

Research Bulletin 18/3 | Employer Perspectives on Further Education and Vocational Qualifications

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Summary

Further Education (FE) colleges are a key part of the education system, providing educational opportunities from entry-level qualifications through to vocational qualifications, apprenticeships, A-levels, HNDs, foundation degrees and degrees. Employers believe that the large majority of 17-18 year old FE leavers are well prepared for the workplace, and to a much greater extent than school leavers of the same age. However, NI employers have lower levels of engagement with FE colleges on training their staff than elsewhere in the UK, mainly due to a perception of lack of relevant courses or subject matter. Local employers are also less likely to be involved in training which delivers vocational qualifications, including apprenticeships, despite those which do participate having strongly positive opinions on their value. Barriers around lack of funding and information, as well as limited desire from staff to attain such qualifications, are cited as constraints to employer participation in vocational qualifications.

Introduction

The six Further Education (FE) colleges in Northern Ireland (NI) are a key part of the skills and education system, with almost 83,000 individuals enrolled in 2016/17.ⁱ The colleges provide a wide range of educational opportunities, from gaining entry-level qualifications right through to vocational qualifications, apprenticeships, A-levels, HNDs, foundation degrees and degrees. The colleges also have an important role to work closely with employers to train and upskill their staff. This research bulletin uses the Employer Perspectives Survey (EPS) 2016 to understand employers' views on their engagement with FE colleges, with a particular focus on vocational qualifications which offer a work-led approach to developing professional and technical skills. This will help to understand employers' perspectives on and engagement with non-traditional academic routes. The full datasets behind this article can be found in the accompanying EPS releases.ⁱⁱ

