

NATIONAL TARGETS AND INDUSTRIAL SECTORS

Introduction

As a consequence of the impact of product market shifts, the continued introduction of new technology, and processes of organisational restructuring, recent years have seen a transformation of the industrial and occupational structures of Britain. The emergence of the National Targets for Education and Training occurred in the wake of debates focusing on the perceived deficiencies in the skills and qualifications of the British workforce, with a growing conviction that the future prosperity of the nation is highly dependent on the knowledge, skills and motivation of the entire population. This has been apparent in the Government's competitiveness agenda, as exemplified by the DTI White Paper on "Competitiveness" which observed that "...we must raise our productivity and adapt our skills, the way we work, and our products to new circumstances and opportunities." A significant contribution to the debate concerning Britain's lack of international competitiveness came from the CBI in 'Towards a Skills Revolution' (1989), which described the British workforce as 'under-educated, under-trained, and under-qualified' and proposed the establishment of National Targets relating to education and training, in order to arrest the nation's comparative decline.

The National Targets for Education and Training (NTETs) were adopted in 1991, with the stated aim being "to improve the UK's international competitiveness by raising standards and attainment levels in education and training to world class levels..." Since their introduction, emphasis has been placed on the targets being geared towards employers, with TECs being instrumental in their delivery. The original targets were:

Foundation Learning Targets

1. By 1997, 80 per cent of young people to reach NVQ 2 or equivalent.
2. Training or education to NVQ 3 (or equivalent) for all young people who can benefit.
3. By 2000, 50 per cent of all young people to reach NVQ 3 (or equivalent).
4. Education and Training provision to develop self-reliance, flexibility and breadth.

Lifetime Learning Targets

1. By 1996, all employees should take part in training or development activities.
2. By 1996, 50 per cent of the workforce to be aiming for NVQs or units towards them.
3. By 2000, 50 per cent of the workforce to be qualified to at least NVQ 3 (or equivalent).
4. By 1996, 50 per cent of medium to larger organisations (more than 200 employees) to be "Investors in People."

A study conducted in 1993 (Spilsbury and Everett, 1993) suggested that the delivery of the targets was being affected by: a *lack of clarity*, notably in relation to confusion over what they were encompassing and the role of NVQs; questions of *ownership*, resulting from their being delegated to Training and Enterprise Councils (TECs) for their delivery; their *coverage*, in terms of both individuals (such as those outside the labour force) and types of qualifications; the lack of effective *partnerships* to achieve the targets; the absence of *levers for intervention*, on the part of the TECs; a lack of publicity and *promotion*; and doubts about the role of the National Advisory



Council for Education and Training Targets (NACETT). Furthermore, the report asserted that:

"If the National Targets are to be achieved then there must be a step change in education and training behaviour in the UK. Participation and attainment levels have been generally increasing since the early 1980s, but these rates of increase will not be enough to attain the Targets." (p.2)

Following the publication of *Competitiveness: Forging Ahead* (HMSO 1995) the targets for the year 2000 were revised upwards so that the current targets are:

Foundation Learning Targets

1. By age 19, 85 per cent of young people to achieve 5 GCSEs at Grade C or above, an Intermediate GNVQ or an NVQ Level 2.
2. 75 per cent of young people to achieve Level 2 competence in communication, numeracy and IT by age 19; and 35 per cent to achieve Level 3 competence in these core skills by age 21.
3. By age 21, 60 per cent of young people to achieve 2 GCE A Levels, an Advanced GNVQ or an NVQ Level 3.

Lifetime Learning Targets

1. 60 per cent of the workforce to be qualified to NVQ Level 3, Advanced GNVQ or 2 GCE A Level standard.
2. 30 per cent of the workforce to have a vocational, professional, management or academic qualification at NVQ Level 4 or above.
3. 70 per cent of all organisations employing 200 or more employees, and 35 per cent of those employing 50 or more, to be recognised as Investors in People.

So how realisable are these targets? What evidence is available clearly shows that current levels of achievement fall some way short of the targets, and that the annual rate of progress means that it will be well into the next century before they are likely to be achieved. For example, in relation to Foundation Target 1, which requires 85 per cent of 19 year olds to achieve the stipulated level, only 65 per cent had done so in Autumn 1995 (NACETT, 1996). Furthermore, the increase over the previous year had been just 1.4 per cent. As far as the Lifetime Learning Targets are concerned, Table 1 reveals that, while we would seem

to be on course to achieve Target 2, the rates of progress towards the other two targets, and in particular that concerned with Investors in People, are well short of requirements.

