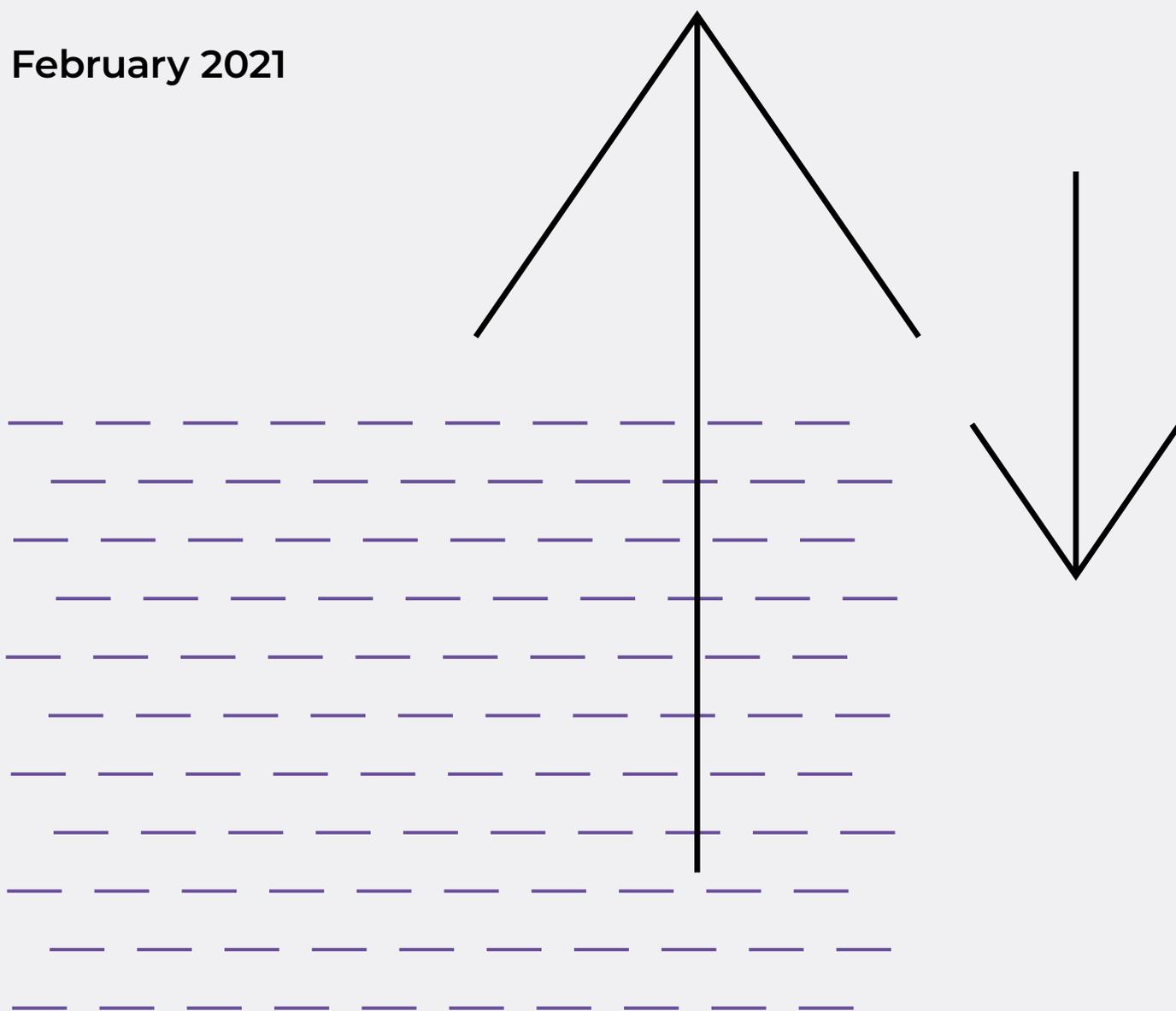


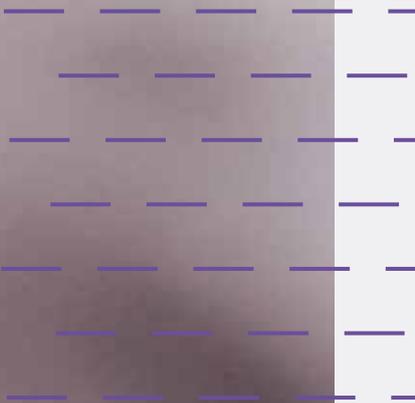
# The Open University Build the Future Apprenticeship Survey