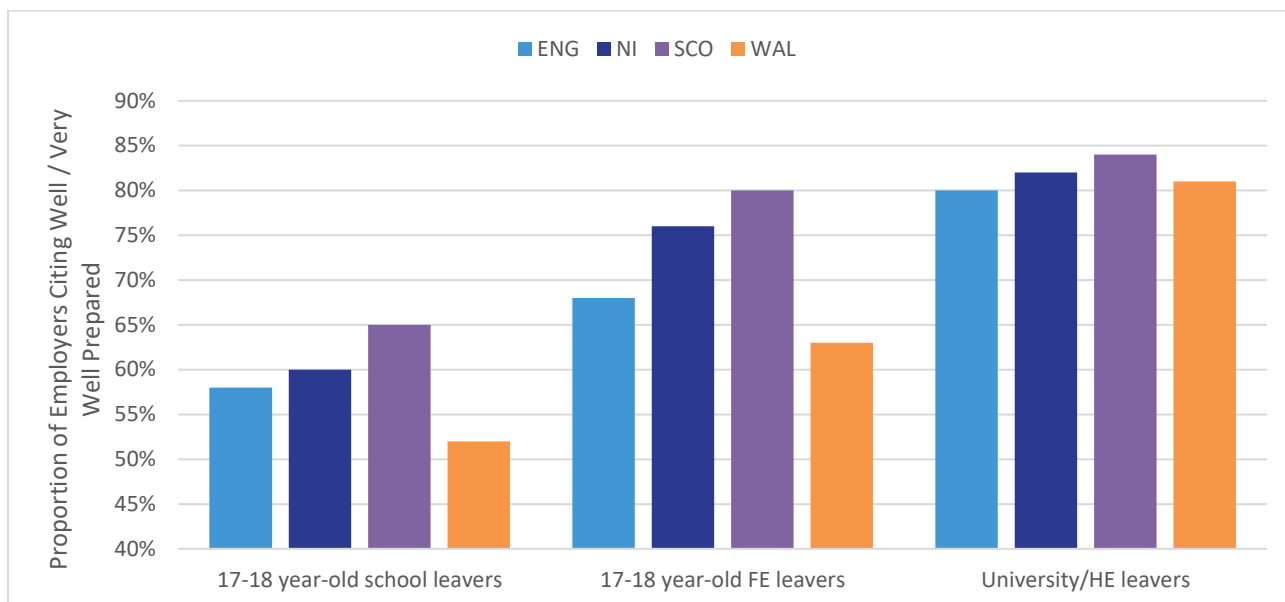
Further Education

Preparedness for Work

A key role of FE is to prepare education leavers for employment. Figure 1 highlights that over three-quarters (76%) of NI employers who had taken on a 17-18 year-old FE leaver within the previous 2-3 years felt that they were either well or very well prepared for work; although this is down slightly on the 79% figure in 2014. The large

difference between preparedness for work of FE leavers compared with school leavers at the same age (60%) is particularly stark; this reinforces the strong emphasis on developing practical skills for work in FE compared with the school system. Indeed, there is very little gap in work preparedness between leavers from FE and HE (82%), even though HE leavers will be older and qualified to a higher level than a 17-18 year old leaving the FE system.

Figure 1: Preparedness for Work of Education Leavers



Source: Department for Education, Employer Perspectives Survey

Note: Scotland data is for all secondary school leavers not just 17-18

Employers believe that 17-18 year old FE leavers in Northern Ireland are much better prepared for work than those in England and Wales. Whereas there is a significant difference in work preparedness between FE and HE leavers in England and Wales, this is not evidence as much in NI or Scotland. Where local employers did not feel that 17-18 year old FE leavers were well prepared for the workplace, the main reasons were either due to lack of work/life experience (11%) or poor attitude/personality/motivation (7%) which potentially relates more to their age and stage of life than their education. Just 6% of employers states that FE leavers lacked the required skills or competencies.

Training

FE colleges can act as training partners for employers to upskill their workforce. Of those NI employers that offered training for their staff in 2016, just 14% of these used FE colleges as a source of training – similar to other parts of the UK. FE colleges are used slightly more as sources training than HE institutions (11%), but much less so than commercial organisations (50%). Employers in the North West (19%) are most likely to use FE colleges for training, whereas those in the Northern (10%) area are least likely.

There are significant sectoral differences in terms of employer engagement on training with FE colleges. The public sectors – public admin (31%), education (25%) and health & social work (20%) – are all relatively well engaged with

FE colleges as training providers. However, outside of construction (20%), private sector employers in sectors such as business services (12%) manufacturing (10%), primary sector & utilities (5%) and transport & communications (2%) are much less likely to use FE colleges as providers for training.

For those employers which do not use FE colleges for training, Table 1 highlights that the most common reason is down to lack of relevance of the courses on offer or issues raised around the specific subject matter of courses, which is similar to other parts of the UK. For FE colleges to be seen as genuine alternatives to commercial organisation for upskilling, this suggests a review of the types of courses and content of offer may be needed.

Table 1: Reasons for Not Using FE Colleges as Sources of Training (Top Five)

Proportion of Employers Citing Reason	England	N Ireland	Scotland	Wales
Courses provided are not relevant	41%	45%	40%	42%
Subject matter of courses is not relevant	12%	12%	17%	15%
Don't know enough about the course	7%	8%	6%	6%
Too expensive	4%	5%	3%	4%
Happy with current provider	4%	5%	3%	2%

