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Limits of exploitation? Consideration of the utility of progression pathways for workforce development

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Framing the issue

The Wolf Report (2011) made clear that the proliferation of low-level vocational qualifications was in need of reform. It was thought that too many of these qualifications lacked substance, had little value in the jobs market and provided a weak platform for further development. Amongst the report's recommendations, which were largely accepted and subsequently acted upon by the Government, was the need for progression pathways that more explicitly linked education and training opportunities at successively higher levels. This was embraced by Government as part of a wider strategy to get more young people into skilled occupations, to meet the current and anticipated rise in skills shortages in key sectors of the economy (HMT/BIS, 2015). In its latest push, the Government has established a panel chaired by Lord Sainsbury to recommend clearer routes into work for technical and professional education. It anticipates up to 20 new routes being created for 16 to 19 year olds (GOV.UK, 2015).

Like so many other concepts within the realms of public policy, as "progression pathways" has entered into common usage, there is a danger that its application becomes increasingly prolific yet unfocused. In its policies on the 14 to 19 age group, the Government continues to push for the majority of school and college leavers to enter either higher education or an apprenticeship (Cameron, 2015) and progression pathways clearly have a role to play in supporting this. Beyond these waypoints, there are long standing pathways in higher education and into the professions. However, although the Government recognises that it needs to raise skills levels, the majority of apprenticeships continue to be undertaken at levels 2 and 3 (Delebarre, 2016). It might therefore be inferred that progression routes are the answer to further upskilling once individuals cross the threshold into employment. However, this paper seeks to consider more closely the extent to which this is both realistic and appropriate within the far more complex and dynamic context of workforce development within organisations.

What are the realities?

Whilst some employers might assert that what they need from the education and training system is a supply of manpower that is work-ready on entry (Keep, 2015a), the reality is usually somewhat different. All trades and professions require further experience-based practice to apply acquired knowledge and skills in a work environment. This essential component of skills formation is incorporated formally into both apprenticeship training and routes to post-qualification professional status in a wide range of occupations. In addition, all vocational requirements (and some post-qualification professional schemes) must include a component of off-the-job

training (apprenticeships, for example, will in future require a minimum of one day per week to be spent on this). Employers will always have to train new employees further to operate in their own specific physical and organisational environment and this may often extend far beyond formal "induction training", which might amount to little more than initial orientation. In some cases, employers must provide additional training where there is a gap between qualifications for entry and the specific requirements of the job. It can be surmised, therefore, that an employer of skilled or professional personnel should expect to play a major part in making them fully competent in the job that they were recruited into and this is surely their highest developmental priority. Beyond new employees, organisations seek to identify and manage their best internal talent to compete for higher positions, although the extent to which organisations prefer to "grow their own" as opposed to "recruit in", varies widely. In larger organisations or professions, this is usually reflected in well-defined career-development pathways. Whilst talent management schemes are usually supported by further education and training, inevitably it is only the selected few that get to benefit from them.

Of course, businesses may change what they do and/or how they do it, to remain efficient, effective and profitable. Over time, many will require increasingly high skills levels to exploit new technological or process innovations. As a consequence, the timely upskilling of employees will be critical to creating or maintaining competitive advantage. In some cases, wholesale job redesign may require reskilling, if not the employment of individuals with different skills sets. Creating or maintaining competitive advantage will often rest on the ability of an organisation, or more precisely the people within it, to innovate. Innovation requires both the identification of a development that can potentially be exploited and also the ability to transfer this into technological and process changes within an organisation. A survey conducted for CIPD in late 2015 (CIPD/Workday, 2016) found that innovation was now one of the top business priorities, underlining the increased importance of developing skills that support this.

