



# APPRENTICESHIPS THAT WORK

FEEDBACK FROM LEADING EMPLOYERS  
ON HOW TO MAXIMISE THE BENEFITS  
OF APPRENTICESHIPS FOR LEARNERS,  
EMPLOYERS AND THE COUNTRY

**June 2026**



## Foreword

Apprenticeships create opportunities for people to develop skills, build careers and contribute to their communities, while helping employers attract, develop and retain the talent they need to succeed. Employers therefore play a vital role in the success of the skills system, not only as users of skills policy, but as active partners in developing the workforce on which our economy depends.

At a time of significant change, apprenticeships remain one of the most important routes into skilled employment, supporting both economic growth and social mobility. As reforms are introduced, it is essential that the system strikes the right balance and continues to deliver high-quality opportunities for learners while meeting employers' evolving needs, and that employers and government work together to achieve this.

This report brings together the experiences of a diverse range of employers spanning the Industrial Strategy's priority and foundation sectors, as well as the wider economy, who are investing in skills and apprenticeships at scale. Their insights highlight what is working well, where challenges remain and how employer engagement can be strengthened. A consistent message emerges: apprenticeships build capability, productivity and opportunity, but employer confidence depends on a system that is stable, high-quality and aligned with workforce needs.

By exploring how employers invest in training and navigate the skills system, this research provides evidence to inform future reform. We hope it will support constructive dialogue between employers, policymakers and providers, helping to ensure that apprenticeships and the opportunities created through the Growth and Skills Levy deliver lasting benefits for individuals, businesses and the wider economy.

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# Context for the research

The skills and apprenticeship system is currently navigating one of its most significant periods of change in recent years. The rebalancing towards young people, the transition to the Growth and Skills Levy, and the streamlining of standards, alongside the introduction of Foundation Apprenticeships and new Apprenticeship Units, mark an important shift in how skills development is funded and delivered. As these changes begin to take shape, there is a shared opportunity to ensure the system remains sustainable, high quality and genuinely responsive to the needs of employers and learners.

At a time of rapid change, the views of employers matter more than ever. Employers translate policy into action through day-to-day decisions about recruitment, training and workforce development, and they see first-hand where the system supports growth and where it creates friction. Their experiences provide valuable insight into how the system works in practice, and where reform can better support engagement, take-up and impact.

This qualitative research was commissioned to build on The St Martin's Group and Ipsos polling conducted last year (*Skills For All: Ten Key Insights from Employers*). While the survey of 800 employers identified broad trends and attitudes, this qualitative work explores what sits behind those results. It examines how employers make decisions, how they engage with the system in practice, and where they encounter practical challenges when navigating skills provision.

Together, these insights provide a stronger evidence base for employers and policymakers to support skills reform. By bringing employer experience to the forefront, this report aims to inform effective implementation and highlight where further adjustment may be needed to ensure the skills system supports employer needs, learner outcomes and long-term economic growth.



# About the research

This research is based on the participation of 40 large, levy-paying employers, selected purposively to reflect organisations most directly impacted by current skills and apprenticeship reforms. Collectively, these organisations employ over two million people and account for approximately 20 per cent of apprentices across England.

Employers participating in the research brought significant experience and expertise in skills development and apprenticeships, with many playing a long-standing role in designing, delivering and overseeing training within their organisations. Fieldwork was conducted through a combination of in-depth interviews and targeted questionnaires, allowing both detailed exploration and comparison across participants. To complement the employer perspective, training providers were also engaged through a dedicated group session, offering insight into system delivery and implementation challenges.

Together, participants represent all industrial strategy priority sectors, alongside a broad range of other industries.

Analysis focused on identifying common themes across the evidence, with an emphasis on how employers make decisions in practice and where barriers arise. Rather than aiming for statistical representation, the research draws on the experience of employers and providers who work closely with the system day to day. This approach helps to highlight practical challenges and operational issues that are not always visible in large-scale surveys, and which are relevant to the delivery and ongoing development of skills policy.

The St Martin's Group thanks the following organisations for their participation in this research. Other organisations have contributed but prefer not to be credited.

*Barchester Health Care*

*Barrett Redrow*

*BBC*

*Bellway Homes Ltd*

*BT*

*Capula*

*CCH Group*

*Centrica*

*Coach Core Foundation*

*Costa Coffee*

*HM Revenue & Customs*

*IBM*

*Leonardo*

*Lloyds Banking Group*

*M&S*

*Middlesbrough Council*

*Nestlé*

*Network Rail*

*NHS England*

*Norfolk Council*

*Royal Mail*

*Salutem Care and Education*

*SAS Software Ltd*

*Saxon Air*

*The AA*

*TUI*

# Executive summary

In our discussions with employers and training providers, we have heard enormous positivity about what has been done with apprenticeships, and the future opportunities they present for employers, employees and the country.

