

The Construction Industry Early Leavers Survey

CITB

April 2017



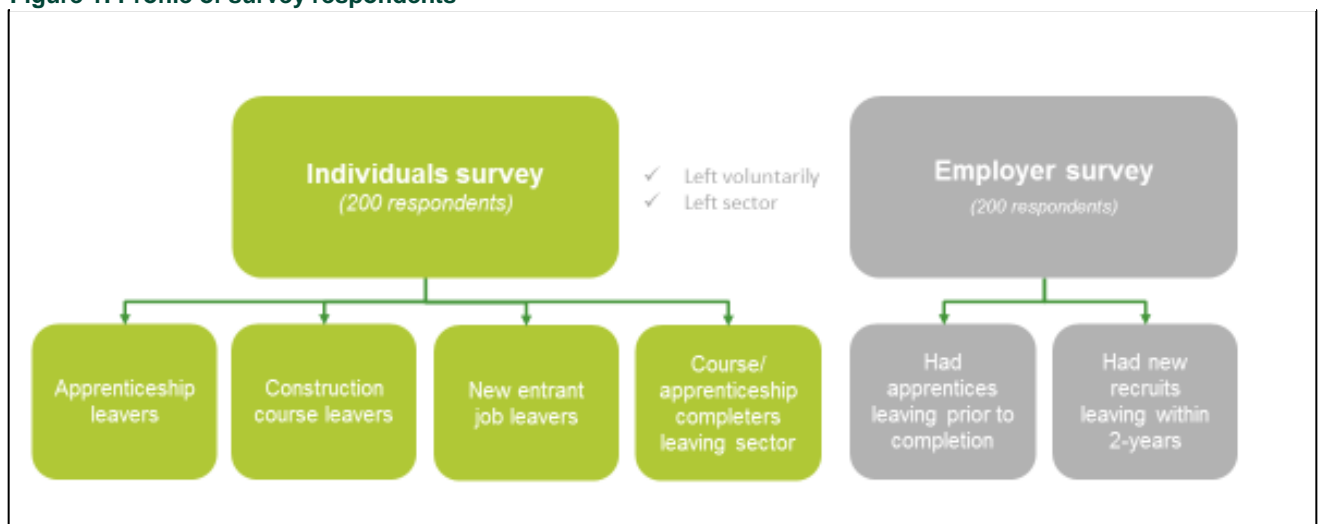
Contents

1	Executive summary	3
2	Introduction	8
3	Methodology	10
4	Profile of early leavers and of employers with early leavers	15
5	Understanding of the construction sector before joining	20
6	Destinations of early leavers	25
7	Reasons for early leaving	31
8	Impacts of early leaving for employers	38
9	Addressing early leaving in the Construction sector	43
10	Conclusions	51

1 Executive summary

- 1.1 This report details the findings of research conducted by IFF for CITB examining the nature, reasons for, impact of and ways of reducing early leaving from construction.
- 1.2 Following a small-scale qualitative phase, the key element of the research was a quantitative survey of:
- 200 employers that had experienced apprentices leave without completing or new recruits leave their organisation within their first two years, where these individuals left voluntarily and ended up leaving the construction sector altogether);
 - 200 individuals that left the sector, covering 125 apprentice and 60 course early leavers, and seven who left a new entrant job in the first couple of years - in all cases these individuals left of their own accord and left the construction sector altogether. In addition, we interviewed seven people who finished a construction course and one who completed their apprenticeship but then left the sector.

Figure 1: Profile of survey respondents



Reasons for choosing construction and how well informed leavers were

- 1.3 The primary reasons for individuals choosing construction was that they felt it was something they would be good at (84%), the work would be interesting or varied (83%) and the ready availability of work (81%). Around three-quarters were attracted by the physical, outdoor work and the fact it is not office-based (74%), and that there are good career and promotion prospects (74%). Two-thirds said good pay was an appealing aspect of working in construction (65%).
- 1.4 It is worth noting that **only around a quarter of early leavers entered construction as their preferred choice of career (23%)**. Others went into construction with it being one of a few options they were considering (53%) or as an alternative to a preferred career route (24%).

- 1.5 Individuals **generally felt reasonably well informed about the requirements and nature of the sector at the time they first thought about pursuing a construction career**. Around three-quarters felt quite or very well informed about the skills that employers look for in applicants, which qualifications would get them a construction job, what working in the sector would be like, and the variety of roles available. There were however other aspects early leavers had felt less informed about. A third (33%) felt they had not known about what pay or salaries they might be able to earn, and two-fifths felt uninformed about the general job prospects in the sector e.g. the types of jobs which might offer the best opportunity (39%).
- 1.6 The **majority of early leavers (88%) had received information or advice** before choosing their construction option, with only 12% saying that they received none. Information / advice was most commonly provided by career advisors (61%) or friends or family that had worked in the sector (60%). Most early leavers agreed that there is a great deal of information available about jobs and careers in construction (84%), but at the same time most would have liked to have had talks from construction employers and organisations while at school or college to help them decide (86%) and would have liked more information about working in the sector when considering their options (74%). Facilitating better links between schools and employers is a key potential role of CITB. Perhaps of **more concern than the availability of careers advice is the quality**: over two-fifths of early leavers felt that the advice and guidance they got about construction was not very good (43%). This sentiment was more common among course leavers (55%) than apprentice or job leavers (37%).

What are the reasons people leave the construction sector?

- 1.7 The most **common reason cited spontaneously by individuals as to why they left construction was simply that they didn't like it or that it wasn't for them** (28%). Just under a fifth cited issues with their employer, colleagues or tutor (19%), wanted to change career (17%) or didn't like the type of work as it was too manual (16%). Around one in ten cited low pay (11%), feeling that they were not learning anything (9%), and personal reasons such as health and childcare (9%).
- 1.8 When prompted, the most common reasons for not pursuing a career in construction, each mentioned by just over a third, were **getting a better job offer** (37%, rising to just over half of those aged 20 plus), **dissatisfaction with the work** (35%), **low pay in construction / higher pay in other sectors** (34%), what they were doing **not matching up to their expectations** (34%), and feeling that **career development would be too slow** (34%).
- 1.9 Slightly less common factors were a lack of support from the training provider (30%), working in construction involving too much travel from site to site or job to job (25%), not feeling valued by their employer (25%) and a lack of job security (23%). A fifth mentioned the physical demands of working in construction being too much for them (20%). The same proportion also mentioned struggling with the academic requirements of their course or apprenticeship (roughly equal proportions mentioned struggling with the maths, with the English or literacy skills, and with the volume of coursework).

- 1.10 As indicated from the large array of factors mentioned, **there was often a multiplicity of reasons for leaving their construction apprenticeship, course or job for a new sector.** When asked for their single most important reason for not pursuing a career in construction, this was most often being offered a better job (16%), followed by low pay in construction or higher pay in another sector (10%), a lack of support from tutors (9%) and not feeling valued by their employer (9%).
- 1.11 We have seen **getting a better job is the most common and the single most important reason for leaving construction.** Those offered a better job most commonly reported that their job was better paid (59%) and that they simply enjoyed it or preferred it (32%). Other common reasons for preferring their new role included shorter hours (16%), more opportunities or better career progression (12%), it being office-based (10%) and it fitting their skill set better (10%).
- 1.12 Among those that felt that working in construction did not meet their expectations (34% of all leavers) leavers most commonly said this was because they were not working in their preferred trade (28%), they thought they would qualify sooner or expected faster career progression (15%), their having issues with their employer/colleagues/tutors (15%), the hard work involved in terms of hours and conditions (13%) and the physical, manual aspect of the work (12%). These are the range of issues that CITB and the sector need to work to tackle to ensure new entrants have realistic expectations.
- 1.13 Many of these reasons suggest a simple changing of mind, prompted in part by being tempted away by a better job offer. **The issue of better pay in other sectors is a recurrent issue in the research.** It suggests **more needs to be done to sell/inform people about the medium and long term pay prospects in the sector,** but also more immediately increasing the pay levels of apprentices.

The destinations of early leavers

- 1.14 Most were either working in a non-construction job (50%) or studying a (non-apprenticeship) course (27%). A minority were unemployed and looking for work (15%) or doing a non-construction apprenticeship (9%). Leavers of construction apprenticeships were more likely to be in a (non-construction) job (54%) than construction course leavers (40%), whereas course leavers had quite often started other courses (35% vs 23% among apprentice leavers).
- 1.15 Those in work were asked **what appealed to them about their current job** over working in construction. Around a third mentioned **better pay** (35%), one-fifth preferred the **variety of work** (21%) and a similar proportion (18%) simply said they **enjoyed it or preferred it** to their previous construction job. The sector and occupations of those in work are detailed in Chapter 6.
- 1.16 Those that had started new (non-construction) courses were studying a wide range of subjects including Sports-related courses (15%), Computing/IT (10%), Motor vehicle engineering (8%), Business Studies (6%), Fitness and Coaching (6%), Creative Media (6%), Music (6%), Art and Design (4%) and Photography (4%). The **most common reason their new course was preferred over continuing in construction was greater interest in the subject** (65%), followed by preferring the type of learning involved (33%) or feeling better suited to the academic requirements of their new course (17%).

Does early leaving matter to employers?

1.17 Results suggest early leaving matters to employers:

- **Most employers who had apprentices or new entrants leave them and the sector felt this early leaving was a problem for their business** (62%), indeed over a quarter (28%) considered it a 'major' problem.
- On balance **early leaving appears to have become more of an issue for employers in the last 2-3 years**: many more said early leaving in that time had become more common (38%) than felt it was reducing (8%).
- The **main impact is the cost**, both in terms of time (29%) and money (24% had been financially affected by early leaving), with some specifically mentioning increased training and recruitment costs (11%). Others mentioned early leaving increasing the workload of other employees (14%) and creating a skills gap (7%).
- In terms of financial outlay, **employers estimate that they spend a mean average of £575 recruiting each individual apprentice or new entrant that they take on** (median: £375) – this includes a fifth reporting no costs (19%), implying they use word of mouth and informal recruitment methods.
- Just over half report that early leaving by apprentices and new entrants tends to occur within the first 6 months, yet only a quarter say apprentices produce more than they cost by the six-month point. New entrants were felt to become productive sooner; two-fifths of employers (42%) say new entrants produce more than they cost by the six-month point.

1.18 A potential concern of early leaving is if employers consequently become more reluctant to invest in the development of apprentices and new entrants in the future. The evidence suggests this is unlikely to have a serious negative impact: approaching half (47%) of employers that had apprentice sector leavers expected their recruitment of apprentices to stay at the same levels over the next few years, indeed around a third expected the number to increase (36%, compared to just 12% expecting a decrease). Regarding new entrants, the recruitment outlook is even more positive; two-fifths (41%) expect recruitment of individuals to entry level positions to stay at the same levels, while approaching half (47%) expect recruitment to increase.

Tackling early leaving

1.19 **Only a third (33%) of sector leavers received advice or guidance before deciding to leave the sector.** Half of those that had not received advice or guidance prior to making their decision to leave the sector feel advice and guidance would have been helpful (51%). Put another way, a **third of all early leavers (34%) did not receive advice and guidance when considering leaving but feel this would have been beneficial.** Findings therefore indicate more could be done to help individuals access advice or guidance at the point when they are 'wavering' about their future in construction.

1.20 Although most think of their provider or employer as the likely source of such advice, one in six of those that would have liked advice did not know who would have been best placed to provide this – this is equivalent to **6% of all early leavers not getting but wanting advice and guidance but not knowing who would be best placed to give them this support.**

- 1.21 When sector leavers were asked what could have encouraged them to stay in the sector, two-fifths (42%) said that nothing could have been done, while 8% were unsure if anything could have influenced them to stay. **Most commonly sector leavers said that they would have been encouraged to stay had they had more support with their work from colleagues and tutors (21%), while a relatively high proportion mentioned higher pay (12%) – both are primarily issues for providers and employers rather than a body like CITB.**
- 1.22 Although employers are not the primary source of advice and guidance for sector leavers, given the range of reasons for early leaving, clearly employers have an important role to play in helping to reduce the phenomenon and increase retention. However, **over two-fifths (43%) of employers had taken no action to try to retain these specific recent early leavers, and most had not taken broader action to tackle leaving / improve retention in their organisation (62%).** Where broader action had been taken this was most often trying to improve selection and screening of candidates to try to attract suitable applicants with a keen interest in the sector (12%), efforts to improve mentoring, such as having regular meeting and conversations with apprentices and new entrants (8%), introducing work trials and longer probationary periods (8%), trying to better explain the nature of the job to new recruits at an earlier stage (6%) and reviewing and refining the course the training that their apprentices and new entrants are doing (6%).
- 1.23 **Most employers felt there were things the wider industry could do to reduce early leaving** in the construction sector (only 6% were ‘fatalistic’ and felt nothing could be done, though around a quarter were unsure what steps would be beneficial). The most **common suggestions were improving construction careers information, advice and guidance (27%), providing better opportunities for training and qualifications (20%), improving pay (14%), and providing more or better work experience opportunities (11%).** While clearly some of these areas are those entirely in the realm of employers to control (pay), CITB can influence other aspects (the quality of careers IAG, encouraging more training opportunities by ensuring the right ‘training infrastructure’ and supporting employers to provide work experience opportunities).
- 1.24 When **employers were prompted with four possible actions** the industry could take to reduce early leaving, **importance was placed on improving links and networking both between employers and schools, and between employers and colleges** (each considered very important by three-quarters of employers). Improving construction careers information advice and guidance was considered very important by 64% of employers and providing more or better work experience opportunities by 59%,
- 1.25 Around **half of employers were unsure what CITB should be doing to reduce early leaving (34%)** or felt there was nothing CITB could do to reduce this (14%). Given that most employers feel there are activities the wider sector should be taking, this suggests that many feel it is the responsibility of employers to be doing these things. The most **common suggestions for CITB were improving and broadening promotion of the industry (12%), improving and broadening their training offer (9%) and increasing their communications and collaboration with employers (9%).**

2 Introduction

- 2.1 CITB seeks to ensure that the sector has the right people with the right skills in the right place at the right time. This is clearly a challenging mission given such factors as the cyclical nature of the industry and significant peaks and troughs based around the economic cycle, fast changing skill requirements given new methods of construction, demand being very influenced by large infrastructure projects (in the last 10 years or so the London Olympics, Heathrow Terminal 5 and other major transport projects) with this also leading to significant concentrations of demand on a regional basis, and significant reliance on non-UK workers.
- 2.2 CITB aims to achieve its mission by various means. The Levy-Grant system supports employers to train existing staff and new entrants so that they have the skills employers need (in 2015 CITB received around £170m in Levy income and paid out around £150m in grants for flexible and structured training). More generally its Image, Culture and Recruitment strategy, through partnership working and flexible funding initiatives, aims to reduce skill shortages, increase the appeal of the sector as a career and help the industry save cost and time in skills recruitment. CITB recently launched GoConstruct, an initiative to attract, inform and retain talented people in the sector.
- 2.3 It is a prerequisite of achieving success in having the right people with the right skills that those that are encouraged into the sector stay in the sector. Where individuals start Construction and Built Environment courses but leave before completing and move to another sector, or where people start jobs in construction and receive significant new entrant training but then quit to work in another sector, this clearly represent a significant loss to the industry in terms of time and costs incurred.
- 2.4 To understand these issues CITB commissioned IFF Research to undertake research to understand why the recruitment process can go wrong in attracting people unsuited to the industry (who then leave) or failing to retain the right people once they do join, i.e. why people leave construction courses or jobs 'early'. The aim of the research was to help CITB improve its image and recruitment activities and reduce early leaving and increase retention. More specifically the objectives of the research were to:
- Understand the range of reasons why people choose to leave the construction industry early, and how common these main reasons are, in particular the balance between:
 - Unrealistic expectations of what a career in construction would be like (false expectations; perhaps as to the nature of the work, pay etc.) or what a course in construction would be like (e.g. it being harder / more demanding)
 - Realistic expectations not being met (e.g. a failure of a provider or employer to deliver against these expectations)
 - Personal reasons
 - A lack of support, whether this be from the college / provider, employer or the wider industry.
 - Explore what might have made them stay in the sector (this is of particular interest among those with realistic expectations).

- Explore how, when and from whom they acquired their initial (false) impressions of the sector.
 - Explore the destinations of early leavers, and why these non-construction routes were chosen.
 - Assess the lost time/cost spent by employers and others on these early leavers.
- 2.5 The research gathered the views and experiences of employers and sector early leavers (from apprenticeships, other learning and first jobs). In all cases early leaving refers to those choosing to leave their construction course or job voluntarily (rather than, for example, being dismissed) and who left the sector altogether (rather than starting another course or job in construction).

3 Methodology

3.1 The main body of this report discusses findings from a quantitative survey of early leavers and of employers experiencing early leaving (in the context of this survey early leaving covers those leaving apprenticeships, courses or new entrant jobs voluntarily and their leaving the sector entirely). In addition, a small-scale qualitative phase was conducted prior to the quantitative survey.

Quantitative survey

Survey coverage and sampling

3.2 There were four key audiences of interest for the research:

- Construction employers that had experienced new recruits leave their organisation (where these individuals ended up leaving the construction sector altogether). This included individuals who had started an apprenticeship but left before completing, and new entrants who left within two years of starting work for the employer.
- Individuals who had left the construction sector, including:
 - Apprentices who had started a construction apprenticeship but left voluntarily before completing.
 - Individuals who voluntarily left a non-apprenticeship construction course before completing.
 - Individuals who voluntarily left their first job in construction within two years of starting (treated distinctly from apprentices).

3.3 The key challenge for this research was finding a sample of these audiences, as there is no sample source which exactly identifies these groups. An intensive sample-building phase was required to try and identify sample which might fall into these groups of interest, though even here it was recognised that screening would be needed since no sample source could meet all these criteria (e.g. for individuals, voluntary early leavers who left the sector altogether).

Employer sample

3.4 Employer sample was collated from a variety of sources, including previous CITB and other large-scale employer surveys (where permission was obtained from the commissioning authorities). Only those who indicated on these studies they were ok to be re-contacted for future research were called.

- Previous CITB surveys:
 - The Employer Panel Survey (Waves 14-16, from 2014 to 2016, with 1,500 employers interviewed each wave)
 - The Employer Dip Survey (2015-2016: a quarterly survey of 100 employers)
 - Brexit Survey (2016)
 - Boosting Construction Apprenticeships Survey (2015-16)
 - Large Employer Levy Survey (2015)
 - Recruitment Barriers Research (2015)

- The Department for Business, Innovation & Skills (BIS) Apprenticeship Evaluation – Employers Survey (2015)
- The UK Commission's Employer Perspectives Survey (2014).

3.5 For each source, IFF drew employers that indicated at the time of each survey that they had recently taken on apprentices or new entrants and who had given consent to be re-contacted for future research. In some cases, survey responses allowed us to identify employers who had experienced early leaving at the time they were interviewed. Questions were also added to the CITB Employer Panel Survey wave 16 (in 2016) and the CITB Brexit Survey to help identify employers that had experienced early leaving, including where leavers had left the sector altogether. This information allowed us to prioritise sample to ensure we spoke to those most likely to have recently experienced early leaving first.

Individuals' sample

3.6 There were two main sample sources used:

- Apprentice leavers recorded on the CITB Apprenticeship database (Wales and Scotland)
- The Individualised Learner Record (ILR), which collects data about further education and work-based learners in England.

