Research Report

New GCSE Grades Research Amongst Employers

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Prepared for: Ofqual

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1 Background

In September 2013, Ofqual, the Office of Qualifications and Examinations Regulation, commissioned BMG Research to undertake a telephone survey of employers to gather views on proposals for a new GCSE grading system.

An online version of the survey was also available for employers to complete independently. Ofqual provided BMG Research with approximately 1,400 employer contacts for use in the telephone survey and these contacts were also contacted by email and offered the opportunity to complete the survey online instead of by telephone.

Telephone interviews were conducted between Tuesday, 10th September 2013 and Friday, 13th September 2013 inclusive. The online survey was available from noon on Tuesday, 10th September 2013.

In total, as noon on Friday, 13th September 2013, 90 surveys were completed; 54 of them by telephone and 36 online. The online survey is still open to include any late responses but only data collected by this time has been included in this short summary of the main findings.

Interviews were conducted with the named contact provided or, if appropriate, another person in the role of HR director or HR manager at the employer location. Respondents were randomly selected.

Interviews took on average around 15 minutes.

The survey explored the way in which employers use GCSE grades when recruiting and what the implications for their operations might be if changes were made to the way GCSEs are graded.

The current system consists of 8 grades, labelled using letters from A* to G, with A* being the highest. One proposal is to change this system to one of 10 grades, labelled 1 to 10 (ten being the highest).

There is currently a bunching up of students achieving grades in the middle of the scale (particularly in some subjects) with relatively few students achieving certain grades at the top or bottom of the scale. Also, research suggests that GCSE grades in different subjects are set at different levels of demand; for example, a given grade is more easily achieved in English and religious studies than in German or chemistry.

This report presents the findings from the 90 completed online and telephone interviews.

2 Key findings

Employers are most likely to consider GCSE grades when recruiting for intermediate level, 'white collar' occupations, particularly administrative and secretarial positions. GCSE grades are not considered as relevant to roles that require higher level skills such as managerial and professional staff, where further/higher education and professional qualifications are a greater consideration, and to roles such as process, plant and machine operatives, and those in caring, leisure and other service and elementary occupations, where minimum levels of numeracy and literacy are less important.

Some employers prefer to implement their own tests and base assessment of candidates on that. However, GCSE grades may still be useful in filtering the selection of candidates for interview and testing.

In fact, the majority of employers consider GCSE grades as useful in selecting candidates, with one in four considering them very useful.

Employers are most likely to use GCSE grades to identify candidates with specific grades in specific subjects, while two in five look for a minimum number of specific grades/grade ranges. In both cases this most commonly amounts to at least 2 to 3 GCSE grades A to C in English, Maths and sometimes, a science subject.

Reasons for stipulating certain requirements vary. Employers are most likely to rely on GCSE grades to determine whether applicants have a minimum level of subject knowledge, with slightly fewer relying on them to indicate a certain level of ability.

More than three-quarters of respondents (79%) report that their organisation has employed any recent school leavers aged 16 to 19 in the last three years.

Apprenticeships are by far the most common approach to offering employment to school leavers, with school leaver schemes offered by only a minority of employers and around a third providing other opportunities.

Communication skills and a good basic all round education are paramount when most employers are considering an application from a school leaver. GCSE grades are viewed as a good indicator of this. A good attitude to work is something that many employers look for.

Most of those recruiting school leavers aged 16 to 19 consider GCSE grades as important in their selection and recruitment, with nearly half of employers considering GCSE grades as very important.

GCSE grades are viewed as a benchmark and an indicator of the candidates' ability to learn and perform tasks, as well as an indicator of their intelligence, competence and ability. They are a standard measure which is familiar to employers. To some extent, when employing school leavers, there is little else to go on as this group have little in the way of work experience.

Few employers felt that a change in the grading system would necessitate a change in the business' IT system; just one in nine said it would. Of these, most highlight cost

and resource implications revolving around staff time in re-labelling database fields, upgrading the current system, retraining and familiarisation with the new levels.

Most employers did not feel confident enough in their knowledge of the grading system to comment on the possible benefits. There seemed to be a lack of understanding of the reasoning behind the proposed change. Some viewed the potential change as making levels more distinct and clear and they saw some benefit in terms of clarity to using numbers instead of letters. There was some feeling that the change might also involve reassessment of the levels so that top grades are harder to achieve and have more status.