Consideration of the employee perspective adds even more complexity. Once individuals have gained employment, a rational view might see them first of all seeking to become fully competent and then pursuing career advancement. For those employees on this track, progression pathways may act as a useful handrail to guide development. In reality though, not all will wish to pursue career advancement (or might only wish to do so up to a point or at particular career stages) and even those that do may be constrained, at some point, by competition. Some will prefer to divert into other related employment streams and others may change career altogether. Mobility will further enhance or inhibit advancement, depending on the circumstances. The point is that on entering employment at the start of a progression pathway, should one exist, employees might pursue it irregularly or only part of the way and some will chose to depart from it altogether.

This short section serves to illustrate the complexity of skills development within organisations. Employers have multiple skills issues to attend to, and their relative priority will change over time. In tackling them, employers will need to take account of the variations in the motivations and associated behaviours of their employees. It is against this reality that the utility of qualification progression pathways needs to be considered.

Why progression pathways and are they enough?

Progression pathways provide a structured approach to development in support of career progression, particularly within larger organisations or the professions, where hierarchical structures and promotion opportunities exist. They provide both a construct for the organisation's human resource development strategy and a clear articulation of an organisation's "skills offer" to prospective and current employees, thereby underpinning recruitment and retention strategies. However, as Hamilton (2012) points out, not only do employers need to engage in designing qualifications and their associated pathways but they may also then need to change their structures and work practices, giving consideration to aspects such as incentives and time for learning (both on and off the job). It would be interesting to learn how much consideration is given to such practicalities in both designing and implementing supporting practices for new schemes in the UK.

If it is accepted that the goal of employers should be to optimise the use of their human resources, their wider utility should be measured against the extent to which they can be used to drive the development of *all* employees within their sphere of influence. Most occupational groups have a limited number of levels that can be supported by progression pathways, even in large organisations that support deep hierarchies. At the lower levels of such hierarchies, usually based on increasing competency or professionalisation, the majority of individuals might reasonably be expected to progress, albeit at different rates (subject to demonstrable proficiency as testified in line management reports). However, at subsequent "competitive" grades the opportunities typically narrow considerably at each level. At this level, such pathways only serve those who are in the upper part of their peer group and do nothing for the rest, once their career development stalls. Even for those fortunate to remain on the career progression track, investment in education and training normally supports a move to the next grade but once this is completed there might be a developmental vacuum except for those selected for even further advancement, possibly years later. Yet organisations need *all* employees to be highly competent and motivated at each level. More insightful organisations will also want to tap into their potential for identifying opportunities for innovation and change, as discussed earlier. In order to foster this, employers need to find common ground with employees, where commitment to further learning and organisational engagement provides mutual benefit. Progression pathways, as described so far, provide only a partial solution to addressing this.

It follows that what seems to be missing is the opportunity for employees to develop *within their grade* rather than just *for the next grade*. The most forward-looking organisations will have practices in place to continue the development of their workforce through managed experience, using structures such as job rotations and project teams, yet we know that employer commitment to formal (off the job) learning activities in the UK remains low (UKCES, 2016). This organisational focus on experience, as opposed to formal learning, can be harnessed through the development of qualification routes that recognise workplace learning and provide due credit for it. Most accreditation schemes build on this through related academic study and assignments that support further application in the workplace, thus providing a mechanism for building both broader and deeper expertise and for

encouraging innovative thinking. At the same time, employees gain qualifications that give formal (and portable) recognition to their growing expertise and that support their further career development, should they wish to pursue it. The reduced off-the-job time and lower cost (usually) required to complete accredited qualifications, when compared to full courses, makes them particularly attractive to people in work.

The notion of qualification opportunities that allow for significant accreditation of prior organisational education, training and experience is, of course, not new. They are commonly used in the public sector, particularly the public services, where relatively stable hierarchical structures are supported by significant elements of in-house education and training. Awarding bodies and many higher education institutions (HEIs), particularly the post 1992 universities, are very much alive to such business opportunities. Yet in the private sector such initiatives seem to be overshadowed by qualifications on the progression pathways, due in part to the requirements of professional bodies (who ultimately provide the license to practice), Government pressure to support flagship schemes (writ large by the intended introduction of the apprenticeship levy – HMT/BIS, 2015) and an (understandable) employer focus on filling higher level skills gaps and talent management.

