







## Foreword

The St Martin's Group commissioned this report as the 2nd part of its research series on apprenticeship outcomes and destinations.

The first report published in 2022 examined why apprentices left their programmes before completion. Against a backdrop of low completion rates, the research provided crucial insight into the underlying factors that contribute to non-completions. The findings showed that a lack of employer support was the biggest contributory factor in apprentice withdrawals, and that non-completers cited more support would have prevented them from leaving. Given this, and the fact that the report was entirely from an apprentice perspective, we commissioned a second study to understand the experiences of employers in supporting apprentices to complete.

We wanted to test whether employers who place more value on completions and offer more support experience to reach higher completion rates. We wanted to understand the barriers employers face in achieving high completion rates, and what they themselves might need in terms of support.

These findings provide unique insights into the employer perspective of apprenticeship completions. They strengthen our understanding of the support that leads to higher completion rates and better outcomes. Apprentices told us that a lack of support from employers with regards to study time and off-the-job training was the biggest barrier to completions and this research uncovers evidence that it's the largest issue for employers too – if we start conversations anywhere it has to be here.

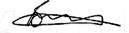
The report demonstrates a clear need for all stakeholders to increase their focus on supporting apprentices, not just on starting apprentices. Only 1 in 3 employers surveyed report completion rates of above 75%. Its findings are useful for policymakers in determining how completions could be incentivised, essential if we are to meet the 67% achievement target set by the Government for 2025.

The research also provides a timely, refreshed view of the business benefits of employing apprentices. 99% of employers surveyed for the research recognise the benefits of offering apprenticeships. What employers point to is a wider set of business benefits, with completion as a means to achieving them, rather than the goal itself. Using the employer's perspective of success to shape our narrative about apprenticeships will convince employers of the advantages in investing in them. It will reinforce that apprenticeships play a crucial role in facilitating access to employment, bridging skills gaps, achieving economic growth, and consequently, generating additional opportunities for the future.



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## Executive summary

Apprenticeships are a key part of government skills policy in England. Following reforms to improve employer engagement and quality, the government has an ambition for at least two thirds of apprentices to achieve<sup>1</sup> their programme by 2025. However, the achievement rate for apprenticeship standards in 2021/22 was just 51 per cent and this measure of achievement rates does not capture the full range of apprenticeship outcomes.

The St Martin's Group commissioned Learning and Work Institute (L&W) to establish a better understanding of what apprenticeship success looks like for employers.

The research aimed to find out:

- Whether employers value completions and whether this impacts completion rates
- What employers do to support completions and what barriers employers experience or perceive in relation to providing support
- What support or incentives employers might need to support completion
- Whether employers measure their success or return on investment in different ways to completion rates, and whether these should be considered for policy to incentivise and encourage support for apprentices.

Quantitative survey of over

800 apprentices employers

Oualitative interviews with

15 apprentice employers10 providers8 apprentices4 government stakeholders



<sup>&</sup>lt;sup>1</sup> 'Achievement' is the term used by the government and refers to passing the EPA and all other qualifications required to meet the apprenticeship standard. Throughout this report, we use the terms 'achievement' and 'completion' interchangeably to mean this.

#### Key findings

#### Importance of apprenticeship completion

The survey found that almost all employers view apprenticeship completion as important. This is despite employers reporting variable programme completion rates for their apprentices. That said, employers who report higher completion rates are more likely to say that completion is important. Employers who tend to place new, rather than existing, staff on apprenticeships and employers with apprentices on Level 2, 3 and 6-7 programmes are also more likely to value completion, and to experience higher completion rates.

Employers value completion because they think apprentices gain better technical and 'soft' skills; gain more industry knowledge and experience; and show increased productivity. This is particularly true of employers experiencing high completion rates and who place more value on completing, indicating that **completion is valued not just as an end in itself, but also as a means to achieving wider business benefits**. Most commonly, employers value the completion of assessments because it is important for apprentices to have formal recognition of their knowledge and skills. Many employers also require apprentices to complete training and assessments to either perform their job roles or progress into higher level roles.

Although interviewees generally viewed completion as important, there were some exceptions. This included views of some line managers that, if an apprentice had proved themselves to have the competencies required to perform well in their job role, completing training and assessments is less important. Completing the end-point assessment (EPA) was also sometimes perceived as less valuable on programmes which included another technical or academic qualification, such as degree apprenticeships. However, stakeholders pointed to the wider benefits of completion for the individual and the economy beyond immediate employer skills needs – for example, gaining formal recognition of competency required for career progression.

The top reasons employers value apprentice completions:



**44%** believe completion leads to gaining more industry knowledge



**41%** believe completion leads to an increase in productivity



**40%** believe completion leads to better technical & soft skills

#### Support offered to apprentices

Almost all employers surveyed (99 per cent) offer direct support to apprentices, although the nature of this support varies. Less than half (47 per cent) say they offer support with time for off the job training and study, and fewer than two in five (37 per cent) offer pastoral support. Employers who report high completion rates are more likely to provide both types of support. However, the ability to arrange time off for training and study was identified by employers as one of the biggest barriers to supporting apprentices to complete, especially for those placing existing staff on apprenticeships and with low completion rates.

Interviews highlighted supporting off the job training time, line manager buyin, capacity for support among small employers, and funding and staffing challenges among providers as barriers to providing support. Line manager support was also viewed as essential to completion.

Both survey respondents and interviewees view supporting apprentices as a joint responsibility between employers and providers, with their relationship seen by all participant groups as crucial to supporting apprentices to succeed.



Less than one half (47%) offer support with time for off the job training and study

Fewer than two in five (37%) offer pastoral support





Employers view supporting apprentices as a joint responsibility between them and providers

#### Supporting and incentivising employers

Employers surveyed identified a range of support that they thought would allow them to help apprentices to complete their programme. **Most commonly, this included financial support:** financial incentives (e.g., a completion bonus); financial support to help cover off the job training time; and financial support to help apprentices with direct costs e.g., childcare or transport. Other forms of support identified as useful include additional guidance and materials, such as best-practice guidance on training and managing apprentices, materials to support apprentices, and standardised industry-specific training materials and resources (28 per cent).



- Incentives for completion
- Support to cover the costs off the job training time
- Support to help apprentices with direct costs e.g. childcare or transport



- Employer training programmes
- Best-practice guidance on training and managing apprentices

Interviewees also identified the need for additional guidance for employers. While there were conflicting views about who should provide this and how, there was a general sense that support and guidance needs to be easier for employers to navigate. Interviewees also suggested incentivising employers to value completion by demonstrating the value of this and positive incentives such as league tables.

The survey found that **employers are already engaging with a range of existing support channels and find these useful**, but that small employers and those who place existing staff on apprenticeships are less likely to find support from training providers and the government helpful. This suggests there may be a need for additional tailored support and guidance for these groups.

#### Wider success indicators

In both the survey and interviews, employers identified a range of wider apprenticeship success indicators beyond completion. In the survey, the most commonly identified success factors pertained to apprentices progressing within the employers' organisation – including moving into a permanent job within their organisation and the apprentice being promoted within the organisation. Employers were less likely to view apprentices staying in the same role as a success indicator. Employers also identified a range of business benefits as wider success indicators of apprenticeships. These include the apprentice gaining knowledge and skills relevant to their business needs, improved staff retention, and reduced skills gaps. Interviewees identified similar success indicators. Training providers identified apprentices gaining skills and knowledge and progressing in their careers as indicators of success. Apprentices associated success with gaining skills relevant to their job role or to equip them for new positions elsewhere.

There was recognition among policy stakeholders that completion rates offer a simple and standardised way of measuring success. However, other interviewees suggested that this could be supplemented with additional measures such as industry retention, wage progression, progression into further learning, and development of wider skills.



#### Recommendations

- 1. Off the job training is one of the biggest barriers cited by apprentices and employers. DfE should convene a stakeholder group, either standalone or within existing engagement structures, to look at how employers can ensure sufficient off the job training time for apprenticeships is provided. This should explore a range of options, including additional information and guidance for employers and the potential for financial support or incentives. As part of this, DfE should specifically consider how SMEs can be supported to ensure they provide sufficient off the job training time, noting these employers are more likely to identify cost as a barrier to providing it. Alongside this, DfE, mayoral combined authorities, and sector and provider bodies should work together to commission the development of sector-based case studies to share best practice in providing off the job training time across a range of employer types, job roles and contexts, and the facilitation of direct employer-to-employer guidance.
- 2. Pastoral support is important for apprenticeship completion but fewer than two fifths of employers provide it. Employers should consider what steps they could take to provide more pastoral support to apprentices, especially younger apprentices and those with additional learning needs. This could include a focus on organisational culture to ensure that senior and line managers place the same importance on apprenticeship completion. Employers should also arrange specific support and training for line managers so they are aware of how to provide pastoral support and what it involves. DfE should place further emphasis on pastoral support in apprenticeship communications and guidance to make sure employers understand their responsibilities and how to facilitate pastoral support.
- 3. Where employers perceive a responsibility to provide support, they are more likely to do so. DfE should ensure the availability of clear guidance setting out the responsibilities of employers and line managers to apprentices. This should be disseminated to employers through a variety of trusted routes; for example, through engagement with employer intermediary bodies and incentivising training providers to promote to employers. DfE should also encourage sector bodies to generate supplementary sector-specific guidance and ensure there is targeted guidance for line managers. In addition, DfE should consider how to enable more employers to find and access its existing step by step apprenticeship guidance hub.<sup>2</sup>
- 4. Encouraging employers to place more value on completion could help to increase completion rates. To incentivise employers to support completion, DfE should clearly demonstrate its benefits in the context of how employers view a successful apprenticeship. This should include a greater focus on benefits and outcomes data available in the Apprenticeship evaluation employer survey<sup>3</sup> and Further education outcomes<sup>4</sup> publications, such as the development of relevant skills, staff retention and sustained employment. DfE should ensure that benefits and outcomes data is regularly updated and provided in an accessible format, such as a data dashboard. This data should be regularly reviewed, to assess the coverage of the key success indicators highlighted in this research. Consideration should also be given to including further questions on benefits and outcomes in the next Apprenticeship evaluation employer survey, including the impact of apprenticeships on addressing skills shortages and longer-term retention and progression of apprentices.
- 5. Financial support should be made available for those who need help with direct costs. DfE should consider widening the eligibility for FE Learner Support funding to include young apprentices and those on programmes at or below level 3, or creating a separate discretionary access fund that providers can draw down on a case by case basis. As there is currently poor awareness of the existing Learner Support fund<sup>5</sup>, any additional financial support for apprentices should be proactively communicated to all parties; for example, by including information in marketing material for apprenticeships. In addition, large employers (in particular) should consider what additional financial support for direct costs (e.g. transport) that they're able to offer apprentices and other trainees as part of their investment in their future workforce.

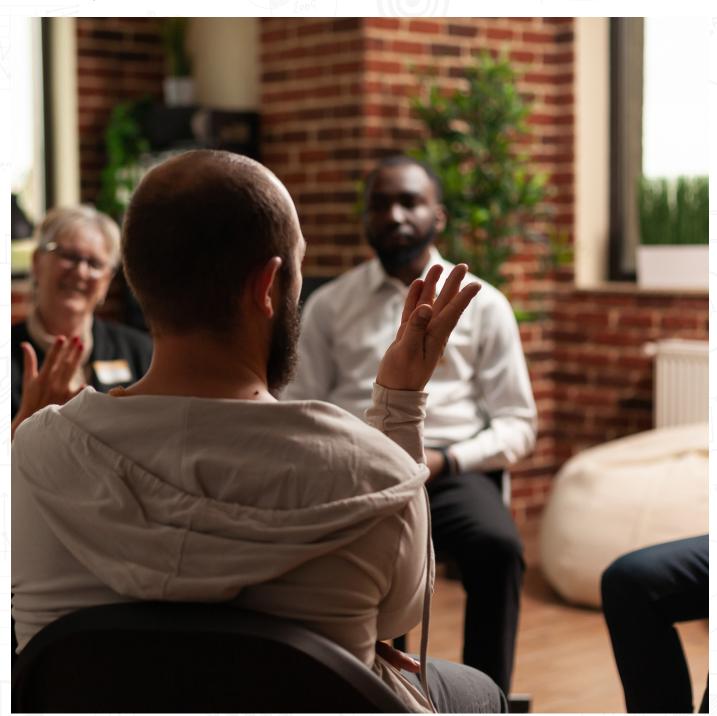
<sup>&</sup>lt;sup>2</sup> HM Government (2023) Employ an apprentice for your business: step by step

<sup>&</sup>lt;sup>3</sup> Department for Education (2022) <u>Apprenticeship evaluation 2021: employer survey</u>

<sup>&</sup>lt;sup>4</sup> Explore Education Statistics (2023) <u>Further education outcomes</u>

<sup>&</sup>lt;sup>5</sup> Learning and Work Institute (2023) Cost barriers to learning at Level 3

- 6. The employer/provider relationship is crucial in supporting apprentices to complete. Employers and providers should be encouraged to consider a greater use of three-party meetings throughout apprenticeships, given the difference they make to the overall apprentice experience. DfE and employer membership bodies should disseminate good practice case studies of employer/provider relationships to demonstrate the features of a successful relationship and provide guidance on how to facilitate it. DfE could support employers by simplifying the Apprenticeship Agreement template and extending it to training providers to secure commitments on responsibilities and ways of working, and promote a shared understanding between employers, providers and apprentices.
- 7. Action to integrate mandatory qualifications and end-point assessments should be accelerated. For apprenticeships with a statutory regulator, IfATE is currently intending to integrate end-point assessments with the regulator's assessment arrangements. This is welcome, but action should be accelerated for all relevant programmes that include a wider qualification, with integration of the EPA into the qualification process. For example, this could include a requirement for the EPA to be conducted prior to awarding of professional or industry qualification.



