

**SOME REFLECTIONS ON THE EXPERIENCE OF
DEVELOPING AND IMPLEMENTING NATIONAL
VOCATIONAL QUALIFICATIONS IN ENGLAND,
WALES AND NORTHERN IRELAND**

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I. ABSTRACT

In the decade and a half since the government Review of Vocational Qualifications in 1986¹, a comprehensive system of National Vocational Qualifications (NVQs) has been developed and implemented throughout England, Wales and Northern Ireland (EWNI).

NVQs are work-based qualifications designed to certificate competence in an occupation, and are based on national occupational standards developed by sectorally based standards setting bodies (known as National Training Organisations or NTOs) and accredited by a national public authority. From 1986 to 1997, the relevant accreditation authority was the National Council for Vocational Qualifications (NCVQ). Since October 1997 NVQs have been accredited by the Qualifications and Curriculum Authority (QCA), a statutory body established under the terms of the Education Act, 1997² with regulatory responsibilities spanning: 0-5 early years education; the 5-16 National Curriculum, statutory tests and qualifications; and 16+ general and vocational qualifications (with the exception of university qualifications).

This paper following is a review of developments and progress in the NVQ system from its inception in 1987 to the present. The paper is in three sections:

The first section provides background information about the policy context in which NVQs were developed and implemented, the strategic approach, the main features of NVQs and the roles and functions of the main institutions involved in the development and implementation of the system.

- NVQs were first introduced as a quick fix solution to the problem that Britain was in danger of falling behind some of its main competitors because of the generally lower levels of qualification and skill levels of many within its workforce.
- NVQs were intended to provide a means of certificating occupational competence to national standards of performance according to the requirements of each occupation, on the basis of work-based assessment; NVQs are specified wholly in terms of outcomes, and are independent of any learning processes.
- Considerable emphasis has been placed on the need to meet the economy's demand for a more flexible and transferable workforce, and to provide individuals with better opportunities for access to qualifications and to transfer and progress between them.
- The QCA system was conceived as being demand-led (mainly from the employer side), the role of the education and training system being mainly to do with delivering and assessing the national standards.
- Since the early 1990s, there has been a growing recognition that NVQs cannot meet all VET needs, for example with regard to current agendas for improving the education and training of young people in full-time education.
- Although the State role was initially confined to providing a national system of accreditation, there has been a growing drift towards centralised regulation of all aspects of qualifications design, delivery and quality assurance.

The second section examines the main challenges and learning experiences to be derived from the English experience. In particular it examines the impact of the system, what it has achieved, and some recent changes intended to address identified problems.

- The NVQ system is now well established as the main work-based VET provision in EWNI, and over 10% of the total workforce have NVQs. Its impact has been patchy, however, with the highest penetration in business and services and a majority of certificates have been issued at the lower levels of the framework. Nearly half of those completing NVQs are adults over 25, but availability for employees is heavily biased towards those working in large organisations.
- There is evidence that NVQs are strongly supported by a great many employers. Employer advocates see NVQs as having made a positive contribution to improving the skill levels of their workforce and to the economic performance of their organisations, but

¹ Review of Vocational Qualifications in England and Wales: A Report by the Working Group, Chairman HG DeVillie, HMSO, London, April 1986

² Education Act 1997 Chapter 14, HMSO, London: <http://www.hmso.gov.uk/acts/acts1997/1997044.htm>

a significant number of other employers see them as unnecessarily costly and bureaucratic to deliver. There is also evidence that NVQs are highly valued by most individuals participating in the system on the basis that they are considered to enhance career development opportunities and employability.