From these statistics it would be easy to dismiss the whole notion of the NTETs as being founded on a misplaced belief in the ability of such mechanisms to affect substantially traditional attitudes towards education and training. However, evidence from recent research carried out at IER suggests that any evaluation of the NTETs and the initiatives associated with their development is less straightforward. Moreover, if placed in a broader context of shifts in attitudes towards participation in learning activities, a modicum of success may be discerned.

Sector Targets

The study mentioned earlier (Spilsbury and Everett, 1993) suggested that, rather than being delivered solely through the TECs, the National Targets would benefit from the involvement of "the Careers Service, the education sector, and possibly Industrial Training Organisations (ITOs) as partners." The reference to ITOs is important because it acknowledges the role which they play within individual industrial sectors. In this context, the Sector Targets Challenge was initiated by the Department for Education and Training, so that nominated industrial sectors could "establish challenging but realistic targets" for their industries and "develop and implement a coherent action plan for their achievement". The bus and coach industry was chosen as one of ten industrial sectors in which projects involving the establishment of education and training targets for the sector would be conducted and IER undertook the appropriate research. This was done through: drawing on the findings of previous research in the industry; undertaking further analysis of existing data sets; carrying out an employer survey; and involving key people in the industry through interviews and participation in a Strategic Focus Group.

Subsequently, another piece of research was carried out in a different sector of the transport industry: aerospace and air transport. Together, these studies indicate some of the difficulties involved in implementing a strategy for achieving progress towards specific education and training targets. Crucially, they also shed light on processes which are underway and which may ultimately enhance the likelihood of the achievement of the targets.

An initial difficulty, even for an ITO, is to provide a precise definition of the scope of the sector for which they claim representation. For the purposes of the baseline of the bus and coach industry, Labour Force Survey (LFS)

data was analysed for the following Standard Industrial Classification (SIC) and Standard Occupational Classifications (SOC): SIC 92:60.21 - Other scheduled passenger land transport and SIC 92:60.23 - Other passenger land transport. Clearly, decisions about what to include in the definition of the sector can have a vital bearing on the extent to which the sector can be seen to be progressing towards the achievement of national targets, in terms of qualification attainment. In aerospace and air transport, for example, the sector was identified by the ITO as comprising SIC 35.3 - Aircraft and spacecraft manufacture, SICs 62.10 and 62.20 - Scheduled and non-scheduled air transport, and SIC 63.23 - Other air transport activities. Here, there are distinct differences in the occupational breakdown of the constituent parts of the sector with aircraft and spacecraft manufacture not unexpectedly having a high proportion of its 123,000 employees in craft occupations (35 per cent). In the other parts of the sector approximately 15 per cent are managers, almost a quarter are in professional or associate professional jobs, a fifth are clerical staff and a further quarter are in personal service occupations (predominantly travel attendants). As craft workers are required to possess the appropriate vocational qualifications, it could be expected that these differences in occupational distribution between the different SICs would lead to differences in qualification attainment levels. This proved to be the case, with a significantly higher proportion of workers in SIC 35.3 having an NVQ Level 3 qualification (or equivalent) than was true of other SICs.

The significance of occupational distribution within a sector for the achievement of National Targets is even more starkly evident in the bus and coach industry, where approximately two thirds of the employees in the industry are drivers. Under the existing structure of the NVQ/SVQ framework they are only able to achieve NVQ/SVQ Level 2, thereby placing a considerable constraint on the ability of the sector to make progress towards the targets for NVQ Level 3 and above.

A further complication occurs when trying to assess the qualification levels in a sector at any one point in time. Our study in the bus and coach industry found that information on employees holding a full NVQ was limited. The proportion of employees within the scheduled land and passenger transport industries holding full NVQs or SVQs at Level 3 or above was less than 1 per cent of all staff, with the majority being in managerial occupations, some within professional/technical and some within craft occupations. This figure was based on statistics for 1995, and so could partly be accounted for by the relatively recent introduction of NVQs in the sector, and the fact that a considerable number of employees had registered for, but not completed their NVQ. A somewhat different

picture emerges when Labour Force Survey data is analysed, for, according to the LFS, in Spring 1996, the proportion of employees holding some form of qualification within the industry was around 90 per cent. This figure includes a whole range of qualifications equivalent to NVQ levels, with a large proportion of employees holding qualifications at GCSE level and above.

The proportion of employees holding qualifications at the different NVQ or equivalent levels provides the most accurate representation of the current situation and the progress which has to be made to bring the qualification levels of the industry within reasonable distance of the National Targets. There were clear differences between the two industrial sectors. Whereas in aerospace and air transport over a quarter of employees held qualifications at NVQ 4 (or equivalent) or above, and a further 32 per cent in SIC 35.3 and 19 per cent in SICs 62 and 63.23 held qualifications at NVQ 3 (or equivalent), the comparable figures in bus and coach were 12 per cent and 18 per cent respectively.