This was supplemented with a small number of individuals who opted-in from the CITB Recruitment Benchmarking study (3 apprenticeship early leavers and 2 new entrant leavers).

3.7 Individuals were selected where they had left a construction course or apprenticeship early - they still needed to be screened to ensure they were eligible to participate through having left voluntarily and having left the construction sector.

3.8 Contact with female leavers was pushed throughout the fieldwork period to achieve reasonable coverage with this group. In total 14 interviews were achieved with female leavers (7%; compared with 4% of female early leavers recorded on the ILR).

3.9 None of these sample sources allowed us to identify (non-apprentice) job leavers. Hence for this group we sent emails to individuals who were recorded as having completed a construction apprenticeship or course, inviting them to opt in for the research if they met our early leaving criteria (left voluntarily and left the sector). Despite several reminder emails, the response to the opt-in email was low. Around 10,000 emails were sent out but only 19 individuals completed the registration, of which only one was a job leaver. It was therefore agreed with CITB that the likely shortfall due to difficulty of finding early leavers from new entrant jobs was made up by other types of early leaver.

Methodology and fieldwork

3.10 Computer-assisted telephone interviewing (CATI) was used to interview both employers and individuals.

3.11 Once the questionnaire had been agreed with CITB, IFF proceeded to a piloting stage to test that the language used in the questionnaire was suitable and that the questionnaire flowed

smoothly and logically from a respondent perspective. CITB were provided with a short pilot report on each element, with recommendations for changes to the questionnaire.

- 3.12 Mainstage fieldwork with employers took place between December 2016 and February 2017, while fieldwork with individuals took place in January and February 2017.
- 3.13 Findings from the 2016 CITB Employer Panel study established that overall 6% of construction firms had experienced apprentices both leaving early and leaving the sector, and 4% of construction employers had experienced a new entrant leave the sector. Therefore, even with an intensive sample building phase, finding eligible employers and individuals was challenging and required careful fieldwork management.
- 3.14 The target of 200 interviews with employers experiencing early leavers was reached, despite the low incidence of early leaving amongst those we contacted (and as indicated earlier, this sample of employers was not a random cross-section of employers but concentrated on those we hoped likely to have experienced early leaving). Around half (49%) of the sample screened out due to these businesses not having experienced early leaving where any individuals left voluntarily and left the sector (41% had not experienced early leaving at all). Table 3.1 shows the final call outcomes for the employer sample.

Table 3.1 Call outcomes for fieldwork with employers

Call outcome	No. of sample records	As % of all sample tried	As % of usable sample
Usable sample			
Completed	200	7%	16%
Refused	167	6%	14%
Live sample (called <8 times)	629	23%	51%
Withdrawn (called 8+ times)	203	8%	17%
Not available during fieldwork	24	1%	2%
Unusable sample			
Unobtainable number	138	5%	
Screened out (no sector leavers)	231	9%	
Screened out (no voluntary early leaving)	1,095	41%	
TOTAL	2,687		

- 3.15 The target number of interviews for individuals proved to be more difficult to reach. The quality of sample was an issue, as shown in Table 3.2, with 45% of sample being unusable; this was either because the numbers recorded were unobtainable (e.g. dead lines, fax numbers, etc.), or because individuals were screened out for not meeting the eligibility criteria. Furthermore, even where sample was usable, it proved hard to get hold of respondents.

Table 3.2 Call outcomes for fieldwork with individuals

Call outcome	No. of sample records	As % of all sample tried	As % of usable sample
Usable sample			
Completed	200	5%	10%
Refused / breakdown	247	7%	12%
Live sample (called <8 times)	631	17%	31%
Live sample (called 8+ times)	933	25%	46%
Not available during fieldwork	32	1%	2%
Unusable sample			
Unobtainable	1,091	29%	
Screened out (not an early leaver)	253	7%	
Screened out (did not leave 'voluntarily')	224	6%	
Screened out (still in construction)	90	2%	
TOTAL	3,701		

3.16 Overall 200 interviews were achieved with individuals, as follows:

- 125 with early leavers from apprenticeships
- 60 with early leavers from (other) construction courses
- 7 with early leavers from construction jobs.
- Also included in the findings are a small number who chose to leave the sector having completed a construction apprenticeship (1) or course (7 respondents).

Qualitative research

3.17 A small-scale qualitative stage preceded the quantitative stage. This involved:

- 5 interviews with employers, all of whom indicated that in the last 3 years they had experienced either apprentices choosing to leave without completing who did not go to another construction job, or individuals who they recruited to their first construction job but who choose to leave within their first couple of years and who did not go to another construction job (i.e. apprentices or new entrants choosing to leave the sector).
- 5 interviews with providers (3 FE colleges, 2 HEIs).

Reporting conventions

3.18 When reporting differences by employer size, we describe businesses with fewer than 10 employees as 'small businesses', businesses with 10-99 employees as 'medium-sized businesses' and those with 100 or more employees as 'large businesses'.

3.19 In all cases 'early leaver' covers those who left their job or course voluntarily and who left the construction sector altogether.

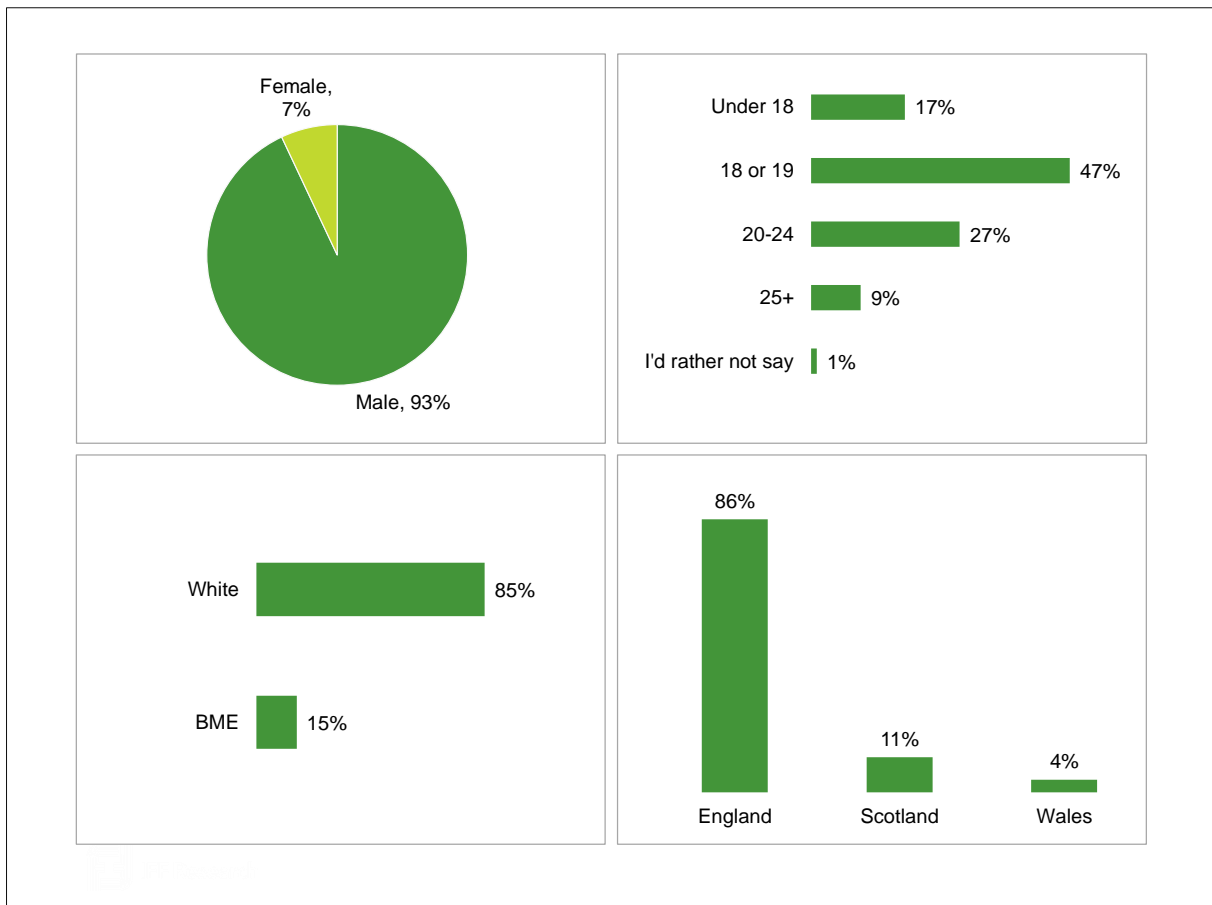
4 Profile of early leavers and of employers with early leavers

4.1 This chapter discusses the profile of early leavers interviewed for the survey in terms of their demographics, and of employers experiencing early leaving. It is important to note that the profile of both groups is 'unknown' to the extent that there is no official data on the number or profile of those leaving the sector voluntarily who leave the sector altogether, nor of employers experiencing such early leaving, and hence we report the data 'as is' and not weighted to any 'official' profile.

Individuals

4.2 The early leavers who were interviewed for the survey were predominantly male (93%), and almost half (47%) were aged 18-19.

Figure 4.1 Profile of individuals interviewed who had recently left the construction sector



Base: All sector leavers (200)

4.3 The majority of early leavers left their apprenticeship, course or job having come to that role directly out of education (74%), with a fairly even split between school (41%) and college (33%). One in eight (12%) came into construction from a job in another sector, 6% had already been working in the construction industry and 6% had been unemployed.

- 4.4 Most apprenticeship early leavers had left Level 2 provision (75%), with the remainder relatively evenly spread between those leaving what they felt was lower provision (8%), level 3 provision (7%) or unsure (10%). This is broadly encouraging to the extent that the hope would be that by the time apprentices get to Level 3 they have a relatively clear idea of their interest in a career in the sector. A third (36%) of early leavers from apprenticeships had been in wood occupations, and an around a sixth (17%) in trowel occupations. After this there was a wide spread with 4%-6% mentioning decorative, plastering, engineering, plumbing, maintenance, and electrical apprenticeships.
- 4.5 Course leavers had predominantly been studying carpentry/joinery (25%) and plumbing (22%), as well as trowel occupations (18%), general construction (12%) and electrical courses (10%). The majority had been studying at college (91%), with only a minority leaving a private training provider (7%) or a university (1%), and most had been on Level 1 (45%) or Level 2 provision (34%).
- 4.6 Most apprentice and job leavers had been with organisations which employed fewer than 100 staff across the UK (59%), indeed almost half (45%) had been with firms employing fewer than 25 staff, and three in ten had been with very small firms employing fewer than 10 staff UK-wide. (31%). In comparison, around a quarter (23%) had been with firms employing 100 or more employees, with most of these (18%) in large firms with 250+ staff. Most apprentice leavers had worked exclusively for their employer, though a quarter (26%) did report ever being placed with a sub-contractor during their apprenticeship.
- 4.7 Just seven job-leavers were interviewed: base sizes are clearly too low to make any conclusions, but four had been general labourers.

Employers

- 4.8 Four-fifths of the employers were based in England (79%), with a fifth from Scotland (13%) or Wales (9%). Half (51%) employed between 10 and 99 employees, while a fifth (20%) had under 10 staff, leaving approaching a third (30%) with 100 or more employees (20% employed more than 250 staff). Businesses worked across a range of areas of construction, including Completion or finishing (28%), Specialist work (19%) and General construction or development (18%).
- 4.9 The most common means of recruiting apprentices or new entrants was through attending school, college or university fairs or speaking to careers services (32%), or via word of mouth and personal recommendations (30%). Other common methods include using a paid recruitment service or job advert (22%), placing adverts on their website (18%), or using a government recruitment service (18%).
- 4.10 **Most employers experiencing apprentice early leavers had experienced a very low number of such leavers (those that had left the sector) in the last two years:** for 70% this was a single such person, and for over nine in ten it was fewer than five (the mean was two early leavers, the median average one). This compares to a mean average of 22 apprentices recruited among these employers in the last two years (and a median of four – the difference between the mean and the median reflecting some very high figures among some large employers). Results suggest if an employer experiences early leaving then this affects around two-fifths of their apprentices, though this figure is very dependent on company size (it is for

higher for small employers reflecting the fact that they recruit low numbers of apprentices, hence any early leaving affects a high *proportion* of their apprentices).

4.11 Results are summarised on Table 4.1.

Table 4.1 Number of apprentice recruits and early leavers in the last two years

	Recruited				Left early (and left the sector)			
	Total	Small	Medium	Large	Total	Small	Medium	Large
	135	22	69	44	135	22	69	44
	%	%	%	%	%	%	%	%
1	11	50	6	-	70	82	81	45
2-4	42	41	59	16	24	14	17	39
5-9	16	-	20	16	1	5	-	2
10-24	16	9	12	25	2	-	-	7
25+	16	-	3	43	-	-	-	7
<i>Median</i>	4	2	3	20	1	1	1	2
<i>Mean</i>	22	3	5	58	2	1	1	3
% leaving early	37%	70%	38%	16%				

4.12 Most businesses who had apprentices leaving early had recruited them as school leavers (57%) or college leavers (19%). It was also quite common for recent early leavers to have been unemployed on joining (21%) or career changers working in other sectors (14%). Few said the apprentice early leavers were previously employees of the company (1%), reflecting the tendency for the construction sector to recruit apprentices rather than use existing staff. Small numbers of employers mentioned any leavers coming through other routes, such as from the armed forces, ex-offenders or university (each 1%).

4.13 The apprenticeships that individuals had left without completing covered a broad spectrum of occupations / frameworks, though was most commonly wood occupations (38%). Others mentioned by at least 5% of employers were electrical (14%), trowel occupations (9%), decorative occupations (9%), engineering (8%), plumbing (6%) and business admin (5%).

- 4.14 For the vast majority of businesses that had experienced apprentices leave before completion, the apprentice(s) had left Level 2 provision (74%). Almost a quarter (23%) had apprentices leave Level 3 provision. Very few (1%) had experienced early leaving from Level 4 or higher apprenticeships. Among large firms with 100 plus employees, it was most common for early leaving to be for those on level 2 provision (68%), though over two-fifths had also experienced early leaving from Level 3 apprenticeships (43%).
- 4.15 Of the businesses who reported losing new entrants (taken on to their first construction job) within the first two years of joining the company (where these individuals leave the sector altogether), most (58%) had only experienced one such early leavers in the last two years. The mean average was three new entrant early leavers (and a median average of one).

Table 4.2 Number of new entrant recruits and new entrant early leavers in the last two years

	Recruited				Left early (and left the sector)			
	Total	Small	Medium	Large	Total	Small	Medium	Large
	86	18	36	32	86	18	36	32
	%	%	%	%	%	%	%	%
1	15	39	14	3	58	83	78	22
2-4	34	39	53	9	14	11	11	19
5-9	15	17	19	9	9	-	8	16
10-24	12	-	14	16	2	-	-	6
25+	22	6	-	56	1	-	-	3
<i>Median</i>	5	2	3	25	1	1	1	3
<i>Mean</i>	20	4	5	48	3	1	2	6
% leaving early	45%	63%	46%	27%				

- 4.16 Employers experiencing new entrants sector leavers had recruited them from a range of sources, including those that had been unemployed (34%), those recruited from another sector (31%), and then school (29%), college (22%) and university leavers (17%).

4.17 New entrants had usually been working as general labourers (47%), but employers reported experiencing new entrants leave the sector that had been working as plant or machine operatives (12%), engineers (8%), in business admin roles (7%), painters / decorators (5%) or as managers or supervisors (5%).

5 Understanding of the construction sector before joining

5.1 One of the key hypotheses behind this research was that the construction sector fails to retain its new entrant workforce because individuals come to the sector with unrealistic expectations about what a career in construction involves, and that the construction industry therefore needs to ensure that young people (and their influencers) are better educated in this regard. This chapter examines this hypothesis by exploring early leavers' understanding of the sector before joining, their initial motivations for joining, how well informed they felt about the sector, and the extent to which they were prepared for work in construction.

Whether construction had been their first choice

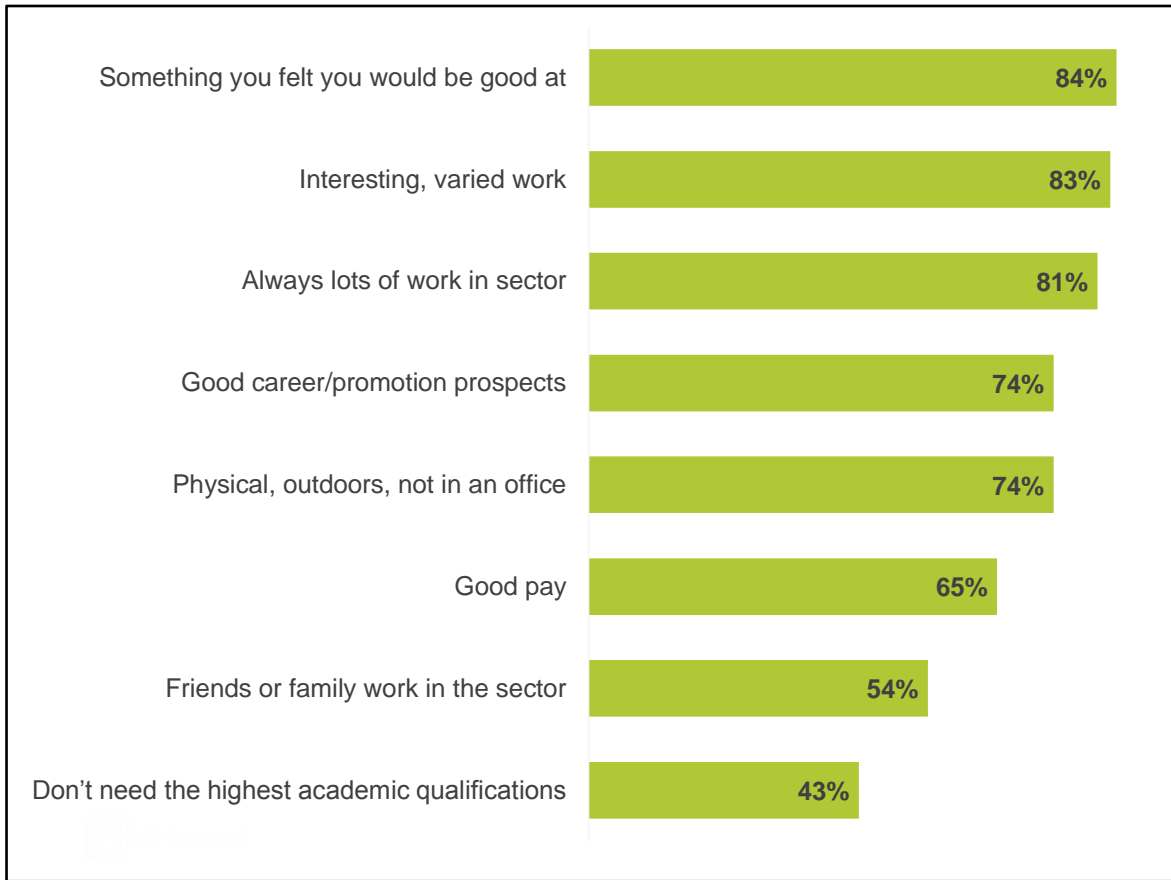
5.2 **Only around a quarter of early leavers chose to pursue construction as their preferred choice of career** (23%, the figure was far lower at 5% among our cohort of early leavers in Scotland). The other three-quarters went into construction as one of a few options they were considering (53%) or as an alternative to a preferred career route (24%). Results differed relatively little by demographic factors such as age, whether they entered the sector via school, college or from employment, or whether they undertook a construction apprenticeship, course or job.

