A Study of Employers’ Use of NVQs and SVQs Across Industrial Sectors

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EXECUTIVE SUMMARY

1. Background

NVQs and SVQs were introduced in the 1980s to make vocational education more responsive to the needs of industry and to create a more coherent range of vocational qualifications. The qualifications were designed to make a contribution to enhancing industry’s competitiveness through helping to provide a more highly skilled, flexible and motivated workforce.

Previous studies indicate that over 90 per cent of employers are aware of NVQs and SVQs, which now cover 88 per cent of the occupations in the workforce. Around seven per cent of all employers are using them, about five per cent of the workforce have gained awards and about 2.5 per cent of people in employment are working towards them.

2. The Study

The DFEE commissioned the National Foundation for Educational Research (NFER) to undertake a study into how employers in different industrial sectors make use of NVQs and SVQs. More specifically, the objectives of the study were to:

- clarify and provide data on the take-up of NVQs and SVQs across industrial sectors using appropriate specific categories and subgroups of employers;
- provide evidence of specific industry factors that affect the take-up of NVQs and SVQs and any factors that are common to all employers;
- explore the critical factors which lead to employees working towards NVQs and SVQs amongst those employers offering the opportunity to gain these qualifications.

Undertaken between December 1996 and September 1997, the study comprised:

- a review of the literature and previous research on employers’ take-up and use of NVQs and SVQs;
- a telephone survey of 312 employers who were using NVQs and SVQs;
- a telephone survey of 51 employers who had not taken up the qualifications;
- a programme of visits to 60 employers using NVQs and SVQs where interviews were carried out with senior managers, personnel and training managers, line managers and supervisors, assessors and candidates;
- a programme of interviews with national and sector organisations, including Lead Bodies, ITOs, Awarding Bodies, and Training and Enterprise Councils (TECs) and Local Enterprise Companies (LECs).
The sectors included in the study (based on the Standard Industrial Classification) were forestry, water, food and drink manufacture, information technology, public administration, hospitality, residential care, and retail.

3. Key Findings

3.1 Advice and Support

Employers found out about NVQs and SVQs through a variety of sources. The main sources of information were external organisations, particularly TECs and LECs, ITOs, Lead Bodies and training providers. Around one in ten had learned about the qualifications through reading professional journals and newspapers. Most of the users had also received help from external organisations and this included assistance with interpreting the national standards and matching them to occupations and advice on how to set up administrative systems.

Whilst advice and support had been received by companies in all of the sectors, there was some variation in the main sources of provision. In two of the sectors - water and IT - all the companies had received advice from external organisations and in both cases this had come mainly from Awarding Bodies and training providers. Sector organisations were major sources of advice and support in forestry and food and drink manufacture.

Whilst about two-thirds of the employers surveyed indicated that they required no additional help, the remainder wanted further information on the benefits gained from using the national standards, sources of funding and good practice on NVQ and SVQ implementation.

3.2 Reasons for Take-up of NVQs and SVQs

Employers gave a variety of reasons for take-up. The main reasons were as follows:

- to enhance staff development and the accessibility of the qualifications to staff of different ages, experience and level of skill;
- to improve company performance, quality and competitiveness;
- to accredit training to a national standard;
- to accredit the skills of existing staff.

It is worth noting that some employers adopted the qualifications to formulate and introduce new training programmes or to restructure existing provision, and valued the national benchmark which the standards provided.

As expected, the sectors varied in the level of take-up of NVQs and SVQs. Where figures were available, the percentage of the workforce in a sector who were working towards the qualifications ranged from 2.5 per cent to 9.4 per cent and the percentage of the workforce in a sector who had achieved the qualifications ranged from 4.1 to 16.7 (Office for National Statistics, 1996b). These variations were explained mainly...
by the characteristics of the companies (size, number and type of staff predominantly employed) that made up different sectors; the impetus to regulate the quality of products and services to ensure that specific standards were being met; competition and the drive to gain a larger market share; and the strength of existing training cultures.

Whilst the main reasons for NVQ and SVQ take-up were common to all of the eight sectors, the order of importance varied. For example, whilst the primary consideration for adopting the qualifications in the retail and IT sectors was to accredit training, in residential care and the water industry the most frequently mentioned reason was to improve performance, quality and competitiveness. Improving staff development and accessibility was the main reason given by employers in public administration and food and drink manufacture.

Three sectors identified additional reasons for using NVQs and SVQs. Employers in public administration and the forestry sector reported that they had decided to take them up because the qualifications were relevant to their needs. In addition, employers in public administration said that they were useful in relation to staff retention, recruitment and promotion. The hospitality sector gave involvement in government schemes (such as Youth Credits and Investors in People) as a major reason for taking up NVQs and SVQs.

3.3 Patterns of Use

The majority of employers surveyed were mature users, with nearly three-quarters having used NVQs or SVQs for three years or longer. As expected, most were Level 2 and Level 3 awards. Collectively, employers were using the qualifications with all types of staff, though more were using them with skilled manual and managerial staff. Managers were more likely to have gained a Training and Development award (D units), which qualified them to assess candidates, than to have achieved an NVQ or SVQ in Management. In most cases, the qualifications were being targeted on small groups of employees within a company.

As expected, the NVQs and SVQs which were used by employers were largely sector-specific. There was also evidence that cross-sectoral qualifications were used more in some sectors than others. For example, Administration NVQs and SVQs were particularly used in the public administration, water, food and drink manufacture, retail and residential care sectors. Customer service qualifications were widely used in the more customer-oriented sectors of public administration and retail. Management NVQs and SVQs were used across all sectors and particularly in IT and public administration.

The sectors displayed a differential use of the five NVQ and SVQ levels. The forestry, water and food and drink manufacturing sectors mostly used Level 2 NVQs and SVQs, whilst the IT, public administration, hospitality and residential care sectors mostly used Level 3. Retail companies used Levels 2 and 3 equally. The public administration sector was more likely than the other sectors to use Levels 4 and 5, probably because more local authority staff tend to work towards management qualifications.
Employers in the forestry, water, food and drink manufacture, hospitality and residential care sectors were found to be targeting their use of NVQs and SVQs on their skilled manual staff. Employers in the water and retail sectors were also using the qualifications with their semi-skilled manual staff. In the IT sector employers were using NVQs and SVQs with their clerical and secretarial staff and, in some cases, with their professional and technical staff.

According to employers, there had been a mixed response from staff. Whilst some wanted to get a certificate and gain recognition for their skills and experience, others were wary of signing up for various reasons. These included a lack of confidence, through not having been involved in formal learning for a long time or through limited literacy, and a perception that the qualifications were not relevant to them because of their age and experience.

### 3.4 Main Uses of NVQs and SVQs

The survey found that the qualifications were used most for training functions, followed by personnel and business-related functions. Altogether, 88 per cent were using them for training and staff development and 78 per cent were using them for accrediting staff competence and skills. The visits revealed that NVQs and SVQs were playing an increasingly strategic role in employers' overall approach to training and helping to engender 'a culture of learning in the workplace'. Some were using the qualifications for recruitment and staff appraisal and promotion. More employers were using them in relation to Investors in People than as a part of their business planning or marketing and promotion. In two-thirds of cases, NVQs and SVQs had been introduced for some staff where no previous qualification had been used, half were using them alongside other qualifications and about a quarter had used them to replace other qualifications.

The study found that employers in each of the sectors were using NVQs and SVQs in a broadly similar way, though there were some differences. For example, whilst the IT and water sectors were more inclined to use them in relation to recruitment, the residential care and public administration sectors were more likely to use them in connection with staff appraisal. The service sectors – residential care, retail and public administration – used NVQs and SVQs with regard to the promotion of staff. More companies in IT and food and drink were using them as part of their business planning and marketing.

Significant differences emerged between sectors in how they used NVQs and SVQs relative to other qualifications. The latter had been replaced by NVQs and SVQs more in forestry, public administration and residential care than in other sectors. NVQs and SVQs had been introduced where no previous qualification existed particularly in the IT, residential care, water, food and drink manufacturing and hospitality sectors.

### 3.5 Assessment Issues

The majority of users (86 per cent) reported that it was easy to obtain information on the requirements for assessment. Three challenges were identified by a minority of respondents: the difficulty in knowing where to look for information on requirements; the apparent inconsistency in some of the information obtained; and the prolixity of the
information. Nearly three-fifths (57 per cent) of the employers were approved Assessment Centres and a small proportion of the remainder were planning to become one. Employers generally valued having internal assessors and verifiers because it helped to integrate NVQs and SVQs into the business and because they felt that it gave them control of the assessment process, was cost-effective and allowed more flexibility in when and where to assess candidates. In-house assessment was said to help develop mentoring and coaching relationships which motivated, and provided support for, candidates.

The study found that employers in IT, food and drink manufacturing and the water industry found it easier than those in other sectors to gain access to information on assessment. Employers in residential care, public administration and IT were more likely than those in other sectors to be Assessment Centres.

3.6 Views on Relevance

The majority of users (88 per cent) said that NVQs and SVQs were relevant to at least some of their company's needs. They were considered to be most relevant in terms of fitting the job and company plans, improving staff occupational awareness and motivation, raising standards and highlighting training needs and in demonstrating staff competence to clients. On the whole, employers thought that the structure of mandatory and optional units provided enough flexibility, and thought that revisions to the standards had helped to make them more relevant and up-to-date. A minority suggested that the qualifications would be more relevant to their needs if they were more company-specific, easier to understand and allowed users more flexibility in the combination of units from different NVQs or SVQs.

The study found some sector differences on the issue of relevance. For example, employers in the residential care, water and retail sectors particularly indicated that NVQs and SVQs were relevant to their needs. Relevance in these sectors was mainly explained in terms of improving staff awareness of the standards they were required to work to, demonstrating staff competence and helping to raise standards of performance.

3.7 Impact of NVQs and SVQs

The greatest impact of using the qualifications, according to three-quarters or more of the respondents, was improved quality of products and services, increased staff motivation and performance, and increased provision and targeting of training. The visits revealed that the qualifications had helped some employers to develop staff to higher levels of skills than expected and to delegate more activities to staff who were now working to set standards. Although few impact evaluations had been carried out, examples of the effects of using NVQs and SVQs were reduced machine downtime and wastage, reduced staff turnover, improved staff performance and fewer customer complaints. Raised standards, increased recognition and uptake of the qualifications, and enhanced image were said to be the main effects at sector level.

The study found that the impact of using NVQs and SVQs on different sectors varied. For example, the most positive impact on productivity was in the retail and public administration sectors and the most positive impact on competitiveness was in the
retail and IT sectors. Improvements in the quality of products and services were particularly noted by employers in the residential care, retail and public administration sectors.

The study also showed that NVQs and SVQs had impacted most positively on the amount of training provided by employers in the water, retail and IT sectors and on the targeting of training provided by employers in the residential care, water and IT sectors.

Employers in retail, hospitality and residential care particularly noted that using NVQs and SVQs helped to improve their retention of staff. In addition, employers in the water industry and residential care said that using the qualifications had helped to improve the public image of their sectors.

3.8 Future Use

A majority of respondents (81 per cent) said that they were going to continue using NVQs and SVQs and just over two-thirds were planning to expand use with some of their staff. A small minority (12 per cent) were going to reduce their use of the qualifications with some staff. The main types of expansion were horizontal (increasing access to additional occupational areas), using them with all or new staff, and vertical (extending the levels offered). Positive experience in using the qualifications was mentioned as an important consideration in deciding whether to expand use. Reasons for reducing use were terminating involvement when relevant staff had been accredited, and to a lesser extent, general dissatisfaction with them and the perceived high cost of training.

Around a fifth of employers identified factors which might encourage them to expand use and these included more and easier access to funding, improved promotion and support, and more user-friendly qualifications with less bureaucracy and simpler language. The challenge of using the language of NVQs and SVQs was noted particularly by employers in the residential care and IT sectors.

The challenge of finding time to implement NVQs and SVQs, which was a concern for all companies, was a particular issue for employers in the retail, public administration and IT sectors.

3.9 Employers Not Using NVQs and SVQs

The survey of non-users found that most companies were providing in-house training to meet their practical, technical, procedural or management needs. A range of awards was being taken by staff, including management qualifications, degrees and other certificates.

Most were fairly well informed about NVQs and SVQs and had a high self-reported level of understanding. The relationship between the national standards and the qualifications was what they understood least. They had decided not to take them up because of the perceived time and cost involved, the supposed lack of relevance and credibility and because they were content with existing training provision. They suggested that improved funding and readily available information and advice might
encourage take-up and advocated more dialogue between companies and the agencies responsible for developing the qualifications. There were no sectoral differences in the responses given by non-users.

3.10 Employees’ Views

Employees were influenced in their decision to take up NVQs or SVQs by company requirements and the desire to gain a national qualification whilst at work. They felt that taking them had increased their confidence, occupational awareness and job-related knowledge. They said that they gained recognition from, and felt valued by, others for their skills and experience. Working towards and completing the qualifications gave them a sense of achievement and they thought that having a national qualification would benefit their future careers.

The main challenges identified were the time demands in doing an NVQ or SVQ and coping with the language of the standards and repetitiveness of the evidence requirements. Whilst most considered assessment to be adequate, a few had experienced assessor inconsistency. The majority said that the support which they received – provided by assessors and trainers, line managers, other colleagues and each other – was adequate. Overall, employees found the national standards relevant to their current job role and to the development of new skills. There were no sectoral differences in the views expressed by employees.

4. Conclusions and Implications

The findings from this study indicated that the users were largely positive about the value and benefits of NVQs and SVQs. They wanted continuing improvements to the relevance and language of the national standards and wanted industry to be fully involved in this process. There was a high level of commitment to using the qualifications in the future. Whilst sector considerations figured in employers’ deliberations, major decisions about take-up and use, including timing, the targeting of staff and assessment arrangements, were also shaped by company culture and business priorities.

This study revealed that work-based learning and competence-based assessment present employers with key challenges such as finding enough time for the collection of evidence and assessment of competence in work situations which are increasingly driven by the need to cut costs and improve competitiveness, output and profitability. This may be particularly difficult for small and medium-sized enterprises. Busy line managers and supervisors are sometimes reluctant to take on assessment responsibilities. Another challenge is how to maintain the learning and accreditation momentum once staff have achieved the level commensurate with their current occupation and where there are few or no job opportunities relevant to higher levels.

Finally, the evidence presented in this study suggests that NVQ and SVQ take-up is unlikely to be increased unless employers are made more aware of the commercial advantage of using the qualifications. This would involve the continuing dissemination of the benefits to, and impact on, staff motivation and retention, the structure and provision of training, business performance and the quality of product and service.
1. **INTRODUCTION**

1.1 **Background**

1.1.1 **Competitiveness and skills**

The case for improving the nation's future skills base has been cogently articulated. The Department for Education and Employment's *Labour Market and Skills Trends 1997/1998* (GB. DFEE, 1997) states that 'unprecedented competitive challenge' is making 'increased demands on the skills of the labour force'. It adds that the nation’s future prosperity 'depends on us having a highly skilled, flexible and motivated workforce capable of meeting the challenge'. The 26.4 million workforce in employment is characterised by increasingly flexible working patterns, as large employers continue to reduce the range of functions and contract out peripheral work to small businesses (99 per cent of UK businesses have fewer than 50 employees) and the self-employed, in addition to increasing their use of part-time employees. This has serious implications for training, which has to be more flexible than ever before, in terms of time, location and style of delivery, if it is to meet the increasingly diverse needs of the workforce and attract them to take it up.

The *Labour Market and Skills Trends 1997/1998* report notes that employment is continuing to grow in financial, business and public services and is continuing to decline in the primary and manufacturing sectors. It also points out that the number of manual jobs will decline and that 'new jobs are most likely to arise in skill-intensive, knowledge-based occupations'. Drawing on the 1996 *Skill Needs in Britain* study (Spilsbury and Lane, 1997), which revealed that about three-quarters of employers surveyed considered that the skills expected of the average employee were growing, the report states that the skills content within most occupations is increasing. A broader range of competence was said to be needed to meet the demands of new technology, changing work practices such as multi-skilling and 'increased emphasis on quality, innovation and customer care'. *The Skills Audit* (GB. DFEE and Cabinet Office, 1996) noted the effect of technological change, international competition and flexible labour markets on skill needs. The report stated that demand for higher skills and core skills will increase and that occupationally specific skills will decline.

*Labour Market and Skills Trends* observes that employers will only improve their competitiveness through increasing the skill and knowledge levels of their staff. It points out that, when surveyed, at least 20 per cent of employers report 'a significant gap between the skills of their current employees and those they need to meet their current business objectives'. Furthermore, Spilsbury and Lane (op. cit.) reported that
40 per cent of businesses employing young people aged 16–19 indicated that they lacked skills, including practical skills, motivation and the ability to communicate.

The Labour Market and Skills Trends report reveals that employers provide most (82 per cent) of the job-related training and Labour Market Trends (August 1997) reports that 14.3 per cent (three million) of employees of working age had received this type of training in the four weeks before the Labour Force Survey (LFS) interview during Winter 1996–97. The report notes that a third of employees say that they have never been offered training by their current employer. It also observes that 'those who have no qualifications may be harder to get involved in training, but arguably constitute the greatest area of wasted potential'.

Hillage (1996) concludes from his review of statistics and research on training that provision is uneven in Britain. Not only are employees who work for larger companies (with 200 or more employees) more likely to receive training than those employed by small companies, but also there is differential access in that staff in professional, technical and managerial occupations tend to receive more training than manual staff. Interestingly, Hillage (op.cit.) identifies an unevenness in the proportion of employees in different sectors who receive job-related training. For example, employees working in the service sector generally get more training than those working in manufacturing. Drawing on LFS (1995) data, Hillage (op. cit.) shows that the public administration, education and health sector provides the most training, with 21 per cent of employees gaining training. The corresponding figures for other key sectors are 16 per cent in energy and water, 12 per cent in other services, 11 per cent in distribution and hospitality, ten per cent in manufacturing and seven per cent in agriculture.

The information summarised here indicates that the provision of job-related training varies according to industrial sector, the size of employer and occupational status of employees. Moreover, the information shows that more training is required to give employees a broader skills base if companies are going to compete effectively and grow successfully in the future.

1.1.2 Closing the skills gap: the potential contribution of NVQs and SVQs

The origins of National Vocational Qualifications (NVQs) and Scottish Vocational Qualifications (SVQs) go back to debates in the 1980s about the standards and unregulated growth of vocational qualifications in the UK. The impetus for reform was so great that the Government set up a major review of vocational qualifications. The report of the Working Group (chaired by De Ville) (De Ville, 1986), which undertook the review, identified several issues that needed addressing including the
multiplicity of qualifications and examining bodies, duplication and gaps in provision, barriers to access and limited take-up. The report proposed a unified framework of vocational qualifications which it was argued could 'reduce the confusion which many find in the current diversity of provision'. Significantly, the report recommended that a national framework of standards, specified by industry bodies, should be developed and implemented which would provide 'a clearer, more coherent and comprehensive system of vocational qualifications of benefit to all'.

Accepting the recommendations for rationalising and reforming the structure of vocational qualifications, the Government issued the 1986 White Paper, Working Together – Education and Training (GB. Parliament. House of Commons, 1986), which announced the introduction of NVQs. Interestingly, the White Paper stated that one of the objectives of improving the quality of vocational education and training was to ensure 'responsiveness to labour market needs and encouragement for the supply of appropriate skills'. One of the priorities identified by the White Paper was the need to relate vocational qualifications more directly to the level of competence required in the workplace.

The Government established national standards of occupational competence through the launch of its Standards Programme in 1986. Debling (1991) noted that 'the objective of the Standards Programme was to foster the development of standards of competence which described effective performance in employment'. The strategy adopted was that the standards were developed in accordance with National Council for Vocational Qualifications (NCVQ) and Scottish Vocational Education Council (SCOTVEC) criteria by industrial sector Lead Bodies, including employer representatives, and Occupational Standards Councils. Initially, many of the Lead Bodies were Industrial Training Organisations (ITOs) who had knowledge of the skills requirements in their sectors.

The concept of competence was at the heart of standards development. The 1994 White Paper, Competitiveness: Helping Business to Win (GB. Parliament. House of Commons, 1994) reaffirmed the Government's commitment to national standards of occupational competence and announced that a review of all NVQs and SVQs was going to be undertaken. The review process began with an investigation of the 100 most frequently used NVQs and SVQs which set the agenda for the ongoing review of all NVQs and SVQs. The Review of 100 NVQs and SVQs (NCVQ and SCOTVEC, 1996) found that a substantial majority of employers gave support to the idea of using vocational qualifications grounded in competence-based standards.
The 1988 White Paper, *Employment for the 1990s* (GB. Parliament. House of Commons, 1988), set ITOs the task of reviewing what skills were required and being used in their sectors. Subsequently, the 1996 White Paper, *Competitiveness: Creating the Enterprise Centre of Europe* (GB. Parliament. House of Commons, 1996), announced the Sector Targets Challenge, which invited industry representatives to draw up targets to raise the skill levels in individual sectors. Initially, ten sectors were involved, this has now been extended and the Government is encouraging all ITOs to set targets for their sectors.

1.1.3 Findings from previous research

In its first phase, the project undertook a review of the literature on employers' use of NVQs and SVQs. The research which has been carried out into employers' awareness of NVQs and SVQs indicates that this has increased in recent years. Spilsbury *et al.* (1995) found that the proportion of employers who had heard of NVQs had increased from 75 per cent in 1993 to 92 per cent. They also found that the level of awareness varied with the size of employer: 98 per cent of employers with 500 or more employees knew about them compared with 73 per cent of those employers with less than 50 employees.

The research reveals that whilst most employers were aware of NVQs and SVQs, their understanding of the qualifications was fairly limited. Callender *et al.* (1993) found a lack of understanding, especially amongst small employers. For example, about one in three were not able to identify the differences between NVQs and SVQs and other vocational qualifications. Spilsbury *et al.* (op. cit.) found that many of the employers surveyed had little understanding of what occupational standards were and they were not sure about the relationship between the standards and the qualifications. Other areas of limited understanding were the role of the Lead Bodies and the assessment process.

The literature review identified some of the key factors which facilitated and inhibited the take-up and use of NVQs and SVQs. The main factors, drawn from a range of sources, which encouraged employers to take up the qualifications were found to be:

- the national recognition of the qualifications, which provided a benchmark and standard of competence;
- the perceived relevance of NVQs and SVQs to jobs;
- workplace delivery and assessment, which conferred credibility, were cost-effective and minimised disruption to work schedules;
• their potential to improve quality control;
• their potential to enhance human resource development;
• employers’ training culture and commitment to training;
• involvement in government-funded training programmes;
• the availability of public funding;
• interest in improving company image and market competitiveness.

The CBI (1997) stated that competence was the key to employers’ take-up and use of NVQs and SVQs. A CBI study of companies using NVQs and SVQs found that they were:

unanimous in their support for the qualifications which are based on competence – the ability to do the job. The development of skilled workers is seen as essential for international competitiveness, and SVQs as extremely useful in this process. Preserving the competence – based nature of SVQs is crucial.

Other influences on employers’ take-up of NVQs and SVQs identified by Smith (1996) were the availability and perceived quality of the qualifications and the extent to which they were in competition with other vocational qualifications. He also found that the degree of control exerted by multiple-group organisations over branch establishments was influential in some cases.

