

BULLETIN

Maximising Apprenticeship Completion Rates

This Bulletin presents findings from the recent study undertaken by the University of Warwick Institute for Employment Research (IER) for the former Learning and Skills Council which assessed how apprenticeship completion rates can be improved in England. It forms part of a wider programme of work the Institute has undertaken, since the mid 1970s, on apprenticeships. The full report on which this bulletin is based – Maximising Apprenticeship Completion Rates by Terence Hogarth, Lynn Gambin, Chris Hasluck, Maria de Hoyos, and David Owen - can be downloaded from: <http://www.apprenticeships.org.uk/About-Us/~media/Documents/Completions-Research-Final-Report.ashx>

Background

Whilst Apprenticeships in this country and elsewhere date back to mediaeval times, the modern day Apprenticeship dates back to the mid 1990s when the Modern Apprenticeship initiative was launched. Though Apprenticeships in their modern incarnation have been subject to review and reform to make them more attractive to would-be participants, the evidence suggests that there are positive rates of return for both employers and apprentices,¹ but usually only where the Apprenticeship is completed. Evidence suggests that completion rates in Apprenticeships have been below those in competitor countries, suggesting that the benefits which Apprenticeships confer on employers and individuals are not being realised to the same extent as in those competitor countries.

¹ Hogarth, T., C. Hasluck, and W.W. Daniel (2005) *Apprenticeships: The Business Case*, Modern Apprenticeship Task Force, London; Hasluck, C. *et al.*, (2008) *The Net Benefit to Employer Investment in Apprenticeship Training*. London, Apprenticeship Ambassadors Network; McIntosh, S. (2007) *A Cost-Benefit Analysis of Apprenticeships and Other Vocational Qualifications*, Department for Education and Skills Research Paper RR834, Sheffield.

Aims of the Study

There is a commitment to increasing and widening participation in Apprenticeships. But if Apprenticeships are to have credibility with both employers and would-be apprentices there is also a need to ensure that mechanisms are in place to ensure that apprentices complete their Apprenticeships. Relatively high levels of non-completion suggests a failure to effectively match apprentices to Apprenticeships as well as a waste of resource by the apprentice, the employer, and the State. With this in mind the study sought to:

- i. provide an informed assessment of how high completion rates for apprenticeships can go; and
- ii. identify the common factors mitigating against 100 per cent success.

The study comprised four stages.

- i. A systematic literature review was conducted to help identify the potential causes of high or low completion rates.
- ii. A quantitative analysis was undertaken of Individual

Learner Record (ILR) data in order to statistically identify the factors associated with completion rates.

- iii. A more qualitative investigation was then undertaken to capture the views of key stakeholders to shed further light on the reasons underlying relatively low or high completion rates.
- iv. Finally a workshop was held at the University of Warwick, which included stakeholders, to explore further the factors underlying completion and non-completion to provide a deeper understanding of how effective actions can be developed by policy makers.

The Rate of Completion

At the time the study was conducted completion rates currently stood at 64 per cent (for both Apprenticeship and Advanced Apprenticeships, 2007/8). By 2008/09 completion rates had risen to 71 per cent (Data Service, Statistical First Release: SFR5, Table 3.3, 2009).

To gauge whether the completion rate in England is high or low requires comparisons to be made with similar programmes. In practice this proves difficult given: (a) the lack of comparable programmes in this country; and (b) the difficulties associated with making comparisons with Apprenticeship programmes in other countries due to differences in the calculation of completion rates and differences in the structure of national Apprenticeship systems.

Bearing in mind the caveats about making international comparisons, evidence from various countries suggests rates of completion of between 75 and 80 per cent being achievable in England.

On the basis of the evidence presented in this report there is scope to increase Apprenticeship completion rates in England to between 70 and 80 per cent through adoption of existing good practice by a wider range of employers and training providers.

Although there is scope to increase completion rates, a 100 per cent completion rate is neither feasible nor desirable. Achieving a 100 per cent completion rate suggests that people are locked into their Apprenticeship even though they may not be, in some instances, particularly well matched to it (however that may be defined). Moreover there are many events which bring about non-completion which are difficult to control; for instance, redundancy, firm closure, the apprentice becoming pregnant or ill.