## Employers with high completion rates

Compared to the sample average, employers who report that over 75 per cent of apprentices complete their programmes are more likely<sup>6</sup> to:

- Have employed apprentices as new staff, rather than placing existing staff on apprenticeships<sup>7</sup>. Almost half (47 per cent) say hired all or most apprentices as new employees, compared to just 17 per cent who say all or most of their apprentices are existing staff.
- Think it is important for apprentices to complete all of their training (98 per cent important, 87 per cent very important) and assessments (99 per cent important, 79 per cent very important). Employers in this group are more likely to value training completion not just in itself, but as a means to achieving a range of other business benefits, including increased industry knowledge, technical skills and higher productivity.
- Provide support with time for off the job training and study (62 per cent compared to 47 per cent) and pastoral support (46 per cent compared to 37 per cent).
- Say that materials to support apprentices would help them for example, resources on study skills, time management, and wellbeing (37 per cent compared to 29 per cent sample average).
- Identify a range of success indicators related to employment and industry retention, including the apprentice moving into a permanent job in their organisation (47 per cent); the apprentice being promoted in their organisation (44 per cent); the apprentice gaining knowledge and skills relevant to their business needs (44 per cent); the apprentice filling a critical vacancy in their organisation (35 per cent); and the apprentice staying in the same industry, even if they move onto another organisation (32 per cent).

These findings suggest that employers with higher completion rates are more likely to recognise the wider value of apprenticeships to their business and place greater emphasis on supporting apprentices to complete.



<sup>&</sup>lt;sup>6</sup> This box focus on areas where employers with high completion rates have significantly different findings to the sample average. However, they are not necessarily the most common responses for these employers overall.

<sup>&</sup>lt;sup>7</sup> This finding should be interpreted with caution since it is based on self-report data from employers rather than verified completion rates. Our previous report on apprenticeship outcomes and destinations did not find a statistically significant difference in self-reported completion rates between apprentices who were already employed with their apprentice employer and those who were not.

## SME employers

- When compared to the sample average, small employers report more variable completion rates. While they are more likely than the sample average to report completion rates of above 75 per cent (37 per cent), they are also more likely to say that less than 25 per cent of their apprentices complete (9 per cent), and less likely to report completion rates of 51-75 per cent (21 per cent).
- When compared to the sample average, small employers are less likely to offer most forms of support, excluding support with time for off the job training and study (which they are more likely to offer), and pastoral and practical support (where there are no significant differences according to business size). Qualitative interviews identify capacity for providing support as a challenge for small employers.
- When compared to the sample average, small employers are more likely to say that financial support to help cover off the job training time would help them to support apprentices (44 per cent, compared to 29 per cent medium-sized and 35 per cent large employers). Small employers are less likely than medium and large employers to find information provided by the government and training providers helpful, indicating a need for tailored information, support and resources for these employers. Medium-sized employers are more likely than small employers to find apprenticeship training providers (86 per cent compared to 78 per cent), the gov.uk website (81 per cent compared to 73 per cent), the IfATE website (78 per cent compared to 68 per cent), local government (75 per cent compared to 66 per cent), and trade unions (71 per cent compared to 56 per cent) helpful.
- Small employers are more likely to say that apprentices gaining knowledge and skills relevant to business needs is an indicator of success than medium-sized employers (40 per cent compared to 30 per cent).

As demonstrated in the findings above, the views and experiences of small and medium sized employers differ in some key areas. This is important to note when considering recommendations for policy and practice, since SMEs are often viewed collectively.



## Introduction

An apprenticeship is a job which entails a substantial training component with an accredited training provider. Apprenticeships are a key part of government skills policy in England, and the government has an agenda to grow the number and quality of apprenticeships<sup>8</sup>. As part of a commitment to raising quality and employer engagement, the government introduced a set of reforms to the system. These included the introduction of the apprenticeship levy in 2017°, and the transition from apprenticeship frameworks to employer-designed standards<sup>10</sup>. Following the implementation of these reforms there has been a substantial decline in apprenticeships starts at Level 2 and Level 3<sup>11</sup>, and since then improving apprenticeship starts has been a key focus for the government. However, achievement rates<sup>12</sup> have also dropped, due to substantially lower achievement rates for apprenticeship standards compared to frameworks<sup>13</sup>. In response the government aims to increase achievement rates to 67 per cent by 2025<sup>14</sup>. At present, we are still falling short on this target - the achievement rate for apprenticeship standards in 2021/22 was just 51 per cent. This demonstrates a clear need for stakeholders to focus on supporting apprentices to improve completion. As shown in our previous research, this measure of achievement rates also does not capture the full range of apprenticeship outcomes.

The St Martin's Group commissioned Learning and Work Institute (L&W) to establish a better understanding of what apprenticeship success looks like for employers. The study is the second part of a research series on apprenticeship outcomes and destinations. The first report, published in Autumn 2022, explored the experiences, outcomes and destinations of apprentices who complete their programme and those who do not<sup>15</sup>. This research showed that apprentice outcomes are better if they complete their programme, a lack of employer support is the biggest contributory factor in apprentice withdrawals, and that non-completers cited more support would have prevented them from leaving. This research was entirely from an apprentice perspective, and so The St Martin's Group commissioned a second study to understand the experiences of employers in supporting apprentices. This explores the barriers employers face, what employers can do to help apprentices complete their programmes, and ultimately how 'best outcomes' of of apprenticeships are defined by different parties across the system.

<sup>&</sup>lt;sup>8</sup> HM Government (2015) English Apprenticeships: Our 2020 Vision

<sup>&</sup>lt;sup>9</sup> The apprenticeship levy is paid by employers with a pay bill of over £3 million per year. Levy paying employers have a digital account, from which they can draw down funding to pay for apprenticeship training and assessment.

<sup>&</sup>lt;sup>10</sup> Apprenticeship frameworks are qualification focused and involve ongoing units-based assessment. In contrast, standards are occupation focused, with an end point assessment. Apprenticeship standards are developed by employers and contain the skills, knowledge and behaviours an apprentice will need to have learned by the end of their apprenticeship. Apprenticeship standards fully replaced frameworks by 2020.

<sup>&</sup>lt;sup>11</sup> House of Commons Library (2021) Apprenticeship statistics briefing paper

<sup>&</sup>lt;sup>12</sup> Achievement' is the term used by the government and refers to passing the EPA and all other qualifications required to meet the apprenticeship standard. Throughout this report, we use the terms 'achievement' and 'completion' interchangeably to mean this.

<sup>&</sup>lt;sup>13</sup> Explore Education Statistics (2023) <u>Apprenticeships and traineeships: academic year 2022/23.</u>

<sup>&</sup>lt;sup>14</sup> Department for Education (2023) <u>Apprenticeship achievements: an update for the sector.</u>

<sup>&</sup>lt;sup>15</sup> Learning and Work Institute (2022) <u>Apprenticeship Outcomes and Destinations, The St Martin's Group</u>

#### Research aims

The research aimed to find out:

Whether employers value completions and whether this impacts completion rates

- What employers do to support completions and what barriers employers experience or perceive in relation to providing support
- What support or incentives employers might need to support completion
- Whether employers measure their success or return on investment in different ways to completion rates, and whether these should be considered for policy to incentivise and encourage support for apprentices.

This report provides unique insights into employer perspectives of apprenticeship completions and allows us to explore these by characteristics such as size, sector and type of apprenticeship hire. It also strengthens our understanding of the support that leads to higher completion rates and better outcomes. This is useful for policymakers in determining what can be done to incentivise apprenticeship completion and target support based on employer characteristics. It also provides a timely, refreshed view of the business benefits of employing apprentices, particularly those who complete their programmes, building on previous research from the St Martin's Group<sup>16</sup>. For balance, we have sought views from others in the apprenticeship system including training providers, apprentices and government stakeholders.

#### Research method

This research took a mixed-methods approach, involving a quantitative survey of employers and qualitative interviews with employers, providers, apprentices and government stakeholders.

#### Employer survey

The employer survey was conducted by an independent market research agency, with fieldwork taking place online during July and August 2023. In total, **811 employers** responded<sup>17</sup>. The survey was targeted at senior management professionals, including owners and board members, managing directors, and directors/senior management<sup>18</sup>. Just over seven in ten respondents (72 per cent) currently hire apprentices and 28 per cent have done so within the last three years.

Quotas by business size<sup>19</sup>, industry and England regions were set to ensure a wide representation in the sample. However, it should be noted that the survey has not been weighted to be representative of the apprentice employer population. Details of employers' engagement with apprenticeships (e.g., number and level of apprentices hired) are summarised in Annex 1 and by employer industry in Annex 2.

All subgroup differences reported in the findings are statistically significant at the five per cent level, unless otherwise specified. Subgroup findings are not reported for groups with a base size of less than 50, since this is too small to reliably attribute statistically significant differences. All figures in the report are reported to zero decimal places. As such, figures in some tables and charts do not add up to 100 per cent due to rounding.

<sup>&</sup>lt;sup>16</sup> The St Martin's Group (2021) <u>The real costs and benefits of apprenticeships.</u>

<sup>&</sup>lt;sup>17</sup> All employers are based in England, and had hired apprentices in the last 3 years.

<sup>&</sup>lt;sup>18</sup> It should be noted that the survey data is self-reported, and therefore is based on respondents' understanding and interpretation of the questions.

<sup>&</sup>lt;sup>19</sup> For the purposes of this research, employer sizes are grouped as follows: small (10-49 employees), medium (50-249 employees), large (250+employees).

#### **Oualitative** interviews

Qualitative interviews were conducted with 15 employers, 10 providers, 8 apprentices, and 4 government/policy stakeholders.

Of the employers that we interviewed, 10 were from large businesses and 5 were from SMEs. Employers were purposively selected to ensure representation across a range of sectors, including catering, digital, healthcare, retail, marketing, engineering, and transport.

Of the providers we interviewed, 4 were independent training providers (ITPs), 3 were colleges, and 3 were universities. Providers were purposively selected to ensure representation across provider type and England region.

The apprentices we interviewed were recruited through the Association of Apprentices. It should be noted that while we were able to interview apprentices across a range of programme levels (Level 3 to Level 6), there was less variation by sector, with most respondents undertaking apprenticeships in business, management, or research. Involvement with the Association of Apprentices may also be indicative of a high level of engagement with apprenticeships, which may not be reflective of all apprentices.

While stakeholders were purposively sampled to obtain a range of perspectives, findings from the interviews are not intended to be, and should not be taken as, representative of the views of the population, although they do provide detailed insights into the experiences and views of participants. The use of 'most' and 'some' in this report illustrate the prevalence of views among participants and are not generalisable to the wider population.

#### Report structure

This report presents the findings from the employer survey and qualitative interviews including:

- Perceived importance of apprenticeship completion
- How employers support apprentices and associated challenges
- Further support required by employers to encourage and incentivise completions
- Wider success indicators, beyond apprenticeship completion.



## 1. Importance of apprenticeship completion

This chapter sets out key findings on apprenticeship completion and how employers perceive the importance of this.