Three major themes have emerged, that are all interlinked:



## Economic sense

Employers overwhelmingly require participating in the apprenticeship programme to make economic sense, with societal benefits being a side-effect that they also take pride in. The cost of using apprenticeships for early career recruitment are substantial and go far beyond the levy-funded training – although the benefits can also be large.



## Steady policy and change

Building the apprenticeship ‘muscle’ in an employer is a long-term commitment that yields the greatest benefits (for each of the stakeholders) when done steadily. Employers typically start their apprenticeship journey tactically, experimenting with a growing range of standards in low volumes, and then progress to a larger-scale, more strategic commitment – which can be in either early career apprenticeships or upskilling / reskilling. This requires a mix of processes, skills, career pathways and, importantly, confidence. Steady policy and change can be supportive, while short-notice change will generally be damaging even if well-intentioned.



## Short courses

Most employers were open to short apprenticeship-linked courses, but only if they solved real workforce problems without recreating the complexity of full apprenticeships. Three principal ‘use cases’ were supported by our contributors:

- Rapid retraining for industry/technology change
- Targeted capability broadening for experienced workers/managers
- Faster early career training linked to employment pathways.

## Recommendation 1

A period of stability should follow recent changes, with future reforms introduced through clear timelines and meaningful engagement. Providing early visibility of policy direction will be essential to building confidence and supporting long-term planning.

## Recommendation 2

Policy should support development across all stages of a career, including protecting access to higher-level apprenticeships. Progression pathways must be maintained if the system is to function effectively as a whole.

## Recommendation 3

To create new entrant opportunities, focus should be targeted on pre-employment and pre-apprenticeship provision for workplace readiness and to reduce the ‘hidden cost’ of management bandwidth and pastoral care.

## Recommendation 4

For short courses to succeed, policy must focus on designing provision around clear use cases, rather than using products generically. This means prioritising content that reflects how learning happens in practice, alongside viable funding and delivery models, and greater certainty over future direction.

# The power of (good) apprenticeships

The introduction of the apprenticeship levy and associated policy was a powerful signal that high-quality, properly funded work-based learning could deliver significant benefits for employees (including young people, and those who have had less exposure to traditional higher education), employers, and the national workforce and economy.

This commitment built on decades of prior investment from successive governments, alongside sustained engagement from employers and training providers, and continues to be supported across the political spectrum.

At their best, apprenticeships:

- Promote the development of a consistent set of core skills across a sector
- Support individuals of all ages from disadvantaged backgrounds not only to enter the workplace, but to succeed and progress to middle and senior leadership
- Help employees to navigate career transitions
- Encourage employers to think in a more structured and accessible way about career pathways and lifelong development journeys
- Support national workforce and economic productivity.

These benefits remain important to and valued by all stakeholders.

In addition, we spoke to several global employers where the apprenticeship structure can be a support to hiring in the UK, often seeing apprenticeships 'carved out' from global HR or L&D structures because they are recognised as different and valuable. This could be fragile, though, if flexibility is reduced – there is very little interest in global employers for maintaining a separate structure if the training can't align to their global priorities.

## Protecting the apprenticeship brand

This sustained investment of time, funding and policy attention has built up an inherent brand. The *Skills for All* report found a significant vocational priority among businesses; less than 10% of employers believe that creating more university places will support their growth, preferring instead that government prioritises apprenticeship and vocational routes for growth. Furthermore, over 70% of employers believe an apprenticeship should last at least 12 months, suggesting perceived value in the existing structure.