Source: Department for Education, Employer Perspectives Survey

Vocational Qualifications

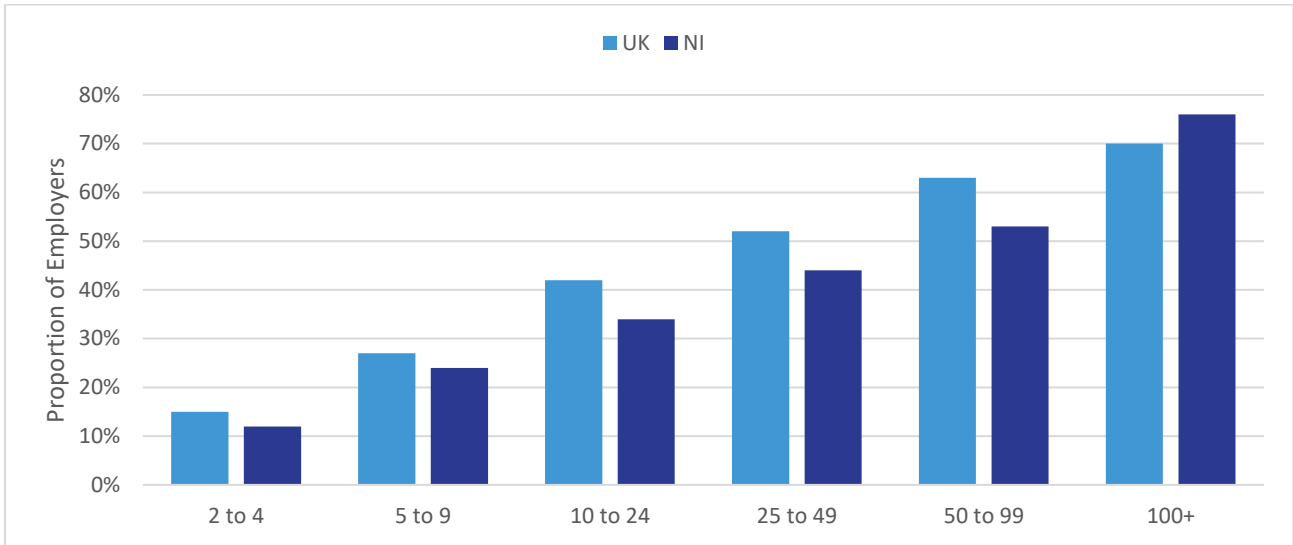
Training Leading to Vocational Qualifications

Vocational qualifications are cited by more than half of NI employers (57%) as significant or critical factors they look for when recruiting. Vocational courses provide professional and technical qualifications for specific jobs and are mostly offered at FE colleges.ⁱⁱⁱ Given the practical and job-specific training that vocational qualifications deliver, there is a strong incentive for employers to be closely involved in supporting such courses.

In 2016, just over one-fifth (22%) of NI employers arranged or funded training designed to lead to a recognised vocational qualification over the preceding 12 months; this is below the 26% reported in England, Scotland and Wales. Local employers therefore are less engaged in vocational routes to employment than elsewhere in the UK. This varies sub-regionally within NI – employers in Belfast (25%) and the North West (24%) are the most engaged whereas those in the South West (20%) and South (19%) are least.

Figure 2 highlights that size is a key factor in the likelihood of arranging or funding training leading to a vocational qualification; just 12% of local employers with 2-4 staff had done so, compared with 76% of employers with 100 or more. NI employers' participation is lower than the UK average across all size-bands, with the exception of those with 100+ staff where the NI figure (76%) was above the UK overall (70%). Whilst lower levels of uptake of vocational qualifications is clearly an issue for NI employers across the spectrum, the structure of the economy - with fewer large firms to fund vocational qualifications – will also be reducing the overall NI figure.