#### **Key chapter findings:**

- Almost all employers surveyed indicate that they view apprenticeship completion as important, despite
  reporting variable programme completion rates for apprentices they have hired. That said, employers
  who report higher completion rates are more likely to say that completion is important.
- Employers who tend to place new, rather than existing, staff on apprenticeships and employers with apprentices on Level 2, 3, and 6-7 programmes are more likely to value completion, and to experience higher completion rates.
- Employers value completion because they think apprentices gain better technical and 'soft' skills, gain
  more industry knowledge and experience, and show increased productivity. A notable proportion also
  require apprentices to complete their training and assessments to either perform their job roles or progress
  into higher level roles. This was particularly common for employers placing apprentices on Level 2 and 3
  programmes.
- The most common reason provided for the importance of completing assessments was that it is important for apprentices to have formal recognition of their knowledge and skills, with almost one half of employers saying this.
- Although providers, employers and policy stakeholders in the qualitative interviews generally viewed
  completion as important, there were some exceptions. This included where apprentices had proved
  themselves to have the competencies required to perform well in their job role. Some stakeholders also
  said completing the end-point assessment (EPA) was sometimes perceived as less valuable on programmes
  which included another technical or academic qualification, such as degree apprenticeships.

#### Proportion of apprentices completing their programme

Employers were asked to estimate the proportion of apprentices who completed all aspects of their programme, including assessments. Responses varied considerably, with a roughly even split between employers reporting that:

- 25 to 50 per cent of apprentices complete all aspects of their programme (31 per cent)
- 51 to 75 per cent of apprentices complete all aspects of their programme (30 per cent)
- Over 75 per cent of apprentices complete all aspects of their programme (31 per cent)

Only five per cent of employers reported that fewer than 25 per cent of apprentices complete their programme, and three per cent did not know.

With only one in three employers reporting an achievement rate of over 75 per cent, these findings highlight there is still some way to go to reach the government target of a 67 per cent achievement rate by 2025.

The following groups are more likely to report completion rates of **above 75 per cent**:

• Employers who have hired all or most apprentices as new employees (47 per cent), compared to just 17 per cent who say all or most of their apprentices are existing staff<sup>20</sup>

<sup>&</sup>lt;sup>20</sup> This finding should be interpreted with caution since it is based on self-report data from employers rather than verified completion rates. Our previous report on apprenticeship outcomes and destinations did not find a statistically significant difference in self-reported completion rates between apprentices who were already

- Production industry employers (38 per cent), while those in business services are less likely (26 per cent)
- Employers who hire apprentices on Level 2 (38 per cent) and degree-level (41 per cent) programmes $^{21}$ .

Small employers, meanwhile, report more variable completion rates. While they are more likely to report completion rates of above 75 per cent (37 per cent), they are also more likely to say that less than 25 per cent of their apprentices complete (nine per cent), and less likely to report rates of 51-75 per cent (21 per cent).

#### Reasons for low completion rates

In the qualitative interviews, employers and training providers reported that apprentices typically either withdraw within the first few months of starting their programme and/or shortly before the EPA, highlighting the importance of providing support at these stages.

Reasons for early withdrawal included:

• The programme not meeting apprentice expectations. Employers and providers reported that apprentices may withdraw when the programme does not turn out as they expected, either in terms of the commitment required or what it entails:

"I think there's been a lot of people who started in-store and then did not understand the undertaking of it, or people who start a programme where perhaps they weren't entirely sure of what the programme entailed." (Large employer, retail)

This reflects findings from our previous research, which found high levels of mismatch between apprentices' expectations and experiences<sup>22</sup>. Some training providers saw it as their role to set expectations for both employers and apprentices for this reason.

• **Functional Skills requirements.** Both employers and training providers explained that apprentices can fall behind due to a lack of engagement with training and learning. This includes apprentices finding the programme too difficult, failing exams, or struggling to meet the Functional Skills requirements.

The Functional Skills requirements<sup>23</sup> were highlighted by employers, providers and policy stakeholders as a challenge for apprentices. Apprentices who otherwise excelled in their apprenticeship could not complete if they could not meet the requirements.

"The maths and English piece, where you've got individuals who are never going to achieve maths because of their learning needs, we can't get exemptions. So actually, they really lose out because they'll never achieve an apprenticeship. They'll achieve learning, they'll achieve some really good learning, they'll be very good at their job often, but they'll never achieve their overall certificate. I think that's really disappointing." (College)

Functional Skills requirements were reported to be a particular barrier for apprentices with learning difficulties, those on Level 2 programmes, and older apprentices without recent experience of education. This was reported as being a particular issue in sectors such as adult social care, where there is a high proportion of older apprentices who have not obtained their GCSE or O-Level qualifications. It also affects apprentices who do not have recognised qualifications, including highly-qualified professionals who cannot produce relevant qualification documentation obtained in a different country.

Although policy stakeholders saw completion of Functional Skills assessments as an important part of demonstrating

<sup>&</sup>lt;sup>21</sup> This finding should be interpreted with caution since it is based on self-report data from employers rather than verified completion rates. Our previous report on apprenticeship outcomes and destinations did not find a statistically significant difference in self-reported completion rates between apprentices who were already

<sup>&</sup>lt;sup>22</sup> Learning and Work Institute (2022) Apprenticeship Outcomes and Destinations, The St Martin's Group

<sup>&</sup>lt;sup>23</sup> Apprentices are required to achieve Functional Skills Level 2 Maths and English if they have not already achieved GCSE grade 4/C in these subjects.

competence and supporting career progression, they suggested there was scope for greater contextualisation and differentiation of Functional Skills assessments depending on job requirements.

- **Employment-related reasons.** Employers and training providers reported that some apprentices withdraw from their programmes early due to factors relating to their job. These include the apprentice changing jobs, including for a promotion or higher pay, or a lack of alignment between their job and the apprenticeship standard. Other employment-related reasons include redundancies and issues with the apprentice's performance. Providers also cited a lack of support from the employer for off the job training as a reason for early withdrawal.
- Apprentice pay. Policy stakeholders reported that apprentice pay is a particular challenge in certain sectors, such as childcare. Since the low wage can be difficult to live on, some apprentices take on a second job to supplement their income which puts more pressure on their time and ability to meet the demands of their apprenticeship. Apprentices may also decide to withdraw and move to a higher paid job, particularly in the current cost of living crisis.

"It creates a life of misery because a lot of childcare apprentices just end up having to do a second job. So they'll be in a nursery for, you know, all day and then go after work in the pub, restaurant, etcetera in the evening or have weekend jobs. And then there's they've got to do their 20% off the job training and all their study and all the rest of it. So again, you can't in those circumstances, it's just impossible to have a successful apprenticeship." (Policy stakeholder)

Achieving qualifications or promotion prior to the EPA. Employers and training providers reported that
apprentices withdraw before completing the EPA when they believe they have already achieved what they want
to from the apprenticeship. Some programmes allow an apprentice to achieve their professional or industry
qualification without having to complete the EPA. In addition, an employer suggested that an apprentice who is
promoted before taking the EPA may be less motivated to complete it.

"I think for me personally the university qualification, actually completing the apprenticeship, was more important than the EPA itself. And I know a couple of apprentices on our cohort that are not actually doing the EPA. So, they've got their degree, they've finished the apprenticeship with their employer, but they're not interested in the EPA." (Level 6 degree apprentice, business management)

Employers and providers had tried to overcome these barriers by promoting the EPA and benefits of completing it (which had had mixed levels of success), offering promotion or financial reward on completion, and one university provider had started to hold back on issuing degree certificates to apprentices until after they had completed their EPA. It should be noted that IfATE also intends to integrate end-point assessments with other assessment arrangements <sup>24</sup>, which may help to streamline the assessment process and address the issues around lack of incentive to complete the EPA.

<sup>&</sup>lt;sup>24</sup> See EPA integration in regulated apprenticeship standards / Institute for Apprenticeships and Technical Education

#### Perceived importance of programme completion

Despite the variation in apprenticeship completion, almost all employers say it is important for apprentices to complete all their training (96 per cent) and all of their assessments (95 per cent), including their EPA (see Figure 1). The majority (70 per cent) believe completing training is very important, compared to one quarter (26 per cent) who say this is quite important. Similarly, around two thirds (63 per cent) believe completing all assessments is very important, while around a third (32 per cent) believe it is quite important. In both cases very small numbers say they are not very important (four per cent) or not at all important (less than one per cent).

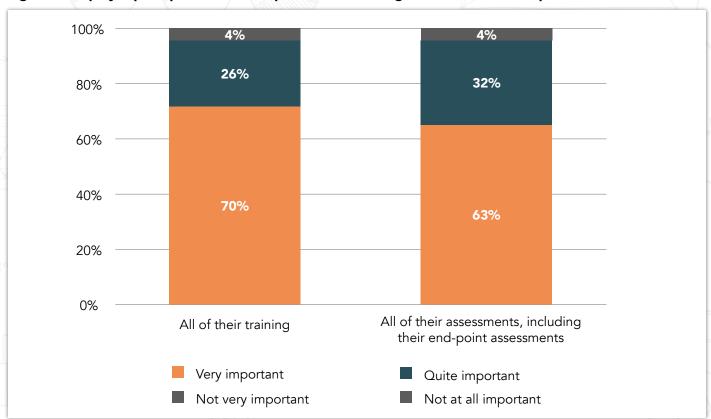


Figure 1: Employer perceptions on the importance of training and assessment completion

Base: all responses (811)

Employers who report higher completion rates are also more likely to value completion. Employers who report that over 75 per cent of apprentices complete their programme are more likely to say that it is important for apprentices to complete all of their training (98 per cent important, 87 per cent very important) and assessments (99 per cent important, 79 per cent very important). This includes the following employer subgroups:

- Employers who have hired all or most apprentices as new employees, who are more likely to believe that completing both training and assessments is important.
- Employers who place apprentices on Level 2 and Level 3 programmes, who are also more likely to place importance
  on apprentices completing both training and assessments. This may be because being qualified at Level 2 or 3 is
  seen as a minimum entry requirement in many professions.
- Employers who place apprentices on Level 6 or 7 degree apprenticeship programmes, who are more likely to say that it is very important for apprentices to complete all of their assessments (74 per cent).
- Small employers and employers in the production industry, who are more likely to say that it is important for apprentices to complete all of their training.

These findings indicate that a higher value placed on completion may lead to higher completion rates, although it should be noted that the value placed on completions is universally high, suggesting that this is not the main factor driving completion.

#### Reasons for importance of completing training and assessments

Employers were asked to select, from a list, reasons why completing training is important (see Table 1). Most commonly, employers indicated that apprentices who complete all of their training gain more knowledge about the industry than those who don't (44 per cent). Around two in five employers consider completing training to be important because apprentices who complete their training tend to be more productive (41 per cent), gain more industry experience (40 per cent), demonstrate better 'soft'/employability skills (40 per cent), and gain more technical skills (40 per cent). The same proportion of employers also say that they require apprentices to complete their training to be able to perform their job roles (40 per cent) or to progress into higher-level roles (39 per cent). This builds on findings from our previous research, which found that apprentices who completed their programmes were more likely to progress to higher-paid or more senior roles than those who did not.

Employers who report that over 75 per cent of apprentices complete their programme are more likely to select all of the reasons listed, apart from improved 'soft'/employability skills. This indicates that employers with high completion rates value training completion not just in itself, but also as a means to achieving a range of other business benefits.

There are also some differences in these findings by **industry**:

- Employers in the production (53 per cent) and construction<sup>25</sup> (51 per cent) industries are more likely to say that apprentices who complete all of their training gain more industry knowledge. Employers in production are also more likely to identify gaining industry experience as a benefit of training (47 per cent), and those in construction that apprentices who complete their training develop better technical skills (49 per cent).
- Employers in the distribution (46 per cent), other services (44 per cent) and business services (41 per cent) industries are more likely to say that apprentices who complete their training develop better 'soft'/employability skills than those who don't.
- Employers in the production (44 per cent) and business services (40 per cent) industries are more likely to require training completion for job progression.

Table 1: Reasons why employers think completing training is important

Reason for importance	Total %
Apprentices who complete all of their training gain more knowledge about the industry than those who don't	
Apprentices who complete all of their training tend to be more productive than those who do not	41%
Apprentices who complete all of their training gain more technical skills than those who don't	40%
Apprentices who complete their training demonstrate better 'soft'/employability skills than those who don't e.g. organisation, teamwork, resilience	40%
Apprentices who complete all of their training gain more industry experience than those who don't	40%
We require apprentices to complete their training to be able to perform their job roles	40%
We require apprentices to complete their training to progress into higher-level roles	39%

Base: all respondents who say that completing training is important (778)

Employers were also asked to select, from a list, reasons why completing all assessments is important. Most commonly, employers indicated that it is important for apprentices to have formal recognition of their knowledge and skills (46 per cent) (see Table 2). Around two fifths reported that passing assessments demonstrates technical skills (42 per cent),

<sup>&</sup>lt;sup>25</sup> Just 88 employers in construction industry responded to this question. Findings based on a sample size of fewer than 100 respondents should be treated with caution.

demonstrates industry knowledge (39 per cent), or that they require apprentices to pass their assessments to perform their job roles (39 per cent) or progress into higher-level roles (39 per cent). Some employers also indicated that they believe apprentices who pass their assessments tend to be more productive (37 per cent), that passing assessments demonstrates 'soft'/employability skills (35 per cent), and assessments add value to their organisation (32 per cent).