The potential benefits of providing wider employer-based accreditation opportunities need to be made more explicit. These provide the opportunity for *all* employees within a particular group to pursue further development. From their perspective, this allows them to take more control of their own development, to gain further personal benefit from their work-related activities and, vitally, can lead to higher levels of motivation (through feeling invested in and being able to make more valued contributions) and commitment. For the employer, the benefits might be reflected in lower turnover of staff, more competent staff (with potential gains in both efficiency and personal effectiveness i.e. productivity) and more focused contributions to innovation and change initiatives. Some of these aspects are easier to measure than others but their impact should be regarded holistically.

These are substantial benefits for both employees and employers, which begs the question why such schemes are not common practice. There are probably both attitudinal and practical factors that contribute to this. Employer skepticism concerning the business benefits or simply a lack of initiative, capacity or expertise might prevent schemes from ever getting off the ground. Employers may also doubt the level of employee interest and whilst in many cases they may be right, it is for them to take the lead in changing their attitudes to this. This aside, there are real practical challenges in developing viable accreditation schemes. It requires positive external engagement with an appropriate awarding organisation that is prepared to work with the employer to develop such schemes, based on a clear understanding of the needs of the business and its wider industry. This can be problematic for SMEs looking to do this in isolation, not least because there is a very low return on the development work to both the employer and the awarding organisation if the resulting throughput of applicants is limited. Where large volumes can be expected, awarding bodies can reasonably be expected to absorb development costs into the wider scheme but this is not viable for small schemes without making the unit cost relatively high. More generally, organisations will be most successful in developing such schemes where they have the staff with the capacity and understanding to engage effectively. Some employers may prefer to pursue this through an independent

training provider, who may well offer to act as an intermediary with the awarding organisation (with whom they may already be an accredited provider) and to run the schemes themselves but employers need to be convinced that such solutions are fit for their intended purpose and relevant to the business.

Internally, employers need to "sell" such schemes to both the target employees and their line management. Undersold or under supported schemes can be detrimental to all of the intended effects if they result in dissatisfied employees or are allowed to become a focus for institutionalised cynicism. It requires significant effort and a willingness to commit resources to achieve positive impact. A key question for employers will be to determine where the cost falls between themselves and their employees. Bound up in this is the extent to which organisations are prepared to bear indirect costs such as learning facilities or time to conduct learning activities during work time. There are a range of options between wholly employer or employee funded solutions and businesses should adopt an approach that is most appropriate for them, accepting that this may need to be adjusted on the basis of the evaluation of actual experience once such schemes are running.

What more is needed?

Employers need to carefully examine where, beyond their main progression pathways, they could add opportunities for their employers to extend their learning within each occupational group and grade. Despite the increasing engagement by some employers in the design of vocational qualifications, their content inevitably leaves gaps in employers' differing requirements. For example, the current apprenticeship Trailblazer schemes (SFA, 2016) might go as far as to design apprenticeship frameworks with both core and optional elements but they are still bounded by what is agreed to be commonly required in related jobs and the content must be transferable rather than employer-specific. Similar gaps have been found in graduate employment, such as IT in which employers have reported that computer science graduates were often lacking in knowledge of areas of increasing importance UKCES, 2015). It is difficult to avoid such gaps on entry but it is inevitable that they will also arise during employment, over time.

Qualification schemes that allow significant accreditation and incorporate a range of flexible modules, can offer the opportunity to address both gaps and areas of growing interest, such as emerging technologies, whereas project-based modules allow specific issues (such as those related to change and innovation) to be addressed. These would provide those employees that have qualified in their grade with the opportunity to extend and update their expertise in their core employment. Whilst the main qualification on the progression pathway to the next level should remain the one to aspire to, such wider opportunities offer continued development for all and as such need to be driven forward by employers.