When set against the National Targets, these statistics, by themselves, give little cause for optimism that significant shifts are occurring in learning activities and qualification attainment. However, when broader trends within these industries are taken into account, a more sanguine interpretation may be appropriate. In the bus and coach sector, previous research had identified a number of factors which were indicative of a shift in attitudes towards training, and learning more generally. Among these were:

- the enthusiastic uptake of NVQs, which may be symptomatic of a substantial and hitherto latent demand for learning among the workforce;
- the emergence of an infrastructure for learning and development within the industry, which was partly attributable to the introduction of NVQs;
- a growing acceptance that the pursuit of quality in all aspects of operations is essential for the industry's future;
- a shift to greater emphasis on a customer service ethos.
- a stable present and projected demand for labour, following the 'shake-out' which ensued from the deregulation of the industry in the 1980s;
- the consequences of a long-term process of merger and acquisition which has led to the sector still being characterised by a mass of small and medium-sized companies, but increasingly dominated by a small number of large groups.

The lead given by these larger organisations is important, because they invariably embody a strong commitment to

training and qualification attainment, which is not evident among smaller operators. Notwithstanding the persistence of recruitment and retention problems, which tend to militate against employer involvement in training, these trends indicate an overall shift in the attitudes towards training and learning within the industry.

Similarly, in the aerospace and air transport sector, a number of contextual factors and changes in organisational structures and labour requirements are exacerbating the emphasis being placed on training and learning. As with the bus and coach sector, the major constituent parts of the industry, namely aerospace manufacture, airlines and airports are dominated by a small number of large organisations which put a premium on training. Additionally, factors such as:

- the continual overall growth being experienced by the industry;
- the higher level of competition which is symptomatic of a global industry;
- the pursuit of quality and low cost, which entails the need for more knowledgeable, responsible, and autonomous workers;
- an increasing preference for recruiting individuals with broad-based, as opposed to narrowly specialist skills;
- the emergence of risk-sharing partnerships between, for example, engine manufacturers and their component suppliers, in the development of new engines;
- the over-riding requirement for ensuring safety in many parts of the industry

are contributing to a greater emphasis being placed on training.

Implications for National Targets

A number of issues relating to the National Targets are raised by our research findings. The first of these concerns the appropriateness of adopting a sectoral approach to the achievement of the targets. Clearly a strong case can be made for introducing a mechanism which acknowledges the entrenched disparities between industrial sectors in their current levels of qualification attainment and their capacity to enhance those levels. Some industrial sectors, such as Financial Services, which are comprised of a high proportion of professional workers, can be expected to have levels of qualification attainment far in excess of those to be found in industrial sectors, particularly in manufacturing, which contain relatively high proportions of manual workers.

The Sector Targets Challenge was initiated so that nominated industrial sectors could "establish challenging

but realistic targets" for their industries and "develop and implement a coherent action plan for their achievement." A key component of the rationale for the setting of targets for education and training within individual industrial sectors is that they should be driven by the industrial sector itself, so as to be meaningful. This seems highly plausible, because a concern over the current National Targets has been that they have been set at levels which, to many individual organisations, and, indeed, industrial sectors, seem beyond their reach. A common response to such a situation would be to ignore them as being unduly unrealistic. By encouraging the involvement of sectoral organisations such as the ITO, Trade Associations, Lead Bodies and Awarding Bodies, with a significant input from leading employers, this offers the prospect of the targets being related directly to the occupational distribution of the sector, and thereby being perceived to be relevant and achievable. It would therefore seem more likely that the commitment to, and participation in, training and learning activities by employers in the sector would be enlisted. However, a question which should be raised about such a strategy is that, in the context of the acknowledged need to enhance the skills and qualifications of the country's workforce as a whole, it would merely lead to a reproduction of existing differences between industrial sectors. It could therefore be deemed to be likely to reflect past and present demand for labour, rather than being geared to a rapidly changing labour market in which the increasing demand for higher level skills and qualifications is a prominent feature.