The literature review showed that, whilst some industrial sector-specific factors had been identified, the whole issue of influence and intervention at sector level had not been thoroughly investigated. Callender et al. (1993) reported that initiatives, such as Project 2000 in the care sector, had encouraged take-up of the qualifications and found that sector bodies, such as training boards, could have a positive influence on use of the qualifications. The latter was also acknowledged by Smith (op. cit.), who observed that the two main influences on the adoption of NVQs and SVQs were advice and encouragement from TECs and LECs and from ITOs and Lead Bodies. The influence of these intermediaries was found to have a differential effect on sectors, with the strongest impact being on the following composite sectors devised by Smith: production (agriculture, manufacturing, and construction) and intermediate (wholesale, transport and communications).

Several factors inhibiting and discouraging take-up and use were identified. These included the perception that NVQs and SVQs lacked relevance to company and individual needs and that they lacked credibility and had not yet gained currency as the
accepted standards within their industry. Furthermore, some judged the standards to be irrelevant to their specialist work and its attendant training needs. McHugh et al. (1993) identified another factor, which was the lack of awareness of the potential benefits and added value of using the qualifications. The cost of implementing NVQs and SVQs, including registration, assessment and assessor training, was also found to be a negative factor. KPMG Management Consulting (1994) discovered that a third of the employers it surveyed reported that costs were the main obstacle to taking up the qualifications.

Other obstacles identified as discouraging take-up were the perceived inflexibility of NVQs and SVQs, considered by some employers to be prescriptive in content, the amount of bureaucracy involved and the language and format, which some employers considered difficult to use. Contentment with the status quo was another factor where employers thought that existing training and qualifications were adequate and did not see a reason to change.

Previous research reveals that the best available estimates indicate that the proportion of all employers using NVQs and SVQs increased from six per cent in 1993 (Callender et al., 1993) to seven per cent in 1995 (Spilsbury et al., 1995). These figures show that take-up is fairly low and indicates that increasing employer use is going to be a major challenge. The data available show that there is some sector variation in employer use. For example, the National Advisory Council for Education and Training Targets (NACETT, 1997) noted that, although the NVQ framework covered 88 per cent of the working population, there were more awards in providing business services and in providing goods and services than in other framework areas. They concluded that, whilst there is 'no consistent pattern' in sector use, the 'variation is most probably explained by different patterns of sector-based training arrangements'. Estimates of take-up of NVQs and SVQs in different sectors have been made using Labour Force Survey (LFS) data. These are presented in Appendix 1.

Employers' use of the qualifications was also found to vary according to employer size. Spilsbury et al., (op. cit.) found that, whilst 47 per cent of the employers they surveyed with 500 or more employees used NVQs and SVQs, the corresponding figure for employers with less than 50 employees was seven per cent. Nove et al. (1995) reported that 21 per cent of the small establishments that they surveyed offered them to their staff.

These findings from previous research indicate that employers' generally high awareness is not being translated into actual take-up and use, although this has marginally increased. Moreover, whilst surveys had found some sector variations,
these had not been extensively researched. This suggests that there is a need for further research into the general and sector-specific factors that affect the take-up and use of NVQs and SVQs.

1.2 Aims and Objectives

The study was commissioned by the DFEE and was carried out between December 1996 and September 1997. The aim was to examine the take-up and use of NVQs and SVQs across several industrial sectors and to identify the reasons for differences in use. More specifically, the objectives were to:

- clarify and provide data on the take-up of NVQs and SVQs across industrial sectors using appropriate specific categories and subgroups of employers;
- provide evidence of specific industry factors that affect the take-up of NVQs and SVQs and any factors that are common to all employers;
- explore the critical factors which lead to employees working towards NVQs and SVQs amongst those employers offering the opportunity to gain these qualifications.

Here it should be noted that a qualitative study was considered to be the most appropriate way of meeting the objectives as specified above.

The methods used to undertake the study are set out in the next section.

1.3 Research Methods

1.3.1 Selection of sectors

As discussed in the previous section, most of the research carried out to date has provided breadth of understanding of the practicalities and issues related to taking up and implementing NVQs and SVQs. In order to provide more detailed information on the use of NVQs and SVQs in particular sectors, this project identified eight sub-sectors as defined in the Standard Industrial Classification (GB. Central Statistical Office, 1992), detailed below. The SIC code and the nomenclature given to the sectors in this report, which reflect the more colloquial names used by employers and others, are provided in bold.

- Forestry, logging and related service activities (SIC 02) Forestry
- Collection, purification and distribution of water (SIC 41) Water
- Manufacture of food products and beverages (SIC 15) Food and drink manufacture
- Computer and related activities (SIC 72) **Information technology (IT)**
- Administration of the State and the economic and social policy of the community (SIC 75.1) **Public administration**
- Hotels and restaurants (SIC 55) **Hospitality**
- Social work activities with accommodation (SIC 85.31) **Residential care**
- Retail trade (SIC 52) **Retail**

The sectors were selected, in consultation with the National Training Organisation (NTO) Division of the DFEE, to represent the range of British commerce and industry. The selected sectors represent primary industry and the manufacturing and service sectors and, consequently, a variety of skills and types of employees. Consideration was given to the individual sector’s contribution to Gross Domestic Product (GDP) and to overall employment in Britain.

An important consideration in the selection of the sectors was the level of take-up of NVQs and SVQs in the sector. As the project aimed to investigate reasons for take-up, and the experiences of using NVQs and SVQs, it was necessary to focus on sectors which, as identified by Labour Force Survey data, were using the qualifications. Profiles of each of the sectors, including figures on take-up, are provided in Chapter 2.

**1.3.2 Methodology**

As mentioned earlier, a review of the literature was carried out to ascertain the scope of existing research in this area, to identify key findings and issues and to inform the design of the research instruments.

The project used a qualitative approach to gather in-depth information from employers across all the sectors selected. There were two strands to this approach: telephone interviews and face-to-face visits. Telephone interviews were conducted with two groups of employers: those who were using NVQs and SVQs and a smaller sample who were not using the awards but were aware of them. Visits were undertaken to employers who were using NVQs and SVQs. The aim of this approach was to gain an in-depth understanding of the issues through the visits which could be complemented by the breadth of data collected by the telephone interviews. Furthermore, the small non-user sample was included to provide an insight into the reasons for not using the awards.

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1 The term 'qualifications', which is used throughout the report, includes the national standards.
A database of employers was created from a range of sources including:

- DFEE
- Inter-Departmental Business Register (IDBR)
- Awarding Bodies
- Sector representatives
- Public directories.

The telephone interviews with employers who were using NVQs and SVQs were conducted with a manager who had responsibility for staff training at the company. Structured interview schedules were used which addressed issues such as the take-up and use of the qualifications, their relevance to the organisation and the impact of using them. Interviews with the companies who were not using the awards were conducted with a similar manager and covered the type of training offered by the company and the reasons for not using NVQs and SVQs, including the advice they had received and their level of understanding.

A total of 363 telephone interviews were completed. The sector distribution of the companies is presented in Table 1.

Table 1. Distribution of telephone interviews across sectors

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of establishments using NVQs/SVQs</th>
<th>Number of establishments not using NVQs/SVQs</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT</td>
<td>15</td>
<td>16</td>
<td>31</td>
</tr>
<tr>
<td>Water</td>
<td>40</td>
<td>6</td>
<td>46</td>
</tr>
<tr>
<td>Food and drink manufacture</td>
<td>45</td>
<td>6</td>
<td>51</td>
</tr>
<tr>
<td>Residential care</td>
<td>49</td>
<td>5</td>
<td>54</td>
</tr>
<tr>
<td>Forestry</td>
<td>20</td>
<td>10</td>
<td>30</td>
</tr>
<tr>
<td>Hospitality</td>
<td>51</td>
<td>3</td>
<td>54</td>
</tr>
<tr>
<td>Public administration</td>
<td>47</td>
<td>0</td>
<td>47</td>
</tr>
<tr>
<td>Retail</td>
<td>45</td>
<td>5</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>312</strong></td>
<td><strong>51</strong></td>
<td><strong>363</strong></td>
</tr>
</tbody>
</table>

As the table shows, the interviews were not evenly distributed across the sectors. This was because, in the forestry and information technology sectors, fewer employers could be identified who were using NVQs and SVQs. Further details of the type of work performed by the participating companies and their geographical location are provided in Appendix 2. In terms of size, the sample of companies who were using NVQs and SVQs represented the following sizebands:
- Small (24 employees or fewer) 7 per cent
- Medium (25 to 199 employees) 14 per cent
- Large (200 or more employees) 79 per cent

This does not reflect the size profile of commerce and industry in Britain, but does reflect the fact that, as previous research has shown, large companies are more likely to be involved in NVQs and SVQs. Small companies, which include subcontractors, can often be one-person organisations.

In addition to the telephone interviews, visits were made to 60 establishments which were using NVQs and SVQs. Table 2 shows the distribution across the sectors (see Appendix 3 for details of their size and location).

Table 2. Distribution of visits across sectors

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of establishments</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT</td>
<td>6</td>
</tr>
<tr>
<td>Water</td>
<td>3</td>
</tr>
<tr>
<td>Food and drink manufacture</td>
<td>8</td>
</tr>
<tr>
<td>Residential care</td>
<td>7</td>
</tr>
<tr>
<td>Forestry</td>
<td>3</td>
</tr>
<tr>
<td>Hospitality</td>
<td>12</td>
</tr>
<tr>
<td>Retail</td>
<td>13</td>
</tr>
<tr>
<td>Public administration</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
</tr>
</tbody>
</table>

In the course of these visits, semi-structured interviews or group discussions were conducted with those who played a role in the delivery of NVQs and SVQs in the workplace, including personnel or training managers, senior managers, and line managers or supervisors. Employees who had achieved the qualifications as well as current candidates were also interviewed. A total of 221 people participated in the interviews as follows:

- Senior managers 12
- Personnel or training managers 43
- Line managers and assessors 52
- Candidates 114
The interviews covered the reasons for taking up NVQs and SVQs and the way in which they were used within the company. In addition, the relevance of the qualifications to the company and the costs, benefits and challenges involved in using NVQs and SVQs were discussed. Some establishments also provided company documents relating to the implementation of the qualifications.

In order to ascertain the role of intermediary organisations in the take-up and implementation of NVQs and SVQs, interviews were conducted with Industry Training Organisations (ITOs), Lead Bodies (LBs) and the Confederation of British Industry (CBI), the National Training Partnership (NTP), TECs and LECs and Awarding Bodies. Representatives of these organisations also provided sector-specific documentation. Further interviews were conducted with the National Council for Vocational Qualifications (NCVQ) and the Scottish Qualifications Agency (SQA).

It should be noted that as the study was qualitative, survey findings are integrated with data collected from the visits to companies. Given that the number of employers surveyed in each sector who use NVQs and SVQs is relatively small, the presentation of data in separate tables is not appropriate. Instead, the combination of datasets helps to enhance understanding of the dynamics of take-up and use at general, sector and company levels.

1.4 Structure of the Report

To set the context for the study, Chapter 2 presents a profile of each of the sectors which were selected for the study. It provides details of the type of work covered by the sector and discusses some of the current issues relating to it. Figures are provided on the level of take-up of NVQs and SVQs.

Chapter 3 examines employers' use of NVQs and SVQs. Findings are presented on the sources of information and support used by employers and the reasons for deciding to use the qualifications. Patterns of use among the sample, including the types of staff undertaking NVQs and SVQs and the way in which they are used, are discussed.

Discussion of the use of NVQs and SVQs by employers is continued in Chapter 4. This chapter includes evidence on employers' perception of the relevance of the qualifications and their impact on the company. It goes on to explore employers' intentions to use NVQs and SVQs in the future and the challenges which they have experienced.
Chapter 5 presents the findings from the small sample of employers who were not using NVQs and SVQs. It includes sections on their understanding of the qualifications and, crucially, their reasons for not using them and an analysis of the training they are providing.

The views of the candidates are presented in Chapter 6. Drawing on face-to-face interviews and group discussions, this chapter provides information on candidates' reasons for doing an NVQ or SVQ. It goes on to discuss their experience of undertaking the qualification in the workplace, including their views on the assessment process and support received. It concludes by providing feedback on the impact of, and benefits from, using the qualifications and the challenges experienced in this process.

Finally, Chapter 7 draws on the findings of this research and discusses some of the implications for work-based learning. Summaries of the key findings for each of the eight sectors are provided in this section.

Appendix 1 provides data from the Labour Force Survey on the take-up of NVQs and SVQs across all the SIC 92 Sections. Appendix 2 details the types of work conducted by the companies who participated in the telephone survey and their geographical location by Government Office region. Appendix 3 provides information on the geographical location and the size of the companies visited. Appendix 4 presents sector summaries of employers' take-up and use of NVQs and SVQs.

It should be noted that information and findings on the take-up and use of NVQs and SVQs by each of the eight sectors included in the study are provided:

- in Chapter 2;
- at the end of sections in Chapters 3 and 4;
- in boxes at the end of Chapters 3 and 4;
- in Appendix 1 and in Appendix 4.

Given the qualitative emphasis of the research, the data on sector differences should be regarded as indicative of, rather than a definitive explanation of, the key issues and factors involved in NVQ and SVQ take-up and use.
2. SECTOR PROFILES

2.1 Introduction

This chapter provides information on the eight sectors included in the study. The purpose is to give an introduction to each of the sectors and to provide information which will enable the research findings to be put into context. This will facilitate the interpretation of the findings and help to achieve a fuller understanding of their meaning. For example, there may be sector-level changes or developments which have influenced employers' take-up and use of NVQs and SVQs. The information was obtained from interviews with sector representatives and intermediaries, such as Lead Bodies and ITOs, and from national and sector-specific documentation.

It should be noted that the Standard Industrial Classification of Economic Activities (GB. Statistical Office, 1992) was used to identify the sectors included in the study. The eight sectors studied comprised six divisions, one group and one class.

A summary of the key characteristics and main features of each sector is presented in the next section.

2.2 Sector Characteristics

The profile of each sector is prefaced by its SIC (92) reference and location. In addition, as mentioned in Chapter 1, the nomenclature given to the sectors in the report, which reflects the more colloquial name used by employers and others, is identified. Where possible, LFS estimates for the level of take-up in each sector are provided. Figures for the large SIC sectors are provided in Appendix 1. It should be noted that these figures will not necessarily represent sector-specific awards, as an employee in, for example, the retail sector could be doing a catering NVQ or SVQ.

Modern Apprenticeships are a vocational training route for young people who are under 25. Modern Apprentices train up to NVQ or SVQ Level 3 and undergo key

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2 At the highest level of aggregation, SIC (92) has 17 sections (e.g. Manufacturing or Construction), each of which is identified by a letter from A to Q. An additional letter is added to identify subsections and a hierarchical five-digit system is used to denote division, group, class and subclass (further explanation is provided in GREAT BRITAIN. CENTRAL STATISTICAL OFFICE (1992). Standard Industrial Classification of Economic Activities 1992. London: HMSO).
skills training, and their use by companies may have some influence on NVQ and SVQ take-up and use. In total, over 80,000 people are currently taking Modern Apprenticeship (Labour Market Trends, 1997). Where appropriate, the number of Modern Apprentices in each sector is given, together with the number of completions.

(i) Forestry, Logging and Related Service Activities

This is SIC Division 02 within Section A, Agriculture, Hunting and Forestry. The division includes the planting of forests, the felling of timber, arboriculture and the undertaking of forestry inventories. The sector is referred to as ‘forestry’ in this report.

Forestry is concentrated in the upland areas of Scotland, Wales and England in addition to East Anglia and the South West. It includes the growing of trees for profit and for amenity. A recent development has been the growth of urban and community woodlands. The conservation and enhancement of the landscape have become an increasingly important aspect of forestry.

External factors have a powerful impact on the sector, as the Forest Enterprise Corporate Plan 1997–2000 notes:

*Great Britain is less than 20 per cent self-sufficient in timber and timber products and depends heavily on imports of material traded on the world market. The state of the GB forest industry is therefore heavily influenced by the global, as well as the GB, economy and by factors such as currency exchange rates.*

The sector is relatively small and accounts for less than one per cent of the GB workforce. Whilst the LFS (Office for National Statistics, 1996b) records that there were 17,000 people working in forestry and logging, more recent data supplied by the Forestry and Arboricultural Safety and Training Council (FASTCO) indicate that there are 18,500 people working in forestry, 12,500 in arboriculture and 5,000 in greenwood trades and allied crafts. In addition, there are about 25,000 people working in the post-harvesting processing of timber and haulage.

About 70 per cent of employers are small and medium-sized enterprises (SMEs) which employ around half of the workforce in the sector. Half of the workers in forestry are self-employed, which reflects the growth in estates’ sub-contracting of work such as planting, harvesting and fencing. The diffuse nature of the industry and the large proportion of self-employed contractors present a challenge to the dissemination of new training and qualifications because many workers are difficult to reach.
Subcontracting has implications for training needs which include job costing and contract specification to help SMEs operate more effectively as businesses.

Work in the sector is seasonal and safety is at a premium given the range of machinery and herbicides used and the potentially dangerous physical working environment. The sector includes a range of occupations such as forest management, the marking and tariffing of timber prior to sale in addition to those requiring craft-based skills such as spraying and sawing timber.

Data on NVQ and SVQ take-up and use

About 2,000 employees are currently working towards NVQs and SVQs at Levels 1 and 2. The greatest take-up is at Level 1, which is used as an introduction to the land-based sector and other conservation work. Level 2 is taken up by employees in the two main parts of the sector: estates and maintenance and harvesting. Level 3 is taken up by industrial foremen and supervisors as well as by the self-employed who want to develop both technical and business skills. Level 4 is used for general managerial purposes. To date, at least 8,090 awards in forestry-related NVQs have been made, according to the NCVQ Annual NVQ Statistics Supplement (1997).

(ii) Collection, Purification and Distribution of Water

This is SIC Division 41 within Section E, Electricity, Gas and Water Supply. The division includes the treatment of water and the laying of mains to supply water to households and industry. The sector is referred to as 'water'.

The water industry underwent major change and reorganisation in 1989 when water authorities were privatised. Changes in the ownership of the utilities, company mergers, the downsizing of the workforce and the introduction of multiskilling have featured strongly in industry. According to the LFS (Office for National Statistics, 1996b) the industry has a workforce of 66,000.

England and Wales now have ten water and sewerage companies, which provide drinking water to three-quarters of the population and sewerage services to nearly all the population. Nineteen smaller water-only companies, several of which are French-owned, provide drinking water to the remaining population. In Scotland, three public water authorities are responsible for the provision of water and sewerage services. Water companies vary considerably in terms of their geographical size and the size of the populations they serve. The companies run core services and contract out additional services, such as laboratory work, to other employers.
The standards and quality of service of the employers in the sector receive acute public scrutiny. For example, the Water Services Association (Sargent, 1996) states that the water industry 'is highly regulated by economic, environmental and quality regulators'. The main regulators in England and Wales are the Office of Water Services, the Drinking Water Inspectorate and the Environment Agency and, in Scotland, the Scottish Environment Protection Agency, the Scottish Office and the Scottish Water and Sewerage Customers' Council.

As a result of reorganisation and regulation, the industry is seeking to upskill its workforce to meet higher customer service expectations. It is currently developing a Modern Apprenticeship programme. Before the advent of NVQs and SVQs, there were few vocational qualifications available for the workforce, which includes water distribution operatives and inspectors, sewage processing staff and pipelayers.

Data on NVQ and SVQ take-up and use

The number of candidates in the industry registered for NVQs and SVQs is 16,300. The number of NVQs and SVQs awarded in water collection, purification and distribution is about 11,000 (Office for National Statistics, 1996b), which gives a workforce penetration rate of 16.7 per cent. Estimates based on NCVQ’s figures suggest that 8,244 water-related awards have been made.

(iii) Manufacture of Food Products and Beverages

This is SIC Division 15 within Section D, Manufacturing. The division includes the production, processing and manufacture of food and drink products. The sector is referred to as ‘food and drink manufacture’.

Food and drink is the largest manufacturing sub-sector in GB, accounting for 11 per cent of manufacturing output. It employs approximately half a million people (Office for National Statistics, 1996b). Companies range in size from very large to small firms employing less than ten people. Diverse foodstuffs are manufactured, from mass-produced items to speciality foods. In recent years, partly as a result of European competition and partly as a result of developments in new technology, there has been considerable investment in automated machinery which has had an impact on working practices. One important outcome, for example, has been an increase in flexibility and multiskilling. Whereas previously if a machine broke down maintenance staff would be called in to repair it, now operatives are more likely to fix it themselves. In addition, flattening organisational structures in companies mean that staff tend to work in teams which have wide responsibilities at shopfloor level. Another sectoral development has been the review of health and safety practices and standards used in the manufacture of
foodstuffs partly in response to public concern over high-profile allegations of unhygienic meat production.

The sectoral changes and developments outlined above have implications for training in that employees now have to be developed as multiskilled team members and team leaders. Furthermore, increased quality control (EC-regulated hygiene) requirements and customer service standards have created the need to upskill workers in food and drink manufacture.

Modern Apprenticeships are available in three areas of food and drink manufacturing: craft baking, meat and sea fish. A total of 291 young people have undertaken the programme, 65 of whom have already completed.

**Data on NVQ and SVQ take-up and use**

A total of 13,000 candidates, or 2.5 per cent of the workforce, are currently working towards NVQs and SVQs (Office for National Statistics, 1996a). To date, approximately 27,000 candidates have been awarded these qualifications in this sector (Office for National Statistics, 1996b), which gives a workforce penetration rate of 5.3 per cent. The main award is Food and Drink Manufacturing Operations at Levels 1 and 2. NCVQ (1997) data indicate that the total awards of NVQs which are specific to this sector is 14,888.

(iv) **Computer and Related Activities**

This is SIC Division 72 within Section K, Real Estate, Renting and Business Activities. The division includes hardware and software consultancy, data processing and maintenance and repair of office, accounting and computing machinery. For this project, the sector was extended to include companies who are using IT NVQs and SVQs to reflect the use of IT across industry. The group of companies is referred to as 'IT'.

There has been a massive expansion in the use of IT as employers and their staff operate in what is often called 'the information age'. This sector is characterised by the instantaneous electronic exchange of data which are required to meet the information needs of the rapidly growing knowledge-based economy and society of the late twentieth century. The Information Technology Industry Training Organisation (ITITO) (1997) draws attention to the importance of IT:

*Information technology (IT) and the skills needed to design, build, implement and use systems based on IT have rapidly become critical factors determining the success or failure of enterprises both nationally and internationally.* In
the setting of targets for essential entry-level skills and the continuous upgrading of skills necessitated by the frenetic pace of technological change and development, IT occupies a unique position.

Significantly, the observation is made that the pervasiveness of IT throughout business and industry has created a demand for IT skills for millions of workers.

Globalisation and competitiveness greatly influence innovation in IT, for which British software development skills are highly valued. The challenge is how to maintain GB’s pre-eminent position in this field. The sector includes large multinational producers and suppliers of hardware, software and systems as well as smaller units that provide more bespoke services. Most of the companies recruit graduates to meet their high-level skills requirements, such as software creation and information systems analysis, design and programming.

There are now nine million corporate personal computers (PCs) in GB. There are three million ‘constructive’ users of IT (i.e. staff required to carry out a mix of IT-based tasks) and nine million other users. The corporate users of IT reflected in this study employ about 300,000 people.

Data on NVQ and SVQ take-up and use

To date, the number of NVQs and SVQs awarded in the IT sector, as defined in SIC 92, is about 12,000, which gives a workforce penetration rate of 4.1 per cent (Office for National Statistics, 1996b). The number of IT-related NVQ awards given in NCVQ’s Annual NVQ Statistics Supplement (1997) is 30,693. Furthermore, there are 1,585 Modern Apprentices in the sector, 343 of whom have finished the programme.

