

How businesses can engage  
more with apprenticeship schemes:  
**a white paper from AAT**

## Introduction: Apprenticeships = an exciting route into a chosen career

2017 has been a pivotal year for promoting apprenticeships. A **new levy came into force** on 6 April – requiring all UK employers with a pay bill over £3 million each year to **invest in apprenticeships**. This was swiftly followed in July by the **introduction of trailblazer apprenticeships**, allowing employers to design their own schemes and create standards across their industry sector.

These initiatives have been brought in to help meet the Government's commitment to **three million apprenticeship starts by 2020**. But the reforms themselves – especially in the case of the levy – appear at first glance to be slanted towards improving apprenticeship access among larger firms.

If the target is to be met, then small and medium-sized businesses (SMEs), who make up 99% of the UK's 5.5 million businesses, have a vital role to play, and represent a significant pool from which to drive up apprenticeship numbers. However, the latest figures suggest that apprenticeship **starts are dropping**.

On Thursday 12 October 2017, AAT invited a group of stakeholders from a variety of industries – accountancy, training, journalism and public affairs among them – to a breakfast roundtable held at our head office in central London. Attendees were invited to put forward recommendations for how businesses of all sizes, and across all sectors, can embrace high-quality apprenticeship opportunities, and whether more needs to be done to make schemes more attractive to individuals and employers.

Participants included representatives from organisations including **3aaa Apprenticeships**, the **Association of Taxation Technicians**, **Kaplan**, **Leadership Through Sport and Business**, **Opinium Research**, and the **Recruitment and Employment Confederation**. DeeDee Doke, editor of **Recruiter magazine**, was on hand to chair the event and keep participants in order.



Image: Breakfast Roundtable, 12 October 2017

# Improving employer engagement with apprentices: Five key recommendations

## 1 Ensure all apprenticeships deliver work-ready skills – and that employers are made aware

The view that an individual will remain on the same career path for life is outdated, according to one attendee at the roundtable. It's not uncommon for people to have four or five different careers, and so transferrable soft skills, which work across all industries, are vital for apprenticeship schemes to deliver, given that apprenticeships are supposed to appeal to all ages. Theoretically, the new trailblazer apprenticeships should help deliver this, as that they have been designed by employers at the heart of every industry, but these do not appear to have been successfully rolled out as yet in some sectors. Employers need to trust that all apprentices have the skills and behaviours to succeed in the workplace, as ultimately it is the employability of the apprentice that matters, not the apprenticeship qualification alone.

## 2 Implement completion targets for apprenticeships

A suggestion made by a number of attendees was around the three million apprenticeship starts target not going far enough or being attractive enough for businesses. The real value to businesses of bringing in apprentices will come with quality apprenticeship schemes completed in a timely fashion.

Currently around 30% of people fail to complete their apprenticeship, a figure that has **risen in recent years**. Imagine if half of apprentices did not stay with their company long enough to be offered a permanent role at the end of the apprenticeship? This would make a mockery of the system and not give employers confidence that taking on apprentices would be of long-term benefit to their company.

## 3 Improve the scope of the apprenticeship levy to recognise skills

The skills needs of the UK extend beyond the remit of apprenticeships alone. Therefore, funds that all businesses receive from the new levy should enable training not only for apprentices but also for high quality traineeships and upskilling existing staff through training.

The levy's extension, to an Apprenticeship and Skills levy which recognises the varying requirements of different industries and help align industrial strategy, would make the provisions more attractive to SMEs. This means they would more likely consider factoring in monies received to improve workforce skills, including through the introduction or acceleration of an apprenticeship scheme.

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“A kid in a school, without preparation, becomes a kid in an office. Apprenticeships can literally change the lives of young people and give them work-ready skills.”

**Pete Ward** Operations Manager,  
Leadership Through Sport & Business

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#### 4 Re-develop careers advice in schools

Most attendees agreed that careers advice for those who would soon be leaving school was heavily biased towards universities – indeed schools had a ‘vested interest’ in keeping students through to the completion of A-Levels due to receiving funding. Many schools have poor careers advice available as it is – but many students will most likely have a favourite teacher who will provide their greatest source of advice. Once the new **teaching apprenticeship** has become popular, more teachers should encourage their own students down apprenticeship paths. In addition, the UCAS and National Apprenticeship Service (NAS) websites should merge into one integrated portal, to provide young people with equal availability of information for all routes to employment, and give employers an opportunity to directly reach out to potential future apprentices.



#### 5 Consider online platforms for employer/apprentice engagement

One final suggestion was the development of a digital ‘hub’. This is where employers looking to bring in apprentices, across all ages, can advertise their available roles along with providing open forums including details of what their apprenticeship scheme may entail. In this way, smaller businesses in particular who might not have the procurement capabilities to take on an apprentice will be more easily able to find someone who fits the bill – including career changers with transferrable skills that could benefit further from an apprenticeship scheme once in employment.



Image: Breakfast Roundtable, 12 October 2017

## Conclusion: A win-win situation

There can be no doubt that apprentices offer great value for businesses – learning and upskilling themselves on the job, while generally being highly motivated, enthusiastic and loyal individuals. Apprentices are every bit as likely to be business leaders and managers of the future as graduates. They're more cost-effective to hire than skilled staff, can be tailored to specific job roles to help tackle business shortages, and will learn the skills that work best for the employer.

To find out more about research AAT conducted into current attitudes towards apprenticeships, please read our **Apprenticeships: Getting ahead for accelerated ambitions report**. You can find out more about how AAT contributes to accounting apprenticeship schemes by **visiting our website**. For more information please contact **[prteam@aat.org.uk](mailto:prteam@aat.org.uk)**