

Institution: King's College London
Unit of Assessment: 19, Business and Management Studies
Title of case study: Improving national policies for vocational training
<p>1. Summary of the impact (indicative maximum 100 words)</p> <p>Vocational education and training in England have been comprehensively restructured as a direct result of research by the Department of Management's vocational training group (Wolf, Gospel, De Coulon). The group has reconceptualised market failure in the training field, and the conditions for beneficial government involvement. Close involvement with the policy community culminated in an invitation to one member to conduct a Review of vocational education for the coalition government. The Wolf Review recommendations, including a comprehensive restructuring of funding and accountability mechanisms and programme content, have been accepted in full, and Wolf is actively involved in their implementation.</p>
<p>2. Underpinning research (indicative maximum 500 words)</p> <p>The key research insights drew on economics and organisational theory. They comprise a critique and reworking of human capital theory, in the form which has dominated education policy in the UK and elsewhere; new analyses of institutional development and survival; and contributions to the theory of market failure. Human capital theory examines the contribution to output and growth of individual workers' skills and capabilities. Coupled with theories of market failure, it has underpinned much government policy: notably tax and subsidy interventions intended to enhance skill development and centralised design of publicly funded training programmes. In the UK, these interventions and programmes have been the single most important component of productivity policy for many years. The results have, however, been disappointing, as research carried out over the period 1995-2010 consistently demonstrated (Wolf 2004, Wolf <i>et al</i> 2006).</p> <p>The key members of the group are Professor Alison Wolf (joined King's 2003); Professor Howard Gospel (a staff member throughout the period of the research) and Dr Augustin De Coulon (Senior Lecturer, joined King's 2009). Dr Paul Lewis (King's: Department of Political Economy) is also a close collaborator. Some of the research carried out by Wolf and De Coulon was carried out before they joined King's College but the greater part of the research was carried out at King's. The research has:</p> <p>(1) demonstrated, through original analysis of national longitudinal databases, that researchers and policymakers, internationally and nationally, have been mistaken in assuming that all formal accreditation of skills is likely to have positive human capital and earning outcomes (see e.g. Jenkins, Vignoles and Wolf 2003; Wolf <i>et al</i> 2006). It called into question policies which, under UK governments of all parties, tied vocational training subsidies for employers to formal qualification targets, and gave schools and colleges major incentives to increase take-up of low-level and highly specific vocational courses. Recent work by De Coulon (in submission), again using longitudinal data sets, has indicated that the government-directed shift away from often non-accredited, but employer-run, apprenticeships has had a negative impact on UK human capital formation. De Coulon and colleagues have also demonstrated the enduring value in the labour market of traditional general education outcomes. (Vignoles, De Coulon and Marcenaro-Gutierrez 2011).</p> <p>Related empirical work has demonstrated that adult training may, over a range of provision, fail to generate any concrete changes or improvements in measured skills. Of particular relevance here</p>

Impact case study (REF3b)

were the findings of a large ESRC-funded longitudinal study of government-funded workplace programmes (2003-8), for which Wolf was Principal Investigator (Wolf *et al* 2011).

(2) elaborated, using organisational theory, the circumstances under which regulated institutions may raise training quality, increase human capital and add value to service provision. Contexts studied include technician training, apprenticeship inspection, and specific sectors including retailing and care (e.g. Gospel and Lewis 2011).

(3) integrated these findings into, and modified existing theories of market failure because of under-valuation of training by employers, and contributed to more general discussions of human capital, organizational behaviour and governance (Wolf 2004, 2006; Gospel and Lewis 2011).

3. References to the research (indicative maximum of six references)

Where a DOI or URL is not supplied, hard copies are available on request.

i. Gospel, H and P. Lewis (2011) 'Who Cares about Skills? The Impact and Limits of Statutory Regulation on Qualifications and Skills in Social Care', *British Journal of Industrial Relations*, 49(4): 601-622.

ii. Jenkins, A, Vignoles A and Wolf A (with F Galindo-Rueda) (2003) 'The determinants and labour market effects of lifelong learning', *Applied Economics*, 35, 1711-1721. Doi: 10.1080/0003684032000155445

iii. Vignoles, A, De Coulon A & Marcenaro-Gutierrez, O (2011). 'The value of basic skills in the British labour market', *Oxford Economic Papers* 63(1): 27-48.