Reason for choosing construction and how well informed they felt

5.3 The primary reasons for individuals choosing construction was that they felt it was something they would be good at (84%), the work would be interesting or varied (83%, though mentioned by over nine in ten of those aged 20 plus) and the availability of work in the sector (81%). Around three-quarters were attracted by the physical, outdoor work and the fact it is not office-based (74%, though this was less of a draw for BME respondents (59%)) and that there are good career and promotion prospects (74%). Two-thirds said good pay was an appealing aspect of working in construction (65%).

5.4 Although still mentioned by around two-fifths of respondents (43%), in comparison not needing the highest qualifications to be able to work in the sector was less of likely to be cited as a factor that appealed about the sector. This suggests most were drawn to construction for positive reasons, rather than selecting it because other options were not open to them.

Figure 5.1 What originally appealed about the construction sector (prompted)

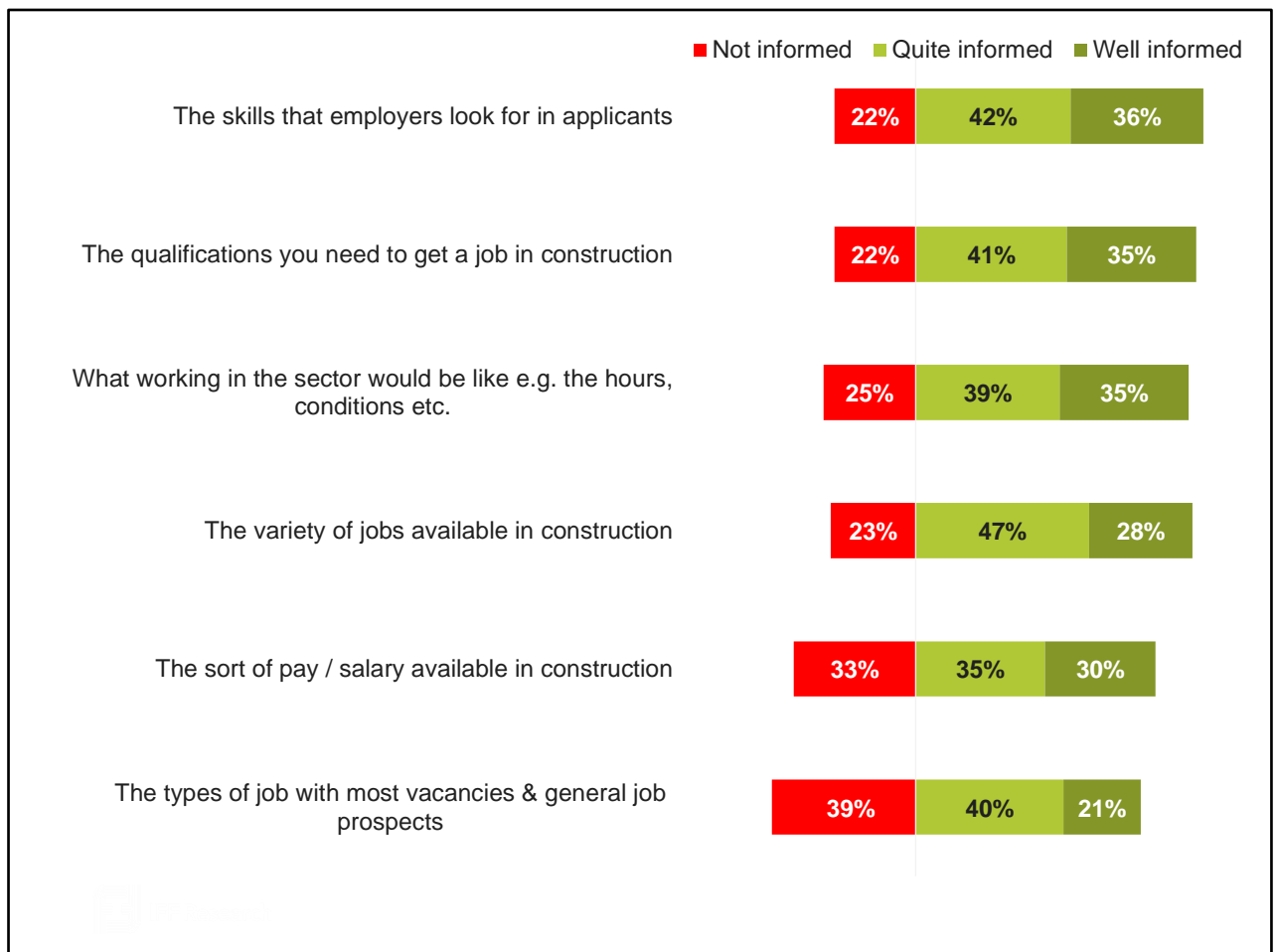


Base: All sector leavers (200)

5.5 As shown in Figure 5.2, individuals generally felt reasonably well informed about the requirements and nature of the sector at the time they first thought about pursuing a construction career. Just over three-quarters felt quite or very well felt informed about the skills that employers look for in applicant (78%), and which qualifications would get them a construction job (76%). A similar proportion felt well informed about what working in the sector would be like (74%) and the variety of roles available (75%).

5.6 Individuals felt less informed about a number of other aspects. A third (33%) felt they had not known about what pay or salaries they might be able to earn, and two-fifths felt uninformed about the general job prospects in the sector e.g. the types of jobs which might offer the best opportunity (39%).

Figure 5.2 How informed felt about working in construction



Base: All sector leavers (200)

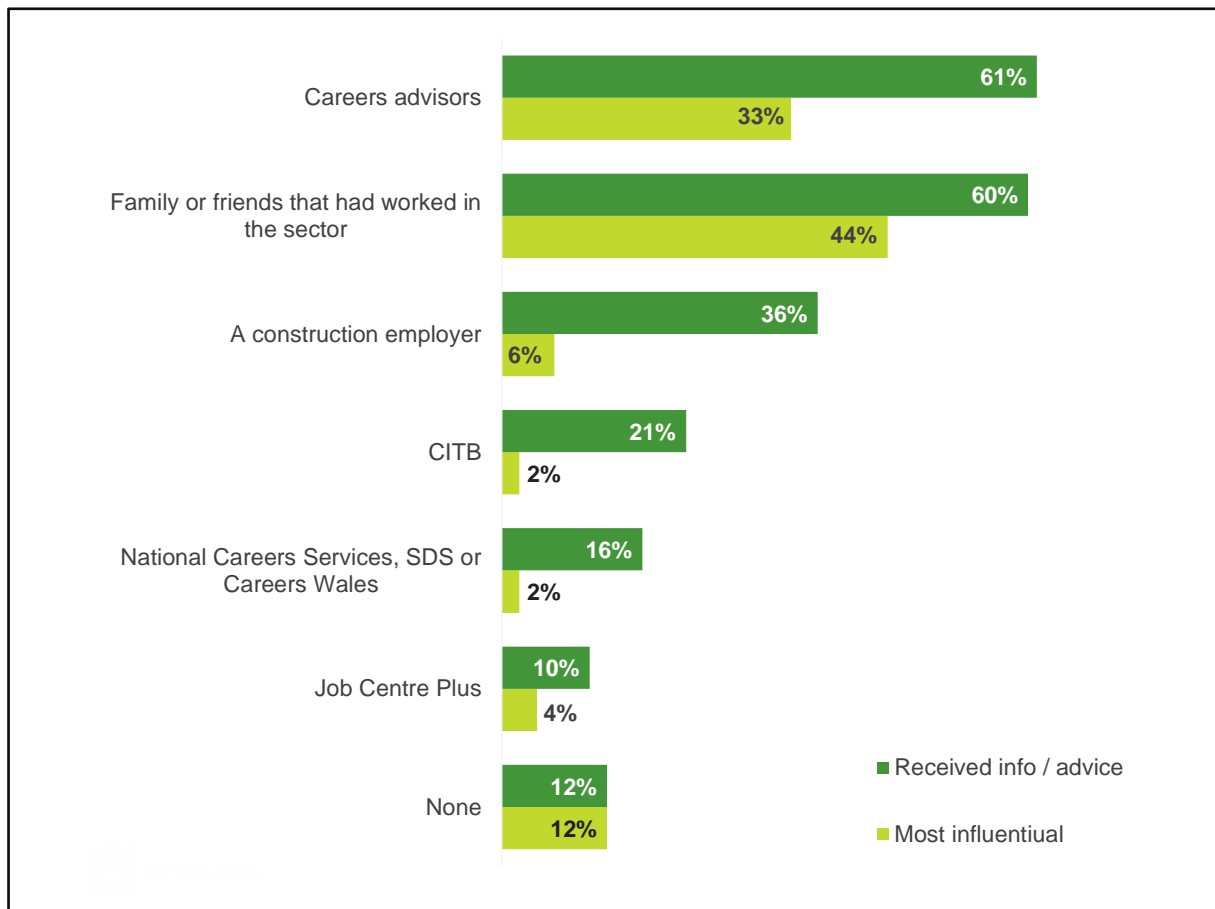
5.7 While the sample size would require a large difference to be statistically significant, results suggest that those who left courses, and those aged 25 plus, were less likely to feel well informed about the sector than those who were working as apprentices or employees.

Whether received advice and guidance when considering construction

5.8 Most early leavers (88%) had received some form of information or advice before choosing construction, with only 12% saying that they received none. Information / advice was most commonly provided by career advisors (61%, though rising to 79% among under 18s) or friends or family that had worked in the sector (60%), though the list is quite extensive, as shown in Figure 5.3. A third had received information or advice from an employer (36%, predictably higher for apprentice leavers than college-course leavers (41% vs. 22%)).

5.9 A fifth had received information or guidance from CITB (21%), much higher for apprentice leavers than college-course leavers (30% vs 5% respectively).

Figure 5.3 Whether got information or advice from any of the following sources when considering construction (prompted)



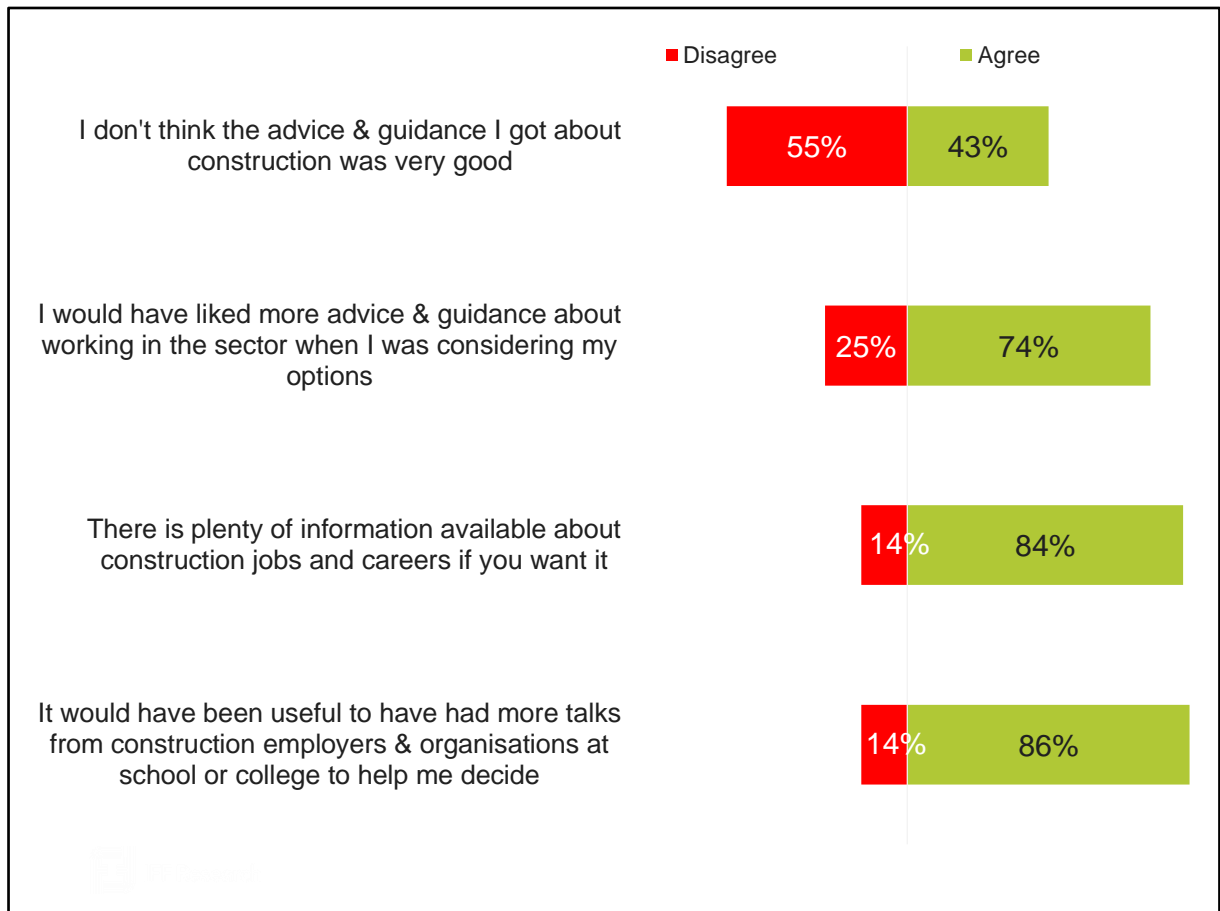
Base: All sector leavers (200)

5.10 Respondents were asked which advice they received was the most influential. Results on this measure are shown on the previous chart. Information or advice from family or friends that have worked in the sector was the single most influential source of advice received for over two-fifths of early leavers (44%). The risk here of course is that the advice is received from someone without recent or broad experience of the sector. In comparison, only one in three said the advice of a careers advisor was the most influential, despite the same proportion receiving support from this source as friends and family.

5.11 Those who had been working in construction as apprentices or in entry level jobs were more likely to have been most influenced by friends and family (48%) than course leavers (33%). Course leavers had been most influenced by careers advisor (45%; in comparison, this was mentioned by 26% of job/apprentice leavers).

5.12 While most individuals agreed that there is a great deal of information available about jobs and careers in construction (84%), most also agreed that they would have liked to have had (more) talks from construction employers and organisations while at school or college to help them decide (86%) and would have liked more information about working in the sector when considering their options (74%).

Figure 5.4 Information and advice available about careers in construction



Base: All sector leavers (200)

5.13 **Over two-fifths of early leavers felt that the advice and guidance they got about construction was not very good (43%).** This sentiment was more common among course leavers (55%) than apprentice or job leavers (37%).

Construction experiences prior to choosing construction

5.14 Seven in ten early leavers (71%) had spoken to someone who worked in the construction sector before pursuing their choice of construction. However, less than half (49%) had the more tangible experience of visiting a construction site, or had any work experience or work taster with a construction employer (42%). Three in ten (30%) had heard a talk at school from a construction employer. Encouragingly, only one in six had no experience of at least one of these (17%; results suggest this was higher for female and BME early leavers, but caution needs to be taken due to low base sizes).

5.15 From the employer perspective, around a third (34%) of employers felt that their apprentices and/or new entrants in the last couple of years (here referring to all such individuals, not just those that left early) were poorly prepared for working in the sector, higher than the quarter (23%) who felt they were well prepared. Much more common was the view that they were adequately prepared (39%).

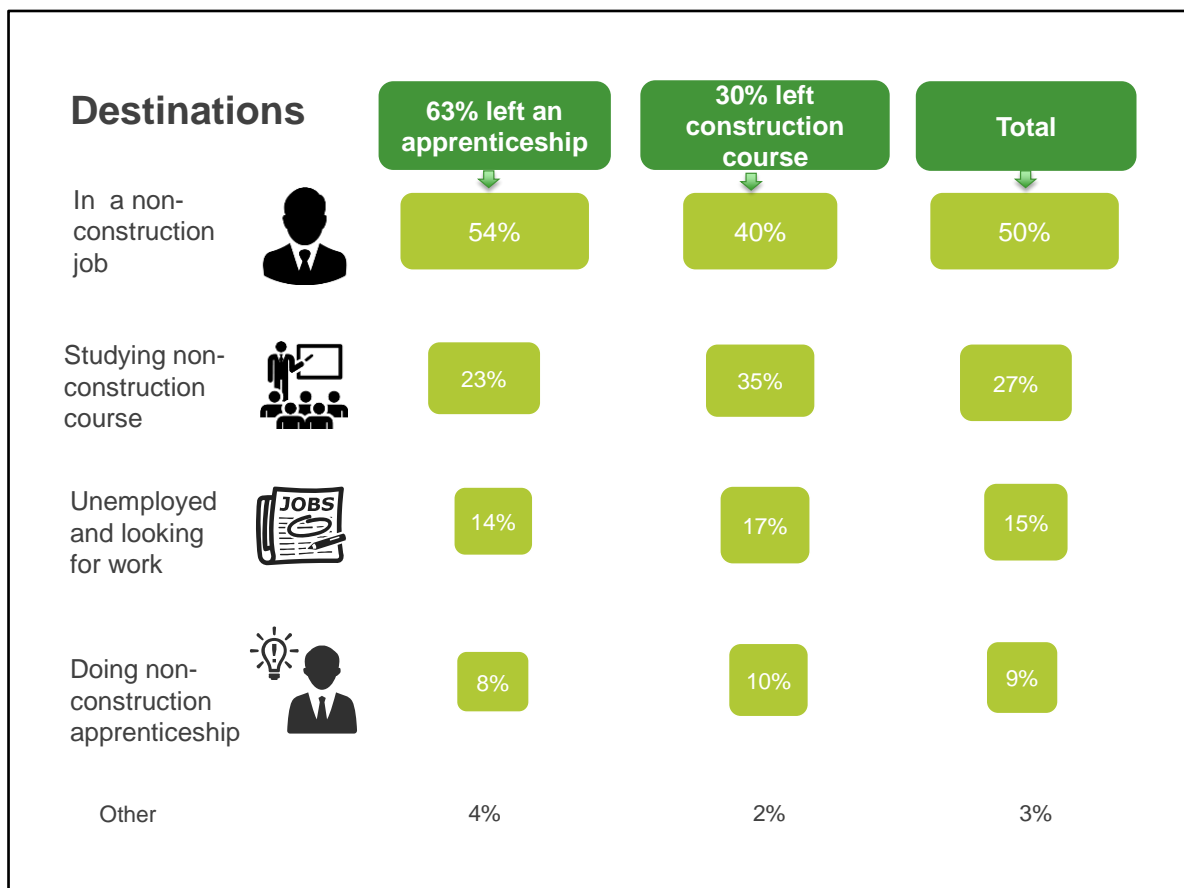
6 Destinations of early leavers

6.1 It is important that CITB understands which industries the construction sector is losing its workforce to, to build up a clearer picture of what draws individuals away from the sector. This chapter therefore explores what individuals tend to end up doing immediately after leaving the construction sector.

