THE EFFECT OF THE APPRENTICESHIPS ON THE UK HIGHER EDUCATION

T. Coole¹, F. Ioras¹, I. Bandara¹, M.P. Arraiza², J.V. López²

¹ Buckinghamshire New University (UNITED KINGDOM)  ² Universidad Politecnica de Madrid (SPAIN)

Abstract

The UK Higher Education arena is changing; apprenticeships are currently experiencing a revival through the Apprenticeship levy Scheme launch. Behind the introduction of the levy lies the UK government’s belief that apprenticeships offer a solution to the skills gaps that are holding the economy back, and a new way for individuals to access higher level skills. The introduction of Higher Education Apprenticeships and work experience/real world interactions built into HE courses are establishing synergies between the two elements of the skills/education system and will allow the apprentices to plot their career through the skills levels up to the Masters level under the scheme. The knowledge economy is driving up the demand for higher level skills and concurrent with this is the notion that, in today’s competitive labour market, experience is vital. The new Degree Apprentice will have an effect yet to be determined.

The Degree Apprenticeship will provide for the first a formal structured route for learners who are on the apprentice scheme and provide them with some control over their study programme. The new study programme will have the opportunity to tap into a plethora of new skills and assessment standards which have been developed by various industries and approved by the Apprenticeship Council which needs to be addressed by the learning and teaching fraternity, both public and private providers.

This paper will look at these points from the HE perspective and see what level of the student body will now be looking down the apprentice route and not looking at the traditional full time study to achieve their degree. The paper will also look at how ready the Universities are to provide this different form of learning and explore issues around the apprenticeships curriculum support.

Keywords: Apprenticeships, Higher Education, Curriculum, Standards, Economy.

1 INTRODUCTION

With the introduction of the degree apprenticeship into the Higher Education as a more substantial element and method of study, the Universities are going to have to rethink how they are to meet the new delivery criteria. Of the one hundred and thirty or so public universities only about 40 have so far been approved to deliver these degrees and are actively looking to develop apprenticeship degrees.

The government hopes to fund this training through the Apprentice levy which has been set on all companies with a payroll of more than three million pounds. This rate is set at 0.5% of the payroll. Those companies who have a payroll of less than this will only pay 10% of the cost of training and this could be up to £27,000 for the highest banding.

The effect on Higher Education could be very significant from several different aspects. The fist being the effect on student numbers who apply directly to University from A levels or other entry criteria. The second will be the change in the delivery methods required. Thirdly the funding mechanisms will be substantially different from the current ones used in Higher Education. The Student body on Campus will diminish as the costs of fees are seen as a deterrent to students coming to University on a fulltime bases.

2 THE APPRENTICESHIPS

An apprenticeship is first and foremost a job with substantial training and the development of transferable skills. It is a way for people of all ages to earn while they learn, gaining a qualification and a future in their chosen field. Apprentices can be aged 16 or over, must be in paid employment for the duration of their apprenticeship, and will combine working with studying for a work-based, academic or combined qualification. Typically, higher apprentices study part time at college, university or with a
training provider, often sat alongside students studying full time for the same qualifications. Apprenticeships are currently experiencing a rise in popularity; the number of people starting an apprenticeship programme has steadily increased since 2006 (see Table 1). In 2010/2011 there were 457,200 apprenticeship starts of this only 2000 were higher apprenticeships [1]. Traditionally associated with craft trades there are now over 100,000 employers in the UK offering 4200 different apprenticeships, covering a variety of roles. But these are all changing under the new Apprenticeship Standard framework. Alongside the more traditional apprenticeships such as engineering, construction and so on, apprenticeship frameworks are also available in business, administration, law, education, retail, IT and more. Over the past three years, 56,200 people have started a higher or degree apprenticeship. The government has pledged to create 3 million apprenticeships across all levels by 2020 [2].

Sometimes apprenticeships and higher education are mentioned almost as equals when, for instance, policy-makers want all young people to ‘enter higher education or apprenticeships’. On other occasions they are mentioned as competitors such as when policy-makers conclude there are for example, too many HE students and not enough apprentices, or that apprenticeships should be expanded but HE places should be cut. Adult apprenticeships have even been obliquely referred to as an alternative to HE. Higher apprenticeships and the new degree apprenticeships are part of the apprenticeships family. In the last academic year over 9,000 people started a higher apprenticeship and the numbers are growing rapidly [5]. With the advent of the Degree apprenticeship, which will start mainly in September 2017, these numbers are set to increase significantly.

Table 1. Apprenticeship programmes starts by level (2006/20072010/2011) [1].

