should this be the preferred funding mechanism to emerge from BIS' recent consultation on Apprenticeship reform. In our sample we found that most SMEs in were reluctant to co-invest more of their own money in Apprenticeship training, especially in the tight economic climate, reporting that having to pay more would mean recruiting fewer apprentices or looking for ready-trained staff. This is an important consideration in light of the Richard Review's emphasis on the principal of employer co-investment.

# Appendix 1: Topic Guide

## Introduction and explanation of the purpose of the interview (5 minutes)

- Introduce self and Ipsos MORI as an independent research company. Thank participants for taking part.
- Explain we're going to be talking about the training they offer their employees and the sort of influence they have in it. Should take maximum of an hour. No right or wrong answers and not a Q&A- we want to hear what they have to say.
- Reassure anonymity of participants and that we adhere to the MRS (Market Research Society) code of conduct.
- Ask permission to audio record.
- Ask participant to introduce self and company they work for:
  - What do you do here? What is your role with training?
- What different sorts of work place training do you offer? Who delivers the different elements of your training?
- How do you define an Apprenticeship? What does it constitute? How does it differ to other forms of training?

## Section 1: Explanation of business and apprentices (5-10 minutes)

- What do you feel having apprentices brings to your business? Do you recruit them based on a direct business need? What makes you say this?
  - PROBE: Being able to employ young people? Ensuring staff receive the right qualifications? Possibly around improved staff morale?
  - PROBE: To what extent do you use Apprenticeships to upskill staff (either new recruits or existing employees) or to accredit/ validate existing skills?
- How many apprentices do you currently have at the business? (across all job roles or just specific ones?)
- For how long have you been hiring apprentices/providing apprenticeships?
- Have you always provided this many Apprenticeships? IF NOT: What has changed?
- Who is/are your training provider(s) for Apprenticeships? How would you describe your relationship with the training provider?

- Do you recruit apprentices directly, or offer Apprenticeships to staff currently working for you? If both, what is the mix?
  - IF RECRUITED FROM CURRENT WORKFORCE: Why do you offer current employees Apprenticeships?
  - What is it about an Apprenticeship that is attractive compared to other forms of workplace training for current employees?
  - IF RECRUITED DIRECTLY: What benefits does your business gain from recruiting apprentices directly?
  - What are the downsides to recruiting directly? Do you recruit directly into all jobs or just some?

#### *IF RECEIVE DIRECT GRANT:*

- We understand that your business receives a Direct Grant to fund your Apprenticeships. In other words, funding comes directly to you from the Skills Funding Agency rather than to the provider of training.
- Can you talk me through the choices you took when deciding on the Direct Grant route?
- Although we'll cover this in more detail later, can you briefly summarise how the Direct Grant changed the way you recruit or train apprentices, and how you organise training? PROBE:
  - New responsibilities/requirements
  - Types of training / frameworks
  - Amount of training
  - How training is organised (balance of internal and external)
  - The level of influence they have on their training
  - Their relationship with training providers

## **Section 2: Apprenticeship frameworks (5 minutes)**

- If I say "Apprenticeship framework" to you, what do you take that to mean?

IF NO IDEA/NOT SURE READ OUT: An Apprenticeship framework is a document which covers all the statutory requirements for an Apprenticeship programme in England. It is used by colleges, employers and training providers to make sure that all Apprenticeship programmes are delivered consistently and therefore to national standards, no matter where in England the Apprenticeship takes place. In simple terms

it is a document which sets out the sorts of things that should be covered in an apprentice's training, the qualifications that are taken and the links to job role.

- What other words or phrase do you use to describe an Apprenticeship Framework? INTERVIEWER – USE THEIR DESCRIPTION THROUGHOUT INSTEAD OF “Apprenticeship Framework”. .
- Do you know what Apprenticeship frameworks (or subjects) you offer apprentices at your company?
- What are they? Have you ever seen these documents?
  - PROBE: Try to get the employer to describe all of the workplace training they offer which is “like an Apprenticeship”. Can they differentiate an “Apprenticeship” from other training?
- IF MORE THAN ONE APPRENTICE: Do all apprentices do the same frameworks/subjects? Why/ why not?
- IF DIRECT GRANT: How, if at all, has the receipt of Direct Grant funding changed this?
- Can you talk through the process you went through to decide what frameworks/courses to offer? PROBE: Why these?
- Did they sound suitable for your company? Was it the training provider/college that suggested these ones? They sounded suitable for industry sector? Do they support progression?
- How easy, or difficult, was it to choose which frameworks/subjects to use?
- Were you offered any help in choosing? Who by? How helpful was this?
  - IF NOT MENTIONED PROVIDER ALREADY: How involved was the training provider/college in choosing what frameworks/subjects to offer?
  - How did you feel about this level of involvement?
- IF DIRECT GRANT: How, if at all, has the receipt of Direct Grant funding changed your relationship with a provider / other providers?
- Did you feel like you had enough information about the frameworks/subjects before deciding?
- What sort of information did you want?
- What was the most influential reason for choosing this / these framework(s)?