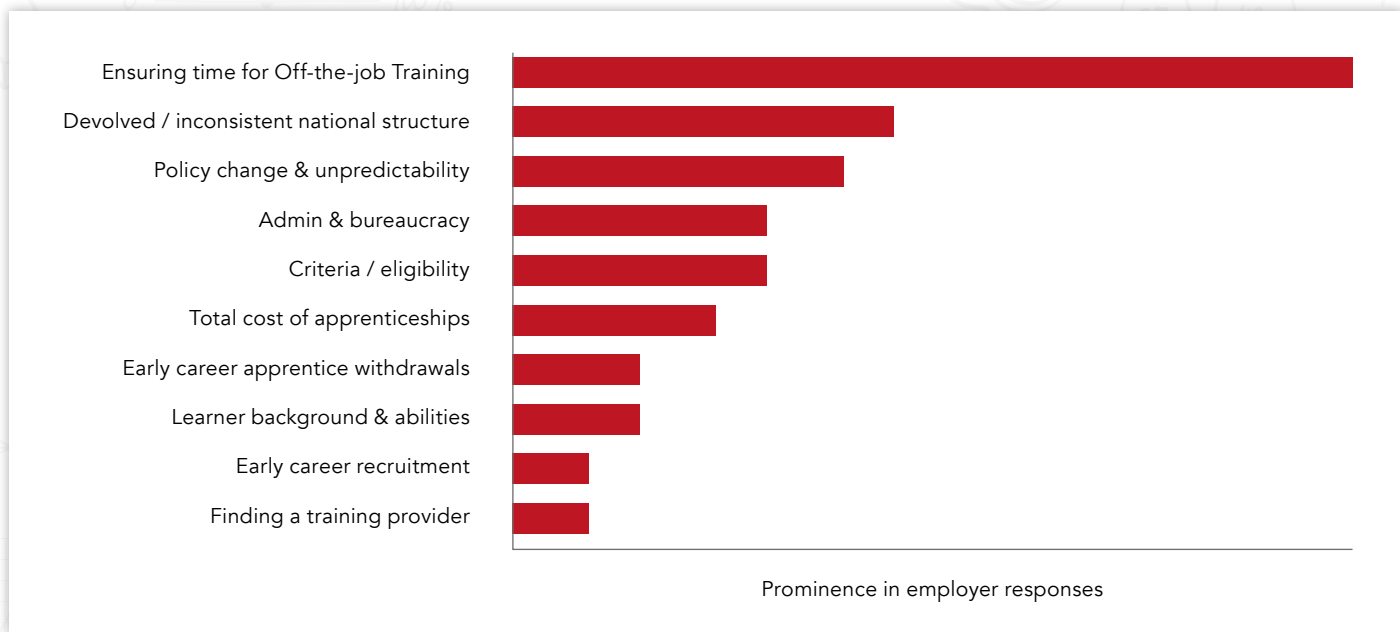
Across the interviews, employers consistently described the apprenticeship 'brand' as an important asset, helping to attract motivated candidates, build confidence in training quality, and support internal organisational buy-in.

At the same time, employers highlighted growing concern about the pace of apprenticeship policy change. A recurring theme was the emergence of a gap between policy ambition and practical implementation. Employers indicated that recent changes have begun to erode confidence and, in some cases, hold back enrolments in new products.

When discussing barriers to engagement with apprenticeships, employers consistently identified the requirement for off-the-job training as the most significant challenge, although it is recognised as necessary for the quality of training. Beyond this, the next most frequently cited challenges relate to the administration and funding of the programme – a significant source of friction.

<sup>1</sup> [Skills For All: Ten Key Insights from Employers 2025](#) | [stmartinsgroup.org](http://stmartinsgroup.org)

**Figure 1: Key challenges identified in employer interviews and questionnaire (thematic analysis)**



## The total cost of apprenticeships

The *Skills for All* polling indicates that a significant barrier employers face in hiring young people is not technical; employers find it harder to develop young people's core workplace skills (such as communication and teamwork). Across the interviews, employers consistently described how addressing these gaps creates additional demands in practice, contributing to a wider set of costs associated with early-career apprenticeships.

A clear and recurring concern was that policy can underestimate the full cost of delivery, often focusing primarily on levy funding.

Leaving aside staff wages and employment costs, there are a number of other costs borne by apprenticeship employers. In rough descending order of scale, these were characterised as:

- The cost of off-the-job training. This was described as a very real barrier to using apprenticeships in customer-facing or rostered staff, when workload might not be predictable – and a significant hurdle for line managers to accept when discussing whether a role should be one filled by an apprentice.
- The management bandwidth. Most employers we spoke to were very positive about the quality of the candidates but were also clear that the majority of early-career apprentices had significant need for short-term support.
- The direct cost of training. Employers noted that levy funding does not always fully cover the cost of delivery, particularly where organisations operate across devolved nations, support ineligible learners, or exhaust levy funds and face increased employer co-investment requirements.

## “Apprentices take up far more management time and effort than graduates or interns”

Across the interviews, there was widespread acknowledgement that there is a clear financial gateway for embracing apprenticeships. While many firms are extremely proud of the social benefits that they support, and the inclusivity that they embrace, the apprenticeship programme still needs to have a clear ROI thesis.

Employers also highlighted that reduced minimum wage provisions associated with apprenticeships are rarely used in practice, even for early-career roles, marking a significant shift from practice a decade ago.

Taken together, employers described apprenticeship systems as finely balanced with support structures, management capability and funding rules interacting to determine apprenticeship viability – especially for marginal cases, which are typically the ones where the greatest social value is created. Even relatively small policy changes were seen as capable of disrupting this balance.