Employers who reported that over 75 per cent of apprentices complete their programme are significantly more likely to report most of these reasons when compared to the sample average. Additionally, employers who have hired all or most apprentices as new employees are more likely to say that they require apprentices to pass assessments to progress into higher-level roles (44 per cent, compared to 27 per cent who place mostly existing staff on apprenticeships), as are those who place apprentices on Level 2 programmes (46 per cent).

Table 2: Reasons why employers think completing all assessments is important

Reason for importance	Total %
It is important for apprentices to have formal recognition of their knowledge and skills	
Passing assessments demonstrates technical skills	
Passing assessments demonstrates industry knowledge	39%
We require apprentices to pass their assessments to progress into higher-level roles	39%
We require apprentices to pass their assessments to be able to perform their job roles	39%
Apprentices who pass their assessments tend to be more productive than those who do not	37%
Passing assessments demonstrates 'soft'/employability skills e.g. organisation, teamwork, resilience	35%
Assessments add value to our organisation e.g. through completing supervised projects	32%

Base: all respondents who say that completing all assessments is important (774)

#### Qualitative findings

Reflecting the survey findings, interviewees across all groups generally perceive completing training and assessments as important because:

• This demonstrates competency for the job role. Providers, employers, and apprentices noted that completing training allows the apprentice to develop and demonstrate the knowledge, skills and behaviours required for their job role. Moreover, policy stakeholders and employers highlighted the value of the EPA in demonstrating apprentices' competence to employers. Employers explained they find this particularly important when the apprenticeship doesn't include other recognised qualifications.

"You have to be able to have particular skills and behaviours to lead a team, to communicate with the clients, and to manage workload effectively. And so, for us, it's no good if someone completes 80% of the exams and then leaves the final skills and behaviours...I need them to show me that they are capable of all aspects of competence in this profession." (Large employer, professional services)

Only one employer said that it is not always important for apprentices to complete their training if they can demonstrate the competencies needed in the role through their performance in the workplace.

"In some cases, I'll be completely honest with this one, sometimes it doesn't make a difference. Because the person we would choose to keep anyway because through the apprenticeship they prove themselves as a highly capable individual." (Small employer, digital marketing)

Another employer in the health and social care sector noted that while senior staff with responsibility for apprenticeships see completion as important, this is largely to maintain success rates. Line managers are more focused on an apprentice's competency in their role and place less value on completing training and assessments if neither affect the apprentice's performance or ability to practice. Policy stakeholders also suggested that some employers may be more focused on immediate competency for the job role, and value completion less if apprentices can demonstrate this without completing their programmes. However, they pointed out that completion has important benefits for the individual and economy beyond immediate competence for job role.

• It supports career progression. Providers and employers said that through completing training, apprentices gain 'soft' skills such as leadership, problem-solving, and stakeholder management, which they need to be able to progress in their career. Training providers, employers and policy stakeholders explained that completing the EPA makes it easier for apprentices to be promoted, since this demonstrates 'soft' skills and provides formal recognition of technical knowledge and skills. Apprentices also commented that in some cases, completing assessments is essential to progress onto other qualifications.

"Should I complete my assessments for this apprenticeship and get a distinction, I can then go on to do the Market Research Society's Advanced Certificate in Research. So, that would be a really good opportunity to then gain not only my apprenticeship qualification but also get professional recognition in the form of that qualification from the professional membership body." (Level 4 apprentice, market research)

• As a return on investment. Policy stakeholders and employers believe that completion demonstrates a return on government and employer investments in apprenticeships and the workforce. A large employer linked the skills developed by apprentices as a result of completing their apprenticeship to increased productivity and revenue that the apprentice could bring in for the organisation.

"We're looking for skilled employees, and our revenue comes from selling our services to clients...our apprentices earn money for us right from the start, but obviously the more skilled they are, up they go on the levels, and so the more revenue they can bring in." (Large employer, technology)

• **To support the credibility of apprenticeships.** Policy stakeholders view completing assessments as important for the credibility of apprenticeships, since this acts as a common currency for employers to understand apprentices' achievements and helps apprenticeships to achieve greater prestige.



## 2. Support offered to apprentices

This chapter summarises key findings on the support employers offer to apprentices, how responsible they think they should be for providing this support, and barriers to supporting apprentices to complete their programme.

#### Key chapter findings:

- Most employers surveyed offer direct support to apprentices, although the nature of this support varies. Less than one half of employers say they offer support with time for off the job training and study.
- Employers who report high completion rates are more likely to provide support with time for off the job
  training and study and pastoral support. Interviews also identified line management support as essential
  to apprentice completion.
- Arranging off the job training time was the most common barrier to supporting apprentices reported
  by employers, especially those placing existing staff on apprenticeships and with low completion rates.
  Interviews with employers and providers highlighted supporting off the job training time, securing line
  manager buy-in, capacity for support among small employers, and funding and staffing challenges among
  providers as barriers to providing support.
- Both survey respondents and interviewees view supporting apprentices as a joint responsibility between employers and providers. The relationship between providers and employers was seen as crucial to supporting apprentices to succeed.

### Support employers offer to apprentices

Employers were asked to select, from a list, what support their business offers to apprentices (see Table 3). Almost all employers (99 per cent) offer some form of support to apprentices. However, except for employability/ careers support (offered by 54 per cent of employers) each specific type of support was offered by less than half of employers. Just 47 per cent say that they offer support with time off to study/complete assignments/off the job training. Given the open nature of this question, it may be that these employers provide the mandatory time off the job required as part of the apprenticeship programme, but do not provide time off in addition to this. However, the qualitative findings (explored below) and our previous report suggest that apprentices are not always supported to take the expected off the job training time.

Around two in five employers offer support for apprentices with additional needs or disabilities (39 per cent) or pastoral support (37 per cent), while around one in three offer financial support (31 per cent). Just over one quarter offer additional study support (28 per cent), or practical support (26 per cent).

Table 3: Support offered by employers

Support offered	Total %
Employability/careers support, e.g. support to secure a permanent role or promotion after an apprenticeship; wider careers support and guidance (e.g. CV support, time off to search for jobs and attend interviews)	
Support with time off to study/complete assignments/off the job training	47%
Support for apprentices with additional needs or disabilities e.g. modifications to the role or equipment, additional one-to-one support	39%
Pastoral support e.g. providing a workplace mentor or 'buddy', mental health and wellbeing support, access to social or support networks	37%
Financial support e.g. with childcare costs, transport costs, cost of resources	31%
Additional study support e.g. with basic English or maths, English as an additional language	28%
Practical support e.g. to access transport, childcare	26%
None of these	1%

Base: all responses (811)

Employers who report that more than 75 per cent of apprentices complete their programmes are more likely to provide support with time for off the job training and study (62 per cent) and pastoral support (46 per cent) than the sample average.

Small businesses are less likely to offer most forms of support, excluding support with time for off the job training and study (which they are more likely to offer) and pastoral and practical support (where there are no significant differences according to business size). This finding could be related to capacity and resource to offer support.

Focusing solely on employers who consider training and assessment to be important, the analysis found that those with lower completion rates (maximum 50 per cent) were less likely to offer pastoral support, support with time for off the job training and to study, and employability/careers support.

These findings provide further evidence that **employers who offer more support to apprentices experience higher completion rates**. They are also consistent with findings from our previous research<sup>26</sup>, which identified off the job training time and pastoral support as key to supporting completion.

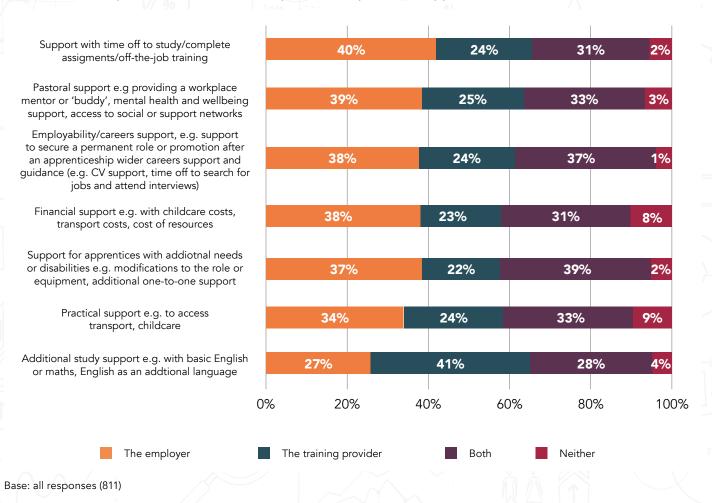
<sup>&</sup>lt;sup>26</sup> Learning and Work Institute (2022) <u>Apprenticeship Outcomes and Destinations</u>. The St Martin's Group

#### Responsibility for providing support

Employers generally agreed that they were at least partly responsible for offering all forms of support, with some variation across different types of support (see Figure 2). Around three-quarters of employers say they should be at least partly responsible for offering support for apprentices with additional needs and disabilities (76 per cent), employability and careers support (75 per cent), and support with time for off the job training or to study (74 per cent). More than half of employers think they are at least somewhat responsible for offering pastoral support (72 per cent), financial support (69 per cent), practical support (67 per cent) and additional study support (55 per cent). This is despite less than one half of employers offering these forms of support – indicating that while employers recognise their responsibilities, there may be barriers to offering this.

Employers generally believe that they should be equally or more responsible than training providers for providing support to apprentices. The exception is additional study support, where 41 per cent of employers say that training providers should be fully responsible, compared to 27 per cent saying employers are fully responsible and 28 per cent saying both are responsible.

Figure 2: Who employers think should be responsible for providing support



There is a statistically significant correlation between employers offering each kind of support and their perceived responsibility for offering it i.e. employers who acknowledge their responsibility for offering support are more likely provide it. This highlights the importance of ensuring employers are aware of their specific responsibilities to support apprentices, as well as addressing barriers to offering support.

The relationship between providers and employers was also seen by all participant groups in the qualitative interviews as crucial to support apprentices to succeed, and responsibility for providing apprentices with support was seen as

shared between providers and employers. Three-way meetings that involve the provider, employer, and apprentice were seen as the most effective mechanism to ensure good communication.

"It needs to be a genuine collaborative partnership to support the apprentice to successfully complete, and I don't think it's particularly helpful to get into that kind of blaming 'You're not pulling your weight. You don't do enough' ... I don't think is a helpful direction for the debate to go. I think we could keep it into a more positive space of, you know, talking about it as a kind of three-way partnership and something that needs to be mutually supported to the benefit of all of you know everybody in the relationship." (Policy stakeholder)

#### Barriers to supporting apprentices to complete their programmes

The most common barrier to supporting apprentices identified by employers was their ability to arrange time off the job for training (see Table 4). This was particularly the case for employers whose apprentices are mostly existing staff (37 per cent compared to 27 per cent with mostly new staff) and those with completion rates of 50 per cent or lower (38 per cent compared to 30 per cent). As highlighted above, both this research and our previous report demonstrate the importance of off the job training time for completion. Addressing this barrier is therefore vital to improving completion and achievement rates.

Around three in 10 say that their relationship with training providers (31 per cent), staff capacity to supervise or line manage apprentices (30 per cent), and the ability to pay apprentices competitive rates (30 per cent) are barriers. Over one quarter of employers identify challenges around funding or funding rules (28 per cent), the work readiness or employability skills of apprentices (28 per cent), and the administrative burden of managing apprentices (27 per cent), as well as poor alignment between programme expectations and the training and experience that they can offer (26 per cent), and lack of guidance on how employers are expected to support apprentices (26 per cent). More than one in five employers say that capacity to offer wider support (23 per cent) and clarity of apprenticeship standards (22 per cent) are barriers to supporting apprentices.

Table 4: Barriers affecting employer ability to support apprentices to complete their programme

Barrier	Total %
Ability to arrange time off for apprentices to study/complete assignments/off the job training e.g. during busy work periods.	32%
Relationship with training providers (e.g. poor communication, lack of support)	31%
Staff capacity to supervise/line manage apprentices	30%
Ability to pay apprentices competitive rates	30%
Challenges around funding/funding rules	28%
Work readiness/employability skills of apprentices	28%
Administrative burden of managing apprentices	27%
Poor alignment between course expectations and the training/experience they can offer	26%
Lack of guidance on how employers are expected to support apprentices	26%
Capacity to offer wider support e.g. pastoral or study support	23%
Clarity of apprenticeship standards	22%
Other	<1%
None of these	10%

Base: all responses (811)

Employers whose apprentices are mostly existing staff were particularly likely to identify poor alignment between course expectations and the training and experience employers can offer (31 per cent compared to 20 per cent).