IN ASSOCIATION WITH THE 5% CLUB

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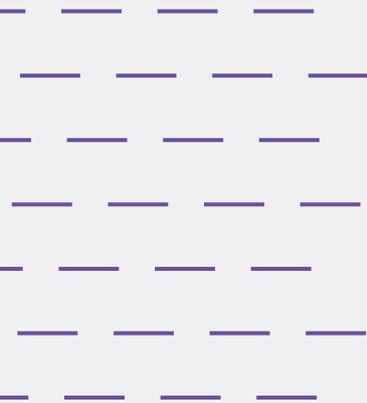
February 2021

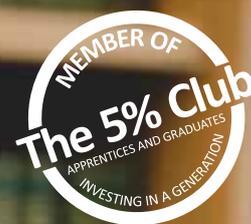




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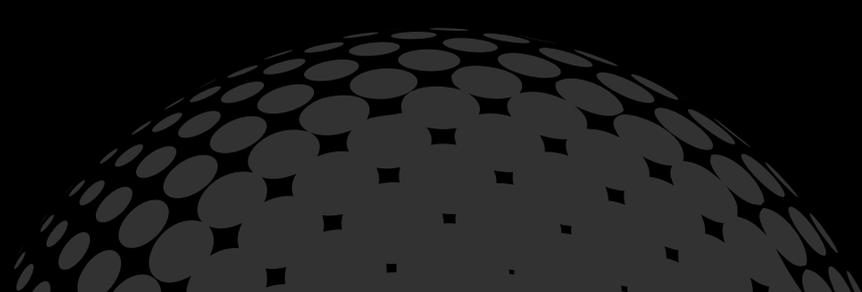




## FOREWORD

# Gill Cronin.

National Apprenticeship Week has been an annual opportunity to celebrate all the benefits that apprenticeships bring to individuals, employers and wider society. But in 2021, the week arrives in a completely new context.



The COVID-19 pandemic has completely changed the way organisations and teams operate. It has had a crushing impact on the jobs market, with increasing youth unemployment especially amongst those sectors hardest hit. Whilst some apprentices have sadly been let go, and there are fewer immediate opportunities, last year's Open University Business Barometer found that there was cautious optimism about the medium-long term outlook for apprenticeships in the recovery.

In a fast-paced and changing economic and social environment, we know that skills and apprenticeships will be a significant way for the UK economy to 'Build Back Better', supporting individuals and businesses to thrive, adapt and grow. Working alongside The 5% Club, The Open University therefore commissioned a new employer survey in England to get the very latest views and approaches to apprenticeships. The picture is relatively optimistic in the medium term – across both smaller and larger employers – although

there are some concerns for the immediate future.

The survey also formed part of a webinar for National Apprenticeship Week, where an expert panel of employers discussed the findings and offer practical tips to make apprenticeships central to building the future as we emerge from the pandemic. We are delighted to share the results in this report.

### **GILL CRONIN**

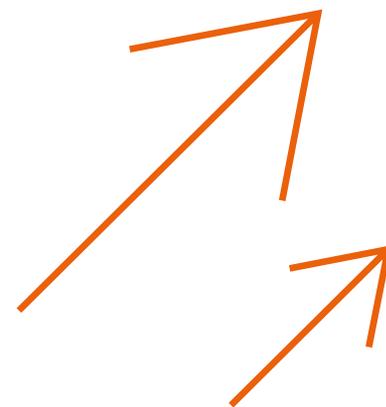
**Director of Operations  
The 5% Club**







# The Build The Future Apprenticeship Survey.



**In January 2021, The Open University commissioned a survey of over 600 employers in England about their plans to ‘Build The Future’ through apprenticeships.**

The research – which began the day after a lockdown was announced by Prime Minister Boris Johnson on 4 January 2021 – was undertaken by PCP<sup>1</sup> who surveyed large and small businesses (excluding micro-businesses) from across the public, private and third sectors.

