

# Daring to be different

## The business case for diversity on apprenticeships



A partnership between:

Apprenticeship  
AMBASSADORS NETWORK

 Equality and  
Human Rights  
Commission

# Apprenticeships are good for business and good for people

That's why the apprenticeship programme is being expanded, why increasing numbers of people are signing up and why business leaders – such as those on the Apprenticeship Ambassadors Network – are championing the benefits of Apprenticeships to employers large and small, around the country.

Many employers are already wise to the positive returns from offering apprenticeships. The best employers also recognise the additional gains from increasing the diversity of their apprentices and workforces. Employers have a key role to play in – and much to gain from – widening their apprentice recruitment and reducing job segregation in their workforces. This is not just an equality issue – it is a business and productivity issue too.

# What is the productivity and business case?

## The Changing Workforce

By 2010 40% of the workforce will be over the age of 45 and less than 20% of the full-time workforce will be made up of white, able-bodied men under 45 in full-time work.<sup>1</sup>

Currently nearly a third of the population of the City of London is from black, Asian or other ethnic minority groups and over the next 10 years they will account for 80% of the increase in London's working age population.<sup>2</sup>

The best employers will benefit from opening up their apprenticeships to the increasingly diverse workforce of the future.

## Addressing skills shortages

Employers who face shortages of skilled workers may be 'missing a trick'.

Those sectors facing skills shortages have low numbers of women and ethnic minority employees. Opening up apprenticeships to under-represented groups can help employers to close their skills gaps.

Missing out on a huge potential pool of labour is costing employers and the economy dearly. Half of businesses with skills shortages experienced difficulties meeting their customer service aims, 44% lost business to competitors, and two in five had to delay the development of new products and services (EOC 2004).

## Sectors facing skills shortages are adding to their problem by not recruiting more widely:

### Engineering

- Only 2% of apprentices are female.
- Only 4% are from ethnic minority communities.
- 6% have a learning difficulty, disability or health problem.

### Plumbing

- Only 2% of apprentices are female.
- Only 2% are from ethnic minority communities.
- 7% have a learning difficulty, disability or health problem.

### Children's care, learning and development

- Only 3% of apprentices are male.
- Only 10% are from ethnic minority communities.
- 8% have a learning difficulty, disability or health problem.<sup>3</sup>



Overall, 6% of those starting an apprenticeship are from ethnic minority communities. **But:**

- 9% of the population of England are from ethnic minority communities.
- In the main apprenticeship recruitment group (16 – 24 year olds), the proportion is higher, at 13.5%.
- In many urban areas, ethnic minority communities make up a much larger part of the population (and hence potential labour market);
  - 29% of the population in the London region.
  - 11% in the West Midlands.<sup>4</sup>

Women and men are more evenly balanced on Apprenticeships, with 45% of starters being female. But they work in different sectors, with women under-represented in sectors such as construction and engineering, with major contracts to deliver the Olympics and Thames Gateway, yet experiencing the greatest skills shortages.

There are 6.8 million disabled people of working age in Britain, yet only 50% of disabled people are in employment compared to 81% of non-disabled people. In 2005, the numbers of disabled people on Apprenticeships (12%) was comparable with other cohorts, but not on Advanced Apprenticeships, where numbers were significantly lower (5%).<sup>5</sup>

### **Employers of choice**

Employers need to develop a reputation as employers of choice nationally and locally in every community in which they operate. They need to recognise their responsibilities to employees and communities so that they do not put at risk their ability to operate, grow and deliver future value to shareholders. Generating a reputation for fairness and equality, regardless of age, gender, race or disability will attract talented recruits and retain experienced employees.

### **Enhancing skills sets**

Promoting diversity in Apprenticeships will also contribute to creating a range of skills necessary for successful businesses. Drawing apprentices from a wider recruitment pool will allow employers greater access to skills such as communications, customer-handling, team-working, and problem-solving.

### **Recruiting the best**

Providing a wider pool of applicants for apprenticeships will increase the likelihood of recruiting the best people for the job, rather than just the best of the traditional workers for that sector. Employers in male dominated sectors are missing out on recruiting from a very large 'pool of talent'.

64% of girls achieve 5 or more GCSEs A–C or equivalent, compared with 55% of boys.<sup>6</sup>

### **Meeting customer needs**

Ensuring your workforce is more representative of the communities where you are located will:

- Increase your appeal in, and understanding of, a wider range of market segments.
- Provide a marketing benefit by improving the public image of the business.
- Gain and retain customer loyalty through meeting the needs of all your customers.

