FE SECTOR MUST ENGAGE MORE WITH EMPLOYERS

NEW RESEARCH REVEALS BUSINESSES ARE UNAWARE OF THE BENEFITS OF FE TRAINING:

- 82 per cent of companies do not immediately associate FE with vocational training
- 57 per cent of companies do not use FE training
- 43 per cent of companies do not realise many FE courses are subsidised

**BUT**

- 87 per cent of companies that use FE claim it benefited their business
- 45 per cent of companies that use FE claim it has increased productivity

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The further education (FE) sector is missing out on opportunities to engage with business because the majority of employers are unaware of what the sector has to offer, according to new research commissioned by the Learning and Skills Council (LSC).

However, the results showed that nearly 90 per cent of employers that have used FE training reported a positive impact on their business, including increased productivity, turnover, employee motivation and job satisfaction. The findings highlight the need for the FE sector to communicate more effectively with business, to demonstrate the relevance and benefits of the training available.

The YouGov research, examined the training policies of nearly 900 companies, found:

- 82 per cent of companies do not associate FE with vocational training
- 43 per cent of companies are not aware they could secure subsidised employee training at their local FE colleges
- 57 per cent of companies do not use FE sector to train their employees
- 55 per cent of employers felt FE was primarily for adult education, evening classes or academic studies
However the findings revealed thousands of companies that had worked with FE reported real benefits:

- 87 per cent of small businesses said using an FE college to train its employees had benefited the company
- 45 per cent of companies claimed it had increased productivity
- 11 per cent claimed it had directly increased turnover
- 58 per cent said it had boosted employee motivation and job satisfaction
- 47 per cent believed it had helped employee retention

The findings are reinforced by new research that explored employers’ attitudes to Train to Gain, the service that can help businesses improve their productivity and competitiveness by ensuring that staff have the right skills to do the best job. The research, by Synovate, found half of all employers polled were unaware that the Train to Gain Skills Brokerage Service is free. However, 82 per cent of respondents would trust the brokerage service to provide realistic and actionable advice. Whilst 63 per cent of employers polled agreed that the Train to Gain service tailors training to business’s specific needs.

Bill Rammell, Higher and Further Education Minister said:

“The findings clearly highlight the competitive benefits to employers of using Further Education training. Since 1997, FE funding has increased by £2.5 billion, a rise of 48 per cent in real terms. The challenge for FE providers is to engage with business so they make best use of this, and be aware of the choice, value, and relevance of training on offer. Providers must adapt to meet the needs of employers.”

“With our sweeping reform of FE, colleges and providers now have a clear 'demand-led' economic focus to meet employers' training needs. Responding to the Leitch report we called on employers last week to sign a Skills Pledge to make use of the provision available to train all eligible staff to at least Level 2, the equivalent of 5 GCSEs*, the platform of skills for employability and competitiveness.”
Ray Dowd, *agenda for change* Champion at the LSC explained.

“FE colleges need to get more businesses to take advantage of the training they provide and that means closer relationships and clearer marketing. Colleges need to get better at speaking the language of business and that means talking about how training increases productivity and profitability as well as giving learners a qualification. “

“It seems that those companies that are aware of the range of courses available are securing a competitive advantage over those that do not use FE colleges by getting free or low cost training that benefits their business through increased productivity, profitability and employee satisfaction.”

Ioan Morgan, Principal, Warwickshire College and Chairman of the 157 Group of Colleges added:

“Warwickshire College receives repeat business because we can demonstrate a bottom line and/or a HR benefit for these companies. We often deliver training in the workplace and provide a responsive and flexible service that meets employers needs. “

-ENDS-

LSC
The LSC exists to make England better skilled and more competitive. We are responsible for ensuring the availability of high-quality education and training for everyone. We have a single goal: to improve the skills of England’s young people and adults to world class standards. Our vision is that young people and adults in England have knowledge and skills matching the best in the world and are part of a truly competitive workforce. We work nationally, regionally and locally to deliver this ambition on behalf of learners and employers.

FOR FURTHER INFORMATION

LSC Website: [www.lsc.gov.uk](http://www.lsc.gov.uk)

All public enquiries please contact:

LSC Helpdesk: 0870 900 6800
All media enquiries please contact:

- Alexandra Church, Cohn & Wolfe, 0207 331 2301, alexandra_church@uk.cohnwolfe.com
- Tom Mackay, Cohn & Wolfe, 0207 331 5372, tom_mackey@uk.cohnwolfe.com
- Emily Towers, LSC: 024 7682 3515, emily.towers@lsc.gov.uk

Notes to Editors

- Agenda for change is a programme of reform that will help to transform the way the learning and skills sector operates. The agenda for change prospectus (available at www.lsc.gov.uk) is a blueprint for a transformation of the further education sector addressing key areas including: Skills; Quality; Funding; Data; Business excellence; and the reputation of the FE sector.
- In response to the Leitch skills report the Chancellor Gordon Brown and Education Secretary Alan Johnson on 8 February called on all employers to sign up to a ‘Skills Pledge’ to ensure that all their employees reach a skills level equivalent to five good GCSEs.
- The Skills Pledge helpline for employers is 08000 153423.
- The Skills Pledge, part of a plan to equip Britain’s workforce for the future, will share responsibility between the State, employer and employees and will be open to all employers irrespective of size, status or sector. It is designed to stimulate demand for training services and support a new culture where gaining skills is taken as a matter of course. It follows the Leitch report into skills in December highlighting the need to achieve world-class skills by 2020.
- The Government has already welcomed the Leitch aspiration to have at least 90% of working age adults qualified to Level 2 - the vocational equivalent to five good GCSEs - by 2020 to retain and drive forward competitiveness.
- Employers making the Skills Pledge would commit to a training plan building on the needs of their business. The plan would show timescales for training all staff to Level 2 as well as committing resources and setting priorities. An employer making the Skills Pledge will be making a commitment to raise the skill levels of all employees, giving staff certified competence in the workplace and the literacy, numeracy and employability skills for progression. The Skills Pledge will help employers’ competitiveness by helping them focus on the skills needs of their workforce.
- Skills are a principal driver of productivity, and the Government is building on record levels of investment to give colleges a stronger business focus, as it moves towards ensuring that every young person is in education or training until they are at least 18. The Skills Pledge will be fully launched in the summer once exemplar employers have trialled the early arrangements for signing up. Employers wishing to obtain details should initially ring the UfI helpline 08000 153423. Online applications will be available in the Spring.
- "Level 2 is the vocational equivalent to 5 GCSEs grade A* to C and is considered the basic platform of skills for employability."