

# **NOS Strategy 2010-2020**

**UK Commission for Employment and Skills**

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**Final Draft for sign off by the UKVQRP Board.**

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## 1 Our vision

The vision driving this strategy is that, by 2020, high-quality National Occupational Standards (NOS) will be widely used both by awarding organisations/bodies for developing qualifications, and also by employers and other stakeholders to underpin their human resource management processes and strategic business developments.

NOS will be recognised by employers as the clear, concise and consistent articulation of requirements for occupational competence and the knowledge and skills individuals need to develop to perform effectively and safely in the workplace.

NOS will be valued by the governments across the UK and wider stakeholders as essential products for ensuring the UK has a competent, flexible and safe workforce which can drive the growth of a productive, globally competitive and sustainable economy.

### Objectives

The progress of this strategy will be monitored throughout the next decade and evaluated in 2020 against the following twelve objectives:

1. NOS that meet agreed quality criteria are available for all significant functions carried out in the workplace in the UK.
2. NOS are developed to underpin the skills identified as being most critical to the economy.
3. NOS covering new functions are developed in line with the Quality Criteria and approved within six months of their need being identified.
4. Functions which are common to more than one sector or occupation are specified by single common NOS to facilitate transferability of competence.
5. Wherever appropriate, vocational qualifications in the UK are underpinned by NOS which meet the quality criteria.
6. NOS are easily accessible to employers and other stakeholders in a common format which allows them to be used for a variety of human resources management and development as well as strategic business purposes.
7. Products and services based on NOS may be made available in diverse formats appropriate to the markets for which they are intended.
8. The potential benefits of NOS and how to use them are clearly communicated to employers and other stakeholders.
9. The contribution of NOS to the UK economy and society is measured through robust and credible evaluation methods.
10. NOS are harmonised with professional standards, where applicable, to simplify the offer for employers and facilitate individual career progression.

11. NOS inform, and are informed by, knowledge, skills and competence developments in the EU, particularly the European Qualifications Framework (EQF), Key Competences (KCs) and the European taxonomy of Skills, Competencies and Occupations (ESCO).
12. NOS support employability by clearly showing the employability skills required for effective performance in each NOS.

Work will begin in 2010-11 towards the first nine objectives. The last three are longer-term objectives and will be addressed later in the decade.

## 2 Where are we now?

National Occupational Standards are statements of the standards of performance individuals must achieve when carrying out functions in the workplace, together with specifications of the underpinning knowledge and understanding.

### Demand-led skills

NOS provide UK-wide, demand-led, evidence-based benchmarks of competent performance which underpin vocational learning and development, apprenticeships and qualifications across all sectors, occupations and parts of the UK. They encompass the employability skills of self-management and organisation of work, thinking through and solving problems, working with others, communicating effectively and understanding the business.

NOS are used by Awarding Organisations/Bodies (AO/Bs), Further Education (FE) and Higher Education (HE) institutions, professional bodies and private training organisations as benchmarks from which to develop programmes of learning and qualifications. They are also used by organisations to support human resource management and organisational development processes. In some sectors, demonstration of competence against NOS is required in order to run a business or practice a craft or profession.

Over the past 25 years, National Occupational Standards (NOS) have been the mechanism for ensuring that vocational education, training and qualifications equip the workforce with the skills the economy requires. A third of the workforce now holds a qualification based on NOS, nearly two million people have completed or are currently on apprenticeships and many millions more are following learning and development programmes designed to meet the requirements of NOS.

Sector Skills Councils (SSCs) and other standards setting organisations work continuously with employers and other key partners to develop and refine NOS in order to express and present current and projected industry requirements in ways which are immediately accessible to workers in their sectors/occupations. There are NOS covering virtually all functions carried out in the workplace today – a truly unique resource with the potential to focus the efforts of employers, workers and educationalists to develop the skills required to increase the UK's productivity and competitiveness and ensure the individuals' employability.