The potential drawbacks are viewed as mainly revolving around familiarisation with the new levels and possible confusion in terms of what the different levels are equivalent to. A third of employers felt a change to the grading system would add more confusion/complexity. Comments from employers strongly suggest that the current system of A* to G grades is so familiar and established that a new system would have to deliver benefits that would compensate for the inconvenience of its introduction. Employers would look to compare the two systems for some time to come as the existing system of grading has become such a key benchmark for them.

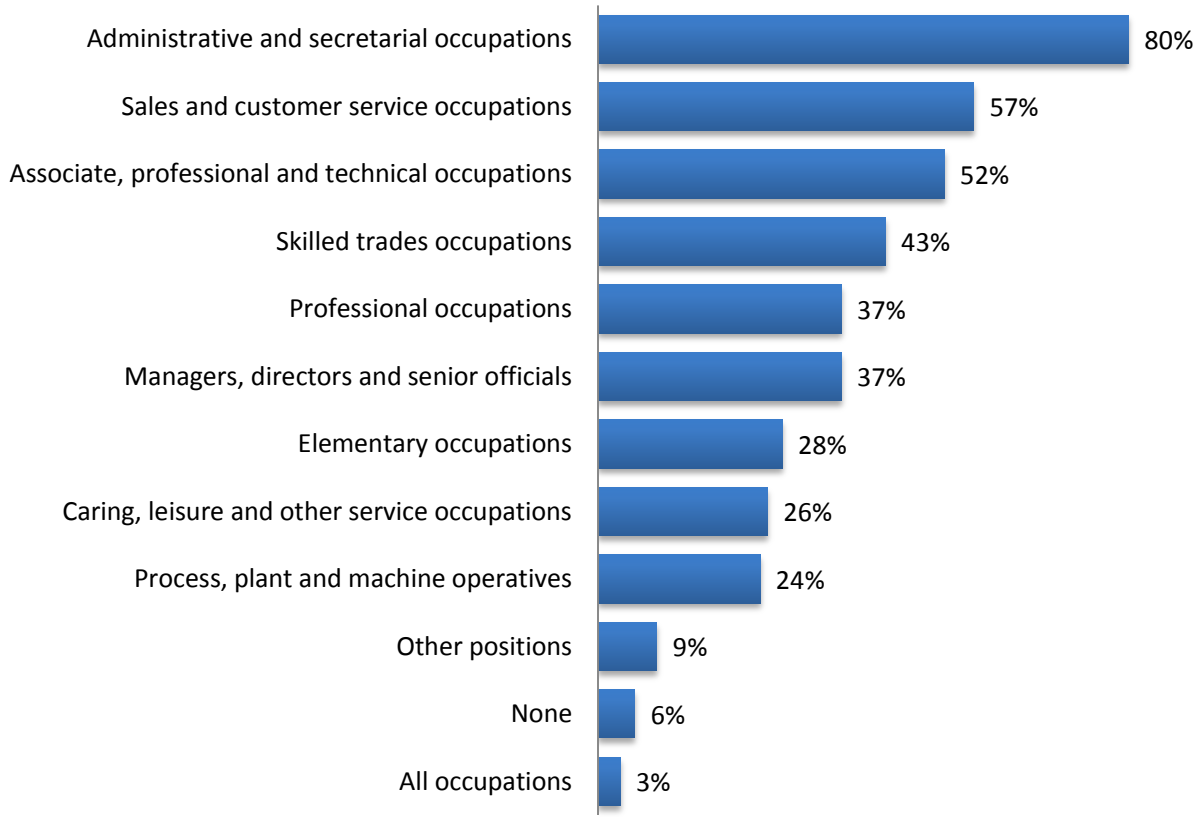
3 Main findings

1.1 Use of GCSEs in candidate selection

Respondents were asked if they consider GCSE grades when reviewing applications from candidates in different occupational groups. Most do, with just one in twenty (6%) saying that they do not take into account GCSE grades in any occupational group.

Employers are most likely to consider GCSE grades when recruiting for intermediate level, 'white collar' occupations, particularly administrative and secretarial positions. Fewer consider GCSE grades when recruiting for managers and professional staff; the inference being that they are overtaken in importance by higher level qualifications when recruiting for these roles. At the other end of the skills scale, only around a quarter of employers take GCSE grades into account when recruiting for process, plant and machine operatives, caring, leisure and other service and elementary occupations.