(v) Administration of the State and the Economic and Social Policy of the Community

This is SIC Group 75.1 within Section L, Public Administration and Defence; Compulsory Social Security. The group includes local government, tax collection and customs administration, and a wide range of NVQs and SVQs can be used. In order to focus on the administrative role on the sector, the use of Administration NVQs and SVQs was a main emphasis of this study. The sector is referred to as ‘public administration’.

Collectively, public administration is one of the largest employers in Britain, currently employing about 800,000 people. Employment is concentrated in large organisations. Local government in England, Wales and Scotland has recently undergone major reorganisation, with the creation of smaller unitary authorities, which have
responsibility for all services, in place of the existing larger authorities. This has led to a devolution of budgets to enhance the provision of local services to meet local needs.

The introduction of Compulsive Competitive Tendering (CCT) has presented new challenges. Now the provision of most public services is subject to the CCT process and, as a result, some are subcontracted to the private sector. Not surprisingly, this has created some job insecurity in the sector, though staff are developing new skills in articulating and marketing their services.

The main outcomes of these changes in public administration are that value for money and competition have become driving forces. Both have implications for the training of staff in the sector. Firstly, great efforts are made to secure external funding to cover training costs, including those associated with NVQs and SVQs. Secondly, staff who decided to follow a career in public administration out of a community service ethic have had to adjust to working in a more competitive environment. Improving services in the face of private sector competition as well as to meet the public's changing needs and expectations means that staff have had to develop a greater range of customer service skills than ever before.

Public administration, which includes a wide range of administrative, clerical, secretarial and manual occupations, has a tradition of staff training. Previously, staff may have worked towards RSA secretarial qualifications but did not necessarily have the administrative dimension to their work accredited. Bodies such as the Institute of Chartered Secretaries and Administrators and the Institute of Management accredit professional qualifications which have a good take-up.

Of the 12,786 Modern Apprentices in business administration, 3,117 have completed the programme. It should be noted that these are not necessarily in the public sector.

**Data on NVQ and SVQ take-up and use**

Approximately 27,000 candidates, representing 3.4 per cent of the sector workforce, are currently working towards NVQs or SVQs (Office for National Standards, 1996a). To date, 42,000 employees have gained these qualifications which gives a workforce penetration rate of 5.3 per cent (Office for National Statistics, 1996b). NCVQ (1997) data show that just under 390,000 awards have been made in Administration, which is a widely used cross-sectoral qualification.
(vi) Hotels and Restaurants

This is SIC Division 55 within Section H, Hotels and Restaurants. The division includes reception work and taking bookings, the preparation and sale of food and beverages and the cleaning of premises. The sector is referred to as ‘hospitality’.

According to the Hospitality Training Foundation (Hadjivassiliou, 1996), hospitality is ‘a significant growth industry employing over two million people, seven per cent of the total UK workforce. Operating in a diverse range of sectors, its activities impact on the daily lives of nearly every member of society.’ The commercial part of the industry includes restaurants, hotels and pubs and the catering services; and the other main part comprises catering services for hospitals, educational institutions, industry, central and local government, supermarkets, entertainment centres and travel companies. There are around 250,000 establishments, of which about 85 per cent are small outlets employing less than ten staff (accounting for just over a third of the commercial sector workforce), which often have no member of staff in a full-time training capacity and prefer non-formalised training. The hospitality sector employs about 550,000 people, though this figure fluctuates because of seasonal work. Nearly three-quarters of the workers in the sector are female.

To some extent, the sector has a poor image as a result of low pay and unattractive working arrangements, including unsocial hours and shift work. Perhaps, not surprisingly, the sector is characterised by high labour turnover and one outcome of this is that it is possible to gain promotion to a relatively high position fairly quickly. The Hospitality Training Foundation (op. cit.) identified several areas of shortage, as indicated by recruitment difficulties, such as hotel and restaurant managers, chefs and cooks, housekeepers, waiting staff and catering assistants. It also reported that employees in the sector ‘were less qualified than the average total UK workforce’, with a quarter of them holding no qualifications. The main training needs relate to customer service in its various forms.

Of the 6,256 young people who have undertaken a Modern Apprenticeship in hotel and catering, 1,709 have already completed the programme.

Data on NVQ and SVQ take-up and use

The Hospitality Training Foundation (op. cit.) reported that by March 1996, 182,944 candidates had registered for NVQs and SVQs, mainly at Levels 1 and 2, in the hospitality industry as a whole. The number of candidates in the hotel sector who are working towards NVQs or SVQs was around 13,000 or 5.4 per cent of employees (Office for National Statistics, 1996a). Just under 73,000 NVQs and SVQs have been
awarded in the sector as a whole (NCVQ, 1997). The LFS (Office for National Statistics, 1996b) figure for NVQ and SVQ awards in the hotel industry was about 18,000 which gives a penetration rate of 7.5 per cent for this sector of the industry.

(vii) Social Work Activities with Accommodation

This is SIC Class 85.31 within Section N, Health and Social Work. The class includes social care provided for a range of clients, including children, adults with learning difficulties and physical challenges, and the elderly. The sector is referred to as 'residential care'.

Residential care, which employs 446,000 people, a large proportion of whom are women and part-time employees, is provided in private, voluntary and public establishments. Establishments vary in size from large homes run by the National Health Service and Social Services to small independent homes.

The move to community care for individuals has been one of the major changes in the sector. Whereas staff working in the large public institutions (many of which have since closed) had established working routines and well-defined roles, care workers are now expected to be flexible and carry out a wider range of tasks than ever before. For example, staff working in care homes today may have to cook food for residents; this task was often undertaken by kitchen staff in the erstwhile institutions.

One outcome of the closure of the public institutions, such as psychiatric hospitals, has been the increase of people with learning needs living in the community. In turn, this has created a challenge for care workers, who may be expected to attend to a wider range of needs for which their skills, experience and training are inadequate. Furthermore, the carer may have to deal with a person in an environment which is not ideal, for example without appropriate facilities. These developments have implications for the training of staff in residential care, who now need to use a greater range of skills than ever before.

Until recently, there was no strategic approach to training, which one sector representative described as 'ad hoc, spasmodic and unmanaged'. Getting training on to the decision-making agenda was said to be a continuing struggle because many establishments in the public sector had an administrative rather than a management culture. That is, they are used to administering the service but are less used to taking a strategic management approach to delivery.
Data on NVQ and SVQ take-up and use

Approximately 42,000 candidates, or 9.4 per cent of the workforce, are currently working towards NVQs or SVQs (Office for National Statistics, 1996a). To date, about 46,000 candidates have achieved these qualifications, which gives a workforce penetration rate of 10.3 per cent NCVQ (1997) data show that just under 36,000 sector-specific awards have been made to date. Modern Apprenticeships in health and social care are available and 3,546 young people have taken up the opportunity. A total of 683 have completed their programme.

(viii) Retail Trade; Repair of Personal and Household Goods

This is SIC Division 52 within Section G, Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods. The division includes the retail sale of food, clothing, furniture, electrical household appliances and hardware, paints and glass. The sector is referred to as ‘retail’.

Retail is a large sector employing over two million people and the LFS (Office for National Statistics, 1996b) gives a figure of 2.8 million.

The National Retail Training Council (NRTC, 1995) noted that a few large employers, representing less than one per cent of retail businesses, account for 46 per cent of employment and over half of retail turnover. Single outlet retailers make up nearly 90 per cent of businesses and account for 25 per cent of retail turnover and about 30 per cent of employment. Food and drink retailing is the largest subsector in the industry. About 40 per cent of employees work part-time and around two-thirds of the workforce are female.

The NRTC (op. cit.) identify several strategic influences on the sector: 'There are many external factors which have an impact on the retail industry: retailers have to constantly adapt to changes brought about by economic factors; Government policies; cultural and social changes; seasonal demands; increasing competition; advances in technology; and consumer demand.' Interviews with staff at NRTC and the Distribution Occupational Standards Council drew attention to some of key the changes in the sector such as the development of shopping centres and out-of-town shopping complexes and the adverse effect that this has had on small retailers. They also pointed out that the increasing use of technology for stock control and security and at point-of-sale has created a change of skill requirement and consequent training need. Other training needs were said to involve updating product knowledge and improving customer service.
Modern Apprenticeships have been offered to 8,607 young people in the retail sector and 2,129 of these have finished the programme. Prior to the advent of NVQs and SVQs, there were few widely recognised vocational qualifications available in retail, and training was mainly done in-house.

**Data on NVQ and SVQ take-up and use**

LFS (Office for National Statistics, 1996a) estimates indicate that about 72,000 people employed in this sector, representing 2.5 per cent of the workforce, are working towards NVQs and SVQs. Approximately 148,000 staff have gained NVQs and SVQs, giving a workforce penetration rate of 5.2 per cent. A total of 120,461 sector-specific NVQs have been awarded in this sector (NCVQ, 1997).

**Overview of NVQ and SVQ penetration rates**

A summary of the LFS estimates showing the percentage of the workforce in these sectors who are working towards or have achieved a NVQ or SVQ, reported in this chapter, is presented in Table 3.

<table>
<thead>
<tr>
<th>Sector</th>
<th>% of workforce working towards NVQs/SVQs</th>
<th>% of workforce with NVQs/SVQs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forestry (SIC 02)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Food and drink manufacture (SIC 15)</td>
<td>2.5</td>
<td>5.3</td>
</tr>
<tr>
<td>Water (SIC 41)</td>
<td>-</td>
<td>16.7</td>
</tr>
<tr>
<td>Retail (SIC 52)</td>
<td>2.5</td>
<td>5.2</td>
</tr>
<tr>
<td>Hospitality (SIC 55)</td>
<td>5.4</td>
<td>7.5</td>
</tr>
<tr>
<td>IT (SIC 72)</td>
<td>-</td>
<td>4.1</td>
</tr>
<tr>
<td>Public administration (SIC 75.1)</td>
<td>3.4</td>
<td>5.3</td>
</tr>
<tr>
<td>Residential care (SIC 85.31)</td>
<td>9.4</td>
<td>10.3</td>
</tr>
</tbody>
</table>

*Source: Office for National Statistics, 1996b*

The sector profiles indicate that the issue of NVQ and SVQ take-up is a complex one. Some of the main contextual factors influencing sector take-up and penetration rates identified in this chapter are summarised in the box.
<table>
<thead>
<tr>
<th>Influences on sector take-up of NVQs and SVQs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forestry: diffuse nature of industry which has a large number of small self-employed contractors and an increased need for technical upskilling</td>
</tr>
<tr>
<td>Water: highly regulated industry with increased focus on standards and quality of customer service</td>
</tr>
<tr>
<td>Food and drink manufacture: expansion of multiskilling and teamworking alongside the introduction of more technological production methods and greater regulation of standards</td>
</tr>
<tr>
<td>IT: need to increase competitive edge in the global market and widespread recruitment of graduates</td>
</tr>
<tr>
<td>Public administration: well developed existing training infrastructure and push to achieve greater value for money in an increasingly competitive environment</td>
</tr>
<tr>
<td>Hospitality: need to improve customer service and reduce staff turnover in a growing leisure industry</td>
</tr>
<tr>
<td>Residential care: greater range of skills needed to meet the requirements of community care and increased competition between providers</td>
</tr>
<tr>
<td>Retail: large number of small businesses with a sizeable part-time workforce and attempt to improve the quality of service in response to customer demand</td>
</tr>
</tbody>
</table>
3. EMPLOYERS’ USE OF NVQs AND SVQs

3.1 Introduction

This chapter examines the critical factors that motivate and attract employers to take up and use NVQs and SVQs. It presents findings on how employers use the qualifications in connection with key activities such as recruitment, training and business planning. In investigating the issue of take-up, it is worth bearing in mind that employers’ degree of involvement may vary considerably from minimal consultation of the national standards in drawing up job descriptions or training programmes to the total endorsement of NVQs and SVQs through their incorporation into strategic planning and practice where all staff are encouraged to work towards full awards.

This chapter draws on three main data sources: the telephone interviews undertaken with 312 employers, the face-to-face interviews with 60 employers and the interviews carried out with intermediary organisations such as ITOs, Lead Bodies and TECs. The findings are based on the views of a range of company representatives, including senior managers who contribute to strategic decision-making, managers who are responsible for planning and delivering training, and managers who are responsible for recruiting staff to meet current and future company needs.

It should be noted that most of the questions used in the telephone interviews with employers were ‘open’ in that interviewees were not prompted with lists of possible answers. This yielded detailed in-depth data for analysis. As they tended to offer a range of answers to the questions, the number of employers giving responses to individual categories of answers was fairly low. In presenting the findings, sector and size differences are only discussed when they are significant.

The process through which employers found out about NVQs and SVQs and the support they received in developing an understanding of, and deciding to use, them are explored in the next section.

3.2 Initial Sources of Information

The telephone survey revealed that employers found out about NVQs and SVQs through a variety of sources. As Table 4 indicates, external organisations were the main source of information mentioned by about two-fifths of employers. These organisations included TECs and LECs, ITOs, Lead Bodies and training providers. The modus operandi used by these organisations in providing information is discussed in the next paragraph.
Table 4. How employers found out about NVQs and SVQs

<table>
<thead>
<tr>
<th>Sources of information</th>
<th>% of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through external organisations</td>
<td>42</td>
</tr>
<tr>
<td>Previous personal experience</td>
<td>17</td>
</tr>
<tr>
<td>Early involvement of company in NVQs and SVQs</td>
<td>15</td>
</tr>
<tr>
<td>Already established in company</td>
<td>15</td>
</tr>
<tr>
<td>Via professional journals or press coverage</td>
<td>11</td>
</tr>
<tr>
<td>Cannot remember</td>
<td>5</td>
</tr>
</tbody>
</table>

N= 312

A multiple-response question
More than one answer could be given so percentages do not sum to 100

Work of external organisations

TEC staff explained that they marketed NVQs and SVQs through a variety of methods, including breakfast meetings for employers, the local press, and their own publications in addition to the promotion of locally delivered national training programmes such as Youth Training, Youth Credits or Skillseekers, Modern Apprenticeships and Training for Work. Here it is worth noting that about a third of the employers surveyed indicated that they had staff who were on some form of Youth Training or who were Modern Apprentices and about one in ten had staff who were on Training for Work. Information on the qualifications was also disseminated by TECs through Investors in People (IiP) consultancy services and was available through Business Link. Where appropriate, TECs put employers in touch with partner organisations such as private training providers and colleges, so that they got local knowledge on what expertise was available for particular qualifications. ITO representatives said that they provided information on NVQs and SVQs for employers, using various promotional materials including bulletins and briefing papers. Whilst NCVQ do not take a role in promoting the qualifications directly to employers, they have joined with other organisations to provide a toolkit to help business advisers to identify and respond to employers' needs.

Previous experience in using NVQs and SVQs

Table 4 shows that some respondents had learned of NVQs and SVQs through their own previous experience such as through a previous employer or through undertaking a qualification themselves. This suggests that individual experience has a role to play in developing awareness of NVQs and SVQs. Some employers found out about NVQs and SVQs in a practical way through using them over a period of time. Nearly three-quarters (73 per cent) of the sample had been involved with the qualifications for
three years or longer, which indicates that a majority were mature users. Having had early involvement led some to comment that they had learned about the qualifications through this engagement.

**Dissemination through the media**

Around one in ten interviewees said that they had found out about the qualifications through reading professional journals and newspapers. During visits to employers, some indicated that they preferred face-to-face explanations of vocational qualifications which gave them opportunities to ask questions rather than reading articles. However, publications may help to raise employers' initial interest in taking up NVQs and SVQs and are probably a cost-effective way of updating them about key changes such as revisions to the standards. Non-users' access to published information is discussed in Chapter 5.

### 3.2.1 Sector analysis

**Sources of information**

As discussed earlier, the main way in which all the companies found out about NVQs and SVQs was through external organisations. Companies in three of the sectors were less likely to cite external organisations as a source of information. Forestry companies were more likely to have learnt of NVQs and SVQs through personal experience, while interviewees in the residential care sector were likely to have had early involvement in the development of NVQs and SVQs or have learnt of them through personal experience. Employers in the public administration sector had learned of NVQs and SVQs from a range of sources, and consequently cited external organisations. Companies in the remaining sectors were all most likely to have heard of NVQs and SVQs through external organisations.

**Duration of involvement with NVQs and SVQs**

Two of the sectors – public administration and residential care – were significantly more likely to have been involved in using NVQs and SVQs for three years or more. The maturity of use in these sectors could be due to the fact that awards in administration and care were among the earliest to be developed. The continuation of their use could be explained by the fact that, in the case of residential care, they represented a new opportunity to certificate skills, while in administration, they have replaced previous qualifications. By contrast, the later development of the qualifications in food and drink manufacturing largely explains why companies in this sector are more recent users. Companies in the remaining sectors did not differ significantly in the length of time they had been using NVQs and SVQs.
3.3 Advice and Support

The vast majority of employers (89 per cent) confirmed that they had received advice and support from external organisations which had assisted them in taking up and using NVQs and SVQs. Table 5 shows that the main organisations which provided help were the Awarding Bodies, training providers and colleges, and TECs and LECs. Findings on the type of help provided are presented in the next sections.

Table 5. External organisations which provide help to employers

<table>
<thead>
<tr>
<th>Organisation</th>
<th>% of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awarding Bodies</td>
<td>50</td>
</tr>
<tr>
<td>Training providers and colleges</td>
<td>49</td>
</tr>
<tr>
<td>TECs and LECs</td>
<td>31</td>
</tr>
<tr>
<td>Sector organisations</td>
<td>13</td>
</tr>
<tr>
<td>Other organisations</td>
<td>10</td>
</tr>
<tr>
<td>Unknown</td>
<td>2</td>
</tr>
<tr>
<td>No response</td>
<td>11</td>
</tr>
</tbody>
</table>

N= 312

A multiple-response question
More than one answer could be given so percentages do not sum to 100

Role of Awarding Bodies in supporting NVQ and SVQ take-up

The Awarding Body representatives interviewed explained the type of support which they provided. This included disseminating information on the qualifications to employers through direct mailing, trade fairs, networks of TECs and Chambers of Commerce and the trade press. In addition, some of the Awarding Bodies provided advice on take-up and implementation through their regionally based sales and development staff. This was said to be labour-intensive work because face-to-face contact was needed to help companies build an implementation framework, train assessors and advise companies on how to develop the necessary internal communications. Awarding Body managers identified the main type of advice and support requested by employers as follows:

- help to understand what NVQs and SVQs are;
- how to interpret the national standards and match these to occupations within the company;
- how to set up as an Assessment Centre;
- the role definition of Centre Coordinators and their placing in the company;
how to set up administrative systems and complete the necessary paperwork.

Role of training providers and colleges in supporting NVQ and SVQ take-up

The help provided by training providers and colleges, which nearly half of the employers said they received, included administration, the training of assessors, the assessment of candidates and the provision of learning programmes related to underpinning knowledge. Some of the employers visited explained that the advantage of subcontracting tasks to training providers or colleges was that they could benefit from drawing on the expertise and experience and that company staff were not deflected from carrying out the core business of the enterprise.

Role of sector organisations in supporting NVQ and SVQ take-up

As Table 5 shows, some employers had received help from sector organisations. These organisations include ITOs, Lead Bodies and trade associations. Interviews with ITOs and Lead Bodies revealed that they varied in the amount of help they offered to employers. The range of help and support provided included:

- the provision of telephone helplines to deal with employers' queries;
- making presentations to companies on NVQs and SVQs and Modern Apprenticeships and giving advice on what factors to take into consideration when implementing them;
- the provision of advice to employers on a face-to-face basis;
- the production of industrial sector reports which include occupational and skills analyses;
- the production of sector occupational maps, including the relation of the national standards to occupations in a sector;
- the production of guides to lIP.

Other forms of support

Table 5 also indicates that one in ten employers received help from other organisations such as consortia of companies and training networks. Employers were able to share experience of NVQ and SVQ implementation with the members of these groups.
Type of help and support received

Employers indicated that they received a range of help from external organisations. The main type of help received was general assistance with NVQs and SVQs and ongoing support. More specific support included assessor training, funding and advice on funding and help with starting up NVQs and SVQs.

Additional help and support required

When asked what further advice would be useful, nearly two-thirds (64 per cent) of the employers indicated that they required nothing. Other employers wanted advice and information on:

- updates on changes to the national standards;
- the benefits employers might gain from using the national standards and qualifications;
- where to get help and support;
- sources of funding;
- what key skills are and how NVQs and SVQs help to develop them;
- good practice in how to manage the implementation of NVQs and SVQs within companies.

These findings indicate that a minority of employers who are already using NVQs and SVQs feel that they need a range of further information and advice. This suggests that there is a continuing challenge facing external organisations in supporting employers’ continuing use of NVQs and SVQs.

3.3.1 Sector analysis

Advice and support

Whilst half of the sectors reflected the general finding that intermediaries provided advice and support for a majority of companies, the remaining four sectors differed significantly. Companies in the public administration and retail sectors were less likely to have gained advice from external bodies and displayed a higher level of uncertainty about this. In contrast, all the companies in the water and IT sectors had received advice from external organisations, and in both sectors this had come mainly from Awarding Bodies or training providers. These two sources, together with TECs and LECs, were the three main sources identified by the companies interviewed. The
forestry and food and drink manufacturing sectors were more likely than other sectors to mention sector organisations as a key source of advice and support.

The next section examines the critical factors which influenced employers' decisions to take up and use these particular vocational qualifications.

3.4 Reasons for Take-up and Use of NVQs and SVQs

Employers gave a variety of reasons for deciding to adopt NVQs and SVQs. Table 6 shows that the main reasons given by employers related to enhancing and recognising employees' competence in addition to improving the overall performance of the company.

Table 6. Reasons for taking up NVQs and SVQs

<table>
<thead>
<tr>
<th>Reasons</th>
<th>% of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff development and accessibility</td>
<td>27</td>
</tr>
<tr>
<td>To improve performance, quality and competitiveness</td>
<td>27</td>
</tr>
<tr>
<td>To accredit training to a national standard</td>
<td>23</td>
</tr>
<tr>
<td>To accredit skills of existing staff</td>
<td>20</td>
</tr>
<tr>
<td>NVQ and SVQ is an appropriate qualification</td>
<td>15</td>
</tr>
<tr>
<td>Through involvement in government programmes</td>
<td>13</td>
</tr>
<tr>
<td>To introduce new training provision</td>
<td>10</td>
</tr>
<tr>
<td>Qualifications are nationally recognised</td>
<td>10</td>
</tr>
<tr>
<td>To assist with the retention, recruitment and promotion of staff</td>
<td>7</td>
</tr>
<tr>
<td>Due to external influences</td>
<td>7</td>
</tr>
<tr>
<td>Funding</td>
<td>5</td>
</tr>
<tr>
<td>To develop skills</td>
<td>4</td>
</tr>
<tr>
<td>Don't know/can't comment</td>
<td>5</td>
</tr>
</tbody>
</table>

N= 312

A multiple-response question

More than one answer could be given so percentages do not sum to 100

The table indicates that an important motivation underlying take-up was the potential use of the qualifications in helping to develop staff and their perceived accessibility to all or most staff whatever their occupation, age, experience or level of skill, some of whom may not have had such an opportunity before. Another significant reason was what might be called the business case; that is to say, employers thought that taking up NVQs and SVQs would improve the quality of the products they made or services they provided, thereby enhancing their competitive position. This case was made by
some of the senior managers interviewed during company visits. Interestingly, one head of training based in the hospitality sector emphasised that 'skill levels are the key to competition', adding that it was as important to invest in making the training of staff more professional as it was in refurbishing capital assets. Similarly, a senior manager working in retail remarked that the main motivation for his company deciding to take up NVQs and SVQs was 'to maintain a competitive differential', which he thought would be achieved through improved customer service.