Within the EU, there is widespread recognition of the systematic approach represented by NOS which has strongly influenced the design of the European Qualifications Framework (EQF) and is well positioned to make a significant contribution to the definition of the Key Competences (KCs) underpinning the EU's *New Skills for New Jobs* programme.

## Government commitment

Unparalleled government investment of £20 million in the UK Vocational Qualification Reform Programme (UKVQRP) over the past two years has required that all relevant vocational qualifications in England, Wales and Northern Ireland on the Qualifications and Curriculum Framework (QCF) and SVQs on the Scottish Credit and Qualifications Framework (SCQF) are based on NOS and that all publicly funded training meets the needs of employers.

In Wales, through the Lifelong Learning pillar of the Credit and Qualifications Framework for Wales (CQFW), employers have been encouraged to work with SSCs to use NOS to inform awards.

The *Skills for Scotland: A Lifelong Skills Strategy* (2007) requires that employers have a say in the design of all qualifications and this has been embraced through the VQ Reform Programme with SQA ensuring that:

- SSCs and employers are involved in the design of the qualifications which it awards
- SSCs and employers are involved in the design of the qualifications which are accredited by SQA's Accreditation Unit.

Through this strategy the government is demonstrating its commitment to ensuring that new and flexible vocational qualifications on the QCF and relevant vocational qualifications in Scotland continue to be informed by the voice of employers, articulated through NOS. £5.5 million of Grant-in-Aid funding is budgeted for vocational qualifications and NOS development in 2010-11, in addition to UK Commission internal staff resources, which will be used to address the following priorities:

- assuring the quality of NOS;
- making NOS available in a consistent format for qualifications and other purposes;
- speeding up the qualifications development process;
- improving the effectiveness of the workforce through the development of occupational competence
- developing the skills required for new industries;
- increasing the flexibility of the workforce through transferable skills;
- improving the employability of the workforce;
- simplifying the skills system through clearer alignment of NOS with other systems, such as professional qualifications and the European Qualifications Framework (EQF);
- providing evidence of the impact of NOS on the UK's economic and social progress.

Governments across the UK encourage the use of NOS by employers and other stakeholders for a wide range of purposes other than qualifications. However, the primary focus for the Grant-in-Aid funding for the UKVQRP programme is to develop NOS to underpin qualifications. Any support for using NOS outside of qualifications will need to be funded from other sources.

## Building on success

Building on success to date, it is intended that this strategy will ensure that NOS make their full contribution to the development of our economy, society and environment and underpin the UK Commission's strategic goal of a world-class UK workforce, where "world-class" is

defined by being in the top 8 OECD countries for productivity, employment and skills. It will achieve this through:

- ensuring consistent, quality, relevant and up-to-date NOS continue to be available and accessible to those who need them
- promoting and supporting the use of NOS as the basis for vocational qualifications to ensure that these meet the needs of employers
- promoting and supporting the use of NOS and products/services based on NOS in order both to meet skills development needs and to deliver business outcomes
- evaluating the impact of NOS on the achievement of the 2020 targets and other economic, social and environmental benefits.

### Why do we need to change?

Despite significant investment in NOS and their extensive use in certain sectors of the economy, the majority of UK employers are not using NOS, and, then often only for vocational qualifications and apprenticeships. Key reasons given by employers include:

- lack of awareness of NOS
- poor access to NOS
- confusion resulting from inconsistency in the content and presentation of NOS
- perceived lack of relevance of NOS to their business
- lack of understanding of NOS and how they can be used
- lack of simple, accessible tools to apply NOS for fundamental human resource management and development process.

To address these issues and ensure future vocational qualifications are based on clear and consistent specifications of employers' requirements, the UK Vocational Qualification Reform Programme (UKVQRP) Board charged the UK Commission with drawing up this NOS Strategy in line with the following key principles:

1. NOS must be articulated by a representative sample of relevant employers across the UK
2. NOS must be able to be used for a variety of purposes across the UK or in any one of the nations of the UK
3. NOS, and NOS-based products, must be readily accessible for employers/key stakeholders via appropriate media
4. The format of NOS must be consistent and use common definitions
5. NOS must be written in clear, plain language with a minimum of jargon but using language recognisable to business sectors
6. Robust, streamlined development and quality assurance processes must be in place.