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate level</td>
<td>127,400</td>
<td>151,800</td>
<td>158,500</td>
<td>190,500</td>
<td>301,100</td>
</tr>
<tr>
<td>apprenticeship</td>
<td>56,900</td>
<td>72,900</td>
<td>81,300</td>
<td>87,700</td>
<td>153,900</td>
</tr>
<tr>
<td>Higher apprenticeship</td>
<td>100</td>
<td>100</td>
<td>200</td>
<td>1,500</td>
<td>2,200</td>
</tr>
<tr>
<td>Total</td>
<td>184,400</td>
<td>224,800</td>
<td>239,900</td>
<td>279,700</td>
<td>457,200</td>
</tr>
</tbody>
</table>

The government is expecting there to be a significant uptake of the degree. Across all types of apprenticeship, there were 1,656,680 online applications made in 2015 to 2016 [5].

Higher-level apprenticeships, Degree and Higher Apprenticeships, and work-based distance learning pathways have the potential to address the needs of employers and meet the aspirations of individuals as well as providing the skills base needed as UK comes out of the European Community [3]. These will be developed to provide a highly valued alternative for school leavers and those in college who wish to combine work with gaining a higher qualification. Work-based pathways to higher qualifications have the potential to be a prominent feature of the HE landscape, addressing some of the long-term skills needs of employers and the aspirations of individuals [7].

Apprenticeships can help businesses across all sectors by offering a route to harness and develop new skills and resources in the business. This will lead to increase employee retention and provide employers with an alternative route for school leavers to “grow their own” employees and future proof the skills requirement for the business in the future. Apprenticeships can deliver real returns to the bottom line through increased productivity, improved competitiveness and a committed and competent workforce [2]. Higher apprenticeships, with their focus on analysis, critique and evaluation as well as skills development, can be expected to provide even more significant benefits to learners and employers alike. Degree apprenticeships are too important for many universities to ignore. They could be as much as a third of the universities income in the future. Despite all of this and the potential of the Degree apprentice scheme, it will only come to fruition if the Higher Educational establishments and the educational providers in conjunction with the employers work together in a collaborative partnership.

If we consider the current thinking and policy in the higher and degree apprenticeships agenda, and argues that for this to build world-class skilled workforce for the future through apprenticeships and apprenticeship training, there must be a focus on developing the skills of those that teach and train apprentices alongside those of the apprentice so that the training is sustainable as well as the skills.

While there has always been the entailment for 16-19 year olds to progress to advanced apprenticeships. Most employers and the emphasis was placed on the foundation levels in the early
stages. Under the coalition government this changed and the focus was to be more inclusive [4], they expanded the participation in a wide range of apprenticeships, including adult, higher and the development of the degree apprenticeships. This gave the opportunity for a far greater range of applicant potential and allowed the Universities for the first time to participate in to the apprenticeship programme in a more comprehensive way.

3 WHY UNIVERSITIES SHOULD DO APPRENTICESHIP DEGREES

As from September 2015, places on the first degree apprenticeships became available in four key industries as the standards were developed; these were digital; construction; banking relationship manager; and automotive engineering. These areas are all strong recruitment areas for the universities through the traditional application routes and now could mean that students have the opportunity to study while they are in employment.

Degree apprenticeships in a number of further industrial areas were also announced to include; electronic systems engineering; nuclear; aerospace engineering; chartered surveying; defence; systems engineering; aerospace; software development; public relations; laboratory science; and power systems. These have been further extended to cover almost all areas of industry. One area not well provided for is the creative arts. One of the reasons may be the makeup of this sector with very few large employers to establish the trailblazer network required to develop the standard for the industry requirements.

Apprenticeships are a central part of current government policy for the current period of the parliament. To this end the Universities included in this research want to position themselves at the forefront of this new agenda. This will allow the universities to prepare for the Degree apprenticeships.

The Degree apprenticeships are too important for many universities to ignore, as they provide an important income stream for universities and a new business opportunity and an opportunity to improve business links with new industries. These students will also provide an improved statistics for the courses at the University.

They can be particularly attractive to non-traditional students, such as those who come through the part time routes work based learning and thus providing an opportunity for degree apprenticeships to support widening participation goals. The degree apprenticeships offer a way for universities to diversify their offer and develop alternatives to traditional full-time on-campus study (such as online, distance, weekend and blended learning).

Degree apprentices are likely to be highly employable, having benefited from studying a course tailored to sector needs, and several years of workplace experience they will benefit from the qualifications gained and paid for by the employer.

The Degree apprenticeships are important for many universities as they can help develop employer relationships by providing the opportunity for universities to establish new and long-lasting relationships with employers. This will help to build on existing and successful collaborations and to complement the ways in which employers recruit graduates. From this aspect the potential of research projects can be further developed and provide opportunities to develop other areas in the University.

The apprenticeship system has been adapted by various governments over the years; in recent times Labour’s policy aims focused more on entitlement, and therefore increasing the number of young people undertaking an apprenticeship, whereas the following coalition government were keen to generate higher level skills through apprenticeships [4]. In essence, however, apprenticeships remain unaltered; a system whereby an individual works in a company to gain job-specific skills and undertake formal qualifications to support these skills.

The Apprenticeship Degrees have been under written in principle by the various professional bodies and institutions subject to approval by these bodies. This will add further weight to the need for Universities to become involved in these areas of activities.