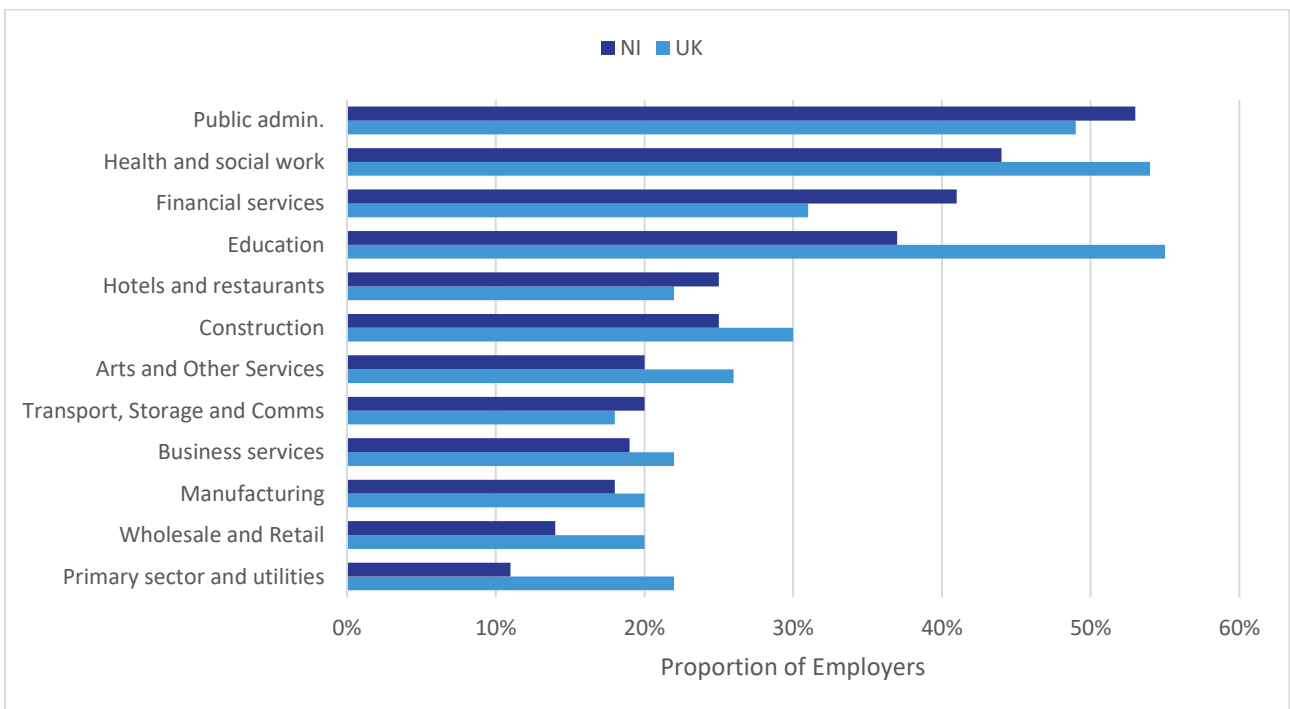
Figure 2: Employers Funding or Arranging Training for Vocational Qualifications by Employment Size



Source: Department for Education, Employer Perspectives Survey

Sector is also a major differentiator amongst employers. Figure 3 highlights that non-market services (public admin, health, education) were typically most likely to arrange or fund training leading to vocational qualifications. Financial services was the exception to this, with 41% of NI employers reporting doing so, significantly higher than the UK average. There are some sectors where employer engagement with vocational qualifications – health, education, construction, arts, retail and utilities – are significantly lower in NI than the UK average which may potentially suggest scope for improvement in these.

Figure 3: Sector Variation in Employer Training to Vocational Qualifications



Source: Department for Education, Employer Perspectives Survey

The vocational qualifications being delivered are dispersed across a wide range of levels, with Level 3 being the most common (see Table 2). Comparisons with the UK average highlight that NI training for vocational qualifications tends to be at a higher level, with a greater proportion at Levels 5-8 and Level 4 than the UK average. NI has also demonstrated significant increases in employers training to vocational qualifications at these higher levels since 2014.