The aim of the Build the Future Apprenticeship Survey is to understand changing attitudes and approaches to apprenticeships and skills development in England since the first lockdown, and the publication of The Open University’s UK Business Barometer in September 2020 (field work conducted in August 2020)<sup>2</sup>.

<sup>1</sup> The Build The Future Apprenticeship Survey is based on a survey of 600 employers based in England across a wide range of sectors. The survey was conducted between 5 and 14 January 2021.

<sup>2</sup> The OU’s UK Business Barometer published in September 2020 was based on research of UK business leaders in August 2020. For like-for-like comparisons for this 2021 National Apprenticeship Week survey, the original August 2020 data was broken down into an England-only sample.

## KEY FINDINGS

# Looking ahead.

# 89%

of business leaders in England who hire apprentices agree that apprenticeships enable their organisation to proactively build its future.

The number of senior business leaders planning to increase their apprenticeship intake over the next twelve months has increased.

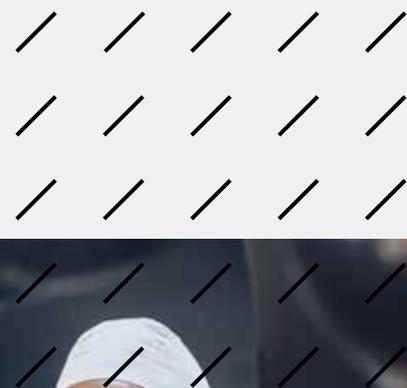
# 72%

now plan to hire more apprentices over the next year, compared to less than two thirds (61%) according to the OU's Business Barometer, conducted in August of 2020. Specifically, 67% of SMEs surveyed said they plan to hire more apprentices over the next year. This compares to 55% of SMEs who reported they plan to do so when polled as part of the August 2020 Business Barometer.

# 70%

of business leaders in England believe that apprenticeships and work-based learning will be vital to their organisation's recovery from the pandemic.

This compares to the OU's 2020 Business Barometer (conducted August 2020) where just 50% of business leaders in England surveyed believed this to be the case. This is also true of both SMEs and large employers alike.





This relative optimism is felt even amongst those who are yet to work with apprentices,

50%

of employers who don't currently hire apprentices now plan to do so in future.

Appetite for apprenticeships in England varies across industries,

48%

of employers in the arts, recreation and entertainment sectors are planning to hire more apprentices over the next year compared to 81% of employers within the information and digital services sector.

## KEY FINDINGS

To what extent do you agree with the following statements in relation to your organisation's recovery from COVID-19 disruption and the next 12 months?

My organisation will likely hire more apprentices

**71%**

Manufacturing and automotive

**78%**

Engineering and construction

**70%**

Wholesale retail and repair of motor vehicles

**71%**

Transport and logistics

**74%**

Accommodation and food services

**81%**

Information and communication (digital/ICT)

**79%**

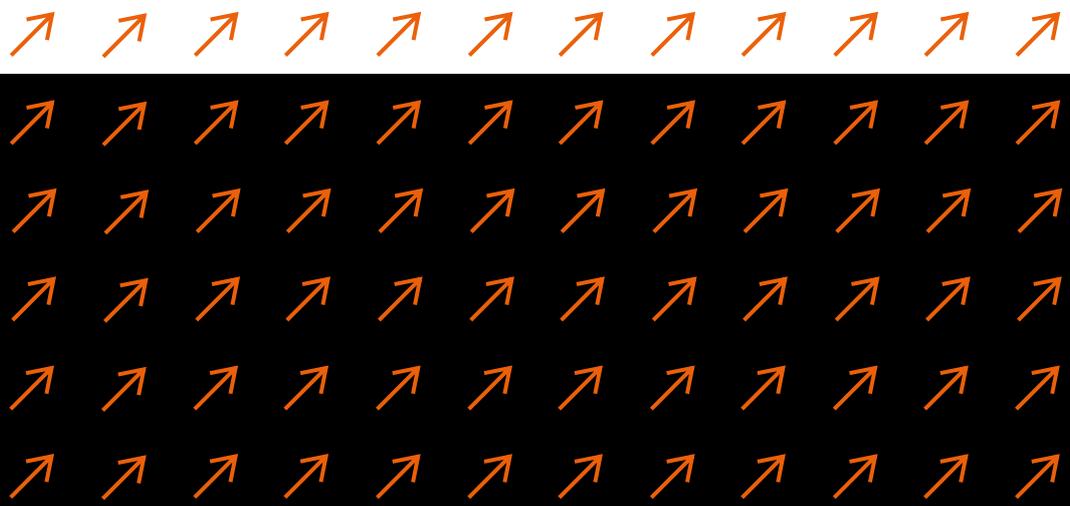
Financial and insurance activities

**81%**

Real estate activities

**61%**

Professional services (excluding financial and insurance activities)