Figure 1: Occupations in which employers consider GCSE grades when reviewing applications – prompted, multiple response (all respondents) Base: 90



Those that do not look at GCSE grades tend to be looking at qualifications that are more vocational in nature or recruiting at a level that goes beyond GCSEs. Others will implement their own tests.

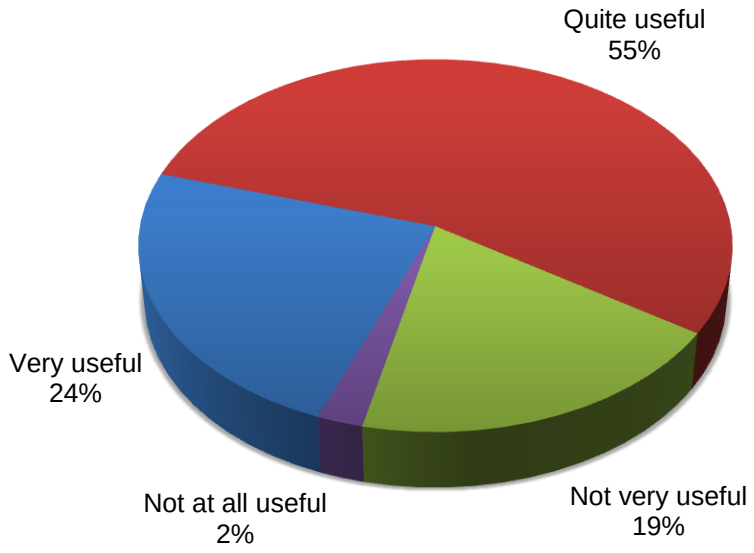
> *"We don't do a lot of recruitment. The bulk of our recruitment is mainly for high(er level) or professional qualifications. Civil service applicants are mainly recruited in-house, so we don't look at whether they have got GCSEs or not."*

> *"For our entry operative roles we run our own tests. For roles that require additional expertise/specialism we focus on more advanced certification."*

> *"Generally we look for higher education qualifications in the more technical roles. GCSEs would have been a requirement for candidates to have in order to have got onto the higher education course in the first place. For lower level positions we value work experience more than GCSEs."*

When asked how useful GCSE grades are when reviewing applications from candidates, the majority (79%) consider them useful, with one in four of all those providing a response (24%) considering them very useful.

Figure 2: Perceived usefulness of GCSE grades when reviewing applications – prompted, multiple response (where provided a response) Base: 88