### **Better management**

Creating a route into management positions for a wider group of people, will lead to:

- A more diverse management team.
- Increased employee commitment by providing role models for career progression.

### **Employee satisfaction, retention and cost savings**

Providing progression routes for under-represented groups will promote employee commitment and increase staff retention, with consequent savings in further recruitment and training costs.

“ There are huge incentives to employing women, particularly when you consider the calibre of women coming through... These women are determined, dedicated, and conscientious... They are just the kind of personnel the industry is crying out for in the 21st century. ”

Paul McCrea, Durkan Ltd.

# What the employers say

Construction company **Durkan Ltd.** focused on attracting women as a way of solving a recruitment crisis in the skilled trades. Employing women on-site has also improved customer relations for the company: many residents, particularly the elderly and single women, said they felt more comfortable letting female tradespeople into their homes and some site managers have started to request more female tradespeople for this reason. Durkan has found its commitment to training and employing women has brought wide positive publicity meaning a huge boost to their corporate brand image among their client market and an added edge when competing for tenders.

For **British Gas**, the business case for focusing on diversity and equality was essentially quite straightforward: the company faced increasing competition in the marketplace at a time when fully qualified, skilled engineers were in short supply. In short, it was a 'skills-led' argument.

**Oakwood Builders** feel that a multi-ethnic and bi-gender workforce is seen as evidence of a modern company, which bucks the trend, typified by 'cowboy builders'. Turnover increased from £400k in 97/98 to £2.1m in 03/04. This was directly linked, by the business, to having a diverse workforce.

**BAE Systems** believes that their equality and diversity programmes are directly linked to improvements in staff morale and productivity and have significantly contributed to record order book levels and profits.

At **Leicester City Council's Housing Department**, an Asian woman apprentice plumber has used her five languages to great effect, enabling the service to work more smoothly across a range of communities where a lack of good communication skills can hamper the repair process.

One training provider suggested that there is an increasing demand for female plumbers from female consumers as a result of the growth in women living independently. He thought that a female plumbing company would do very well:

*'The phone would never stop ringing'.*

EOC, 2005.





**Promoting greater diversity in recruitment of apprentices creates a more representative and balanced workforce, helps businesses grow their customer base, earns the company a good reputation as a non-discriminatory employer and pays dividends.**

# Key actions to make a difference

**Be** proactive in apprentice recruitment, for example by adopting positive action strategies to encourage applications from under-represented groups.

**Ensure** that marketing materials portray a diverse range of individuals.

**Review** recruitment and selection criteria to ensure they do not contain outdated, narrow or irrelevant criteria that may exclude or discourage some people.

**Consider** giving all atypical applicants who meet the minimum selection criteria an interview.

**Carry** out equality and diversity training for managers and others involved in recruitment, to ensure they are aware of the business case for diversity and are able to make decisions free from bias.

**Consider** how and where flexible working can be promoted and implemented within the organisation to attract and retain talented apprentices and workers.

**Establish** good links with local schools including offering work experience placements, single-sex taster days and open days.

**Give** presentations in schools and colleges and at careers fairs to generate interest among target groups.

**Work** in partnership with Sector Skills Councils to build links between business and education.

**Ask** current apprentices and employees from under-represented groups to act as role models. This can help to inspire young people by highlighting the benefits and satisfaction of a particular career, and providing clear evidence that it is possible to overcome barriers.

**Target** particular groups by holding recruitment days at community events and locations they tend to visit. Larger employers could consider using outreach workers with which the target group can identify.

**Consider** working with training providers and other organisations that are actively involved in training atypical apprentices.

**Get** involved in project-based programmes to increase opportunities to recruit, train and support non-traditional apprentices.

# Diversity in Action

Nursery provider, **Puffins of Exeter**, found that a workforce that is balanced in terms of gender and race can be a selling point to parents seeking childcare, and so it aims to ensure that its staffing reflects the diversity of the children in its care. Its inclusive recruitment and selection system is key to its success in achieving diversity in the apprenticeship programme. The central tenet is 'everyone deserves a chance'.

Puffins found that boys attending careers fairs were rarely interested in talking about opportunities in childcare. So, two young men who have recently completed their apprenticeships agreed to accompany the training manager to careers events and talks, to help engage male pupils in discussions. They also featured in a publicity brochure aimed at 14 and 15 year old boys, describing the benefits of an apprenticeship in childcare.