Table 6 also demonstrates that the accreditation of training and skills was a prime consideration in NVQ and SVQ take-up. Employers' responses revealed two aspects to the accreditation factor. The first concerned gaining assurance that the training they provided, and therefore the skills of their workforce, met national standards. This view was echoed in face-to-face interviews. A senior manager working in residential care, for instance, said that the standards provided 'a national structure for in-house training'. Managers in the water industry pointed out that the fact that the qualifications were based on national standards was valuable as a proof of competence which could be used as supporting evidence provided for regulators as well as consumers. Furthermore, a manager in the food and drink manufacturing sector noted the value of using the standards as a benchmark of the skills required of her employees, and developing their training to meet the standards.

The second aspect of accreditation was acknowledgement of the skills of existing staff. This was said to be particularly relevant to staff who had considerable occupational experience but who had few or no formal qualifications. Managers in residential care drew attention to the need to recognise the skills and experience of the large numbers of care assistants who were unqualified. They said that NVQs and SVQs provided opportunities for a lot of female part-time workers to receive standardised training and a qualification. The value of recognising the skills of experienced staff was noted by senior managers in the water industry, one of whom observed that NVQs and SVQs were 'an accolade for older, unqualified workers'. Acknowledgement of competence was regarded as instrumental to maintaining staff motivation, a critical factor in individual and company performance.

Table 6 shows that employers' perception that NVQs and SVQs were appropriate to their requirements was another motivation for take-up. This finding was confirmed by company visits, when employers stressed that they appreciated that the qualifications were work-based. They elaborated that this enabled staff to gain knowledge, skills and understanding which were occupationally relevant, in a cost-effective way. Some employers made the point that NVQs and SVQs were appropriate because they were flexible enough to be incorporated into company training and culture. They also
considered that national standards, especially the revised versions, largely fitted with the type of occupational tasks that staff carried out.

A senior manager working in IT had been attracted to the qualifications because they were an assessment of competence, saying that 'they demonstrate that a person can do a job'. He added that the skills necessary to demonstrate competence at NVQ Level 2 in IT were what was expected of new recruits at the operative level to do their job effectively. Likewise, senior managers based in public administration were of the opinion that the qualifications matched the core competencies required for staff working in their sector. Another view was offered by a senior manager working in food and drink manufacture who explained that her company had found it useful to map employees' skills and training requirements to the levels in the national standards.

Involvement in government programmes, such as Youth Credits, Modern Apprenticeships and Training for Work, mentioned in Section 3.2, was another reason for some employers using NVQs and SVQs. Respondents in the public administration sector pointed out, for instance, that one of the factors explaining take-up was to meet TECs' and LECs' contractual requirements for the delivery of training programmes. However, it is interesting to note that most of the respondents were not involved in any government programme, suggesting that it is not a major motivator for this employer sample.

NVQs and SVQs were taken up by some employers as a means to facilitating strategic change in training and staff development. They said that the qualifications were an impetus to formulating and introducing new training programmes. Some employers made the connection with working towards IIIP recognition. For example, a food and drink manufacturer commented that taking up NVQs was part of its IIIP action plan which aimed to get all staff trained. Elsewhere, a senior manager working in public administration pointed out that it was critical to know the level of staff competence when attempting to gain IIIP and advocated the use of NVQs as a way of measuring this.

Other employers made reference to the value of the qualifications in giving direction and focus to both existing and new training. This was illustrated by a senior manager in retail who explained that the advent of NVQs and SVQs had enabled her company to introduce a structured programme of training and accreditation which had clear requirements and which was monitored. Another training officer working in the same sector said that his company had been attracted to the qualifications on the grounds that they would help it to introduce and ensure a consistent standard of competence across all of its stores. Similar reasons were articulated by the staff development
manager of another retailer who said that the qualifications were 'a vehicle for ensuring a minimum standard' in addition to 'a method of achieving consistency in the ways things are done'.

The survey indicated that one in ten employers were specifically interested in using NVQs and SVQs because they were nationally recognised qualifications. They felt that this endowed the training they offered and employees' competence with a cachet and kitemarked standard which carried more weight than a company-specific award or certificate. This was a fact which employers used to encourage their staff to take the awards, thus improving their skills to the benefit of the company. They also observed that national recognition meant that all users of the qualifications would know the standard achieved by an employee, which would not be the case with company-specific awards. However, some employers expressed concern over the consistency of the qualification depending on where it had been awarded.

National recognition was also mentioned in relation to another reason for taking up NVQs and SVQs, namely, the potential to improve retention of staff, enhance recruitment and reward promotion. These motivations were expressed by a senior manager working in hospitality who said that the qualifications had been adopted, inter alia, for recruitment purposes: 'NVQs are part of the shop window which will attract the brighter kids into the industry.' Acknowledging that the sector had something of an image problem, he disclosed that another reason his company was using the qualifications was to reduce staff turnover by strengthening its offer of a career ladder and career progression. A complementary view was expressed by a hotel training manager who said that NVQs and SVQs had been taken up to encourage staff to stay, in some cases by offering a qualification in lieu of promotion. It is interesting to note the role played by NVQs and SVQs in a changing world of work with flatter organisations and fewer opportunities for promotion. For example, a manager whose staff were using IT NVQs commented that by showing their competence in additional responsibilities, they could receive more pay even though they are not moving up a grade.

The survey found that whilst funding was an important consideration in the take-up of NVQs and SVQs, it was not necessarily the main reason for employers becoming involved. This finding was echoed in the face-to-face interviews, which revealed that some employers were more likely to be influenced by the perceived longer-term benefits to their enterprise, such as maintaining and upgrading standards of service and improving productivity, than by immediate financial help to pay for training. Nevertheless, in the experience of TEC representatives, funding was a driving force in many employers' decisions to use NVQs and SVQs.
Improving skill levels was another reason given by employers for adopting the qualifications. Employers considered that this was the key to upgrading their workforce and equipping them to meet the current and future needs of their business. In some cases, skill enhancement was focused on particular groups of workers whose contribution to the enterprise managers thought would benefit from more investment. For example, two of the food and drink manufacturers visited were using NVQs to support company policy to develop engineering skills in their employees. This aimed to enable them to take responsibility for the machinery, including coping with breakdowns.

### 3.4.1 Sector analysis

**Reasons for taking up NVQs and SVQs**

The main reasons for take-up presented in Table 6 were common across all the eight sectors, although in some cases they had a different order of importance. Three of the sectors had some different reasons for becoming involved with NVQs and SVQs. In the forestry sector, just over a third of the companies had introduced NVQs or SVQs because they were appropriate qualifications for their staff and a fifth had done so to improve staff retention. Employers in public administration also noted the appropriateness of the NVQ or SVQ as a key reason for their involvement. The third sector to differ was hospitality, where involvement in government schemes was a particular reason given by around a quarter of companies for adopting NVQs and SVQs.

The four main reasons for take-up (as identified in Table 6) were cited mostly by companies in the following sectors:

- **staff development and accessibility** – residential care, public administration, food and drink manufacture, and retail
- **to improve performance, quality and competitiveness** – water industry and residential care
- **to accredit training to a National Standard** – IT, retail and food and drink manufacture
- **to accredit skills of existing staff** – residential care.

These findings reflect the priorities of the companies in these sectors in attempting to improve their market position and develop their business for the future. There was some variation in how companies in different sectors considered that NVQs and SVQs could support these processes.
3.5 Patterns of NVQ and SVQ Use

As noted in Section 3.2, nearly three-quarters of the employers had been using NVQs and SVQs for three years or more. The fact that just over two-fifths (44 per cent) of the sample had been using them for five years or more indicates that a sizeable proportion had considerable experience of working with the national standards. This was reflected in the feedback gained through visits to employers, many of whom said that their confidence in using the qualifications had grown substantially over the years.

A total of 82 different NVQs and SVQs, including Training and Development Lead Body (TDLB) D units, were being used by employers. Ten of the qualifications were not sector-specific and these included Administration, Management and Customer Service. Another 11 NVQs and SVQs, whose titles employers were unable to specify, were mentioned.

**NVQ and SVQ levels being used**

As expected, Level 2 qualifications had the greatest take-up, as Table 7 indicates.

<table>
<thead>
<tr>
<th>NVQ and SVQ Level</th>
<th>% of all levels of NVQs and SVQs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 1</td>
<td>11</td>
</tr>
<tr>
<td>Level 2</td>
<td>49</td>
</tr>
<tr>
<td>Level 3</td>
<td>30</td>
</tr>
<tr>
<td>Level 4</td>
<td>7</td>
</tr>
<tr>
<td>Level 5</td>
<td>3</td>
</tr>
<tr>
<td>N=</td>
<td>1110</td>
</tr>
</tbody>
</table>

*Source: User telephone interviews*

The table shows that about half of all the NVQs and SVQs which employers' staff were working towards were at Level 2. Level 3 were the next most frequently cited qualifications. Smaller proportions were using the higher levels than Level 1. Although the overall pattern of take-up by level is broadly comparable with the national picture, the sample has a higher representation of Levels 3, 4 and 5 (see NVCQ *Annual NVQ Statistics Supplement*, 1997). This is accounted for by the inclusion of the public administration sector in the survey, whose employers were significantly greater users of higher-level NVQs and SVQs than companies in other sectors.
Awarding Bodies

All but 16 of the employers surveyed were able to identify the Awarding Bodies of the NVQs and SVQs their staff were working towards. In addition to the national Awarding Bodies such as City and Guilds, Edexcel (BTEC), RSA and SQA/SCOTVEC, the main ones identified were, not unexpectedly, those which awarded the qualifications in particular sectors. Examples were the Hospitality Awarding Body, the Central Awarding Body for the Water Industry and the Central Council for Education and Training in Social Work. In addition to these, a further 17 Awarding Bodies were used by the respondents.

Staff use of NVQs and SVQs

The pattern of NVQ and SVQ use with different types of staff identified by respondents is presented in Table 8.

Table 8. Type of staff working towards or awarded NVQs and SVQs

<table>
<thead>
<tr>
<th>Type of staff</th>
<th>% of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managerial</td>
<td>62</td>
</tr>
<tr>
<td>Professional and technical</td>
<td>44</td>
</tr>
<tr>
<td>Clerical and secretarial</td>
<td>51</td>
</tr>
<tr>
<td>Skilled manual</td>
<td>66</td>
</tr>
<tr>
<td>Semi-skilled manual</td>
<td>44</td>
</tr>
</tbody>
</table>

N= 312

Source: User telephone interviews

The table shows that employers were using the qualifications with a range of types of staff. In addition, more employers indicated that they were using the qualifications with skilled manual and managerial staff than other types of employees.

Face-to-face interviews confirmed that some employers had encouraged skilled manual staff, who were considered vital to company performance and, in some cases, in need of upskilling, to take the qualifications. Examples of these staff who had been targeted were slaughterhouse and boning staff in the food and drink manufacturing sector, receptionists and chefs in hospitality and distribution operatives and pipelayers in the water industry. The relatively high proportion of employers using the qualifications with managerial staff is explained by the organisation of assessment delivery. Training and personnel managers and departmental and line managers were often involved in assessing candidates and, as a result, had become qualified as
assessors. Here it is worth noting that few of these staff had achieved a full award themselves. Twenty per cent of the awards mentioned were TDLB D units. The survey found that most (119) of the 133 employers who were using D units said that they were using NVQs and SVQs with their managers. Some employers also pointed out that they required managers to work towards the qualifications as a way of encouraging other staff to take them up. Nine per cent of the NVQs and SVQs being used were in management.

Further analysis of the survey data revealed that less than half of each type of staff were working towards or had achieved NVQs and SVQs in the majority of responses (72 per cent or more) given by employers. Between two per cent (clerical and secretarial) and seven per cent (professional and technical) of employers said that all their staff were using the qualifications and 20 per cent reported that half or more of skilled manual staff were using them. These findings indicate that in most cases NVQs and SVQs are being offered to, and taken up by, a minority of employees.

Again, the company visits reflected the survey findings. A minority of staff were working towards the qualifications in most of the establishments. Three main factors accounted for this: the targeting of key staff for the reasons discussed above; the decision to launch NVQs and SVQs with a small number of staff (sometimes referred to as ‘pilot schemes’) in order to establish if they were really suitable and to provide time to set up supporting systems; and the response of employees. Whilst some of the companies visited offered staff open access to the other qualifications, others used a range of selection procedures. These included selection by line managers and internal assessors, identification through staff appraisal and progress review systems and, to a much lesser extent, selection through formal assessment (psychometric and practical tests).

3.5.1 Employers’ views on staff response

The evidence collected indicated that there was a mixed response from employees to the opportunity to take NVQs and SVQs. Whilst the employees’ perspective on the qualifications is discussed in Chapter 6, this section examines the viewpoint of employers using the data collected from the visits. Where employers noted that there had been a positive response, they attributed this to staff feeling valued and wanting their skills and experience to be respected. A manager in residential care who remarked that staff were ‘very receptive in the main’ added that the awards gave those with no qualifications ‘a sense of pride and achievement’, an observation echoed by the comment of a retail manager who said that ‘they love getting a certificate’. Other motivations were said to be career development for young staff and keeping up with
occupational developments for older staff. Some employers drew attention to the positive impact of peer influence and the role models provided by staff who had pioneered take-up and received awards. The attitude of section managers and line managers was also said to be influential, with one IT employer pointing out that it had been difficult to keep up the momentum since its internal assessor had retired.

As mentioned above, some employers experienced a mixed response from staff, starkly expressed by one manager in the water industry with the comment: 'Some are biting my hand off to do NVQs; others are reluctant.' Whilst this employer said that a minority of staff were keen, a manager working in the hospitality sector estimated that about three-quarters were hungry to take the qualifications and a quarter were 'scared or think they know it all'. Several employers pointed out that older staff, especially those aged 50 or over, were wary of signing up to do the qualifications. This was attributed to a lack of confidence as a result of being out of formal education for a long time and their judgement that the qualifications had little relevance to them because of their extensive occupational experience. A residential care manager who noted that some care assistants over 50 felt that it was too late to take NVQs, remarked that 'you can't push them, or you'll lose them'.

Very few of the employers visited offered financial incentives to employees to take up NVQs and SVQs. Apart from being too expensive, managers were concerned that this might encourage take-up for the wrong reasons and might undermine the development or enhancement of a company training culture. Take-up was rarely made compulsory; it was more likely to be encouraged. Some managers noted that there was quite a difference in employees’ understanding of the qualifications and what would be expected of them. 'Some staff think that the qualifications will be handed to them on a plate' was the concern voiced by one hotel manager. A personnel manager working in retail thought that there might be 'a Hawthorne effect' on employees' reaction, in that 'some staff like the attention they get through doing NVQs and this increases their motivation to succeed'. Few employers reported that staff had dropped out from working towards the qualifications.

3.5.2 Sector analysis
Patterns of NVQ and SVQ use

As would be expected, the NVQs and SVQs which were used by the companies were largely sector-specific. There were, however, some qualifications which were cross-sectoral. These were:

- Administration
- Customer Service
• Management
• TDLB D units.

There was differential use of these awards across the sectors, depending on the type of activities undertaken in the companies. Administration NVQs and SVQs were particularly used in the public administration, water, food and drink manufacturing, retail and residential care sectors. Customer service qualifications were widely used in the more customer-oriented sectors of public administration and retail. NVQs and SVQs in management were used across all the sectors and particularly in public administration and IT. TDLB D units were used particularly in the residential care, hospitality and IT sectors, and were less likely to be used in the water, retail and food and drink manufacturing sectors.

The sectors displayed differential use of the five NVQ and SVQ levels. The forestry, water and food and drink manufacturing sectors mostly used Level 2 NVQs and SVQs, while the IT, public administration, hospitality and residential care sectors mostly used Level 3. Retail companies used Levels 2 and 3 equally. The public administration sector was significantly more likely to use Levels 4 and 5 than the other sectors, probably because of their use of management NVQs and SVQs.

**Type of staff who use NVQs and SVQs**

All the sectors, other than the water and food and drink manufacturing sectors, were likely to be using NVQs and SVQs with their managerial staff. This was primarily the use of TDLB D units. Companies in the forestry, water, food and drink manufacturing, hospitality and residential care sectors were targeting their use of NVQs and SVQs on their skilled manual staff. In general, less than half of the employees in this occupational group were using the qualifications. Companies in the water and retail sectors were using NVQs and SVQs with their semi-skilled manual staff, and again, usually less than half of the employees were involved. Unsurprisingly, companies in the public administration and IT sectors were focusing their use of NVQs and SVQs on their clerical and secretarial staff and, in the case of IT, some of their professional and technical staff. This reflects the type of staff employed in the organisation. It is worth noting here that this study examined the use of administration and customer service NVQs and SVQs in the public administration sectors and it is acknowledged that they are likely to be using a wide range of NVQs and SVQs with a variety of staff.
3.5.3 Main uses of NVQs and SVQs

In order to find out how employers used NVQs and SVQs, the telephone survey asked them the extent to which they used the qualifications for key training, personnel and business-related functions. The findings are presented in Figure 1.

The figure shows that NVQs and SVQs were used most for training functions followed by personnel functions and then business-related functions. The finding that 88 per cent of the employers used the qualifications 'very much' or 'some' for training and staff development and 78 per cent used them to the same extent for accrediting staff competence and skills not surprisingly reflects the reasons for taking them up described earlier in Section 3.2.

Face-to-face interviews revealed that, in many cases, NVQs and SVQs were becoming instrumental to, and playing an increasingly strategic role in, employers' overall approach to training. For example, a manager in the hospitality sector drew attention to the strategic value of the qualifications, which were helping to engender 'a culture of learning in the workplace'. Another manager in the same sector reported that the introduction of NVQs and SVQs had helped to make the training provided more integral to work tasks. A retail manager explained that the implementation of the qualifications had enabled the company to develop a more strategic approach to training which was previously department-specific. A manager in IT observed that in-house training was compatible with NVQs and SVQs, which had 'defined a standard for our internal programme'.

Figure 1 indicates that whilst a majority of employers were using the qualifications for recruitment, staff appraisal and staff promotion, this was not the case for drawing up job descriptions. In contrast, the employer visits found that NVQs and SVQs were not being widely used for any of these functions, though managers hoped to use them in the future in this capacity, especially in relation to staff appraisals. Illustrations of how the qualifications were being used included the residential care manager who was using the standards to draft questions for job interviews and the forestry manager who was using them to write job specifications for trainers. Employers said that although they did not generally stipulate in job advertisements that applicants should have NVQs and SVQs, they would look favourably on those applicants who had these awards.
The figure shows that as far as business-related deployment was concerned, a greater proportion of the employers were using NVQs and SVQs in connection with working towards IiP recognition or renewal than were using them for business planning and the marketing and promotion of their goods and services. Some senior managers remarked that the qualifications provided a framework and benchmark for company staff development which helped them to submit evidence in support of their IiP applications. Several also saw the potential of the qualifications for helping to raise their company profile. This perspective was clearly expressed by the manager of a residential care home who stated that they were ‘a measure to the public and professionals, who may send clients, that staff of the home are skilled’. Employers
were also mindful that this might have a positive business impact. Further views on the impact of using NVQs and SVQs are discussed in Chapter 4.

**Business priorities and sector requirements**

The company visits revealed that, in the main, the way employers decided to use the qualifications was internally driven and shaped by company-specific business and development priorities. However, in some cases, senior managers reflected different sector requirements, examples being the need to:

- **develop retail staff** to enable them to fulfil the changing role defined for them by sale of goods legislation which puts more responsibility on sales assistants, particularly for the sale of knives and solvents;

- **improve the low skills base in residential care** and respond to the increasing pressure from purchasers to have quality trained staff;

- **develop staff working in forestry and arboriculture** to cope with changes such as the increasing range of equipment being used and the expansion of conservation work and community forestry;

- **prepare staff in the water industry** to meet the requirements of future legislation on waste management;

- **develop staff to cope with the expansion of multiskilling in food and drink manufacture**;

- **address catering and housekeeping staff shortages in hospitality**.

**Relationship of NVQs and SVQs to other vocational qualifications**

Figure 2 illustrates the extent to which NVQs and SVQs had been used by employers to replace other vocational qualifications.

The figure shows that, according to two-thirds of the employers surveyed, NVQs and SVQs had been introduced where there was no previous qualification. This was particularly the case for IT users and employers in residential care, the water industry and food and drink manufacture. As noted in Section 3.4, providing a qualification, where none previously existed, to accredit employees' competence was one of the main reasons for NVQ and SVQ take-up.
Figure 2. Employers' use of NVQs and SVQs and other qualifications

<table>
<thead>
<tr>
<th>Category</th>
<th>Yes</th>
<th>No</th>
<th>No response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replaced other qualifications</td>
<td>28</td>
<td>72</td>
<td>2</td>
</tr>
<tr>
<td>Exist alongside other qualifications</td>
<td>49</td>
<td>49</td>
<td>2</td>
</tr>
<tr>
<td>No previous qualification</td>
<td>32</td>
<td>32</td>
<td>2</td>
</tr>
</tbody>
</table>

N= 312

Figure 2 also indicates that, in nearly half of the companies surveyed, NVQs and SVQs were used alongside other qualifications. This was more likely to happen in the water industry and public administration. For example, staff interviewed in the water industry confirmed that they were working towards national awards in Operational Maintenance, Water Treatment, Sewage Treatment, and Water Systems and Distribution. It was explained that the value of these qualifications, which involved tutoring and examinations, was that they enhanced employees' understanding of theory and were, therefore, a useful complement to NVQs and SVQs, which were more practical. Public administration has a tradition of staff taking professional qualifications such as Master of Business Administration (MBA), Diploma in Management Studies (DMS), Institute of Personnel and Development (IPD) and Association of Accounting Technicians (AAT), which some administrators are likely to continue to use.

Just over a quarter of the employers reported that they had used NVQs and SVQs to replace other qualifications. This was particularly the case in forestry. Employers' comments suggested that the main qualifications replaced were in-house certificates which did not have national recognition. It is worth pointing out that some employers were examining the potential for linking NVQs and SVQs in some way to more established or different qualifications. For example, staff in residential care were investigating the possibility of developing links between them and the Diploma in Social Work. Here it is worth noting that, in some cases, NVQs and SVQs can count towards units of professional qualifications.

Overall, these findings suggest that NVQs and SVQs are beginning to gain a secure place in users' skills accreditation strategies and practices. All of the employers visited intended to carry on using them and some were considering extending their use to other staff, levels or sites.
3.5.4 Sector analysis

Main uses of NVQs and SVQs

Companies in each of the sectors were using NVQs and SVQs in a similar way. The qualifications were used in relation to the following six main areas:

- training and staff development
- accrediting staff competence and skills
- Investors in People
- recruitment of staff
- business planning
- promotion of staff.

Further analysis revealed some sector differences. For example, residential care, hospitality and retail were more likely to use NVQs and SVQs to support training and staff development. NVQs and SVQs provide employers with an opportunity to accredit the pool of skills and competencies held by their workforce. It would appear that this facility is particularly important to employers in the residential care and IT sectors, who were more likely to use NVQs and SVQs to accredit existing staff skills.

NVQs and SVQs were also integrated into wider company policy in some sectors. For example, the hospitality and public administration sectors were statistically significantly more likely to use NVQs and SVQs in relation to Investors in People. The IT and water sectors were significantly more likely to use NVQs and SVQs in relation to recruitment. Although not statistically significant, the residential care and public administration sectors were more likely to use NVQs and SVQs in their appraisal systems, possibly because companies in these sectors are more likely to have appraisal systems in place. Service sector companies, that is the residential care, retail and hospitality sectors, were more likely to use NVQs and SVQs in relation to the promotion of staff.