Accreditation schemes might also build qualifications around wider aspects of work roles such as instructing, coaching, mentoring and assessing responsibilities relevant to most supervisors and managers. Qualifying staff in these functions helps to professionalise the support that they provide to others and inculcates a culture of learning. It might also provide the opportunity for some to progress laterally into more specialised roles, which are not otherwise catered for in progression pathways.

Similarly, leadership and management qualification schemes can be tied into the roles of busy supervisors and managers at all levels and if fully supported can achieve rapid transfer from off-the-job learning through more reflective practice and work-based assignments. It is worth noting that these key gatekeepers often receive the least employer-provided training, yet leadership and management schemes are relatively easy to put in place and the potential returns are high. It is also worth adding that some occupational groups terminate at low or intermediate skills levels so there is little scope for building progression pathways around them but some of these wider schemes, particularly in relation to management, offer employees in these groups further progression in both qualification and career terms.

Employers will need to consider how qualifications gained through the main progression pathways and the qualifications gained through accreditation schemes relate to each other. The latter might offer routes into the former, as well as linking with other accredited qualifications at higher levels, thus creating their own progression pathways. Both might offer routes into academic qualifications, which can be incorporated into employee development schemes through the full-range of delivery options, from full-time study to entirely distance learning. In many cases, supported distance learning, with short residential periods, will strike a pragmatic compromise for both employers and employees. The resultant model emerging over time might have multiple progression pathways, including routes that "jump lane" onto other pathways or divert into deeper specialist areas. This goes a lot further than the concept of a single linear progression pathway but reflects organisational realities and needs.

As mentioned earlier, some organisations, particularly SMEs, may struggle to bring such schemes to fruition. Realistically, their best option is to collaborate with other employers, notwithstanding the need to avoid "one-size-fits-all" solutions. There are clear benefits in working collaboratively to both identify requirements (better recognition of issues and subsequent articulation of requirements) and in engaging awarding organisations and providers (more leverage). The potential drawback is that close competitors may be reluctant to share ideas and risk losing commercial advantage but sensible approaches to cooperation that avoid compromising key aspects of individual firm's business should be able to build confidence in the advantages of building a high performing regional cluster or sector, over time. This is where regional development and sector bodies have a key role to play in ensuring that collaborative workforce development yields positive benefits to individual members, with knock-on benefits to the supply chain and the wider economy. As collaboration develops, evidence of positive benefits is needed to generate further engagement and build momentum and so lead organisations need to plan to capture relevant metrics and to conduct timely evaluations of schemes from the outset.

Above the level of individual employers, regional bodies have a role not just as a catalyst for their developmental activities but also in drawing in other key stakeholders and there is considerable scope for innovation in the approaches they develop. Based on her studies of several regional schemes in the USA, Hamilton (2012) observed that whilst most new jobs are in SMEs, these employers are the most difficult for education and training providers to reach and often the most guarded against their competitors, in terms of collaboration.

Regional bodies have a key role to play in acting as a conduit for employer-provider engagement but need to do so from the perspective of seeking to ensure that the specific needs of employers are met. This means pushing education and training providers to go further than providing solutions that match the lowest common denominator. In doing so, they may identify that different providers are suited to different employers or to different parts of employer-based schemes. In effect, this may force the providers themselves to collaborate. Arguably, this is essential if the best use is to be made of available resources and expertise, although providers may fear that there is too much risk in specialisation and the associated rationalisation of related resources and facilities. However, a study by New Economy into engineering and manufacturing training facilities in Greater Manchester (New Economy, 2015) highlighted the investment challenges in providers being able to offer the latest equipment for training. It concluded that support could be given to employers to open up their premises and equipment to training and that their staff might be allowed to make some contribution to teaching. Such a proposal might be regarded as radical in as far as it breaks many of the assumptions of traditional employer-provider relationships but is the kind of innovative thinking needed in pursuing a more responsive system.