Additionally, the UKVQRP Board asked the UK Commission to:

7. work with partners to develop draft models to agree the future format of standards, including taking on board the importance of getting the format right so that the UK standards could be used to shape European standards
8. explore how Employability Skills should be captured within NOS
9. confirm the change of name to "UK Occupational Standards".

This strategy meets the six key principles listed above and takes on board principles 7 and 8 (which the UKVQRP have agreed are lower priorities and should be addressed in later years). It does not, however, confirm the change of name to "UK Occupational Standards". The strategy recognises two significant factors in favour of retaining the NOS brand:

- in sectors where the NOS brand has become well-established it would be more beneficial to build on this success rather than undoing effective work and alienating stakeholders
- in certain sectors NOS are embedded in legislation, regulation, registration, pay and grading and collective bargaining agreements – a considerable cost and level of effort would be required to renegotiate and amend these if the brand were changed

Further research will be carried out by the UK Commission during 2010-11 to test whether the National Occupational Standards brand, including its acronym "NOS", is meaningful, understandable and acceptable to employers or whether the name itself is a significant barrier to adoption of the standards

The current economic climate also presents some additional challenges for NOS. Recent bouts of redundancies and higher levels of unemployment have put a premium on fundamental Employability Skills and the ability to transfer skills from one sector or occupation to another. New low-carbon approaches, high-technology industries and better resource utilisation across all sectors will require workers to develop new sets of skills quickly. All this will need to be achieved at a time when budgets are tight and everyone is asked to do more with less, increase efficiency, avoid duplication of activity and prioritise those activities which deliver the best value for money.

This strategy is designed both to tackle the barriers to take-up of NOS in the past and ensure that NOS make their full contribution to the UK's future economic growth and social wellbeing.

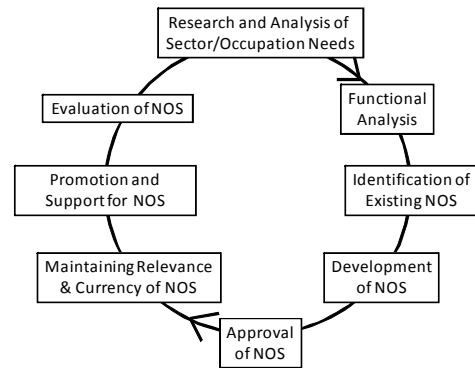
### **3 What will we do to achieve our vision?**

In order to achieve our vision during a period where public funding will be severely limited, we will need to be more consistent in what we do well, simplify our approach and eliminate duplication, prioritise our limited resources on critical areas and develop innovative approaches to removing barriers to realising the potential of NOS across the whole economy.

#### **Adopt a whole-system approach to NOS**

Newly developed *NOS Quality Criteria* make it clear that SSCs and other standards setting organisations are responsible for taking a whole-system approach to NOS, including the

development of NOS and their use in vocational education, training and qualifications, as shown in the figure below.



### **A Whole-System Approach to NOS**

In order that the full benefits of NOS can be realised, SSCs and other standards setting organisations will need to address the whole system, including:

- analysis and prioritisation of the current and future needs of the sector/occupation and how NOS can be used to address these needs;
- definition of the key purpose of the sector, occupation or area of work and an accurate and detailed analysis to identify all the functions that individuals need to carry out in order to achieve this key purpose;
- identification of existing NOS which may cover these functions in order to avoid duplication of NOS and maximise the potential for transferability of competence;
- systematic development and revision of NOS in line with agreed quality criteria, including the importation or tailoring of existing NOS where appropriate;
- continuous review of NOS to ensure they remain relevant and up-to-date and deletion of NOS which are no longer required or have been superseded;
- promotion and support of NOS for training, development, qualifications and the range of human resource management and strategic business purposes which are required by the sector/occupation;
- evaluation of the usage of NOS and how effective they are at addressing the identified needs of the sector/occupation.