Individuals' perspective

6.2 Early leavers were asked about their current situation and why this alternative appealed to them over working in construction. Most were either working in a non-construction job (50%) or studying a non-apprenticeship course (27%). A minority were unemployed and looking for work (15%) or doing a non-construction apprenticeship (9%). Leavers of construction apprenticeships were more likely to be in a (non-construction) job (54%) than construction course leavers (40%), whereas course leavers had quite often started other courses (35% vs 23% among apprentice leavers).

Figure 6.1 Destinations of early leavers (as reported by leavers)

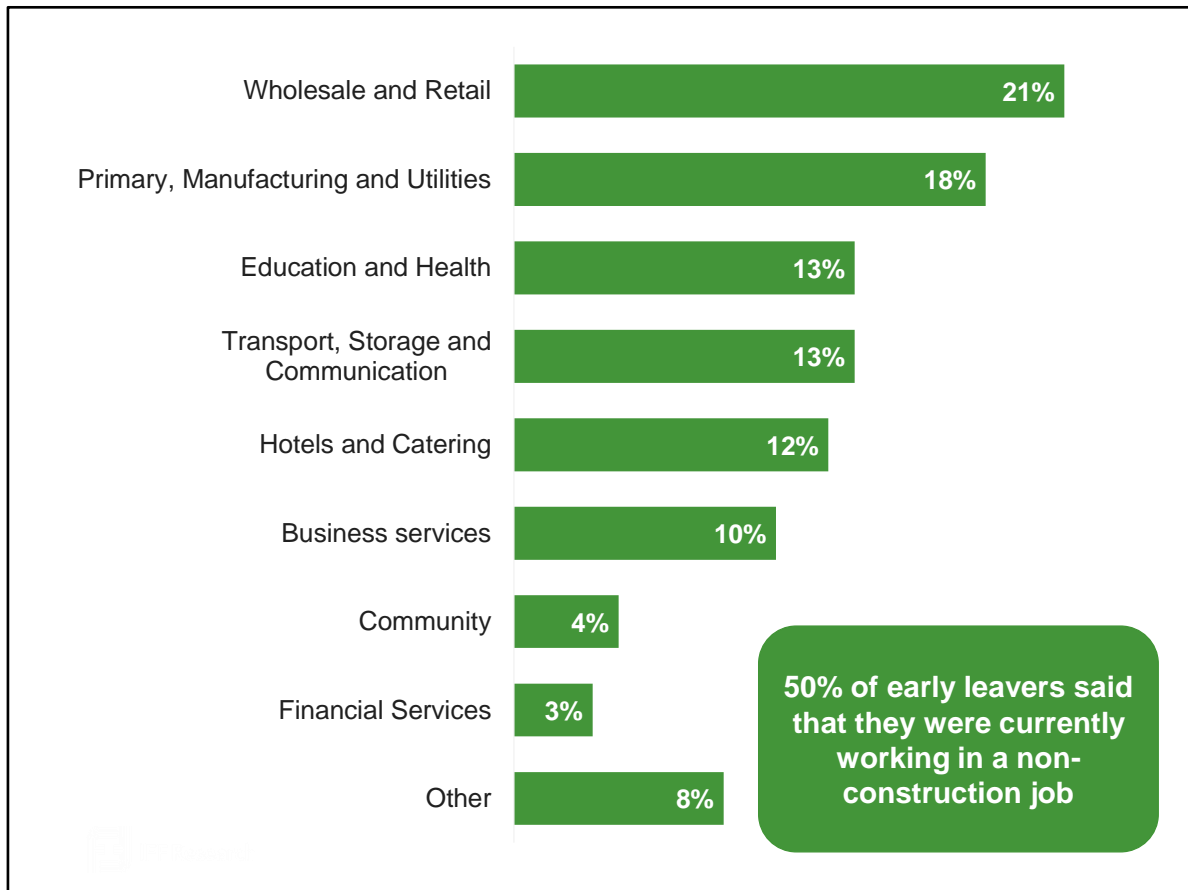


Bases: Apprenticeship early leavers (125); Non-apprenticeship course early leavers (60); All sector leavers (200);

Sectors and occupations attracting construction early leavers

6.3 As Figure 6.2 shows, those currently in work were employed across a range of sectors, most commonly Wholesale and Retail (21%) and Primary, Manufacturing and Utilities (18%).

Figure 6.2 Sector of current employer among early leavers

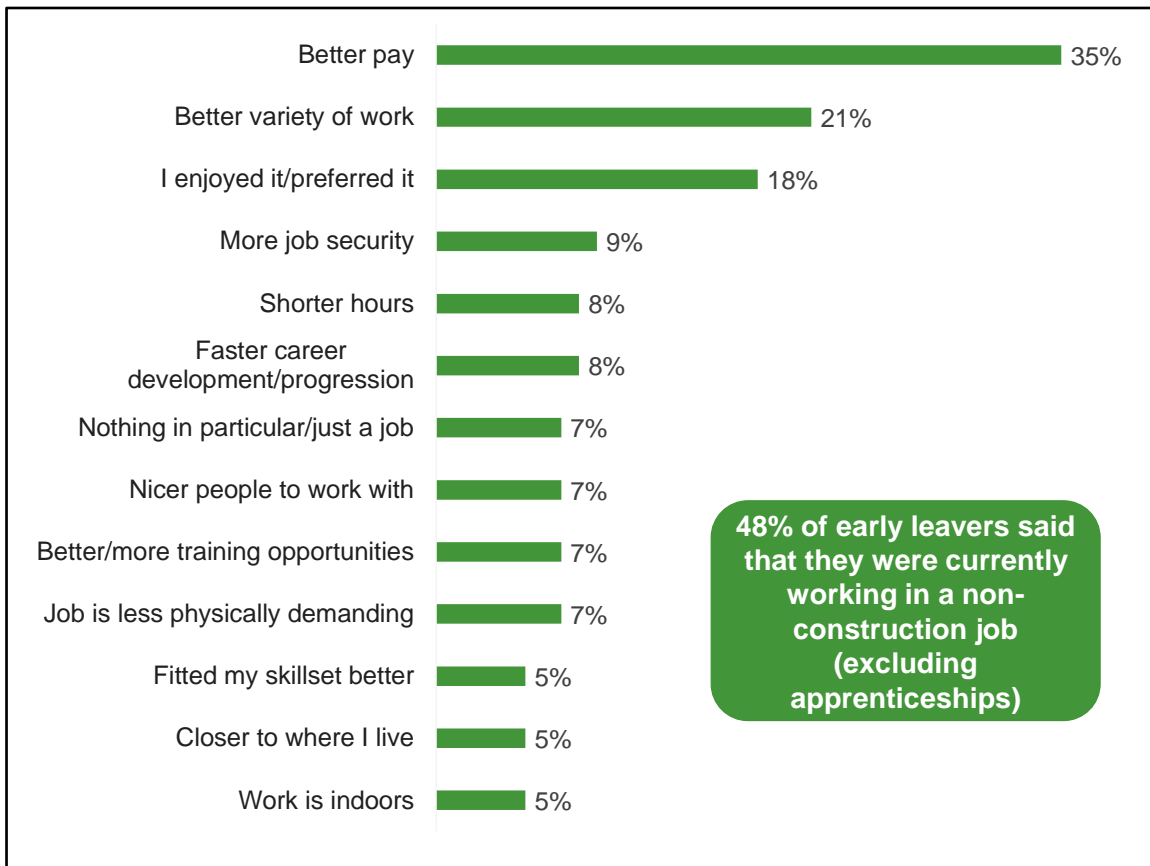


Base: All currently working in a non-construction job (112)

6.4 People were working in a wide range of occupational roles, most commonly elementary positions (25%, higher among course leavers than apprentice leavers) and sales and customer service roles (17%). Around one in eight of those working were working in skilled trades or associate professional roles (each 13%). Few were in managerial, professional or caring /leisure roles (each 5-6%).

6.5 Those working in non-construction jobs were asked what appealed to them about their current job over working in construction. Around a third mentioned better pay in their current job (35%), one-fifth preferred the variety of work (21%) and a similar proportion (18%) simply said they enjoyed it or preferred it to their previous construction job. A number of other reasons were mentioned including better job security, shorter hours, better career progression and more training opportunities (each 7% - 9%). Results are summarised in Figure 6.3.

Figure 6.3 What appealed about current job over working in construction (spontaneous)

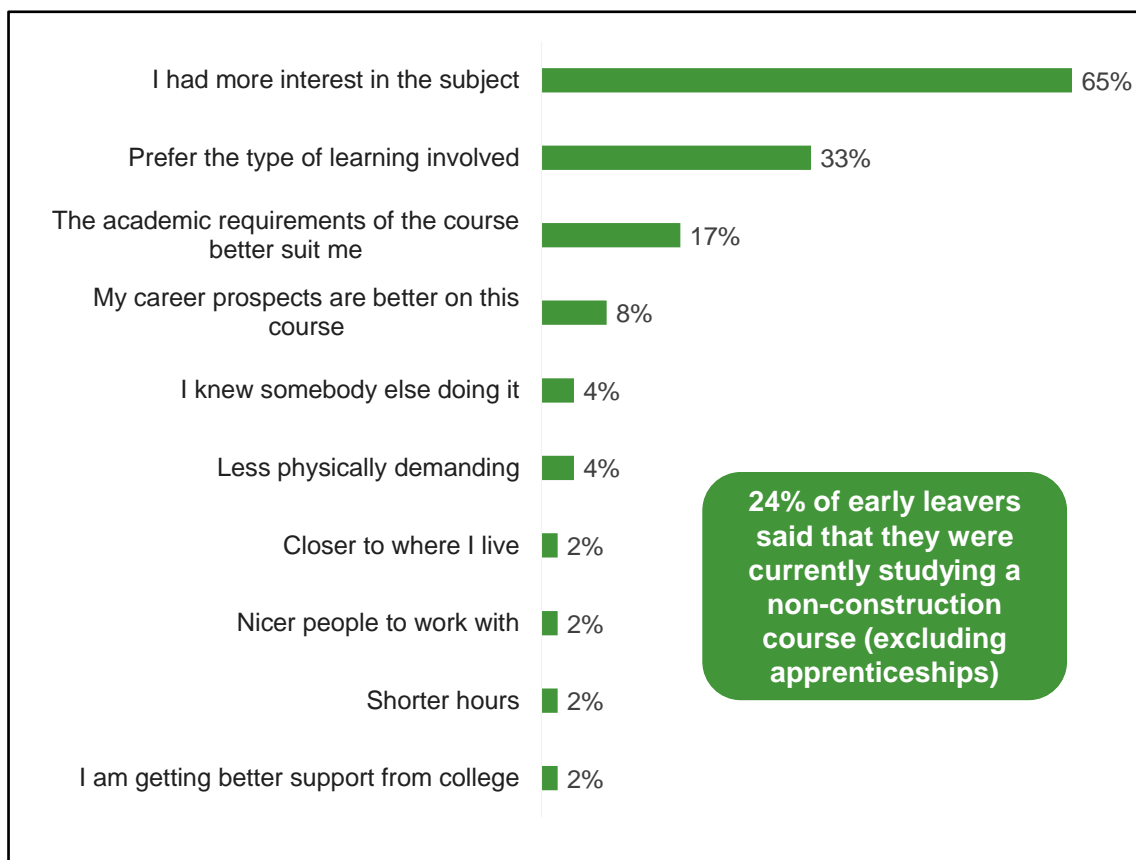


Base: All currently working in a non-construction job, excluding those now apprentices (95)

Courses attracting construction early leavers

- 6.6 Those who were now studying a non-apprenticeship course (around a quarter of our early leavers, a base size of 48 respondents answering) were studying a wide range of subjects such as Sports-related courses (15%), Computing/IT (10%), Motor vehicle engineering (8%), Business Studies (6%), Fitness and Coaching (6%), Creative Media (6%), Music (6%), Art and Design (4%) and Photography (4%).
- 6.7 Four-fifths of these individuals were studying at Level 2 or higher (79%; 23% were studying at Level 2, 33% at Level 3).
- 6.8 The most common reason their new course was preferred over continuing in construction was greater interest in the subject (65%), followed by preferring the type of learning involved (33%) or feeling better suited to the academic requirements of their new course (17%). Several other reasons were reported, as shown in Figure 6.4.

Figure 6.4 What appealed about studying their new course over one in construction (spontaneous)



Base: All currently doing a non-construction course, excluding those who said they were doing an apprenticeship (48)

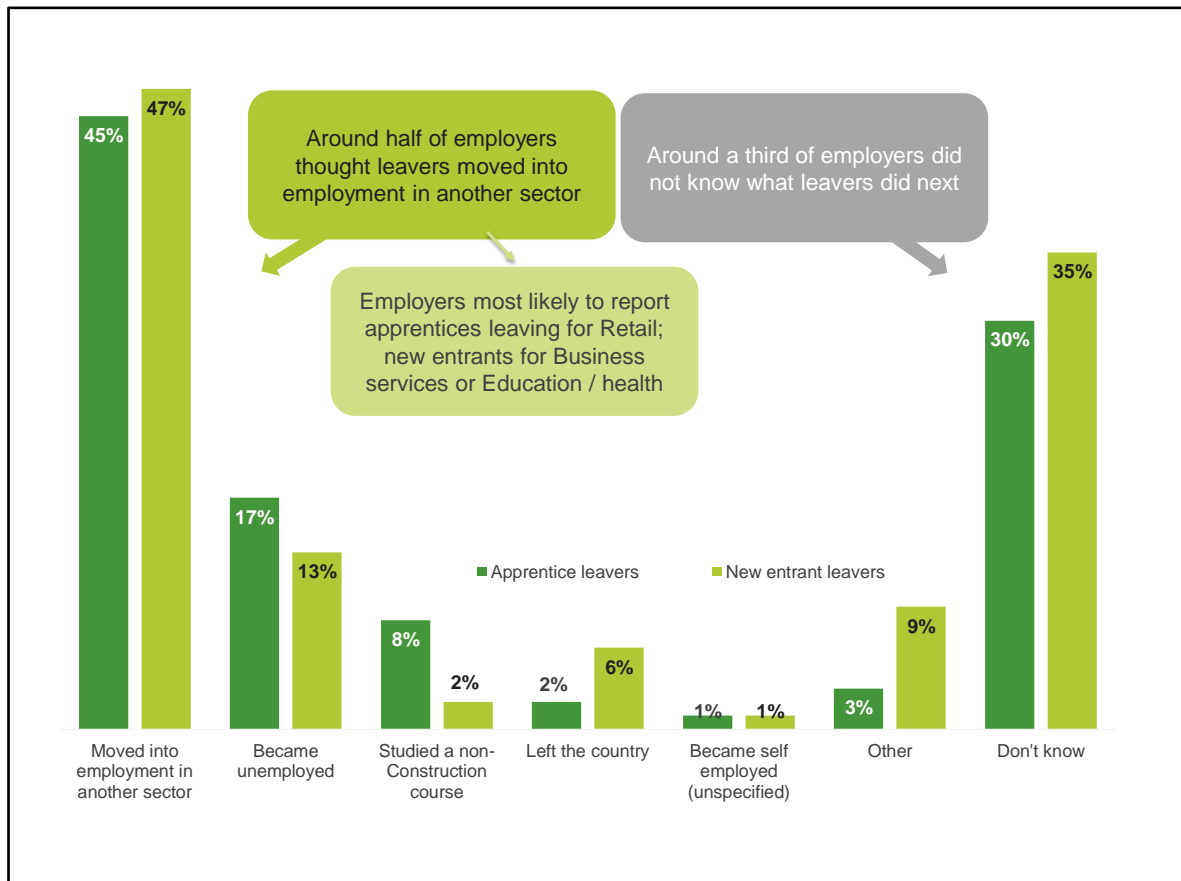
Apprenticeship destinations of construction early leavers

- 6.9 It is hard to generalise about what individuals starting a non-construction apprenticeship were doing in more depth, since this was the destination of only around one in ten of our cohort of early leavers, and results are based on just 17 respondents. Therefore, results in this section should be treated as indicative.
- 6.10 A wide range of apprenticeships were being undertaken, with just three mentioned by more than a single respondent: business administration, fashion, and service and maintenance (each mentioned by two). Others included motor mechanics, engineering, digital marketing, electrical engineering, IT, sport, and warehousing. Around three-fifths were undertaking Level 2 apprenticeships, with most of the remainder on Level 3, though one was on a higher apprenticeship, and two were unsure.
- 6.11 Those undertaking a non-construction apprenticeship were asked what appealed to them about this over a construction apprenticeship. The main reasons (each mentioned by 3-5 respondents) were having more interest in the subject, better pay, preferring the type of learning involved, better variety of work, and getting more support and guidance from their employer.

Employer perspective on early leavers destinations

6.12 Employers were asked about the destinations of new entrant and apprentice leavers. A high proportion of employers (around a third) did not know where they ended up, but for both types of leaver, employers were most likely to report them taking jobs in other sectors (mentioned by around half of employers), followed by leavers becoming unemployed. Results are shown on Figure 6.5.

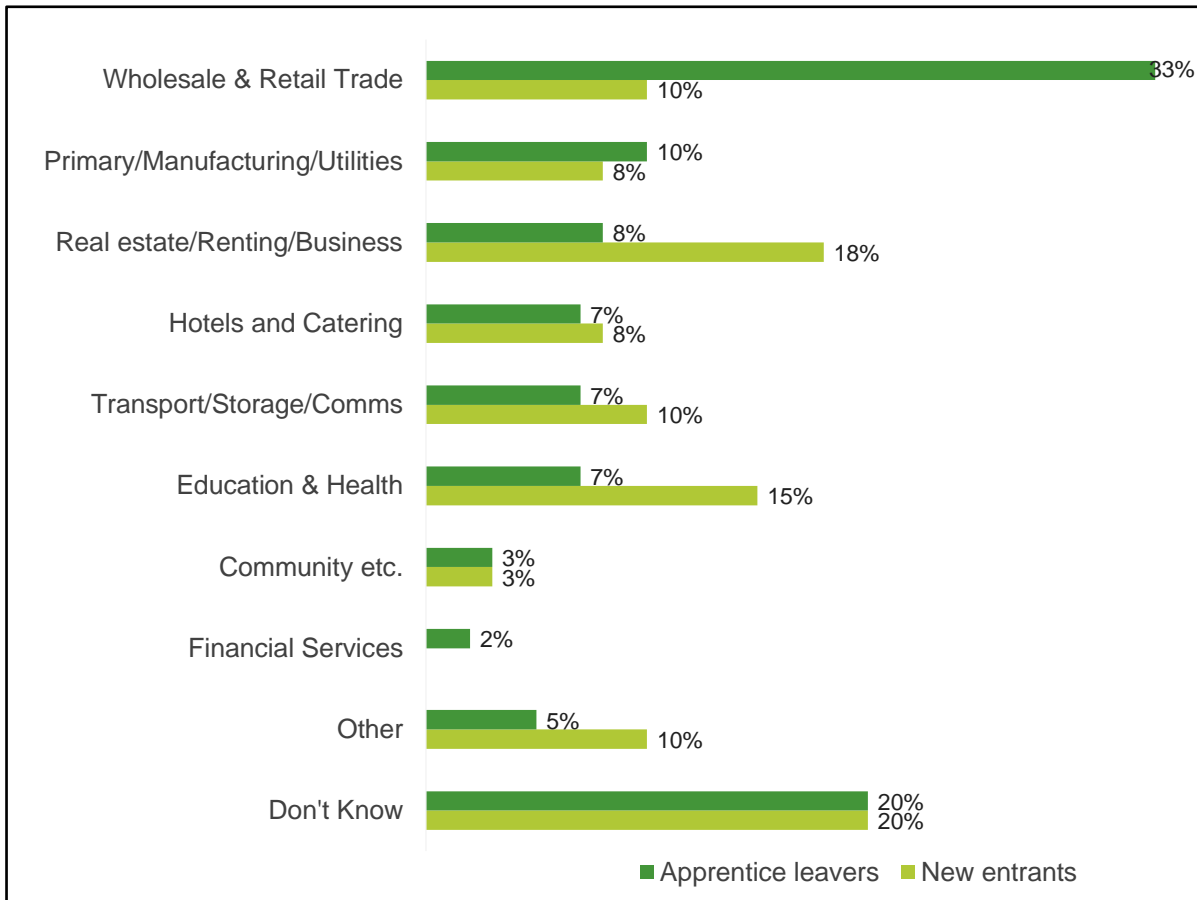
Figure 6.5 Employer perspective: what new entrants and apprentices do after leaving



Base: Employers with apprentice Leavers (131); New entrant leavers (86)

6.13 Where employers were aware of new entrants getting work in other sectors they typically ended up working in Business Services (18%), Education and Health (15%), Wholesale and Retail (10%), Transport, Storage and Communication (10%), Primary, Manufacturing and Utilities (8%) and Hotels and Catering (8%). In comparison, apprentice leavers were predominantly described as moving to Retail positions, as shown in Figure 6.6.

