

HOUSE OF COMMONS SELECT COMMITTEE ON EDUCATION

QUALITY OF APPRENTICESHIPS AND SKILLS TRAINING INQUIRY

**Written Evidence submitted by the Chartered Management
Institute**

January 2018

QUALITY OF APPRENTICESHIPS AND SKILLS TRAINING INQUIRY

Executive Summary

The Chartered Management Institute (CMI) welcomes the opportunity to provide evidence. CMI is the only chartered professional body for management and leadership, our charitable mission is to create better-led and managed organisation, and we do this by growing the quality and quantity of professionally qualified managers. We believe the Government's apprenticeship agenda provides a critical opportunity to transform the skills landscape towards an employer-led system that better recognises the value of higher-level, professional skills, alongside entry-level core skills.

CMI works in partnership with the Management and Leadership Trailblazer Group of leading employers supporting the development and implementation of the full suite of new management and leadership apprenticeships standards. This includes the Team Leader and Operational Manager Apprenticeships, through to the Chartered Manager Degree Apprenticeship and the Senior Leaders Master's Degree Apprenticeship.

We clearly see a trend of new, higher quality apprenticeships emerging across the professions. The new Standards are employer-led and have been designed to meet the management and leadership needs that have been identified across UK industry. According to UKCES data, the UK will need 2 million additional managers by 2024, and the annual CBI/Pearson skills survey reports that 71% of employers are expecting to grow the number of people with leadership and management skills over the next three to five years.

These high quality new standards have been developed to include the latest industry best practices and professional standards, building on the outcomes of extensive employer consultation, including a Parliamentary Commission on the future skills needs of managers. CMI research demonstrates that organisations with effective management and leadership development programmes have on average 23% better results and are 32% more productive. Indeed, 83% of Chartered Managers say they are more productive as a consequence of their training and development, and CMI calculates their average added value to an organisation is £391,443.

By including this pathway to professional recognition within the new management standards, apprenticeships can clearly help to address the productivity gap. The UK productivity is currently 18% lower than the rest of the G7, and a recent Investors in People report outlined

that £84bn is wasted in the UK each year through poor people management and leadership. Only 1 in 5 UK managers today is professionally qualified, resulting in an estimated 2.4 million accidental and unskilled managers in the UK, promoted into leadership roles because of their ability in their job, not their management skills.

Already the uptake of these high-quality new apprenticeships shows strong employer and individual demand for professional management skills. Universities UK data indicates that the Chartered Manager Degree Apprenticeship is the fastest growing degree apprenticeship with over 1,200 degree-level apprentices on programme. According to new CMI data from December 2017, in total 2,943 apprentices were on management apprenticeships across the three standards linking through to professional recognition.

Initial demographic data is available for 1,000 of these degree apprentices, and shows that these new routes are being successfully accessed by the socially-disadvantaged and young people. Analysis of this data shows that:

- **51%** of the new Degree Apprentices are under the age of 30
- **44%** of the apprentices come from the most socio-economically challenged regions
- **52%** are female and 48% are male.

In summary, CMI is committed to setting and maintaining professional standards, and to working with Government, employers, providers and learners to develop and provide high quality management apprenticeships that can drive up both productivity and improve social mobility. CMI's submission highlights the following key points:

- The ongoing role of professional bodies in bringing together employers and providers to support developing, implementing and maintaining high quality apprenticeships standards based on industry-recognised, professional practice.
- The need for Government to recognise the value of fully embedding national and industry-recognised qualifications and professional accreditation within apprenticeships to help achieve high quality outcomes and to reassure employers and learners of the value of these routes.
- The need for simplification of quality assurance processes across the multiple Government agencies involved in over-seeing apprenticeships to reduce the levels of administration and bureaucracy encountered by both employers and providers.

- The early adoption of outcome measures for apprenticeships: CMI is already working with leading providers and key stakeholders to generate robust data to demonstrate learner outcomes beyond employment and into learning gain and the subsequent impact on productivity, alongside social mobility metrics.
- Recognition that the Apprenticeship Levy and new standards are a long-term transformation of the skills ecosystem, and will take time to embed and fully evolve. Although there are no completions on management apprenticeships, initial evidence from case studies and early adopters, covering the views of apprentices and employers, is hugely positive.

1. The quality of current provision, how this varies by sector, level and region, and the impact of this on learner outcomes

1.1 CMI works in partnership with a full range of high-quality providers who are delivering apprenticeships across all levels, from Level 3 to Level 6, throughout the country. This includes private training providers, employers, FE Colleges and Universities. All CMI-recognised partners are required to meet the high-quality threshold that CMI sets as the professional body. The desire of employers and training providers to align the apprenticeship standards to internationally-recognised professional standards, qualifications and Chartered Status, is helping to transform the quality of training and heighten learner ambitions.