**66%**

Scientific and technical activities (STEM)

**63%**

Business administrative and support services

**77%**

Tourism (including travel agencies and tour operators)

**79%**

Public administration and defence (Including civil service / government roles / blue light)

**70%**

Education

**66%**

Human health and social work activities

**76%**

Pharmaceuticals

**48%**

Arts, recreation and entertainment

Intentions have changed over time since the first lockdown. For example, where nine in 10 (92%) of business leaders in real estate services felt they couldn't commit to apprenticeships in the summer of 2020, this reduced to 38% of businesses who said they couldn't commit to the schemes at the beginning of this year.

KEY FINDINGS

# Down but not out...



Whilst there is medium-term promise about apprenticeships as a means to 'build the future', some business leaders are more hesitant about apprenticeships in the short-term.

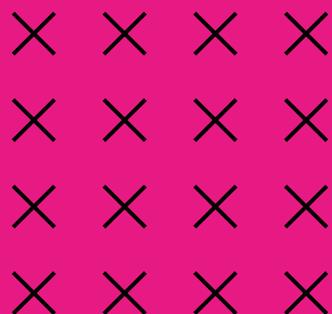
With the nation returning to lockdown at the beginning of the year, uncertainty remains a deterrent for some employers looking to take on apprentices.

# 52%

of organisations still believe work-based learning schemes such as apprenticeships are too much of a commitment at this stage, while COVID disruption remains prevalent, with this assessment split equally amongst large employers as well as SMEs.

Apprentice redundancies continue, with East of England and London firms are most likely to be planning to let go of some of their apprentices (47% and 46% respectively), with fewer firms in the South West (26%) planning to do the same. Again, these views seem to be equally shared amongst both SMEs and large employers.





To what extent do you agree with the following statements in relation to your organisation's recovery from COVID-19 disruption and the next 12 months?

My organisation will have to let go some of our existing apprentices (Agree Strongly or Agree Slightly)

44%

North West

35%

North East

43%

East Midlands

37%

West Midlands

46%

London

38%

South East

26%

South West

47%

East of England

39%

Yorkshire & Humberside

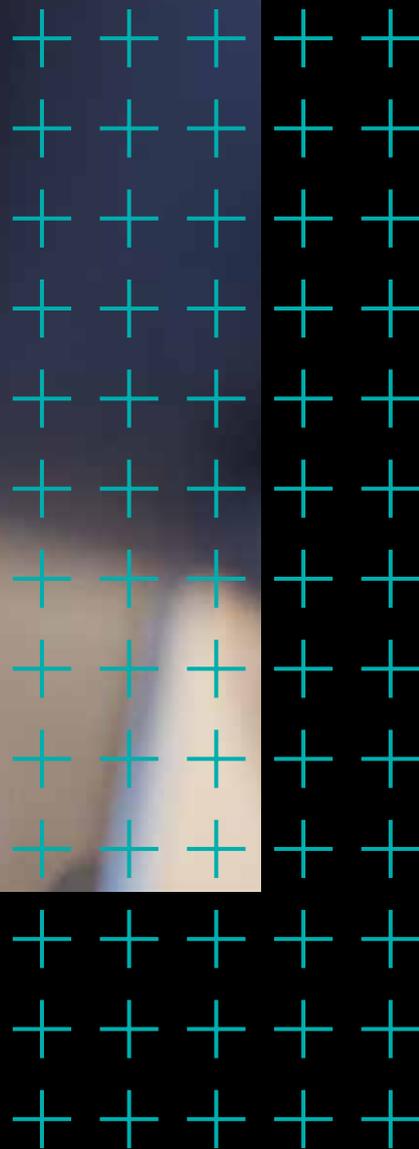


## KEY FINDINGS

# The benefits of apprenticeships.

Employers that have already embraced apprenticeships report they are reaping the benefits.