**BT** apprenticeship vacancies are hugely oversubscribed and could be filled by natural market forces – however they seek to recruit more widely for three reasons:

- BT wants to reflect the increasing diversity of the workforce and the population.
- BT knows its customers want to see and be served by a more representative organisation.
- A diverse working group is more enthusiastic and produces better ideas.

Currently 8% of BT's apprentices are women but they have set an ambitious target of 20% for 2008. Actions include:

- Focus groups on recruitment materials used in the past.
- A marketing campaign with articles in women's magazines which includes an interactive, frequently-asked questions facility featuring a female apprentice answering the question, 'Is it just for blokes?'
- A paper-based version of the above with a female apprentice wearing the T-shirt with the slogan, 'No Way Jose', in response to the question, 'Apprenticeships are just for blokes though, aren't they?'
- A more appropriate environment with female toilets and changing facilities and a range of work clothing for women.
- An article about a female engineer apprentice in the women's magazine, *Company*.

BT has a higher level of apprentices from ethnic minority communities (13%) and continues to seek more potential recruits. Actions include:

- Promotional stands at large Asian lifestyle events in Birmingham and London to promote the idea that BT and its apprenticeship programme welcome applicants from all backgrounds.
- Assessment days for potential ethnic minority apprentices who do not have the required number of GCSE passes. Those doing well on the aptitude test, including some manual tasks, are selected for interview and then compete on merit, with their lack of GCSEs not counting against them.

BT is a 'two-ticks' employer and although they are aware that applicants are often unwilling to declare their disabilities because of fear that it may harm their chances of being recruited, the company is committed to interviewing all disabled applicants who meet the essential criteria for a job vacancy, including apprenticeships.



The **Sheffield Children's Centre** targeted men by circulating publicity to venues such as leisure centres and working-men's clubs. Although the response was initially slow, a number of men were recruited, some of whom were unemployed as a result of the decline of Sheffield's traditional industry.

“ The real issue is about employers taking on more apprentices... We need employers to work with training providers and recognise the value of diversity for the future and the value of emerging markets. ”

Delegate, Daring to be different, Old Trafford, 2005.

**Endnotes:**

- 1 Work Foundation and Future Foundation, 2003.
- 2 London Development Agency: Business Case for Diversity, 2007.
- 3 Gender, ethnicity and disability statistics refer to apprenticeship and advanced apprenticeship starts August 2006–April 2007. Taken from the Apprenticeships website, Directory of Apprenticeships Reports 2006/2007
- 4 ONS (2004) Census 2001 CD supplement to the National report for England and Wales and Key Statistics for local authorities in England and Wales, February 2004.
- 5 Prime Minister’s Strategy Unit, (2005) ‘Improving the Life Chances of Disabled People’, January 2005.
- 6 DfES (2007) GCSE and equivalent examination results in England 2005/06 (revised), SFR 01/2007.

## Apprenticeship Ambassadors Network

Central House, Lampton Road  
Hounslow, Middlesex, TW3 1HY  
Tel: 0208 572 8258  
Email: [aan@centrica.co.uk](mailto:aan@centrica.co.uk)

[www.employersforapprentices.gov.uk](http://www.employersforapprentices.gov.uk)

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Telephone: 0845 604 6610  
Textphone: 0845 604 6620  
Fax: 0845 604 6630  
9am—5pm, Monday to Friday

### **(for disability enquiries only)**

Telephone: 08457 622 633  
Textphone: 08457 622 644  
Fax: 08457 778 878  
9am—5pm, Monday to Friday,  
except Wednesday 8am—8pm

Arndale House, Arndale Centre,  
Manchester, M4 3AQ  
Telephone 0161 829 8100  
Fax 01925 884 000  
[info@equalityhumanrights.com](mailto:info@equalityhumanrights.com)

3 More London Riverside,  
Tooley Street,  
London, SE1 2RG  
Telephone 020 3117 0235  
Fax 01925 884 275  
[info@equalityhumanrights.com](mailto:info@equalityhumanrights.com)

### **Equality and Human Rights Commission Helpline — Wales**

Telephone: 0845 604 8810  
Textphone: 0845 604 8820  
Fax: 0845 604 8830  
9am—5pm, Monday to Friday

### **Equality and Human Rights Commission Helpline — Scotland**

Telephone: 0845 604 5510  
Textphone: 0845 604 5520  
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9am—5pm, Monday to Friday

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