Figure 6.6 Employer perspectives: sectors that apprentices and new entrants typically worked in after leaving construction



Base: All employers that had apprentices move into employment in another sector (61); All employers that had new entrants move into employment in another sector (40)

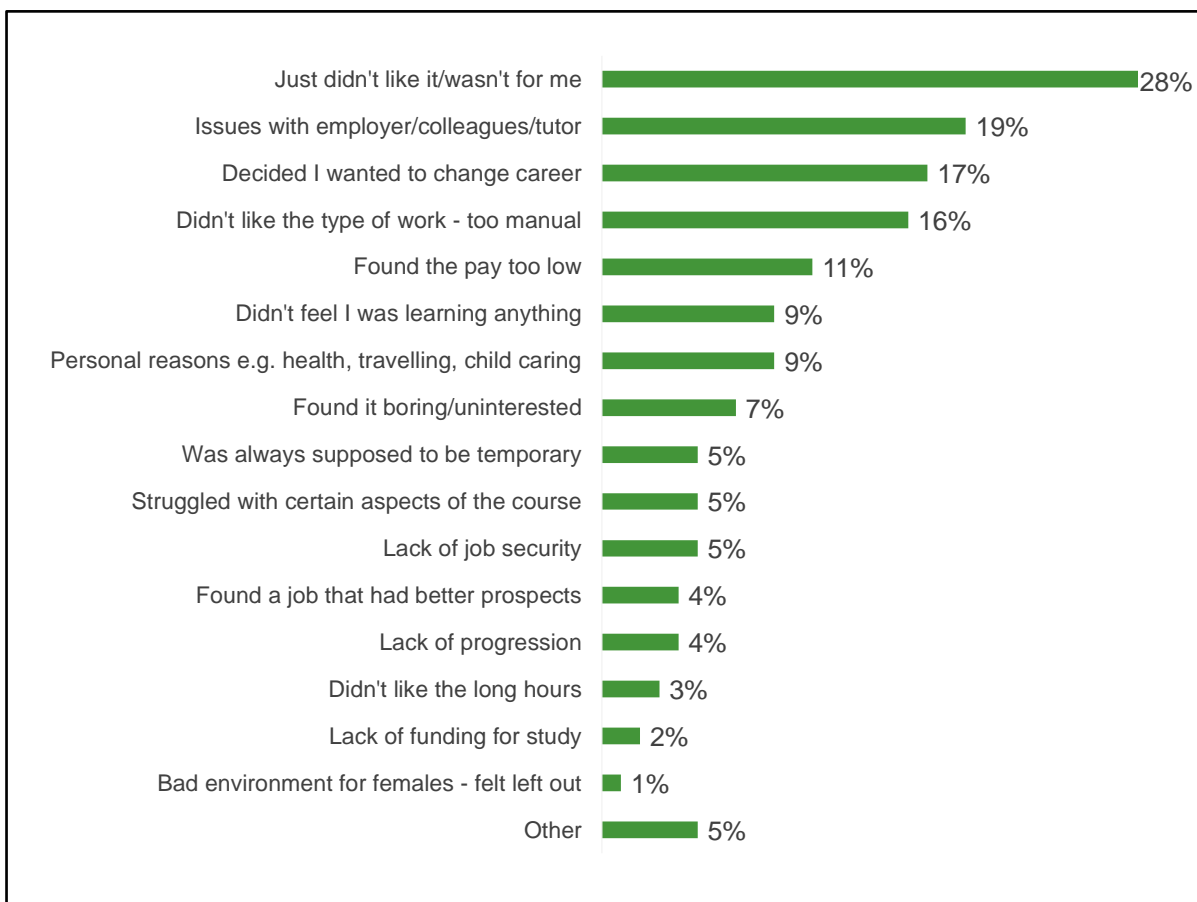
7 Reasons for early leaving

7.1 This chapter explores the reasons why people decide to leave the construction sector early in their careers, from the point of view of employers as well as individuals who have recently left the industry.

Individuals' perspective

7.2 The most common spontaneous reason why individuals had left construction was that they didn't like it or it wasn't for them (28%). Just under a fifth cited issues with their employer, colleagues or tutor (19%), wanted to change career (17%) or didn't like the type of work as it was too manual (16%). Around one in ten cited low pay, feeling that they were not learning anything, and personal reasons such as health or childcare. A long list of other reasons were given, as shown in Figure 7.1.

Figure 7.1 Reasons for leaving construction (spontaneous)

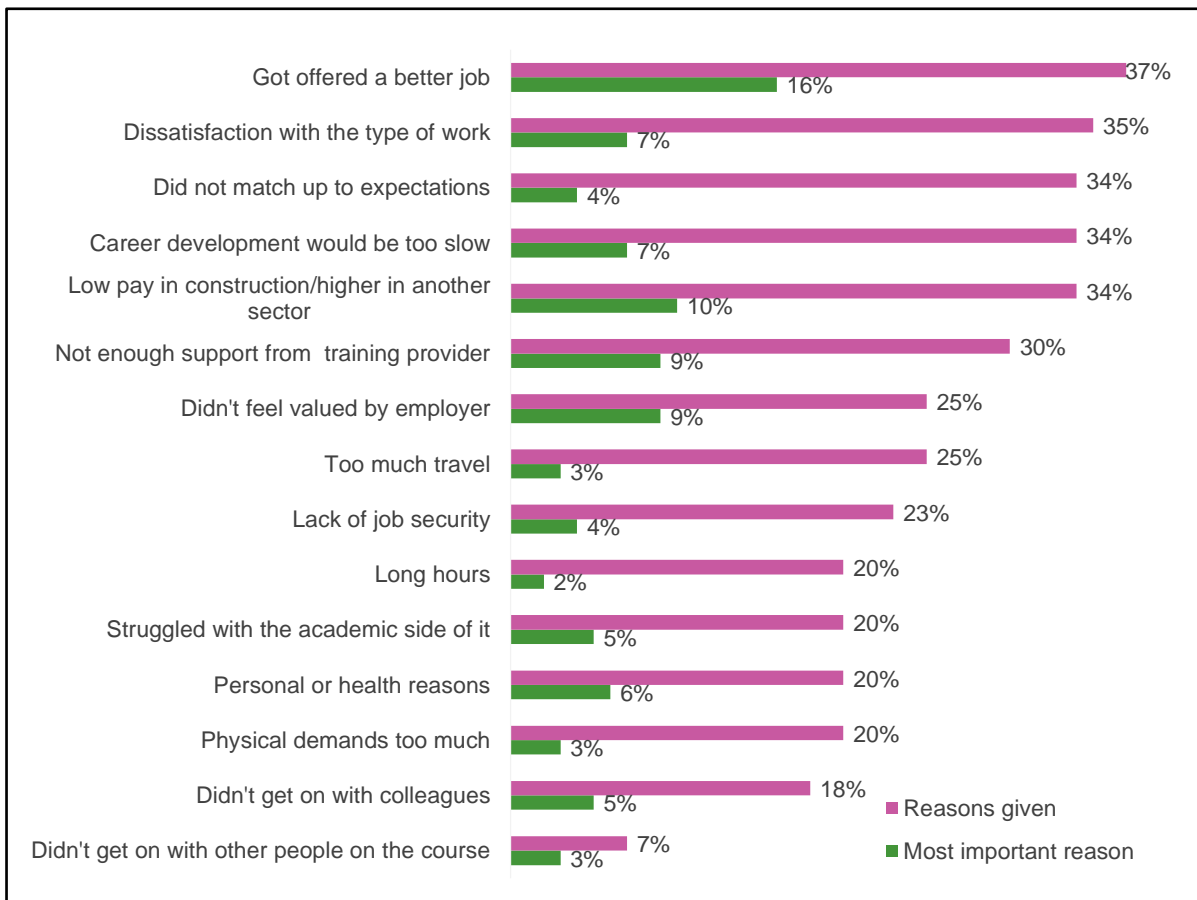


Base: All sector leavers answering (194)

7.3 There was a slightly different balance of reasons depending on whether they had left an apprenticeship or a college-based course. Apprentices were more likely to report a problem with the employer or colleagues (24%) than other learners were to mention issues with their tutors or other learners (9%). Conversely feeling their activity was just not for them was more common among course leavers (39%) than apprentices (23%). Pay was (of course) not an issue for learners, but was spontaneously mentioned by one in six apprentice leavers (17%).

- 7.4 When prompted, the most common reasons for not pursuing a career in construction, each mentioned by just over a third of employers, were getting a better job offer (37%, rising to just over half of those aged 20 plus), dissatisfaction with the type of work (35%) and what they were doing not matching expectations (34%). Around a third said that low pay in construction / higher pay in other sectors was a reason for leaving (34%; rising to two-fifths amongst those who said construction appealed because they had friends or family working in the sector) and the same proportion felt that that career development was or would be too slow in construction (rising to 42% amongst those for whom construction originally appealed because they did not need the highest academic qualifications).
- 7.5 Slightly less common factors were a lack of support from the training provider (30%), working in construction involving too much travel from site-to-site or job-to-job (25%), not feeling valued by their employer (25%) and a lack of job security (23%). A fifth mentioned the physical demands of working in construction being too much for them (20%).
- 7.6 Predictably, some of the work-specific responses were more likely to be cited by those leaving apprenticeships or jobs as opposed to courses, in particular low pay (40% vs. 22%), not feeling valued by their employer (mentioned by 39% of apprentice leavers), not getting on with colleagues (28% of apprentice leavers gave this reason and a similar proportion said this about other learners on their course (23%)), and the need for travel and a lack of job security. The physical demands of working in the sector were mentioned to a roughly equal extent by course and apprentice/job leavers, suggesting that the courses had given learners either an indication or experience of what work in construction entails.
- 7.7 A fifth of sector leavers said that they struggled with the academic requirements of their course or apprenticeship (there was little difference between course leavers and apprentices citing this reason). These individuals reported struggling with the numeracy and the maths skills required (28%), the amount of homework or coursework (25%) and the English or literacy skills required (20%). In addition, around a tenth of individuals who struggled academically cited issues with concentration (10%), having a learning disability (10%), and finding tests or exams difficult (8%).
- 7.8 Results are summarised on Figure 7.2. This also shows the single most important reason reported for not pursuing a career in construction. The most frequent single most important reason was getting offered a better job (16%), followed by low pay in construction or higher pay in another sector (10%), a lack of support from tutors (9%) and not feeling valued by their employer (9%).

Figure 7.2 Prompted reasons for not pursuing a career in Construction and single most important reasons



Base: All sector leavers (200)

7.9 The issue of getting on with work colleagues was asked about specifically: around three in ten apprentice and job leavers (29%) were dissatisfied with how they were treated by managers and or work colleagues. These respondents reported feeling bullied or disrespected (59%), that employers were uninterested or unhelpful (31%) or were not working in their preferred trade (15%).

7.10 We have seen that getting a better job is the most common and the single most important reason for leaving construction. Those who said that they were offered a better job most commonly reported that compared to construction their job was better paid (59%) and that they simply enjoyed it or preferred it (32%). Other reasons commonly mentioned for preferring their new role included shorter hours (16%), more opportunities or better career progression (12%), the office based nature of the role (10%) and it fitting their skill set better (10%).

7.11 Those that felt that working in construction did not meet their expectations (34% of all leavers, a base of 67 respondents) most commonly said this was because they were not working in their preferred trade (28%), thinking they would qualify sooner or expecting faster career progression (15%), having issues with their employer/colleagues/tutors (15%), the hard work involved in terms of hours and conditions (13%) and the physical, manual aspect of the work (12%).

7.12 Those whose expectations had not been met were asked about the source of the expectations that they had: some 'blamed' themselves or their own research (24%), friends or family (16%), careers advisors (15%), their own previous employment experiences (15%), people who used to work in construction (12%) or teachers (7%).

Employer perspective

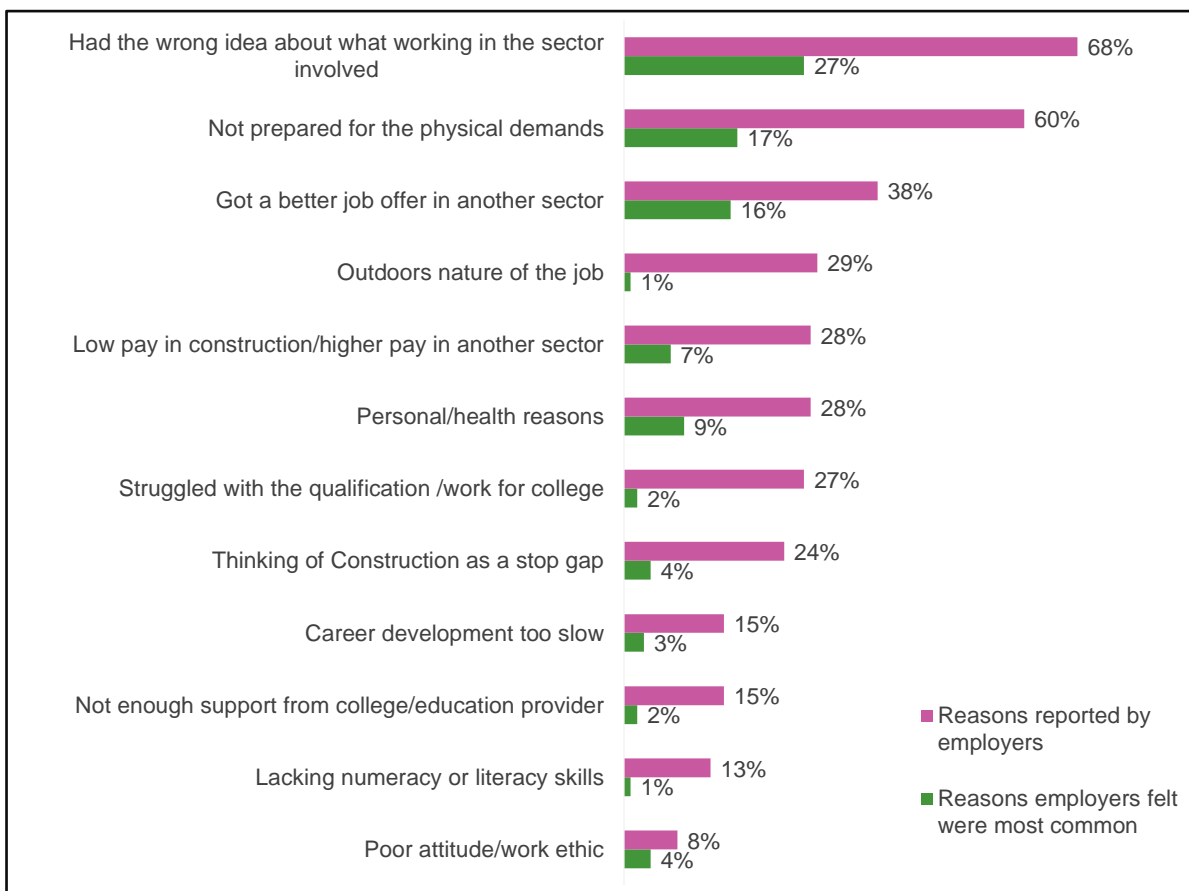
Apprentice leavers

7.13 The reasons employers felt that apprentices left the sector were comparable to the reasons cited by leavers themselves. By far and away the two most common reasons (to this prompted question) were:

- Individuals having the wrong idea about what working in the sector involved (68%; 27% said this was the single most common reason).
- Apprentices not being prepared for the physical demands of the job (60%; 17% said this was the single most common reason).

7.14 Other reasons were apprentice leavers getting a better job offer in another sector (38%; 16% said this was the most common reason), the outdoors nature of the job (29%), low pay in construction / higher pay in another sector (28%), personal / health reasons (28%) struggling with the qualification / college work (27%) and that they were thinking of construction as a stop-gap or short-term job (24%).

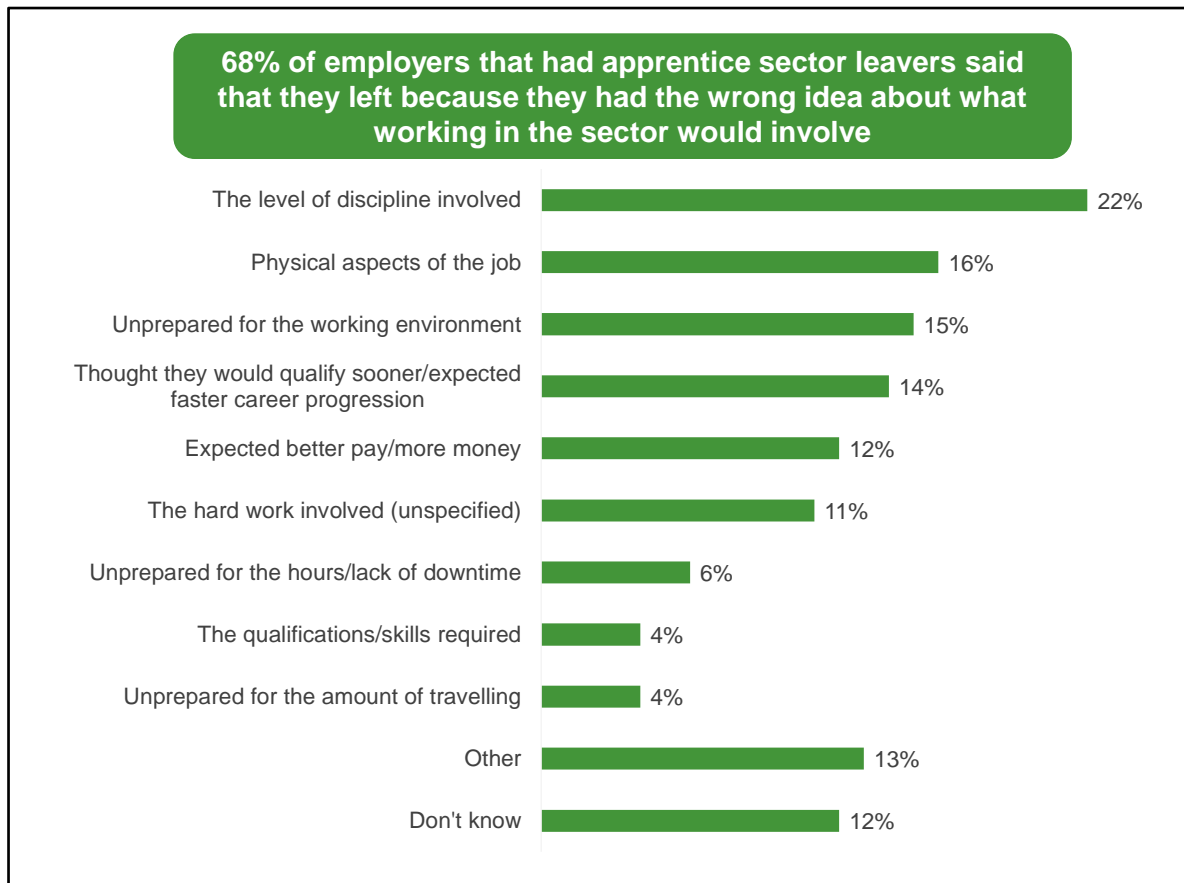
Figure 7.3 Reasons and most common reasons employers felt apprentices left the sector



Base: All employers that had apprentice sector leavers (135)

7.15 Those employers who said that they felt apprentice leavers had the wrong idea about what working in the sector would involve were asked what the most common misconceptions were. These were felt to be the level of discipline involved (22%), the physical aspects of the job (16%) and being unprepared for the working environment (15%), though a long list of misconceptions were suggested, as shown in Figure 7.4.