Wolf, A. (2004) 'Education and Economic Performance: Simplistic theories and their Policy Consequences', *Oxford Review of Economic Policy*, 20(2): 315-333. Doi: 10.1093/oxrep/grh018

iv. Wolf, A., A Jenkins and A Vignoles (2006), 'Certifying the workforce: economic imperative or failed social policy?', *Journal of Education Policy*, 21(5): 535-566. Doi: 10.1080/02680930600866124

v. Wolf, A and Evans K, with the assistance of Ananiadou, K., Aspin, L., Jenkins, A., Southwood, S and Waite. E. (2011) *Improving skills at work*. London: Routledge.

Major 'underpinning' grants include ESRC RES-139-25-0120, 2003-8, £680,872: Principal Investigator Wolf, rated Excellent; Centre for the Economics of Education (DfES) for work on the returns to lifelong learning 2003-5 (Wolf, £51,900); Department of Health (Gospel, £38,000) for work on regulation of care assistants; Gatsby Foundation for work on technician registration (Gospel, £20,000).

4. Details of the impact (indicative maximum 750 words)

The group's research has been instrumental in achieving a comprehensive reform of UK vocational education and skills funding and organization, both through its influence on policymakers and through direct invited participation in policymaking.

During the period 2005-10, researchers in the group received an increasing number of invitations to become involved in the policy-making process. For example, during 2007-9, Gospel became an Associate of the UK Commission on Employment of Skills (the quango which formulates skills policy), while Wolf was a member of the Parliamentary Skills Commission, a cross-party group convened by MPs, and was an adviser to the Commons Select Committee on education.

The group's research was of key importance in establishing the need for reform of skills policy: a number of key think tanks commissioned contributions and publications, including the Social Market Foundation, Policy Exchange, Centre Forum and the IEA (see, for example, Wolf, A (2009) *An Adult Approach to Further Education* London: IEA 2009

<http://www.iea.org.uk/publications/research/an-adult-approach-to-further-education> and

Wolf, A (2004) 'Vocational Education is not about Tackling Social Exclusion' in Conor Ryan ed *Bac*

or *Basics: Challenges for the 14-19 Curriculum*. London: Social Market Foundation).

Members enjoyed frequent direct contact with policy makers. For example, at the launch of a commissioned monograph (Wolf, 2009) the discussant was the Liberal Democrat spokesman for skills policy and participants included the Labour chair of a parliamentary select committee and two former Conservative ministers. Gospel and Wolf both provided information on relevant research findings to individual politicians and their staff in the period before the 2010 General Election. In September 2010, Wolf was invited by the Secretary of State for Education to carry out a comprehensive review of 14-19 Vocational Education because of her '*extensive research experience in education and the labour force*'. (Letter from Michael Gove:

<http://www.education.gov.uk/inthenews/inthenews/a0064330/written-ministerial-statement-on-the-wolf-review-of-vocational-education>). The Wolf Review reported in March 2011

(<https://www.education.gov.uk/publications/standard/publicationDetail/Page1/DFE-00031-2011>)

and made 27 far-reaching recommendations for changes in education for 14-19 year olds. The government announced in May 2011 that it was accepting all the recommendations made, and invited Wolf to report to ministers on progress on a regular basis. This she has done, and remains an adviser on implementation to the Department.

The following examples illustrate the very close link between the Review's outcomes and underlying research.

- Funding for 16-19 year olds to shift to a per-student basis, rather than on the basis of each individual qualification taken; and introduction of requirements for coherent 16-19 study programmes. Research basis: work carried out by Wolf *et al* on the negative impact on quality of per-qualification funding, including findings of a 5-year project examining publicly funded workplace-based training (eg ESRC RES-139-25-0120: Principal Investigator, Wolf. Rated Excellent).
- Apprenticeship reforms to reduce complexity of administrative structures. Research basis, work on apprenticeship regulation and inspection (Gospel and Lewis 2011).
- All 16-19 year olds without C grade or above at GCSE to continue to study Maths and English: this has also been explicitly endorsed by the Opposition. Research basis: analyses of lifetime returns to different qualifications (see e.g. Jenkins, Vignoles and Wolf (2004), and Vignoles, De Coulon and Marcenaro-Gutierrez 2011).
- Major changes to the accountability measures used for schools. (These had counted all 'level 2' qualifications as 'GCSE equivalents' for accountability purposes and had created a strong incentive for schools to shift students into classes leading to qualifications which had little value in progression or labour market terms. Research base includes Wolf *et al* 2006).