Although fewer companies were using NVQs and SVQs in areas other than staff development, companies in the production and manufacturing industries were more likely to do so. For example, the IT and food and drink manufacturing sectors were more likely to use NVQs and SVQs in their business planning. The IT, water and food and drink manufacturing sectors were also more likely to use NVQs and SVQs in relation to marketing. The residential care and public administration sectors were more likely to use NVQs and SVQs in developing job descriptions, again possibly because such companies have staff who have personnel-related responsibilities.
Sectors' use of NVQs and SVQs relative to other qualifications

Significant differences emerged between sectors in how they used NVQs and SVQs relative to other qualifications. Companies in the forestry, public administration and residential care sectors were more likely than other sectors to state that NVQs and SVQs had directly replaced other qualifications. In public administration, an NVQ or SVQ was reported by interviewees to have replaced a BTEC or HNC. There was evidence that in the forestry, hospitality and residential care sectors, City and Guilds awards had been replaced by the NVQs and SVQs. Companies in the water and retail sectors were less likely to indicate that NVQs and SVQs had replaced other qualifications, while food and drink manufacturers and IT companies were very unlikely to have indicated that this was the case.

Companies in the public administration, water and IT sectors were more likely to state that NVQs and SVQs existed alongside other qualifications, such as those gained as part of an in-house training programme. Companies in the forestry, food and drink manufacturing, retail and residential care sectors were less likely to state that NVQs and SVQs existed alongside existing qualifications in their companies.

The third aspect of the use of NVQs and SVQs which was commented on by the interviewees related to the introduction of NVQs and SVQs where no qualification was previously available. Companies in the IT, residential care, water, food and drink manufacturing and hospitality sectors were significantly more likely to indicate that NVQs and SVQs were introduced where no previous qualification existed. It is interesting that in the residential care, water and food and drink manufacturing sectors, the qualifications had particularly been introduced for semi-skilled employees. Companies in the forestry and retail sectors were less likely to have introduced the qualifications where no qualifications existed, and public administration employers were very unlikely to indicate that this was the case.

3.6 Assessment Issues in NVQ and SVQ Use

Given that assessment is central to the delivery and credibility of NVQs and SVQs, employers were surveyed on the assessment challenges involved in using these qualifications. The majority (86 per cent) said that it was 'very' or 'fairly' easy to obtain information on the requirements for assessment.

Three challenges were mentioned by a small minority of employers in relation to this aspect of assessment: the difficulty in knowing where to look for information on requirements; the apparent inconsistency in some of the information obtained; and the prolixity of the information. During interviews, employers emphasised how much they
appreciated information relating to NVQs and SVQs which was clearly written, easy to understand and not excessively wordy. They stressed that this was particularly needed for the workplace, where busy managers and supervisors often assessed candidates.

Assessment Centres

Nearly three-fifths (57 per cent) of the employers were approved NVQ or SVQ Assessment Centres and a small proportion of the remainder (12 per cent) were planning to become one. The employers who indicated that they were going to become an Assessment Centre were asked which external organisations they would consult about this. The main organisations identified were training providers, TECs and LECs, and Awarding Bodies.

Internal assessors and verifiers

Whilst just over half (55 per cent) of the employers who were not an Assessment Centre had an internal assessor, just over a fifth (22 per cent) had an internal verifier. This was reflected in the company visits, which found that employers tended to buy in assessment expertise from colleges or training providers where they considered it to be cost-effective, or where they felt that they did not have staff available to carry out these activities. In contrast, other employers identified the value of having their own assessors and verifiers. They argued that it gave them control of the assessment process, was cheaper than contracting it out and allowed more flexibility in that candidates could be assessed at their convenience without having to wait to fit in with external schedules. Some employers valued internal assessors because they knew what the candidates were capable of and understood companies' standards and modus operandi. Observing that they 'know the politics, pressures and priorities within the company', a senior manager in the water industry explained that this helped internal assessors to understand when and where to carry out their role with minimum disruption to core business. Employers who were visited were largely content with the reliability of the assessment process within their own company. However, the consistency of assessment in different companies and in colleges was sometimes questioned by managers.

Several other reasons were advanced for in-house NVQ and SVQ assessment. For example, some considered that it helped to develop mentoring and coaching relationships which motivated, and provided appropriate support for, candidates. Others felt that this approach helped to integrate assessment in the workplace, a point made by a senior manager in the hospitality sector: ‘...it means that NVQs are linked into the business, they're part of the job.’ Furthermore, senior training staff in the water industry said that it enabled them to link NVQs and SVQs into human resource
development strategies. Retailers thought that internal assessment was a useful tool for developing the observation and feedback skills of supervisors. Some residential care homes were broadening the role of internal assessors so that they could become trainers. It is interesting to note that a number of candidates in the residential care sector were considering the possibility of becoming assessors themselves on completion of their award. The final comment on internal assessment concerned its value in helping to keep the momentum going of staff working towards NVQs and SVQs within a company. ‘It underpins achievement and helps to develop an achievement culture’ was the telling observation made by a senior manager working in hospitality.

External verifiers

Employers emphasised the value of having an effective and communicative external verifier, especially in the initial stages of implementation. Some employers noted that the external verifiers played a key liaison role between them and the Awarding Bodies, and helped them to understand the process and content of NVQs and SVQs.

3.6.1 Sector analysis

Assessment issues in NVQ and SVQ use

It emerged that companies in the IT, food and drink manufacturing and water sectors were significantly more likely to find it very easy to gain access to information on assessment. Companies in the hospitality and public administration sectors were slightly less likely to find it easy to do so, while companies in the remaining sectors of retail, residential care and forestry, were much less likely to find it easy.

There were statistically significant differences between the sectors relating to whether companies within the sectors were Assessment Centres. Companies in the residential care, public administration and IT sectors were more likely to be an Assessment Centre. Companies in the food and drink manufacturing and IT sectors were more likely to be considering becoming Assessment Centres. Food and drink manufacturers and IT companies indicated that they would consult with TECs and LECs or training providers in this process.

Although not statistically significantly different, companies in the public administration, residential care and IT sectors were more likely to indicate that they had an internal assessor, while companies in the forestry and water sectors were much less likely to do so. Similarly, IT and public administration organisations were more likely to have an
internal verifier, while hospitality, food and drink manufacturers and water companies were much less likely to have one.

**Sector issues**

- Companies in different sectors varied in the order of importance they attached to the main reasons for taking up NVQs and SVQs. This reflected the main challenges facing them such as staff retention, the need to improve quality and competitiveness and the need to benchmark competence to a national standard.

- There was some variation in the level and type of NVQs and SVQs used in different sectors. This was determined to some extent by the type of staff recruited and their training needs in addition to the relevance of particular qualifications to the kind of business in which companies were involved.

- There was some evidence that companies in different sectors tended to use NVQs and SVQs for different priorities such as staff development and the accreditation of skills. This variation was accounted for to some degree by a range of factors including the existence of company training programmes and staff appraisal systems and the importance placed on planning the development of the business to gain or sustain commercial advantage.

- There were some sector differences in the extent to which NVQs and SVQs had been used relative to other vocational qualifications. The general impetus to introduce NVQs and SVQs, the availability of funding to support this innovation, the targeting of certain groups of staff and the availability and perceived relevance of other qualifications were factors which helped to explain these differences.

Appendix 4 presents summaries of some of the key findings presented in this chapter, for each of the eight sectors.

Key issues such as the relevance and impact of NVQs and SVQs are discussed in the next chapter.
4. RELEVANCE, IMPACT AND FUTURE USE OF NVQS AND SVQS

4.1 Introduction

This chapter presents research findings on what employers and intermediary organisations think about key aspects of NVQs and SVQs. Firstly, it examines their views on the relevance of the qualifications both to company and sector needs. Then it moves on to discuss what impact they believe using the qualifications has had on their sectors and on their performance, training and staff. The chapter concludes by providing feedback on how employers intend to use the qualifications in the future.

4.2 Views on the Relevance of NVQs and SVQs

As expected, given that the employers surveyed were NVQ and SVQ users, the majority (88 per cent) of employers considered the qualifications to be relevant to at least some of their company’s needs. Whilst 47 per cent thought they were ‘very relevant’, 41 per cent judged them to be ‘fairly relevant’. Only one per cent of respondents considered the qualifications to be irrelevant, seven per cent thought they were ‘not very relevant’ and the remainder were not sure. No significant relationship was found between employers’ size and their views on relevance.

Employers’ comments made in the telephone survey revealed that the qualifications were considered to be most relevant in terms of:

- fitting the job and meeting company needs and plans;
- improving staff occupational awareness and motivation;
- raising standards and highlighting training needs;
- demonstrating staff competence to clients.

The company visits yielded valuable insights into the issue of relevance. On the whole, employers thought the structure of NVQs and SVQs – the combination of mandatory and optional units – provided enough flexibility to meet their needs. Furthermore, they were of the opinion that the content and presentation of revised standards had helped to make the content more relevant and up-to-date. Apart from a few elements, employers thought that the content largely matched the skills and activities carried out in particular areas. This view was expressed succinctly by a food and drink manufacturer who observed that ‘we look at the standards and see that is what we do anyway’. Some pointed out that NVQs and SVQs provided minimum standards which they could augment as necessary.
Employers considered that NVQs and SVQs had a broader relevance to their enterprises. For example, a retailer asserted that they were relevant to the overall development and upskilling of staff. Another company in the same sector said that the qualifications added value to its business because they ‘reinforce basic sales floor functions’. A residential care home manager made the point that they were instrumental to the provision of a quality care service. In the water industry, a personnel manager said that the essence of relevance was the practical nature of the qualifications, ‘which are vital to our operation’, adding that the possibility of increased competition in the future made it essential to have trained staff. A food and drink manufacturer noted that Level 3 was useful for developing team leaders.

Whilst some employers generally endorsed NVQs and SVQs, they also voiced certain reservations about their relevance and advocated that Awarding Bodies should continue to consult them in order to ensure that the qualifications reflected changes in job roles. Examples of where the qualifications lacked relevance, according to a small minority of employers, were where a company did not use particular equipment required or where internal job demarcations were a constraint on performing certain tasks.

Relevance of NVQs and SVQs to industrial sectors

In general, employers found it difficult to articulate their views on the relevance of NVQs and SVQs to their sectors. A lack of understanding of sector requirements rather than the broader relevance of the qualifications largely accounted for this. Where views were expressed, they were positive. For example, a retail manager observed that the introduction of the qualifications had helped ‘to raise the profile of the industry and sell the idea of a career in retail’. A manager in the hospitality industry felt that his sector benefited from NVQs and SVQs because ‘they are part of the potential for employment and development’. A manager in forestry thought that the qualifications were relevant to his sector on the grounds that they gave candidates a good basic understanding of the work involved and a greater insight into the industry which would benefit all employers in the long run.

Potential for increased relevance to employers’ needs

Employers were surveyed on how, if at all, NVQs and SVQs could be made more relevant to their needs. The main suggestions, none made by more than 17 per cent of employers, were that the qualifications should:

- be made more company-specific;
- be easier to understand;
allow users more flexibility in the combination of units.

These suggestions were reflected in the comments made in face-to-face interviews. A few employers argued that greater flexibility in the use of the qualifications would make them more relevant to their particular requirements. They advocated what they called a 'pick and mix' approach, meaning either that they wanted to use a few units from one qualification or that they wanted to combine units from different awards to make up a hybrid qualification which better fitted their needs. Explaining that occupations were becoming increasingly multi-skilled, a personnel manager said that it would be useful to include an IT unit in developing and accrediting the competence of hotel receptionists who used computers for much of their work.

A few employers also suggested that the relevance of the qualifications would be enhanced if the wording of the standards was simplified so that supervisors and candidates could understand them more easily. Here it is worth noting that the representatives of external organisations interviewed, who were involved in developing standards, pointed out that the refinement of the language of the standards was a continuing process which included regular consultation with employers.

4.2.1 Sector analysis

Views on the relevance of NVQs and SVQs

Companies in the residential care, water and retail sectors were significantly more likely than those in other sectors to indicate that NVQs and SVQs were relevant to their needs.

Among residential care companies, interviewees commented that the qualifications were relevant because they improved staff awareness of the standards required. Water company representatives also stated that NVQs and SVQs met company needs in addition to demonstrating staff competence and helping to raise standards.

Interviewees gave their views in the telephone survey on the way in which NVQs and SVQs could be made more relevant. Forestry employers commented that the qualifications should be easier to understand, and representatives of the water and food and drink manufacturing sectors indicated that the qualifications would be more relevant if they were more company-specific and allowed companies to pick and mix units. Residential care organisations also wanted the range and levels of NVQs and SVQs on offer to be expanded, and retail companies thought that more dialogue and
responsiveness to company needs from the Awarding Bodies would help to improve relevance.

Findings on the impact of taking up and using NVQs and SVQs are presented in the next section.

4.3 Impact of NVQs and SVQs

The employers were surveyed on what impact they thought using NVQs and SVQs had had on eight key aspects of their business. The findings are presented in Figure 3.

Figure 3. Employers' views on the impact of NVQs and SVQs

The figure indicates that the greatest impact had been on the quality of products and services, according to 80 per cent of employers who said that this had been increased. There had also been a considerable impact on staff motivation and performance, which 79 per cent and 76 per cent of employers respectively said had improved to some degree. Around three-quarters thought that using NVQs and SVQs had increased the amount of training they provided and had improved its targeting. According to the employers surveyed, using the qualifications had had less impact on productivity, competitiveness and staff retention. It is interesting to note that nearly two-fifths of employers noted the positive impact of NVQs and SVQs on staff retention. Face-to-
face interviews with managers revealed that the use of NVQs and SVQs could engender loyalty among employees and consequently reduce poaching.

**Sector benefits**

These findings were reflected in the qualitative data. Illustrations of the benefits gained from using NVQs and SVQs were:

- **IT** – increased product knowledge and more focused in-house training
- **Residential care** – raised standards and awareness benefited company and clients
- **Water** – improved problem-solving, greater technical understanding and enhanced training infrastructure
- **Retail** – greater staff flexibility, improved communication skills and less turnover
- **Food and drink manufacture** – improved operating efficiencies, increased underpinning knowledge and greater staff attention to detail
- **Forestry** – increased staff motivation and team working
- **Public administration** – improved standards and better communication
- **Hospitality** – increased staff awareness of role in customer care, potential of staff highlighted and reduced staff turnover

Several employers mentioned that using NVQs and SVQs had helped them to develop staff to higher levels of skills than expected. Managers added that, as staff working towards the awards were generally willing to take on more responsibility – *'There is more owning the problem and dealing with it'* – said one hotel manager – this increased opportunities for delegation. A contract manager in one of the intermediary organisations commented that managers were ready to delegate to staff because they knew that they were working to set standards.

The survey asked employers what impact they thought that the take-up and use of NVQs and SVQs had made on their industrial or commercial sector. Raised standards, increased recognition and uptake of the qualifications, and enhanced image and competitiveness were said to be the main effects at sector level. Others, who thought that they had only had a moderate impact, said it was it was too early to give a judgement or questioned the universal suitability of the qualifications. In face-to-face interviews, employers offered other reflections on the impact on their sectors. For example, staff in residential care said that the use of NVQs and SVQs had helped to
reduce bad practice, and managers in food and drink manufacture said that take-up had helped to raise the profile of the sector and was assisting recruitment by offering recognition of what was expected of employees. Forestry employers thought that the qualifications were helping to benchmark practice to some extent but remarked that some contractors were still unaware of the awards. Employers in the hospitality sector said that use of the awards had increased professionalism, improved customer care and was helping to overcome the stigma of a negative image.

Assessment and evaluation of impact

Few companies were carrying out systematic evaluations of the impact of NVQs and SVQs which would provide 'hard' data. A few interesting examples of impact assessment were:

- machine downtime and wastage reduced in food and drink manufacture;
- reduced staff turnover in the retail industry;
- improved store and staff performance as measured by company indicators;
- fewer complaints from customers in the retail sector.

The intermediary organisations interviewed thought that NVQs and SVQs had made a positive impact on employers, though they noted that large companies had benefited more than SMEs as a result of their greater involvement and take-up. Awarding Bodies considered that using the qualifications had boosted employees' self-esteem and had increased their ability to manage their own learning. ITO representatives observed that using the national standards had helped companies to improve the competence of their workforce and to identify training needs. They also pointed out that impact was linear in that companies with enhanced staff knowledge, skills and understanding were then able to provide a better product or service for customers and clients. TEC staff identified the following outcomes: help in providing a better structure for staff development and in assessing training objectives, and improvements in staff morale and quality.

4.3.1 Sector analysis

Impact of NVQs and SVQs

Significant sector differences emerged when the impact of NVQs and SVQs was investigated. Retail and public administration employers were significantly more likely to indicate that the use of NVQs and SVQs had positively affected the productivity of their company. In addition, companies in the retail and IT sectors were significantly more likely to note an impact of NVQs and SVQs on their competitiveness.
Improvements in the quality of the product and service provided by a company were a key area in which NVQs and SVQs were having an impact among the companies surveyed. Companies in the residential care, retail and public administration sectors were significantly more likely to state that this was the case.

Significant sector differences were also found relating to the impact of NVQs and SVQs on the amount and targeting of training. Companies in the water, retail and IT sectors were more likely to indicate that the qualifications had impacted on the amount of training they offered. NVQs and SVQs were particularly likely to have had an impact on the targeting of training in the residential care, water and IT sectors.

The survey revealed that NVQs and SVQs impacted differently on staff in the eight sectors. The impact on staff retention was particularly noted in those sectors which could be said to find it a challenge. Companies in the retail, hospitality and residential care sectors were particularly likely to note an impact on retention, while IT and forestry companies were much less likely to note an impact in this area. NVQs and SVQs were said to have impacted on staff performance particularly in the residential care, hospitality and public administration sectors. Interviewees in the public administration, residential care and retail sectors were particularly likely to note an impact on staff motivation.

Employers' views on the impact of NVQs and SVQs on their sector revealed some differences. Companies in the water industry and residential care sector were more likely to suggest that the qualifications had raised standards in their sectors, perhaps because they both have particular pressures on them to maintain and demonstrate high standards of service. Companies in these two sectors were also likely to note that NVQs and SVQs had enhanced the image of the industry and that there was wide recognition of the qualifications.

The extent to which employers intended to use the qualifications in the future is examined in the next section.

4.4 Future Use of NVQs and SVQs

Employers were surveyed on how they intended to use NVQs and SVQs in the future. More specifically, they were asked to say whether they were going to expand, maintain or reduce the use of the qualifications with some of their staff. The findings indicated future use patterns characterised largely by a combination of consolidation and expansion. Here it is worth noting that employers may plan to expand use with some
groups of staff and reduce it with others. Figure 4 illustrates how employers intended to use the qualifications.

**Figure 4. Employers' intention to use NVQs and SVQs in the future**

| Expanding use | 67 | 16 | 18 |
| Maintaining use | 51 | 3 | 15 |
| Reducing use | 12 | 69 | 19 |

As Figure 4 indicates, a majority of respondents (81 per cent) said that they were going to maintain use with some staff, and just over two-thirds (67 per cent) disclosed that they intended to expand use with some staff. A small minority (12 per cent) indicated that they were going to reduce their use of NVQs and SVQs. There were no significant differences in employers’ planned use when analysed by company size.

The main aims given for **expanding the use** of NVQs and SVQs were to:

- extend the occupational areas offered access to the qualifications (horizontal expansion);
- use with all staff and/or new staff;
- extend the levels offered (vertical expansion).

Positive experience in using the qualifications was mentioned as a consideration in deciding whether to expand use. A few employers gave a conditional response, saying that it would depend on the result of a pilot scheme or training audit.

The main reason given for **maintaining use** was a general contentment with the qualifications. Additional comments were given, with a few employers saying that they were going to keep updating and others saying that they were thinking of making them compulsory for some staff.
The main reason given for reducing use of NVQs and SVQs was terminating involvement when relevant staff had been trained. Other reasons advanced by a small minority of employers were a general unhappiness with the qualifications and the perceived high cost of training.

Factors influencing increased use of NVQs and SVQs

Employers were surveyed on what factors would encourage them to expand use of NVQs and SVQs. The major factors, none identified by more than 19 per cent of employers, were as follows:

- more and easier access to funding;
- improved promotion and support;
- more user-friendly NVQs and SVQs (less bureaucracy and simpler language);
- success of current involvement;
- recruitment of new staff or demand of existing staff;
- more relevant and flexible NVQs and SVQs.

It is interesting to note that although funding was not the most frequently mentioned reason for taking up NVQs and SVQs in the first place (see Section 3.4), it was identified as one of the main factors needed to facilitate expansion of their use. Data collected from the company visits suggest that this might be explained partly by the continuing challenge for the costs incurred by using the awards to be justified to senior decision makers and budget holders, and in some cases, company board members. In this scenario, additional funding would probably help managers with responsibility for NVQs and SVQs to make a powerful case for expansion.

Some English employers drew attention to what they considered to be a funding gap for the 18 to 25s. They explained that the two main funding sources for NVQs were TECs, who funded the 16 to 18 age group, and the Further Education Funding Council, who funded the over 25s. Some also commented on the difficulty of attempting to secure funding from TECs who used different allocation criteria and procedures. Indeed, a few of the large companies visited had decided to forgo this source of funding because of the amount of staff time required in making applications. Here it is worth noting that the NTP manages training contracts for national companies and liaises with TECs, ITOs and NCVQ.
Costs in using NVQs and SVQs

In general, employers were of the opinion that the costs involved in using NVQs and SVQs were considerable but not excessive. The main costs were said to be the resources needed for setting up administrative and assessment systems, the training of assessors, verifiers and other staff, the time employees were away from the job, the production of related materials such as workbooks and the photocopying of evidence. Other costs mentioned were registration fees, the purchase of standards and computer time used for logging progress. Some employers remarked that the costs were hidden to a certain extent in that the amount of staff time taken up in the delivery of NVQs and SVQs was rarely costed as a separate item.

4.4.1 Sector analysis

Future use of NVQs and SVQs

The sectors differed significantly in whether they were likely to reduce their use of the qualifications with some groups of staff. Companies in the water and food and drink manufacturing sectors were more likely to be considering this.

The sectors identified different factors which they considered would help them expand there use of the qualifications. Access to funding was a particular issue for companies in the residential care, forestry, retail, public administration and hospitality sectors. It was less important to those in the food and drink manufacturing, water and IT sectors. Companies in the hospitality and food and drink manufacturing sectors were more likely than other sectors to note a need for improved promotion of NVQs and SVQs. Three sectors – forestry, hospitality and residential care – particularly suggested that making the qualifications more user-friendly might help them to expand their use.

4.5 Challenges in Using NVQs and SVQs

The survey identified a range of challenges experienced by employers in using NVQs and SVQs. The main challenges, none noted by more than a quarter of the employers, were as follows:

- finding time to implement NVQs and SVQs;
- understanding the language of the standards;
- convincing staff, including line managers, of the benefits and status of the qualifications;
- dealing with the logistics of fitting training and assessment into company demands;
• assessment is too time-consuming;
• lack of staff motivation or interest.

A small minority also mentioned that it was sometimes difficult to get the level of senior management commitment they required, a point that was noted in the previous section in relation to the cost of using NVQs and SVQs.

Further explanation of some of the challenges experienced was given during the visits to companies.