- The lack of a clear implementation strategy, an over-dependence on ad hoc solutions and deficiencies in management systems meant that the system was costly to implement, was delivered late and unnecessary mistakes were made. Most of the problems arose from poor implementation arrangements.
- Recent changes to NVQs have been focused on providing greater flexibility with regard to the specification of standards and qualification structures, together with an injection of strengthened quality assurance arrangements, to address specific criticisms, particularly on the part of employers.
- Central to the government's education and training strategy is the creation of a new national qualifications framework (NQF). This goes beyond a mapping of qualification routes to provide transparency and make transfer and progression opportunities more explicit, as it is also both a tool for regulation (through accreditation tied to funding) and a mechanism for securing change. It remains to be seen what long-term effects inclusion in the NQF will have on NVQs.

The third section sets out some personal thoughts and conclusions on the part of the author:

- In general, the NVQ system can be regarded as a success story in terms of its impact on the nation's human capital, despite the inconsistency of that impact across all areas of the economy.
- It has provided a widely recognised means of providing formal attestation to many skills and competencies acquired by individuals throughout their working lives that would previously have gone completely unrecognised (as is the case in many other countries).
- It is not yet certain whether the recent changes to the system will bring about the improvements necessary to address identified problems. Evidence so far is mixed, suggesting that improvements to quality have been made at the expense of transferability and that increased flexibility may be leading to a greater provision of units rather than full qualifications within some parts of England's VET system.
- NVQs have provided an inspiration to those advocating the development of outcomes-based systems elsewhere and who have been able to take advantage of the learning lessons from English experience.
- There is likely to be an increasing interest in occupational standards in the future as a result of the globalisation of the world economy. This poses new challenges for national VET systems and will require new forms of international co-operation.

II. BACKGROUND

Policy priorities

The top priority initially set for the NVQ system was to raise the standards of performance of Britain's workforce in the interests of increased economic competitiveness. NVQs were to be work-based vocational qualifications based upon national standards of occupational competence. This approach was intended to;

- increase the relevance and quality of vocational qualifications provision by ensuring a demand-led approach, directly responsive to labour market needs;
- contribute to the achievement of greater labour market flexibility and transferability;
- ensure greater coherence in VET provision (through a rationalised and simplified national framework providing enhanced progression and transfer opportunities);
- raise the esteem of vocational qualifications and thereby contribute to bridging the academic/vocational divide in education and training;
- improve access to, and take-up of, education and training leading to recognised vocational qualifications;
- improve the quality of education and training of young people as well as adults, and increase the opportunities for lifelong learning.

The policy framework for NVQ development gave prominence to improving the skill levels of employed adults through qualifications that were directly related to the needs of specific occupations and designed to maximise access to assessment and certification at the workplace. From the start, however, NVQs were widely used in initial training programmes for young people. Since 1992 there has been a pronounced shift in government priorities in VET towards initiatives designed to increase participation rates and raise achievements of young people through an expansion in the provision of full-time school or college based general vocational education. Especially from 1997, there has been a further shift in emphasis towards the development of more coherent education provision for the 14 to 19 cohort, providing greater opportunities to mix vocational and general education options within the main routes to qualification and NVQs are playing a part in this.

Strategic approach

The strategy for developing, implementing and regulating the NVQ system was built on the following components:

- a national occupational standards programme, initiated by the government, implemented by employer-led standards setting bodies and financed from a levy on certificates issued for completed qualifications. Priority was given in the initial stages of development to new and strategically important economic sectors and "green field" areas rather than those with well established and effective training and qualifications;
- accreditation of qualifications within a comprehensive national framework. Originally voluntary and covering only NVQs, legislation introduced in 1997³ requires the statutory accreditation by QCA of all publicly funded qualifications within a new national framework which encompasses all non-university general and vocational education qualifications;
- certification of completed qualifications (and units) by national awarding bodies approved by QCA to offer accredited NVQs. Since the mid-1990s there has been an increasing emphasis on the quality regulation of awarding bodies' provision, which was given statutory force when QCA was established in 1997;
- promotion of NVQs based on national standards as the main work-based VET provision for EWN. Recognising that there is still, however, a need for other kinds of vocational qualification, all other vocational qualifications used within publicly funded education and training provision are also being mapped against the national standards and brought within QCA's regulatory framework;
- an emphasis on assuring the quality of the outcomes achieved rather than the standardisation of learning processes as in conventional vocational, education and training systems. (However, the most recent NVQ-based initiatives aimed at young people such as Modern Apprenticeships and National Traineeships have involved some level of retreat

³ Education Act 1997, Op.cit

from this position, with an increasing emphasis on providing high quality learning routes for those participating in the programmes);

- monitoring the performance of the VET system in delivering measurable national targets for education and training agreed between the Government and key stakeholders in the system;
- institutional arrangements which assume that the role of government agencies is to facilitate the process of developing and implementing standards and qualifications, provide national recognition and regulate quality (rather than taking a more direct role, for example in setting standards or in certification).

Main features of NVQs

The following is a brief summary of some of the main features of NVQs:

- qualifications are offered within a comprehensive framework that recognises achievements at five levels approximating to semiskilled work (level 1), skilled occupations (level 2), craft or supervisory occupations (level 3), technician or first level management occupations (level 4) and professional or senior management occupations (level 5).
- both the learning and assessment provided are directly based on the national occupational standards developed for the occupation by the appropriate employer-led standards setting body (NTO);
- qualifications are designed meet the needs of specific occupations, but there is also an emphasis on portability/transferability of competencies, including Key Skills units (currently offered in communications, information technology, working with number, working with others, improving own learning and performance, problem solving);
- qualifications and standards are not tied to prescribed modes or duration of learning; diversity of provision is sought, to meet learners' needs and maximise every individual's opportunities to learn and demonstrate evidence of performance and knowledge;
- NVQs have a modular unit-based structure, allowing credit accumulation and transfer;
- NVQs are designed to provide availability in the workplace, there is open access to assessment with no unnecessary barriers to progression, and assessment regimes should include the possibility of accrediting prior achievement.

Managing the development and implementation process

This section describes the roles and functions of the main players in the NVQ system.

Standards setting body:

The standards setting function is part of the role of National Training Organisations (NTOs). These are industry-based bodies recognised by the government as having a strategic responsibility for vocational training within their sectors. There are currently 79 NTOs. Their standards setting function includes:

- carrying out occupational mapping to identify the occupations and occupational structure of the sector;
- developing national occupational standards, normally using the functional analysis method, and submitting them to the regulatory authority (QCA) for approval ;
- making recommendations on the overall framework and the internal structures of NVQs for the sector;
- working with an appropriate awarding body to produce assessment strategies and certification arrangements; in some cases the standards setting body has established itself as an awarding body for the sector, subject to necessary safeguards against possible conflicts of interest;
- disseminating standards within the sector;
- periodically reviewing and up-dating the specification and structures of occupational standards and qualifications for the sector (normally on a three yearly basis), taking into account labour market information and international benchmarking data as well as advice from the regulatory authority.

Awarding body:

The certification of NVQs is carried out by independent national awarding bodies licensed by QCA to award accredited qualifications. There are currently 48 principal awarding bodies for NVQs. The awarding body function includes:

- working with standards setting bodies to develop assessment strategies and certification arrangements for NVQs proposed for their sectors;
- submitting proposed qualification(s) to the regulatory authority (QCA) for approval;
- approving and monitoring the centres where assessment for NVQs takes place;
- assuring the quality and consistency of assessments carried out by centres through external verification;
- issuing qualification and unit certificates, and maintaining candidate records;
- submitting data to QCA.

Approved centre:

The assessment of candidates for NVQs takes place under the auspices of centres approved by an awarding body. Although NVQs are offered independently of learning processes, approved centres are normally based in organisations providing education and training leading to the qualification. They may be public education institutions (colleges or, for NVQs at the higher levels, universities), employers, or private sector training organisations. They operate under arrangements (eg for ensuring that assessors and internal verifiers are qualified and competent) laid down by the awarding body. The approved centre function includes:

- recruiting and advising potential candidates;
- co-ordinating, undertaking and supporting the assessment of evidence from candidates;
- providing internal verification of assessments undertaken by the centre's assessors.

Regulatory authority:

The regulatory authority (QCA) operates under a statutory remit laid down in the Education Act 1997⁴. Its responsibilities for NVQs include:

- overall responsibility for the management and funding of the national occupational standards programme
- design and implementation of the national qualifications framework
- the issuing of regulations, criteria and guidance for the design, development, and accreditation of qualifications;
- approval of national occupational standards, the accreditation of qualifications and the licensing of awarding bodies;
- monitoring and regulating the quality of awarding body provision through central systems audits.

III. CHALLENGES AND LEARNING EXPERIENCES

The impact of NVQs

As a new initiative, the early development of NVQs was almost invisible to the general public. Four years into the system a majority of personnel managers were still unaware of NVQs. Even after NVQs had begun to become available, there was a slower than predicted build up of numbers, and it was several years until mass participation in the system was achieved. It was not until the mid-90s, by which time government priorities were already shifting, that the NVQ system achieved high visibility and significant numbers of certificates were issued.

Now, after nearly 14 years, it is possible to conclude that their impact has generally been substantial. The experience is, however, mixed if considered on the basis of sector, occupational level or size of business. The following are some of the measurable achievements of the NVQ system⁵:

⁴ Education Act 1997, Op.cit.

⁵ Statistics quoted in this section are mainly drawn from 1) Quarterly Statistics Reports on NVQs to end of June 2000 (internal QCA document), supplemented by 2) information from DfEE National Statistics

- by 1992 the available NVQs potentially covered about 80% of the nation's workforce. By mid-2000, continued NVQ development, consolidation and improvement had increased labour force coverage to approximately 90%, with about a total of 809 NVQs currently available (down from 875 last year as a result of rationalisation measures);
- over 10% of the nation's workforce (2.9m) have completed NVQs, and a further 1.8m candidates are working towards an NVQ or NVQ units, an increase of 13% on last year. About 440,000 certificates are issued annually;
- a recently observed trend indicates an increased number of candidates taking individual units rather than whole qualifications, almost certainly indicating increased flexibility of NVQ delivery;
- more than half of all vocational qualification certificates issued annually are NVQs. The next stage in the development of the national framework will involve the accreditation of other vocational qualifications delivering relevant knowledge or skills on the basis of a matching process with national occupational standards;
- the greatest number of NVQs awarded (60%) is still at level 2 although substantial numbers are also awarded at level 3; numbers at level 4 are also on the increase, but there has been little or no impact at level 5 where occupational coverage by NVQs is far from complete and the number of certificates issued is actually falling. (It should be noted that government targets for raising achievement in education and training are aimed particularly at level 3);
- the greatest impact has been in two areas of the framework (business and services) which account for two thirds of all certificates awarded; otherwise the impact in terms of take-up and participation numbers has been more limited. To a certain extent, this reflects Britain's position as an increasingly service-based economy but, taking into account sectoral employment statistics, participation rates in some areas of the framework remain disappointingly low;
- nearly half the candidates completing NVQs are over 25, indicating the considerable use of NVQs in the continuing training and development of employees; there is widespread availability of NVQs within large companies, which are still the major users of the system, although take-up in small and medium sized enterprises (where progress has so far been very limited) is now showing some signs of increase;
- On the other hand there is evidence of a number of important international employers abandoning the NVQ system to develop their own multinational competence-based systems in response to the pressures of globalisation;
- NVQs are heavily promoted in public training policies and initiatives: NVQs at levels 3+ and 2 are the main required outcomes of public training programmes directed towards developing the occupational competencies of young people, respectively the Modern Apprenticeship and Modern Traineeship programmes. National education and training targets are based on achievement of NVQs or equivalent qualifications at key levels, and completion of NVQs is one of the main performance indicators used in evaluating the outcomes of education and training delivery programmes;
- VET provision, whether delivered through employers, private training providers, colleges and higher education institutions has been increasingly focused on the delivery of national occupational standards and NVQs, and is becoming more flexible and diverse in line with the need to facilitate lifelong learning for all.

The achievements of the NVQ system

Despite its somewhat uneven impact, the achievements of the system have been substantial:

For society, the economy and the labour market:

- It is widely recognised that NVQs provide a basis for ensuring labour force performance to world class standards, especially when used to improve working practices and systems (e.g. when linked with ISO) and within human resource development policies and practices; they can also facilitate labour force mobility and transferability.
- NVQs are designed to enable effective targeting of education and training interventions to ensure the achievement of defined learning outcomes, whilst providing scope for flexibility

and diversity of learning and assessment provision to meet the needs of individual learners.

- NVQs are intended to facilitate lifelong learning, and provide transparency as a basis for the recognition of skills and knowledge acquired throughout working life.
- NVQ achievements can provide an objective basis for evaluating the impact of learning provision and comparing the performance of providers.

for employers:

- The Beaumont Report (1996)⁶ showed that employer respondents overwhelmingly considered that NVQs contributed to improved employee performance, increased employee motivation and retention and improved quality of products and services.
- The Report also demonstrated that employers widely accepted that NVQs contributed to increased employee flexibility and facilitated more cost effective training and development.
- There is substantial case study evidence to show that NVQs are also widely used by employers in evaluating the effectiveness of training and development interventions.

for employees:

- The Beaumont Report also showed that a vast majority of employee respondents reported that NVQs led to increased job satisfaction and a sense of being valued. This is also borne out by substantial case study evidence;
- Additionally, NVQs are widely acknowledged to provide official recognition of skills and competencies acquired throughout working life and a flexible and practical route to gaining qualifications. Above all they can help empower the individual to plan his or her own learning and development more effectively
- NVQs are also widely claimed to lead to increased career progression opportunities within organisations providing NVQs and, more generally, to improve employability and job security.

Some lessons from the English experience

Although the NVQ system is widely recognised as a success story, this must be tempered by recognition of a number of quite serious problems that have arisen from approaches adopted in its development and implementation. Partly these were due to the fact that the UK was one of the first countries to go down the “competency” road and there was, at the beginning, very little comparative international experience from which to learn. Partly, however, they were to do with deep-seated problems in the British education and training system that will require much more than NVQs to put right. The following are some of the more problematic factors:

- The development and implementation of all outcomes-based systems can be costly and time-consuming. In England, the problems have been compounded by: a fragmented institutional infrastructure; deficiencies in the management of the development process; a shortage of adequate research data to support the initial design and development of the system (and a consequent over-dependence on ad hoc solutions); the lack of a clear vision of the shape of the overall framework which was being created.
- The willingness and commitment of employers to invest considerable time in the development process is a prerequisite for the successful development and implementation of any outcomes-based system. British experience shows that the pace of development is mainly dependent on voluntary mechanisms and powers of persuasion, and is not something that governments alone can control. In practice it has been difficult to steer a proper balance between the conflicting needs for an appropriate measure of business ownership over the system and effective management by the State.
- NVQ assessment and quality assurance require far greater resources than conventional qualifications; additionally, if implemented badly, unnecessarily bureaucratic procedures and excessive paperwork for employers and trainers can be involved;
- Without rigorous quality assurance, there is a serious danger of subjectivity and inconsistency in assessment decisions. When linked with outcome-based funding regimes, there may even be incentives for training providers to cut corners and provide only the

⁶ Review of 100 NVQs and SVQs: A Report Submitted to the Department for Education and Employment by Gordon Beaumont, 1996, and Review of 100 NVQs/SVQs: A Report on the findings, NCVQ/SCOTVEC, January 1996

minimum training needed to meet the standard. Moreover, claims of a lack of rigour and breadth have stemmed from the narrow focus on the needs of a single occupation.

- Requirements for work-based assessment can cause difficulties for candidates without access to a suitable workplace environment, those with jobs that do not cover the full range of activities or those who lack employer support. Without local support, implementation within small and medium sized enterprises can be very difficult. Moreover, NVQs cannot usually be delivered entirely in a college or school environment without access to suitable work placements.
- Without flexibility of delivery, NVQs can be as rigid and inflexible as conventional approaches; successful implementation can be difficult without recognition by managers and trainers of the need to provide support and adapt to new ways of working
- With no time requirements on completing NVQs, the attainment of full qualifications has usually taken far longer than policy makers looking for quick results expected.

Some recent changes

Since the establishment of QCA in October 1997, a great deal of its work has been focused on the development and implementation of a new National Qualifications Framework (NQF) as an instrument for regulating qualifications and enhancing the operation of the education and training system.

The NQF, which seeks to rationalise the relationships between all kinds of qualification and provide a quality assurance mechanism as the major policy effort devoted to revision of post-16 education and training, provides five levels (superficially like the NVQ framework) and three categories of qualification: “general”, “vocationally-related” and “occupational”. The benchmark qualifications in the latter category are NVQs, although other vocational qualifications are accredited alongside them on the basis of their mapping against the national occupational standards on which NVQs are based. Issues raised by the NQF include the following:

- The framework is more than a map reflecting commonly accepted equivalencies; accreditation linked to funding is also used as a lever to achieve change, both to qualifications themselves, and also to behaviours, for example by steering delivery institutions towards particular types of provision.
- The NQF raises a number of problematic issues concerning the equivalence of levels for the different categories of qualification, the size and breadth of different qualifications, the place of key skills and the reality of transfer and progression opportunities between different qualifications. As such, it tends to mask the fault lines between the separate and competing value systems of the academic education system on the one hand and vocational training on the other.
- The role of the NQF in relation to reform of post-16 provision has a number of implications for NVQs which are linked with current work on developing new over-arching technical certificates for modern apprenticeships and a growing emphasis on the delivery of new high quality delivery mechanisms for young people. These could have longer term design implications for NVQs.

QCA has recently published arrangements for the statutory regulation of external qualifications⁷ that include criteria for the accreditation of qualifications within the NQF. The accreditation system is based on a series of criteria setting out the required characteristics of qualifications, namely:

- Common criteria specifying the characteristics necessary for any proposed qualifications to be accredited;
- Category-specific criteria specifying additional characteristics for qualifications of a particular category or type. Criteria for “occupational” qualifications have yet to be issued and for the present the NVQ Criteria, last issued by NCVQ in 1995⁸, remain in force;

⁷ Arrangements for the statutory regulation of external qualifications in England, Wales and Northern Ireland, QCA (with the Qualifications, Curriculum and Assessment Authority for Wales), London, 2000

⁸ NVQ criteria and guidance, NCVQ, London, January 1995

- Qualification-specific criteria specifying the characteristics essential for accreditation under a particular title denoting subject, sector or skill area which, for “occupational” qualifications will be consistent with national occupational standards.

Other criteria, normally in the form of codes of practice, set out the necessary standards in the processes and procedures leading to awards. These are a common code of practice setting out the general requirements for all qualifications and category-specific codes setting out additional requirements.

The so-called Beaumont Report, submitted to the Department for Education and Employment (DfEE) in 1996⁹, made a series of recommendations for changes to address specific criticisms of NVQ implementation. With regard to standards, it was found that there was widespread support for changes to be made in three main areas:

- Concentration on essential content (i.e. the critical aspects of competence which reflect best practice in the sector) and the reduction of repetition;
- Use of plain language (i.e. avoiding jargon) and a more descriptive text;
- Greater flexibility in the format used to present national occupational standards.

QCA took over responsibility for managing the national occupational standards programme from the DfEE in 1998. Detailed advice on the setting of national occupational standards is given in three new guidance documents published in 1999¹⁰, setting out criteria covering the setting of occupational standards, the adjusting of national occupational standards to take account of different work contexts and international benchmarking of standards.

Beaumont also recommended improvements to the assessment of NVQs, with an emphasis on increased use of external assessment and the elimination of excessive bureaucracy. An additional guidance document also issued in 1999¹¹ sets out new criteria for the development of assessment strategies including strengthened external quality control mechanisms. Recent consultations with user groups have sought answers to further questions regarding the possibilities for introducing greater flexibility into NVQ structures, practical steps to reduce bureaucracy and develop greater consistency in awarding body procedures and developing risk management strategies to aid quality assurance¹².

IV CONCLUSIONS

Some final thoughts on the NVQ system

In reflecting on the very considerable achievements of the NVQ system and the not inconsiderable problems that remain, it is necessary to bear in mind the original objectives set for the system:

- to improve economic performance and enhance international competitiveness by raising the skill levels of Britain’s workforce; and
- to enhance the opportunities of individuals.

There are no easy answers here. Beaumont provided plenty of impressively quantified but mainly anecdotal evidence on employer perceptions of the business benefits stemming from NVQs, with a vast majority claiming improved employee performance, enhanced ability to do the job, improved employee motivation, improved quality of goods and services etc. On the

⁹ Op.cit.

¹⁰ Respectively: 1) Developing national occupational standards for NVQs and SVQs, 2) Developing national occupational standards: guidance on tailoring, and 3) Developing national occupational standards: guidance on European and international benchmarking, QCA (with the Training and Employment Agency, Scottish Qualifications Authority and the Qualifications, Curriculum and Assessment Authority for Wales), London, 1999

¹¹ Developing an assessment strategy for NVQs and SVQs, QCA (with the Training and Employment Agency, Scottish Qualifications Authority and the Qualifications, Curriculum and Assessment Authority for Wales), London, 1999

¹² Improving NVQs: A report on the User Forums held by QCA in May and June 1999, QCA, London, 1999

other hand, leaving aside employers already committed to NVQs, it is clear that the perceived cost of NVQs is still a deterrent for other employers.

Very little objective research evidence exists on the impact of NVQs on companies or on cost/benefit analyses at company or sectoral level. We must therefore depend mainly on customer satisfaction data for any conclusions on the economic impact and it is, in practice, difficult to draw any clear distinction between the respective contributions of training/development or qualifications to economic performance. There is substantial evidence that the quantity of in-company and workplace training has increased considerably during recent years, for example through a near doubling in the numbers of those receiving job-related training between 1984 and 1999¹³. Much of that period, however, was marked by a strong increase in employment, when training provision would have risen anyway. The figures must also be qualified to some extent by the fact that at least some of the provision is essentially compensatory and necessary to redress the problem of the low levels of educational achievement of many school leavers entering employment. This accounts in some part for the fact that there tends to be a strong bias in provision towards qualifications at the lower levels of the NQF.

On balance one must conclude that NVQs must have contributed to an improvement of the skill levels of Britain's workforce, but it is difficult to quantify accurately the extent of their contribution. It is probably true to say that the picture is not consistent across the whole of British industry, with some sectors benefiting more than others.

Looking at employee benefits, the picture at first looks clearer. For huge numbers of people in Britain's workforce who previously received no recognition of the skills and competencies acquired throughout working life or through in-company provision, there is now an opportunity to obtain nationally recognised certificates. That is not to say that everyone has access to NVQs. Much depends on the policies of their employers, who tend to select employees for training and development according to economic need, or who may have opted out of the system altogether. Most small enterprises still do not provide training and development opportunities for their staff. Without employer support it is, in practice, very difficult to get an NVQ, even though the government allows a measure of tax relief on the cost of NVQ-related training paid for by individuals.

Increased job and career development opportunities are often cited as among the main advantages for individuals. It is clear that, within companies providing in-house NVQ-related development and assessment, the individuals concerned tend to benefit from enhanced promotion opportunities (although it may be argued that companies tend to invest in the development of those whom they would have promoted anyway). With regard to outside recruitment, the greatest demand is for high levels of academic qualifications – university graduates in particular being valued for their lateral thinking and adaptability rather than for any already acquired job-related competencies. Now that over 10% of the workforce have NVQs, it may be predicted with some confidence that NVQs will increasingly be written into the requirements of many jobs. It is still true to say, however, that NVQs tend to be used more in in-company training and development than in external recruitment.

Much has been made of the NQF as a tool for improving the opportunities and choices open to learners, with enhanced opportunities to progress or transfer between various education and training routes. On the other hand, it has been argued that the Framework is more a tool for managing and rationalising provision. It is perhaps a dangerous myth to assume that the NQF automatically leads to greater coherence except on paper. Different types of qualification are designed to meet different purposes and slotting them into boxes in a diagram does little to enhance learners' opportunities unless accompanied by other measures. Still the main NVQ activity is at two levels of the NQF (2 and, to a lesser extent, 3); the number of NVQs at level 5 is very small and the number of certificates issued at that level is numerically insignificant.

¹³ See, for example CBI Human Resources Brief: Fact not fiction – UK training performance, Confederation of British Industry, London, July 2000

It is probably still too early also to say whether post-Beaumont reforms have had a positive, negative or neutral effect on the problems they were intended to address. Certainly the greater clarity of expression of many new standards and the industry-friendly language used is to be welcomed.

There are some signs emerging, however, that some of the benefits of transferability between different occupations and sectors are in danger of being lost in cases where standards setting bodies depart from a common format for their expression. There is some ambivalence on the issue of how transferable many competencies actually are: alongside encouragement for “generic” standards to facilitate transferability, the need for contextualisation and adaptation to meet different circumstances has also been recognised.

The greater use of independent assessment called for by Beaumont will also take time to work its way into qualifications, and the incorporation of Key Skills into NVQs has so far been extremely limited.

The most immediate effect of the Beaumont recommendations has been in a reduction in the number of NVQs through an active policy of rationalisation. During the past year, the number of NVQ titles has been reduced by nearly 70, through the elimination of little used qualifications coupled with a greater use of broader qualification specifications based on a core/options structure. Against this must be set the problem that there is emerging evidence that greater flexibility in qualifications structures is being used by some employers to “pick and mix” units to meet company specific needs, carrying a danger for employees that their training may not lead to a full qualification.

Among longer term challenges that are still to be addressed are the implications for the further development of NVQs in an economy which places increasing value on the acquisition of knowledge, together with the implications of globalisation for the future development of national VET systems. There is no reason to think that there will be any less need in the future for outcome-based qualifications or standards. Indeed there are indications that many corporations would like to see us moving towards a world in which the standards become international. That takes us a long way from the common 1980s view of standards as a means of ensuring increased national competitiveness.

Whilst policies leading to decentralised systems and increased regional diversity in education and training are on the political agendas of the UK and other European countries, these have to be accommodated within an increasingly global economic landscape in which countries facing universal challenges are increasingly looking for common solutions. This will require new forms of international co-operation.

For this reason, these reflections on England's NVQ system are offered as a contribution to an international debate involving a number of countries and organisations which share a high level of commitment to outcomes-based vocational education and training. A propagandist message has deliberately been avoided, because there is more to be learned from the identification of mistakes made by others than from the enumeration of successes. NVQs have been regarded by many of those responsible for VET reform initiatives in many countries as a testing ground for innovation and experimentation in outcomes-based vocational qualifications. Anyone choosing to go down the same path would be well advised to consider carefully the lessons to be learned from the English experience.

The final conclusion of this paper is that, despite the unevenness of its impact across the British economy and at different occupational levels, the NVQ system has had a positive impact on both economic performance and VET provision and that its objectives have largely been achieved. The essential questions on which answers are still awaited are:

- whether recent changes to the system will lead to the improvements necessary to ensure a more even impact, either in terms of standards achieved or in terms of the extent to which employers' and learners' need are met; and
- how robustly the system will be able to withstand the labour market challenges of globalisation and technological and economic change.