## The difference between apprenticeships and other training types

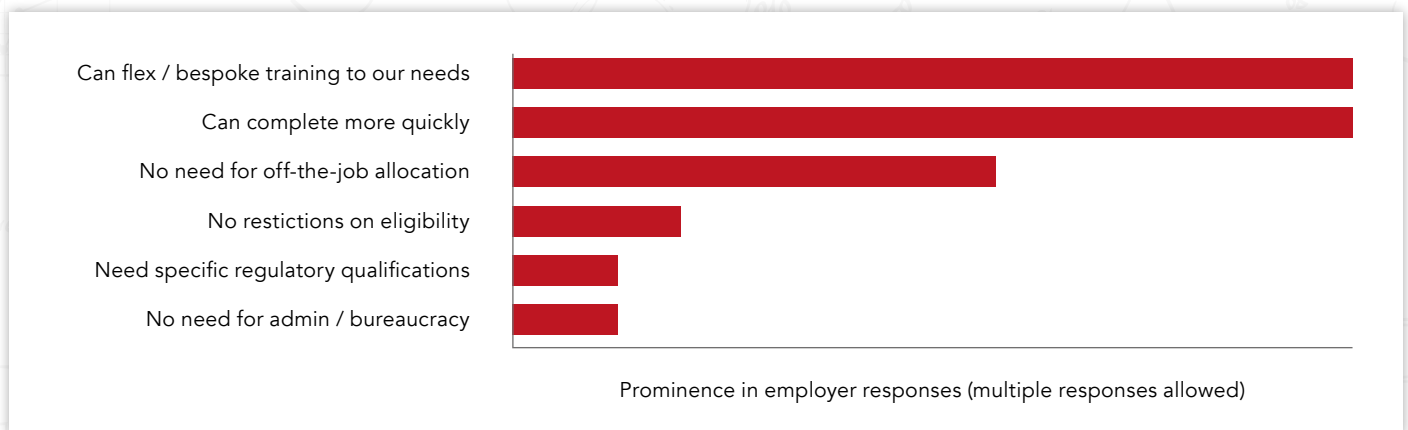
On average, the employers that we spoke with believed that about two-thirds of their structured training was via apprenticeships, and about one-third commercially-funded (although some of this was apprenticeship courses delivered on a commercially-funded basis to learners that live in Scotland, Wales or Northern Ireland).

A defining feature of apprenticeships is the structured way in which the learning is linked to the work. This typically requires a much more structured approach to deployment than for non-apprenticeship roles; we heard from many employer participants that:

- This makes early career apprentices less flexible than graduate recruits (despite other benefits)
- This requires bringing recruitment decisions forward.

**“Our graduate recruitment is managed top-down – we can get the cohort set up and decide which parts of the business get how many later on. This doesn’t work for apprenticeship recruitment; we have to plan that in more detail much earlier.”**

**Figure 2: Relative prominence of advantages of commercial training (thematic analysis)**



Employers described a clear trade-off between commercial and apprenticeship training. Commercial training is valued for its speed, flexibility and lack of restrictions, while apprenticeships are distinguished by their structure, recognised quality and the broader benefits associated with the ‘brand’ and learner commitment.

**“If it was just the training, we’d probably prefer to do it without restrictions. What makes apprenticeships worth it is the wrap around that – the brand, the access to a different cohort of young people, the commitment that good candidates make, the lifelong learning habits that apprentices build”**

## Addressing long term workforce skill gaps

Across the interviews, employers consistently described apprenticeships as one of the most effective tools available for addressing long-term skills shortages. This is particularly true in sectors facing ageing workforces, rapid technological change, or persistent recruitment challenges. Some employers described using apprenticeships to retrain staff as an alternative to redundancy programmes, or as a way to limit the scale of workforce reductions.

Many employers reported that there is often no viable external recruitment market for critical operational and technical roles, requiring organisations to 'grow their own' talent over a period of years.

**"We couldn't recruit the skills that we need – we have to grow our own. But that means that we can be more self-reliant, and plan ahead better"**

A clear pattern also emerged that skills shortages extend well beyond industrial strategy priority sectors, with employers in areas such as retail, hospitality and care describing equally acute workforce challenges.

## Success in embedding apprenticeships into an organisation

The apprenticeship model formalises a number of relationships within the employment and training landscape. Employers described building the skills, processes and confidence of an organisation to be able to deploy apprenticeships effectively, and how these changes take several years to embed.