Finding time and the pressure of work were discussed by several managers. For example, it was sometimes difficult to find time to carry out assessment and the pressure of work – where the needs of customers and clients were given priority – sometimes meant that NVQ – and SVQ-related work had to take second place. Another challenge mentioned by some employers was the internal marketing of the qualifications or ‘selling the idea to the participants’, as one IT manager put it. This theme was expanded by a retail manager who said that ‘getting people to believe in NVQs’ was a key challenge. She added that the way they were presented to staff was crucial, not least because some staff might be worried about losing their jobs if they did not achieve the awards. A food and drink manufacturer also pointed out that convincing older and/or experienced staff that it was worth doing an NVQ or SVQ was a challenge. An employer in the public administration sector noted that there was sometimes resistance to the qualifications because they were considered to be a different, non-traditional form of training.

The final challenge identified by interviewees was getting supervisors to train as assessors. In the main, this was not because supervisors did not acknowledge the value of NVQs and SVQs but because they were often not allocated dedicated time for this purpose. This meant that busy line managers, for instance, were sometimes expected and encouraged to carry out the role of assessor as part of their normal workload. It is worth reflecting on the implications of these arrangements for the potential expansion of employers’ use of NVQs and SVQs.

4.5.1 Sector analysis

Challenges in using NVQs and SVQs
Six main challenges were identified by interviewees. The challenge of finding time to implement NVQs and SVQs, which was a concern for all companies, was noted particularly by retail, public administration and IT companies. The challenge of the language of NVQs and SVQs was a particular issue for companies in the residential
care and IT sectors. Convincing staff of the benefits and status of the qualifications was raised as an issue particularly by public administration, forestry and residential care organisations.

Fitting the delivery of NVQs and SVQs into company demands and priorities was an issue for companies across all the sectors, and no sectors were notably more likely to identify this as a challenge. The time-consuming nature of assessment was an issue raised more by companies in the IT and water sectors. It is interesting to note that the challenge presented by lack of interest and motivation of staff was a concern of companies in the water and hospitality sectors.

### Sector issues

- Employers' perceived relevance of NVQs and SVQs is germane to sector penetration. This study found that their views on relevance reflect to some extent sector challenges. For example, the qualifications were regarded as helping to raise the profile of sectors with image problems and as helping to address recruitment and staff development gaps in other sectors.

- Marketing NVQs and SVQs effectively depends on the conveying of well-articulated messages about benefits gained by employers and their staff. Some of the benefits gained by employers in this study reflected sector considerations such as the need to reduce staff turnover and the need to increase product or technical knowledge.

- There is no one factor which will bring about an increase of the use of NVQs and SVQs in all sectors. Access to funding, greater promotion of and more user-friendly qualifications were acknowledged to varying degrees by different sectors as ways of boosting take-up of the qualifications in the future.

- Introducing and using NVQs and SVQs have been a challenge for employers in each of the sectors surveyed. However, the type and degree of the challenges experienced does vary to some extent by sector, which suggests that the support employers require from intermediary organisations is likely to differ. The work-based nature of NVQs and SVQs presents a particular challenge in terms of giving sufficient time for working towards the qualifications whilst at the same time continuing to meet customer demands, deadlines and production schedules.

Appendix 4 presents summaries of some of the key findings presented in this chapter, for each of the eight sectors. Employers' decisions not to take up the qualifications are examined in the next chapter.
5. EMPLOYERS WHO ARE NOT USING NVQS AND SVQS

5.1 Introduction

This chapter presents findings from the survey of employers who were not using NVQs and SVQs. As explained in Chapter 1, the research was designed to include a small study of non-users on the grounds that these data would enhance understanding of take-up issues.

Structured telephone interviews were carried out with 51 non-users. Given the size of the dataset, it was not appropriate to present separate sector analyses.

The sample covered seven of the eight sectors; no non-users were found in public administration. A higher number of the non-users are in the forestry and IT sectors. This is because, when finding sufficient employers who were using NVQs and SVQs in forestry and IT proved difficult, it was decided to include more employers from these sectors in the sample of non-users. As a result, the relative size of the user and non-user groups reflected the degree of take-up encountered in different sectors.

The type of work undertaken by non-users is outlined below (the number of employers interviewed is given in parenthesis):

- Forestry – estate management, general forestry and tree surgery (10)
- Water industry – water supply and pipe laying (6)
- Food and drink manufacturing – manufacture of fish, meat and dairy products and beverages (6)
- IT – software development, manufacturing and logistics (16)
- Hospitality – provision of hospitality services in restaurants and a leisure park (3)
- Residential care – provision of residential care services (5)
- Retail – retailing in department, clothing and DIY stores and a supermarket (5).

Around three-quarters of the employers surveyed had one or more other establishments, branches or sites, and about two-thirds were large, employing 200 or more staff in the company as a whole.
About two-thirds of the interviewees were personnel and training managers. The other staff interviewed included quality assurance directors, administrative officers, line managers and production managers. As with the user interviews, interviewees were identified as the person with responsibility for staff training at the organisation.

The next section examines the employers' level of awareness and understanding of NVQs and SVQs.

5.2 Awareness and Understanding of NVQs and SVQs

When asked how they had first found out about the qualifications, employers identified three main sources: the media, professional development and training providers.

Trade and professional journals, including training publications, and press coverage constituted the most frequently cited source (by about a quarter of the sample). This suggests that writing articles in publications targeted on specific sectors or occupations is an effective way of informing employers about NVQs and SVQs. The other two main sources of information were interviewees' own professional training and training providers, including colleges. An example of the former was information read in the course of studying for the Institute of Personnel Directors qualifications. Some employers said that they had received leaflets from training providers and colleges advertising the NVQs and SVQs that they offered.

Non-users were also asked whether they had received any advice from the key intermediary organisations, such as ITOs, Awarding Bodies, Lead Bodies, training providers or TECs and LECs, concerning the possibility of taking up and using NVQs and SVQs. Just over half of the sample – 30 employers – said that they had. Here it is worth pointing out that a larger proportion (89 per cent) of the user sample reported that they had gained help from these organisations. Training providers, colleges and Awarding Bodies were the main source of help for the non-users, who also received advice from TECs and LECs, trade associations and Lead Bodies. In relation to the type of help received, the most common response was the provision of general information about the qualifications or a 'sales pitch'. Three commented that external organisations had informed them that they could offer help with regard to YT trainees, and two said that help with funding for training had been mentioned. It is worth observing that none of the respondents identified any business or sector-specific advice.

The majority (21) of those employers who had received information and advice said that it enabled them to know enough about NVQs and SVQs. When asked what
further information, if any, they would find useful, the majority said nothing at this stage or were not sure. A few requested more user-friendly general information, an explanation of the value and benefits of NVQs and SVQs, information on the external organisations and funding information.

Given this level of awareness, to what extent did the non-user group understand NVQs and SVQs? The survey asked all employers in the sample to rate how much they understood six key aspects. The results were positive in that a majority said that they knew 'very much' or 'something' about the following:

- the national occupational standards;
- the role of the Lead Body;
- how the assessment process works;
- how accreditation of prior learning works;
- the use of core and optional units.

The aspect which employers said they knew least about was the relationship between the national standards and NVQs and SVQs. It is worth noting that Spilsbury et al. (1995) found that many of the employers they surveyed had little understanding of what occupational standards were and were not sure about the relationship between the standards and the qualifications.

The main findings in this section reveal that non-users were fairly well informed about NVQs and SVQs and that a majority had received information and advice from external organisations about adopting these qualifications. Although non-users' self-reported level of understanding was high, there were some gaps in their grasp of NVQs and SVQs which present a marketing challenge. For example, there appears to be a need to explain to employers the place and importance of the national occupational standards within the NVQ and SVQ framework. Furthermore, the findings suggest that there is a need to disseminate clearer messages to employers about the advantages of taking up NVQs and SVQs and about how external organisations can help them to introduce these vocational qualifications.

It can be seen, then, that ignorance was not a major barrier to take-up of NVQs and SVQs. The next section explores the reasons why employers decided not to use them.

5.3 Reasons for Deciding Not to Use NVQs and SVQs

The survey found that no one reason predominated in employers' decisions against taking up NVQs and SVQs. Indeed, no individual reason was cited by more than eight
interviewees. Consequently, whilst individual reasons for non-use are identified and discussed, the findings suggest that an examination of the range of factors involved in employers’ decision making will be more illuminating.

As expected, time and cost were advanced as reasons for non-use. Concern was expressed about the amount of time which would be consumed by staff producing portfolios of evidence and by managers assessing candidates. For example, the representative of a large department store which had discontinued its use of NVQs and SVQs explained that completing all the paperwork required was very time-consuming and pointed out that staff found it difficult to find the time to be assessed. Employers’ responses reveal that they had some understanding of the mechanics of the NVQ and SVQ process. Where cost was cited as a barrier to take-up, it was not so much a direct cost as the financial burden caused by the bureaucracy and time required. Whilst it is not certain how far employers had undertaken detailed calculations of the resource implications of using the qualifications or were reflecting general perceptions of the cost involved, this issue is an influence in company decision making. For example, one large retailer identified the lack of external funding for over-25s, to help meet the cost of them taking NVQs and SVQs, as the main reason for not using them.

Lack of relevance was another reason for non-use. This was given by employers who said that their staff were highly qualified and, as a result, they did not consider that NVQs and SVQs were relevant. This was particularly true of IT companies, who pointed out that they operated graduate entry, though one forestry employer commented that it could recruit quality staff, from a pool of skilled labour, ‘without having to train ourselves’. It is interesting to note that these employers expressed no interest in Management NVQs and SVQs, which raises the issue of the degree of awareness of the higher NVQ and SVQ levels or whether interviewees rejected them as irrelevant to their needs.

Another reason identified for non-use was the lack of credibility of NVQs and SVQs in the sector. The employers who gave this response were mainly in the IT sector. In their view, the qualifications which had credibility in the sector were degrees and HNCs and HNDs. The managers interviewed could not see what purpose NVQs and SVQs would serve in their companies and thought that these qualifications were too easy for the calibre of staff they employed. A contractor in the water industry also questioned the credibility of NVQs and SVQs and observed that these qualifications were not currently required by clients. As a result, this quality assurance and training manager concluded that there was no need to take up the qualifications because ‘there is no commercial advantage at present. Training is expensive and the NVQ does not help to get work for company.’ A few employers also expressed doubt about the
quality of NVQs and SVQs and lacked confidence in the type of assessment used. Others simply said that they did not think that the qualifications were good enough to take up yet.

Some employers said that they had not adopted NVQs and SVQs as they were content with existing training provision. For example, a training designer working for one of the large food and drink retailers commented that the volume and quality of in-house training met company skills requirements 'so we don't need NVQs'. In another case, a small contractor working in the forestry sector pointed out that other vocational qualifications which were being used were perfectly acceptable. This suggests that where employers have developed, and are satisfied with, their own competency framework and training and staff development arrangements, not only do they have less impetus to introduce external vocational qualifications, but also need convincing of the value these might add to their business over and above the benefits they are already gaining through training their staff.

Non-use was attributed to organisational issues in some cases. This was exemplified by a medium-sized company in the residential care sector whose director explained that NVQs were no longer used owing to a major reorganisation carried out some months earlier in which the internal assessor and other key staff had left. The director said that there was a very competitive local employment market and added that trained and qualified care staff were occupationally mobile. Staff turnover was also cited by the proprietor of a small residential care home who voiced a concern that training staff who might well leave to work elsewhere would mean that 'the money spent on training is wasted'. A different organisational issue was raised by the head forester working for a medium-sized employer. He explained that the estate was using more and more subcontractors to carry out forestry work, whilst at the same time, the few remaining permanent staff were 'all getting older and to the stage where it's not worth investing a great deal in their training'. As a result, SVQs were not going to be taken up.

Other less frequently mentioned reasons for non-use included lack of employee interest and lack of commitment within the company as a whole. The latter point was expanded by a local government arboricultural officer who identified senior management's failure to appreciate NVQs and SVQs as one of the reasons for their not being adopted. The paucity of appropriate NVQs and SVQs was another reason advanced for non-use. Equal numbers of employers indicated that they were not using the qualifications because the national occupational standards were too narrow or because the standards were too broad. Interestingly, no employers attributed non-use to their disapproval of the overall NVQ and SVQ approach, which suggests that they
support competence-based workplace learning as a way of developing and assessing staff skills.

The analysis of employers' responses to the question asking them to say which of their reasons given for non-use was the most important revealed that their behaviour was not influenced by two or three overall factors common to all companies. Instead, the decisions made appeared to be based on the interaction of company-specific considerations. Around a third of interviewees reported that the qualifications were not prominent or given much consideration in their sectors. Other comments indicated that a range of sector views existed. Some employers said that NVQs and SVQs were regarded as beneficial and gaining currency because, through introducing qualifications for certain jobs, they were improving standards and helping to identify training needs. Others observed that there were somewhat mixed sector reactions and responses. This was illustrated by the attitude expressed by a personnel manager working for a large food and drink manufacturer who said that 'if it's right for your company and valuable, go for it; if not, leave it alone'.

The next section investigates the alternative training strategies used by the non-user sample.

5.4 Type of Training Provided

All of the employers interviewed said that they provided some type of training for their staff. The main type identified – by 35 interviewees or just over two-thirds of employers – was in-house training. Providing training using their own staff or buying in a trainer for specific sessions or workshops was said to be time- and cost-effective. A wide range of in-house training was provided including the following:

- Induction of new staff and how to use tools, plant and kit (medium-sized contractor in the water sector)
- Multiskill operations (large food and drink manufacturer)
- Health and safety and roads and streets legislation (large contractor in the water sector)
- Sales techniques and effective presentation (medium-sized IT company)
- Health and safety, how to use the till and customer service (large retail company)
- Technical aspects of IT, including programming and systems analysis (large IT company)
Practical skills and safety (large forestry employer)

Product knowledge and procedures (large retail company)

Project management and software design (large IT company).

In-house training included both group sessions and one-to-one coaching by trainers or more experienced staff. In addition, 13 employers said that the training they provided was activity-specific. This meant that training was compartmentalised and focused on particular occupational skills. Thirteen employers also said that the training given was on-the-job. For example, IT companies reported that training was often delivered to staff through their IT work stations. Fourteen employers reported that they used external providers to deliver part of their training programme. For example, an estate in the forestry sector bought in trainers to provide basic safety training.

A minority of employers (19) indicated that, though their staff were receiving training, they were not working towards any formal qualifications. As far as the other employers were concerned, management qualifications, such as the MBA and the DMS, were the most frequently mentioned. Degrees were the other main type of qualification taken by staff. Management qualifications and degrees usually incorporated a large open learning element. Other qualifications included the BTEC Professional Development Certificate in Management, National Proficiency Test Council-accredited qualifications in forestry skills such as using chainsaws and felling small trees, and Higher National Diplomas.

The majority (37) of the employers reported that the skills of their workforce fully met company needs. Whilst the remainder did not identify particular skills gaps, they pointed out that they reviewed training regularly and increased it, or recruited new staff, as appropriate, to meet skills needs.

The survey attempted to ascertain whether some of the employers who had not fully taken up NVQs and SVQs might be using the national occupational standards alone in some way. The findings revealed that a minority were using the standards in connection with the following functions (number of employers in parenthesis):

- planning occupations and writing job descriptions (8);
- planning training (6);
- assessing skills (6);
- recruitment (5).
The national standards were used by employers in each of the sectors except computing and hospitality.

The survey indicates that even though some employers prefer not to take up NVQs and SVQs and let their staff work towards the qualifications, they value the national standards enough to use them as a planning and management tool.

Overall, the evidence collected suggests that most non-users do not judge there to be a pressing need to take-up NVQs and SVQs as their training provision largely meets current requirements. The next section explores how these employers might be encouraged to take up and use the qualifications.

5.5 Suggested Changes for Increasing Employer Take-up of NVQs and SVQs

The majority of companies surveyed (36) did not know how employers and the upcoming National Training Organisations (NTOs) could work together to develop NVQs and SVQs or to encourage the take-up of these qualifications. A minority advocated that effective communication should be developed between employers and NTOs in order to achieve understanding of mutual interests. It was also suggested that the communication process should ensure that employers were adequately consulted about developments in NVQs and SVQs and given the opportunity to contribute.

Suggestions for encouraging take-up in general included promoting the qualifications more proactively, providing more information, making them more user-friendly and procuring funding, especially for the over-25s. These findings were reflected to some extent in employers' responses when asked whether there was anything that would encourage their company to use NVQs and SVQs. Whilst around half said nothing or claimed they did not know, the others made two main requests: funding and readily available information and advice. Employers were also asked whether there was anything that would encourage their staff to take up and use the qualifications. Just over half either did not know or said that nothing would have this effect as staff were already qualified. Several suggestions were made by the other employers, including raised awareness of NVQs and SVQs, making them compulsory, making them more job-specific and providing incentives or rewards.

Employers were asked what key points they would wish to make if they were advising those agencies responsible for devising NVQs and SVQs in their sector. About two-thirds of the sample offered comments. One of the main points articulated was that the
agencies should make the qualifications more relevant and specific to companies' needs.

A manager working for a large retailer suggested that the agencies had to keep in touch with developments in retailing and be aware of what customers expect. He added that the national standards had to be flexible enough to respond to changes in tastes and trends. This view was echoed by the manager of a bistro who called for NVQs and SVQs to be modernised and adaptable to changes in hospitality. Likewise, a group IT resourcing manager emphasised that, because change takes place so rapidly in the application of computer systems, NVQs and SVQs had to be flexible to match this degree and type of change. She advocated that those who develop the qualifications should maintain regular communication with line managers to keep up to date with the demands of the different working environments where the qualifications were incorporated into work-based training and assessment.

When asked how, if at all, NVQs and SVQs could be made more relevant to companies' needs, about half of the sample offered suggestions. The main requests were for the qualifications to be made more accessible and user-friendly for employers. For example, two retail companies thought that shorter, better focused standards with less jargon would improve accessibility and make them easier to use. The proprietor of a residential care home suggested that the qualifications could be made more user-friendly if tasks were made less repetitive. Here, she gave the example of the requirement for care assistants to be assessed bathing residents five times to prove their competence, which she considered to be excessive.

The communication issue mentioned earlier was raised by other interviewees, who called for more dialogue between agencies responsible for revising NVQs and SVQs and company managers and assessors. A manager working in forestry suggested, for example, that 'they should listen to what the practitioners are saying and don't try to reinvent the wheel'. Here it is worth noting that the Lead Bodies, ITOs, Occupational Standards Councils, and Awarding Bodies interviewed during the course of this research explained that they met with employer representatives on a regular basis through working parties and development groups, though some noted that employer attendance was sometimes irregular owing to business commitments. These findings suggest that there might be a case for agencies reviewing the membership of consultative groups to ensure that they are liaising with employer representatives who can attend regularly and who are sufficiently au fait with changes and developments in the industry, trade or sector which may eventually have a bearing on the credibility of NVQs and SVQs.
The final point made by non-users was that NVQs and SVQs should be simplified and made easier to assess. For example, a timber harvesting manager thought that the qualifications were bureaucratic and complicated which made them ‘a bit daunting for the average person’, and a training manager working in retail wanted the method of assessment to be simplified. Such comments present those responsible for developing and revising NVQs and SVQs with a dilemma in that, on the one hand, the perceived complexity of the qualifications has to be addressed if employer take-up is going to be increased, whilst on the other hand, thorough systems are required if competence is going to be assessed properly to ensure that it meets the national standards.

The key findings presented in this chapter are summarised in the box below.

**Key findings**

- Many employers found out about NVQs and SVQs through coverage in the press and trade journals. Half of those surveyed said that they had received advice from key intermediary organisations.

- Non-users were fairly well informed about NVQs and SVQs and had a high self-reported level of understanding. The relationship between the national standards and the qualifications was what they understood least.

- Employers had decided not to take-up NVQs and SVQs because of the perceived time and cost involved, the lack of relevance and credibility of the qualifications and because they were content with existing training provision.

- All of the employers provided training for their staff and this was mostly in-house training. This was wide-ranging and included training in health and safety, product knowledge and project management.

- Employers who were not using NVQs and SVQs felt that take-up might be encouraged by improved funding and readily available information and advice.

- Employers thought that there should be more dialogue between agencies responsible for revising NVQs and SVQs and company managers and assessors.

The focus of the next chapter is employees’ experience of taking NVQs and SVQs and their views on this form of work-based assessment and accreditation.
6. EMPLOYEES' VIEWS ON NVQs AND SVQs

6.1 Introduction

This chapter examines the views of the employees who were currently doing, or had completed, an NVQ or SVQ in the workplace. It presents findings on the reasons for taking up the qualifications and the experience of doing the awards, including the support required and received. The relevance of the NVQs and SVQs is discussed and the impact and benefits experienced at an individual employee level is examined. These findings draw on data gathered through face-to-face interviews and group discussions with candidates during visits to 60 companies. A total of 114 candidates were interviewed across all eight sectors who represented a range of ages, occupations and NVQs and SVQs undertaken. Their views complement the perspective of their managers and provide further insight into the experience of undertaking an NVQ or SVQ at work. It is worth noting that no sector differences emerged in the analysis of employees' views on the qualifications.

6.2 Reasons for Doing an NVQ or SVQ

Candidates identified a range of reasons for deciding to take up the opportunity to do an NVQ or SVQ. As with any decision, a number of factors may be influential, and therefore the reasons may have been considered in any combination by the candidates. The main reasons, not in order of importance, were as follows:

- company policy;
- job- or pay-related;
- recognition;
- national qualification;
- career-related;
- work-based qualification;
- formal qualification;
- self-improvement.

Each of the reasons is discussed in turn.

The decision to use NVQs and SVQs formed part of company policy in some of the enterprises visited. An employer would, for example, set a target to have a certain percentage of employees qualified to a certain NVQ or SVQ level. Alternatively, as discussed in Chapter 3, a company may use the qualifications to address a skills gap or new skills need. Where this was the case, employees would be required to do the
award. Even so, candidates had some input in so far as they could put themselves forward, or were told at interview, that it would be a requirement of the job. A further aspect of company policy which employees identified as making undertaking an NVQ or SVQ compulsory was the company’s commitment to Investors in People or the fact that the employee was doing a Modern Apprenticeship.

Some of the candidates commented that doing an NVQ or SVQ was related to their pay or job requirements. A candidate in the hospitality sector said that she had decided to do an NVQ because ‘it keeps me up to date with my work and job’, illustrating her awareness of the value of appraising and updating her own skills in order to perform effectively. In some cases, employees were motivated in part by the offer of a financial incentive to undertake the qualification or a reward after completion.

Candidates felt that they would gain recognition for their skills and experience by undertaking an NVQ or SVQ. Employees who had been working competently in a job for some time, for example, regarded the NVQ or SVQ as an opportunity to have their contribution acknowledged by the company. In Chapter 3, managers gave the national recognition of the awards as one of their reasons for using them. Candidates also identified this as a reason for taking them up, and a hospitality candidate noted that ‘NVQs are recognised throughout industry’. This factor was important to candidates in two ways. Firstly, they placed value on the qualification because of its wide recognition. Secondly, some related the national recognition to the transferability of the qualification between jobs and consequent opportunities for their own career development.

A number of candidates were considering their career when they decided to undertake an NVQ or SVQ. This view was summed up by a hotel receptionist who said that she took it ‘to get another qualification for my CV which might be useful if I move on’. Employees also saw the NVQ or SVQ as the first step in progressing within the company, for example entering retail management. They also considered that doing an NVQ or SVQ might make their position more secure within the organisation.

One of the distinctive features of NVQs and SVQs is that they are work-based qualifications. Candidates ‘liked the idea of an on-the-job qualification’, as a hotel room attendant expressed it. One candidate undertaking an IT NVQ noted the fact that, unlike with the classroom-based HND, work tasks which he completed could be recognised. Some candidates were wary of attending college and therefore valued the opportunity to gain a qualification through an alternative route. In all cases, the employer bore the whole cost of the qualification; consequently employees took
advantage of the opportunity to gain a qualification at no financial cost to themselves, although, of course, they contributed their time and energies to the process.