Table 2: Levels of Vocational Qualifications Arranged/Funded

Qualification Level	UK 2016	NI 2016	NI 2014
Level 5 to 8	25%	33%	28%
Level 4	23%	27%	23%
Level 3	46%	46%	45%
Level 2	42%	37%	37%
Level 1	19%	21%	16%
Entry level	13%	13%	12%

Source: Department for Education, Employer Perspectives Survey

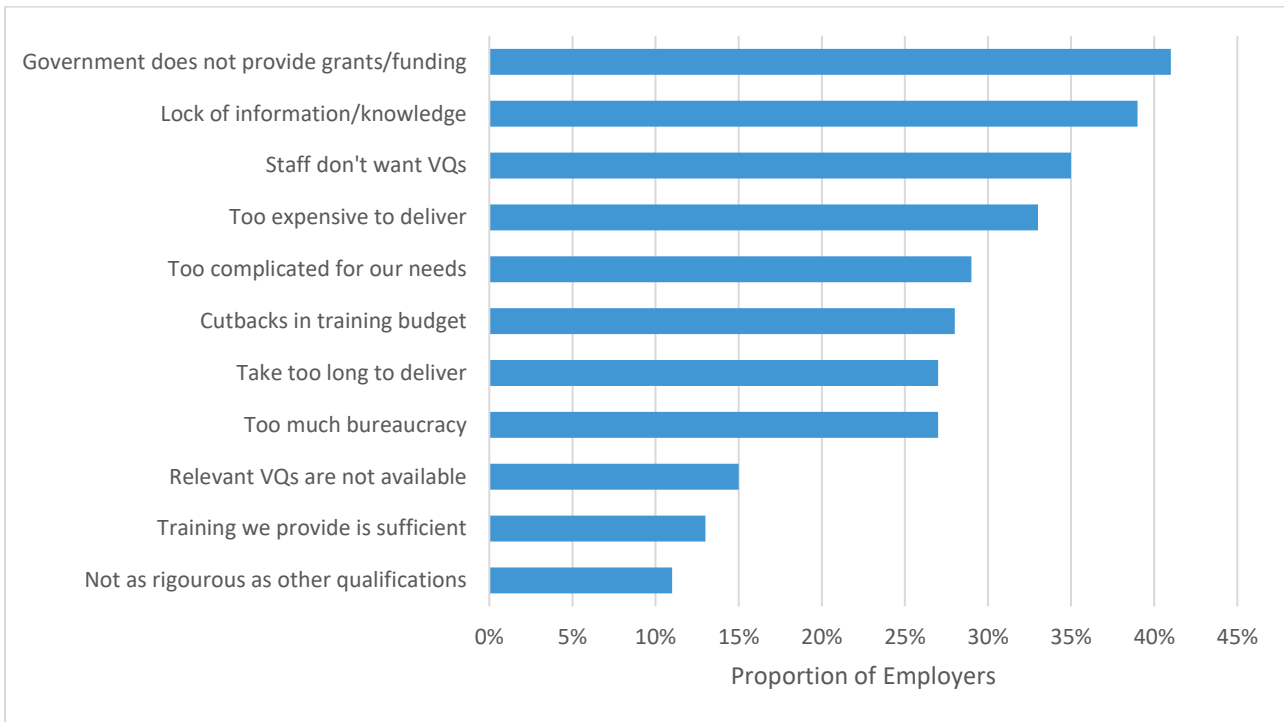
Note: Does not include other professional qualifications or certificates for health & safety, first aid or driving

Opinions on Vocational Qualifications

Employers who engage with vocational qualification training are generally very positive about the impacts of these. The large majority agreed that such qualifications delivered better business performance (90%) and improved staff retention (81%). The flexibility to adapt vocational qualification qualifications to business needs was cited (87%) as a key benefit and over half (53%) of employers involved in training also helped to shape the content. Overall, the large majority of employers agreed that vocational qualifications offered good value of money (83%), and these kind of positive messages from employers who arrange or fund vocational qualifications could potentially be used as part of any marketing campaign to raise positive awareness amongst the 78% of employers who do not. These impacts and benefits were consistently more commonly cited by NI employers than the UK average, suggesting that the experience locally has been more positive even though participation is lower.