Figure 7.4 Most common misconceptions employers felt apprentices had



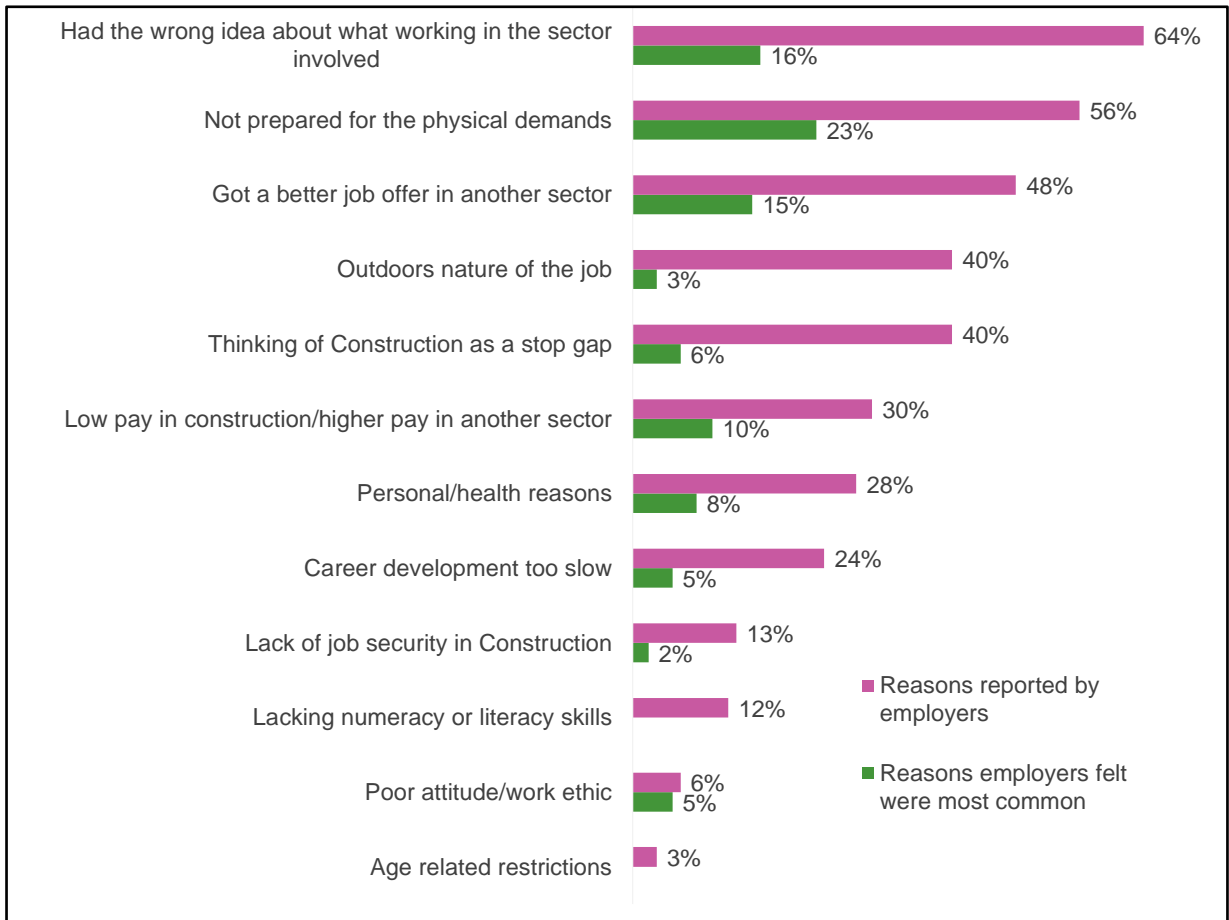
Base: All employers (answering) that said their apprentice leavers had the wrong idea about what working in the sector would involve (85)

New entrant leavers

7.16 The reasons employers felt that new entrant (first job leavers) left the sector were similar to the reasons given for apprentices; two-thirds felt that new entrants had the wrong idea about what working in the sector involved (64%), over half felt new entrants were not prepared for the physical demands of the job (56%) and around half said new entrants got a better job offer in another sector (48% - employers are more likely to think this a factor for new entrants than for apprentices). Other reasons included thinking of construction as a stop gap (40%), the outdoors nature of the job (40%) and low pay in construction / higher pay in other sectors (30%).

7.17 The reasons which employers felt were the single most common were new entrants not being prepared for the physical demands of working in construction (23%), having the wrong idea about what working in the sector involved (16%), getting a better job offer in another sector (15%), and low pay in construction (10%).

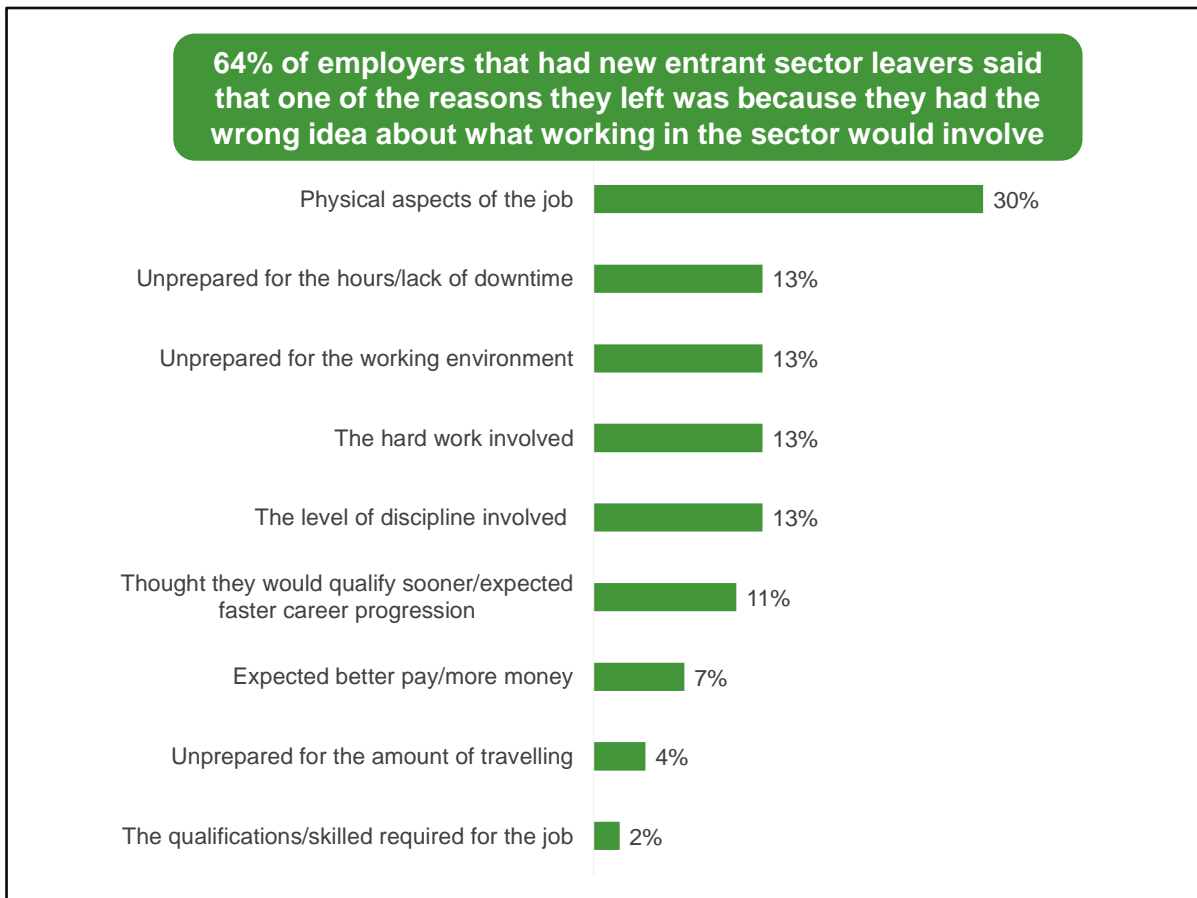
Figure 7.5 Reasons and single most common reason employers felt new entrants left the sector



Base: All employers that had new entrant sector leavers (86)

7.18 The two-thirds of employers who said that new entrants had the wrong idea about what working in the sector would involve were asked what they felt the most common misconceptions were. Around a third felt they most commonly had misunderstood the physical aspects of the job (30%), whilst one in eight (13%) felt they had misconceptions about the level of discipline involved, the physical nature of the work, being unprepared for the working environment and unprepared for the hours. Several other misconceptions were reported as most common, as shown in Figure 7.6.

Figure 7.6 The most common misconceptions employers felt new entrants had



Base: All employers (answering) that said their new entrants had the wrong idea about what working in the sector would involve (54)

7.19 Evidence that both apprentices and new entrants tend to leave the sector because of having the wrong idea about what working in the sector involves tally with the findings from the qualitative phase of the research, in which employers highlighted a lack of preparation for the physical nature of the job and a lack of understanding about the realities of working in construction. Employers suggested that perceptions of the industry were informed by popular television shows which made work in the sector seem ‘glamorous’.

‘Well we as kids were outdoors. Now they sit indoors, don’t interact with people, sit on their computers. [...] They don’t realise it’s hard work, needs hard graft.’

Employer (2,200 employees)

8 Impacts of early leaving for employers

8.1 So far this report has explored the nature of and reasons for early leaving from the construction sector, and the destinations of these leavers. In this chapter, we explore the extent construction employers consider early leaving to be a problem – of course all the employers covered in the research had experienced recent cases of apprentices or new entrants leaving the sector, hence these are not representative of all construction employers.

Extent to which early leaving is a problem for employers

8.2 **Overall, around three-fifths (62%) of employers who had apprentices or new entrants leave them and the sector felt this early leaving was a problem for their business, indeed over a quarter (28%) considered it a ‘major’ problem.** This did not differ between whether the early leaving was in relation to apprentices or other new entrants. Employers operating in the Building completion and finishing sector were more likely than average to say it was a major problem (41%), as were multi-site businesses (34%, compared with 16% of single-site businesses). Approaching two-fifths (38%) said that early leaving was ‘not really an issue at all’, suggesting that for these employers they were relatively isolated instances. Indeed, those with multiple apprentice or new entrant sector leavers were far less likely to say early leaving was not an issue (24% and 19% respectively).

8.3 Employers were also asked whether early leaving amongst apprentices and new entrants had become more common in the last 2-3 years. Many more said early leaving was becoming more common (38%) than felt it was reducing (8%); around half (47%) said there has been no recent change. **Hence on balance the results suggest that overall the scale of early leaving is growing.**

The impacts of early leaving

8.4 The most common impacts of early leaving for employers are the costs, both in terms of time and money spent on those who leave. Three in ten of the employers interviewed said that early leaving wastes their time (29%) and a quarter (24%) had been financially affected by early leaving, with some specifically mentioning increased training and recruitment costs (11%). A sizeable proportion also mentioned early leaving increasing the workload of other employees (14%) and creating a skills gap (7%). Other common impacts of early leaving spontaneously mentioned by employers are shown in Figure 8.1.

Figure 8.1 Impacts of early leaving on businesses (spontaneous)



Base: All employers with early leavers (200)

8.5 Those with 10-99 staff were more likely than average to say that early leaving has created a skills gap, while employers with 100+ staff were more likely than average to report that it affects staff morale (reported by one in ten in each case)

Impact on business costs

8.6 Employers indicated that they spent a mean average of £575 (to the nearest £25) recruiting each individual apprentice or new entrant that they took on (median: £375). Excluding employers who reported no costs involved (19%), the average spend increases to £725 per apprentice or new entrant (median: £450).

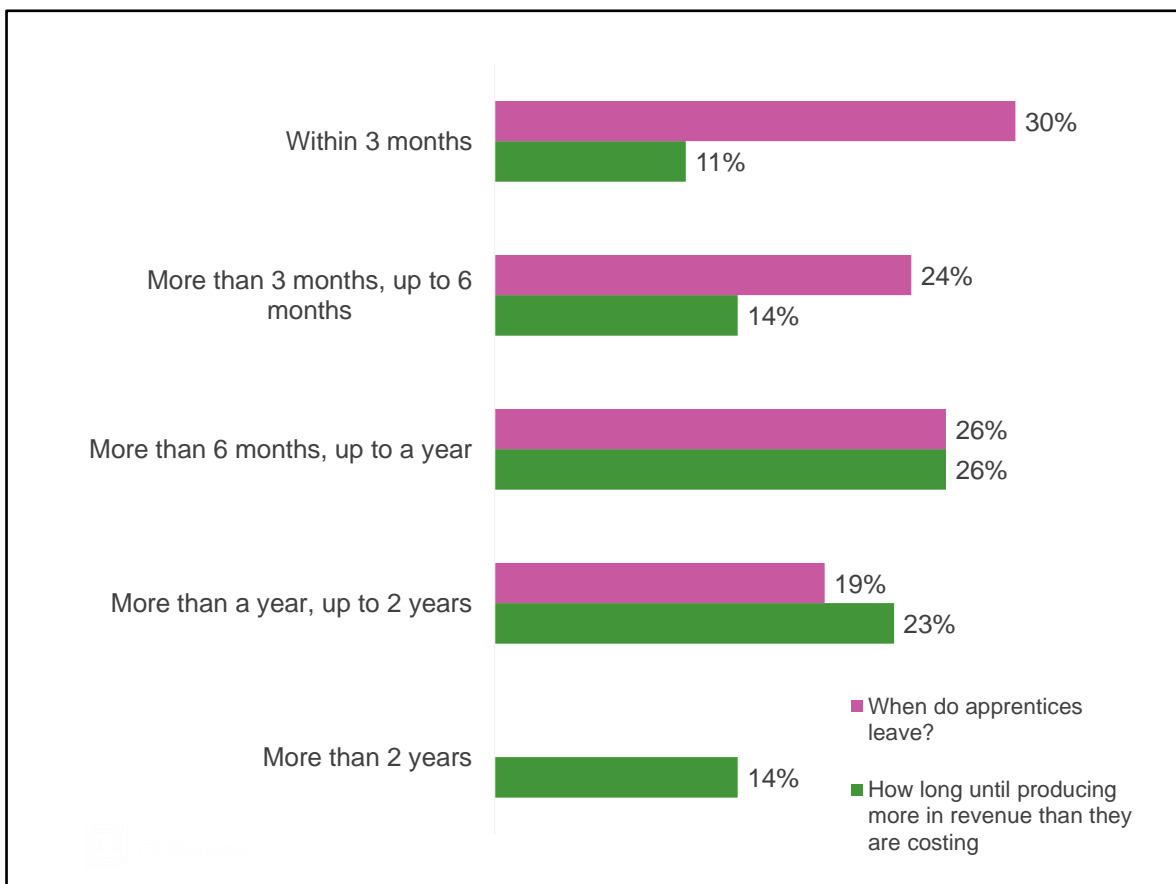
8.7 Recruitment costs varied by size; small employers spent a mean average of £500 on each apprentice or new entrant recruit, compared with £525 spent by medium-sized employers and £700 by large employers. Nevertheless, smaller employers were more far more likely to report no costs (36%, compared with only a fifth of medium-sized employers (19%) and 7% of large employers; this suggests quite heavy reliance on word of mouth and informal methods of recruitment among smaller employers). Including only those who reported any cost of recruitment, it was medium-sized employers that spent the least – a mean average of £675, compared with £775 spent by small employers and £800 by large employers.

8.8 Clearly employers may get useful output and value from their investment in apprentices who leave before completing or other new entrants who leave the sector within their first couple of years. To this end, employers were asked how soon apprentices and new entrant leavers tend to leave and how soon they become an asset.

8.9 Figure 8.2 shows results for apprentices. This suggests a wide variety of experience. For example, three in ten say apprentices tend to leave in the first three months, while one in five report this tending to occur between one and two years after starting their apprenticeship. Overall, slightly more report apprentices leave them (and the sector) within six months of starting (55%), than say this tends to occur later (44%).

8.10 Similarly, there was a wide range of views as to how soon apprentices are producing more in revenue than they are costing in wages and training costs. For some this occurs within three months of starting (11%), while at the other extreme a similar proportion felt this takes more than two years (14%). Overall, half (51%) said it took a year or less. Results suggest that for most employers early leaving is a net cost: as shown in Figure 8.2 over half of employers say apprentices tend to leave within six months, but only a quarter of employers feel apprentices produce more than they cost by this point.

Figure 8.2 How long apprentice leavers tend to stay with employers, compared with how long it takes for them to be producing more in revenue than they are costing their employers

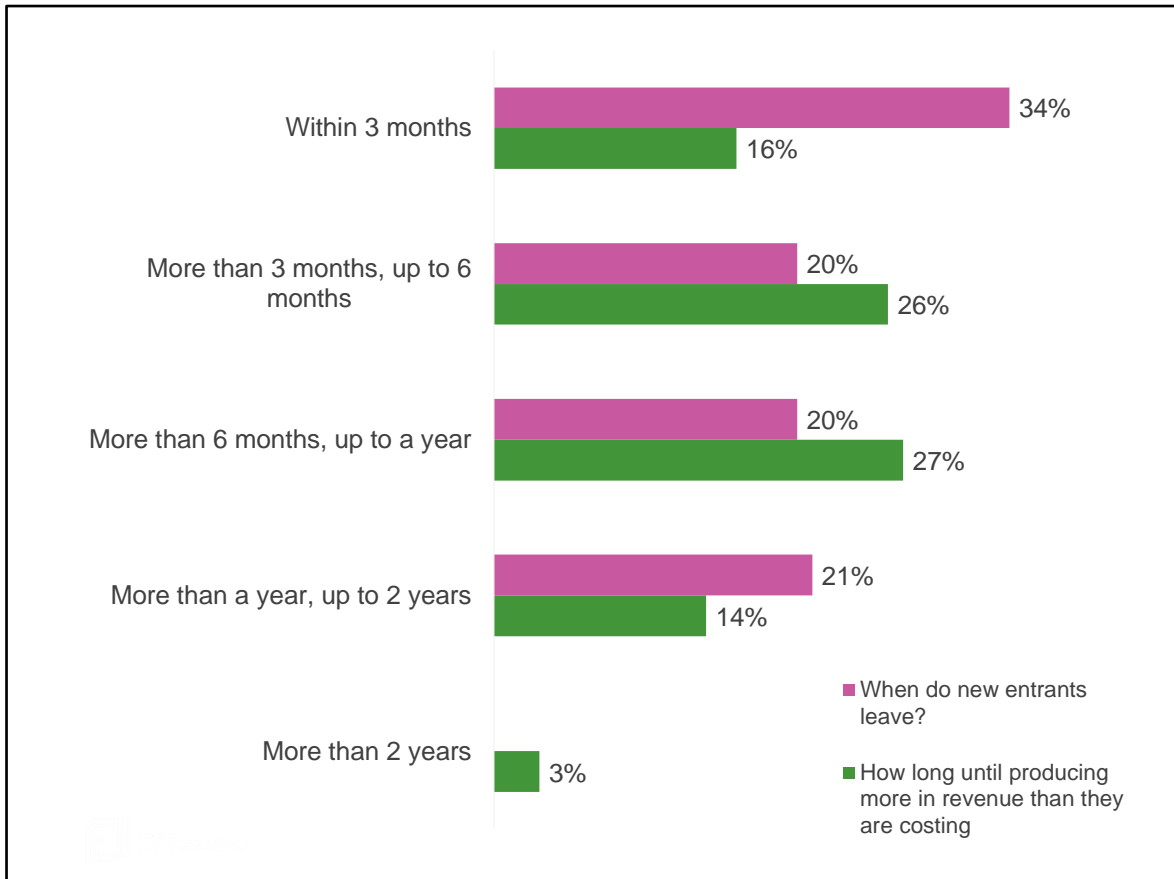


Base: All businesses that had apprentice sector leavers (135)

N.B. 'Don't know' responses not shown in the chart (1% did not know when apprentices tended to leave; 12% did not know how long it took for apprentices to be producing more in revenue than they were costing their business).

8.11 The pattern is similar for new entrants, as shown in Figure 8.3, particularly for how soon they tend to leave. A third say this tends to be within 3 months and a half say this is within the first 6 months. The main difference compared with apprentices, is new entrants are productive quicker (and very rarely does it take two years for them to become a net contributor).

Figure 8.3 How long new entrants tend to stay with employers, compared with how long it takes for them to be producing more in revenue than they are costing their employers



Base: All businesses that had new entrant sector leavers (86)

N.B. ‘Don’t know’ responses not shown in the chart (6% did not know when apprentices tended to leave; 14% did not know how long it took for apprentices to be producing more in revenue than they were costing their business).

Likelihood of taking on apprentices and new entrants in the future

8.12 A potential concern of early leaving for the industry is if employers consequently become more reluctant to invest in the development of apprentices and new entrants in the future. Overall, the evidence suggests that early leaving is unlikely to have this impact. **Approaching half (47%) of employers that had apprentices leave their organisation before completing said they expected their recruitment of apprentices to stay at the same levels over the next few years, indeed around a third expected the number to increase (36%, compared to just 12% expecting a decrease).**

- 8.13 Large employers with 100+ staff were particularly likely to expect an increase (55% vs. 13% a decrease); though an increase was also evident among those with 10-99 staff (31% vs. 10% expecting a decrease). Among micro firms with fewer than 10 staff opinion was split (14% expecting an increase vs 18% a decrease), though for these firms, as well as those with 10-99 staff, just over half expect no change. These findings suggest that size more than experiencing early leaving of recent apprentices drives apprenticeship recruitment behaviour (and of course this may be influenced by the apprenticeship levy coming into effect from April 2017).
- 8.14 Of the 17 employers who expected recruitment of apprentices to decrease, around half said their recent experience of early leaving influenced this decision to a great extent (3) or somewhat (6).
- 8.15 Similarly, evidence suggests that early leaving amongst new entrants is unlikely to have a detrimental impact on recruitment levels: the vast majority of businesses that had experienced early leaving amongst this group expected recruitment to entry level positions to increase (47%) or stay at about the same level (41%) - just 8% expected it to fall. Of the eight respondents who expected their recruitment of individuals to entry level positions to decrease, four said their recent experiences of early leaving amongst this group had influenced this expectation (one to a great extent, for the others it was an influencing factor).

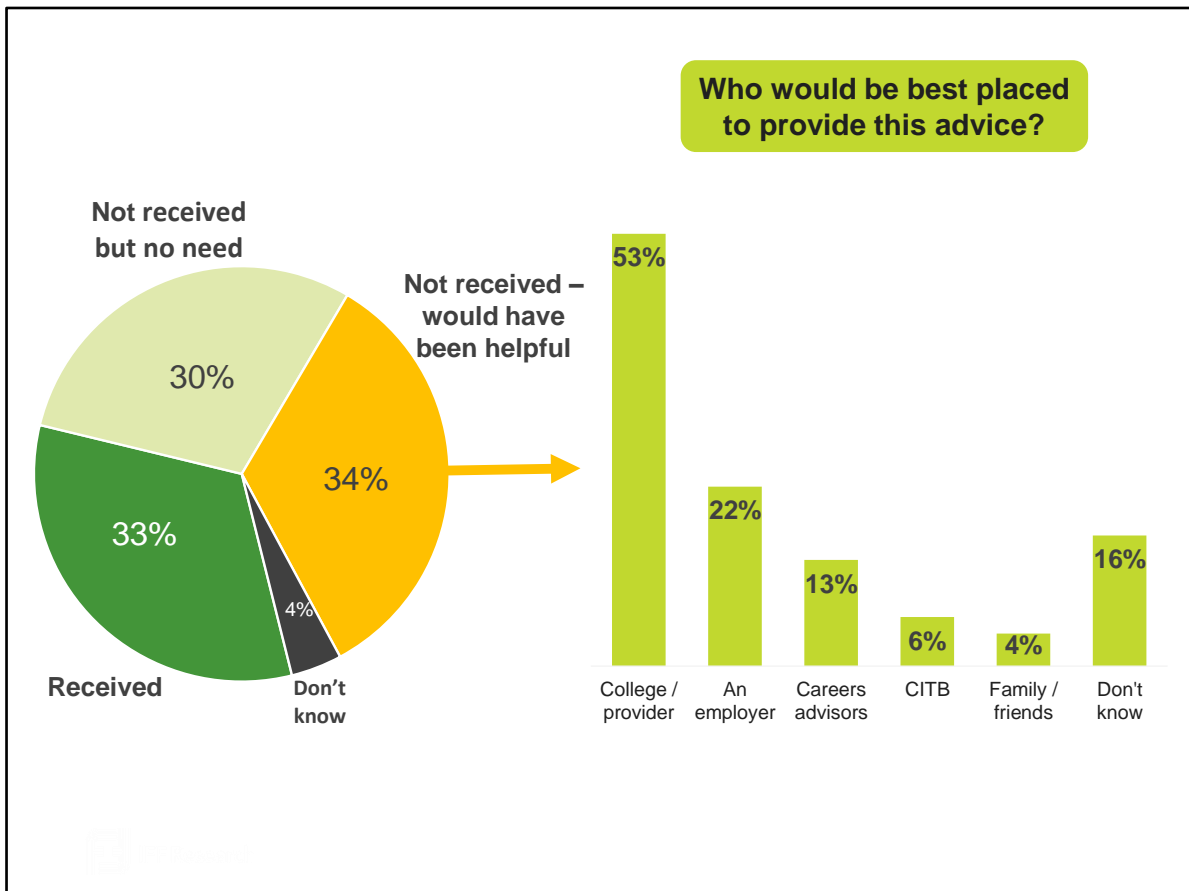
9 Addressing early leaving in the Construction sector

- 9.1 As well as understanding the scale and nature of early leaving within the construction sector, the research explored what employers are currently doing to reduce early leaving and what more could be done, not only by employers, but by the wider construction industry and CITB specifically.

Whether individuals receive and would like guidance at the time they leave, and what might have made them stay

- 9.2 In determining how best to address early leaving in the construction sector it is first worth considering what steps individuals took before leaving the sector. **Overall, only a third (33%) of sector leavers received advice or guidance before deciding to leave the sector** (though rising to over half in Scotland and Wales). For those leaving courses early this was typically from their provider (a quarter of all course leavers received advice about this from their college), though some discussed it with family and friends or with a careers adviser. Where individuals had left an apprenticeship before completing and had received advice or guidance about this decision, a variety of sources had been used, most commonly family and friends (consulted by 14% of all apprentice early leavers) or their provider (11%), but also their employer (8%) or CITB (7%).
- 9.3 Findings indicate more could be done to help individuals access advice or guidance at the point when they are 'wavering' about their future in construction. **Of those that had not received advice or guidance prior to making their decision to leave the sector, half felt advice and guidance would have been helpful (51%). Put another way, a third of all early leavers (34%) did not receive advice and guidance when considering leaving but felt this would have been beneficial.** The desire for advice and guidance was widespread across different types and demographic of leaver.
- 9.4 Where individuals would have liked advice or guidance when thinking about leaving, it was most common for these leavers to feel their college or provider would have been best placed to offer this advice and guidance (53%, rising to two-thirds of course leavers). Around a fifth (22%) felt an employer would have been best placed to advise them, one in eight (13%) mentioned careers advisors and some mentioned CITB (6%). One in six of those that would have liked advice did not know who would have been best placed to provide this – this is equivalent to **6% of all early leavers not getting but wanting advice and guidance, but not knowing who would be best placed to support them.**

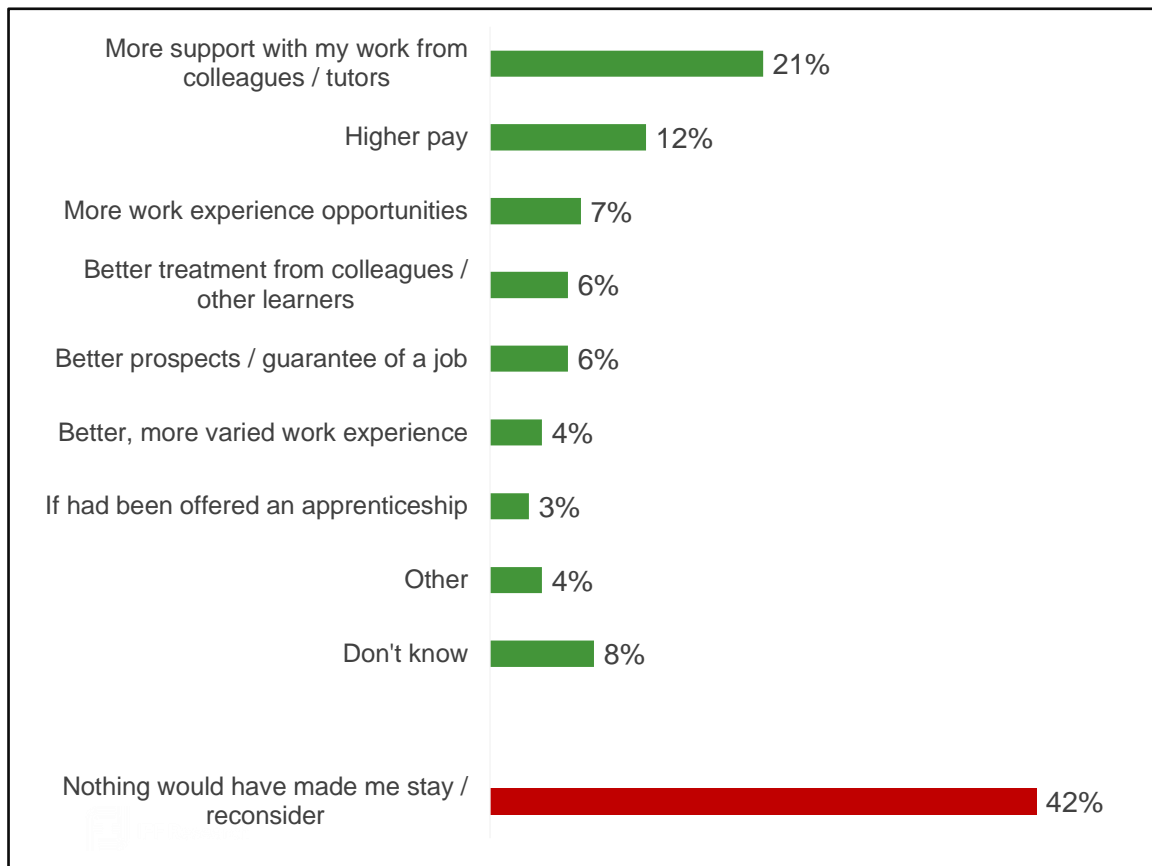
Figure 9.1 Use of advice or guidance when deciding to leave the sector



Bases: All sector leavers (200); All individuals that did not receive advice or guidance but would have found it useful (68)

- 9.5 Encouragingly, evidence suggests that **not all of those who have left construction are permanently lost to the sector**: three in ten (30%) considered themselves quite (20%) or very likely (10%) to return to the construction sector again in the future. The rest were fairly evenly split between those not very (37%) or not at all likely (31%) to return to construction.
- 9.6 When sector leavers were asked what could have encouraged them to stay in the sector, half said nothing could have been done (42%) or were unsure (8%). **Most commonly sector leavers said that they would have been encouraged to stay had they had more support with their work from colleagues and tutors (21%), while a relatively high proportion mentioned higher pay (12%).** Other suggestions for what might have encouraged sector leavers to stay are shown in Figure 9.2.

Figure 9.2 What would have encouraged leavers to stay in the construction sector (spontaneous)



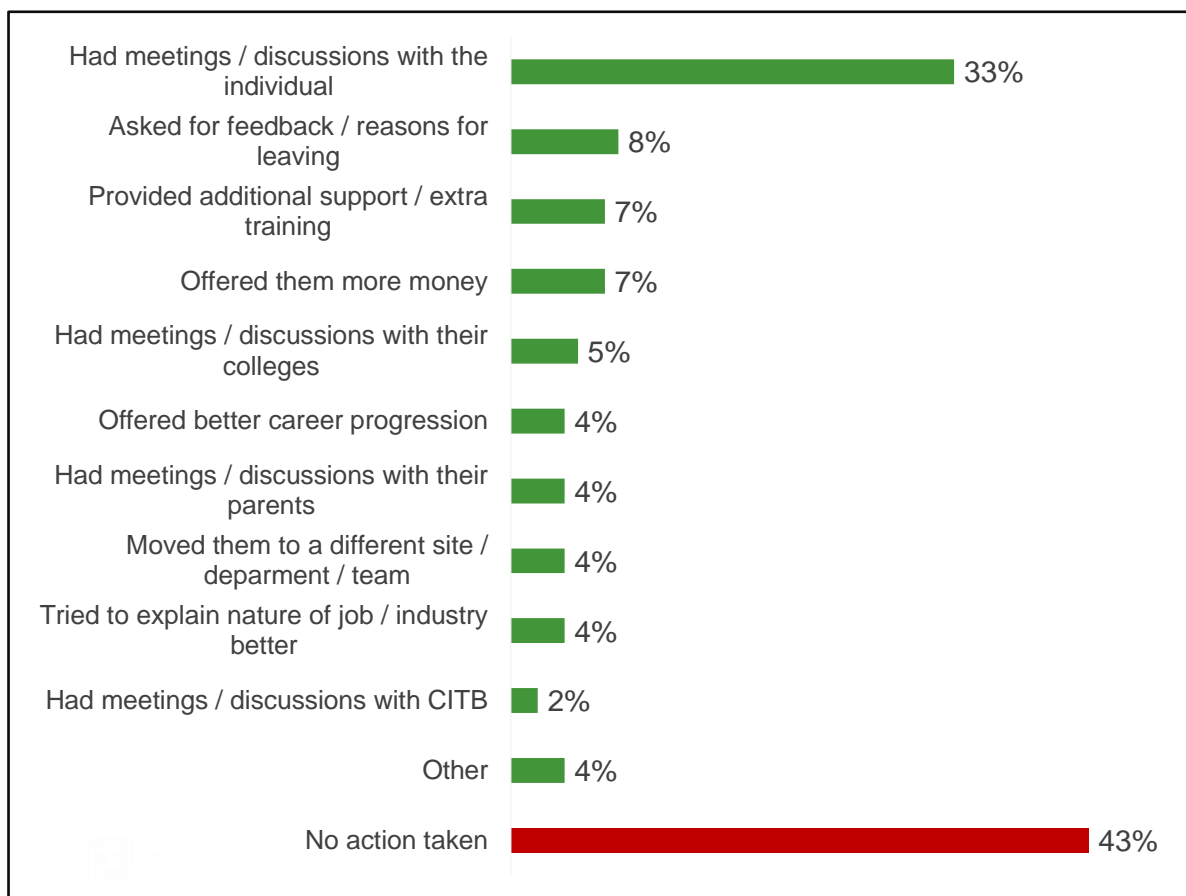
Base: All sector leavers (200)

Steps taken by employers to reduce early leaving

9.7 Although we have seen that employers are not the primary source of advice and guidance for sector leavers, even for apprentices, clearly employers have an important role to play in helping to reduce early leaving and increase retention. However, **over two-fifths (43%) of employers that had experienced recent early leavers indicated they had taken no action to try to retain these specific individuals**. Large employers were far less likely to have done nothing (20%), suggesting small and medium employers have either fewer structures or processes, or less time they can spend on these issues.

9.8 Where employers had taken steps, this was most often meetings or discussions with the individual/individuals (33% of all employers), with some asking for feedback on why they wanted to leave (8%), often at an 'exit interview'. More active steps included offering to provide additional support or extra training (7%), offering them higher pay (7%) or discussing the issue with their provider (5%). The range of steps are listed in Figure 9.3.

Figure 9.3 Steps taken by employers to retain the apprentices / new entrants who decided to leave the sector (spontaneous)



Base: All employers with sector leavers (200)

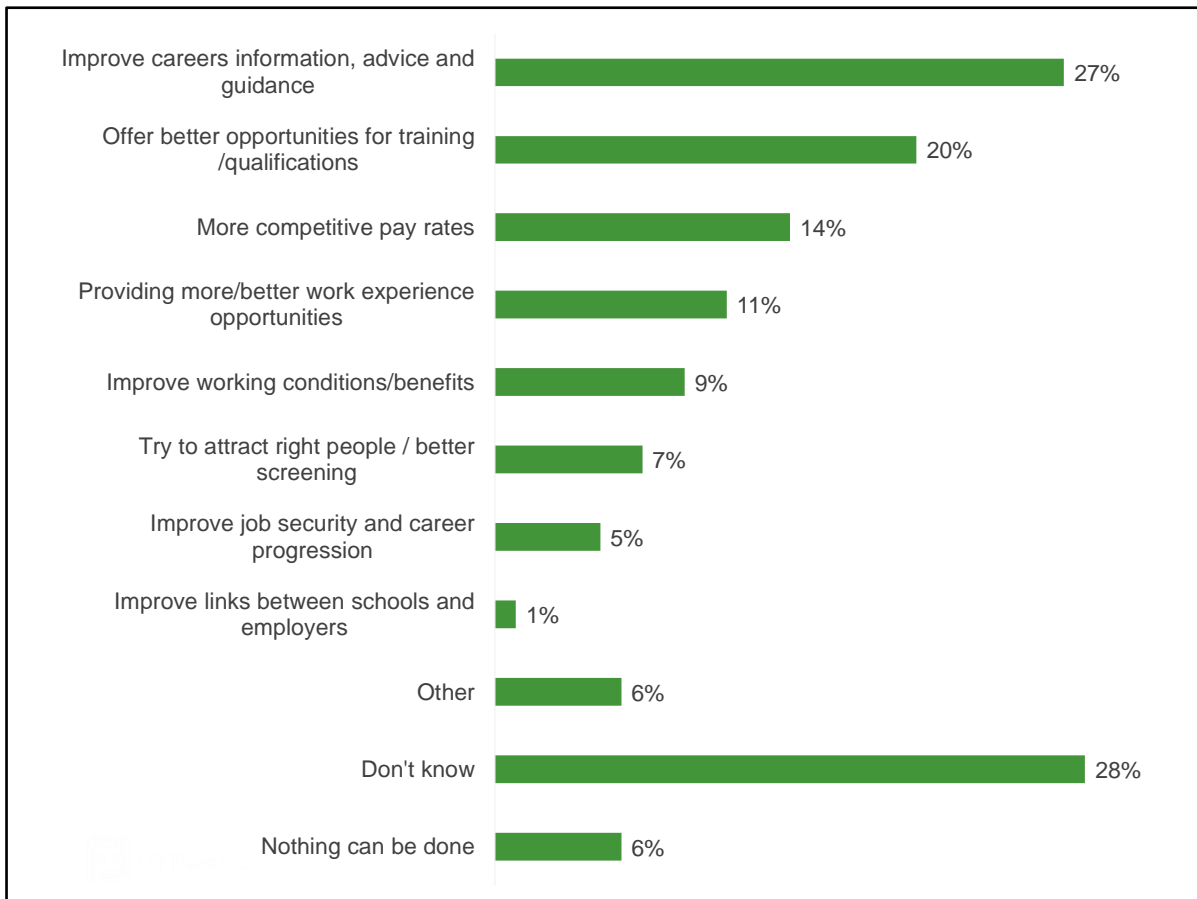
9.9 Beyond taking action targeted at the specific individuals who left, **most employers had not taken broader action to tackle leaving / improve retention** in their organisation (62%). The most common response has been to try and improve recruitment by introducing better selection and screening of candidates to attempt to attract suitable applicants with a keen interest in the sector (12%); this was more common amongst those that had multiple apprentice (24%) or new entrant (19%) leavers. Other actions taken included efforts to improve mentoring, such as having regular meeting and conversations with apprentices and new entrants (8%); introducing work trials and longer probationary periods (8%); trying to better explain the nature of the job to new recruits at an earlier stage (6%) and reviewing and refining the training that their apprentices and new entrants are doing (6%).

9.10 A small number of employers had tried to improve communications with colleges, including holding meetings and discussions (3%); introducing exit interviews to better understand reasons for leaving (2%); employing a member of staff dedicated to supporting these individuals (2%); improving pay for these workers (2%); and increasing spend on recruitment (1%).

What the sector could be doing to reduce leaving from the sector, and the potential role of CITB

9.11 Most employers felt there were things the wider industry could do to reduce early leaving in the construction sector (only 6% were 'fatalistic' and felt nothing could be done). The most common suggestions were improving construction careers information, advice and guidance (27%) and the sector providing better opportunities for training and qualifications (20%), improving pay (14%), and providing more or better work experience opportunities (11%). Figure 9.4 shows the full range of suggestions of what the sector could do to reduce early leaving. While clearly some of these areas are those entirely in the realm of employers to control (pay), CITB can influence others (the quality of careers IAG, encouraging more training opportunities by ensuring the right 'training infrastructure' and supporting employers to provide work experience opportunities).

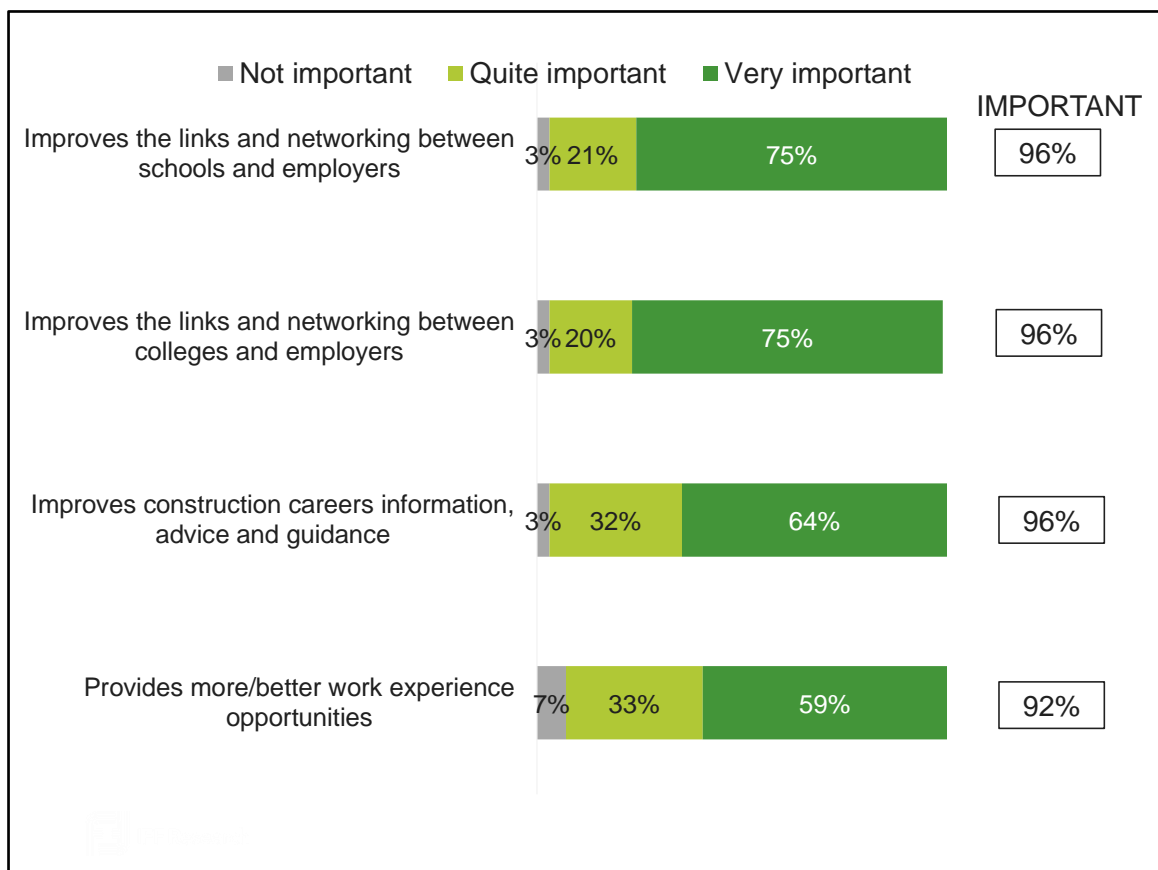
Figure 9.4 What the wider industry could do to reduce early leaving in the construction sector (spontaneous)



Base: All employers with sector leavers (200)

9.12 Employers were also prompted with four possible actions the industry could take to reduce early leaving in the sector and asked how important they felt each was. The results are shown in Figure 9.5. Overall, most employers (over nine in ten) felt each of these actions were important. In relative terms, importance was placed on improving links and networking both between employers and schools and between employers and colleges (each considered very important by three-quarters of employers). Larger employers were more likely than average to feel it very important the sector improves its careers information, advice and guidance (81%) and the links between schools and employers (86%).

Figure 9.5 Importance of potential activities to reduce early leaving in the sector (prompted)



Base: All employers with sector leavers (200)

9.13 The perceived disconnect between employers and education providers was a common theme in the qualitative phase of the research. Further Education providers felt that employers had unrealistic expectations of what college leavers and apprentices should be able to do and expressed concerns about the limitations of what they could deliver, despite their best efforts to accommodate the needs of employers.

'I think they [employers] don't quite understand what we are delivering [...]. They have different ideas [and] they seem to think we are going to turn out young people who can do certain things [...] there is only so much we can do.'

Further Education provider

9.14 The desire for more or better quality work experience opportunities is also corroborated by the qualitative research, with work experience seen as a tool for combatting misconceptions about what it is like to work in the sector. Two of the employers interviewed at the qualitative stage, for example, indicated that increasing work experience within their company had been a successful means of reducing early leaving amongst their apprentices. One of these employers utilised two-week work experience placements, which they felt gave potential entrants some basis to decide whether a career in the sector would suit them. Another preferred to employ young people for six months to one year as labourers before taking them on as apprentices, noting that:

'At least they've had 12 months with all the elements and so they know what's involved and so you're not wasting their time or our time by training them up for the sake of them pulling out [...] It's making sure the person is passionate about what he wants to do.'

Construction employer (31 employees)

9.15 The survey specifically asked employers what they felt CITB should be doing to reduce early leaving in the construction sector. Around half were unsure what CITB should be doing (34%) or felt there was nothing CITB could do to reduce early leaving (14%). Given that most employers feel there are activities the wider sector should be taking, this suggests that many feel it is the responsibility of employers to be doing these things. The most common suggestions made were improving and broadening promotion of the industry (12%), improving and broadening their training offer (9%) and increasing their communications and collaboration with employers (9%). Employers in the qualitative phase further suggested:

'[CITB needs to] broaden its offering. On their website, the first images are all bricklayers, forklift drivers, focussed on house building, which is not representative of the whole industry and the wide variety of work available in the sector.'

Construction employer (8,100 employees)

'Showing individuals other parts of the sector and the many varied different aspects of the industry. They might start off as a bricklayer, then decide they want to be a surveyor, for example. [CITB needs to promote] a broader view of the construction industry than just building.'

Construction employer (420 employees)

'The ones that leave are the ones that go through CITB management programmes. CITB doesn't tell employers [why they leave] – they are poor at keeping employers notified when apprentices are struggling with time keeping or work. CITB have to work more closely with, and provide more information to employers.'

Construction employer (7,000 employees)

9.16 Other suggestions employers had for how CITB could help combat early leaving included:

- Better information and education about what it is like to work in the sector (8%, though mentioned by 15% of smaller employers);
- Making it easier to get a CSCS card (7%);
- Providing more / better work experience opportunities (6%);
- Offering more grants / funding (6%);
- Trying to assist in attracting the right people to the sector, including better screening processes (5%).

10 Conclusions

- 10.1 We have explored in this report the nature, reasons for, impact of and ways of reducing early leaving from construction. This should be set against a backdrop of findings from the 2016 CITB Employer Panel survey, which established that overall 6% of construction firms had experienced apprentices leaving the sector in the last three years or so, and 4% of construction employers had experienced a new entrant leave the sector in this time frame.
- 10.2 The research covered construction employers who had experienced early leaving (both apprenticeships and new entrants), as well as individuals who had left the sector early (mainly from apprenticeships or construction courses).

Does early leaving matter to construction employers?

- 10.3 Despite the relatively low incidence of early leaving among the population of construction employers, early leaving can impact heavily on those employers who experience it, and represents a loss of talent for the sector, which has historically struggled with skills shortages. The results suggest early leaving matters to employers who experience it:
- **Most employers who had apprentices or new entrants leave them and the sector felt this early leaving was a problem for their business**, and over a quarter considered it a 'major' problem.
 - On balance **early leaving appears to have become more of an issue for employers in the last 2-3 years**: over a third said early leaving in that time had become more common (vs. 8% saying it had fallen over the last 2-3 years)
 - The **main impact is the cost**, both in terms of time (mentioned by three in ten employers) and money (almost a quarter said they had been financially affected and one in nine said their recruitment costs had increased). Others mentioned early leaving increasing the workload of other employees and creating a skills gap.
 - In terms of financial outlay, **employers estimate that they spend a mean average of £575 recruiting each individual apprentice or new entrant that they take on** (median: £375)
 - Just over half of employer's report that early leaving tends to occur within the first 6 months for apprentices (55%) and new entrants (53%), yet only a quarter say apprentices produce more than they cost by the six-month point (compared with two-fifths who report this for new entrants).
- 10.4 There is a potential concern that early leaving may cause employers to become more reluctant to invest in the development of apprentices and new entrants in the future. The evidence suggests though this is unlikely: approaching half of employers with apprentices' early leavers expected their recruitment of apprentices to stay at the same levels over the next few years, indeed around a third expected the number to increase. Regarding new entrants, the recruitment outlook is even more positive; two-fifths expect recruitment of individuals to entry level positions to stay at the same levels while approaching half expect recruitment to increase.

How well informed were early leavers prior to choosing a construction career?

- 10.5 While individuals generally felt well informed about the requirements and nature of the sector at the time they first thought about pursuing a construction career, **only a quarter of early leavers had entered construction as their first choice of career**. Most early leavers had considered construction among a range of options or as an alternative to a preferred career route. **Most early leavers had chosen construction as they felt it would be something they would be good at**, and would be interesting or varied. The majority of early leavers had received information or advice prior to choosing construction.
- 10.6 However, although most had felt reasonably well informed about the requirements and nature of the sector, there were some aspects early leavers felt less well informed about, including pay/salaries, and their general job prospects – for example which types of jobs might offer the best opportunity. And **while the majority had accessed some advice and guidance, over two-fifths felt in retrospect that the quality of this had not been good**, and most early leavers would have also liked to have had (more) talks from construction employers/organisations while at school/college and would have liked more information about working in the sector to help them decide.

Why do people leave construction and what do they do next?

- 10.7 The most common spontaneous reason individuals gave for leaving the construction sector was simply that they didn't like or it was not for them. Other less commonly cited reasons spontaneously given by respondents included issues with their employer, colleagues or tutor, wanting a career change, or not liking the manual nature of the work.
- 10.8 When prompted with possible reasons for leaving, **just over a third mentioned getting a better job offer, dissatisfaction with the work, low pay, what they were doing not matching expectations, and slow career development**. There was often a multiplicity of reasons offered: when asked what the single most important reason was for leaving the sector the top reasons were being offered a better job, followed by low pay/higher pay in another sector, a lack of support from the training provider and not feeling valued by their employer.
- 10.9 Of particular interest are those who felt their expectations were not matched (just over a third of all early leavers), **when asked how their expectations had not been met leavers most commonly said this was because they were not working in their preferred trade**. Others thought they would qualify sooner or expected faster career progression, and some had experienced issues with their employer/colleagues/tutors. The hard work involved in terms of hours and conditions and the physical, manual aspect of the work were also cited. These are the range of issues that CITB and the wider sector could work to tackle to ensure new entrants have realistic expectations.
- 10.10 In terms of the destinations of construction early leavers on leaving the sector, **around half were working in a non-construction job**, and just over a quarter studying a (non-apprenticeship) course. Only a minority were unemployed and looking for work or doing a non-construction apprenticeship. Among those working, the most **common destination sector was Wholesale and Retail (21%)**, followed by Primary, Manufacturing and Utilities (18%). Those that had started new (non-construction) courses were **studying a wide range of subjects** including Sports-related courses (15%), Computing/IT (10%), and Motor vehicle engineering (8%).

What can be done to tackle early leaving?

- 10.11 The findings indicate **more could be done to help individuals access advice or guidance at the point when they are 'wavering' about their future in construction**. Only a third of sector leavers received advice or guidance before deciding to leave the sector. Half of those that had not received advice or guidance prior to making their decision to leave the sector feel advice and guidance would have been helpful. Put another way, a third of all early leavers did not receive advice and guidance when considering leaving but feel this would have been beneficial. Although most think of their provider or employer as the likely source of such advice, one in six of those that would have liked advice did not know who would have been best placed to provide this.
- 10.12 When sector leavers were asked what could have encouraged them to stay in the sector, two-fifths (42%) said that nothing could have been done, while 8% were unsure if anything could have influenced them to stay. This leaves half of construction early leavers who could have been encouraged to stay within the sector. Most commonly sector leavers said that they would have been encouraged to stay had they had more support with their work from colleagues and tutors (21%), while a relatively high proportion mentioned higher pay (12%) – both are primarily issues for providers and employers rather than a body like CITB.
- 10.13 Clearly employers have an important role to play in helping to reduce early leaving and increase retention. However, **over two-fifths of employers had taken no action to try to retain these specific recent early leavers**, and **most had not taken any broader action to tackle leaving / improve retention in their organisation**.
- 10.14 The broader **action that some employers had taken to improve retention/tackle early leaving, indicates there are options available to individual employers**. Steps taken included trying to improve selection and screening of candidates to recruit more suitable applicants with a keen interest in the sector, efforts to improve mentoring, such as having regular meetings and conversations with new starters, introducing work trials and longer probationary periods, better explaining the nature of the job to new recruits, and reviewing and refining the course/training that their apprentices and new entrants receive.
- 10.15 In addition, **most employers felt there were things the wider industry could do to reduce early leaving from the sector**. While some of these areas are those in the employers' control, CITB can influence other aspects. The most common suggestions were improving construction careers information, advice and guidance, providing better opportunities for training and qualifications, improving pay, and providing more or better work experience opportunities. In addition, once prompted, employers also felt improving links and networking between the sector and schools and colleges would be important.

- 10.16 Around **half of employers were unsure what CITB should be doing to reduce early leaving** or felt there was nothing CITB could do. Given that most employers feel there are activities the wider sector should be taking, this suggests that many feel it is the responsibility of employers to be doing these things. Common suggestions for CITB included improving and broadening promotion of the industry, improving and broadening their training offer, and increasing their communications and collaboration with employers.
- 10.17 There is certainly scope for CITB to consider how to best support the sector to reduce early leaving using the findings from this study. However, given the difficulties in finding participants for the study, and the apparent small scale of the phenomenon among the general population of employers, consideration also needs to be given how to best target support to those who are likely to most need it to ensure the impact of such activities.

“IFF Research illuminates the world for organisations businesses and individuals helping them to make better-informed decisions.”

Our Values:

1. Impartiality and independence:

IFF is a research-led organisation which believes in letting the evidence do the talking. We don't undertake projects with a preconception of what “the answer” is, and we don't hide from the truths that research reveals. We are independent, in the research we conduct, of political flavour or dogma. We are open-minded, imaginative and intellectually rigorous.

2. Being human first:

Whether employer or employee, client or collaborator, we are all humans first and foremost. Recognising this essential humanity is central to how we conduct our business, and how we lead our lives. We respect and accommodate each individual's way of thinking, working and communicating, mindful of the fact that each has their own story and means of telling it.

3. Making a difference:

At IFF, we want to make a difference to the clients we work with, and we work with clients who share our ambition for positive change. We expect all IFF staff to take personal responsibility for everything they do at work, which should always be the best they can deliver.



Chart House
16 Chart Street
London N1 6DD
Tel: +44(0)20 7250 3035
Website: iffresearch.com

Contact details: Mark Winterbotham and Genna Kik
mark.winterbotham@iffresearch.com
genna.kik@iffresearch.com