It also needs to be borne in mind that there is a tension between raising the level of participation in Apprenticeships and increasing completion rates. For example, where Apprenticeships are extended into sectors of the economy where there is little tradition of Apprenticeship training there will be a number of transitional issues which are likely to impede the attainment of higher overall completion rates at least over the short term. Hence there is a timing issue

attached to achieving higher rates of completion.

Reasons for Non-Completion

Evidence points to non-completion occurring as a consequence of the apprentice:

- i. leaving one employer to join another (either in the same occupation or a different one);
- ii. returning to school, college, or university (depending upon qualification level); or
- iii. dropping-out of the education and training system to enter unskilled work, unemployment, or inactivity.

The first two of these may be regarded as a feature of systems which aim to manage the transition from school to work for young people within the context of a relatively flexible labour market and suggests that in any labour market there is a limit to the level completion rates may attain, especially if the aim is to avoid an element of mismatch between the aptitude of the individual apprentice and the demands of employers.

The third cause of non-completion can impose a net cost on society, especially where it results in reduced opportunities to progress in the labour market. Hence, if a large number of people fail to complete an Apprenticeship, not only is there a large cost to the Exchequer, but also to individuals if this results in them missing their main opportunity to obtain the qualifications to prepare them for entry to/progression through the labour market.

Improving Completion Rates

A number of factors are associated with relatively high completion rates and from these it is possible to obtain an indication of how policy can be developed to raise completion rates even further.

The use of rigorous recruitment procedures by employers and training providers improves completion rates because it ensures a better match between the aptitude of the apprentice and the needs of the employer.

It is clear that the characteristics of apprentices are related to completion which may indicate that some groups of apprentices are more in need of support than others. The evidence points to:

- women being more likely to complete than men at Level 2, but the gender difference is not significant for Advanced Apprenticeships;
- the higher the level of qualification on entry the greater the probability of completion;
- Apprenticeships are somewhat more likely to be completed if based in a public sector organisation than a private sector one (regardless of size), and large private sector employers have a slight edge over small/medium

sized businesses and public sector organisations in regard to Advanced Apprenticeships;

- Black and Pakistani apprentices are somewhat less likely to complete than their White counterparts;
- where apprentices have a learning difficulty, disability or a health problem, they are less likely to complete.

If the profile of people entering Apprenticeships changes as a result of the drive to increase levels of participation, then additional support may be required to help groups new to Apprenticeships attain average rates of completion.

Employers and training providers which provide both pastoral and academic support are, other things being equal, more likely to achieve higher completion rates. For example, some young people struggle to make the transition between school and work. Where this is closely managed by employers and training providers through the provision of appropriate pastoral and academic support, the greater the likelihood that the young person will complete.

There was a consensus amongst stakeholders that Apprenticeship completion is facilitated by a close partnership between employer, apprentice, and training provider. Where each is aware of their obligations, the greater the chance of completion.

Close monitoring of the apprentice's progress towards completing each element of the Apprenticeship aids completion. Where training providers and employers are in close communication with one another, and the progress of the apprentice is regularly appraised by both parties, appropriate actions can be taken where the apprentice is falling behind.

Completion is related to good framework design. If the training and underpinning knowledge acquired during the Apprenticeship is relevant to the current or future job the apprentice might undertake, apprentices tend to be more committed to completing their training.

Related to good framework design is the issue of progression. If apprentices are clear about the options available to them at the end of the Apprenticeship – such as progression from Level 2 to 3, access to Foundation Degrees, promotion within the company – then completion rates are improved.

Management of the Apprenticeship is an important determinant of completion. The report highlights where this might be improved. For example, where exemptions from key skills are not validated until late into the Apprenticeship, it is sometimes too late to persuade the apprentice to take on key skills training and testing and they subsequently fail to complete. This can be remedied through effective management processes.

Being able to transfer between Apprenticeships is important. Germany has relatively good Apprenticeship completion rates because where there is a mismatch between apprentice and Apprenticeship, the apprentice can readily transfer to

another Apprenticeship to which they are better suited. Allowing apprentices to make, where necessary, an efficient transfer between Apprenticeships is likely to improve completion rates.

Recommendations

The study provided a series of recommendations relating to:

- selection issues (how apprentices, employer and providers are selected);
- process issues (how the Apprenticeship is managed); and
- outcome issues (the purpose of the Apprenticeship and the signals this sends to the apprentice).

