

Champion paths of opportunity

Whether you lead a manufacturing company or a professional services firm, attracting and retaining a wide and diverse talent pool is a must for any forward-thinking business. Breaking down socio-economic barriers is not only a just cause but also smart business.

Data shows that, when given a decent chance, employees from lower socio-economic backgrounds perform at least as well as their more advantaged peers, if not better. And diverse teams foster innovation and creativity.

As Tim Cook, CEO of Apple puts it: "I rely on my employees' diverse backgrounds and perspectives to spark innovation."

And according to Accenture's Getting to Equal 2019 report, an 'innovation mindset' is six times higher in the most-equal cultures than in the least-equal ones.¹

How apprenticeships can transform your recruitment

Apprenticeship programmes are not only a useful way for young people from disadvantaged backgrounds to show their true potential, they are also a golden opportunity for you to nurture talent that is tailored for your needs.

And yet, our research suggests that by not targeting apprenticeships towards disadvantaged candidates, firms are failing to benefit from an untapped talent pool that can drive their competitive advantage.

Since the levy began, employers have fallen into the same old trap – and the numbers show it. Fewer disadvantaged apprentices are getting onto apprentices. Women and older (25 yrs+) apprentices from disadvantaged backgrounds are the most affected.

Don't let old habits mean you are missing out on the smartest talent.

Your people are the bedrock of your competitive advantage. To get the most out of your levy spend and drive forward your diversity and competitiveness, here are four key questions to ask, to see if you are making apprenticeships work in your business.

¹Accenture, Getting to Equal, 2019

1.Are you recruiting for diversity of socio-economic backgrounds?

Disadvantaged apprentices are less likely to be levy-funded; this gap is especially prominent in London and the south-east. You can fix that by hiring smarter.

- *Data drives smart recruitment*: use our toolkit (www.socialmobilityworks.org) to measure the socio-economic background of applicants and benchmark your progress
- *Remove obstacles to success*: use empowering language in adverts, focus on potential rather than existing qualifications and offer to cover travel expenses
- Check your bias and promote great values: unconscious bias is a great limiter to success, make sure you are opening up opportunities to a diverse talent pool by embedding this in your company values – it's another great way to stand out as a business
- *Don't do it alone*: use our organisational directory to find partners that can support you on your journey and share insight into their experiences

2. Are you supporting your apprentices?

At all levels, a smaller proportion of disadvantaged learners achieve an apprenticeship qualification.² This creates inefficiencies in your investment – fix this by supporting your apprentices in the workplace.

- *Build in flexibility*: consider how flexible working patterns, home working and other flexible arrangements can support apprentices
- *Pay a fair wage:* almost 30% of apprentices drop out because of financial barriers;³ the best firms recognise apprentices are doing a job and pay comparably, rather than following the minimum wage
- Use mentors: role models and mentors can give pastoral care and help apprentices navigate the business
- Don't do it alone: work with your provider to create individual learning plans and tap into financial support that is available for learners who need an extra helping hand;⁴ use JobCentres to find support for apprentices who need targeted support (e.g. care leavers⁵)

3.Are you maximising your investment in apprenticeships?

Your goal is to improve your business. So, what happens after an apprentice is done? Don't waste your investment by letting high potential workers languish – build in progression pathways.

• If possible, map what happens to an apprentice when they are done: leading employers have designed apprenticeship pathways that enable apprentices to start at Level 2 and

² Within three years from the start of the programme compared to non-disadvantaged apprentices

³ Department for Education (2018), 'Learners and Apprentices Survey 2018' Research Report (link)

⁴ Education & Skills Funding Agency, Apprenticeship funding rules for training providers August 2018-July 2019, 2019, p21-27

⁵ Department for Work and Pensions, Care Leaver Covenant, 2018

finish at Level 6 – on par with their graduate schemes; so consider how training and progression can continue after the apprenticeship is over

• *Provide further training* – people from lower socio-economic backgrounds are less likely to receive training than their more privileged peers in all types of jobs.⁶ Ensure your training opportunities are open to self-selection, that managers talk to employees regularly about options and that senior leaders support a culture of continual learning for all employees

4. How are you supporting your community and your supply chain?

Depending on your needs, you may not use all of your apprenticeship levy. Small firms are struggling to deliver apprenticeships – and you can help them.

• *Transfer your unspent levy to help smaller firms*:⁷⁸ you can even target this support to firms based in areas of disadvantage or social mobility coldspots;⁹ consider firms in your supply chain with whom you have relationships

⁶ Social Mobility Commission, Adult skills gap, 2019

⁷ Education and Skills Funding Agency, Transferring unused apprenticeship funds to other employers, Accessed March 2020

⁸ Those who do not pay the levy, who have a pay bill below £3 million annually

⁹ Social Mobility Commission, State of the Nation 2017, 2017