To support such a model, awarding bodies need to be prepared to work with employers to ensure that vocational qualifications have the flexibility to incorporate specific modules or updated elements as the need arises, thereby keeping them "live" and relevant to particular groupings of employers rather than basing requirements on minimum standards agreed by all. The engagement of employees in further post-qualification modules needs to be recognised by offering a wider wrapper, such as an "enhanced" award (reflecting the increased *amount* of learning) at the relevant level, rather than simply offering standard qualifications linked only to those at the next level.

The challenges for HEIs are twofold: first to more readily recognise education, training and experience gained in the workplace. This might involve university staff getting directly involved in company programmes in order to shape them and to ensure robust delivery processes to yield credit-earning modules that can be incorporated into graduate and postgraduate qualifications. Some universities are reluctant to deliver off their own site but more direct engagement in learning within the workplace would transform access, improve the relevance of related courses and smooth the transition from vocational to tertiary education. However, previous attempts by HEFCE to pump-prime this kind of activity foundered on the reluctance of employers to co-fund (Keep, 2014). The evidence from BIS and UKCES's more recent experiments with co-funding under the various Employer Ownership pilots is more mixed (see Keep, 2015a for an overview).

The second challenge is for universities to be more open in accepting general credit awarded by other institutions, as is more established practice amongst HEIs at all levels in the USA. This is essential to support those workers that move between different employers but wish to continue to build on the credit they have gained and this again would encourage more to engage in HE. Partnership agreements between groups of HEIs supporting certain schemes, perhaps specific to sectors or occupations, in which general credit transfer between them is more open, might be

seen as a more acceptable compromise. Sector or professional bodies have a role to play in brokering such boundary-spanning agreements.

Finally, brief consideration should be given to the implications for Government, although given that this paper is intended merely as a think piece, it would be inappropriate to address specifics. However, there is clearly a role for national Governments to continue the reform of both vocational qualifications and the HE sector in order to ensure that the particular and changing needs of employers are met more effectively (acknowledging that HE also serves to provide research and other, broader, outcomes). At regional level, there is a clear need for Government to take a lead in bringing together relevant stakeholders. There are already structures, in varying states of maturity, that already, or might in future, take on this role and this paper has attempted to highlight some areas and issues that they will need to address.

Summary and Conclusions

This paper began by considering whether qualification progression pathways had utility in employment. It shown that whilst it has utility for some employees, it can soon become an irrelevance for the many who cease to move up the career progression ladder or who choose to take a divergent path. Progression pathways serve some but by no means all of the skills and skills-related issues facing employers. The conclusion drawn was that an effective model of organisational skills development must, additionally, provide greater opportunity to further develop employees within their grade, rather than just for the next grade. An important driver for doing so is to better equip and focus employees on the issues of innovation and change.

It has been suggested that approaches drawing on the accreditation of employee education, training and education, and closer engagement with awarding bodies and HEIs could lead to increased engagement by both employers and employees. However, in developing such a model there needs to be willingness of stakeholders to reconsider their approaches and a preparedness to take some risks. The challenges of achieving this are not underestimated but nor is it felt that they are a reason for not attempting to move forward. Strong and bold leads are needed at regional and sector level, with the backing of national Governments, to generate pilot schemes.

It is unlikely that a single approach will fit all sectors and regions, with their differing starting points, contexts and drivers. It is more likely that each sector or region will require an approach that addresses what Finegold (1999) would describe as their differing "skills ecosystems". The skills ecosystem concept recognises the need for collaborative networks at all levels that both determine and generate the skills needed to drive forward industrial strategies (Buchanan *et al*, 2015, Keep, 2015b). In considering skills requirements within the workplace and then the external support needed to address them, it is hoped that this paper might contribute to the further development of such approaches.

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