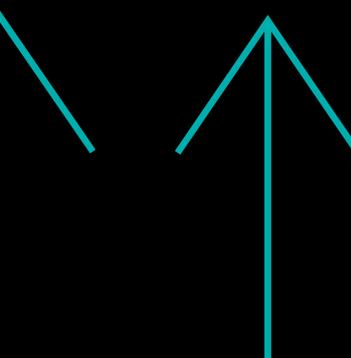




66%

of organisations report that apprenticeships have enabled their organisation to bounce-back from the economic fall-out of the pandemic more quickly

This view is shared amongst SMEs and large employers alike, with 63% of SMEs reporting they've been able to bounce-back more quickly compared to 68% of large employers.



80%

of all the businesses surveyed state that learn and earn opportunities make their organisation more agile.



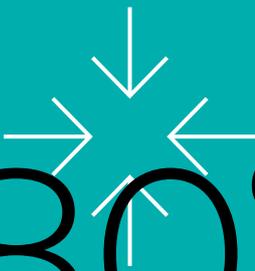
74%

report boosted retention  
in their organisation.



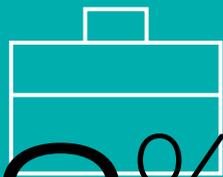
77%

saw increased productivity.



80%

witnessed the transformative impact  
of apprenticeships on the learner.



78%

report a transformative  
impact on their organisation.



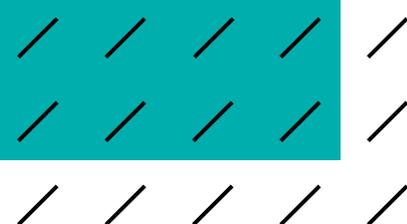
75%

of organisations in England who hire  
apprentices say it allows them to forge  
relationships with their local area.



82%

believe they are important for all ages  
and that they should be delivered  
across all Levels of education.





**Apprenticeships present an opportunity to bring in new and diverse talent to an organisation.**

**74%**

of employers who hire apprentices say that they are an engine of social mobility.

Apprenticeships also enable organisations to 'build the future' from within. Nearly three quarters

**69%**

of employers have started to hire candidates without degrees, or lower educational attainment in order to build up skills.