Firstly, the importance of mapping the apprenticeship standard to the role involves a degree of work with middle leaders. The integration of learning and working requires an alignment of knowledge, skills and behaviours that can be very specific. Employers who had been involved in designing standards reported stronger alignment and more effective deployment, i.e. helped to craft the standard to the needs of their organisation.

A second recurring theme was the importance of linking apprenticeships to a clear progression pathway. At one level this is straightforward – completion typically gives either a promotion or pay rise. At another level, maximising the impact of apprenticeships often requires thinking through and planning career pathways in a more structured way than would otherwise be the case. This is not just linking standards to roles or role types but often is being clearer about what progression tends to look like within their organisation as a whole. This, on its own, supports accessibility.



# Early career or upskilling / reskilling

The *Skills for All* polling showed broad consensus for a national skills policy that serves all ages and levels. In addition, over half of employers prioritise developing existing employees when addressing skills gaps, rather than recruiting externally. Respondents reported finding it significantly difficult to recruit externally for positions requiring higher-level skills. The polling also suggests that employers expect more immediate productivity gains from developing existing staff than from recruiting new entrants directly from school or college. This reinforces the tendency to prioritise internal development, with organisations viewing upskilling and reskilling as a more reliable and predictable way of addressing skills gaps in the short- to medium-term.

## Early career

Within this context, on average, employers who embrace early career apprenticeships see a much greater impact on their business than those that deploy apprentices to upskill or reskill existing workforce. This impact manifests in several ways:

- Initial and ongoing cost of employment, which is typically lower than for graduate recruits
- Retention within the business, which is typically much better than for graduate recruits
- The level of support that apprentices need, which is typically greater than for graduates
  - The need for off-the-job training
  - Pastoral care, which can be much greater (and which in effect can be very challenging for young people who are not ready to operate independently in the workplace)
- The level of flexibility, which is much less than for graduates.

**“The business performance of our apprentices is extremely strong. At the five-year mark, about 95% of our apprentices are still in the business. By comparison, about 5% of our graduate recruitment intake stay with us for that long.”**

Despite additional demands, employers widely reported an increased preference among hiring managers for apprenticeship learners over graduate programme recruits. Across the interviews and questionnaire, a clear pattern emerged in which early-career apprentices were perceived more positively than graduate recruits in terms of performance and retention. A few described the outcomes as broadly comparable, and only a small minority felt that apprentices underperformed relative to graduates.

A recurring theme was the importance of ensuring that apprenticeship recruits have the skills and attitude necessary to stick to and succeed in the apprenticeship. A strong majority of employers emphasised that attitude was more important than prior academic achievement in predicting this. Reflecting this, many employers described looking to (and advertising opportunities to) particular populations that often have the skills required for long-term success as an apprentice, in particular former members of the armed forces.

Finally, several employers noted that in large organisations, it can be difficult to adopt entry-level apprentices. We often heard that the roles connected to these have been outsourced to smaller businesses (although sometimes levy funding is gifted to support relevant apprenticeship recruitment) or offshored entirely. For larger employers to engage in the sort of organisational re-engineering needed to support very junior / unprepared learners, they would need a clear commitment that policy will endure in order to avoid substantial exposure to repeated change costs.

## Upskilling and reskilling

Reflecting the findings from the *Skills for All* report, employers interviewed have leaned towards using apprenticeships to support career development, particularly in supporting functions. This is often a less strategic, more tactical approach – requiring fewer organisational commitments (much more often requested by employees rather than specified by employers) and less support (withdrawal affects the individual more than the organisation). In this space, it is common to see employers engaging with a larger number of standards, but with relatively few learners for each.

In particular, employers highlighted the strategic use of mid-career apprenticeships for:

- Securing critical – and sometimes hard to recruit – senior technical qualifications (e.g. accounting, legal, nursing)
- Creating ‘flow-through’ from early career apprenticeships. Several employers stressed that progression opportunities for existing employees are often what create space for early-career recruitment
- Managing late career retraining from physical roles to less physical ones, especially for ageing cohorts.

**“If we aren’t able to progress people through a career pathway there will be very few openings for new starters into entry level positions.”**

Employers participating in this research reported a significant shift over the last two years towards using apprenticeships for upskilling and reskilling existing staff. This was often linked to technological change, evolving workforce requirements, and the need to create clearer career progression pathways.

Employers also emphasised the social impact of these programmes, particularly for non-graduates and workers returning to formal learning later in life.

At the same time, views were consistent in expressing concern that policy discussion has become increasingly focused on younger learners and first entry into work, potentially at the expense of lifelong workforce development.

There was also widespread support for exploring short courses or apprenticeship units as a more flexible tool for targeted retraining, particularly where experienced employees only require focused learning in a specific area. However, employers stressed that any new structures would need to maintain quality and avoid adding further complexity.