Awareness of degree apprenticeships among employers is generally perceived by universities to be low. There is, therefore, a role for universities to educate employers about the opportunities that degree apprenticeships offer, particularly in light of the forthcoming levy. Government should aim to support universities in becoming ambassadors for degree apprenticeships and the wider apprenticeship programme. There is also a need to raise awareness among potential apprentices, their parents and those who support them (e.g. such as careers advisers). This includes setting out
the key features of degree apprenticeships and how they compare to traditional classroom based degrees, other vocational training and employment. There is a clear role for universities to help get the message out to this audience. Nationally branded information and marketing about degree apprenticeships would be helpful in supporting university and other stakeholder activity in this respect. While employers are the key customers for apprenticeships, it is clear that the offer is also an attractive one for potential learners.

Universities are investing considerable time and resources into developing degree apprenticeships at a time when there is considerable uncertainty about funding, delivery requirements and longer-term policy [8]. This means that the different approaches the university is looking to take will provide a more sustainable model to provide higher education to the coming generations. Universities are using different staffing structures to develop and coordinate their degree apprenticeship offer, often using one or more of the following approaches:

- Dedicated staff to coordinate implementation and address administrative processes (e.g. funding applications, quality assurance requirements, and data return requirements).
- Dedicated staff to build business collaboration and liaison, in effect, an industry account manager role to deal with a customer who is no longer the student but the employer.
- The requirement for there to be a detailed knowledge of how the internal knowledge sharing networks across departments delivering degree apprenticeships will function.
- The further requirement to explore capital build projects which can provide a dedicated physical space for degree apprenticeship delivery. This may require the establishment of new partnerships between the Further Educational sector and Higher Education. Where the cost can be shared or more extensive use be made of established workshops.

4 THE EMPLOYER

Apprentices are a productive and effective way for businesses to grow their own talent by developing a motivated, skilled and qualified workforce. 83% of employers would recommend apprenticeships to others [6]. The average apprenticeship completer increases business productivity by £214 per week, with these gains including increased profits, lower prices and better products. Other benefits that apprenticeships contribute towards include:

- improving productivity in the workplace
- increasing employee satisfaction
- reducing staff turnover
- reduced recruitment costs

These are all very positive but there are concerns by business. Hiring for apprenticeships from employers may be constrained by fears that young workers they have trained may be ‘poached’ by another firm that has not paid the training costs. In England, weak employer demand for skill has been identified as a key challenge for policy-makers promoting apprenticeships [4].

This fear should be relieved to some extent where the big employers who would normally take on many employees under a training and apprentice scheme can now do so under the Apprenticeship Levy. They will be required to pay this anyway so they will try and make effective use of this. Non-Levy payer will have 90% of the cost of training paid for so they will also be benefiting from the Levy and the training will be only costing the 10% of the agreed fee. In addition to this the government is offering additional support to organisations with fewer than 50 employees by paying 100% of training and assessment costs for their apprentices aged 16-18 and for those aged 19-24 formerly in care or with a local authority education, health and care plan[7].

There will always be movement in the workforce and this is healthy for the company as it allows the company to recruit employees with different skill base and from different industries allowing cross fertilisation of ideas.

5 CONCLUSIONS

From the above paper we can surmise that Employers play a central role in the design and delivery of apprenticeships and the development of the Apprenticeship Degree at the University. The new
apprenticeship policy [6] means that standards and assessment are primarily designed by employers. Employers use their purchasing power to ensure their apprentices get the knowledge and skills they need. Degree apprenticeships meet the demand for higher level skills and provide progression routes for those who have completed an apprenticeship at a lower level and wish to go further. It is also suggested that apprenticeships may help to develop greater employee loyalty.

Universities need to be involved in this arena as their future funding could be reliant on their capacity to meet employer demands in the development of these apprenticeship degrees going forward. From the learner’s aspect, the degree apprenticeships can be an attractive alternative proposition because they are more likely to gain the critical skills valued by employers in their chosen career and be in a better position to compete for different jobs once they have attained their degree. They are employed throughout their degree and can gain a full bachelor’s or master’s degree without the usual build-up of debt that can seem a major detraction from attending university on a full-time basis.

Universities must build a strong strategic business case for developing degree apprenticeships and engage employers early in the design process. This is best done by building on existing employer relationships and raising awareness of the benefits of this type of degree programme.

The University is responsible for bringing academics and employers together so that they can be clear about the expertise are required and that both are bringing to the party.

The delivery mechanisms used must be carefully developed to ensure they are relevant for employers and learners and that consideration has been taken as to how best to coordinate degree apprenticeship activity across your institution and the wider provider group. This can be done through talking to local further education colleges as they have a wealth of experience in delivering apprenticeships. This work with schools and colleges can be used to promote the benefits of degree apprenticeships to learners and parents.

The financial impact of the of the degree apprenticeship for Higher Educational institution has yet to be worked out but this could be as high as a third or more of their income could be effected by this change in the educational arena.

REFERENCES