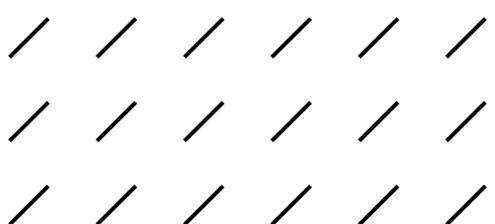
Of these,

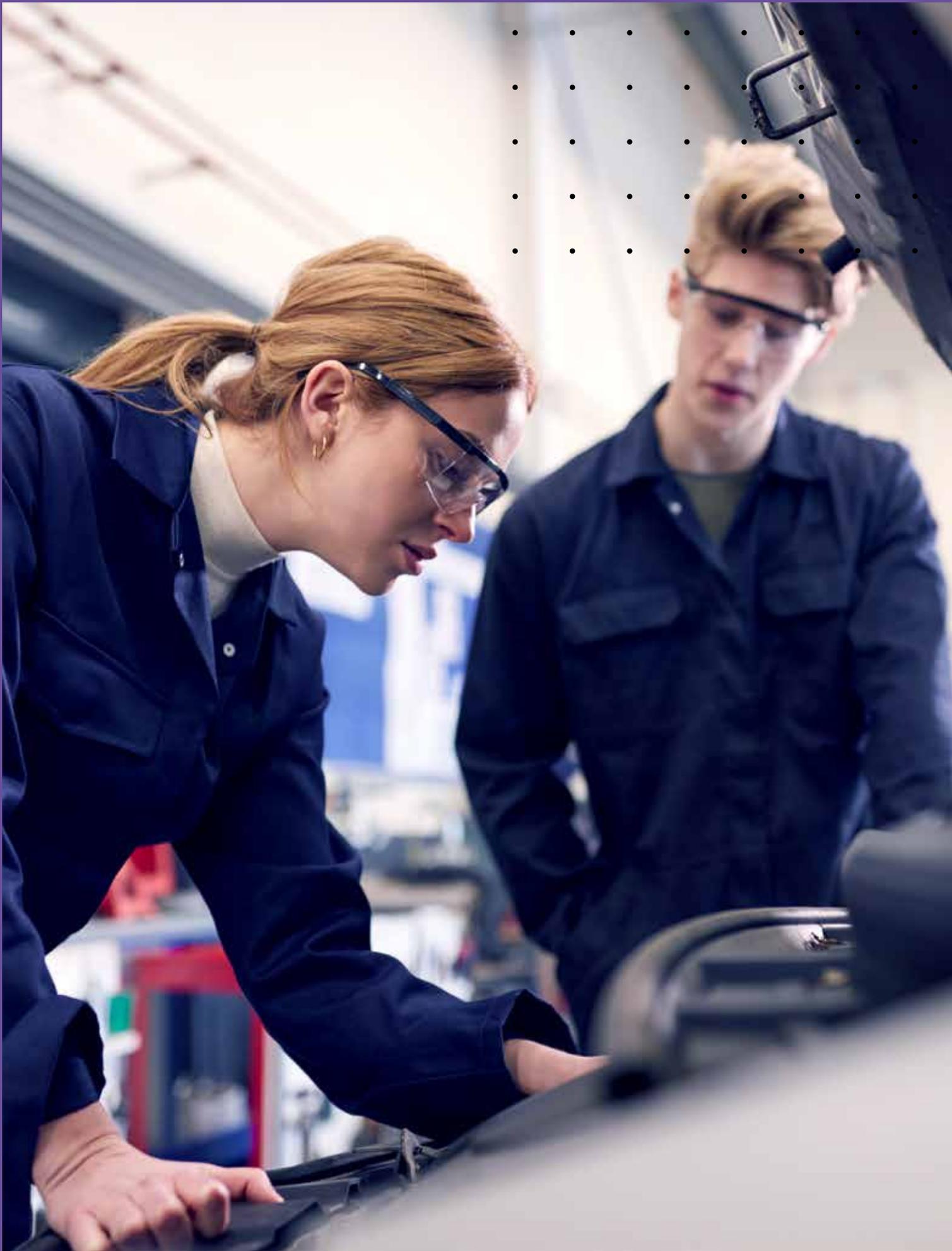
**76%**

did so to widen their company's access to talent, while a further

**58%**

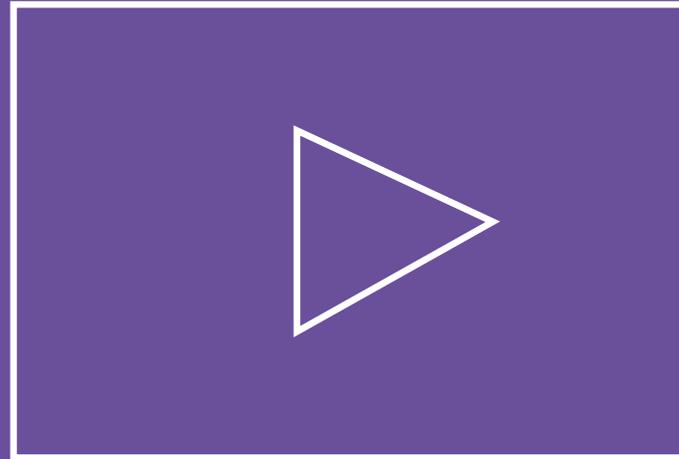
wanted to upskill members of their community.







# Employer webinar.



*How apprenticeships can develop the future beyond the pandemic with The Open University and The 5% Club.*

This webinar discussed the results of the Build The Future Apprenticeship Survey on employers' very latest approaches to apprenticeships. An expert panel explained how apprenticeships can play a part in the rebuilding from COVID-19 and how some of the barriers can be overcome to secure a bright future for skills development.