As well as providing a cycle of continuous improvement, the whole-system approach will ensure that investment in NOS is levered most effectively to respond to the current and future needs of each sector/occupation and the UK as a whole.

The expectation of the UK Commission is that SSCs will carry out the full cycle of work outlined above across the occupations in their footprint. Public funding via Grant in Aid (GiA) will be a contribution to this, but SSCs will need to access other resources in order to deliver the full benefits of NOS.



## Assure the quality of NOS

Standards which specify employers' current requirements, anticipate future demands, are clearly expressed and easily-understood provide the firm foundations on which this NOS Strategy is based.

Trainers have to be sure that NOS provide accurate specifications for designing, delivering and evaluating their courses. Awarding organisations/bodies need NOS which describe performance and knowledge clearly, accurately and in ways which provide a consistent basis for assessment. Employers need NOS to confirm their employees are occupationally competent and therefore able to work safely and deliver consistent and effective results.

Over recent months, the UK Commission has been working closely with key partners to review and refresh NOS quality assurance processes. It is an expressed goal of this NOS Strategy to move towards a quality assurance system that puts the responsibility firmly with SSCs and other standards setting organisations.

From April 2010, an enhanced quality assurance system will apply to all new and revised NOS, including:

- **NOS Quality Criteria** – specifying the criteria which all SSCs and other standards setting organisations, and the NOS for which they are responsible, must meet;
- **NOS Guidance** – detailed guidance covering processes, methods and effective practices for developing and implementing NOS;
- **Standards for Developing and Promoting National Occupational Standards** – agreed benchmarks for those involved in developing and promoting NOS, allowing practitioners to develop and demonstrate their competence in the functions relevant to them and ensuring consistency of approach;
- **Capacity and capability building** – an extensive programme for both experienced NOS practitioners and personnel who are new to NOS, involving training, supervision, assessment of competence and Continuing Professional Development;
- **Clear accountabilities** – accountability for both the content and quality of NOS lies clearly with SSCs and other standards setting organisations; external quality assurance will be carried out by UK Commission and the NOS Panel based on risk management principles;
- **Regular review** – the quality assurance system will be kept under regular review by UK Commission to ensure it continues to deliver consistent quality NOS.

The primary function of NOS is to provide a specification of employer requirements as the basis for competence-based qualifications. The earlier these specifications can be developed, consistent with the NOS Quality Criteria, the sooner qualifications can be made available. The strategy will seek to minimise the lapsed time between identification of need and availability of relevant qualifications.

## Support the development of new skills for new jobs

Policy papers from both the EU and governments across the UK have highlighted key economic, social and demographic trends and the implications of these for the skills of the workforce. NOS are in a strong position to offer responses to these challenges.

The EU Commission's communication of 16 December 2008, *New Skills for New Jobs: Anticipating and matching labour market and skills needs*, identifies that: "Across Europe, the shift to a low-carbon economy and the growing importance of the knowledge economy, in particular the diffusion of ICTs and nano-technologies offer great potential for the creation of sustainable jobs. Globalisation, ageing populations, urbanisation and the evolution of social structures also accelerate the pace of change in labour market and skills requirements. The development of new skills and competencies to fully exploit the potential for recovery is a priority and a challenge for the EU and national public authorities, for education and training providers, companies, workers and students."

A key innovation in the NOS Strategy 2010-2020 will be to prioritise and fast-track the development of NOS to develop the knowledge, skills and occupational competence of workers:

- in low carbon industries
- in new technologies, particularly life sciences and information and communication technologies
- to improve resource efficiency in traditional industries
- to adapt to new ways of working as a result of technological advances
- to address the needs of an ageing population.

