



## **Higher Apprenticeships: perceived potential and challenges**

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### **1. Introduction**

This document presents a brief outline and summary of the key findings from a small scale exploratory study on Higher Apprenticeships, funded by the Mixed Economy Group of Colleges. The project was initiated as part of discussions between the research/project team on the increasing significance of Higher Apprenticeships in policy terms and the possible interest that HAs may generate amongst College Higher Education (CHE) stakeholders. Ten colleges took part in the study, of which, six colleges are within the MEG membership. These colleges were chosen on the basis of the range of Higher Apprenticeships delivered at these colleges as well as the history and reputation of their provision.

In-person interviews were conducted with 19 interviewees from the 10 participating colleges. The number of interviewees at the colleges varied from 1 to 3 and in cases where more than one interviewee participated from a college, a joint/group interview took place. The average duration of these in-depth interviews was 90 -120 minutes.

### **2. Higher apprenticeship provision at the participating colleges**

#### (a) Provision of HAs in the participating colleges

HAs were relatively new programmes in these colleges. Some colleges had only introduced HAs in the academic year 2015/16 and the recruitment levels were low. Whilst the FECs were selected and the interviewees were approached on the basis that the colleges delivered a range of Higher Apprenticeship programmes, the HA provision proved to be small both in terms of numbers of HA programmes and student numbers.

- Higher apprenticeships were largely delivered as part of the existing apprenticeships frameworks, with an exception of 2-3 programmes across the 10 participating colleges that were being delivered as part of the new standards arrangements since September 2015.
- HA in Accountancy (that includes an AAT Level 4 qualification as part of the technical component) was delivered at a majority of the participating colleges and it was possibly one of the first HAs to be introduced by the FECs. HA in Accountancy was perceived to be the most straightforward HA to offer and colleges could adapt their pre-existing AAT Level 4 programmes to meet the framework requirements.
- Some new HA programmes (CIMA Management Accounting, HA in Business Administration, Human Resource Management, and Hospitality Management) were

introduced at the colleges. However these were not successful in attracting learners and employers.

- It is noteworthy that although the number of apprentices at Levels 2 and 3 were high at most of the participating FECs, this did not necessarily translate into opportunities for expanding the provision at higher levels. Interviewees attributed this to multiple reasons: for instance, it was argued that not all occupations/roles demand skills higher than those gained at Level 3.
- For a majority of participants, the colleges' increased focus on HAs was a 'reaction' to the Government's agenda to promote apprenticeships as an alternative route to the more conventional forms of HE. It was not necessarily a response to employer demand.

#### (b) Drivers for HAs

- Some interviewees believed that in the light of the steer from government, colleges were viewing HAs as a potentially strong income stream. However, they perceived that caution needed to be exercised while costing the programmes.
- HAs involving Higher National qualifications cost less than those with Foundation Degrees. The delivery costs were noted to be combined with costs for recruiting apprentices, administration of employer engagement, costs associated with workplace assessment including salary costs for Assessors.
- The interviewees identified high levels of employer demand for apprenticeships at levels 2 and 3. This was perceived to be driven by full funding for apprenticeships from the government for learners in the 16-18 age bracket. For HAs, part funding from the government for 19+ learners was viewed as assisting colleges to 'sell' HAs.
- HAs are also believed to have the potential for offering a more rounded HE experience for students because of combining work (relevant work experience) and studies. They were seen as making students more 'employment-ready' and employable after completion, in contrast with recent graduates who largely have no relevant work experience.
- Another driver for colleges to offer HAs was to offer progression routes for apprentices at lower levels. Interviewees asserted that in some instances, learners were keen to study at a higher level and Higher Apprenticeships were the most logical route for these learners keen to progress to HE.
- Higher Apprenticeships were considered by some employers as a means to succession planning and securing a more stable workforce. Some interviewees believed that employers prefer to recruit young apprentices as it is easier to 'mould' them in the company culture. Apprentices often stayed with their employers for longer than those who were recruited otherwise.

#### (c) Recruitment of HAs

- The recruitment of apprentices required the colleges to approach employers and discuss the skills and training needs of the company. This was combined with instances where the employers themselves approached the college to recruit an apprentice.
- It was noted that a majority of colleges tended to engage with employers they were already working with for apprenticeships at levels 2 and 3 or those with whom the colleges had built long standing relationships.

- Colleges, in most cases, seemed to play a crucial role in the recruitment of apprentices. Colleges took responsibilities for placing the job adverts, sifting the applications, forwarding the CVs to the employers for shortlisting and arranging the interviews, as well as organising any exams required for entry into the programme.
- Typically, HA programmes at colleges attracted younger learners in the 18-24 age groups although mature learners (24+ age group) were also recruited as apprentices by some employers. Mature learners were perceived to be 'less comfortable' being referred to as apprentices. Apprenticeships were largely perceived to be a training route for younger learners and the low salaries offered for apprentices was seen as discouraging mature learners even further.