**“It’s so important for companies to upskill older people, but it feels like government doesn’t want to support that”**



# Future focus

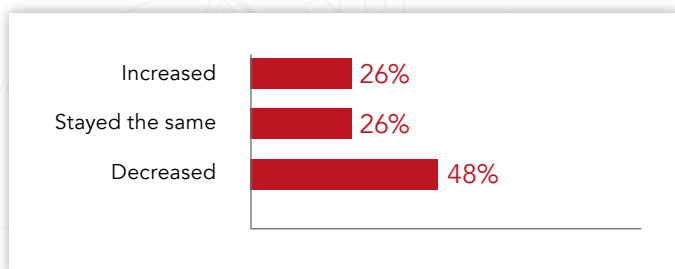
When we asked employers how their usage of apprenticeships had evolved over the last two years it was clear that there had been a strong shift towards upskilling and reskilling existing employees, and reductions in the usage of apprenticeships for early career recruits – although the picture was more evenly balanced for the largest organisations that contributed to the research.

This aligns with the broader trend identified *Skills for All* research report, with organisations placing greater emphasis on upskilling and reskilling existing employees to meet evolving skills needs.

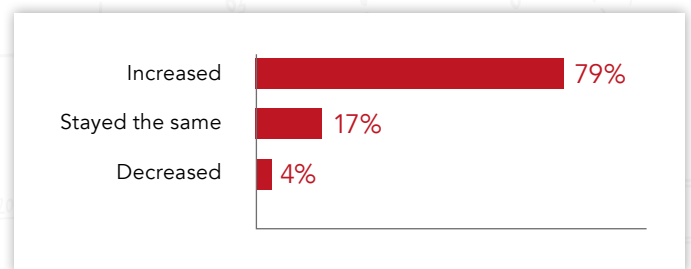
Looking ahead, employers described a system at a point of inflection. There was widespread recognition that policy emphasis on supporting young people into apprenticeships has influenced employer planning, and that organisations are actively considering how to respond.

However, employers also consistently emphasised a strong desire to maintain the usage of apprenticeships in ongoing skills and career development. Across the interviews, there were clear concerns that future funding changes may discourage or constrain the use of apprenticeships for upskilling and reskilling, potentially limiting their effectiveness as a flexible workforce development tool.

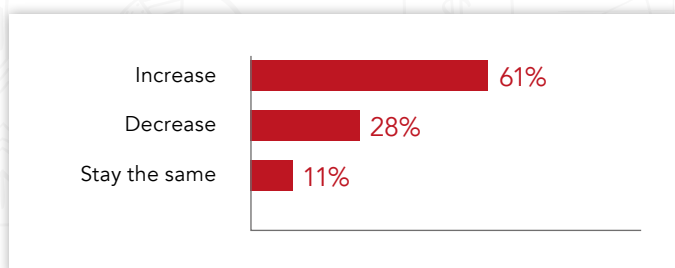
**Figure 3: "How has your usage of apprenticeships for early-career joiners changed over the last 2 years?" (n=40)**



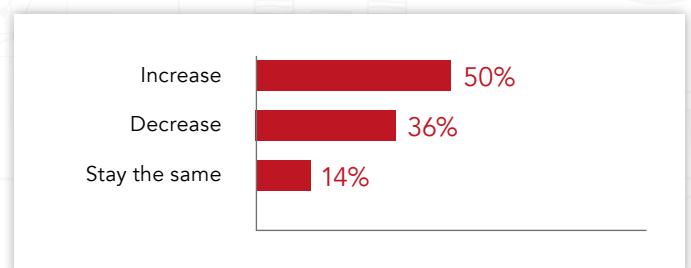
**Figure 4: "How has your usage of apprenticeships for upskilling / reskilling existing employees changed over the last 2 years?" (n=40)**



**Figure 5: "How do you expect your usage of apprenticeships for early-career joiners to change over the next 2 years?" (n=40)**



**Figure 6: "How do you expect your usage of apprenticeships for upskilling / reskilling existing employees to change over the next 2 years?" (n=40)**



Structured response question within interviews and questionnaire

## Shorter courses

The *Skills for All* findings indicate strong demand for greater flexibility within the skills system. Over 65% of employers believe that the Growth and Skills Levy should be used to fund other professional qualifications and training including management, digital and soft skills. Additionally, most employers want flexibility over the content and structure of skills programmes.

However, qualitative feedback suggests this demand is highly conditional. Several of the employers we engaged with retain significant concerns over the stability and quality assurance of apprenticeship units, or indeed of any short courses.