In addition, large employers are more likely than medium-sized employers to identify staff capacity to supervise/line manage apprentices (35 per cent compared to 27 per cent) and challenges around funding/funding rules (31 per cent compared to 23 per cent) as barriers. They are also more likely than small employers to cite clarity of apprenticeship standards as a barrier (26 per cent compared to 19 per cent).

Just one in ten (10 per cent) employers indicated that they had not experienced any of the barriers listed. Employers who report that over 75 per cent of apprentices complete all aspects of their programme (16 per cent) are more likely than the sample average to say that they have not experienced any of these barriers.

#### Qualitative findings

Qualitative interviews explored how employers and providers support apprentices to complete their programmes, as well as challenges and barriers to offering this support.

#### Time for off the job training and to study

While most employers maintained that apprentices were always given time for off the job training and study, apprentices reported that this support was inconsistent and identified this as a key area for improvement. A minority of employers also admitted that they provide apprentices with less than the required amount of time for off the job training.

Some employers said they find it challenging to allow apprentices to take time for off the job training and study as the apprentice's absence in the workplace put a strain on resources. These employers explained that when the apprentice is not in work, they face challenges with resource or capacity.

"[Time off the job] is not a priority. You know, if they're in an environment where they are targeted and then they're missing their targets, the first thing to go will be learning unfortunately." (Large employer, telecommunications)

Large employers noted that there could be a high level of variation in how time for off the job training and study is given between services, lines of work and departments. This is often at the line manager's discretion and can be dependent on workload and capacity. However, some apprentices thought it was important for time for off the job training and study to be formalised. One reflected that while their employer permitted them to take a flexible approach to study leave, in the absence of structured, protected time off, they struggled to complete their apprenticeship work, leading some apprentices to undertake work on their apprenticeship during evenings or weekends. Where apprentices received adequate and structured time for off the job training and study, they highlighted this as one of the most useful forms of support from their employer, as it enabled them to fulfil the demands of their training and their job. They commented that their work colleagues and management did not understand the importance of them having off the job training time.

"It has been quite difficult, finding the time, because I think everyone is so supportive of me doing an apprenticeship and it's absolute brilliant, until it becomes an inconvenience, I think. When other things perhaps take priority." (Level 4 apprentice, market research)

Employers and providers reported having worked together to map how apprentices would complete off the job training during particularly busy times in the workplace. There were also instances where the provider had negotiated additional off the job training time with the employer for the apprentice to be able to catch up on their studies. These specific examples were reported to have been successful.

#### Line management support

Employers emphasised the importance of line managers supporting apprentices effectively, particularly for younger apprentices where the apprenticeship might be their first job, and apprentices in the first three to six months of their apprenticeship. This was echoed by apprentices themselves, some of whom said that having a supportive line manager had been the most effective support they had received. One apprentice explained that their line manager had helped

them to prioritise their workload, reduced their workload to allow them time to study, regularly checked in, and advocated for them in the workplace. Another apprentice found the most useful support was working with their line manager to review the apprenticeship standard and set out a plan for how they would meet their learning objectives.

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However, some large employers reported that line managers struggle to find time to support apprentices and underestimate the level of support apprentices require. Similarly, some apprentices said that they would like more support from their line manager to manage their workload and ensure they get the work experience needed to meet their programme requirements.

To overcome this barrier and increase line manager buy-in, some large employers had engaged in communications initiatives to raise awareness and understanding among line managers of their role and responsibilities, the support needs of apprentices, and the benefits of apprenticeships. This was reported to have been largely successful in improving line managers' understanding of their role, but time and resource pressures were cited as an ongoing challenge. Some employers had also assigned apprentice managers, which they said had been effective in easing the burden on line managers.

#### Pastoral support

Most employers interviewed said they provide pastoral support, typically through mentors, buddies or staff specifically assigned to managing apprentices. Support included regular check-ins to discuss and evaluate learning, and coaching and mentoring programmes. Employers generally perceived their pastoral support offer to be effective. Apprentices also highlighted peer support as particularly useful because peer mentors or buddies at different stages in their career can share their experiences. Apprentices who did not have a peer mentor or buddy identified this as an area for improvement.

Large employers were more likely than small employers to have a dedicated team to provide pastoral support, such as an 'apprenticeship team' or an 'early careers team', and to provide peer support groups and networking opportunities.

"We give them apprentice buddies, and we give them a dedicated apprentice people manager... So we do all the HR support, pastoral care, safeguarding...there's peer support as well, so there's an actual pastoral care wellbeing community, which is not just management, it's driven by apprentices as well." (Large employer, technology)

Conversely, capacity to offer pastoral support was noted as a challenge for smaller employers (by both employers and policy stakeholders), as was capacity to offer opportunities for additional learning such as off-site learning experiences and networking.

Training providers also identified pastoral support as the most important type of support they could offer apprentices. Examples of support offered include regular check-ins and drop-in sessions, and support with health issues, anxiety, stress, and debt management.

#### Study support

Reflecting the survey findings, employers typically said that additional study support should be provided by the training provider rather than employers. Nevertheless, some large employers reported providing study support to their apprentices, such as by checking portfolios and offering mock interviews. One employer described how they provide apprentices who are not office-based with office space for study. They also monitor and manage apprentices off the job study to ensure they are using this time effectively.

"We've put management milestones in there, so rather than just saying, 'Go away, disappear for a week.' We've said, 'We want to see Monday what you've done, Tuesday what you've done. Wednesday what you've done.' So, we've given them time to do that and then, 'Go away and get it done,' in a managed format rather than just a free hand." (Medium employer, manufacturing, design, engineering)

Providers typically had dedicated Functional Skills support staff, as well as dedicated teams to provide additional study support. Some providers also reported offering additional time for assessments and learning skills plans, which they perceived as being particularly effective for apprentices with neurodivergent needs. Apprentices who had received additional study support from providers said they found this helpful and easy to access.

"I'm not afraid to ask for help and support, or take advantage of the lecturers and the training provider when they offer it. They're always offering to read drafts of assignments, they're always there if you want additional support." (Level 6 degree apprentice, chartered accountancy)

However, both providers and employers said that additional funding was required to enable providers to deliver the Functional Skills element effectively<sup>27</sup>. One employer also identified that the quality of Functional Skills provision offered by training providers can be variable, and had tried to address this by collaborating with external partners.

#### Support for apprentices with learning difficulties and/or disabilities

Employer support for apprentices with learning difficulties and/or disabilities generally takes the form of reasonable adjustments, but also includes providing additional time off to study, and access to one employer's established network for people with disabilities. Employers saw these as examples of effective support for apprentices with additional needs. However, one large employer identified a gap between the reasonable adjustments that some apprentices need and what the business can provide.

Providers typically said that they support apprentices with learning difficulties and/or disabilities as part of their wider support offer for all learners. This includes dedicated learning support and safeguarding teams, mentors, specialist teachers, and learning support officers. Providers generally perceived this support as effective, although our previous report indicates that apprentices with a disability or long-term health condition are more likely to withdraw from their programmes and to say that more support from their training providers would have prevented them from withdrawing.

#### Practical and financial support

Practical support offered by employers includes support with access to transport, learning resources and equipment, and childcare. Financial support includes support with travel expenses, vouchers for store discounts, and access to financial wellbeing and hardship programmes. Employers generally said that their financial and practical support offer is open to all employees, rather than being specific to apprentices. Providers also typically do not offer specific financial and practical support for apprentices, beyond what is offered to other learners; some saw this as the government's role rather than their own.

<sup>&</sup>lt;sup>27</sup> Since these interviews took place, the government has confirmed that from January 2024, funding for functional skills will be lifted to match the Adult Education Budget (AEB). This will move the rate up by 54 per cent, from £471 to £724, but will only apply to new starters and those not already on programme.

#### Employability and careers support

Employers typically provide employability and careers in the form of regular progress reviews and learning plans, and in helping apprentices to think about how to tailor their portfolio of experience to make it relevant to their future career goals. Providers also offer careers advice and support with employability skills - and may have a dedicated team for this - alongside general access to their wider careers support services.

#### Support for apprentices considering withdrawing from their programmes

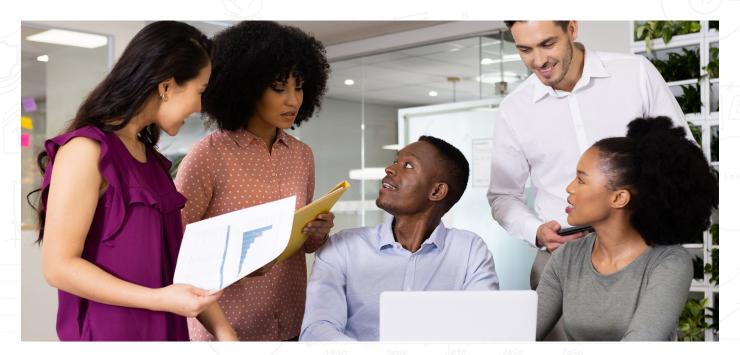
Employers and providers try to prevent withdrawal by early monitoring and identifying issues, providing necessary support, and working collaboratively to address issues. Some large employers offer one-to-one tuition, exam re-sits, and extra time out of work to study. Providers may have dedicated retention staff, including an apprenticeship retention team and quality coach. Providers also reported offering study support, learning breaks, and help to find an alternative employer or apprenticeship if required.

#### The relationship between providers and employers

Both employers and providers reported that the relationship between the two was generally good but variable, with barriers pertaining to certain groups of employers and providers. For example, one large employer reported that independent training providers are more flexible in meeting their needs when compared to colleges and universities. Some employers and providers also said that the relationship is stronger where employers have higher numbers of apprentices, since these employers are more likely to have structured communications mechanisms in place. Some providers highlighted challenges liaising with employers to organise the EPA.

Apprentices' experiences of the relationship between their employer and provider were equally mixed. Some apprentices found that they worked well together, setting clear and early expectations of roles and responsibilities. Some cited more negative experiences. For example, one apprentice said their provider and employer's communication, albeit via regular three-way meetings, tended to take the form of updates rather than working together to support her needs. Other apprentices reported feeling like a 'middle-man' between the two. This finding reflects issues raised by apprentices in our previous report<sup>28</sup>.

High staff turnover among training providers was identified as a challenge impacting both the employer-provider relationship and the quality and consistency of apprentice support. Providers and policy stakeholders linked this issue to rising costs and insufficient funding of apprenticeship delivery, and the impact of this on staff salaries.



<sup>&</sup>lt;sup>28</sup> Learning and Work Institute (2022) <u>Apprenticeship Outcomes and Destinations</u>. The St Martin's Group

## 3. Supporting and incentivising employers

This chapter explores additional support required by employers to encourage apprenticeship completion, and how employers can be further incentivised to support apprentices to complete.

#### Key chapter findings:

- Employers surveyed would value financial support to help apprentices complete their programmes, including financial incentives, support to cover off the job training time, and support to help apprentices with direct costs. Additional guidance and materials were also identified as useful.
- The survey found that employers already find a range of existing support channels useful, but that small employers and those who place existing staff on apprenticeships may need additional tailored support and guidance.
- Interviewees also identified the need for additional guidance for employers, although there were conflicting
  views about who should provide this and how. Interviewees suggested incentivising employers to value
  completion by demonstrating the value of this and positive incentives such as league tables.

#### Support employers would like

The most common types of support that employers identified as useful in helping them to support apprentices related to financial support (see Table 5). Roughly two fifths (41 per cent) of employers would find financial incentives such as a completion bonus useful; over one third (36 per cent) would like financial support to help cover off the job training time; and one third (33 per cent) would like financial support to help apprentices with direct costs such as childcare or transport.

In addition, just over one third (34 per cent) of employers indicated an interest in employer training programmes, days, events or networking opportunities, while one in three (30 per cent) identified improved communication and/or support from training providers. The survey also found a demand for guidance and materials, including best-practice guidance on training and managing apprentices (30 per cent), materials to support apprentices (29 per cent), and standardised industry-specific training materials and resources (28 per cent).

A similar proportion of employers indicated that more support to understand apprenticeship requirements would be useful, including support to understand their responsibilities as an employer (30 per cent), more support to understand the off the job training requirement (29 per cent), and support to understand apprenticeship standards (27 per cent). Just over a quarter indicated that they would like to see improved oversight or regulation of apprenticeships from central government (26 per cent).