1.2 CMI has found the current provision and coverage across the regions to be good, with 44% of its apprenticeships being delivered to the most socio-economically disadvantaged regions. This includes 14% from the North West; 13% from the East Midlands; and 11% from the West Midlands. Uptake has also been strong across all sectors, with the following sectors emerging as early adopters: retail and hospitality, engineering and construction, financial services and the public sector. This reflects the clearly identified need for better management and leadership skills across all sectors.

1.3 CMI works with its partners to provide the best apprenticeship experience and outcomes for employers and apprentices. We currently work with 22 employer and provider strategic partners and 31 universities to support their delivery of management and leadership apprenticeships. This range of high-quality providers offers employers a real choice in delivery models, coverage and approach.

1.4 CMI works closely with partners to provide a seamless introduction to employers. Our partners are chosen very carefully looking at quality of delivery, OFSTED ratings and their alignment to our values and beliefs. The learner journey is all important in that choice and the knowledge that this journey enriches not just the learner but builds towards the increased success of the company is key.

1.5 Quality is currently measured in different ways, mainly focused on apprentice outcomes and student satisfaction. CMI is conducting research into the impact of apprenticeships.

Together with our partners, we are seeking to have robust data to demonstrate learner outcomes beyond employment and into learning gain and the subsequent impact on productivity. The final outcome of a learners' journey is important, but we must begin to look beyond and into a full range of outcomes that this critical work-based learning can deliver to both business and the wider economy. CMI is already in discussions with the Government and key stakeholders regarding the development of these measures of impact.

1.6 Although there are no completions on management apprenticeships, initial evidence from case studies and early adopters, covering the views of apprentices and employers, is hugely positive (see Appendix 1 for qualitative quotes from employers and apprentices).

2. The effectiveness of the quality monitoring system, in particular the role and capacity of Ofsted

2.1 CMI believes that the effectiveness of the existing quality monitoring system is acceptable, but there are key challenges still to be addressed by the Government. In particular, there are too many bodies involved in the quality assurance process. Employers and providers need the processes to be simplified, as many need to work not only with Ofsted, but also with the Institute for Apprenticeships (IfA); the Education and Skills Funding Agency (ESFA); the Higher Education Funding Council (HEFCE); the new Office for Students; the Quality Assurance Agency for Higher Education (QAA); Ofqual and the Department for Education.

2.2 At the moment, the quality assurance landscape is immensely time-consuming – particularly for those involved across multiple standards and providers. As an example, for degree level apprenticeships, employers and providers need to ensure the learner achieves a recognised degree, which is subject to all the requirements of HEFCE, QAA and OSR. In addition to this, in order to receive apprenticeship funding and levy payments they also have to meet the requirements of the ESFA and IfA. For each individual apprenticeship, they will also need to meet the requirements of the End Point Assessment process and any aligned professional recognition.

2.3 For the Chartered Manager Degree Apprenticeship, CMI has worked with employers to develop and offer a simplified End Point Assessment that fully embeds the professional recognition pathway within the apprenticeship assessment. Indeed, both providers and employers welcome the role of professional bodies in using professional qualifications to help map learning and development to the new Apprenticeship Standards.

2.4 With the passage of the Higher Education and Research Act, the Government established the Office for Students (OFS), as the single regulator for the HE sector. The agenda for the OFS includes teaching quality and social mobility. As the government sets up the OFS, it should ensure that the OFS is fit for purpose and has the power to regulate future provision. The OFS must also have the ability to review and measure the effectiveness of provision, and be able to order changes if the effectiveness is found wanting.

2.5 Looking forward, for degree-level apprenticeships, the current process could clearly be simplified by ensuring the new Office for Students has the appropriate quality assurance responsibilities for apprenticeship delivery, and by working with and entrusting professional bodies to develop high quality standards and assessments.

2.6 The apprenticeship policy has explicitly recognised the value add of professional recognition, and we are already seeing a trend of new high quality new apprenticeships emerging across various professions. A key factor affecting improvements in quality is the role of professional bodies and their work in the development and execution of apprenticeships. Many bodies have worked with employers and providers to create programmes that not only provide training, but also offer professional recognition and develop high professional standards.

2.7 Professional bodies are also engaging with their relevant sectors and employers to provide End Point Assessment and offer professional recognition pathways. This works to improve the quality of the apprenticeships and ensures apprentices complete the training with industry-recognised professional skills. Robust and high-quality processes for End Point Assessments are being developed to ensure high quality outcomes. Quality outcomes are easier to measure when qualifications are fully embedded within apprenticeships. As such, employers and learners are both seeking professional qualifications within their apprenticeships, and many are frustrated when these are not currently mandated within a Standard.

2.8 Consultation with over 1,000 employers when developing the management apprenticeship standards, showed that 78% agreed that qualifications provide quality assurance for customers and that the benefits outweighed the time, money and effort invested in obtaining them. More than 80% of managers say that taking a management qualification has resulted in increased professional recognition, with most stating that employers prefer qualified managers when recruiting. This was confirmed by a majority of managers reporting that their qualification had helped them in gaining a promotion.

2.9 As the Standards are reviewed, we propose that employer requirements for qualifications are included to help drive up quality and recognise the benefits of existing quality assurance frameworks.

3. Quality of training received by the socially disadvantaged, and barriers to them undertaking this training

3.1 The new apprenticeships provide significant new routes for improving social mobility. The all age apprenticeship policy offers a new funded-route to individuals who haven't in the past had the opportunity to benefit from higher education or to obtain professional membership. Similarly, the degree-level apprenticeships, as well upskilling existing workers, can provide a progressive new route for talented young people from socially-disadvantaged backgrounds, who would not have previously considered university, to gain the benefits of a university education whilst working and earning.

3.2 Initial demographic data from the Chartered Manager Degree Apprenticeship is available for 1,000 apprentices. This shows that these new routes are being successfully accessed by a diverse range of learners, including those from socially-disadvantaged backgrounds and young people. Analysis of this data shows that:

- **51%** of the new Degree Apprentices are under the age of 30
- **44%** of the apprentices come from the most socio-economically challenged regions
- **52%** are female and 48% are male.

3.3 The main barrier to accessing high quality apprenticeships is the lack of awareness and relatively slow levels of employer uptake following the introduction of the Levy. Awareness among young people, parents and teachers is particularly low. Taking degree-level apprenticeships, only 20% of parents were aware of these, and this was lower for those from socially-disadvantaged backgrounds (CMI/Populus survey of 1,000 parents, July 2017). With this knowledge, we face a serious challenge not only to raise awareness around apprenticeships in general, but to reach those less privileged families likely to benefit most from the "earn while you learn" approach.

3.4 This low level of awareness among young people is compounded by poor career guidance. Too many schools are not promoting apprenticeships, and where they are, they still position them as a secondary option to university. Breaking stereotypes and achieving parity of esteem is a major issue facing apprenticeships. Whilst the new degree-level pathways combined with

clear routes into a professional career with Chartered status, is clearly helping to raise the prestige of this options, more general awareness needs to be improved.

3.5 This can be mitigated by vastly improving the information, advice and guidance shared through career guidance professionals and parents about the opportunities provided by apprenticeships. Government, professional bodies, employers and training providers must all do more to increase awareness and change institutional and parental attitudes about apprenticeships, especially among disadvantaged groups.

3.6 An important element in advancing this information is the recent strategy launched National Careers Service, which will serve as an updated "one stop shop" website, and will bring together careers information for those at the start of their careers or wanting to retrain or upskill. An improved and interactive course directory will clearly explain routes to a wide range of vocational and academic learning opportunities, including apprenticeships, degrees and basic skills courses. From January 2018, Government will require schools to give providers of technical education, including apprenticeships, the opportunity to talk to pupils about the courses and jobs they offer.

3.7 In an economy that's increasing its demand for professionally skilled graduates, and at a time of a growing skills gap between the richest and poorest, there must be an increased awareness about the role of degree apprenticeships. Evidence from CMI's engagement with employers highlights a desire to broaden the talent pool from which they can recruit. Already the apprenticeship agenda is starting to offer employers a new landscape for recruiting and developing a diverse, skilled and productive workforce.

Background

4.1 The Chartered Management Institute (CMI) is the only chartered professional body for management and leadership, our charitable mission is to create better-led and managed organisation, and we seek to do this by growing the quality and quantity of professionally qualified managers.

4.2 CMI sets standards of excellence in management and leadership. Through our awarding body our professional management qualifications span GCSE to PhD equivalent levels. Most recently, CMI has worked with leading employers to develop a full suite of new management and leadership apprenticeships standards, from team leading through to the Chartered Manager Degree Apprenticeship. Following the new Apprenticeship Levy, many employers

and education providers across the country are already beginning to see how these apprenticeship opportunities can be aligned to widening access to professional careers and improving management capability.

4.3 We provide employers and individual managers with access to the latest management thinking with practical online support that helps them to embrace change, create high-performing teams and keep ahead of the curve. With a member community of more than 157,000 managers and leaders, we promote high standards of ethical practice through our Professional Code of Conduct, and help managers to build their expertise through online networks, regional events and mentoring opportunities.

Contact

CMI would welcome the opportunity to discuss apprenticeships and social mobility with the committee further.

Petra Wilton
Director of Strategy and External Affairs
Petra.wilton@managers.org.uk Tel: 020 7421 2708

Joseph Finkle
Stakeholder and Government Relations Officer
Joseph.finkle@managers.org.uk Tel: 020 7421 2746

Appendix One

The following are testimonials from our apprentices, employers and providers regarding the benefits of the new management and leadership apprenticeship standards.

Apprentices

“My employer is a charity called Herriot Hospice Homecare, which is based in North Yorkshire and Richmond. Doing the management and leadership apprenticeship really helped to boost my legal knowledge and give me the skills that I need to work with vulnerable adults. I’ve also found that it fits around my personal and professional life. I’m a single parent to a three-year-old so I need to make time for her as well as my work.”

- Rebecca Wallis, Manager, Herriot Hospice Homecare Store

“As a manager, you’re in a privileged position to shape others’ futures and destinies. I definitely feel this course has given me the foundations and skillset to excel at the next stage.”

- Rav Billan, Apprentice, Acivico, 36 year old mother of three

“The degree apprenticeship has given me the confidence and analytical thinking I need to succeed in the world of business”

- Christopher Achiampong, Apprentice, IBM

“At school I always preferred to learn by doing, and so I felt an apprenticeship was the right course for me. I find it incredible that at the age of 21, I’ll have not only a degree but also a professional status. I’ll already be in a role with a job under my belt and I’ll have the work experience. I feel I’ll be in a better position”.

- Haleema Baker-Mir, Apprentice, Nestle

“Having a supportive manager is so important. My own manager is brilliant. She is a tremendous role model to me, and is one of the main reasons why I hit the ground running when I started my apprenticeship. I cannot stress enough the importance of having a supportive, knowledgeable and engaging manager.”

- Harry Tugwood, Reward and Recognition Apprentice, DHL Express

“My apprenticeship has given me the confidence I needed to help grow my abilities and help with business decision in my role as a manager.”

- Gemma Strain, Team Manager, Sitel

“We get so much support throughout the course; from study leave to helpful mentors, through to being encouraged to reach out to senior level staff and the learning development team if we have any problems. I’m reassured in the knowledge that at the end of the course, on top of having a degree, I’ll be on the path to becoming a fully qualified Chartered Manager. It really is a fantastic career accelerator.”

- Thomas Summerfield, Service Advisor, Pendragon PLC

“The apprenticeship programme reflects how the people make this company. Coming straight from Sixth Form and working in a professional environment was a learning curve. But because you’re working with real clients and projects, you adapt really quickly. You’re building professional relationships and working with some of the most qualified people in the business every day.”

- Daniel, Apprentice, UKFast

Employers

“Because we were involved with designing the curriculum with Sheffield Hallam, we can ensure that the work the apprentices are doing aligns with that, so the apprentice gets the best of both worlds - they earn, they learn - and they are really able to develop at such a pace”

- Dame Fiona Kendrick, Nestle

“It gives rich, on-the-job experiences that they can’t get simply going through the normal university pathway”. “We wanted to create something that would initially give young people but, more recently, a much broader audience a pathway to the more senior parts of our business”

- Mike Thompson, Head of Barclays’ Apprenticeship Programme

“Building leadership and management capability across the Civil Service is a priority for the leaders of the Civil Service, and the CMDA and our other recently published standards will be a fantastic enabler for this to happen”

- Jake McClure, Head of Apprenticeship for Civil Service Learning

Providers

“I am genuinely excited by the prospect of CDMA because to me the Chartered Manager standards are the glue that can take our employer engagement partnership between Anglia Ruskin University and Barclays to progress to the next level.”

- Vanessa Knowles, Director of Corporate Programmes at Anglia Ruskin’s Lord Ashcroft International Business School

“The new Chartered Manager Degree Apprenticeship is a good example of an immersive ‘pull’ system giving the UK and its schools a competitive advantage.”

- Abby Ghobadian, Professor of Management, Henley Business School

“I’m thrilled to be part of the programme and think there are clear benefits for both sides. For me it provides a clear route to becoming a business leaders, whilst Pendragon will gain a loyal employee with both the relevant qualifications and an in-depth knowledge of the business from the outset – something you can’t get by employing someone straight out of university.”

- Sam Butler, Service Advisor, Pendragon PLC

“Having qualifications that are mapped to CMI’s standards helps the business school to meet the employability aspirations of its students.”

- Peter Stock, Assistant Head at the University of Brighton Business School