In addition to the major impact of the Review, the group's research continues to have an impact in and beyond the government departments directly responsible for education and training (DfE and BIS). Gospel is a member of the BIS Growth and Innovation Fund Expert Advisory Panel. He is an Adviser (Sector Specialist Associate) to and Associate Fellow of the UK Commission on Employment and Skills for whom he has recently published commissioned work (Gospel 2012) and participates in seminar series providing policy advice to the Ministers at the Department of Business, Innovation and Skills. Wolf has contributed research insights to the government's Growth Review and strategy, through meetings at the Cabinet Office with the Deputy Prime Minister and the Minister of State, and BIS Ministers, and with the Downing Street Policy Unit and H M Treasury officials. She regularly presents keynotes at the Association of Colleges annual conference, the main professional gathering for the sector, (2010, 2011) and she is frequently invited to comment on education and employment by the broadsheet press (e.g. Guardian, Times) and BBC radio (e.g. BBC Radio 4 Today, PM, Any Questions). She is a member of the BIS Academic Panel on Skills Strategy.

5. Sources to corroborate the impact (indicative maximum of 10 references)

- i. Department for Education (2011) *Wolf Review of Vocational Education - Government Response*
<https://www.education.gov.uk/publications/standard/publicationDetail/Page1/DFE-00038-2011>
 The DfE has issued a number of separate consultations relating to individual recommendations or groups of recommendations in the Wolf Review, followed by responses to the consultation/announcement of policy changes. These include consultations on changes to accountability measures (removal of 'equivalencies'), 16-19 study programmes, and changes to 16-19 funding. Each of these documents refers explicitly to the Wolf Review. Among these are:
- ii. Department for Education (2011) *Response to consultation on 14-16 performance tables: announces changes in line with Wolf Review recommendations*
<http://www.education.gov.uk/16to19/qualificationsandlearning/a00199649/response-to-the-consultation-on-14-16-qualifications-and-performance-tables>
- iii. Department for Education (2011) *Response to consultation on 16-19 study programmes*
<https://www.education.gov.uk/childrenandyoungpeople/strategy/laupdates/a00211242/16-19-study-plans-consultation-response>
<https://www.education.gov.uk/publications/standard/publicationDetail/Page1/DFE-00069-2012>
- iv. Department for Education (2011) *Funding formula review: announces changes to formula and funding mechanisms for programmes for 16-19 year olds*
<https://www.education.gov.uk/publications/standard/publicationDetail/Page1/EFA-00073-2012>
- v. Department for Education (2013) *Arrangements for enrolling 14-16 year olds in colleges*
<https://www.education.gov.uk/childrenandyoungpeople/youngpeople/qandlearning/a00218355/qual-ity-and-funding-for-enrolling-full-time-14-16s>
- vi. Examples of publications commissioned by government agencies, think-tanks and other policy institutions because of the research group's recognized expertise include:
 Gospel, H. (2012) *Understanding Training Levies: Final Report*. Evidence Report 47. UK Commission for Employment and Skills
<http://www.ukces.org.uk/publications/er47-understanding-training-levies>
- vii. Lewis P and Gospel, H (2011) *Registration and Technical Education*. London: Gatsby Foundation. <http://www.gatsby.org.uk/Education/Projects/Technicians-in-Higher-Education.aspx>

Corroboration of the impact can be obtained from:

- i. Secretary of State for Education, Department for Education [impact on policy development; invitation to author report]
- ii. Director General: Schools, Department for Education [development of curriculum]
- iii. Director, Vocational Education, Department for Education [impact on policy; continued involvement in implementation]
- iv. Special Advisor to the Secretary of State, Department for Education [input into development of policy; implementation; and advisory role to Secretary of State and ministerial team]
- v. Research Manager, United Kingdom Commission for Employment and Skills [Confirms depth of research; collaborative work to develop and implement policy]