Recent shocks to the economy and waves of redundancies have emphasised the importance of workforce flexibility and the transferability of knowledge, skills and competence from one context to another. A second key innovation of the NOS Strategy will therefore be to identify those functions which are common to more than one sector or occupation and ensure that NOS further strengthen the performance required in all the contexts where the function is carried out.

## Support the development of employability skills

Recent policy papers from the UK and EU identify the key challenge of ensuring individuals develop and maintain their basic employability skills. The UK Commission's report *The Employability Challenge* outlines a framework for employability skills that encompasses literacy, numeracy, ICT, self-management, thinking through and solving problems, working with others, communicating effectively and understanding the business – all underpinned by a positive attitude.

NOS describe the outcomes of competent performance in a function. As individuals need to demonstrate employability skills as well as technical and context-related knowledge and skills to be competent, an effective NOS will embed the employability skills required to perform to the standard.

The employability skills required to be competent will vary between occupations and the specifics of how these skills are developed and assessed will be included in individual qualification specifications.

The UK Commission will work with UK and EU partners to ensure the development of a common taxonomy of the knowledge and skills required in employment in order that these can be mapped to NOS and employers can use a common language to specify the fundamental knowledge and skills required to perform a function to a competent standard.

### **Simplify the skills system**

This NOS Strategy supports the Simplification agenda which includes working towards “a simplified, rationalised, unitised, system of qualifications that meets employers needs” and addressing some of the issues raised by employers, such as excessive bureaucracy and complexity of programmes and initiatives and difficulties of access to the skills system.

Adherence to the *NOS Quality Criteria* will ensure that “the content of learning and qualifications is shaped by the relevant sector, and up-to-date with emerging industry needs” (*Hiding the Wiring*, UK Commission, 2009) and fast-tracking of NOS of critical importance to the economy will “improve the relevance, currency and responsiveness of industry and occupational qualifications” (*Towards Ambition 2020: skills, jobs, growth*, UK Commission, 2009).

The UK Commission is currently working with key partners and stakeholders to agree a common template for NOS. The UK Commission has also initiated preparatory work to provide a replacement for the NOS Directory which a recent feasibility study has found to be no longer fit for purpose. Using the common template, the NOS Database will enable a consistent presentation of standards to simplify use of and access to the standards by a variety of stakeholders including employers, awarding organisations and the four governments.

There are currently nearly 25,000 NOS on the NOS Directory, some of which are obsolete, duplicates or near-duplicates of other NOS. The UK Commission, working with key partners, including SSCs and other standards setting organisations, will undertake a systematic review in order to rationalise NOS and eliminate those no longer being used.

### **Promote the use of NOS**

This strategy is designed to ensure that NOS are used effectively by all who can benefit from them. It focuses on both increasing the percentage of organisations which are using NOS (depth of penetration) and expanding the range of purposes to which NOS are being put (breadth of penetration).

There are significant variations from sector to sector in the depth and breadth of penetration as a result of the different conditions in each sector – but recent consultation with SSCs and other standards setting organisations indicates that NOS are currently only used by a minority of employers and for a limited range of purposes. The challenge for each sector/occupation is to encourage a greater number of employers to use NOS and to use them effectively for a wider range of purposes.

Increasing the penetration – and therefore the impact – of NOS will be achieved through an overarching UK-wide promotional strategy and sector/occupation promotional strategies. The UK Commission will be responsible for the overarching strategy. SSCs and other standards setting organisations will coordinate and seek synergies between sector/occupation promotional strategies to meet the needs of each sector/occupation which will be the responsibility of SSCs.

There is no single prescription for sector/occupation promotional strategies. Because of the diverse needs of the various sectors/occupations, there will be significant differences between the NOS promotional strategies of SSCs. Some SSCs may conclude that NOS are already achieving optimum impact in their sectors. Others may identify that sector/occupation needs can best be met by getting existing users to use NOS for a wider range of purposes rather than expending limited resources on attracting new users. In some sectors, employers may be able to use NOS as they are, while in others it will be necessary to provide application tools in order to optimise the impact of NOS.