In seeking to increase employers' participation in training leading to vocational qualifications, it is the barriers cited by those which have not engaged to date (see Figure 4) which can help understand what is needed to improve. Lack of government grants/funding is the biggest issue reported by local employers (41%) – significantly above the UK average of 26% - and it may be worth understanding how the NI funding system could be constraining participation. This barrier, alongside the 33% citing that these such qualifications are too expensive to deliver and the 28% reporting cutbacks in training budgets, suggest that there may be considerable resource issues for local employers to become more involved in supporting training that leads to vocational qualifications.

Figure 4: Barriers of Training Staff to Vocational Qualifications



Source: Department for Education, Employer Perspectives Survey

The second most commonly cited reason relates to a lack of information or knowledge around vocational qualification training, suggesting that additional marketing or awareness raising would be beneficial. The third most prevalent barrier relates to staff attitudes to vocational qualifications, with 35% of employers reporting that their staff don't want them; this is similar to the 33% citing this barrier for the UK as a whole, suggesting it is not an NI-specific issue. Whilst some staff may hold negative perceptions of vocational qualifications, it is encouraging that very few employers share these views, with just 11% perceiving such qualifications to be not as rigorous as others. There are, however, other negative perceptions held by employers of vocational qualifications, including that they take too long to deliver (29%), are too complicated (27%) and are too bureaucratic (27%).

Apprenticeships

Apprenticeships are a specific type of vocational training, mainly aimed at 16-25 year olds, where apprentices work as an employee for a company and split their time between working (typically four days per week) and day release to study towards a recognised qualification.^{iv} There is a close link between apprenticeships and FE colleges, with 64% of apprenticeships using an FE college. The EPS 2016 provides a range of information on apprenticeships, much of which correlates with the trends on broader vocational training. Key trends include:

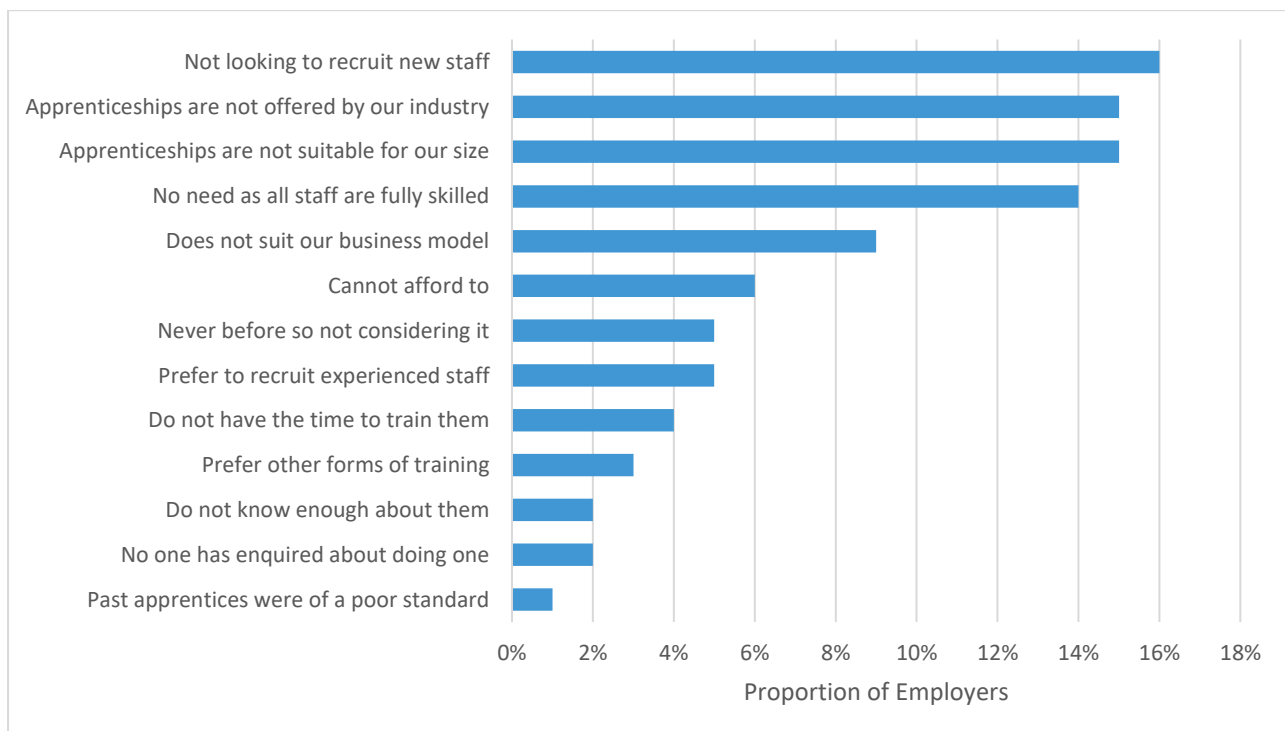
- 13% of NI employers offered apprenticeships in 2015, an increase on 10% in 2013 but still below the UK average of 18%. This will partly reflect the differing entry criteria and scope of the schemes;