Table 5: Support employers think would help them to support apprentices to complete their programme

Support employers require	Total %
Financial incentives for supporting apprenticeship completion e.g. a completion bonus, part of funding being based on programme completion	41%
Financial support to help cover off the job training time	36%
Employer training programmes/days/events/networking opportunities	34%
Financial support to help apprentices with direct costs e.g. childcare, transport	33%
Best-practice guidance on training and managing apprentices	30%
Improved communication and/or support from training providers	30%
Support to understand my responsibilities as an employer	30%
Support to understand the off the job training requirement	29%
Materials to support apprentices e.g., on study skills, time management, wellbeing	29%
Standardised training materials and resources for apprentices in your industry	28%
Support to understand apprenticeship standards	27%
Improved oversight/regulation of apprenticeships from central government	26%
Other	<1%
None of these	3%

Base: all responses (811)

#### Some areas of support are **more likely to be identified** by certain groups of employers:

- When it comes to financial support, employers in business services (46 per cent) are more likely to say that financial incentives for supporting completion would help them. Employers with apprentices on Level 2 programmes are more likely to cite financial support to help cover off the job training time (41 per cent) and to help apprentices with direct costs (38 per cent) this is consistent with findings from our previous report, where younger apprentices (who account for more Level 2 programmes) were more likely to say that financial support would have prevented their withdrawal<sup>29</sup>. Small employers are also more likely to cite financial support for off the job training time (44 per cent, compared to 29 per cent medium-sized and 35 per cent large employers).
- When it comes to additional guidance and materials, employers who hire apprentices on Level 6 or 7 (non-degree) <sup>30</sup> programmes (42 per cent) are more likely to cite standardised industry-specific training materials and resources. Employers who report that over 75 per cent of apprentices complete their programmes (37 per cent) are more likely to cite materials to support apprentices.
- When it comes to support to understand apprenticeship requirements, employers who hire apprentices on degree-level programmes (36 per cent) are more likely to say that support to understand apprenticeship standards would help them. Large employers (35 per cent) are more likely than small employers (23 per cent) to say that support to understand the off the job training requirement would help them, which correlates with large employers being less likely to see this support as their responsibility.

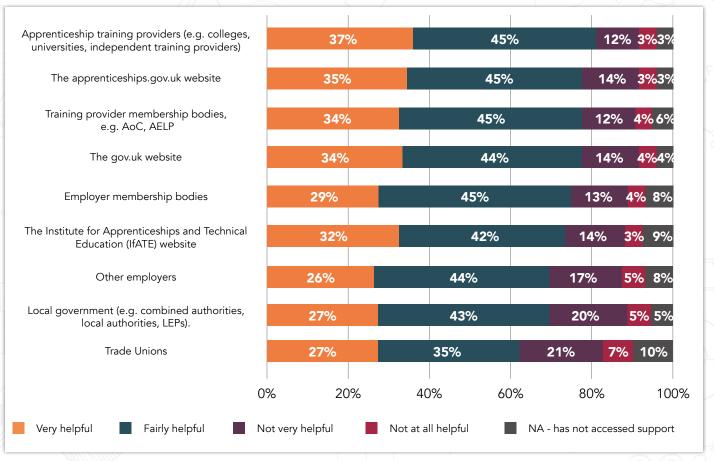
<sup>&</sup>lt;sup>29</sup> Learning and Work Institute (2022) <u>Apprenticeship Outcomes and Destinations, The St Martin's Group</u>

<sup>&</sup>lt;sup>30</sup> Just 88 employers who hire apprentice on Level 6 or 7 (non-degree) programmes responded to this question. Findings based on a sample size of fewer than 100 respondents should be treated with caution.

#### Helpfulness of existing information and support

When asked how helpful they find existing sources of information and support, most employers found the sources listed helpful (see Figure 3). The most helpful source for employers is information and support from apprenticeship training providers (82 per cent), followed by the apprenticeships.gov.uk website (79 per cent), training provider membership bodies (79 per cent), and the gov.uk website (78 per cent). Three quarters (75 per cent) of employers think that employer membership bodies are useful and just under three quarters (74 per cent) think that the Institute for Apprenticeships and Technical Education (IfATE) website is useful. Seven in 10 employers (70 per cent) find information and support from local government, as well as other employers, useful, and under two thirds (62 per cent) find trade unions helpful.

Figure 3: How helpful employers find existing information and support



Base: all responses (811)

The apprenticeships.gov.uk website is the source of information that small employers are most likely to find helpful (81 per cent). They are slightly more likely to find this helpful than medium (77 per cent) or large (79 per cent) employers are, but this is not significant.

Medium and large employers are more likely than small employers to find a range of sources of support helpful. For example, medium employers are more likely to cite apprenticeship training providers (86 per cent compared to 78 per cent), the IfATE website (78 per cent compared to 68 per cent), local government (75 per cent compared to 66 per cent), and trade unions (71 per cent compared to 56 per cent) as helpful. Both medium (81 per cent) and large (81 per cent) employers are more likely than small employers (73 per cent) to find the gov.uk website helpful. **This indicates a need to provide more tailored information, support and resources for small employers.** 

Employers who say that all or most of their apprentices are existing staff are generally more likely to indicate that support offered through the government or training providers is unhelpful when compared to those who have hired

all or most apprentices as new employees. Employers who tend to place existing staff on apprenticeships are more likely to say that other employers (75 per cent compared to 67 per cent), trade unions (73 per cent compared to 52 per cent) and local government (72 per cent compared to 64 per cent) are helpful. These findings indicate that employer-facing bodies may be helpful intermediaries for offering further tailored support and guidance to employers who place existing staff on apprenticeships. However, they also suggest that training providers in particular may need to be more proactive in supporting employers who place existing staff on apprenticeships.

#### Qualitative findings

#### Easier access to information

Some employers noted that information and guidance on apprenticeships needs to be easier to locate and navigate. They generally suggested that information should be provided by the government, for example, through a centralised information hub or directory. One employer also suggested that DfE could run quarterly webinars focused on the latest developments and initiatives in apprenticeships.

Policy stakeholders also acknowledged that navigating information on apprenticeships can be a challenge for employers but believe this is difficult to resolve. They reflected that too much centralised control would be undesirable, as would a private sector monopoly on information about apprenticeships. Some suggested that guidance published by the government is less likely to be tailored to different sectors and may not be as trusted or positively viewed by some employers. An alternative suggestion was that government could provide more general information on apprenticeships and good practice guidance for employers, while more sector-specific information could be delivered by relevant sector bodies.

#### Additional funding

Employers and providers discussed the need for more funding for apprenticeships. This included general requests for more funding to account for increased delivery costs for providers and a review of the funding bands for different standards and levels.

Some interviewees suggested that additional funding is needed for Level 2 programmes. An employer reflected that Level 2 apprentices may need additional learning support when compared to those on higher level programmes, but that current levels of funding don't cover this. While training providers probably offer this support, they may be doing so at a loss. The employer suggested that without a funding increase, there was a risk that training providers would stop offering Level 2 programmes, which they perceived as an important vehicle for social mobility.

"And increase the funding. Like I say, I can see training providers stopping doing Level 2s, which then goes against everything we want to do with apprenticeships. If Level 2s are not offered, then to do a Level 3 you need GCSEs, which is going to set someone up to fail... A Level 2 is a great foundation to get people back into the education system or if they didn't do that well in the education system, to give them that second opportunity to go." (Large employer, retail)

#### Opportunity to provide feedback

Some employers said they wanted the opportunity to provide feedback to government on their experiences of supporting apprentices. Ultimately, they wanted to be able to help influence decision-making around apprenticeships and have their suggestions acted on. In particular, employers want to ensure that standards are fit for purpose and funding bands are adequate, and to have a say on additional work required of apprentices (such as the need to evidence learning each month).

#### Incentivising employers

Some providers wanted more onus placed on employer responsibility for facilitating successful apprenticeships. Policy stakeholders were divided on whether employers should take more accountability. One noted that training providers have an accountability framework with a set of indicators, and suggested something similar could be put in place for employers. However, other stakeholders expressed concern that this would be met with resistance and would add to the compliance and regulation that employers already adhere to, potentially deterring employers from offering apprenticeships altogether.

Policy stakeholders expressed concerns around introducing financial incentives for employers to facilitate successful apprenticeship completion. It was suggested that such incentives may undermine intrinsic, genuine motivations for supporting apprentice completion. Financial incentives may not be large enough to make a material difference, especially for larger business. Some also questioned how far financial incentives would increase completion rates and said there was a high risk of 'deadweight', with incentives being paid for apprentices who probably would have passed regardless. Alternatively, both providers and policy stakeholders noted that incentives do not necessarily need to be financial and could include, for example, a league table celebrating employers at the top and with the purpose of encouraging engagement and commitment.

"If we properly align the incentives, then we shouldn't need to force or be so hard... If employers recognise that actually it's significantly better for retention, future productivity, progression of an individual, then they should know what they need to do and should be willing to know what they need to do." (Policy stakeholder)

Policy stakeholders also suggested that a focus on raising the prestige of apprenticeships among employers in particular, as well as more generally, could help to incentivise completion. This could include better understanding and articulating the economic benefits of apprenticeship completion for individuals, employers and the wider economy, and encouraging employers to recognise apprenticeships as a way of recruiting new talent.



## 4. Wider success indicators

This chapter summarises survey and interview findings on employers' perspectives of apprenticeship success, alongside the views of other key stakeholder groups – training providers, policy stakeholders and apprentices.

#### Key chapter findings:

- In both the survey and interviews employers identified a range of wider success indicators beyond completion, showing that they have a broader view of success.
- The most common success factors pertained to apprentices progressing within the employers' organisation
   – employers were less likely to view apprentices staying in the same role as success. Employers with high
   completion rates are more likely to cite success indicators linked to employment and industry retention.
- Employers also identified a range of business benefits as wider success indicators. Most commonly, these
  include the apprentice gaining knowledge and skills relevant to their business needs, improved staff
  retention and reduced skills gaps.
- Training providers identified apprentices gaining skills and knowledge and career progression as indicators of success. Apprentices associated success with gaining skills relevant to their job role or to equip them for new positions elsewhere.

#### Survey findings

In order to better understand what success looks like from an employer perspective, employers responding to the survey were asked to select, from a list, indicators of a successful apprenticeship. Almost all employers (99 per cent) selected at least one of the indicators listed, showing strong recognition of the benefits of offering apprenticeships.

There is wide variation in employer opinions about what they would consider to be useful indicators of a successful apprenticeship (see Table 6). The most commonly identified success factors pertained to apprentices progressing within their organisation, including moving into a permanent job within their organisation (37 per cent), followed by being promoted within the organisation (36 per cent). By contrast, less than one fifth (18 per cent) of employers consider that apprentices staying in the same role as prior to their apprenticeship is a useful success indicator. Just over a quarter of employers identify apprentices moving to a different organisation in the same industry (27 per cent) or moving on to further or higher education (26 per cent) as success, highlighting the perceived importance of progression for employers even if this is not within their organisation.

Employers also identified a range of **business benefits** as wider success indicators of apprenticeships. Most commonly, these include gaining knowledge and skills relevant to business needs (35 per cent), improved staff retention (32 per cent), improved productivity (29 per cent), and improved staff engagement and morale (28 per cent). Just over one quarter of employers consider the reduction of skills shortages in their business (27 per cent), apprentices providing cost effective labour/value for money (27 per cent), and the apprentice going on to fill a critical vacancy (27 per cent) as indicators of success. One quarter (25 per cent) of employers say that diversity increasing/improving in their business is a useful success indicator, and just under one quarter (24 per cent) cite improvements in their client satisfaction or product/service. The least common indicator of success noted by employers is the apprentice moving onto another apprenticeship (14 per cent).

Table 6: Employer perceptions of indicators of a successful apprenticeship

Indicator of a successful apprenticeship	Total %	% of employers who say it is the most important indicator
The apprentice moves into a permanent job in my organisation	37%	12%
The apprentice is promoted within my organisation	36%	9%
The apprentice gained knowledge and skills relevant to our business needs	35%	10%
Improved staff retention as a result of the apprenticeship	32%	6%
Productivity levels improve as a result of the apprenticeship	29%	7%
Improved staff engagement and morale as a result of the apprenticeship	28%	5%
Skills shortages in my business have been reduced/addressed	27%	5%
The apprentice has provided cost effective labour/has been value for money	27%	6%
The apprentice stays in the same industry (even if they move on to another organisation)	27%	5%
The apprentice has gone on to fill a critical vacancy in our organisation	27%	8%
The apprentice moves on to further or higher education	26%	5%
Diversity in my business increases/improves as a result of the apprenticeship	25%	8%
Client satisfaction improves as a result of the apprenticeship	24%	5%
Our product/service delivery improves as a result of the apprenticeship	24%	5%
The apprentice stays in the same role as prior to starting their apprenticeship	18%	3%
The apprentice moves on to another apprenticeship	14%	2%
None of these	1%	N/A

Base: all responses (811)

Employers were also asked what they would consider to be the most important success indicator, and their opinions differed greatly. Most commonly, employers identified an apprentice moving into a permanent job in their organisation (12 per cent) as the most important success indicator, followed by gaining knowledge and skills relevant to their business needs (10 per cent), being promoted within their organisation (nine per cent), filling a critical vacancy in their organisation (eight per cent) and diversity in the business increasing as a result of the apprenticeship (eight per cent).