### **Deliver value for money**

The UK Commission's report *Towards Ambition 2020: Skills, Jobs, Growth* identifies two further challenges to be addressed by the skills system over the coming decade:

- **Limited public funding.** It seems inevitable that, in the coming years, we will have less public resource available to invest in the skills of our people and our businesses, as the fiscal deficit puts pressure on public education and training expenditure. We must find innovative approaches to achieving more with less and eliminating processes, structures and costs that do not add real value.
- **Co-investment.** Public funding will be more restricted over a period in which we need to increase both the volume and level of workforce skills. We must therefore leverage significantly more co-investment from individuals and employers, alongside public expenditure, if we are to achieve our world class ambitions.

With less resources available for their development and promotion, NOS will need to demonstrate that they deliver good value for money and a healthy return on investment. The primary purpose of Grant in Aid funding for NOS is to ensure that NOS are used as the primary basis to inform vocational qualifications. If employers and stakeholders want to use NOS for other purposes, this public funding will need to be supplemented via other mechanisms, where appropriate.

## **4 When are we going to do all this?**

Although this strategy will officially go live in April 2010, much work is already underway, particularly with regard to the quality assurance arrangements.

2010-11 will be a prototyping year with many of the elements of this strategy being tested out in parts of the system rather than by all players. The linked implementation plan for 2010-11 provides further detail of this activity and is in the process of being agreed with key partners including The Alliance of SSCs.

From April 2010, however, all new and revised NOS will need to meet the new Quality Criteria and be entered onto the NOS Database as soon as it goes live. Capacity and capability building activities will ensure NOS developers are competent to deliver quality outputs. SSCs will be encouraged to work together to develop new NOS to meet the needs of new industries and to rationalise existing NOS which cover functions common to more than one sector or occupation. The UK-wide strategy to increase the penetration of NOS will be tested out and a number of SSCs will undertake focused work to encourage organisations in their sectors to adopt NOS to address specific problems and seize emerging opportunities.

Progress will be evaluated by March 2011 and any necessary refinements made before the full policy goes live with the roll-out of the strategy from April 2011. The roll out will be based on an agreed implementation plan based on the natural cycle of review and development of NOS. All NOS are expected to meet the requirements of the NOS Strategy by the end of March 2013.

## 5 Conclusion

The implementation of the new NOS Quality Criteria from April 2010 will ensure that high quality NOS, informed by a representative sample of employers, written in clear language and complying with common definitions are available for all significant functions in the workplace. Compliance with the *NOS Quality Criteria* will be assured through standards, training programmes and accreditation for those involved in developing and promoting NOS.

Prioritisation of the skills needed for new industries and changing demographics, combined with streamlined development and quality assurance processes, will deliver NOS to support sustainable economic growth and secure social wellbeing within the shortest timeframe practicable. A rationalisation programme will eliminate duplication and redundancy of NOS which are used by more than one sector thus facilitating the transferability of competence across sector boundaries. A harmonisation programme will promote the alignment of NOS and professional standards and increase the interoperability of NOS with EU developments such as the EQF and the Key Competences project, which aims to develop a common taxonomy for Employability Skills across the EU.

Through the new NOS Database, NOS will be made available in a common format for Awarding Organisations/Bodies, employers and other stakeholders to use for qualifications and other purposes across the UK. Where required, these NOS will also be available in the Welsh language. SSCs will continue to take the lead in promoting and supporting the use of NOS, and, where funding is available, will develop and promote NOS-based products and services to meet their sectors' priority needs.

2010-11 will be a year for prototyping this strategy and these new approaches to developing and promoting NOS. A full review will take place by March 2011 before full roll-out of the strategy in 2011-12. However, the UK Commission will continue to work closely with the Alliance of SSCs to evaluate the impact of investment in NOS and ensure they are fully utilised and deliver excellent value for money.