- The South West of NI has the highest engagement with apprenticeships, with 19% of employers taking on an apprentice compared with a low of 11% in Belfast, Northern and North West;
- Construction (26%) and manufacturing (25%) are much more likely to take on apprentices than other sectors. The primary/utilities sector (3%) was the lowest in NI; and
- Larger firms are more likely to take on apprentices than smaller firms. NI's relatively larger share of small businesses could contribute to its overall lower uptake than the UK average, although the real issue appears to be the lack of uptake of apprentices by larger firms in NI. For example, 39% of firms with 50-99 employees and 51% of firms with 100+ employees took on an apprentice across the UK, compared with just 19% and 34% respectively in NI; and

Apprenticeships are generally seen as a good way to get skilled staff (39% of employers) and ensure young people continue to enter the industry (10%). Of those firms which already offer an apprenticeship, almost 80% plan to offer them again in the future, suggesting employers are generally happy with their value. In contrast, only 15% of employers that do not offer apprenticeships are considering them for the future.

The main reasons cited by employers for not offering apprenticeships (see Figure 5) typically relate to underlying factors which are difficult to address; if firms are not looking to recruit new staff or perceive their staff to have all the skills they need, there is probably little opportunity for them to consider apprenticeships.

Figure 5: Reasons for Not Offering Apprenticeships



Source: Department for Education, Employer Perspectives Survey

Outside of the top five reasons, many relate to either available resources or lack of information/understanding, which may be easier to address. In total, 71% of local employers not offering apprenticeships did not have a good knowledge of them, suggesting that activities to raise awareness may be beneficial. The fact that just 1% of employers cited the poor standard of past apprentices is a positive finding on the quality of apprenticeships going through the programmes.

Conclusions

FE colleges have a valuable role in preparing young people for the workplace, with the large majority of employers believing that 17-18 year old FE leavers are of a good standard, and to a much greater extent than school leavers of the same age. However, NI employers have lower levels of direct engagement with FE colleges on training their staff than elsewhere in the UK, mainly due to a perception around lack of relevant courses or subject matter within. Local employers are also less likely to be involved in training which delivers vocational qualifications, including apprenticeships, despite those which do participate having strongly positive opinions on their value. Barriers around lack of funding and information, as well as limited desire from staff to attain such qualifications, are cited as constraints to employer participation in vocational qualifications.

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ⁱ Source: Further Education Activity in Further Education Colleges, Department for the Economy

ⁱⁱ <https://www.gov.uk/government/publications/employer-perspectives-survey-2016>

ⁱⁱⁱ <https://www.careerpilot.org.uk/information/vocational-qualifications/what-are-vocational-qualifications#link-1>

^{iv} <https://www.nidirect.gov.uk/articles/apprenticeships-explained>