At the same time, there is huge willingness to 'give it a go'. Almost two-thirds of employers interviewed indicate they would find a way to use short courses/apprenticeship units or are already considering how they might be deployed in practice. However, there is a large group who remain uncertain about how they would apply them in their organisation, and a few who reject the concept outright.

There are a number of 'use cases' that coalesced in our discussions:

- Specific retraining needed to cope with industry change, pulling out the part of an apprenticeship that relates to new technology or new practices and making it available to managers / workers experienced in a legacy approach (for example adding a unit on Air Source Heat Pumps to existing qualified gas professionals)
- Additional training for experienced managers who have strong command of the core of their role but need broadening
- Entry point components, intended to achieve competence to fulfil a role quickly. This could be a bit like bootcamps – but available across England (rather than being variable by devolved region) and probably slightly longer.

There is a perception that short courses will be more deployable for staff wary of commitment – although to balance this there were many concerns relating to the quality and impact:

- That apprenticeship units will carry the same costs in terms of quality assurance and bureaucracy, but set against smaller gains
- That they wouldn't allow for sensible assessment and therefore qualifications.

**“Even in an apprenticeship unit, off-the-job is still an issue. You can't put the whole team on OTJ at the same time”**





# Challenges and opportunities

## Leadership and management

The effective defunding of leadership and management apprenticeships will have consequences for developing the bandwidth of middle leaders. While some make the case that this is an activity that should be funded by commercial training, allowing public money to be spent on early career learners / NEETs, there are four potential arguments for public support in this area:

- A recurring theme was that middle leader management bandwidth was most needed in supporting early career apprentices, especially those from challenging backgrounds. Without this, managing non-traditional recruits may, at the margin, become less attractive
- Going through an apprenticeship themselves makes middle leaders much more open to supporting apprentices and apprenticeships in their teams
- Promotion through middle leadership to senior leadership may become less accessible to some less advantaged people (non-graduate, from a deprived background) without the apprenticeship structure
- Nearly every major employer we spoke to has a strong case study of someone in senior leadership who was supported in their career journey through an apprenticeship. This provides substantial visibility and support to the overall apprenticeship brand.

One specific suggestion emerging from employers was the quick development and launch of an apprenticeship unit in mentoring – which will, at least, help to address the first of these four concerns.

## Level 7 apprenticeships

Similarly, while the barriers put up in front of Level 7 apprenticeships may be effective in reducing spend and making the Growth & Skills Levy pot more sustainable, the impact is to reduce accessibility to some attractive careers which require high-level professional qualifications (e.g. town planning, advanced clinical practitioner, solicitor). This may manifest in two ways – firstly, as a source of friction for employers in that sector to develop the skills they need to ensure productivity, but also potentially as a barrier to the progression of non-graduates to senior technical roles.

In addition, there was also concern that these changes may affect the aspirations of early-career apprentices. One of The St Martin's Group's member training providers surveyed their employers and learned that 90% of their students start with the intention to achieve the Level 7 chartered qualification in their field.

The Level 7 changes were a powerful tool to enact rapid change (although the forewarning of the end of December cut-off led to a significant last-minute ramp-up in enrolments).

It would be easier and less disruptive for future changes to be managed in a more gradual way, adjusting incentives to achieve a change in attractiveness where critical qualifications (where value to the employer – and by extension to the learner and the state – is high) can continue. This could, for example, be in terms of pricing, or requiring a larger proportion of employer 'co-investment'.

## Short-notice changes

In the *Skills for All* report, findings showed a wider lack of confidence in how the system engages with employers, with 79% of large employers reporting that government does not understand their training needs well.

Against this backdrop, the single greatest frustration in the discussions we had with employers related to the shift towards apprenticeship units. At the time we started the research, the concept and the start date had been announced. However, about six weeks from that start date, the topics (and associated content), delivery models, and pricing / funding structures were all still unknown.

Not only were the details unknown, but employers emphasised that the level of consultation was inadequate, and that as a result there was a high likelihood that the match between the proposed structures and employer needs would be low, with consequences for initial deployability and uptake.

In practice, even if any changes are made with a year's notice this can be difficult for employers – much more so for early-career apprentices (that are recruited) than for upskilling / reskilling apprenticeships for existing employees. Nearly all employers will decide whether a role will be linked to an apprenticeship before recruiting for it, and target their outreach accordingly. These are decisions with multi-year lead times.

**“In one of our critical business areas, our apprenticeship recruitment and training planning is often 4–5 years out. While a degree of change is to be expected over that timeframe, it’s frustrating to have short notice changes dropped on us”**

One of the greatest consequences is to the internal apprenticeship expert champions. These carry a tricky responsibility to help build the business's competence in, and commitment to, apprenticeships. This is also a multi-year effort, where organisational confidence is vital – this takes years to build but can be damaged much more quickly.

