

Case study

The importance of the *degree* in Senior Leader Degree Apprenticeships (SLDA)



Provider:
University of Cumbria

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Theme: Productivity/Business Benefits and Gains

Sectors: Aerospace and Defence

Employer: BAE Systems

Background

Cumbria and North West of the United Kingdom exemplify the dynamism of a changing economy. The presence of advanced manufacturing, defence, nuclear, aerospace and pharmaceuticals agglomerates, their critical supply chains, through to the draw of the most dramatic landscape in the UK ensures the visitor economy will remain a vital revenue stream for decades to come.

There is sectoral restructuring also which continues to adjust the balance between manufacturing and services. There is renewed confidence amongst major employers, which is aimed at closing productivity gaps. There is a positive outlook towards enterprise, where evidence suggests the gap in business start-up rates is narrowing, with the possibility that the recession will cause the number of start-ups to increase. This provides an opportunity for Cumbria and the Northwest to improve its enterprise performance. However, two important questions arise: will there be inward investment and will any of the new start-ups export?

The overarching potential is for the region to promote itself as a centre of excellence and create the development of new clusters of companies (in the way that other places, such as Cambridge, have done in the past). Employees in the Northwest are still more likely to engage in training (14.1% undertook job-related training in 2008) which is above the national average (13.8%) and their counterparts in the West Midlands (13.0%) and Yorkshire and Humber (13.4%). Since 1999, the proportion of employees participating in training has *increased* where other regions have experienced a decline.

Expenditure on R&D as a proportion of Gross Value Added (GVA) has been consistently strong in the Northwest, with latest data further supporting this trend. In 2007, expenditure on R&D was considerably higher in the Northwest

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(2.3%) than both comparator regions (1.1% and 1.4% of GVA in Yorkshire and Humber and the West Midlands respectively) and the UK average (2.0%).

At the heart of these changes is the University of Cumbria's investment in apprenticeship programmes, with its multiple campuses located strategically to be 'on the ground' near key communities and keystone employers. It sees the above analysis as a key driver for employer partnership and the sort of practice-based learning demanded by employers through the apprenticeship programmes.

Meeting the skills demand from across the region

This then creates a crucial opportunity for Cumbria. The keystone employers are asking the University to play a crucial role in their transformation agendas. The rate at which Cumbrian employers can contribute to the key performance indicators is governed by their ability to train across their organisations. Some of these changes include adjustment to historic practices rooted within industries and sectors.

BAE Maritime are a major example of an organisation with a long commitment to the South West of Cumbria. Such is their commitment to training they opened a state-of-the-art £25m training academy covering 90,000 sq ft. Built to develop the world-class engineering, management and leadership skills required to design, build and deliver complex submarine programmes to the Royal Navy. Contemporary classrooms, workshops, a virtual reality suite and scale-model sized submarine units, the academy provides bespoke training to almost 9,000 employees, including nearly 800 apprentices. The then Defence Secretary Gavin Williamson, stated: "The Dreadnought programme is truly a national endeavour, employing some of the brightest engineers and scientists in this country. This new Academy for Skills and Knowledge is a vital part of this programme as, alongside our industry partners, we strive to upskill and maintain the talented workforce building these state-of-the-art submarines."

To deliver BAE's objectives they require long-term partnerships with the University of Cumbria's established higher education programmes, not least to lead the organisation's change programmes at a senior level. BAE's need for developing, and, crucially, retaining its talented and highly qualified workforce includes ongoing senior leadership development. In 2019 the Senior Leader Master's Degree Apprenticeship and its accompanying UoC MBA programme was chosen for its fast-track senior leaders. With its focus on strategic leadership and practice-based ethos 13 managers joined the first in-house cohort. Delivered on site at the new academy.

Debbie Wilson, BAE Systems from the Academy states: "This course is an ideal opportunity for colleagues to step away from the day job and enjoy time to reflect on how they and their colleagues work."

Mark Hughes, BAE Systems Continuous Improvement Manager, is one of the employees taking part in the course. He states: "I love it. It's brought me into contact with people from across the business who I can now look forward to collaborating with, not just on the course but in daily work too. We've been encouraged to explore contemporary business and management principles and learn how to apply them to genuine situations, using real-world case studies."

Dr David Murphy, Senior Lecturer in Strategic Management and Collaboration, invited contributors to speak to students including Carlisle City Council Partnership Manager Emma Dixon and BAE Systems' Barrow Corporate Social Responsibility Manager Neil Doherty. Dr Murphy said: "Collaboration and an awareness of the environment in which businesses operate are vital areas to consider. There is so much to be gained by considering how even small changes by individual employees, their departments or even a whole business can bring widescale benefits. A company like BAE Systems which operates within a close-knit community like Barrow can have a real impact and the chance to discuss this offers up a whole new area to consider."

Drivers for change

There may not be significant changes in the region's demography over the next ten years and with stable communities there is a growing desire for the University of Cumbria to meet expanding aspirations of learners who wish to stay and contribute to their communities. These communities want a spread of jobs that balance between manufacturing and services. For example, the region's advantage in manufacturing investment relative to the UK shrinks (from +1.2pp in 1998 to +0.4pp in 2006), the positive gap in investment in services compared to the UK has grown (from +0.4pp in 1998 to +0.8pp in 2006). This then is a need to equip a breadth of skills.

