

Advertisement Feature

Apprenticeships: adding value?

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Earlier this month apprenticeship training provider Damar Training brought together a group of employers and representatives from the National Apprenticeship Service at the Lowry Hotel. It was an opportunity for employers to discuss what they get from apprenticeships and where best value can be created, particularly in an era of increased pressure on government funding. Here is some of the discussion:

Jonathan Bourne (Damar): Many of you are longstanding supporters of apprenticeships. Where do you feel your organisations are getting value?

Jane Wheeler (Expotel Hotel Reservations): We started using Damar initially to support us with recruitment in our contact centre. Then we began to see benefits from the training – better retention and good feedback from team leaders. So we opened the programme to existing staff. We have recently completed an apprenticeship programme for our team leaders and reaction has been very positive – for example team members have been reporting improved communication from their managers.

JB: Does the value lie mostly with the free recruitment or the training?

Rita McGucken (Horwich Farrelly): For us it's the training. You can recruit from so many different places these days. We recruit a lot of school leavers and, for them, the training is so important because it teaches them a lot of things that you think they should know, but often they don't.

Simon Caton (Bunzl): It does cut recruitment costs though. I haven't had to pay a recruitment fee for four years now – not just because we have recruited people as apprentices, but because staff want to come and work with us as they see the department as a centre of learning.

JB: If we didn't have fully subsidised apprenticeships available to support young people, would you recruit more experienced staff?

RM: Apprenticeships help us to "grow our own". We now have a lot of people, even in fee earning positions, who have developed through the ranks. The range of opportunities in the law makes it really attractive for people who are at the beginning of their careers.

Sarah Roberts (Horizon Finance): For individuals, it's partly about improving life chances. I have seen instances of people who are good at their jobs but for whom the apprenticeship has shown up a real skills gap. They might be able to cope for now, but improving their skills in, say, maths or English means that they have a better chance of progressing.

Mark Draper (Unicom): I'm changing the subject here, but isn't there a bit

of a contradiction? The government wants to spend less on training for older learners and at the same time encourage more higher level qualifications that are suitable for people with more experience.

Linda Stokes (National Apprenticeship Service): The public purse is finite and so, to be fair to all, we have to think about roughly how much funding individuals have had over their lives. To do this we look at age and existing qualifications. At the end of the day, successful businesses need to develop their people and there is a cost to that for businesses, the taxpayer or a combination of the two.

to minimise the cash cost and ensure that your apprenticeship programme is really sustainable. One is for us to train up a member of your staff to be an NVQ assessor. We then support that person in terms of quality and ongoing training and you are able to offer recognised qualifications on a very cost effective basis to all staff.

Tracy Vardy (Sim Trava Limited t/a Costa Coffee): We are looking at setting up a training academy and I can see how, as we grow, it could be possible to have our own assessor who works not just with our stores but also with other franchisees.

"We recruit a lot of school leavers and, for them, the training is so important because it teaches them a lot of things that you think they should know, but often they don't"

Rita McGucken of Horwich Farrelly

JB: The return on investment in apprenticeships is magnified by the effect of the government subsidy. Say for example that the training cost for a member of staff in their late 20s is £500-£1,000 (it would be free for a 16-18 year old) and you are considering training up an internal member of staff versus making a lateral hire. The extra salary cost would be more than that each year, before we consider recruitment fees and the time it would take them to get up and running in your organisation.

Garry Grieve (Churchwood Financial): Even with some fee contribution, the apprenticeship route is more cost effective than other non-subsidised training. We have recently promoted a management apprentice internally, which has been far cheaper than recruiting externally. Our culture is that we are really trying to invest in our people – I think having good staff training also gives us a competitive edge when we do need to recruit externally.

Graham McKendrick (National Apprenticeship Service): Of course, whilst it is still fairly easy to recruit, as the recovery gathers pace there will be more competition for good staff. Unless your culture is to try to develop your own, businesses will become really vulnerable at that point.

JB: There are other options if you want

Promoting partnership in Greater Manchester

Over its 26 year history, TNG has developed valuable partnerships with organisations across Greater Manchester, enabling us to support individuals into sustainable employment and provide effective training and recruitment solutions to employers.

We work with local and national employers to create and deliver bespoke pre-recruitment training programmes, screening potential candidates to make sure they have the skills and motivation required and who are trained to the standard of the business. Recently, we developed a pre-recruitment training programme for Hitchen Foods in Wigan which resulted in eight people starting work with the company after the one week programme, with an 88 per cent success rate at 13 weeks. As a result of this impressive success rate and the high quality of the candidates employed, when Hitchen Foods opened a new business unit, they approached us for support to fill their staff requirements. For the second pre-recruitment course we delivered, 31 applicants attended, with 14 receiving job offers at the end of it. Sustainability was at 90 per cent after 13 weeks.

Successful partnership is also about celebrating success, recognising how and why the partnership excelled and moving forward together. Annually, we nominate employers we work with for the prestigious GMEC Awards, demonstrating how, together, we are supporting local people to find sustainable employment and improve their skills. For the past three years, our nominated employer has been recognised as a finalist of the Awards – Hughes Brothers in 2008, The Co-Operative in 2009 and Hitchen Foods this year.

We also recognise the success of organisations that we're working with at our own annual Awards ceremony, held at the House of Commons in London. The 'Employer of the Year' Award honours a successful employer who demonstrates a commitment to fair employment opportunities for all, promotes skills development training to existing employees or provides opportunities to develop the skills and confidence of jobseekers in the form of work placements. At the 2008 awards, First in Manchester were awarded 'Employer of the Year' for their investment in staff training.

For more information about TNG and how we can work together to support local people move into employment or develop the skills of existing employees, visit www.tng.uk.com or call 01744 734 050.

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