**“Our senior leadership look to me to tell them how best to navigate the apprenticeship landscape. It’s embarrassing not to be able to answer basic questions, but I end up having to emphasise the risks on everything”**

## Devolved nations

For businesses operating across the whole of the UK, the difference between the apprenticeship structures in England and other nations is a challenge. Every employer with this coverage reported having to resolve this tension where there was a strong desire for consistent training in key job roles, paying for apprenticeship training to be delivered commercially.

**“At the margin, we probably move a bit of our recruitment from Scotland and Wales into England, in order for them to benefit from the same apprenticeship training structure”**

Aligning with the English structure may reduce some level of local control over apprenticeship processes and content (although employers from Scotland, for example, could still propose a standard if there was a strong case that the necessary training was different), but it could support the creation and expansion of roles in other nations by enabling greater consistency and reducing regulatory friction for both employers and government.

This challenge was not limited to differences between nations, but also arose across devolved areas within England, where variations in local approaches to skills provision can create similar tensions.

# Conclusions and recommendations

This research comes at a point of significant change in the skills system. At such moments, employer insight is particularly valuable, providing a grounded view of how policy translates into practice, and where well-intentioned reforms may succeed or create unintended friction.

Across the interviews and questionnaire responses, three interlinked themes emerge that should be considered in subsequent phases of policy development.

## Apprenticeships must continue to deliver clear economic value

Employers value the wider social and economic benefits of apprenticeships, but engagement is ultimately shaped by a clear requirement for business viability, where the vast majority of the total cost of apprenticeships is borne by employers. The model is strongest when it combines quality, structure and long-term workforce value, and maintaining this balance is critical.

Policies that increase cost, complexity or uncertainty risk weakening employer engagement, even where the underlying intent is positive. At this stage, employers are seeking greater clarity and stability before increasing investment.

**Recommendation:** A period of stability should follow recent changes, with future reforms introduced through clear timelines and meaningful engagement. Providing early visibility of policy direction will be essential to building confidence and supporting long-term planning.

## A sustainable system depends on progression, not just entry

Apprenticeships operate as part of a wider workforce system. While early-career routes remain important, they depend on progression opportunities for existing employees.

The shift toward upskilling and reskilling reflects both business reality and workforce need. Constraints to mid- and higher-level provision risks disrupting progression pathways, limiting organisational capability and, ultimately, restricting opportunities for new entrants.

**Recommendation:** Policy should support development across all stages of a career, including protecting access to higher-level apprenticeships. Progression pathways must be maintained if the system is to function effectively as a whole.

**Recommendation:** To create new entrant opportunities, focus should be targeted on pre-employment and pre-apprenticeship provision for workplace readiness and to reduce the 'hidden cost' of management bandwidth and pastoral care.

## Flexibility is needed – but must be carefully designed

There is clear employer interest in more flexible forms of training, including short courses. However, this interest is conditional.

Employers are most willing to engage where provision is targeted, practical and aligned with specific workforce needs. This includes the balance between synchronous and self-paced learning, size of delivery group and timing – which will be very different for each of the use cases outlined in this study. Crucially, delivery models must be tailored to the subject matter itself. At the same time, confidence depends on maintaining quality and avoiding additional complexity. Poorly designed or overly burdensome reforms risk low uptake, regardless of intent.

**Recommendation:** For short courses to succeed, policy must focus on designing provision around clear use cases, rather than using products generically. This means prioritising content that reflects how learning happens in practice, alongside viable funding and delivery models, and greater certainty over future direction.

# About



The St Martin's Group (SMG) is a unique membership organisation created to support the UK economy by fostering a sustainable, quality-focused, and employer-led apprenticeship and skills system. The Group brings together stakeholders from some of the UK's leading employers, training providers, and awarding organisations. Collectively, the Group supports 17% of apprenticeship delivery across the country, and over 1.7 million employees. Since 2019, SMG has acted as a constructive, evidence-based critical friend to policymakers and is valued for providing real-time insight, frontline experience, and high-quality research.



Cairneagle is the leading specialist strategy consultancy focused on the broad education and skills sector. We help operators, investors, and public sector organisations to be more effective by applying evidence and a commercial lens to their issues, through commercial due diligence, growth strategy, market analysis, and operational improvement engagements among other themes. Our 100% education focus gives depth of expertise, faster deployability and the ability to really challenge our clients' assumptions. It also allows clients to benefit from our extensive global network and experience of how comparable situations in different countries or parallel segments resolved.



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