Selection Issues

A strong finding to emerge from the review of the evidence base is that careful consideration needs to be given to the selection of apprentices. By this is meant:

- apprentices are required to have both intellectual capability to complete a given Apprenticeship and the motivation or aptitude necessary to both complete the Apprenticeship and succeed in a career in their chosen occupation. Overall, the evidence demonstrates that the more rigorous the selection procedure the greater the likelihood that the apprentice will go on to complete their Apprenticeship;
- the information, advice and guidance given to the would-be apprentice needs to be explicit about what the employer and training provider will expect from them over the course of an Apprenticeship. This is well recognised in existing policy but deserves reiterating;
- the selection process is not just about the apprentice. Employers too need to be committed to the Apprenticeship. They need to understand the commitment they are required to make to the apprentice, such as allowing time off for training, and be clear about the contribution to the business the fully-trained apprentice is expected to make;
- training providers need to provide training to the required standard in a way that meets the need of the employer and the apprentice. There is a need to ensure that there is flexibility in provision of training if completion rates are to be raised further.

Managing the Apprenticeship

Selection is just the first stage in raising apprenticeship completion rates. There are a number of issues which need to be addressed in relation to managing the actual delivery of the Apprenticeship. These relate to:

- academic support to the apprentice in those instances where they are struggling for one reason or another to meet the standard set by a framework. It was reported that sometimes where a problem occurs, diagnosis and treatment of the problem could fall between the training provider and the employer – especially where there is a limited degree of engagement between them - such that it is not addressed quickly enough and the apprentice becomes disillusioned and drops-out;
- pastoral support to the apprentice to assist with the transition between school and work. It was reported that problems of indiscipline, for example, could be a manifestation of the social problems the apprentice is experiencing. It was not always clear that the apprentice had someone they could turn to discuss these problems. Employers with good completion records recognised that young people needed help in adapting to the world of work;
- in a close partnership between employers, apprentices, and training providers, information was routinely shared between all three about progress. In other instances, it is not clear whether information is being sufficiently collected and shared such that potential problems about progress are not being caught in a timely fashion.

Apprenticeship drop-out can occur because the apprentice moves into a new occupation sometimes with the existing employer. There is scope to explore the means by which elements of the Apprenticeship which have already been completed can be transferred across occupations. This has the potential to increase both participation and completion rates.

Those who drop-out of an Apprenticeship should be subject to an exit interview with an independent party to identify why they have dropped out and whether their Apprenticeship could be continued either with the current employer, a new one, or through a programme led Apprenticeship (if they are out of work).

Outcome Measures

The recommendations in relation to outcomes are that:

- as part of establishing a partnership between employers, apprentice, and training provider, there is agreement from the outset about the purpose of the Apprenticeship and how training and work experience supports that aim;
- it is essential that the purpose of the training element of the Apprenticeship, such as the provision of key skills, is made relevant to the apprentice;
- progression routes also need to be explicit. By this is meant the progression from Level 2 to Level 3, and the potential progression routes outside of the Apprenticeship system, such as into higher education

through, for example, Foundation Degrees. The opportunity to progress can motivate the apprentice to complete their Apprenticeship.

A Need for Concerted Action

Improving completion rates will require concerted action to be taken by employers, training providers, the Learning and Skills Council and its successor organisations, the National Apprenticeship Service, and the Sector Skills Councils. Many of the actions required need to be taken by employers and training providers (e.g. with respect to the recruitment of apprentices, establishing effective working partnerships, etc.), but it also clear that there is a role for various agencies in relation to:

- defining, signalling, and communicating good practice in the design and delivery of Apprenticeships;
- the provision of support to those providers and employers which persistently under-perform in the delivery of Apprenticeship; and
- the imposition of sanctions where necessary against recalcitrant employers and training providers.

The evidence suggests that there is plenty of good practice with respect to ensuring that apprentices complete their Apprenticeships. It is not the case that wholesale reform of the Apprenticeship system is needed to bring about completion rates comparable to those found in, say, continental Europe. Rather, reforms are required at the margin which will ensure that good practice is spread across the system.

Further Information

Further information about IER's programme of research into Apprenticeships can be obtained from:

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