#### (d) Degree Apprenticeships

- Most participants had a limited understanding of Degree Apprenticeships. Only one college was involved in offering a Degree Apprenticeship, in an Engineering area.
- Degree Apprenticeships would require collaborative working with their university partner(s). Some interviewees believed that universities might choose to deliver Degree Apprenticeships independently of their partner colleges. Increased competition between universities and colleges over the recruitment of Degree Apprentices was a potential concern.
- Some interviewees believed that universities do not have the experience and expertise of delivering apprenticeships, as traditionally these were predominantly offered at levels 2 and 3. It was argued that apprenticeships will be 'new territory' for the HEIs and that without collaborating with colleges they may be challenged with administration and bureaucracy of apprenticeships.

#### (e) Apprentices vs Graduates

- Some employers are perceived to value apprentices over graduates with Degrees because graduates sometimes do not have the 'right attitude' to work and take longer to blend into the company ethos and values.
- Most interviewees recognised that HE graduates are also in some form of employment during their studies. However, they are typically employed in junior roles, often in retail, that do not relate or contribute to their chosen careers. In contrast, it was argued that the apprentices are more employable at the end of their programmes, particularly by the company that recruits them.
- It is notable that some interviewees highlighted that there was a large number of graduates who were applying for Higher Apprenticeship programmes at their colleges. Employers, in most cases, were not keen to recruit these graduates, in part, because of restricted funding for 19+ learners, and also because the employers preferred a younger person with no prior experience who could be trained and developed within the company.
- Some interviewees strongly asserted that HAs offer an opportunity to young people to study for HE qualifications without taking out a student loan.

### **3. Challenges in delivering and expanding HA provision**

Some interviewees strongly believed that there is potential for HAs to be viewed and accepted as an alternative to more conventional forms of HE, although this shift in attitudes

was unlikely to happen in the immediate future. Several factors that may limit the HAs in realising this potential were also noted. These include:

(a) Terminology and branding

- A number of interviewees said that the employers did not understand what was meant by a Higher Apprenticeship. In addition, employers often did not fully comprehend the difference between the Advanced and Intermediate levels and therefore explaining a Higher Level or Degree Level apprenticeship to an employer was a complex exercise. Some interviewees emphasised that HAs will be better understood by employers if they were branded and named differently.
- Apprenticeships continue to be viewed as training at levels 2 and 3, intended for younger people, whilst they occupy manual and lower level roles.
- Some interviewees perceived that university HE was very much the norm in England. Pursuing an apprenticeship potentially stigmatises learners in that there is an assumption that they did not do very well at school and are 'doing an apprenticeship at a local FE college' as a poor second choice. Colleges face significant challenges in communicating the advantages of Higher Apprenticeships to students and parents.

(b) Employer attitudes and expectations

- A number of interviewees believed that employer attitudes towards apprenticeships were guided by the training and education routes pursued by employers themselves and those responsible for the training and development of employees.
- Some interviewees were critical about employer attitudes towards HAs as a means of securing 'cheap labour'. A number of interviewees who held employer-facing roles shared that the employers can have unrealistic expectations from apprentices. For instance, in some cases, the roles and job vacancies for HAs advertised by employers were similar to graduate level roles. Employers were attempting to fill those vacancies by recruiting apprentices. Some colleges had failed to fill apprenticeship vacancies because the salaries did not match the job description with the result that no applicants applied for the apprenticeships.
- There was a general consensus amongst the interviewees that employers were reluctant to pay tuition fees and therefore preferred to recruit lower-level apprentices that were eligible for full funding from the government. However, the employers' reluctance in investing in training is expected to change with the introduction of employer levy, which will accompany the introduction of new Apprenticeship standards.

(c) Staffing needs

- One of the challenges of delivering apprenticeships at higher as well as lower levels was identified as securing qualified and experienced teachers. Salaries at FE colleges were not sufficiently competitive to attract practitioners to teach on the programmes.
- Some interviewees cited that there were particular challenges in recruiting teachers to teach on vocational courses in subjects including Plumbing and, more specifically, Accountancy at a higher level.

#### (d) Competition with private providers

- A majority of interviewees believed that while competition between FE colleges and universities may intensify, colleges were already competing strongly with private training providers that offered similar HA programmes at competitive or significantly lower fees.
- It was argued that colleges had an advantage over private providers for provision that involved equipment and other resources that required large sums of investment. Private providers competed more strongly in classroom-based provision, such as Business Admin and Accountancy which they could offer at lower costs in contrast with the FECs.

#### (e) Internal challenges and complexities

- The internal organisation and structural arrangements at the colleges can pose challenges to the development of HAs. One participating college had experienced a steep reduction in HA provision: in a short space of 3-4 years, the previously strong HA offer had nearly disappeared. This was largely attributed to a change in senior leadership and subsequent restructuring at the college.
- A majority of the participating FECs were attempting to be driven by the market and offer courses based on industry demand, although this was not exclusively the case. One interviewee recognised the need for his college to be demand-led in developing and delivering the apprenticeships: however there were challenges in securing a buy-in from the college staff, exacerbated by the lack of a centralised employer engagement unit. There was no central database of employers for the college to deploy when engaging with employers.
- Colleges can also be challenged by a lack of interest and engagement from staff within more traditionally academic HE units. Some believe HAs are not part of their job roles and prefer their classroom teaching, feeling uncomfortable with alternative, more flexible models of teaching that are often required for the delivery of HAs. There is also evidence of a prevalence of departmental cultures where staff from different schools or departments do not wish to share expertise and resources with other teams.

