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University
Challenge

The region's knowledge economy and
the demand for higher level skills



University challenge: the region's knowledge economy and the demand for higher level skills

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1 Introduction and context

1.1 University Challenge

The government's University Challenge initiative aims to support investment in higher education at a local level in order to:

- Support the development of a 'knowledge economy' by unlocking the talents of local people and providing the skills and knowledge transfer that enables local businesses to grow and to attract new investment to the area¹
- Make a real difference to the cultural life of our towns and cities

1.2 Scope and objectives of this report

We have been asked to draw together evidence to illustrate the 'market failures' within the region that the University Challenge needs to address. Based on a desk review of material to hand (for more detail on sources see section 1.3) analysis is provided relating to the following:

- Low levels of employer investment in graduate and higher level skills - the strength of the region's 'knowledge economy' and knowledge intensive public and private sector industries at a regional and a sub-regional level
- Skill gaps and shortages in both industry, business-specific and 'softer' generic skills, which are constraining business growth, innovation and businesses' ability to realise their demand for graduate and higher level skills
- Poor information and knowledge among graduates about career opportunities in the region
- Low rates of up-skilling and progression to higher level skills and qualifications by individuals within the existing working age population
- Low rates of participation in higher education among disadvantaged groups and communities

¹ DIUS 2008

While this does not currently feature in the skills research plan for 2008-2009, a further useful area for investigation may be the extent to which these market failures are impacting on the attraction of new investment into the region.

1.3 Data sources

To this end we have drawn on the following research evidence:

- The knowledge economy cross cutting issues report published by the Observatory in 2006 on behalf of the Regional Skills Partnership (RSP)
- The graduate retention, attraction and employment study completed by the Observatory on behalf of the West Midlands Higher Education Association (WMHEA) and the RSP
- Analysis of trends in participation in higher education by disadvantaged groups produced by Aimhigher
- Published data from HESA and the ONS

1.4 Measuring the knowledge economy and the demand for higher level skills

The UK economy is becoming increasingly reliant on 'knowledge' to generate productivity and economic growth. Indeed the development of 'knowledge economies' results from the interaction of a number of key factors²:

- Information and communication technologies - which are changing the face of many activities and occupations
- Creation and innovation - knowledge, research or design becomes a tradable product in itself or makes up a large share of the actual value of many products or services
- And crucially - human capital and intellectual property:
 - The use and production of knowledge intensive processes, products and services requires a skilled workforce
 - For knowledge based companies, talent and education become the most valuable assets, and the decisions they make on the location of knowledge intensive activities are likely to be increasingly linked to the pool of highly qualified workers into which they can tap

² WMRO: knowledge economy cross cutting issues paper, 2006
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While defining the 'knowledge economy' is not straightforward, with no single definition capturing all aspects, a number of measures have been developed³ and we have used the following ones to assess the strength of demand of higher level skills from the regional economy:

- The proportion of employment in 'knowledge intensive' industries.
- The 'graduate population' in terms of the proportion of the working age population qualified to level 4 or above.

³ The Work Foundation: defining the knowledge economy, 2006
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2 Summary and key issues

Our review of the 'market' for higher education in the region highlights a range of key issues and barriers that any new investment needs to help to address.

2.1 Low demand for higher level skills from employers and a weak private sector knowledge economy

The region's public sector knowledge economy is well developed relative to other regions:

- Half of people working in the region's public sector organisations were qualified to level 4 or above in 2007, which is in line with national trends
- Employers in education, health & social care and public administration account for a significant share of regional employment and play a particularly important role in some localities - notably Coventry, Wolverhampton, Newcastle-under-Lyme, Stafford, Shrewsbury and Stoke-on-Trent . They attract substantial numbers of graduates from the region's universities, notably from subject areas such as medicine and education

But less than 24% of those working in private sector industries in the region had higher level skills and qualifications in 2007, well below the England average of 28%. To close the gap the region's private sector firms would need to recruit an additional 70,000 highly skilled staff. The scale of the challenge to close the gap in a number of the region's urban areas is particularly significant. For example it is estimated that of the 70,000 private sector employees that need to be up-skilled to graduate level in the West Midlands, 80% work in the Black Country (which alone accounts for over 50% of the deficit), Birmingham and Stoke-on-Trent⁴.

⁴ Unfortunately due to limited sample sizes it is not possible to provide a geographical breakdown of the size of the challenge to close the gap with the England average in terms of the proportion of private sector workers qualified to degree level. However pro-rata estimates have been made on the basis of the geographical breakdown of the size of the challenge to close the gap in terms of the proportion of the whole working age population qualified to degree level given later in the report

Knowledge intensive private sector industries, like IT consultancy, IT manufacturing, R&D, medical technologies, aerospace and electronics, are particularly poorly represented in the region. Business & professional services is a notable exception, however, with significant concentrations of employment in Redditch, Tamworth and Warwick and there are localised concentrations of other private sector knowledge intensive activity in Warwick, Stratford-on-Avon, Malvern and Telford.

2.1.1 Stimulating the demand for higher level skills

Encouragingly there is evidence that there may be additional potential demand for graduate and higher level skills. A quarter of all employers and 60% of those who have recently recruited graduates were of the view that graduate and other higher level skills could be critical to future business success. Of the graduate employers 70% of those from higher value added private sector industries were of this view. If this potential is to be unlocked and converted into real and tangible demand to support business growth and innovation, however, a range of issues and barriers need to be addressed:

- 20% of all employers and a quarter of those from higher value added private sector industries feel that graduates tend to lack the work-based and business-specific skills they require, creating a 'catch 22' situation for many graduates who have not had the opportunity to develop these skills. Many also perceive that graduates are likely to lack 'soft' skills like communication and team working.
- However while training and development is vital to help address any skill deficiencies that graduates may have when seeking employment, only 28% of all graduate employers in the region and 14% of those in higher value added private sector industries are making this investment

Work placements are proving to be of particular value in helping to address these barriers. Three quarters of graduates taking part have confirmed that their placement was essential in helping them to acquire these skills and secure employment, with many being offered jobs by their placement employer.

In STEM subjects such as mathematics & computer science, engineering and technologies and in medicine & dentistry, education and business & administration placements are working particularly well. There may be merit in increasing their availability in others such as social studies, biological sciences and creative arts & design where a lower proportion of graduates participate in placements but a high proportion of those that do felt it helped them access employment.

There is also scope to increase the involvement of the region's knowledge intensive private sector employers, who at the moment are less likely to be involved than those in the public sector, in the initiative.

Effective careers information, advice and guidance (IAG) is also critical to ensure that graduates are well informed about the career opportunities available in the region and that employers can access the higher level skills they need. However only a quarter of graduates surveyed utilised the careers services offered by their university and only 25% of graduates felt that the HEI careers services they utilised were effective. It is felt that:

- Services are too generic with a lack of specialist knowledge and information that can be tailored to the needs of the individual - for example relating to the subject of study or a particular career path
- The range of information, advice and guidance offered is too narrow in terms of the range of career pathways available - advice is often still mostly centred on the traditional 'milk round' and graduate training schemes available from the large Plcs and multinationals

2.2 Low levels of investment in higher level skills by individuals

While the demand for higher level skills from the region's employers is weak compared with many other regions the proportion working age adults that have taken the initiative and attained higher level qualifications (28% in 2007 compared with 30.5% in England as a whole) also lags behind. To close the gap with the England average 77,000 more people of working age need to progress within the education system and attain higher level qualifications.

In some parts of the region rates of higher level qualification attainment are above the regional average and in some cases (notably in Shropshire, Warwickshire and Solihull) above the England average. In others rates are much lower and the size of the challenge to close the gap with the England average in urban areas is particularly significant - for example 26,000 more people in Sandwell, 24,000 more in Birmingham and 19,000 more in Stoke-on-Trent need to attain a level 4 or above.

In addition the gap in attainment between poorer performing urban areas and better performing parts of the region is widening year on year as those who are already relatively well qualified continue to be most likely to improve their qualification levels with disadvantaged areas and groups falling further behind. For example, over the last 5 years the proportion of people qualified to level 4 and above has risen the most in areas such as Warwickshire, Worcestershire and Shropshire while the proportion has remained unchanged or fallen in Sandwell, Walsall and Wolverhampton.

These poor rates of attainment of higher level skills largely reflect a low proportion of young people from the region entering higher education, especially from urban areas. In 2000 (latest available data) only 28% of 18-19 year olds went into higher education, which compares with 31% in England as a whole and the figure was just 19% in Sandwell and 16% in Stoke-on-Trent.

2.3 The impact of economic and social disadvantage

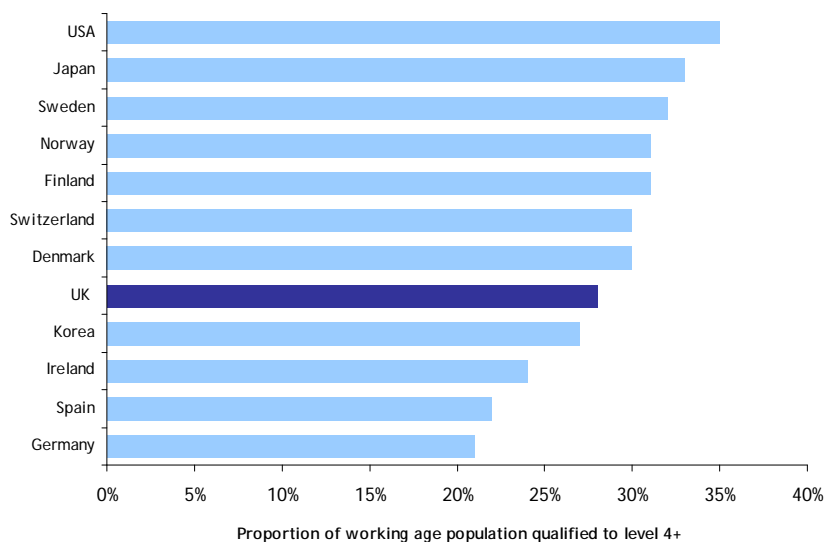
The pattern of participation in higher education correlates with that of economic and social disadvantage across the region. An inequality of access, with young people from the most disadvantaged communities far less likely to apply to or be admitted into university needs to be addressed if rates of participation in higher education and attainment of higher level skills are to increase.

Nevertheless while there is still a long way to go to eliminate these inequalities there is encouraging evidence that they are starting to be addressed. Recent years have seen a sharp upturn in both applications from young people from the most disadvantaged communities (up by 23% between 2002 and 2006 compared with an increase of 4% overall) and in applications accepted by the region's universities (up by 19% between 2002 and 2006 compared with an increase of 4% overall).

3 Demand from employers and the region's knowledge economy

Despite improvements in recent years the UK's knowledge economy remains weak by international standards. With 28% of the working age population qualified to level 4 or above the UK is 11th of the 30 OECD countries and lagging behind many key international competitors.

International comparison: adults qualified to level 4+, 2006



Source: OECD

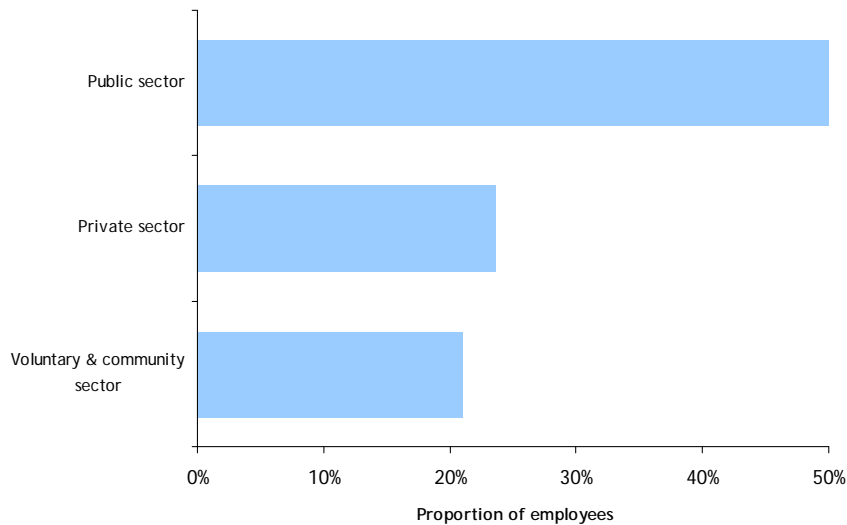
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While the UK's performance is mediocre the demand for higher level skills in the West Midlands is even lower:

- Half of people working in the region's public sector organisations were qualified to level 4 or above in 2007, which is in line with national trends
- However less than 24% of those working in private sector industries in the region had higher level skills and qualifications, well below the England average of 28%. To close the gap the region's private sector firms would need to recruit an additional 70,000 highly skilled staff

- The scale of the challenge to close the gap in a number of the region's urban areas is particularly significant. For example it is estimated that at least 80% of the 70,000 private sector employees that need to be up-skilled to graduate level work in the Black Country (which alone accounts for over 50% of the deficit), Birmingham and Stoke-on-Trent⁵.

Proportion of employees with NVQ4+ in the West Midlands by sector, 2007

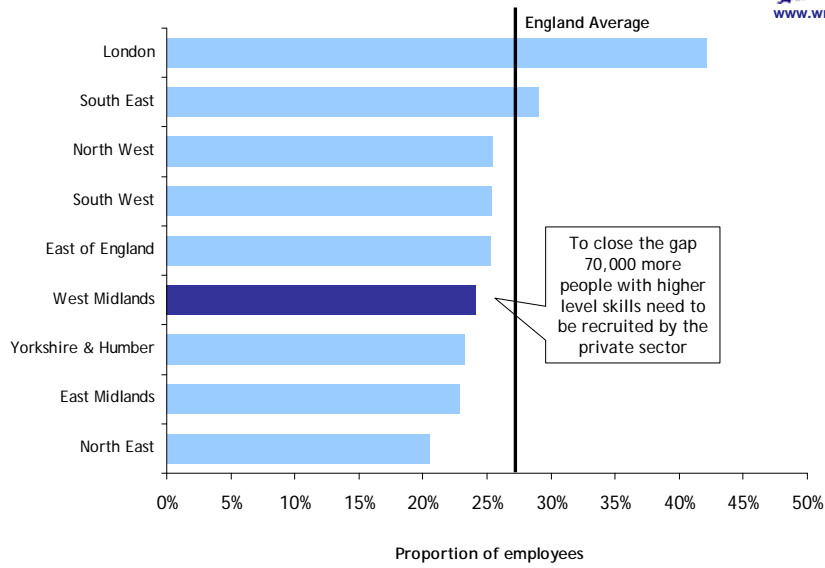


Source: ONS - Labour Force Survey

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⁵ Unfortunately due to limited sample sizes it is not possible to provide a geographical breakdown of the size of the challenge to close the gap with the England average in terms of the proportion of private sector workers qualified to degree level. However pro-rata estimates have been made on the basis of the geographical breakdown of the size of the challenge to close the gap in terms of the proportion of the whole working age population qualified to degree level given later in the report

Proportion of private sector employees with NVQ4+, 2007



Source: ONS - Labour Force Survey

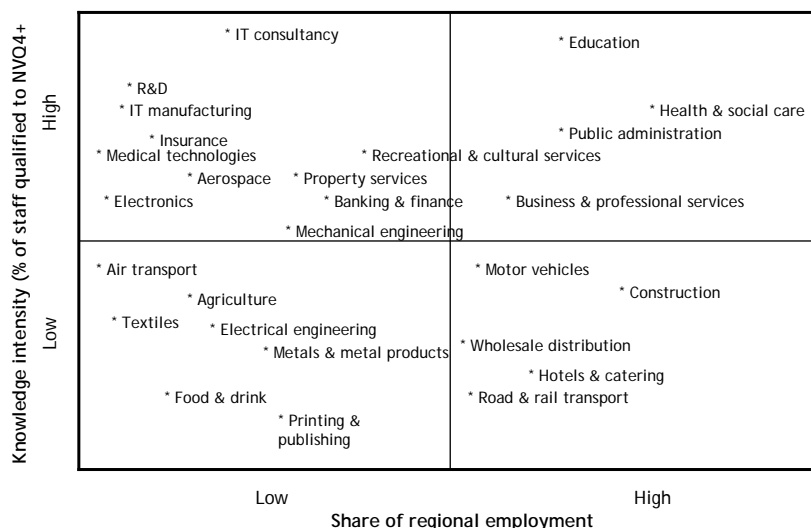
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3.1 The region's knowledge industries

More detailed analysis of the region's 'knowledge intensive' industries employing a significant proportion of people qualified to level 4 and above shows that:

- Only public sector activities such as education (9%), health & social care (12%) and public administration (6%) account for a significant share of regional employment
- Knowledge intensive private sector industries such as IT consultancy, IT manufacturing, R&D, medical technologies, aerospace and electronics account for only a limited share of regional employment
- The one exception is business & professional services which accounts for 6% of total regional employment and employs nearly 50,000 people with higher level skills and qualifications. Specific activities such as business & management consultancy, legal services and accountancy are particularly knowledge intensive and are accounting for a growing share of employment

The region's key 'knowledge industries'



Source: ONS Annual Business Inquiry 2006

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3.2 Regional 'hot spots' of knowledge intensive activity

As part of its 'knowledge economy' research programme Working Futures has developed a series of 'typologies' of cities and other major urban areas based on the relative importance and recent performance of key knowledge industries:

- 'Enterprise powerhouses' have a particularly strong and productive private sector knowledge economy. Examples include London, Milton Keynes and Reading
- 'Enterprise engines' have a growing private sector knowledge economy. These include Manchester, Leeds, Southampton as well as Coventry in the West Midlands
- In 'enterprise ready' towns and cities the private sector knowledge economy is growing but this has not yet fed through into any marked improvement in economic performance in terms of GVA per head. These include Nottingham Brighton and Bournemouth as well as Birmingham & the Black Country and Telford in the West Midlands⁶.

Further analysis highlights that at an 'upper tier' local authority level:

- The most significant concentrations of 'knowledge intensive' industries are in Birmingham, Solihull and Coventry (around half of employees in each case)
- The least knowledge intensive areas is Sandwell where only 35% of employees work in these industries

However this higher level analysis masks significant variations in the relative importance of specific public and private sector knowledge industries at a local level and a range of 'hot spots' of activity, for example:

- Of public sector activities that account for a significant share of regional employment:
 - Education accounts for some 15% of employment in Coventry, Wolverhampton and Newcastle-under-Lyme⁷
 - Health & social care accounts for 20% of employment in Stafford, 19% of employment in Shrewsbury and 17% of employment in Stoke-on-Trent

⁶ Ideopolis: enterprise priorities to enterprise powerhouses, 2008

⁷ ONS Annual Business Inquiry, 2006

- Business & professional services, the one private sector knowledge industry that accounts for a significant share of regional employment, accounts for 22% of employment in Redditch, 21% of employment on Warwick and 19% in Tamworth
- While other knowledge intensive private sector industries account for a much more limited share of overall regional employment, indicative estimates⁸ suggest that there are localised concentrations of employment in:
 - IT consultancy in Warwick and Stratford-upon-Avon
 - R&D in Malvern Hills
 - IT manufacturing accounts in Telford
 - Aerospace in Rugby, South Staffordshire and Wyre Forest

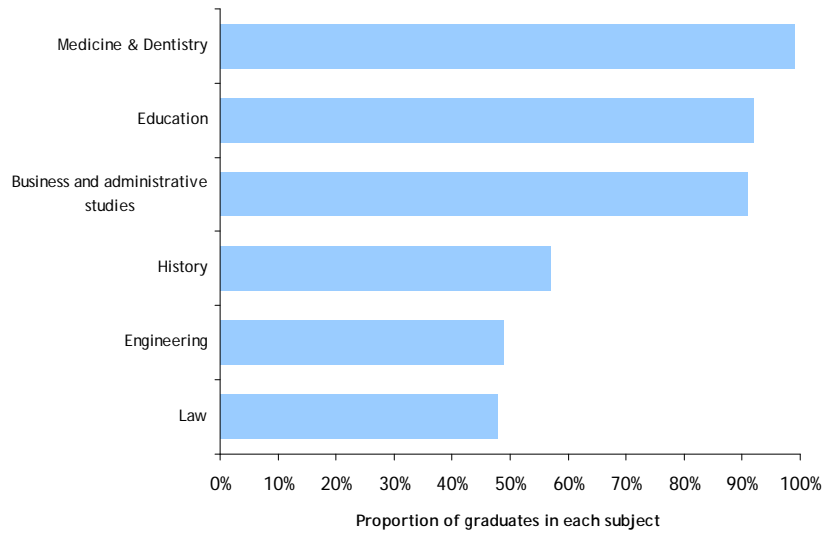
3.3 The demand for graduates from the region's knowledge industries

The healthy demand for higher level skills from the public sector but much weaker demand from many of the region's private sector knowledge industries is reflected in recent patterns of graduate recruitment. In 2006/2007 (latest available data) an estimated 23,700 graduates from West Midlands universities found employment in the West Midlands. Of these:

- Some 54% (13,000) found employment in knowledge intensive public sector activities
- But only 21% (4,900) found employment in knowledge intensive private sector industries, of these nearly half (2,200) found employment in business & professional services but only a very limited proportion found employment in other key knowledge industries such as R&D, aerospace, electronics, medical technologies and IT manufacturing
- A quarter of graduates (5,800) found employment in non-knowledge intensive industries such as retail and hospitality

⁸ Small sample sizes at a local level mean affect the robustness and reliability of the data and only an indicative estimate can be made

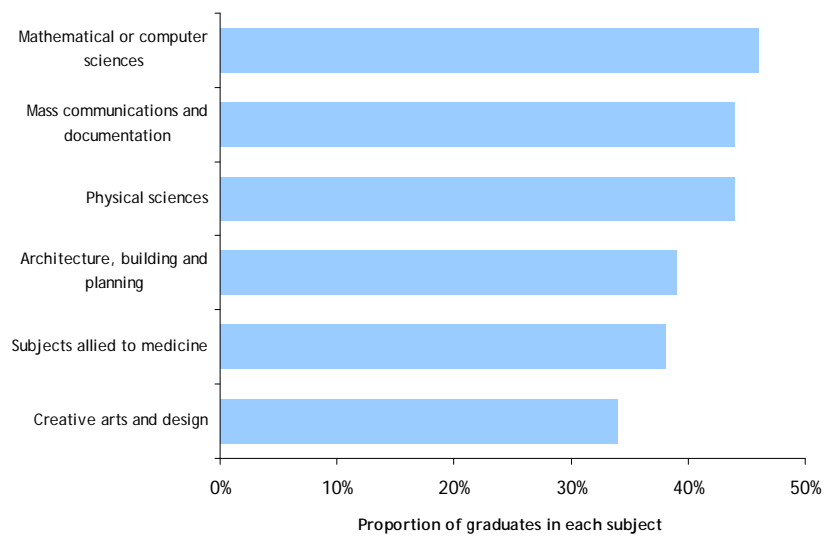
Graduates employed in public sector 'knowledge intensive' industries by subject area



Source: HESA DLHE Survey 2005/06

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Graduates employed in private sector 'knowledge intensive' industries by subject area



Source: HESA DLHE Survey 2005/06

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Table 1: destinations of graduates from West Midlands universities finding employment in the region 2005/2006

	Numbers	Percent
Knowledge industries		
Private sector	4,900	21%
Of which:		
Business & professional services	2,200	45%
Recreational & cultural services	800	17%
Banking & finance	700	14%
IT consultancy	500	10%
Insurance	200	4%
Mechanical engineering	150	4%
R&D	100	2%
Aerospace	100	2%
Electronics	50	1%
Medical technologies	50	1%
IT manufacturing	20	0%
Public sector	13,000	54%
Of which:		
Education	5,550	43%
Health & social care	5,500	43%
Public administration	1,850	14%
Non knowledge-intensive industries	5,850	25%

Source: HESA DLHE survey

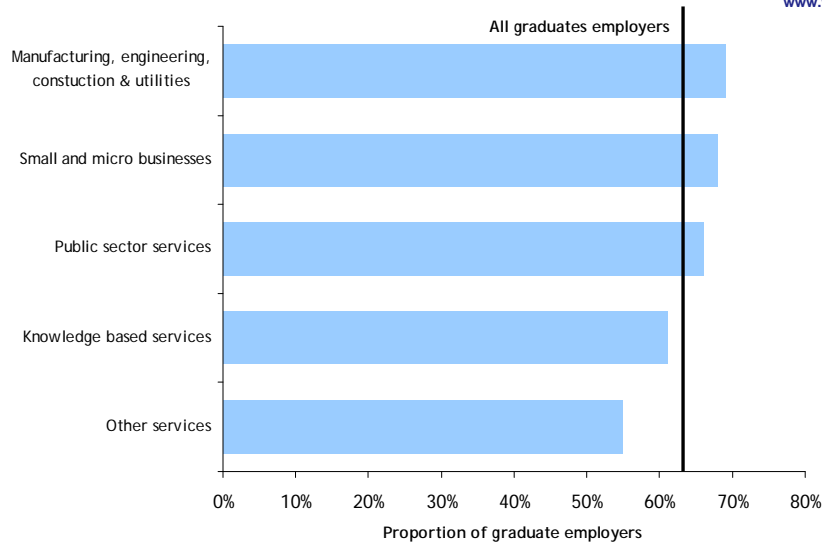
Analysis of graduate destinations by subject area shows that:

- More than 90% of graduates in medicine & dentistry, education and business & administrative studies that found employment in the region went into knowledge intensive public sector activities
- But while more than 40% of mathematics & computer science, communications and physical sciences graduates went into knowledge intensive private sector industries in the majority of subject areas the figure was less than a third and in no subject area was the figure more than half
- And nearly half of graduates in social studies and architecture, building and planning and more than 40% of graduates in biological sciences, subjects allied to medicine and veterinary sciences & agriculture found employment in non knowledge intensive industries

3.4 Key issues affecting the demand for higher level skills

Nevertheless recent research conducted by the Observatory on behalf of the West Midlands Higher Education Association (WMHEA) suggests that there may be additional *potential* demand for graduate and higher level skills from the region’s employers⁹. A quarter of a random sample of employers and 60% of a sample employers who have recently recruited graduates were of the view that graduate and other higher level skills could be critical to future business success. Of the graduate employers 70% of those from higher value added private sector industries (i.e. those in manufacturing, engineering, construction, utilities and knowledge based services) and 68% of small and micro businesses (i.e. those that employ less than 25 people) were of this view.

Proportion of graduate employers that feel that graduates are critical to their business success



Source: Ipsos MORI/WMRO survey of graduate employers

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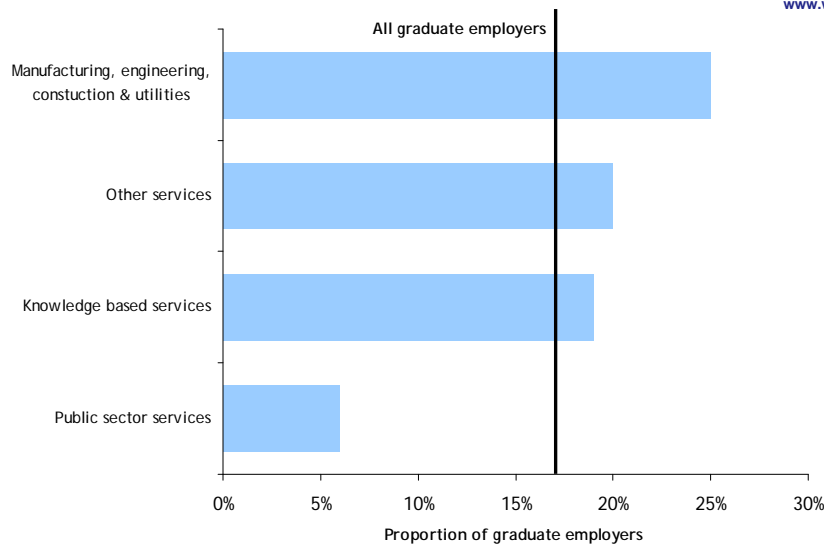
Via focus groups many employers highlighted the fresh perspectives graduates can bring and their positive contribution to efforts to become more productive and competitive. If this potential is to be unlocked and converted into real and tangible demand, however, a range of issues and barriers need to be addressed.

⁹ Graduate retention, attraction and employment study – a key headlines report is available via http://www.wmro.org/resources/res.aspx?p=/CmsResource/resourceFilename/2203/Microsoft Word - Graduates-Key-findings_D3.0_Report_AP.pdf

3.4.1 Skill gaps and deficiencies

One key barrier is a feeling among many employers that graduates lack the skills they require. Our research on behalf of the WMHEA indicates that 20% of the random sample of employers and 17% of employers that have recently recruited graduates perceive that graduates lack appropriate work-based and industry and business-specific skills. Of the graduate employers a quarter of those from higher value added private sector industries such as manufacturing, engineering, construction and utilities were of this view. This creates a 'catch 22' situation for many graduates who have not had the opportunity to develop these skills.

Proportion of graduate employers that feel that graduates lack business and industry specific skills



Source: Ipsos MORI/WMRO survey of graduate employers

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Graduate focus group participant: 'My expectation was that it would be easy to find a job, but actually its not, because employers require lots of experience- well at least a year - which I don't have. That's my main problem'

Europe-wide research shows that ‘softer’ employability skills are also seen as vital to successfully securing a job – by graduates and employers alike.

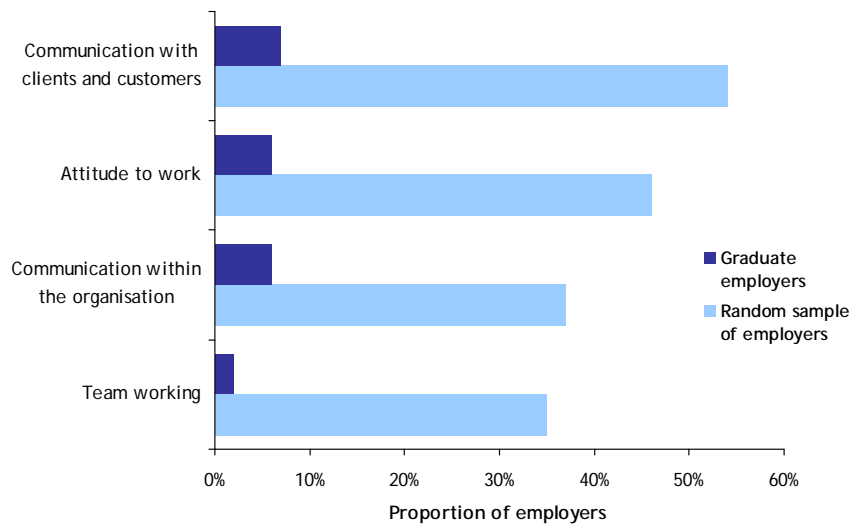
Table 1: Proportion of graduates and employers that see soft skills as key to securing employment

Competencies	Proportion of graduates	Proportion of employers
Communication skills	94%	96%
Team working and relationship building	92%	85%
Self and time management	92%	82%
Ability to see the bigger picture	88%	74%
Influencing and persuading abilities	86%	78%
Problem solving abilities	86%	75%
Leadership abilities	75%	60%
Presentation skills	74%	88%

Source: J. Andrews and H. Higson: education, employment and graduate skills, 2007

Our research on behalf of the WMHEA shows that many of the region’s employers perceive that graduates tend to lack some of these skills, notably communication (more than half of our random sample) and the ability to work in a team (more than a third). However this view was shared by very few of those who have recently recruited graduates (7% and 2% respectively), suggesting that perceptions may not always match reality.

Proportion of employers that highlight deficiencies in 'soft' skills among graduates



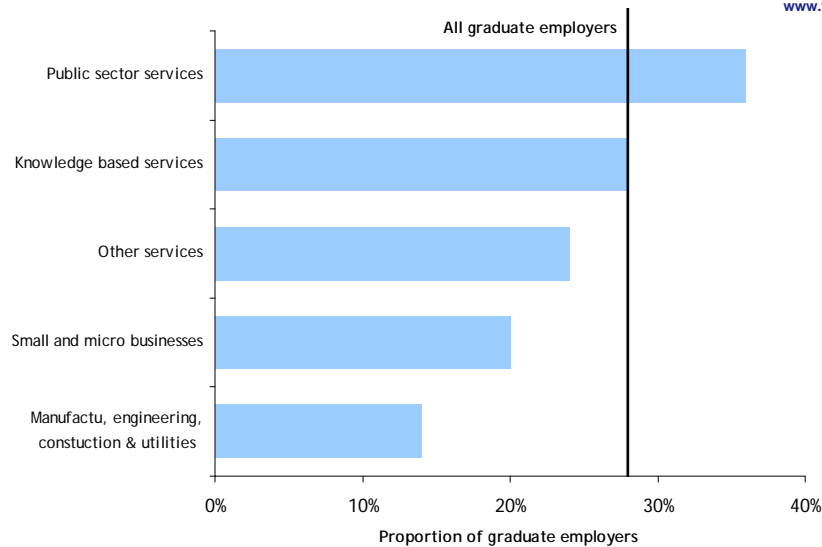
Source: Ipsos MORI/WMRO survey of graduate employers

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3.4.2 Investment in training and development by employers

As a result employer investment in training and development is vital to help address any skill deficiencies graduates may have when seeking employment. However only 28% of all graduate employers in the region, 14% of those in higher value added private sector industries and 20% of small and micro businesses offer any formal or systematic training. Many are deterred by the prohibitive cost and time involved in organising and running training.

Proportion of graduate employers that provide formal graduate training



Source: Ipsos MORI/wmro survey of graduate employers

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3.4.3 The role of work placements

The research also highlights the value of work placements in addressing these barriers. Of the 20% of graduates surveyed that had taken part in a work placement more than 75% felt that this placement was an important or essential factor helping them to acquire these critical work based skills and in securing employment.

Manufacturing and accountancy graduate:

'I knew that I needed that business side to make myself employable... it's not enough to just have the subject knowledge ... you've got to have a bit of commercial nous'

Graduate in licensed retail management:

'Part of the experience was working in kitchens and bars - I learned what it was really like which was really useful when thinking about managing in hospitality'

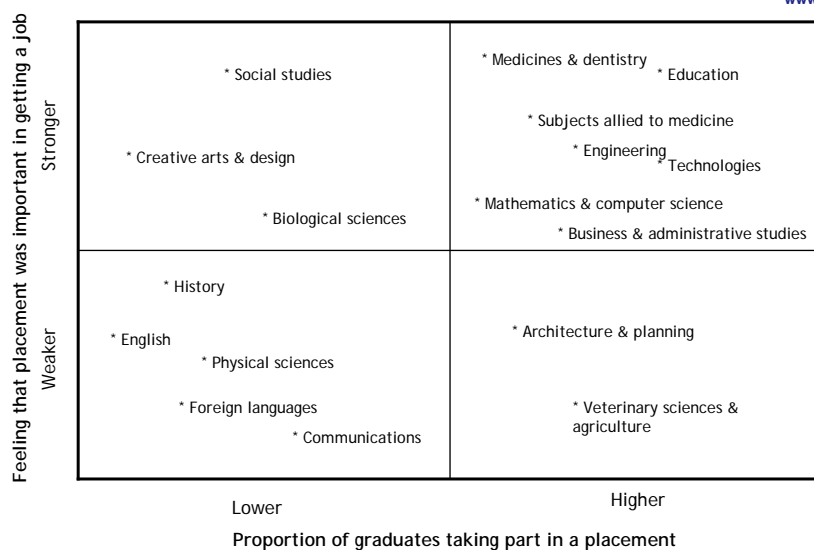
International communications & marketing graduate:

'University could only teach me so much. I wanted to work and I needed to learn from people with proper, recent work experience'

Work placements are proving particularly successful in a number of subject areas:

- In addition to disciplines such as medicine & dentistry and education, where work experience has been part of the curriculum for many decades placements also work particularly well, with graduates highly likely to both participate in a placement and to feel that this has helped them find employment, in subject areas such as :
 - STEM subjects such as mathematics & computer science, engineering and technologies
 - Business & administration
- In others such as social studies, biological sciences and creative arts & design a lower proportion of graduates participate in placements but a high proportion of those that do felt it helped them find a job.
- Conversely in subjects such as architecture & planning and veterinary science & agriculture a high proportion of graduates take part in placements but a relatively low proportion felt that this was of help in getting a job.

Uptake and benefits of placements by subject of study

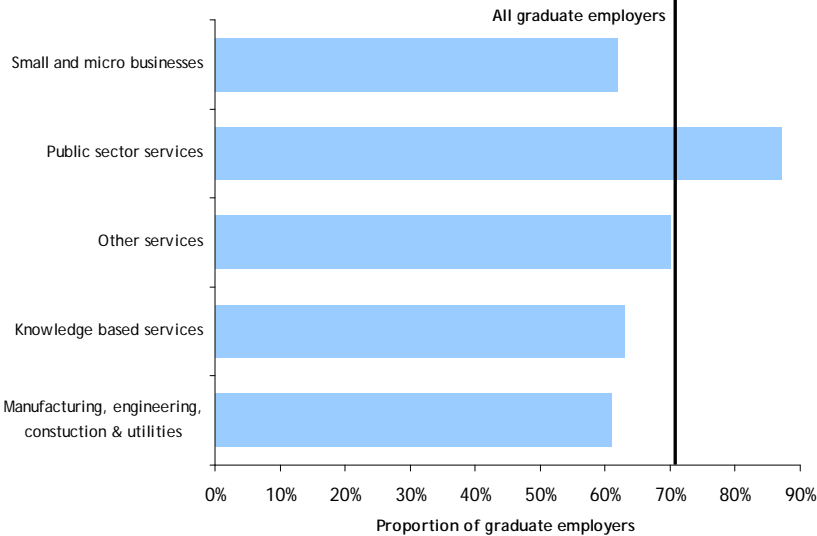


Source: Ipsos MORI/WMRO survey of graduate employers

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The effectiveness of work placements in addressing these issues is also attested by employers. Two thirds of those participating felt that placements had benefited the business, with many offering students permanent employment. Indeed, the research highlights potential to encourage increased engagement in work placements among higher value added private sector industries where take up is much lower (60% of graduate employers) than in the public sector (nearly 90%), and among small and micro businesses (62% offer placements). A need, however, for action to address the barriers cited by firms, and notably small and micro businesses, such as a lack of time and expertise to offer placements is also identified.

Proportion of graduate employers that offer work placements by sector



Source: Ipsos Mori/WMRO survey of graduate employers

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3.4.4 The role of careers information, advice and guidance

Effective careers information, advice and guidance (IAG) is also critical to ensure that graduates are well informed about the career opportunities available in the region and that employers can access the higher level skills they need.

However while the proportion of graduates using university careers services varies widely by institution, overall only a quarter of graduates surveyed utilised the careers services offered by their university. Again while this varies widely by institution only 25% of graduates felt that the HEI careers services they utilised were effective. Case study evidence highlights the perceived weaknesses of HEI careers services that need to be addressed:

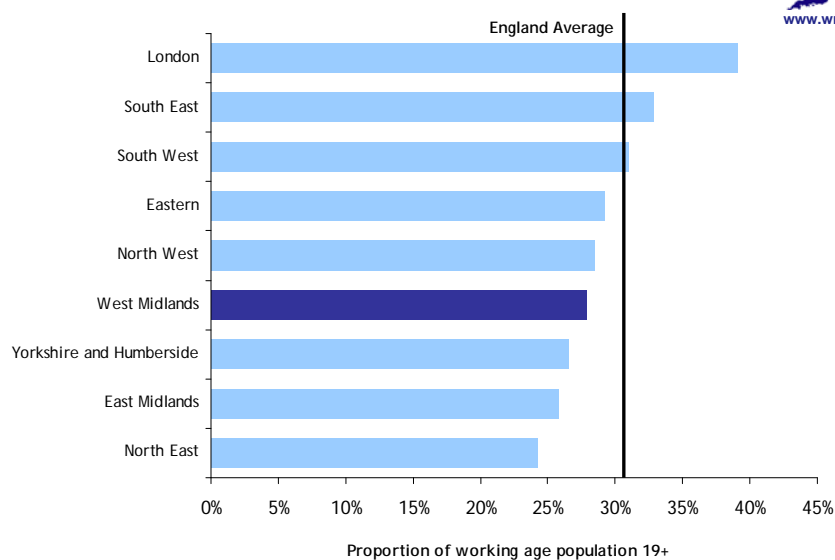
- Services are too generic with a lack of specialist knowledge and information that can be tailored to the needs of the individual - for example relating to the subject of study or a particular career path
- The range of information, advice and guidance offered is too narrow in terms of the range of career pathways available - advice is often still mostly centred on the traditional 'milk round' and graduate training schemes available from the large Plcs and multinationals

4 Demand from individuals and communities

4.1 Investment in higher level skills in the existing workforce

While the demand for higher level skills from the region's employers is weak compared with many other regions the proportion of working age adults that have taken the initiative and attained higher level qualifications also lags behind. While the proportion of working age adults qualified to level 4+ has increased from 25% to 28% of adults since 2005 this still lags the national figure by a full 2.5 percentage points. The West Midlands is ranked 6th of all English regions and significantly behind London and the South East and to close the gap with the England average 77,000 more people need to progress within the education system and attain higher level qualifications.

Proportion of the working age population 19+ with qualifications level 4+, 2007

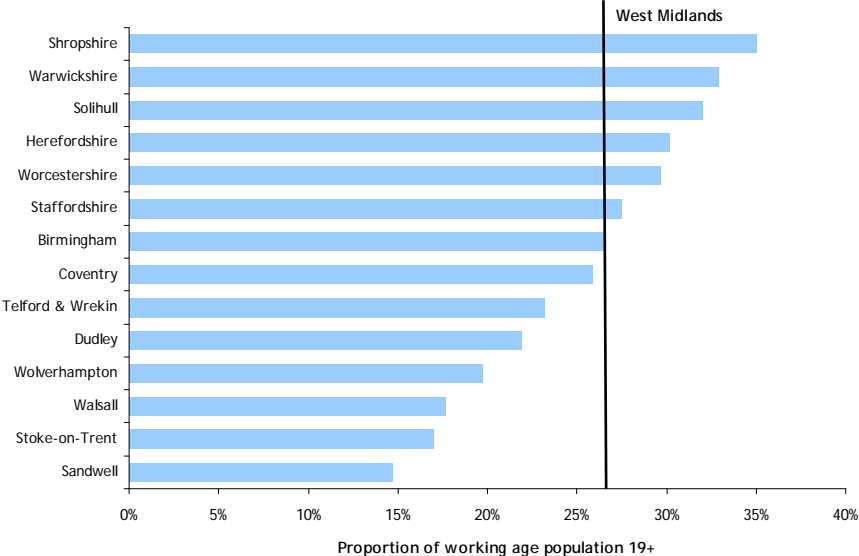


Source: ONS - Labour Force Survey

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While in some parts of the region rates of higher level qualification attainment are above the regional average and in some cases (notably in Shropshire, Warwickshire and Solihull) above the England average in others, and notably a number of urban centres, rates are much lower. Only 20% of working age adults in Wolverhampton, 18% in Walsall, 17% in Stoke-on-Trent and just 15% in Sandwell are qualified to level 4 or above. The size of the challenge to close the gap with the England average in urban areas is particularly significant - 26,000 more people in Sandwell, 24,000 more in Birmingham and 19,000 more in Stoke-on-Trent.

Proportion of the working age population 19+ with Level 4+ qualifications in 2007

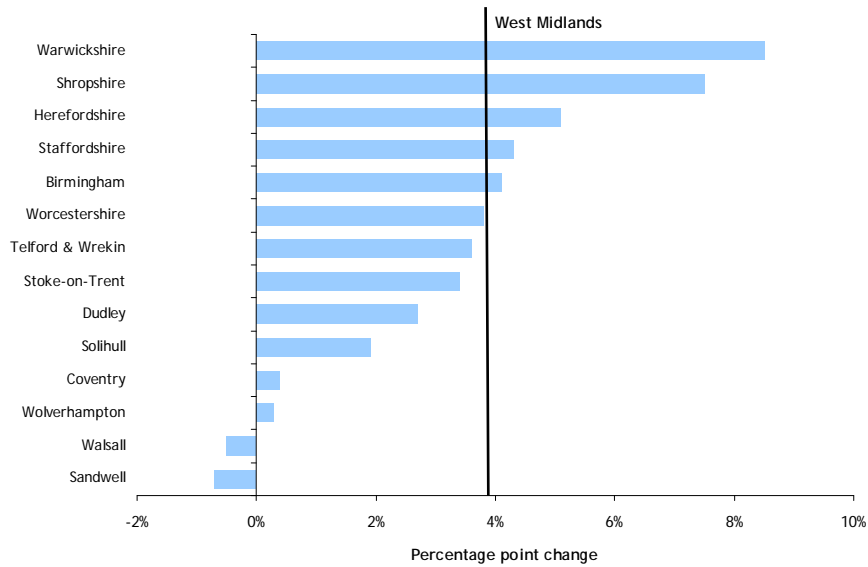


Source: APS 2007

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The gap in attainment between poorer performing urban areas and better performing parts of the region is widening year on year as those who are already relatively well qualified continue to be most likely to improve their qualification levels with disadvantaged areas and groups falling further behind. For example, over the last 5 years the proportion of people qualified to level 4 and above has risen the most in areas such as Warwickshire, Worcestershire and Shropshire while the proportion has remained unchanged or fallen in Sandwell, Walsall and Wolverhampton.

Proportion of the working age population 19+ with Level 4+ qualifications 2003-2007



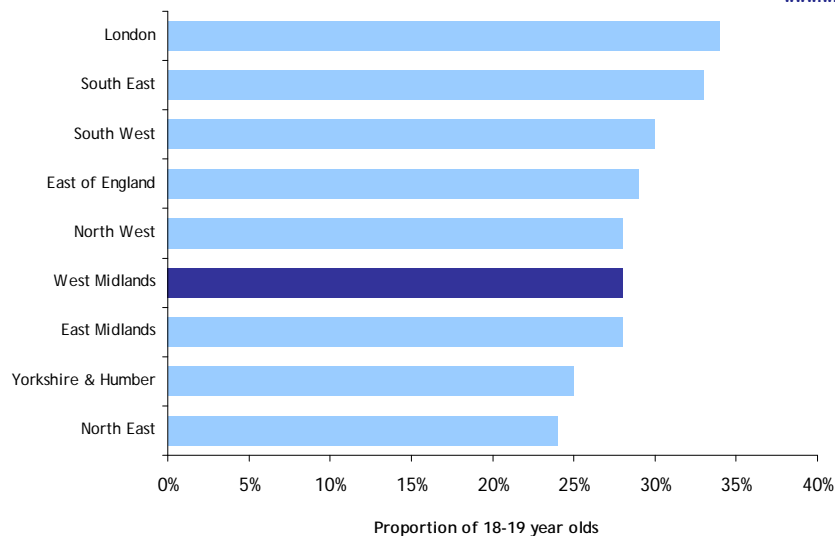
Source: APS

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4.2 Participation in higher education by young people

These poor rates of attainment of higher level skills largely reflect a proportion of young people entering higher education below the England average. In 2000 (latest available data) only 28% of 18-19 year olds went into higher education, which compares with 31% in England as a whole, 34% in London and 33% in the South East.

Proportion of 18-19 year olds participating in HE by region, 2000



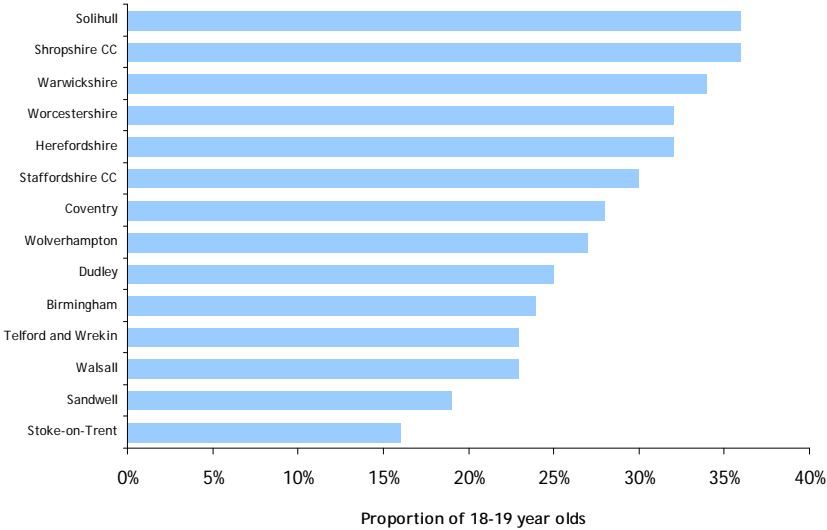
Source: HEFCE POLAR Data

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Within the region participation in higher education varies widely:

- In some areas, and notably Shropshire and Solihull (36% in both cases) and Warwickshire (34%) the proportion of young people entering higher education exceeds the national average.
- But in others, and notably Stoke-on-Trent (16%) and Sandwell (19%) the proportion is significantly below the national average

Proportion of 18-19 year olds participating in HE by LEA, 2000



Source: HEFCE POLAR Data

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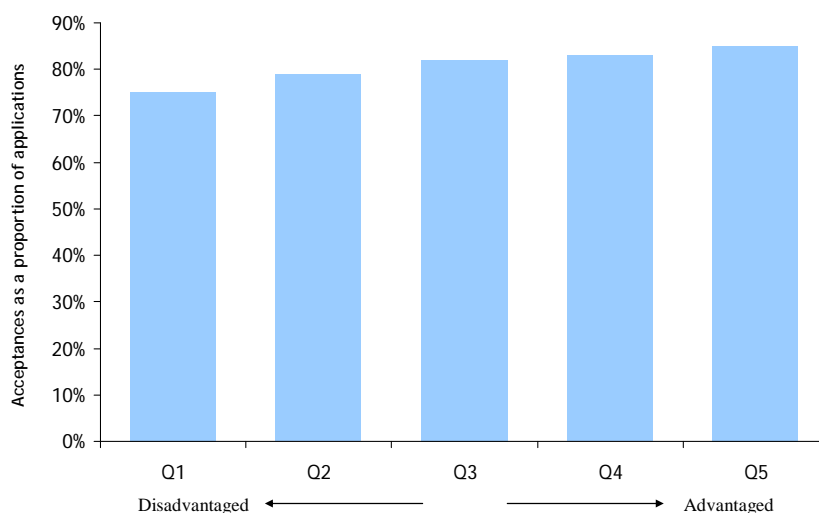
4.3 Participation by young people from disadvantaged groups

Recent research indicates that differences in participation between areas of the region largely reflects the distribution of disadvantaged communities. The more disadvantaged the community the less likely it is that young people will enter higher education¹⁰. The research, which defines disadvantaged communities as those with high levels of deprivation relating to levels of income, education, skills and training and facing significant barriers to housing and other services, highlights a continuing inequality of access to higher education:

¹⁰ Aimhigher: progression to higher education in the West Midlands: trends in the participation of disadvantaged learners, 2008

- 18-19 year olds from the most disadvantaged communities¹¹ accounted for just 15% of those applying to study in higher education in 2006 but 20% of all young people in the region
- Only 75% of young people from the region's most disadvantaged communities had their applications accepted compared with 85% of those from the least disadvantaged group

West Midlands HE acceptance rates by degree of disadvantage, 2006



Source: Aimhigher analysis based on UCAS data

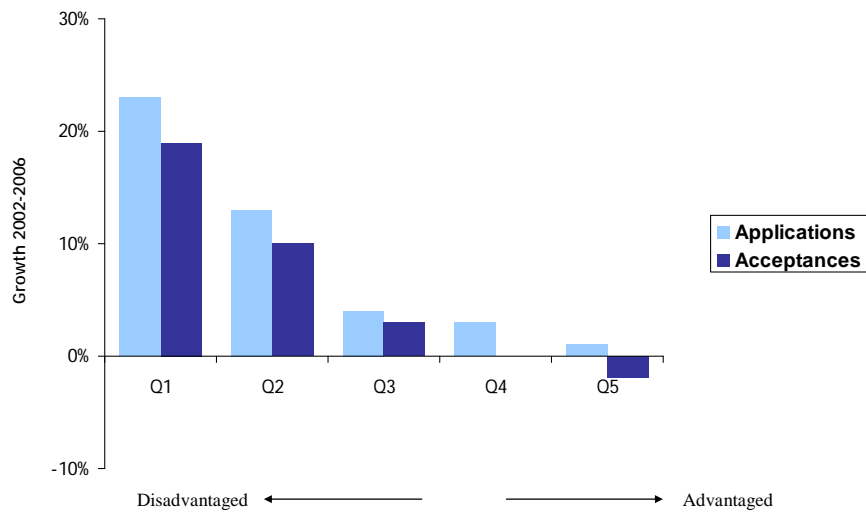
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However, while there is still a long way to go to eliminate these inequalities there is encouraging evidence that they are starting to be addressed.

- Between 2002 and 2006 applications to study in higher education from 18-19 year olds from the region's most disadvantaged communities increased by some 23%, which compares with just 1% for those from the least disadvantaged group and 4% for all young people in the region
- Over the same period there was a growth of some 19% in numbers of applications accepted from 18-19 year olds from the region's most disadvantaged communities which compares with a fall of 2% for those from the least disadvantaged group and a rise of 4% for all young people in the region

¹¹ Defined as the most disadvantaged quintile where Q1 represents the most disadvantaged communities and Q5 the least

Trends in HE applications and acceptances by degree of disadvantage, 2002-2006



Source: Aimhigher analysis based on UCAS data

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5 Full document information

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