

# Open Research Online

---

The Open University's repository of research publications and other research outputs

## Valuing work-based and work-related learning: a comparative study of the 'exchange value' of Higher Nationals in Scotland and Foundation Degrees in England

### Conference or Workshop Item

How to cite:

Reeve, Fiona; Ingram, Robert and Gallacher, Jim (2008). Valuing work-based and work-related learning: a comparative study of the 'exchange value' of Higher Nationals in Scotland and Foundation Degrees in England. In: SRHE Annual Conference 2008 Valuing Higher Education, 9-11 Dec 2008, Liverpool.

For guidance on citations see [FAQs](#).

© 2008 Society for Research into Higher Education

Version: Accepted Manuscript

Link(s) to article on publisher's website:  
<http://www.srhe.ac.uk/conference2008/papers.asp>

---

Copyright and Moral Rights for the articles on this site are retained by the individual authors and/or other copyright owners. For more information on Open Research Online's data [policy](#) on reuse of materials please consult the policies page.

---

## **Valuing work-based and work-related learning: a comparative study of the 'exchange value' of Higher Nationals in Scotland and Foundation Degrees in England**

Fiona Reeve, Open University, United Kingdom

Robert Ingram and Jim Gallacher, Glasgow Caledonian University, United Kingdom

### **Introduction and context**

Scotland and England now have systems of work-related higher education which differ from each other in important respects (Gallacher *et al*, 2006). In Scotland, higher national certificates/diplomas (HNC/Ds), requiring the equivalent of one or two years of full-time study respectively, continue to provide the main framework for vocationally-focused higher education (HE) qualifications. In contrast in England there has been a decisive move away from this form of provision towards foundation degrees (FDs), requiring the equivalent of two years of full-time study.

The policy framework for the development of FDs has from the outset attempted to balance two broad objectives. Firstly, to meet the needs of employers for students with the 'right blend of skills', particularly by addressing perceived skills gaps at an 'intermediate' (associate professional or technical) level. Secondly, to widen participation by providing a new route into higher education and improving progression onto Honours degrees (DfEE, 2000). The existence of these two distinct objectives gave rise to potential tensions within the foundation degree (FD) framework, tensions which needed to be addressed at the level of individual programme development and which contributed to diversity in the FD market. Guidance on the new FDs strongly emphasised the importance of work-based learning (WBL) (DfES, 2004), and this is reflected in the Benchmark produced by the Quality Assurance Agency (QAA) which states that '*authentic and innovative work-based learning (WBL) is an integral part of foundation degrees*' (QAA, 2004). To ensure that this happens, employer involvement in both design and delivery is viewed as essential.

In Scotland a 'modernisation process', facilitated by the Scottish Qualifications Authority (SQA), has been underway to review all higher nationals (HNs) by 2008. A key aim of the process was to '*ensure that these key qualifications remain fit for purpose and provide the Scottish economy with relevant labour market skills*' (SQA, 2007) Here there has not been the same explicit emphasis on WBL or employer involvement, however the need to relate HNs to work and National Occupational Standards (NOS) is an important underpinning theme. Whilst some niche market developments exist most providers are working with a common set of requirements established within each subject area and overseen by SQA.

Therefore while policies in both countries are aiming to reshape skills development at this level, it is in English FD policy that we see the greatest emphasis on WBL, and on establishing a larger role for employers. Our study<sup>1</sup> has been examining the approach to work-based and work-related learning (WRL) which has been implemented within selected FD and higher national (HN) programmes. We have been exploring the student and employer experience of WBL and WRL, and the value that these 'stakeholders' ascribe to it. In this paper we will focus on the outcomes for students, and in particular the extent they were able to use their qualifications to enter or progress within the labour market.

---

<sup>1</sup> The study is funded by the Scottish Qualifications Authority (SQA), Higher Education Funding Council for England (HEFCE), Council for Industry and Higher Education (CIHE), Universities UK and the Sector Skills Development Agency (SSDA).

## Sample

The overall study has gathered data from the programme organisers for 36 programmes (16 FD, 22 HN) (see Reeve *et al*, 2007 for further details). In this paper we will focus on data from a sub-sample of six programmes, three from each country. These were selected to ensure that a range of approaches to WBL and WRL were present in the sample. Although these categories are not clear cut (see Brennan, Little *et al*, 2006) in this paper the term WBL will be used to describe activities that involve students being located in, and hopefully learning from, the workplace; while WRL will refer to the wider set of learning activities which focus on work but which may take place on campus, in the workplace, or indeed elsewhere. Within both the FDs and HNs frameworks examples of WBL and WRL can be found (Reeve *et al*, 2007). The comparative element was maintained by selecting cases within the same three sectors in each country, Early Years, Hospitality/Travel & Tourism and Fashion.