- IF DIRECT GRANT: Did you take part in a NAS supported programme to help you increase your influence over Apprentices' training? IF YES: What impact did this programme have on your ability to input? Would you have felt/done the same if you hadn't taken part in this programme?

### Section 3: Training content and methods (10 minutes)

- How does what the apprentices learn help your business? (is this over and above what you would offer without the Apprenticeship?)
- Are there any things not currently covered in an Apprenticeship that you wished they learned? If so have you raised this with the provider- what was their response?
- How do the activities of an Apprenticeship relate to the apprentice's role in your business?
- Do they obtain the standard you need at the end?
- IF DIRECT GRANT: How has receiving a Direct Grant changed your level of involvement in the things your apprentices/other employees learn?
- How does your training provider/college deliver Apprenticeship training?
  - IF DON'T KNOW: Does anything concern you about not knowing? Can you explain what / why? PROBE: Importance? Trust the training provider? Not interested? Never been told? Do you want to know more about the methods being used?
  - IF DO KNOW: How do these methods or activities reflect the work apprentices do in your business? What do you think about the methods being used? Do you think they are effective?

### Section 4: Structure of the training (5 minutes)

- Where do apprentices learn? PROBE: At a college/provider? In the workplace? A mix?
- What benefits do apprentices gain from learning in these locations? PROBE: Which aspects of the off-site training do you value, and why? Which aspects do you not value –why is that?
  - IF MORE THAN ONE APPRENTICE LEARNING IN DIFFERENT LOCATIONS: How does the place of learning affect what an apprentice gets out of their training?
- Did the training provider/college give you different options for where the training could be done?

- IF YES: To what extent was it easy or difficult to have the training done where you wanted it? Would you have preferred to have had the training done elsewhere?
- IF YES: What stopped you from having it where you wanted?
- Did any of the apprentices have difficulty getting to where the training was being held?
- IF DIRECT GRANT: How has receiving a Direct Grant changed where your apprentices learn?
- When did the training tend to be delivered? PROBE: During work hours? Outside contracted hours? A mix?
- Why do apprentices work at these times?
- Were you given the option of having the training done at different times?
  - IF NO: Would you have liked the training to have been done at different times?
  - IF YES: To what extent was it easy or difficult to have the training done at the time that you wanted it?
- IF DIRECT GRANT: How has receiving a Direct Grant changed when your apprentices learn?

### Section 5: Apprenticeship length (5 minutes)

- How long does it usually take apprentices to finish their training? (where different apprenticeships may be range of durations)? PROBE: Why this long?
- Does it vary at all? Variation within specific apprenticeships or across different ones? Is there a difference between the length of the training and the length of the Apprenticeship?
- Does the provider/college influence when apprentices need to start their training at all? What does the provider say ?
  - IF YES: Would you prefer this to be more flexible?
- What usually happens to an apprentice once they have finished their training?
  - PROBE: Do they meet the standard you expect of them at this stage of their employment?
  - Are they kept on or just employed for the duration of the Apprenticeship?



- What processes do you have in place for apprentices' career progression? How does this affect the length of Apprenticeship offered?

### Section 6: Assessment (5 minutes)

- How do your apprentices get assessed? Is it by the training provider/college?
- What do you think about how they are assessed? What would be a good assessment process in your view? Should it be a) modular or at the end of training? Exam based or practical?
- How important is it that the assessment is undertaken a) independently and b) industry-recognised?
- How do you find out about their progress from the training provider? How happy are you with how this is communicated?
- How frequently do they get assessed? How happy are you with this frequency?
- How does any assessment relate to the work performed by an apprentice?
- Is an apprentice's career progression, pay or working conditions linked to an assessment?
- What tasks, if any, can only be performed by the apprentice after a successful assessment?
- Have there been any times that you have disagreed with the assessment of an apprentice?
  - IF SO: What happened? What was it about? How did it get resolved? How did this affect your relationship with the provider?

### Section 7: Influence of employers over apprenticeships (15 minutes)

- Overall, what level of influence do you think you get over the apprentices' training? PROMPT PARTICIPANT TO THINK ABOUT EACH OF THE AREAS COVERED – FRAMEWORK, CONTENT AND METHODS, DURATION, LOCATION, ASSESSMENT.
- Which aspects do you think you get more of a say over? PROBE: Why is that? How have you been able to influence this? What has helped you to influence it? What does that mean for your business?
- Which aspects do you think you get less of a say over? PROBE: Why is that? What stops you from influencing this?
- Overall, would you like more, less or the same amount of influence as you get now?

- Which parts would you like more control over? PROBE: Why and what would you change? What would that mean for your business?
- Which parts would you like less control over? PROBE: Why?
- Which parts would you like to stay the same? PROBE: Why?
- IF DOESN'T HAVE OR WANT INFLUENCE: For what reasons do you not want to be able to influence the Apprenticeship training?
  - PROMPT: Would it take too much time? Are you already satisfied with what is being delivered? Are you unsure of what you would need to do? What role does your relationship with the provider have in this?
- IF WANTS MORE INFLUENCE: What things do you feel are stopping you from having more influence? What things would help you to have more influence, and to be able to use it? PROMPT: Provider isn't allowing you to? Don't have the time? Are you unsure of what you would need to do?

### Section 8: The cost of training – NOT Direct Grant funded (10 minutes)

- How much, if anything, do you pay towards the training of an apprentice? RPBE: Does the amount you pay vary by Apprentice? Why?
- What contribution, if any, should employers make towards Apprenticeship training? Why do you think this?
- And what contribution, if any, should government make towards the cost of Apprenticeship training? Why?
- How would you currently describe the balance of costs for Apprenticeship training between the employer, provider and government? Who bears the greatest costs and who the least? Where should the balance of costs lie between the employer and the government? Why?
- Should the cost vary by different Apprenticeship frameworks? Or for apprentices of different ages? If so, why – what factors drive the variation?
- Currently, training providers receive funding for each apprentice they train. If you were given that money instead to pay for ALL of your Apprenticeship training, what difference, if any, would that make to the following:
  - Your expectations of the provider of what the training would involve
  - The choices you would make about what training to commission from providers (Framework)
  - The influence you would like over what the training covers (content)

- The influence you would like to have on how apprentices train (location, duration, assessment)
- The relationship between yourselves and the training provider
- And if you were given money to pay for half of your Apprenticeship training with your business covering the rest, would that change your opinion on these things? PROBE: If so, how and why? Prompt for each aspect as above.
- IF EMPLOYER SAYS AMOUNT OF INFLUENCE WOULD WANT WOULD CHANGE: Can you describe the sort of influence you would like over training? How would this mechanism work?
- To what extent does how much influence you have over training affect what you are willing to pay towards it? PROBE: Why, and in what way?
- At what point or points should a provider receive funding for each Apprentice they train? Why is that? Would you want to exert some influence before they are paid? Why do you say this?
- If you received all or some of the money directly, when would you like to receive funding? Can you explain why?
- IF WOULD LIKE TO RECEIVE AT DIFFERENT TIME TO PROVIDER: Why should an employer receive their funding at a different time to a provider?

### Section 9: The cost of training –Direct Grant funded (15 minutes)

- In your view, what factors affect how much Apprenticeship training costs?
- Which of these factors have the biggest impact on the cost of an Apprenticeship?
- What factors are covered by the grant and which ones are not? Why is this?
- What contribution, if any, should employers make towards Apprenticeship training? Why do you think this?
- And what contribution, if any, should government make towards the cost of Apprenticeship training? Why?
- Should the cost vary by different Apprenticeship frameworks? What would cause this variation?
- INTERVIEWER NOTE: SOME OF THE BELOW ALREADY HAVE BEEN COVERED. What difference, if any, has the receipt of the Direct Grant had on :
  - Your expectations of training providers
  - The choices you make about what training to commission from providers

- The influence you have over what the training covers
- The influence you have how apprentices train
- How responsive providers are to your needs
- Who you offer an Apprenticeships to
- How has the Direct Grant changed the way you approach costing training?
- How has the control you have over the cost of training changed?
- How have providers responded to you having direct control over your funding?
- Can you describe how your sensitivity to the price of training has changed as a result of a Direct Grant? PROMPT: Has it had any influence on your views regarding the price of training and how much you are willing to pay towards it?
- At what point do you pay any providers for the training they give to apprentices? Why is this?
- When do you receive your Direct Grant? When would be the best time to receive it? Why is that?

### Section 10: Summing up (5 minutes)

- Having discussed the different areas, how do you feel now about the level of influence you currently have over the Apprenticeships delivered for your business?
- What do you think the future model of delivering Apprenticeships for businesses like yours should look like? How much input should employers have into this future model?
- IF DIRECT GRANT: How has receiving a Direct Grant changed the way you look at Apprenticeships?
- Are there any other areas of apprenticeships that you have a view on that we haven't covered today?
- Thank you for taking part today. Do you have anything else you wish to add to our discussion?

**Take down name of charity to send on cheque to (not Direct Grant employers). Thank and close the interview.**

© 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](http://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](mailto:psi@nationalarchives.gsi.gov.uk).

This publication is also available on our website at [www.bis.gov.uk](http://www.bis.gov.uk)

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](mailto:enquiries@bis.gsi.gov.uk), or call 020 7215 5000.

**URN 14/601**