Some success indicators are more likely to be identified by certain groups of employers:

• Employers with high completion rates (over 75 per cent) are more likely to identify a range of success indicators related to employment and industry retention, including the apprentice moving into a permanent job in their organisation (47 per cent); being promoted in their organisation (44 per cent); gaining knowledge and skills relevant to business needs (44 per cent); filling a critical vacancy (35 per cent); and staying in the same industry, even if moving to a different employer (32 per cent). They are also more likely to say that apprentices gaining knowledge and skills relevant to their business needs is the most important success indicator (13 per cent).

- Employers who hire apprentices as mostly or all new employees are more likely than those who place mostly existing staff on apprenticeships to consider filling roles as the most important indictors of success; 17 per cent say that apprentices moving into a permanent position is the most important success indicator (compared to eight per cent) and 10 per cent cite filling critical vacancies (compared to five per cent).
- Employers who place apprentices on Level 2 programmes are more likely to say that apprentices moving to a permanent job in their organisation (46 per cent) and productivity levels improving (36 per cent) are useful indicators of success.
- Small employers are more likely to say that apprentices gaining knowledge and skills relevant to business needs is an indicator of success than medium-sized employers (40 per cent compared to 30 per cent). Large employers are more likely than small employers to cite reducing/addressing skills shortages (32 per cent compared to 23 per cent) and increased workforce diversity (30 per cent compared to 20 per cent).
- Employers who hire fewer apprentices (five or fewer) place particular importance on business needs: they are more likely cite movement into a permanent job in their organisation (45 per cent), gaining knowledge and skills relevant to business needs (40 per cent) and improved client satisfaction (29 per cent) as success indicators. They are more likely to say the most important indicator of success is filling a crucial role in the organisation (11 per cent). These findings imply that employers with fewer apprentices are more focussed on apprenticeship development at their own organisation.
- Employers in construction<sup>31</sup> (16 per cent) are more likely to say that apprentices gaining knowledge and skills relevant to their business needs is the most important indicator, while those in production are more likely to cite the apprentice filling a critical vacancy in their organisation as the most important indicator (13 per cent). Employers in other services (24 per cent) are more likely to say that apprentices staying in the same role as prior to starting their apprenticeship is a useful success indicator.

These findings provide insights on how different groups of employers view apprenticeship success, which can help to inform recommendations on how incentives and reporting can be targeted and tailored for employers with different characteristics.

#### Qualitative findings

Findings from the qualitative interviews included similar themes, with interviewees identifying skills acquisition, retention and progression as key success indicators.

#### Skills acquisition

All stakeholder groups identified success indicators related to skills acquisition. Some employers wanted acquisition of role-specific skills, particularly where a license to practice is required (e.g. in health and social care), substantial technical skills are needed (e.g. engineering) or other specific skills are highly valued, e.g. client-facing experience. Providers and apprentices also noted the importance of gaining role-specific skills, with some apprentices saying this was their motivation for starting an apprenticeship.

"Well, it looks like a successful apprentice, so someone who has come in who has built relevant skills, technical skills generally, over a period of time, who is a very employable, professional." (Large employer, technology)

Employers, providers, and policy stakeholders also all mentioned employability or 'soft skills', including leadership, confidence, resilience, and critical thinking. For example, a provider working for an ITP explained that life skills, particularly for younger apprentices on Level 2 programmes, are considered vital for transitioning from school to work.

<sup>&</sup>lt;sup>31</sup> Just 92 employers in the construction industry responded to this question. Findings based on a sample size of fewer than 100 respondents should be treated with caution.

#### Staff retention

Some employers identified retention and loyalty to their organisation as a success indicator. Most were offering apprenticeships, in part, to attract new talent to their business, as well as to retain existing staff and support them to progress. In light of this, some viewed staff retention as a return on their investment in apprenticeships. Some also noted that retention was important to reduce skills shortages in the business.

Apprentices also believe that retention is an important success indicator, noting that the opportunity of an apprenticeship had made them feel invested in and want to remain with their organisation for longer.

"For me, if [the employer] are prepared to fund something like three years of training, that means that they are investing in me, and they want me to continue, so I am going to stay with [the employer] for that reason amongst many" (Level 6 degree apprentice, chartered management)

#### Apprentice progression

Employers identified progression as an important success indicator. For some, this related to apprentices securing permanent positions upon completion of their programme.

"A successful apprenticeship, for me, is someone that comes out of the back end of it, that is someone that you would want to employ..." (SME, digital marketing)

Other employers wanted to see apprentices moving into more senior roles. For instance, an employer in the postal service and courier industry explained that they saw success as an apprentice using the skills and knowledge they had gained to progress within their business area or apply for another job internally. Another employer, working in the legal sector, described success as a readiness to take on more leadership responsibilities.

For training providers, success was most frequently associated with progression within education or employment. This includes continuing to the next level of their apprenticeship, applying for university and securing sustained employment or a promotion.

"Progressing to the next level of their apprenticeship, or gaining a promotion or, you know, sustained employment, I think that absolutely for us is what, you know, we're setting out for them to do, we want obviously all of our apprentices to either earn more or [...] be more qualified." (College)

Some apprentices viewed progression in terms of being able to move into a new job role or sector as a result of their apprenticeship. This included an apprentice who wanted to move from an administrative role to a project management position, where they said there was more scope for development and progression.

Policy stakeholders also agreed that apprentice progression was a key success indicator, including career development, wage growth and individual sector retention. Related to this, one stakeholder noted the impact of apprenticeships on social mobility, saying that tackling deprivation and poverty could be another potential success indicator.

#### Monitoring and measuring success

Overall, policy stakeholders regarded completion rates as the most valuable measure insofar as it offers a simple and standardised way of gauging success – including a straightforward measure to monitor provider performance. There was a general sense that this should not be replaced, but instead supplemented with additional measures to further demonstrate the value of apprenticeships. Suggestions included tracking whether apprentices go on to work in a related sector or industry, as well as earnings, wage progression, and progression into further learning.

Some training providers also suggested that there ought to be a review of what success means in relation to apprenticeships and how this is measured. Suggestions included reviewing the blanket 67 per cent target across all sectors and capturing 'soft skills' like confidence and conflict management.

## Summary

This research has built on the findings of our previous report into apprenticeship outcomes and destinations by exploring the experiences of employers in supporting apprentices and establishing a better understanding of how they view apprenticeship success.

#### Apprenticeship completions

Although there is a wide variation in completion rates across employers, the survey finds that employers **almost universally value apprenticeship completion**. That said, some groups of employers – such as those with apprentices on Level 2, 3 and 6-7 programmes – are particularly likely to value completion. The findings also show that employers who place new staff on apprenticeships value completion more than those with mostly existing staff.

The research indicates that apprenticeship completion is not just valued as an end in itself, but also as a means to achieving other business benefits. These include the apprentice gaining and demonstrating industry knowledge and experience, productivity, 'soft'/employability skills and technical skills. Employers who report high apprentice completion rates are particularly likely to recognise these business benefits. Assessments are considered important mainly as a means of formal recognition of knowledge and skills; employers may also require their completion in order to demonstrate competence or progress into higher level roles. The qualitative interviews indicated some exceptions to these, including perceptions that line managers may view completion as less important if apprentices demonstrate competency in the role, and that the EPA may be considered less important when other qualifications are attached to the apprenticeship.

Employers who report higher completion rates are also more likely to say that completion is important, which - taken together with the other findings - suggests that **while there is a link between the value employers place on completion and completion rates, this is not the main driving factor**. It is therefore important to highlight the business benefits of completion to all employers, and a wider need to focus on how employers can be further supported to help apprentices complete.

#### Support offered to apprentices

The survey finds that most employers offer direct support to apprentices, but that the nature of this support varies. Employers who experience high completion rates are more likely to provide support with time for off the job training and study and pastoral support – both of which were identified as integral to completion in our previous report. However, less than half of employers say that they offer support with off the job training time, and fewer than two in five pastoral support.

The findings show that employers face a range of barriers to offering support. Arranging time off is the most common barrier to supporting apprentices reported by employers in the survey, especially those placing existing staff on apprenticeships and with low completion rates. We know that the most successful employers are more likely to offer this support, and that apprentices identify off the job training time as one of the most important kinds of support they can receive. Addressing this barrier is therefore vital to improving completion rates. Further barriers highlighted in the research include securing line-manager buy-in, capacity for support among small employers, and funding and staffing challenges for providers. The relationship between employers and training providers and their approach to working together was also identified as a common barrier.

Despite this, the research indicates that **employers understand their responsibility for offering support to apprentices, in collaboration with training providers** – and that its viewed as a joint responsibility. These findings highlight the importance of ensuring that employers are well-equipped to support apprentices. In particular, employers need to be able to provide adequate time for off the job training and study – which both this research and our previous report have identified as key to supporting completion.

#### Supporting and incentivising employers

Employers identified a range of additional support that they would find helpful in supporting apprentices to complete. **Most commonly, this relates to financial support**, including incentives for completion, support to cover off the job training time, and support to help apprentices with direct costs. Other forms of support include additional guidance and materials - such as best practice guidance, materials to support apprentices, and standardised industry training materials - and support to understand apprenticeship requirements.

Interviews revealed conflicting views about who should offer this additional support and how, although **there was a general sense that support and resources should be easier to navigate**.

The survey also found that employers already engage with a range of existing support channels and find these useful, but that small employers and those who place existing staff may need additional tailored support and guidance, since they are less likely to find existing sources helpful.

#### Wider success indicators

Employers identified a range of success indicators beyond apprenticeship completion. **Most commonly, these refer to apprentices progressing within the employers' organisation and to business benefits** such as gaining knowledge and skills relevant to their business needs, improved staff retention, and decreased skills gaps. **Employers who report high apprentice completion rates are more likely to identify success indicators linked to employment and industry retention** – indicating again that successful employers recognise the wider business benefits of apprenticeship completion.

As the primary measure of apprenticeship success, achievement has the benefit of being simple, standardised and timely - factors highlighted by policy stakeholders in particular. However, the findings indicate that **this could be supplemented with further reporting of additional measures to provide a more rounded view of apprenticeship success** – as also highlighted in our previous report. Reporting these wider benefits can also help to demonstrate the value of completion to employers and incentivise them to support completion.

#### Recommendations

- 1. Off the job training is one of the biggest barriers cited by apprentices and employers. DfE should convene a stakeholder group, either standalone or within existing engagement structures, to look at how employers can ensure sufficient off the job training time for apprenticeships is provided. This should explore a range of options, including additional information and guidance for employers and the potential for financial support or incentives. As part of this, DfE should specifically consider how SMEs can be supported to ensure they provide sufficient off the job training time, noting these employers are more likely to identify cost as a barrier to providing it. Alongside this, DfE, mayoral combined authorities, and sector and provider bodies should work together to commission the development of sector-based case studies to share best practice in providing off the job training time across a range of employer types, job roles and contexts, and the facilitation of direct employer-to-employer guidance.
- 2. Pastoral support is important for apprenticeship completion but fewer than two fifths of employers provide it. Employers should consider what steps they could take to provide more pastoral support to apprentices, especially younger apprentices and those with additional learning needs. This could include a focus on organisational culture to ensure that senior and line managers place the same importance on apprenticeship completion. Employers should also arrange specific support and training for line managers so they are aware of how to provide pastoral support and what it involves. DfE should place further emphasis on pastoral support in apprenticeship communications and guidance to make sure employers understand their responsibilities and how to facilitate pastoral support.