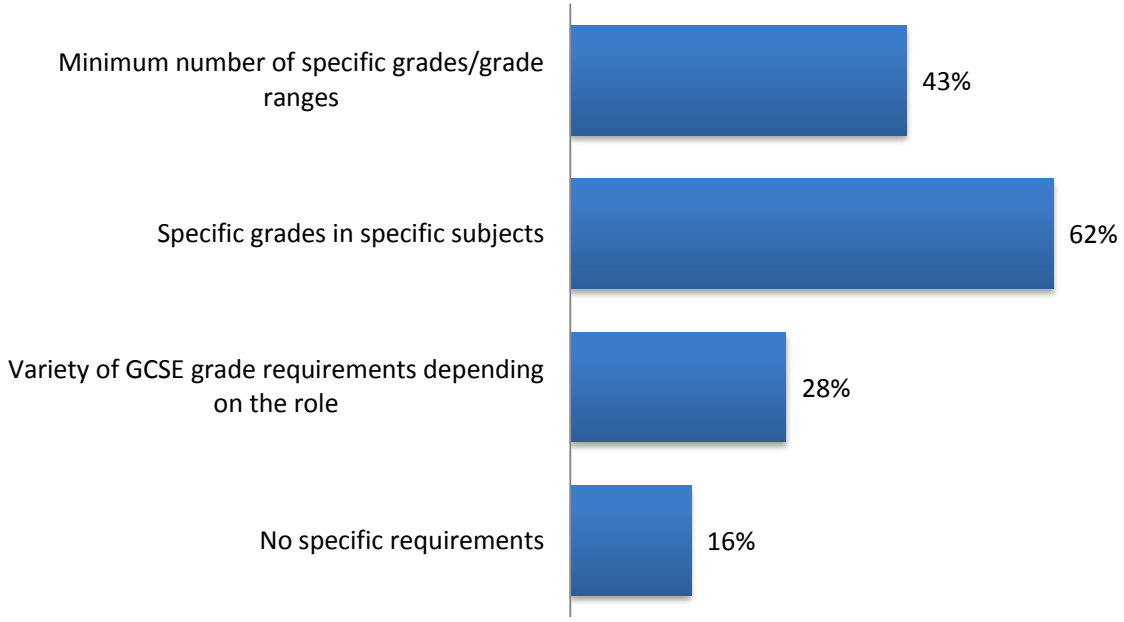
1.2 Ways in which GCSE grades are used

In terms of the way in which GCSE grades are used in selection and recruitment processes, respondents are most likely to report looking for candidates with specific grades in specific subjects (62% do so), with fewer looking for a minimum number of specific grades/grade ranges (43%). In both cases this most commonly amounts to at least 2 to 3 GCSE grades A to C in English, Maths and sometimes, a science subject.

For just over a quarter of respondents (28%) requirements will vary to a greater extent, with the requirement for English and Maths particularly important for some roles (such as those relating to administration or teaching) and dropped for others. In addition, there may be a requirement for a GCSE in a science subject for some roles and IT may be required in others.

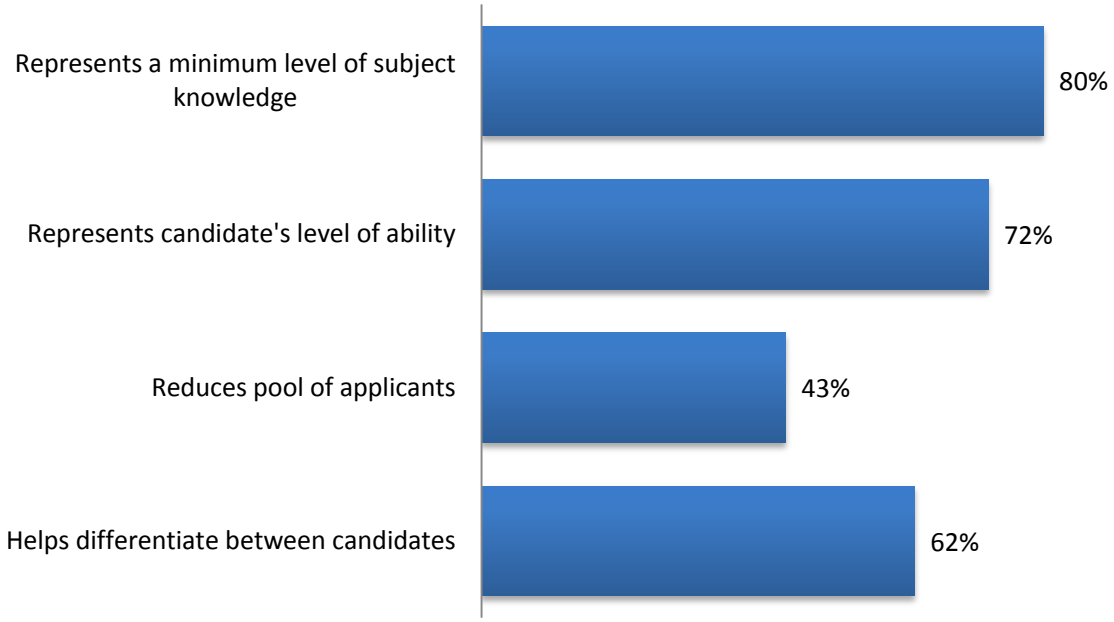
For one in six respondents (16%) there are no specific requirements.

Figure 3: Ways in which GCSE grades are used or referenced in selection and recruitment processes – prompted, multiple response (where provided a response) Base: 90



Reasons for stipulating certain requirements vary and some respondents do so for more than one reason. They are most likely to rely on set GCSE grades to determine whether applicants have a minimum level of subject knowledge (80%), with slightly fewer relying on them to indicate a certain level of ability (72%).

Figure 4: Reasons for using or referencing GCSE grades in selection and recruitment processes – prompted, multiple response (where provided a response) Base: 76



1.3 Employment of school leavers

More than three-quarters of respondents (79%) report that their organisation has employed any recent school leavers aged 16 to 19 in the last three years.

Apprenticeships are by far the most common approach to offering employment to school leavers (85% of those that employ them), with school leaver schemes offered by only a minority (7%) and around a quarter providing other opportunities (26%), such as basic on the job training in employment.