In 2007, the Northwest secured 6% of UK venture capital, compared to 3% in the West Midlands and 12% in Yorkshire and Humber (whereas London and the South East received 60%). However, the OECD suggests that in the North, the problem is not a lack of supply of venture capital but the lack of 'investment-ready' firms to fund. Part of making the region increasingly attractive in the Government's 'levelling up the UK' agenda is ensuring investors know the region's skill-base has a stream of 'work ready' employees, including senior leaders.

ONS published new data on GVA at the NUTS13 3 level in December 2009, which shows that Greater Manchester continues to generate the largest share of regional GVA (40%) and achieves the second highest GVA per head (£18,000) behind Cheshire (£21,200). Lancashire, Cheshire and Merseyside account for similar shares of regional GVA (19%, 18% and 16% respectively), with Cumbria contributing 6% of the total. These shares have remained fairly constant over the last ten years. GVA per head is also relatively low in Lancashire (£15,500), Merseyside (£14,200) and Cumbria (£14,800).

Why the degree matters

Looking to the future the region has developed an industrial strategy, part of which developing future leaders is a crucial element. If economic performance is not to be held back a number of strategic objectives are needing to be fulfilled to fully unlock our sustainable growth potential and ensure all parts of our community benefit from economic success:

- Currently, the most productive firms are exporters. Enabling small and medium enterprises to balance their reliance on local markets with a long-term strategic outlook focused towards export markets will have an impact on both productivity and the wider regional economy. Diversification presents an appropriate response to the post-Covid economy where an era of economic self-reliance will emerge. Enabling firms to diversify through appropriate strategic level education will become increasingly important.
- Although its scale remains modest as a proportion of world exports digital trade is thriving. The inexorable movement of all sectors to adapt to new technologies will increase at a pace dependent on the rate of adoption by the region's firms. This is governed in large part by the confidence of senior leadership as well as access to a pool of degree educated digital analysts, programmers and engineers.
- Growing and using our talent pool. Cumbria's demographic challenge and thin pool of higher-level skills mean we need to expand the numbers and skills of our workforce by a combination of greater inward migration and better use of home grown and local talent. The prime driver of this is the knowledge that educational pathways are established.

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- Capitalising on our productivity, innovation and enterprise potential. Addressing productivity, innovation activity, low rates of business start-up (even though Cumbrians are often very entrepreneurial) and the modest numbers of faster growing businesses as a real opportunity require strategic leadership and management skills.
- Exploiting underdeveloped economic opportunities to help get a better-balanced economy requires significant changes in historic practices led by suitably qualified senior leaders. One of the themes of the regional industrial strategy is to get a better balance across our different geographies and sectors, whilst holding onto our key specialisations. The opportunity to spin out of key sectors such as nuclear and build on the technology meets natural capital needs. This requires high skill sets by Level 7 educated and trained leaders and managers who can engage in complex change leadership.
- Ensuring that all of the community contribute by sharing prosperity and opportunity. There is a compelling economic reason for better engaging and using the potential within the region. There is also the need for a fair economy and to ensure the numbers who are 'left behind' are reduced. Cumbria's excellence in the voluntary and community sector and the strong nature of many of our communities provides a real launching pad for this endeavour. The soft skills required to turn around these 'whole community' needs again require widespread senior leader development. The strategic concern above and beyond the organisation is intrinsic to the Level 7 leadership curriculum.
- Improving connectivity across the county. Cumbria's overall location is a key strength; however, our geography also presents challenges. Although our north south links along the M6 corridor are excellent, the reliability and resilience of many of our key connections into this corridor are poor. We have major industries that are poorly served by connections and there is a need to better connect our dispersed clusters of people and business activity. Cumbria sees physical and digital connectivity as a case of 'both/and'. Digital connectivity helps link our businesses and people into the global digital economy and increasing key services; improved physical connectivity is a practical necessity as people move to work, study and visit. The level of strategic leadership to address this again is embedded within the strategic elements of Cumbria's MBA and SLMDA curricula.

The overall productivity challenge is one of the key strategic imperatives. Progress against all of our strategic objectives will, to some degree, contribute to helping address this imperative: from better transport connectivity, to improving our skills pool, to tapping into new economic opportunities.

In summary there is a major change agenda across the region for place-shaping programmes that develop a new generation of senior leaders who are alert to Cumbria and the North West's interdependent needs. To attract new leadership talent to Cumbria and help diversify local economies and include dependent communities' access economic opportunities whilst promoting Cumbria's lifestyle and business opportunities in the tech and creative businesses is both a complex but achievable challenge. But not without the comprehensive progression pathways up to the senior leadership level.

To help Cumbria and the North West achieve its potential and address our challenges there are a number of policy asks of Government which include ensuring that senior leadership development in the region is of the highest quality. The University of Cumbria is adapting constantly its range of programmes to suit the specific needs of the region, but this must be overarched by the development of educational opportunities that both retain talent and enable that talent to continue to move up through their organisations with relevant strategic outlooks.

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Quotes

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This case study is commissioned by:

