

# National Employer Service

## Case Study: Royal Mail Group Plc

### The NES Case Study Series

This series of case studies is about employers who contract with the National Employer Service (NES) at the LSC. Researchers at York Consulting LLP gathered the information for the case studies by speaking to senior staff in each company and trainers, tutors, assessors and employees involved with NES funded programmes.

Each case study briefly describes the company and the training programme funded. The focus is on the key challenges the company has faced in relation to the programme and how the company overcame these. In some instances, the programme itself is a response to challenges facing the company as a whole.

Any opinions, findings, conclusions, or recommendations expressed in this report are those of the authors and contributors and do not necessarily represent QIA's views.

### About The Royal Mail

Royal Mail Group (Royal Mail) is a public limited company wholly owned by the Government providing postal and other services for the UK and internationally. The four main brands for the Royal Mail Group are Royal Mail, Parcelforce, Post Office Limited and Royal Mail Wholesale.

The Royal Mail has held a contract with the National Employer Service for a number of years. The primary function of the contract is to deliver training programmes in engineering and manufacturing technologies, retail and commercial enterprise and in business administration and law.

The Royal Mail delivers the following NES funded training programmes:

- **Engineering** – three-year Advanced Apprenticeship scheme that began in 2005;

- **Retail and Commercial Enterprise** – apprentices take the newly created mail services NVQ at Level 2, which is designed to take 15–18 months to complete;
- **Business Administration** – employees pursue qualifications in customer service, business administration and learning and development. Employees are on Advanced Apprenticeship, Apprenticeship or training delivered as part of the Train to Gain service.

### ***Challenge: Developing a Culture of Learning***

The Royal Mail is intent on developing a culture of learning within the organisation. The Royal Mail culture is to offer training to all employees, whether this is government-funded training or not. Government funded programmes represent a very small proportion of the total training provision offered by the Royal Mail – in reality they deliver more un-funded qualifications. However, historically, the majority of training was delivered in-house. While, this was beneficial, Royal Mail wanted to widen the potential mechanisms for recruiting and accrediting their learners.

### ***Response: Using Accredited Programmes as a Recruitment Tool***

The Royal Mail is starting to use the Mail Services NVQ Level 2 as a recruitment tool. Three hundred new recruits were due to start on the programme, which will assist in reaching the target of 1,000 NES-funded employees.

Apprentices for the mail services qualification are recruited from the existing employee base, or externally (by the recruitment team). There is no minimum entry level.

*“A culture of lifelong learning is necessary to develop a talent pool to lead the organisation forward in the future”* (Skills Deployment Manager)

*“The belief in training and development within the Royal Mail is very strong”* (NES Account Manager)

***Challenge: Recognising the Business Benefits***

Understanding the benefits of training has assisted Royal Mail in widening the scope of training throughout the organisation, in terms of what is offered and to whom. The initial challenge was to develop a rationale for this.

***Response: Business Benefits of Investment in Training***

The Skills Deployment Manager has undertaken in-depth research looking at the returns to the business of employees undertaking an NVQ. For apprentices on the Mail Services NVQ they discovered that there has been a cost saving of £1.5m due to improved retention and a reduction in unplanned sickness and absence.

***Challenge: Delivering the Right Training***

Assessing the business benefits of delivering different types of training to meet business needs – recruitment, staff retention and productivity – is one element of assessing the training requirements of the company. The Royal Mail recognises the importance of delivering the right training to employees. This involves understanding the training requirements for individual job roles and matching the right training opportunities to the right job roles.

***Response: Investment Appraisal***

The Royal Mail undertakes in-depth research into the business benefits of training; this influences the decision as to whether to invest or not. All potential training programmes have to be given the ‘green light’ by the Investment Appraisal Team.

***Challenge: Maximising on the Benefits of Training***

Royal Mail acknowledged that learners required appropriate support mechanisms to assist them through the training programme, manage workloads and review progression. In order to maximise the benefits of training, Royal Mail needed to develop the support mechanisms.

***Response: In-depth Apprentice Support and Mentoring***

All apprentices have access to a wide range of support mechanisms, including tutors, mentors and line managers. Apprentices are also surveyed three times over the course of the 18-month scheme and are brought together for a three-day period during the scheme in order to share experiences.

***Challenge: Developing Talent for the Future***

A key philosophy of the Royal Mail training and development approach is developing talent for the future. Therefore, in developing a culture of learning the Royal Mail also recognised that there was a need to ensure that all employees were given the opportunity to access further learning and development opportunities.

***Response: Progression***

At the end of the Apprenticeship programme, all apprentices have the opportunity to go on to a six month First Steps to Management Course (ILM Certificate in First Line Management). They expect 30% of recruits to go on to this course.

***Challenge: Achieving Excellence***

The Royal Mail is convinced that the opportunities for learners need to be of a high quality in order for the company to be able to achieve its business aims. The opportunities, processes and procedures within Royal Mail need to be focused on facilitating this aim.

***Response: Positive Inspection Results***

The Royal Mail was last inspected in May 2007 and achieved very positive results. They achieved Grade 2 scores across the board, except in equality of opportunity where a Grade 1 was obtained.