The opportunity to gain a formal qualification was a further reason given by employees. This had two underlying influences. Firstly, employees believed that, as the NVQ or SVQ would be accrediting their existing skills, they would be 'getting a qualification for what I am doing', as a hotel employee put it. Again, this reflects one of the distinctive features of NVQs and SVQs, in that a person can gain a formal qualification through accrediting their experience without necessarily having to undertake further training. Secondly, some candidates had no previous qualifications and therefore valued the opportunity to gain one.

Some employees regarded taking an NVQ or SVQ as a second chance, as compensation for lack of success at school or to make up for missed opportunities such as failing to complete an apprenticeship when young. This general desire for self-improvement was a further motivation for employees to embark on an NVQ or SVQ. For example, a mature employee perceived it as an opportunity to keep up with younger employees, and a candidate for whom English was her second language hoped that doing the NVQ would help her to improve it.

This section has shown that employees' decisions to undertake an NVQ or SVQ were influenced by two main factors: company policy and a desire to gain a nationally recognised qualification which could help them in their future career.

6.3 Undertaking an NVQ or SVQ in the Workplace

At the outset of the NVQ or SVQ programme, candidates were given some advice and guidance as to what would be involved in the process. On the whole, the candidates found the information which they received at the beginning to be adequate for their needs. The three main sources of this advice were: line managers or internal assessors, external training providers and formal training sessions. Through these sources, candidates found out about the structure of the qualification and what would be involved in undertaking it in the workplace. Areas of help which were useful to the candidates included explanations of the terminology, which at first 'sounds a bit scary', as one operative in a food and drink manufacturing company put it; and help with planning and organising the NVQ and SVQ process.

Candidates were also given documentation, such as workbooks and information packs, to guide them and to refer to throughout. Some candidates were able to ask colleagues about their experience of doing the qualification, or were aware of what
would be required from having seen colleagues in the past. In discussing the level of information received initially, some candidates felt that they could have had more information about the extent to which they would have to contribute their own time. It is worth noting that some of the organisations visited had recognised the need to give candidates a fair assessment of what would be expected of them if they were to keep dropout to a minimum. Initial information and advice needs to be reinforced over time and most candidates received ongoing support. Their experience of this is discussed in Section 6.4.

Candidates reported two main approaches to undertaking their NVQs and SVQs. The first can be summed up in the comment of the deputy manager of a residential care home that 'it's just putting in evidence of what you do every day'. In such cases, candidates did not attend off-the-job training courses or sessions; instead they generally met with their assessor and identified the next element or unit to approach. They also discussed the evidence requirements that they would then gather in readiness for the next meeting, which could include completing written question sheets. Alternatively, for example in a food and drink manufacturing company, the assessor took responsibility for the portfolio and the assessment process was conducted by observation and questioning.

The second approach involved the candidates attending formal off-the-job training sessions. The purpose of these was to deliver underpinning knowledge or to teach new skills and they were generally followed up by evidence-gathering in the workplace or assessment by observation. Where candidates following either of the approaches were unable to gather direct evidence of a unit, they would research it, present their response and may be asked 'what if' questions. Where is was necessary, it was because it was outside their work role, or was a circumstance which might only happen occasionally, for example a certain type of machine breakdown in food and drink manufacturing, or abusive behaviour from a client in the residential care sector. Another response to the need for evidence which was outside the normal work role of the candidate was to move them around departments to gain the necessary experience. This experience contributed to employees' job satisfaction.

The majority of candidates produced a portfolio, and some found that gathering the evidence was not difficult. A clerical assistant in the public administration sector commented that she was 'conscious of the NVQ all the time' and laid paperwork aside for it which she would later organise into her portfolio. However, many of the candidates highlighted the considerable challenge which building a portfolio presented for them. In the retail sector, candidates said that they needed to complete up to 50 pieces of evidence per unit, while in the residential care sector, candidates, especially
those working in community care homes, found that they had to do all their portfolio work away from the workplace because client needs always came first. In fact, candidates in all sectors commented on the time required to build their portfolios. Often they spent their own time on this and while some accepted this, others commented that they had not expected a work-based qualification to demand so much of their own time, or were only able to gather the evidence in the workplace. Candidates had to consider not only their own time, but that of their colleagues and managers. Requests for witness testimonies and for cover while they undertook their NVQ and SVQ activities imposed on the time of others.

A number of candidates, in different sectors, commented that they would be helped by being allocated about two hours a week, in work time, where they could work on building their portfolio. In one company where this strategy was already in place, candidates found it helpful. Nevertheless, in nearly all sectors the demands of the workplace took priority and, even where time was set aside, candidates had to put company demands first.

6.4 Views on the Implementation of NVQs and SVQs

The previous section looked at how candidates were working towards NVQs and SVQs in the workplace and raised some of the challenges they faced. This section will examine their views on the way in which NVQs and SVQs are implemented with particular reference to two of the key areas which are especially relevant to this approach to work-based learning, assessment and support.

6.4.1 Assessment

Candidates who were interviewed for this research had been assessed by a variety of methods, as detailed in Section 6.3. The prevailing view can be summed up in the comment of an IT user, that assessment was ‘quite thorough and not intimidating’. Indeed, candidates were generally happy with assessment and identified particular aspects that they liked.

Not having to endure an exam was valued by some candidates, some of whom had found these difficult in the past. A food and drink operative commented that she was ‘not made to feel silly’ by the process. Another candidate, who was also an assessor, found it particularly helpful that he could question a candidate orally and write their answers for them as this removed the candidate’s concern over writing. Where candidates had internal assessors, they liked the fact that they could be assessed when they needed it and had access to the assessor for advice. Furthermore, one group of
candidates noted that their internal assessors were aware of their day-to-day competence. Where internal assessment was not possible, or the internal assessor was not working closely with the candidate, their competence could be affirmed by a witness testimony from managers 'who really know what you're like', as one retail employee expressed it. Many of the candidates received feedback after an assessment and this was particularly useful when it identified areas for development and improvement.

While most of the employees were content with the assessment process, some concerns over rigour were raised. As with any qualification, if the candidates question the assessment process, it can devalue their own qualification in their eyes. Some candidates had experienced assessor inconsistency, for example where one assessor had said evidence was acceptable and a second assessor had said it was not. This inevitably led them to question the validity of the qualification they received. A manager in the residential care sector had an employee, whom he did not consider to be competent but who had achieved an NVQ. Again, this led him to question the value of the award he was undertaking himself. Finally, a group of candidates in the public administration sector expressed concerns that unlike traditional qualifications, NVQs did not offer a grading system and doubted whether their competence, as assessed by the NVQ, was the same as that of their colleagues, though they all received the same level of award. Notwithstanding these concerns, most of the candidates were content with the assessment process and felt that it met their needs.

6.4.2 Support

Previous research (Sims and Golden, 1996) has found that support is particularly important for NVQ and SVQ candidates, who often have to be self-motivated and self-directed in order to gather evidence to demonstrate their competence. At the outset, it is worth noting that the majority of the candidates who were interviewed for this research had found their companies to be very supportive. They gained support from four main sources: assessors and trainers, line managers, colleagues and each other.

Assessors and trainers were a valuable source of information on the practicalities of the qualifications. They would help candidates to interpret the requirements and to identify appropriate evidence, sometimes with support from workbooks. Where one retail company had introduced internal NVQ coordinators, candidates reported an improvement as 'they make us work'. The internal assessor or coordinator within an organisation was often the first contact when the candidates experienced any difficulties and was, on the whole, accessible to the employees.
Support from line managers was identified by the candidates as crucial, though not all candidates received it. Where line managers were supportive, they acknowledged the value of the qualification which their employee was taking and took an interest. Further, they provided practical support such as witness testimonies and allowing the candidate time to collect evidence or compile the portfolio. Where such support was absent, one candidate felt 'left to it' which was demotivating.

The need for support and understanding from colleagues was discussed in Section 6.3. They also provide support in the form of covering when a candidate is involved in their NVQ or SVQ and by providing witness testimonies. There was some evidence from the interviews of candidates supporting each other. This occurred both through formal candidate meetings and through informal networks established by the employees themselves, and provided encouragement and practical help, for example through sharing experiences of sources of evidence.

The next section will investigate the extent to which candidates found the qualifications to be relevant to their job roles.

6.5 Relevance of the Standards

Discussions with candidates revealed that most of them found the requirements of the standards to be relevant to their job role. Two aspects to relevance emerged. The first was the applicability of the standards to a candidate's current job role, which they affirmed with comments like 'it's the job itself' (room attendant, hospitality) and 'it covers the job' (water industry employee). Candidates explained that the units and elements covered the tasks which they regularly performed and experienced no difficulty linking the requirements with their activities, albeit with the support of their assessors. Where a unit was not directly relevant, candidates and their assessor would address it through research or by creating an opportunity. For example, a candidate in the residential care sector did not usually undertake therapeutic activities but was able to run some with her clients in order to generate evidence. It is worth acknowledging the developmental value for the individual and the company in extending their expertise in this way.

The second way in which candidates found the qualification to be relevant relates to the development of new skills, for which NVQs and SVQs were also used by companies. A candidate in the forestry sector noted that the NVQ 'covers the skills which we need to develop', while a hospitality candidate explained that 'it helps me to get to know different departments and build a working relationship with managers'. Of course, where new skills were developed, it was necessary to ensure that relevant
experience was available in the workplace. This was achieved by a food and drink manufacturing company whose employee explained that he learned the background at college but 'the main stuff you really use is in the workplace'.

It is interesting to note that candidates sometimes did not realise at first how relevant the standards were because they were unaware of the depth of their job role. Through undertaking an NVQ or SVQ, candidates realised how much they did and looked at their job more objectively. This process also highlighted how much an individual did not know about their job. One outcome of this for the candidates was to raise the value of their job in their estimation. As one put it: 'It has taken the “only” out of “only a clerical assistant”'. Wider impacts of the qualifications will be discussed in the next section.

6.6 Impact, Benefits and Challenges

Chapter 4 discussed the impact and benefits of NVQs and SVQs to the company and staff from the managers' perspective. This section will present the views of the employees of the impact of the qualifications on themselves and their work and the benefits which they have gained.

6.6.1 Impact

As with the reasons for taking up an NVQ or SVQ, discussed in Section 6.2, the impacts on an individual can be interrelated. Discussions with candidates revealed that undertaking an NVQ or SVQ had impacted on their:

- confidence and motivation;
- potential progression;
- awareness and knowledge;
- job interest;
- recognition of their own skills;
- skills development.

Candidates reported that they had gained in confidence through doing the NVQ or SVQ. This was based on having the assurance of knowing that they were working to a national standard and having a base of knowledge to draw on. While the national standards can operate as benchmarks for companies, as mentioned in Chapter 3, they also serve a purpose as a standard against which individuals could measure themselves. Perhaps as a result of this growing confidence, a further impact identified by
employees was that the NVQ or SVQ had highlighted, both to themselves and their managers, their potential to progress, and led them to seek promotion.

One of the key impacts of undertaking an NVQ or SVQ was the increased awareness, knowledge and understanding experienced by the employees. For example, an IT user noted the value of understanding legislation such as the Data Protection Act, while a number of candidates in the residential care sector valued their increased knowledge of policies and legislation. As one water process operator asserted: ‘It helps you to know why you do what you do.’ Through developing their understanding and gaining wider experience to meet the requirements of the qualification, candidates reported increased interest in their job.

Another impact of doing the qualifications, which was noted earlier in relation to the relevance of NVQs and SVQs, was that candidates acknowledged, and learned to value, their own skills. A technical operator in the water industry commented that ‘it recognises the job you do as having value’. Naturally such recognition leads employees to gain in confidence and can improve job satisfaction. Candidates identified a direct impact on the skills they used at work. For example, an IT user felt that, as a result of the NVQ she had undertaken, she was now using her computer to its full potential. In the residential care sector, a care worker had changed her approach to clients, and was able to correct some of her colleagues, as a result of what she had learned through her NVQ.

6.6.2 Benefits

As might be expected from the generally positive views illustrated in this chapter, the majority of candidates felt that they had benefited from their involvement with NVQs and SVQs. The benefits which they identified can be classed into two interrelated groups – practical benefits and personal benefits – and are closely related to the impacts presented in the previous section.

The main practical benefit identified was, of course, gaining a nationally recognised qualification. It is worth noting that many of the candidates had few, if any, other qualifications and they naturally valued gaining one through an alternative route. For some candidates, for example in the residential care sector, this was the first time that a relevant qualification had been available to them. In addition, the fact that they would get a qualification was a significant influence on their decision to take up the awards, as shown in Section 6.2.
Candidates believed that the fact that they would gain, or had gained, a qualification, would be beneficial to their careers. They frequently based this view on the extent to which the qualifications were mentioned in job advertisements. In some sectors, such as forestry, water, residential care and public administration, candidates were aware that NVQs and SVQs were mentioned in job advertisements, either as a desirable qualification or as an area of training provided. They used this as a measure of employer commitment to the qualifications in their sector. In other sectors, such as IT and food and drink manufacture, retail and hospitality, candidates had not noticed the qualifications being mentioned but, on the whole, remained hopeful that having an NVQ or SVQ would be well regarded by a prospective employer.

A third practical benefit was the development of new skills and knowledge which enabled employees to do their job more effectively. As a trainee retail store manager expressed it: 'NVQs help you develop different ways of thinking and doing tasks which make you a better manager'. Candidates' increased knowledge gave them an insight into the running of the company and an understanding of why certain procedures, for example in health and safety, were necessary. Access to this knowledge in some cases meant that employees' job satisfaction improved.

Candidates also gained personal benefits from doing an NVQ or SVQ. The first of these was a sense of personal achievement. One customer service assistant in the retail sector described it as 'pride – I can do it'. Achieving the qualification, and working to a national standard, were not only of benefit as proof of competence to employers and potential employers, but also to individuals themselves. 'Knowing that you are doing it properly', as a public administration employee expressed it, helped to reassure candidates and contributed to their improved confidence, which was another benefit identified.

When a residential care home deputy manager stated that 'confidence is the big one', she identified a key benefit from which other benefits, such as taking greater responsibility and improving motivation, stemmed. All of the factors discussed here contributed to one overarching benefit summed up in the comment of a retail deputy manager that 'I can do my job better'.

6.6.3 Challenges

While candidates were largely positive about their experience, it had been necessary for them to overcome some challenges in undertaking an NVQ or SVQ in the workplace. Three key challenges had presented themselves to candidates; they were:
The difficulty of finding time to work towards the NVQ or SVQ which candidates faced has been discussed in Section 6.3. Essentially, the demands of the workplace took priority over the demands of attaining a qualification. Where time was not dedicated to building the portfolio, for example, candidates suggested that it would be helpful. The particular challenge which presents itself where a qualification is largely work-based, as NVQs and SVQs are, is the protection of that time so that workplace demands do not impinge on it.

The language of NVQs and SVQs has received wide comment and coverage. It is interesting to note that candidates across the sectors visited commented, without prompting, on the ambiguity and complexity of the language. A care assistant highlighted this when she commented that 'it asks a question, but it doesn't ask a question'. Those with responsibility for writing the standards are well aware of this problem and are working to address it. However, they face a considerable challenge in getting this message across to candidates, and colleagues of candidates, if take-up of the qualifications is to continue.

The third challenge, noted by the candidates across the sectors, was the repetition which was often a feature of the qualifications which they were undertaking. Candidates had to provide written answers to the same questions repeatedly, or had to find different ways of phrasing the same information for the various documents they had to complete. For example, candidates in public administration had to provide a summary of how they had achieved a unit, the content of which they felt they had already provided in the statement at the beginning.

Key findings emerging from this chapter are presented in the box.
Key findings

- Candidates were influenced in their decision to take an NVQ or SVQ by company requirements and the desire to gain a national qualification while at work.

- NVQs and SVQs had a positive impact on candidates' confidence, occupational awareness and knowledge.

- Through doing an NVQ or SVQ, candidates gained recognition from others for their skills and also began to recognise and value the skills they had.

- Candidates felt that they benefited from having a national qualification to help them in their future careers. They also experienced a sense of achievement in working towards and completing an NVQ or SVQ.

- The main challenges identified were the time demands in doing an NVQ or SVQ and the language of the standards and repetitiveness of the evidence requirements.

- Whilst most employees considered assessment to be adequate, a few had experienced assessor inconsistency.

- The majority of employees said that they received enough support in working towards the qualifications. They gained support from assessors and trainers, line managers, other colleagues and each other.

- Employees generally found the national standards relevant to their current job role and to the development of new skills.
7. CONCLUSIONS

7.1 The Emerging Picture of NVQs and SVQs

The findings from this study have shown that the employers surveyed who were using NVQs and SVQs were largely positive about the value and benefits of the qualifications. As discussed earlier in this report, employers wanted continuing improvements to the relevance and language of the national standards and wanted to be fully involved in this process. There was a high level of commitment to using the qualifications in the future.

The study found both general and sector-specific influences on the take-up and use of NVQs and SVQs. Take-up was influenced across all sectors by the desire to enhance the development of staff, improve company performance, ensure that they were working to national occupational standards and accredit workforce skills.

The fact that a majority of those employers who were using NVQs and SVQs were planning to consolidate and increase their use in the future is indicative of their broad satisfaction with them. Any initial fears about increased staff mobility or poaching had been overcome; indeed, employers viewed them as a good way of helping to encourage loyalty by demonstrating their commitment to staff. The employees interviewed were largely positive about the qualifications on the grounds that they acknowledged their skills and experience, had increased their confidence and were relevant to their current job roles and the development of future skills. It is worth noting that one of the benefits to emerge was a greater staff awareness of their own competence.

7.2 Sector Issues

The sector concerns influencing the way employers used NVQs and SVQs are as follows:

- **Forestry**: training staff and increasing their range of skills in an industry characterised by the growth of SMEs and self-employed contractors.

- **Water**: raising skills standards and improving the image of the industry which is stringently regulated and under scrutiny given the water shortages in recent years.

- **Food and drink manufacture**: accreditating staff competence and targeting training to extend multiskilling and improve the public image of the sector.
IT: expanding the amount of training and enhancing staff motivation in an industry where there was a marked divide between professional and vocational training.

Public administration: improving the quality of the service provided to the public through enhancing staff development and performance.

Hospitality: extending access to training to improve staff motivation and the quality of service given to customers in an industry characterised by high staff turnover.

Residential care: improving staff performance and accrediting their competence and skills to enhance the quality of service in an increasingly competitive sector.

Retail: raising the standards of customer care by accrediting training and improving staff motivation in an industry which has poor image in terms of pay and conditions.

The critical question of what explains the overall difference in NVQ and SVQ penetration and use in the sectors surveyed is particularly complex. The evidence collected and analysed in this in-depth study suggest that there are four main issues which account for variations in take-up.

The impetus to regulate the quality of products and services to ensure that specified standards are met is the first issue. This was particularly influential in the water, food and drink manufacture and residential care sectors. The second issue concerns the characteristics of companies which make up different sectors. Company size, the number of companies and the type of worker predominantly employed are all influential. For example, increasing take-up in retail and forestry is particularly challenging given the large number of small companies that make up these sectors. Increasing penetration in the IT sector is also challenging because of the large number of well-qualified professionals who are recruited by computer companies, some of which consider NVQs and SVQs to be superfluous. The third issue is competition and the drive to gain a larger market share. This study found that a prime motive influencing key players in the hospitality and food and drink manufacture sectors which had introduced NVQs and SVQs extensively within their companies was to maintain or improve their market position. The final issue involves the strength of existing training cultures. Existing training arrangements in the public administration sector helped to support the introduction of NVQs and SVQs.

The study found that, whilst sector concerns figured in employers' considerations, major decisions about take-up, including timing, the targeting of staff and assessment
arrangements, were shaped predominantly by company culture and business priorities.

7.3 World of Work and Training Cultures: Implications for NVQ and SVQ Use

As discussed in Chapter 1, NVQs and SVQs have been implemented at a time of significant development and change in the world of work. Companies are operating in an increasingly competitive environment. Contemporary industry is characterised by less hierarchical structures and the corresponding devolution of responsibility to sites and individuals in addition to the extension of multiskilling, partly as a result of the impact of new technology. There is an increasing need for staff to have well-developed personal skills, for example in customer care and in taking responsibility for tasks they perform. The emerging training culture of the late 1990s is responding to these demands with an increased emphasis on raising the standards of workforce skills and on a commitment to lifetime learning.

This study has found evidence that NVQs and SVQs are being used to increase the range of skills used by staff and to encourage them to increase awareness of the importance of their role within the company. The qualifications can make a particular contribution to lifetime learning by offering an opportunity for individuals to undertake a nationally recognised qualification while at work.

The research findings suggest that, at present, employers are generally not using NVQs and SVQs as part of their strategic business planning. They are using them mainly for staff development and training purposes rather than explicitly as a tool to increase competitiveness and gain commercial advantage. In particular, the qualifications are being used to enhance staff motivation and improve their performance. Whilst NVQs and SVQs were in some companies helping to introduce a new training culture, they were nearly always a response to, rather than a lever for, change. Here it is worth noting that one main model of implementation used the NVQ or SVQ as the standard and provided training to meet that standard. In contrast, the alternative model was to use the standard as a measure for accrediting skills. These two models can be used as appropriate to meet company needs, which may be an immediate requirement to demonstrate the competence of their staff, or to develop new skills.

The next section examines ways in which the full potential of NVQs and SVQs can be realised.
7.4 Future Challenges and Developments

The main reasons that non-users had decided not to take up NVQs and SVQs were because they considered them to be too expensive to implement in terms of time and cost added to their perceptions that they lacked relevance and credibility. Some pointed out that they were content with their existing training provision and the skills of their workforce.

There are several implications for the promotion of NVQs and SVQs. A range of key agencies is involved in this process, including the DFEE and the intermediary organisations interviewed for this study who were found to play an important role in providing employers with information, advice and support. The National Training Organisations, which are currently being set up and which will have a clear responsibility for promoting standards and skills development in specific sectors, will be a major contributor.

The promotion of NVQs and SVQs faces two major challenges: the dissemination of key messages to employers and the internal marketing within companies. The former involves articulating clearly and convincingly the business case for, and commercial value from, using the qualifications. The intermediary organisations interviewed stressed that this was labour-intensive because much of it had to be carried out on a one-to-one basis. Some were supplementing this approach with the distribution of information packs which gave case-study illustrations of how companies were using the qualifications and what benefits they had gained. The NCVQ staff are using their Toolkit with intermediaries and employers to aid the introduction of NVQs and SVQs, including giving advice on the development of implementation plans. The study found that the qualifications were being promoted through initiatives such as Youth Credits, Modern Apprenticeships, iIP and the Sector Targets Challenge. The advent of National Traineeships will offer another vehicle for this activity.

The evidence from this study suggests that there are a range of 'selling points' which organisations are using or may wish to consider for promotional purposes at national and sector levels. Some of the benefits identified from using NVQs and SVQs include:

- having access to a nationally recognised, work-based qualification which motivates staff;
- improved competence which is benchmarked against national occupational standards;
- enhanced business performance and quality of product and service;
• help in developing or improving a structure and focus for staff development and training, including induction for new staff and health and safety;

• a system for accrediting competence which can be fitted into company training and staff development culture;

• funding to help with the introduction and implementation of the qualifications.

It would also appear advisable to emphasise to non-users that the national standards undergo periodic updating, revision and refinement to ensure that they are kept relevant to the tasks performed in current occupations.

A challenge to promoting NVQs and SVQs is employers' requirement for information to be tailored to their needs. This could mean being sector-specific or focused on their particular needs as an SME.