## THE PANEL

- **Laura Burley**  
Apprenticeships  
Ambassador,  
The Open University
- **Jo Volk**  
Trustee and Director of  
Talent & Development,  
The 5% Club & Balfour Beatty
- **Lee Cattermole**  
Learning and Development  
Manager, Salts Healthcare
- **Chris Shirley**  
Apprenticeship Services  
Manager, Network Rail
- **Martin Couzins (Chair)**  
Founder, Insights Media

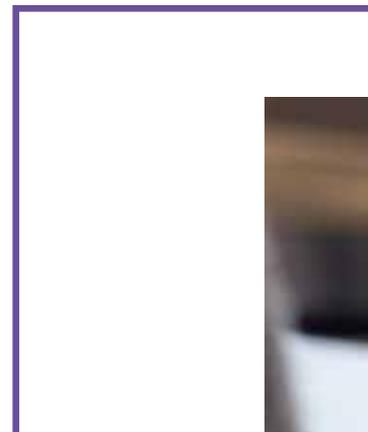
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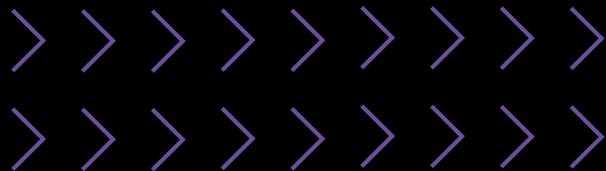
In the workforce of 2025, the skills we need are going to be so different from now. As we look to the economic recovery, I think apprenticeships are going to be a key, tried and tested method to bring in new people into the workforce and to reskill and upskill employees.

The main takeaway is that there is general positivity about how apprenticeships can rebuild the future. Even though the immediate situation is quite uncertain, there are green shoots of recovery.

### **Laura Burley**

**Apprenticeships Ambassador,  
The Open University**





“

“The thing I was most thankful to see is optimism. Balfour Beatty has employed apprentices for over 35 years and they are part of our future plans and strategies. We firmly and absolutely believe apprentices are part of the future.”

### **Jo Volk**

Trustee, The 5% Club & Director of Talent & Development, Balfour Beatty

“

Many apprenticeships are long term strategies for the development of skills. It's a springboard to departmental success. Apprenticeships should be an integral part of those conversations about people, which are one of our most important resources.

### **Lee Cattermole**

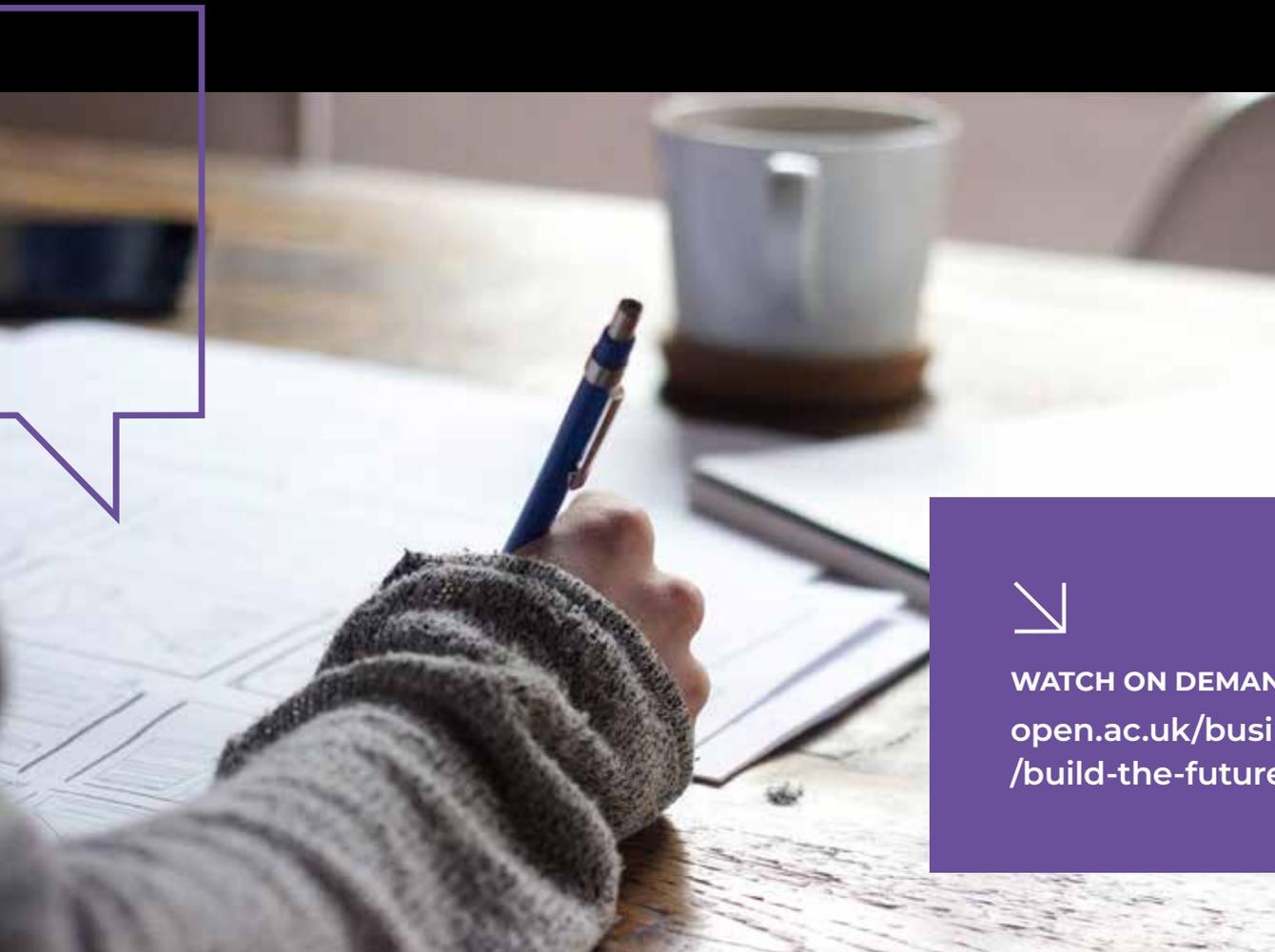
Learning and Development Manager, Salts Healthcare