Secondly, there is an issue concerning the recognition of skills. Clearly, as far as the National Targets are concerned, there is a need for a measure involving formal, accredited qualifications. This can mean that some industry-specific attributes or qualifications, which may be required to comply with industry standards or regulations, may not be recognised for National Targets purposes. In order to effect throughout society, the kind of attitudinal shift towards learning which is widely recognised as being desirable, it is necessary to encourage greater participation in learning activities by groups of people who have traditionally evinced little attachment to learning. The initial breakthrough for many such people may involve learning activities which are clearly non-vocational and may fall into the category of 'leisure-related.' Employee development schemes, such as the Ford Employee Development and Assistance Programme (EDAP) have successfully introduced non-traditional learners to activities which are overtly leisure-related, but which ultimately lead to a desire to engage in more formal learning for which qualifications may be awarded (Maguire and Horrocks, 1995).

The importance of learning becoming habit-forming cannot be overstated. Indeed, a recent study conducted by IER concluded that "the greatest impact on the likelihood of learning in the future is recent experience of learning. Recent job-related learning quadruples the likelihood of future learning, while other recent learning increases the likelihood by almost as much" (Maguire, Hasluck and Green, 1996:27). It does not necessarily follow, however, that this learning will be recognised as contributing towards the National Targets.

Thirdly, questions arise about the usefulness of the National Targets. If they were to be achieved, would this necessarily mean that Britain then possessed the highly skilled workforce which enabled it to compete effectively internationally, or would it merely reflect an increased recognition of existing skills, through the awarding of qualifications? Should they be regarded as tangible measures against which progress can be judged, or should they be viewed as symbols of a wider goal of increased participation in learning by the population as a whole?

Evidence from the Sector Targets Challenge in the bus and coach sector suggests that, in symbolic terms, the National Targets can have a powerful effect. A Strategic Focus Group, comprising representatives of major employers, and key players in the industry, in addition to fulfilling the requirement of informing the process of setting targets, and agreeing those targets, became highly proactive in generating significant increases in registrations of NVQs/SVQs. These activities were initially targeted at those large employers which account for the overwhelming majority of employees in the industry. The firm commitments to increased take-up of NVQs/SVQs will, of themselves, make a significant contribution to the achievement of targets. Thus, in the course of its activities, the Strategic Focus Group greatly enhanced the level of awareness of the National Targets, and of the importance of training and development throughout the sector.

Conclusion

Table 1 seems to suggest that progress towards the National Targets has fallen short of requirements, and renders them unattainable within the stipulated timescale. Such a view may underestimate the impact of the NTETs. When viewed from a longer-term perspective, rather than as a snapshot, it is apparent that considerable progress has been made. For example, in relation to Lifetime Target 1, which is set at 60 per cent of the workforce being qualified at NVQ Level 3 or equivalent by the year 2000, the figure of 40.9 per cent in Autumn 1995 should be seen in the context of an equivalent figure of only 27.4 per cent a decade earlier (NACETT 1996: 27). Similarly, for

Lifetime Target 2 (30 per cent of the workforce qualified to NVQ Level 4 or equivalent), the Autumn 1995 figure of 23.9 per cent compares to a 1986 figure of 15.9 per cent (ibid: 31). Overall, substantial movement has taken place. This provides a case for perceiving the NTETs as symbolic of the need for improvement, rather than as a rigid, monolithic entity.

Also, there is a need to regard the NTETs as being part of a whole raft of initiatives and a wider process of change, incorporating concepts such as the Learning Society, and the Learning Organisation, which are emphasising the message of the urgency of effecting greater participation in learning and skill acquisition.

References

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Table 1: Participation in learning by social class

Description	Target for 2000 (%pts)	Autumn 1995 position (%pts)	Increase since Autumn 1994* (% pts)	Ave. annual rate of increase since Spring 1991 (% pts)	Annual rate of increase required to meet target (% pts)
Lifetime Target 1 Proportion of the workforce with NVQ Level 2, Advanced GNVQ or 2 GCE A levels	60	40.9	0.5	2.3	3.8
Lifetime Target 2 Proportion of the workforce with NVQ Level 4 or above	30	23.9	0.8	1.5	1.2
Lifetime Target 3 Organisations with 200 or more staff, recognised as Investors	70	11.4**	5.4	2.3	12.3
Organisations with 50 or more staff, recognised as Investors	35	4.6**	Data not available	0.9	6.4

* : Based on revised figures that DfEE produced from the Labour Force Survey

** : Figures shown for Investors in People are for England and Wales only.

Source: Labour Force Survey, Investors in People UK, Welsh Office

IER Conference

Young People, Training and Transitions

Thursday 10th July 1997

This conference will be of interest to all those concerned with the development of work-related training and will be particularly relevant to TECs, government offices, career services, local authorities, industry lead bodies and FE colleges.

The increasing demand for higher levels of skills and qualifications among the workforce, in order to sustain a competitive economy, has highlighted the importance of training and learning at work.

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This conference will address the following issues:

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