When considering an application from a school leaver, employers frequently cite communication skills and evidence of a good basic education. A good attitude to work is something that many look for, while a few (perhaps unrealistically) like to see some experience referenced.

> *"In addition to basic qualifications, we look for communication skills, presentational and evidence of commitment and reliability through previous jobs or voluntary work."*

> *"Examples of where they meet the criteria, required experienced of doing things and professional and technical criteria to capture qualifications. Heavy emphasis on behaviourial skills, as we look at core competencies frameworks such as learning and applying. What they have learned at school, they can show how this can be applied to work, not necessarily just experience from*

the workplace, so not disadvantaging them just because they have not worked or have the experience."

"A minimum level of ability but most importantly a willingness to learn and commit to the job role."

"Good GCSE performance, and a motivation and willingness to learn and work hard."

Most of those recruiting school leavers aged 16 to 19 consider GCSE grades as important in their selection and recruitment (91%). This includes 45% of employers that consider GCSE grades as very important.

Amongst those considering GCSEs as important, they are viewed as a benchmark and an indicator of the candidates' ability to learn and perform the tasks of the role effectively. They are a standard measure which is familiar to employers.

The most frequently cited reason why GCSEs are important is that they are an indicator of intelligence, competence and ability (38% of those considering GCSEs important), while one in six respondents considering GCSEs as important (18%) felt they show a basic level of knowledge in key subjects. One in seven respondents (15%) believe that there is nothing else to base decisions on, and this view is also reflected by those saying that GCSEs are important as a consideration because school leavers do not have any work experience (11%) and slightly fewer (9%) use GCSE results to differentiate between candidates.

"The training for the jobs we do is demanding and requires ability in Maths and English. People without that level of ability do not cope with the training. Whilst the grade in itself is not essential the level of ability is and for young people the GCSE grade is the best way of determining if the have the level of ability and application we require."

"They give a standard of ability to undertake the job they're required to do."

"We have little else to go (on) in terms of their academic ability and "general intelligence" "

"Many school leavers only have GCSEs therefore it is the only area of qualification that we can reply on to assess academic ability. GCSEs are widely understood and familiar and most managers understand what is required to attain a pass grade. GCSEs show that the employee has remained in school and achieved something which also gives an indication of their commitment and work ethic."

1.4 Implications of change in grading system to business operations

When asked if the proposed change in the grading system from 8 grade at A* to G to 10 grades at 1 to 10 would necessitate a change in the business' IT system, just one in nine (11%) of respondents said it would. Of these, 90% highlight cost and resource implications revolving around staff time in relabelling database fields, upgrading the current system, retraining and familiarisation with the new levels.

The two most frequently mentioned cost implications revolve around updating IT systems/databases/record systems (9% of all respondents) and the time taken to educate staff on the new grading system (8%).

In terms of resource implications, the most frequently mentioned was the education of staff involved in recruiting (18% of all respondents), followed by the time taken to educate staff on the new grading system (12%) and the time involved in getting to understand the new grading system (8%). Around one in twenty respondents (6%) were not specific but believed the resource implications would be limited or minimal.

Other implications were highlighted as possibilities by around one in five respondents (21%), with 10% of all respondents mentioning the implications around understanding the new grading system and just 4% mentioning the need or wish to cross reference the new grading system with the old. One respondent mentioned the need for staff training while another offers GCSE qualifications itself and would have to adjust their curriculum offer.

> *"Mainly adjustment to the HR system recording qualifications and time taken to educate staff. This would include the education of staff responsible for delivering qualifications and working with employers (e.g. our apprenticeship team) to educate."*

> *"Having the staff to make the changes to the system if an upgrade is not provided or necessary."*

1.5 Perceived benefits of changes

Around a fifth of respondents (21%) commented on benefits to changing the GCSE grading system, although some of these only did so to say that they could not really see a benefit as such. The remainder did not feel able to comment due to a lack of detailed knowledge of how the current system is working or not working as the case may be.

Some viewed the potential change as making levels more distinct and clear and they saw some benefit in terms of clarity to using numbers instead of letters. A minority (7% of all respondents) feel that a change to the GCSE grading system may improve the clarity/transparency of the grading system, while fewer (4%) feel it might make it easier to identify higher calibre candidates.

There was some feeling that the change might also involve reassessment of the levels so that top grades are harder to achieve and have more status.