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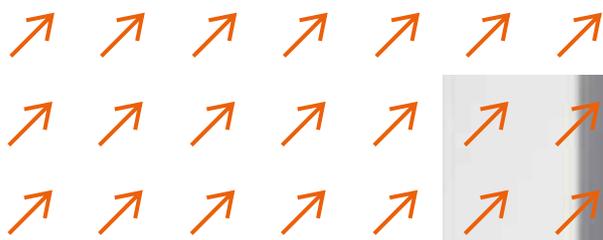
The survey highlights that there is still an element of education needed so that people know what apprenticeships are available. Anybody can do an apprenticeship, especially now in the time of this pandemic when there is rising unemployment. But that gives us an opportunity.

### **Chris Shirley**

Apprenticeship Services Manager, Network Rail



**WATCH ON DEMAND AT**  
[open.ac.uk/business/build-the-future](https://open.ac.uk/business/build-the-future)



# About The Open University.

**The Open University has a proven track record and rich heritage of providing workplace education solutions for employers across a range of sectors, which help employees unlock their potential.**

Specialising in developing high-quality learning materials, based on rigorous research and industry insight, The Open University combines academic excellence with technological expertise to deliver flexible work-based learning.

Since 2016, The Open University has offered apprenticeships to help organisations grow their own talent. In England, The Open University offers higher and degree-level programmes in healthcare, policing, social

work, digital, management and leadership. It is now England's largest provider of degree apprenticeships – based on 2019/2020 starts. In Wales, The Open University offers degree apprenticeships and in Scotland, graduate apprenticeships.

Whether you're looking to develop new or current employees, contact The Open University today to find out how apprenticeships can help you build your future.





**FIND OUT MORE**

[open.ac.uk/business  
/apprenticeships](https://open.ac.uk/business/apprenticeships)



# About The 5% Club.



The 5% Club is a dynamic movement of employers committed to earn & learn as part of building and developing the workforce they need as part of a socially mobile, prosperous and cohesive nation.



The Club exists to help its members and all employers increase further the number, quality and range of earn & learn opportunities across the UK.

By joining The 5% Club, members aspire to achieve 5% of their workforce in earn and learn positions (including apprentices, sponsored students and graduates on formalised training schemes) within five years of joining.



**FIND OUT MORE**  
[5percentclub.org.uk](https://5percentclub.org.uk)



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