Whilst the study found that, on the whole, employees had responded well to the opportunity to work towards NVQs or SVQs, it also identified three internal marketing challenges.

Firstly, some senior managers were said to be indifferent to, or sceptical of, the qualifications. Given that any company initiative, intervention or change requires the full backing of senior management if it is to succeed, it is advisable that promotional strategies continue to target this group. This may include extending the dissemination of key messages through professional associations, various conferences and breakfast meetings.

Secondly, some companies were finding it difficult to attract enough line managers and supervisors to undertake the qualifications and become assessors. This has two implications: a lack of assessors may limit the number of staff who are able to take the qualifications and it may undermine their credibility among the workforce. Therefore, it may be worth giving further consideration to working out how best to target these managers and explain the career benefits of taking up the opportunity. There may also be a need to develop routes from NVQs and SVQs to professional qualifications. Companies also need to gain the commitment of line managers to the qualifications if they are to provide candidates with the necessary support to enable them to complete an NVQ or SVQ successfully.

Thirdly, this research has suggested that no one type of employee is more or less likely to undertake an NVQ or SVQ. Where there is resistance, it can be for a variety of reasons including age, experience, literacy or concerns about taking a qualification for
the first time since leaving school. Using staff who are taking or have achieved the qualifications as mentors to other staff may help to address this issue.

Significantly, the study has thrown further light on the nature of work-based learning and competence-based assessment. It is sometimes difficult to combine learning in the workplace with the immediate demands of the job where the needs of the customer or client are paramount. Many of the staff interviewed during the course of this research said that they had had to study or complete paperwork at home to ensure that they completed the qualification. Furthermore, they sometimes had to ask other staff to cover for them whilst they collected or processed the evidence they needed. The effective management of work-based learning is important and merits discussion before staff embark on working towards a qualification.

Staff who are working towards NVQs and SVQs require support in the workplace to help them understand assessment requirements and how these correspond to the tasks they carry out on a daily basis. This includes advice on how much evidence to collect and how to present it. Explanations given during induction sessions may have to be reiterated or reinforced as the candidate works through the units. The findings discussed earlier in this report indicate that internal assessment involves a time commitment from assessors which is not often built in to their work schedules. In other words, they are expected to find time to assess within their normal working day. This can be problematic for busy line managers who have to ensure that production or service targets are met.

The final issue concerning work-based learning is progression. Some of the employers interviewed drew attention to the challenge of how to maintain the learning momentum built up by staff doing NVQs or SVQs once they had achieved them. It was pointed out that there was often a limited availability of supervisory opportunities suitable for staff working towards Level 3 or above. An imaginative approach taken in one sector was to invite staff who had achieved a Level 2 to join existing company working groups dealing with matters such as display of merchandise and training design. In another sector, staff were encouraged to take other qualifications after completing their NVQs or SVQs. These are just two examples of how employers are attempting to address progression issues which may need further investigation if NVQs and SVQs are going to continue to have a major impact on work-based training and the learning organisations of the future.
REFERENCES


CONFEDERATION OF BRITISH INDUSTRY (1997). Reasons to be Cheerful? A Qualitative Study of the Use of NVQs and SVQs Among CBI Member Companies. (Human Resources Brief August 1997). London: CBI.


KPMG MANAGEMENT CONSULTING (1994). *Costs and Obstacles to Employers Implementing NVQs and SVQs*. Sheffield: ED.

LABOUR MARKET TRENDS (1997). ‘Number of people participating in Training and Enterprise Programmes’ (Table 8.1), *Labour Market Trends*, 105, 7, S70.


APPENDIX 1

LFS estimates of the take-up of NVQs and SVQs across industrial sectors
LFS ESTIMATES OF THE PENETRATION OF EMPLOYEES WITH NVQS AND SVQS IN SIC92 SECTIONS

<table>
<thead>
<tr>
<th>SIC92 Sections:</th>
<th>Workforce</th>
<th>No with NVQs and SVQs</th>
<th>Penetration %</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Agriculture, hunting and forestry</td>
<td>422,000</td>
<td>12,000</td>
<td>2.8</td>
</tr>
<tr>
<td>B Fishing</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>C Mining, quarrying, extraction of oil/gas</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>D Manufacturing</td>
<td>4,911,000</td>
<td>248,000</td>
<td>5.0</td>
</tr>
<tr>
<td>E Electricity, gas and water supply</td>
<td>181,000</td>
<td>18,000</td>
<td>9.5</td>
</tr>
<tr>
<td>F Construction</td>
<td>1,800,000</td>
<td>65,000</td>
<td>3.6</td>
</tr>
<tr>
<td>G Wholesale, retail and motor trade</td>
<td>4,099,000</td>
<td>218,000</td>
<td>5.3</td>
</tr>
<tr>
<td>H Hotels and restaurants</td>
<td>1,168,000</td>
<td>70,000</td>
<td>5.9</td>
</tr>
<tr>
<td>I Transport, storage and communication</td>
<td>1,649,000</td>
<td>69,000</td>
<td>4.2</td>
</tr>
<tr>
<td>J Financial</td>
<td>1,116,000</td>
<td>31,000</td>
<td>2.7</td>
</tr>
<tr>
<td>K Real estate, renting and business activities</td>
<td>2,492,000</td>
<td>95,000</td>
<td>3.8</td>
</tr>
<tr>
<td>L Public administration</td>
<td>1,560,000</td>
<td>86,000</td>
<td>5.3</td>
</tr>
<tr>
<td>M Education</td>
<td>1,939,000</td>
<td>66,000</td>
<td>3.4</td>
</tr>
<tr>
<td>N Health and social work</td>
<td>2,743,000</td>
<td>191,000</td>
<td>7.0</td>
</tr>
<tr>
<td>O Other community, social and personal</td>
<td>1,283,000</td>
<td>89,000</td>
<td>6.9</td>
</tr>
<tr>
<td><strong>Total in employment</strong></td>
<td>26,556,000</td>
<td>1,282,000</td>
<td>4.8</td>
</tr>
<tr>
<td><strong>Total working age</strong></td>
<td>35,644,000</td>
<td>1,641,000</td>
<td>4.6</td>
</tr>
</tbody>
</table>

*Source: Office for National Statistics, 1996b*

Where no figure is given, sample size < 30
LFS ESTIMATES OF THE NUMBER OF EMPLOYEES WORKING TOWARDS NVQS AND SVQS IN SIC92 SECTIONS

<table>
<thead>
<tr>
<th>SIC92 Sections:</th>
<th>Workforce</th>
<th>Working towards NVQs and SVQs</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Agriculture, hunting and forestry</td>
<td>422,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>B Fishing</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>C Mining, quarrying, extraction of oil/gas</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>D Manufacturing</td>
<td>4,911,000</td>
<td>97,000</td>
<td>2.0</td>
</tr>
<tr>
<td>E Electricity, gas and water supply</td>
<td>181,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>F Construction</td>
<td>1,800,000</td>
<td>30,000</td>
<td>1.7</td>
</tr>
<tr>
<td>G Wholesale, retail and motor trade</td>
<td>4,099,000</td>
<td>104,000</td>
<td>2.5</td>
</tr>
<tr>
<td>H Hotels and restaurants</td>
<td>1,168,000</td>
<td>46,000</td>
<td>3.9</td>
</tr>
<tr>
<td>I Transport, storage and communication</td>
<td>1,649,000</td>
<td>22,000</td>
<td>1.3</td>
</tr>
<tr>
<td>J Financial</td>
<td>1,116,000</td>
<td>16,000</td>
<td>1.4</td>
</tr>
<tr>
<td>K Real estate, renting and business activities</td>
<td>2,492,000</td>
<td>36,000</td>
<td>1.4</td>
</tr>
<tr>
<td>L Public administration</td>
<td>1,560,000</td>
<td>49,000</td>
<td>3.1</td>
</tr>
<tr>
<td>M Education</td>
<td>1,939,000</td>
<td>43,000</td>
<td>3.4</td>
</tr>
<tr>
<td>N Health and social work</td>
<td>2,743,000</td>
<td>134,000</td>
<td>4.9</td>
</tr>
<tr>
<td>O Other community, social and personal</td>
<td>1,283,000</td>
<td>47,000</td>
<td>3.7</td>
</tr>
<tr>
<td>Total in employment</td>
<td>26,556,000</td>
<td>675,000</td>
<td>2.5</td>
</tr>
<tr>
<td>Total working age</td>
<td>35,644,000</td>
<td>821,000</td>
<td>2.3</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics, 1996a
Where no figure is given, sample size < 30
APPENDIX 2

Details of the type of work performed by telephone interviewees
DETAILS OF THE TYPE OF WORK PERFORMED BY THE TELEPHONE INTERVIEWEES

<table>
<thead>
<tr>
<th>Forestry</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forestry/estate management</td>
<td>14</td>
</tr>
<tr>
<td>Tree surgery</td>
<td>3</td>
</tr>
<tr>
<td>Woodland recreation</td>
<td>3</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Water</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water supply</td>
<td>23</td>
</tr>
<tr>
<td>Civil engineers</td>
<td>13</td>
</tr>
<tr>
<td>Pipe laying etc</td>
<td>3</td>
</tr>
<tr>
<td>unknown</td>
<td>1</td>
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</table>

<table>
<thead>
<tr>
<th>Food and drink manufacture</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fish processing</td>
<td>14</td>
</tr>
<tr>
<td>Baking/confectionery</td>
<td>9</td>
</tr>
<tr>
<td>Sauces</td>
<td>5</td>
</tr>
<tr>
<td>Beverages</td>
<td>5</td>
</tr>
<tr>
<td>Meat processing</td>
<td>3</td>
</tr>
<tr>
<td>Dry cereal products</td>
<td>3</td>
</tr>
<tr>
<td>Petfoods</td>
<td>3</td>
</tr>
<tr>
<td>Dairy products</td>
<td>2</td>
</tr>
<tr>
<td>Snackfoods</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Information Technology</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software</td>
<td>5</td>
</tr>
<tr>
<td>IT support – transport</td>
<td>3</td>
</tr>
<tr>
<td>IT support – financial</td>
<td>3</td>
</tr>
<tr>
<td>IT support – manufacturing</td>
<td>3</td>
</tr>
<tr>
<td>IT support – logistics</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Public administration</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borough/county council</td>
<td>46</td>
</tr>
<tr>
<td>Unknown</td>
<td>1</td>
</tr>
<tr>
<td>Hospitality</td>
<td>Number</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>Hotel</td>
<td>41</td>
</tr>
<tr>
<td>Restaurant</td>
<td>3</td>
</tr>
<tr>
<td>Catering</td>
<td>3</td>
</tr>
<tr>
<td>Leisure park</td>
<td>2</td>
</tr>
<tr>
<td>Public house</td>
<td>1</td>
</tr>
<tr>
<td>Motorway services</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Residential care</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wider provision, e.g. social services</td>
<td>23</td>
</tr>
<tr>
<td>Elderly client group</td>
<td>14</td>
</tr>
<tr>
<td>Client group with specific conditions</td>
<td>3</td>
</tr>
<tr>
<td>Client group with learning difficulties</td>
<td>3</td>
</tr>
<tr>
<td>Client group with mental health problems</td>
<td>2</td>
</tr>
<tr>
<td>Child client group</td>
<td>2</td>
</tr>
<tr>
<td>Client group with physical handicap</td>
<td>1</td>
</tr>
<tr>
<td>Client group with sensory impairment</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Retail</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing</td>
<td>11</td>
</tr>
<tr>
<td>Supermarkets</td>
<td>10</td>
</tr>
<tr>
<td>DIY</td>
<td>6</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
</tr>
<tr>
<td>Department store</td>
<td>4</td>
</tr>
<tr>
<td>Shoes</td>
<td>3</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>1</td>
</tr>
<tr>
<td>Toy shops</td>
<td>1</td>
</tr>
<tr>
<td>Off-licence</td>
<td>1</td>
</tr>
<tr>
<td>Car accessories</td>
<td>1</td>
</tr>
<tr>
<td>Sports goods</td>
<td>1</td>
</tr>
<tr>
<td>Region</td>
<td>% of respondents</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Eastern</td>
<td>14</td>
</tr>
<tr>
<td>South West</td>
<td>14</td>
</tr>
<tr>
<td>South East</td>
<td>14</td>
</tr>
<tr>
<td>London</td>
<td>12</td>
</tr>
<tr>
<td>West Midlands</td>
<td>9</td>
</tr>
<tr>
<td>Yorkshire and Humberside</td>
<td>8</td>
</tr>
<tr>
<td>Scotland</td>
<td>8</td>
</tr>
<tr>
<td>East Midlands</td>
<td>7</td>
</tr>
<tr>
<td>North West</td>
<td>6</td>
</tr>
<tr>
<td>North East</td>
<td>4</td>
</tr>
<tr>
<td>Wales</td>
<td>4</td>
</tr>
<tr>
<td>Merseyside</td>
<td>1</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
</tr>
</tbody>
</table>
APPENDIX 3

Region and size of companies visited
**REGION AND SIZE OF COMPANIES VISITED**

*Geographical location of companies visited (by Government Office region)*

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>North East</td>
<td>5</td>
</tr>
<tr>
<td>North West</td>
<td>8</td>
</tr>
<tr>
<td>Yorkshire and Humberside</td>
<td>4</td>
</tr>
<tr>
<td>Merseyside</td>
<td>2</td>
</tr>
<tr>
<td>West Midlands</td>
<td>6</td>
</tr>
<tr>
<td>East Midlands</td>
<td>7</td>
</tr>
<tr>
<td>Eastern</td>
<td>6</td>
</tr>
<tr>
<td>South West</td>
<td>2</td>
</tr>
<tr>
<td>South East</td>
<td>9</td>
</tr>
<tr>
<td>London</td>
<td>4</td>
</tr>
<tr>
<td>Scotland</td>
<td>2</td>
</tr>
<tr>
<td>Wales</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
</tr>
</tbody>
</table>

**Size of companies visited**

<table>
<thead>
<tr>
<th>Size</th>
<th>Number of companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small (1-24 employees)</td>
<td>1</td>
</tr>
<tr>
<td>Medium (25-199 employees)</td>
<td>7</td>
</tr>
<tr>
<td>Large (200 employees or more)</td>
<td>44</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>52</strong></td>
</tr>
</tbody>
</table>

*Size data are based on the number of employees in the whole group. In some cases, more than one establishment within a group was visited; therefore total of companies does not sum 60*
APPENDIX 4

Individual sector summaries
SECTOR SUMMARY: FORESTRY

Main sources of information and advice on NVQs and SVQs
- Sector organisations
- Awarding Bodies

Reasons for use
- Relevance of NVQs and SVQs
- Retention, recruitment and promotion of staff

Use of NVQs and SVQs
- NVQs and SVQs have replaced other qualifications

Top three areas where NVQs and SVQs are used
- Training and staff development
- Recruitment of staff
- Investors in People

Impact and benefits

Top three areas where NVQs and SVQs have had an impact
- The amount of training
- Staff performance
- The quality of product or service provided

The characteristics of this sector – a few large organisations and numerous self-employed contractors who are geographically widely dispersed – mean that the promotion of NVQs and SVQs is a considerable challenge. Employers are interested in using the qualifications to train and upskill their staff to meet the growing need for workers who are able to use both effectively and safely the increased amount of machinery used in the industry. Skills needs have also increased in the sector owing to the expansion of conservation work. Employers value NVQs and SVQs because they have introduced accreditation of many skills for which there was no previous formal recognition. Where used, the qualifications have helped to increase staff motivation and performance.
SECTOR SUMMARY: WATER

Main sources of information and advice on NVQs and SVQs
- Awarding Bodies
- Training providers and colleges

Reasons for use
- To improve performance, quality and competitiveness
- To accredit skills of existing staff
- To accredit training to a national standard

Use of NVQs and SVQs
- NVQs and SVQs were often used alongside other qualifications
- In many cases, NVQs and SVQs have been introduced where there was no previous qualification
- More likely than other sectors to be intending to reduce the use of NVQs and SVQs

Top three areas where NVQs and SVQs are used
- Training and staff development
- Accrediting staff competence and skills
- Recruitment of staff

Impact and benefits

Top three areas where NVQs and SVQs have had an impact
- The amount of training
- The targeting of training
- The quality of product or service provided

The water industry, which has undergone major reorganisation in recent years, is highly regulated. Accordingly, meeting stringent standards is at a premium and companies are also making great efforts to improve the quality of customer service. They regard NVQs and SVQs as a valuable vehicle for enhancing performance and as proof that the competence of their staff meets nationally agreed standards. As a result, the qualifications have gained a wide recognition in the sector. The study found some evidence that some of the contractors who are hired by the water companies are being encouraged to take up NVQs and SVQs.
SECTOR SUMMARY: FOOD AND DRINK MANUFACTURE

Main sources of information and advice on NVQs and SVQs
- Training providers and colleges
- Sector organisations
- Awarding Bodies

Reasons for use
- To improve staff development and accessibility
- To accredit training to a national standard
- To accredit skills of existing staff

Use of NVQs and SVQs
- NVQs and SVQs are used alongside other qualifications
- On the whole NVQs and SVQs have been introduced where there was no previous qualification
- Employers are planning either to maintain or reduce use

Top three areas where NVQs and SVQs are used
- Training and staff development
- Accrediting staff competence and skills
- Business planning

Impact and benefits
Top three areas where NVQs and SVQs have had an impact
- The targeting of training
- The amount of training
- Staff motivation

Companies in the food and drink manufacturing sector appear to be more likely to consult with external organisations, in particular sector organisations, in relation to their use of NVQs and SVQs. The evidence suggests that the qualifications are used in this sector to meet skill demands, in particular a need for employees to be multiskilled in order to take greater responsibility for the machinery with which they work. This could explain why this was one of only two sectors which identified business planning as an area in which NVQs and SVQs were used. The fact that companies in this sector identified the targeting and amount of training as particular areas where NVQs and SVQs had impacted reflects their use of the qualifications in the training of staff. By benchmarking standards, the qualifications have potential to help to improve the image of this sector.
### SECTOR SUMMARY: INFORMATION TECHNOLOGY

**Main sources of information and advice on NVQs and SVQs**
- Awarding Bodies
- Training providers

**Reasons for use**
- To accredit training to a national standard

**Use of NVQs and SVQs**
- NVQs and SVQs are often used alongside other qualifications
- In many cases, NVQs and SVQs have been introduced where there was no previous qualification
- Employers are very likely to say that they will be expanding use of NVQs and SVQs

**Top three areas where NVQs and SVQs are used**
- Accrediting staff competence and skills
- Training and staff development
- Business planning

**Impact and benefits**

**Top three areas where NVQs and SVQs have had an impact**
- The targeting of training
- The amount of training
- Staff motivation

While the use of graduates within professional IT occupations limits the take-up of NVQs and SVQs in this sector, the widespread use of IT by employees in industry indicates the potential for using these qualifications to recognise and accredit their skills. The use of NVQs and SVQs in companies can contribute to the targeting and amount of IT training, thereby enabling employers to map the IT skills base of their staff and contributing to their business planning.
SECTOR SUMMARY: PUBLIC ADMINISTRATION

Main sources of information and advice on NVQ and SVQs
- TECs and LECs
- Training providers and colleges

Reasons for use
- To improve staff development and accessibility
- Relevance of NVQ and SVQs

Use of NVQs and SVQs
- NVQs and SVQs are used alongside other qualifications
- Increased use of NVQs and SVQs is likely

Top three areas where NVQs and SVQs are used
- Training and staff development
- Investors in People
- Accrediting staff competence and skills

Impact and benefits
Top three areas where NVQs and SVQs have had an impact
- Staff motivation
- The quality of product or service provided
- Staff performance

Compared with employers in other sectors, organisations within the public administration sector were less likely to have received advice from outside organisations when first finding out about NVQs and SVQs and were more likely to be Assessment Centres. These findings probably reflect the tradition of staff development, and consequent training expertise, within public administration. One of the main reasons for using NVQs and SVQs is that they are an appropriate qualification for their staff, suggesting that the administration NVQs and SVQs are gaining currency as the acceptable qualification for administrative employees.
SECTOR SUMMARY: HOSPITALITY

Main sources of information and advice on NVQs and SVQs
- Awarding Bodies
- Training providers and colleges

Reasons for use
- Involvement in government schemes
- To improve staff development and accessibility
- To improve performance quality and competitiveness

Use of NVQs and SVQs
- The qualifications are not usually used alongside other qualifications
- Employers tend to maintain their use of NVQs and SVQs

Top three areas where NVQs and SVQs are used
- Training and staff development
- Investors in People
- Accrediting staff competence and skills

Impact and benefits
Top three areas where NVQs and SVQs have had an impact
- Staff performance
- Quality of product or service provided
- Staff motivation

All the evidence collected suggested that the prime reasons that employers in the hospitality sector decide to use NVQs and SVQs revolve around increasing competitiveness and their share of the growing hospitality market through improving the quality of service to the customer. Employers in this sector are aware that customer expectations of the service provided by hotels, pubs and restaurants have increased in recent years and that this trend is continuing. Consequently, they consider it vital to develop and expand the skills base of their staff, and NVQs and SVQs are regarded as a useful framework to support this process. Other key factors influencing take-up and use are the need to reduce staff turnover, which is traditionally high in this sector, and the need to address skill shortages.
SECTOR SUMMARY: RESIDENTIAL CARE

Main sources of information and advice on NVQs and SVQs

• Awarding Bodies
• Training providers and colleges
• TECs and LECs

Reasons for use

• To improve performance and quality competitiveness
• To accredit skills of existing staff
• To improve staff development and accessibility

Use of NVQs and SVQs

• Residential care organisations tend to be Assessment Centres
• NVQs and SVQs have been introduced where there was no previous qualification
• Organisations intend to maintain their use of NVQs and SVQs

Top three areas where NVQs and SVQs are used

• Training and staff development
• Accrediting staff competence and skills
• Promotion of staff

Impact and benefits

Top three areas where NVQs and SVQs have had an impact

• Quality of product or service provided
• Staff motivation
• Staff performance

Companies in residential care are motivated in their use of NVQs and SVQs by a desire to be seen to be raising standards in their sector. NVQs and SVQs contribute to this by enabling care staff to gain nationally recognised accreditation for the skills and experience which they gain in the workplace, often where no previous qualification is available to them. The tendency for companies in the residential care sector to be Assessment Centres reflects both their level of commitment to the qualification and the sensitive nature of the tasks which they undertake. Respect for the client is of paramount importance to this sector, and the evidence of this research suggests that the national standards on which the qualifications are based help to raise awareness of this issue.
SECTOR SUMMARY: RETAIL

Main sources of information and advice on NVQs and SVQs
♦ Training providers and colleges
♦ Awarding Bodies

Reasons for use
♦ To accredit training to a national standard
♦ To improve staff development and accessibility
♦ To accredit skills of existing staff

Use of NVQs and SVQs
♦ NVQs and SVQs have not replaced other qualifications
♦ Employers are planning to maintain their use of NVQs and SVQs

Top three areas where NVQs and SVQs are used
♦ Training and staff development
♦ Accrediting staff competence and skills
♦ Promotion of staff

Impact and benefits
Top three areas where NVQs and SVQs have had an impact
♦ Staff motivation
♦ Quality of product or service provided
♦ Amount of training

The promotion of NVQs and SVQs in retail faces considerable challenges given that the sector is characterised by a large number of small employers and a workforce which has a sizeable proportion of part-time workers. Large companies are leading the take-up of the qualifications, which they consider to be useful in terms of benchmarking their training and the competence of their staff. Employers also think that NVQs and SVQs will play a role in helping to raise the profile of the sector and improve its image in addition to projecting retail as a rewarding career. Using the qualifications helps to improve the motivation and performance of staff.