> *"Clarity with the numerical system as opposed to the alpha one. A clear indication of the standard reached."*

"Some simplification in scoring, as what we have now is not wide enough, as a C pass can cover a wide range from 50-70%, so the parameters being reduced could be an improvement, help us to identify higher calibre candidates clearly."

"It seems easy to get an A nowadays, so a new grading system will mean a re-assessment and perhaps restore the kudos associated with the top grades."*

Some comments regarding the inability to comprehend how the change might be beneficial include:

"Changes that make the system more transparent would be beneficial. I am not clear how extending from 8 to 10 grades will achieve this."

"It will be the same, as now the employers look for A, B, C, then they will look for 1,2,3, it is just a form of rebranding."

1.6 Perceived drawbacks to changes

The potential drawbacks are viewed as mainly revolving around familiarisation with the new levels and possible confusion in terms of what the different levels are equivalent to. Nearly a third of respondents (31%) expressed the view that it would add more confusion/complexity, while 17% highlighted the need to re-educate staff. There is some concern about the ability to compare with past GCSEs (19% of all respondents). One in ten respondents (10%) feel it might be a case of making changes just for the sake of it, while a similar proportion (9%) believe it will result in more bureaucracy/administration/paperwork. Just 4% cited cost issues as a potential drawback.

In addition, respondents mentioned the fact that the current system of A* to G grades is so familiar and established that it is difficult to see how a new system would deliver benefits that would compensate for the inconvenience of its introduction. A key aspect of the change is that grade comparisons would be made across the two different systems and that it would continue to be so for some time.

There were significantly more comments relating to possible drawbacks than benefits which may reflect a lack of understanding with regard to why changes are proposed as much as there being no perceived benefits.

"Any change can bring confusion and people know the current system, so it needs to be worded and marketed correctly. Grades could be given lower value."

"Confusion for employers, students etc. Comparison between old grade and new grade difficult i.e. what does a Grade A to C equate to in the new system."*

"In the past, when qualifications have changed, it makes it more difficult for employers when they are advertising roles that they are and remain consistent and asking for the same level of qualifications as we have always done."

"It would confuse people as they wouldn't be familiar with the grading. People may perceive that the qualification means something different and be reluctant to rely on it. Again don't understand why it is necessary. It would probably cost the government unnecessary money."

"How people might perceive the changes and how it could be interpreted. If there wasn't much information on how to implement the changes it could cause confusion, also comparisons between the old and new systems would be problem. How does a B compare with a 4 for example."

"Everybody knows the current system and understands it, so why change?"

1.7 Other comments

Respondents were asked if they had any further comments relating to the proposed changes to GCSE grading. These general comments are listed below.

"Broader picture - more aligned, A level would equate with BTEC and need to see how they relate to each other in terms of knowledge. "

"Views of teachers and parents need to considered carefully."

"I would like schools to make the children much more realistic to the world of work. It is a big jump from school to work and some school leavers are not ready for that move."

"Rather than reform the grading system would it not be more effective to look at the skills the individuals need to be armed with when they come into the workplace and ensure that these are covered in the course work that students undertake."

"It feels like changing the award from A-G to numbers is a gimmick and the real issues are not related to that."

"It would be much more beneficial to employers if the focus was on restoring simplicity to the system rather than once doing the opposite."

"I personally feel resources being put into this might be better used by

schools themselves."

"As long as we have a clear method of assessing candidates for work here we are fine with whatever system is in place. Suggest a good lead time for the changes to be made to allow employers to make the changes in software etc."

"If they do change it they need to role it out and properly inform employers so they are aware of these changes and how the old grades equate with the new ones."

"How does the change relate to the A level system and what would be the knock on effect with higher education and apprenticeships."

"It would have been useful to understand the reasons for proposed change."

"In the cases of employment, just to say that my responses are only representative of this department and not the whole of the organisation. I'm sure practices are different in education and healthcare."

"I am still trying to understand the rational for the need to make changes, in particular with schools and employers, as these further changes seem fundamentally flawed."

Appendix : Statement of Compliance

Compliance with International Standards

BMG complies with the International Standard for Quality Management Systems requirements (ISO 9001:2008) and the International Standard for Market, opinion and social research service requirements (ISO 20252:2012).

Interpretation and publication of results

The interpretation of the results as reported in this document pertain to the research problem and are supported by the empirical findings of this research project and, where applicable, by other data. These interpretations and recommendations are based on empirical findings and are distinguishable from personal views and opinions.

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