- 3. Where employers perceive a responsibility to provide support, they are more likely to do so. DfE should ensure the availability of clear guidance setting out the responsibilities of employers and line managers to apprentices. This should be disseminated to employers through a variety of trusted routes; for example, through engagement with employer intermediary bodies and incentivising training providers to promote to employers. DfE should also encourage sector bodies to generate supplementary sector-specific guidance and ensure there is targeted guidance for line managers. In addition, DfE should consider how to enable more employers to find and access its existing step by step apprenticeship guidance hub.<sup>32</sup>
- 4. Encouraging employers to place more value on completion could help to increase completion rates. To incentivise employers to support completion, DfE should clearly demonstrate its benefits in the context of how employers view a successful apprenticeship. This should include a greater focus on benefits and outcomes data available in the Apprenticeship evaluation employer survey<sup>33</sup> and Further education outcomes<sup>34</sup> publications, such as the development of relevant skills, staff retention and sustained employment. DfE should ensure that benefits and outcomes data is regularly updated and provided in an accessible format, such as a data dashboard. This data should be regularly reviewed, to assess the coverage of the key success indicators highlighted in this research. Consideration should also be given to including further questions on benefits and outcomes in the next Apprenticeship evaluation employer survey, including the impact of apprenticeships on addressing skills shortages and longer-term retention and progression of apprentices.
- 5. Financial support should be made available for those who need help with direct costs. DfE should consider widening the eligibility for FE Learner Support funding to include young apprentices and those on programmes at or below level 3, or creating a separate discretionary access fund that providers can draw down on a case by case basis. As there is currently poor awareness of the existing Learner Support fund<sup>35</sup>, any additional financial support for apprentices should be proactively communicated to all parties; for example, by including information in marketing material for apprenticeships. In addition, large employers (in particular) should consider what additional financial support for direct costs (e.g. transport) that they're able to offer apprentices and other trainees as part of their investment in their future workforce.
- 6. The employer/provider relationship is crucial in supporting apprentices to complete. Employers and providers should be encouraged to consider a greater use of three-party meetings throughout apprenticeships, given the difference they make to the overall apprentice experience. DfE and employer membership bodies should disseminate good practice case studies of employer/provider relationships to demonstrate the features of a successful relationship and provide guidance on how to facilitate it. DfE could support employers by simplifying the Apprenticeship Agreement template and extending it to training providers to secure commitments on responsibilities and ways of working, and promote a shared understanding between employers, providers and apprentices.
- 7. Action to integrate mandatory qualifications and end-point assessments should be accelerated. For apprenticeships with a statutory regulator, IfATE is currently intending to integrate end-point assessments with the regulator's assessment arrangements. This is welcome, but action should be accelerated for all relevant programmes that include a wider qualification, with integration of the EPA into the qualification process. For example, this could include a requirement for the EPA to be conducted prior to awarding of professional or industry qualification.

<sup>&</sup>lt;sup>32</sup> HM Government (2023) Employ an apprentice for your business: step by step

<sup>&</sup>lt;sup>33</sup> Department for Education (2022) <u>Apprenticeship evaluation 2021: employer survey</u>

<sup>&</sup>lt;sup>34</sup> Explore Education Statistics (2023) <u>Further education outcomes</u>

<sup>35</sup> Learning and Work Institute (2023) Cost barriers to learning at Level 3

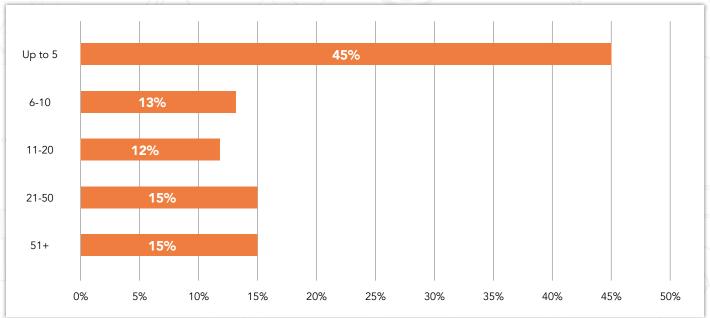
# Annex 1: Employer engagement with apprenticeships

This annex sets out the details of employers' apprenticeship offers.

#### Number of apprentices employed

Employers were asked approximately how many apprentices they employ currently/have employed in the past full year. More than two fifths (45 per cent) of employers said they have employed up to five apprentices in the last year (see Figure 5). Thirteen percent of employers hired 6-10 apprentices, 12 per cent hired 11-20 apprentices, 15 per cent hired 21-50 apprentices and 15 per cent hired over 51 apprentices.

Figure 4: Breakdown of number of apprentices employed by employers



Base: all responses (811)

Large employers (30 per cent) are more likely to hire more than 50 apprentices when compared to the sample average. Small employers (78 per cent), those in construction<sup>36</sup> (59 per cent)<sup>37</sup> and distribution (57 per cent) and those in the South East (57 per cent) are more likely to hire five apprentices or fewer.

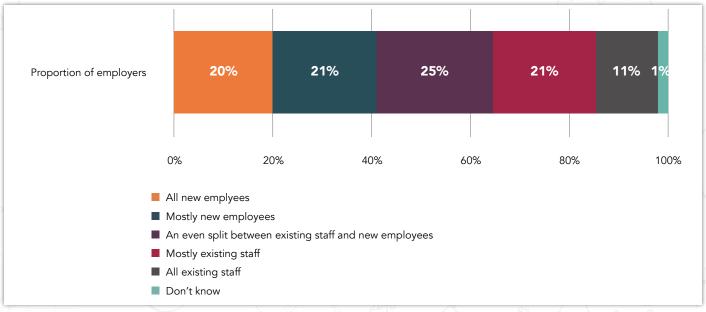
#### New hires and existing staff on apprenticeships

Around two fifths (41 per cent) of employers have hired all or most apprentices as new employees, while around one third (32 per cent) say that their apprentices are all or mostly existing staff (see Figure 6). One quarter (25 per cent) of employers reported an even split between existing staff and new employees on apprenticeships.

<sup>&</sup>lt;sup>36</sup> Just 92 employers in the construction industry responded to this question. Findings based on a sample size of fewer than 100 respondents should be treated with caution.

<sup>&</sup>lt;sup>37</sup> Employers in the construction industry are also more likely than the sample average to be small employers (52 per cent).

Figure 5: Proportion of employers hiring new employees and existing staff as apprentices



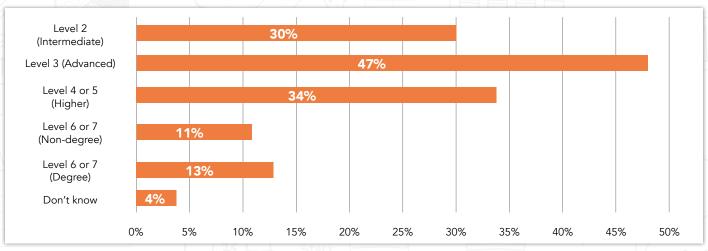
Base: all responses (811)

- Small employers (27 per cent) are more likely to **hire all apprentices as new employees** than medium-sized (19 per cent) or large (15 per cent) employers. Employers in the production (29 per cent) and construction<sup>38</sup> (28 per cent) industries are also more likely than the sample average to say that all of their apprentices are new employees.<sup>39</sup>
- Medium-sized employers (27 per cent) are more likely to say that most of their apprentices are existing staff
  than small and large employers (18 per cent respectively). Employers in London (28 per cent) are also more likely
  than the sample average to say that most of their apprentices are existing staff.

#### Level of apprentices hired

Employers responding to the survey were most likely to have hired apprentices on Level 3 programmes (47 per cent), followed by Level 4 or 5 (34 per cent), then Level 2 (30 per cent) (see Figure 7). Just over one in ten employers had hired apprentices at Level 6 or 7 (11 per cent hired apprentices on non-degree programmes and 13 per cent on degree apprenticeships).

Figure 6: Level of apprentices hired



Base: all responses (811)

<sup>&</sup>lt;sup>38</sup> Just 92 employers in the construction industry responded to this survey. Findings based on a sample size of fewer than 100 respondents should be treated with caution.

<sup>&</sup>lt;sup>39</sup> Employers in the construction industry are also more likely than the sample average to be small employers (52 per cent).

#### The following employer groups are more likely to hire apprentices at higher levels:

- Medium and large employers are more likely than small employers to hire apprentices on higher or degree apprenticeships (at Level 4 and above). Large employers are more likely to hire apprentices on degree apprenticeships than medium employers (20 per cent compared to 14 per cent).
- Employers in business services are more likely than the sample average to hire apprentices on Level 6 or 7 programmes both degree (18 per cent) and non-degree (14 per cent).
- Employers in London are also more likely than the sample average to hire degree apprentices (17 per cent). This finding might be related to the sector or size of organisation; employers in London are more likely to be in business services (45 per cent) and to be medium-sized (41 per cent) than the sample average.

Employers in construction<sup>40</sup>, meanwhile, are less likely than the sample average to employ apprentices on degree-level programmes (5 per cent) and more likely to hire apprentices on Level 2 programmes (40 per cent). Employers in distribution are also more likely to hire apprentices on Level 2 programmes (38 per cent).



<sup>&</sup>lt;sup>40</sup> Just 92 employers based in the construction industry responded to this. Findings based on a sample size of fewer than 100 respondents should be treated with caution.

## Annex 2: Employer industry groupings

The employer survey grouped employers by industry. The industries reported are production, construction, distribution, business services, and other services. These groupings are defined by the market research agency, and include the industries outlined in Table 7. The groupings allow for a sufficiently large sample base size for statistically significant findings to be identified.

**Table 7:** Industry groupings

Meta-group	Industry
	Agriculture, Forestry and Fishing
	Mining and Quarrying
Production	Manufacturing
	Electricity, gas, steam and air conditioning supply
	Water supply, sewerage, waste management and remediation activities
Construction	Construction
	Wholesale and retail trade; repair of motor vehicles and motorcycles
Distribution	Transportation and storage
	Accommodation and food service activities
	Information and communication
	Financial and insurance activities
Business Services	Legal sector
	General banking
	Accounting and auditing services
	Administrative and support service activities
	Public administration and defence; compulsory social security
Other Services	Education - other (e.g. college, university etc.)
	Education - primary or secondary school
	Healthcare (includes dentists and pharmaceuticals)
	Arts, entertainment and recreation
	Other service activities
	Not-for-profit (e.g. a charity)
	Property services

# Annex 3: Sample profile

Group	Subgroup	Number	% of sample
	Small	270	33%
Business size	Medium	269	33%
	Large	272	34%
	Production	136	17%
Industry (grouped)	Construction	92	11%
	Distribution	143	18%
	Business services	250	31%
	Other services	190	23%
	North-West	90	11%
	North-East	50	6%
Region	Yorkshire & Humberside	74	9%
	West Midlands	83	10%
	East Midlands	63	8%
	South-West	44	5%
	South-East	107	13%
	Eastern	43	5%
	London	257	32%
	Up to 5	364	45%
Number of apprentices hired	6-10	106	13%
	11-20	97	12%
	21-50	121	15%
	51+	123	15%
Mil. d	Existing staff	263	32%
Whether apprentices are new or existing staff	An even split	203	25%
	New employees	335	41%
	Level 2 (Intermediate)	Level 2 (Intermediate)	Level 2 (Intermediate)
Level of apprentices hired	Level 3 (Advanced)	Level 3 (Advanced)	Level 3 (Advanced)
Level of apprentices filled	Level 4 or 5 (Higher)	Level 4 or 5 (Higher)	Level 4 or 5 (Higher)
	Level 6 or 7 (Non-degree)	Level 6 or 7 (Non-degree)	Level 6 or 7 (Non-degree)
	Level 6 or 7 (Degree)	Level 6 or 7 (Degree)	Level 6 or 7 (Degree)
	Less than 25%	41	5%
Proportion of appropriate completing	25% to 50%	250	31%
Proportion of apprentices completing their programme	51%-75%	242	30%
	More than 75%	252	31%
	Don't know	26	3%
	Quite / very important	778	96%
Importance of completing all training	Not very / not at all important	33	4%
	Quite / very important	774	95%
Importance of completing all assessments	Not very / not at all important	37	5%





The St Martin's Group is a unique membership organisation created to support the UK economy by fostering a sustainable, quality-focused and employer-led apprenticeship and skills system.

Launched in 2018, the Group brings together stakeholders from some of the UK's leading employers, training providers and awarding organisations from across all sectors and levels of qualification, which together are representative of these pillars of the UK's skills delivery infrastructure. Since 2021, with encouragement from key stakeholders, the Group has expanded its aims to include the wider adult funded skills market.

These efforts will ensure the Group and its members are able to promote increasing collaboration and engagement in the sector for the benefit of all stakeholders.

Collectively, The St Martin's Group encompasses the views of employers, training providers and awarding organisations. Being representative of these pillars of the UK's skills delivery infrastructure, provides it with unique insight, expertise and knowledge to address the current and long-term issues and ambitions of the sector.



Learning and Work Institute is an independent policy, research and development organisation dedicated to lifelong learning, full employment and inclusion.

We research what works, develop new ways of thinking and implement new approaches. Working with partners, we transform people's experiences of learning and employment. What we do benefits individuals, families, communities and the wider economy.