#### (f) Changes from Frameworks to Standards

A number of interviewees shared their concerns relating to the introduction of new standards and expressed anxiousness about the development of the new Standards through the employer-led Trailblazers that did not involve the providers. Some interviewees had a limited understanding of the changes that were to be introduced as part of the new apprenticeships Standards. It appeared that the colleges were 'waiting for the dust to settle' and were 'holding themselves till the last minute' or 'did not want to be the scapegoat and wanted others to adopt the Standards first'.

- The existing apprenticeship Frameworks were subject to criticism on the grounds that they were overly-detailed and prescriptive. Most interviewees were also concerned about the changes that were likely to accompany the introduction of the new Standards. Standards were criticised for offering 'no guidance' on qualifications and the reduction from lengthy Frameworks to Standards 'summarised on two sides of A4' was not seen to be a welcome change by most interviewees.

- Concerns were raised about the possible HA Standards that did not have a mandatory requirement for any qualifications. This was perceived to be in the interest of the employers whilst limiting the opportunities of those pursuing the apprenticeships. An absence of any qualification associated with some HAs was perceived to hinder transferability of credits and awards.
- Interviewees believed that the government has probably responded to the needs of few large and influential employers. Putting the employers in the 'driving seat' will be confined to a small number of large employers and the voice of SMEs will be ignored: the employer-led Trailblazers will be dominated by the large leading employers in the respective sectors. A particular shortcoming of Trailblazers is that a large proportion of apprentices at the majority of colleges are recruited by SMEs rather than large employers.
- A number of interviewees asserted that a funding system where the employers pay some charges/fees upfront and claim a proportion of their money back will be complicated. The administration of funding is currently done by the providers as employers are not interested in the administration of funding and the bureaucracy that accompanies it. While large employers are perceived to have the resources to administer the funds, SMEs will not be able to commit the resources to invest in the organisation and administration of apprenticeships.
- The adoption of the new Standards will be accompanied by the introduction of an employer levy, which the interviewees anticipate will impact upon and potentially change employer attitudes towards apprenticeships. Some interviewees illustrated the benefits of a levy through the Construction Industry Training Board (CITB), which collects levy funds from construction employers and reinvests the funding for employers to train, qualify and up-skill staff. It was argued that once employers start to pay the levy, they will want to receive returns on their investment and will be more likely to engage in HAs.
- A small number of interviewees had strong views against the new HAs and DAs, believing that 'promotion of HAs/DAs is simply what the government wants- not necessarily what the employers want and certainly not what the providers want'.

#### **4. Approaches to overcoming the challenges**

- The interviewees agreed that in future employers will have considerably stronger purchasing power. FECs will need to invest in good communications as well as maintaining and enhancing relationships with employers. Colleges that invest in employer engagement will inevitably be more successful in developing and growing their HA provision.
- There was a consensus amongst all the interviewees that Careers Education, Advice and Guidance at schools was both inadequate and partial. However, interviewees also believed that this perception can change if Degree Apprenticeships are 'sold' well to the learners as a debt-free alternative to obtaining a degree in conjunction with gaining work experience that is relevant to the students' chosen careers.
- Colleges need to adopt appropriate internal structures that facilitate joined-up working between the academic HE and the employer-facing teams. This would also demand a cross-college focus on employer engagement because employers that engage with the colleges for level 2/3 apprenticeships are more likely to engage with HAs.
- Colleges need to be pro-active in working collaboratively with partner universities in developing Degree Apprenticeships.

## **5. Recommendations for further research**

All interviewees shared that as the new Apprenticeship Standards evolve, it would be exceptionally valuable to understand employer's perceptions of HAs. This small-scale study captured the views of college staff and managers with regards to their understanding of employers' perceptions. However, a study with employers, including SMEs as well as large employers, would help develop an understanding about whether they understand HAs and DAs, whether they find them valuable, which sectors are likely to benefit from HAs, and what the attitudes of employers are with regards to sharing the learning costs for HAs.

## **6. Questions for further research:**

- Do the employers understand the concept of HAs? What do the employers expect to gain from HAs? Do these expectations differ from lower levels of apprenticeships?
- Considering the widening participation (WP) agendas that the FE colleges embrace, will HAs and DAs be viewed as a means of WP and will colleges promote the HAs? Why/ (why not)?
- Are there examples of good/better practice from the early adopters of HAs that other FECs can learn from?
- What is the likely future of HAs in England? Do HAs offer a real potential to be an alternative to the more conventional forms of HE?
- Whose needs will HAs serve – those of young learners or mature learners? Should they be targeted at mature learners?