This paper will draw primarily on qualitative data gained from interviews with students, employers and other stakeholders. Initial interviews (30 student interviews and 13 stakeholder interviews) took place in spring 2007 whilst students were in their last year of study. Follow-up interviews were obtained with 19 students and 6 employers approximately 9-11 months after completion of the programme. The reduction in the sample was due to the difficulties of tracking down students and employers for such longitudinal surveys. The majority of employer interviews were obtained in the Early Years sector and it proved extremely difficult to secure interviews with employers in the Hospitality/Travel & Tourism and Fashion sectors. Interviews were also carried out with the programme organisers. In some cases they were able to provide information on the initial employment/study outcomes for the larger cohort.

## Aspects of value

In our study we have attempted to explore with students and stakeholders a number of dimensions of 'value'. These include the extent to which their WBL/WRL has contributed to preparing them for work or, for those in work, the extent they are able to draw on this learning in carrying out their activities. We also explored the extent to which they drew on their WBL/WRL in further learning, either through formal study or informal learning in the workplace. More broadly we noted the ways in which students valued their WBL/WRL as a life experience, both positively as a source of stimulation, enjoyment and new friendships, and negatively as a source of stress. The work of Fuller (1994), who with Saunders had explored the value of national vocational qualification (NVQ) Level 4 qualifications, prompted us to look more explicitly at the 'exchange value' of the HN/FD qualifications, and to explore the contribution of the WBL/WRL elements to this. Drawing on Marx' analysis of exchange and use value, Fuller considered the NVQ holders' ability to exchange their qualification for better jobs, further education or training, and delineated this from its relevance (use value) for work tasks (although Fuller noted the two value concepts became 'enmeshed').

The exchange value of FD and HN qualifications remains a key question for our research since both are promoted to students in terms of their standing in the industry. For example in promoting FDs to potential students Foundation Degree Forward (*fdf*) suggest it is '*A greatly valued qualification in industry whilst significantly improving career prospects*' (*fdf*, 2008). Similarly SQA suggest HNs are designed to meet employer expectations and '*this means that having an HNC or HND can really help boost your job prospects*' (SQA, 2008). Therefore we considered the value of HN/FDs in terms of their ability to facilitate entry to or progress within the labour market, and/or to further HE level study. In exploring exchange value we firstly attempted to establish what the known outcomes were for students in our 2007 sample. We then drew on

students' and stakeholders' descriptions of these outcomes, provided within interviews, to develop a picture of their perceptions of the 'exchange value' of these qualifications.

### Outcomes for students

National data sets provide some indications of the likely outcomes for students completing HNs and FDs. The most relevant data set issued by the Scottish Government combines information for HNC and HND students into one 'sub-degree' category.

**Table 1 First destination of HN qualifiers from full-time programmes 2006-07**

	Study/training	Permanent UK employment	Temporary UK Employment	Overseas employment	Believed unemployed	Other
Sub-degree	57%	31%	5%	1%	4%	2%

Source: Scottish Government 2008

It appears from Table 1 above that the majority of full-time students are using these HN programmes as a stepping stone to further study, suggesting that HN qualifications may be seen in this light as 'transitional qualifications' by some students. The majority of those who do enter employment do so at an associate professional or technical level (49%), or at a higher professional or managerial level (22%) (Scottish Government, 2008).

In England a similar picture emerges of high progression rates from FDs onto further study. In this case figures are available (see Table 2 below) for both full-time students, who are predominately younger students, and part-time students who tend to be mature and already in employment whilst studying their FD.

**Table 2 Destinations FD qualifiers from English HEIs, 2005-06, six months after qualifying**

Destination	Full-time		Part-time	
	No.	%	No.	%
Studying (not employed)	1,850	47%	240	13%
Studying and employed	825	21%	685	38%
Employed	1,015	26%	815	45%
Unemployed	105	3%	35	2%
Other	110	3%	15	1%
<b>Total DLHE respondents</b>	<b>3,900</b>	<b>100%</b>	<b>1,790</b>	<b>100%</b>

Source DLHE survey, quoted in HEFCE 2008.

Data available from 2004-05 qualifiers suggests that 54% of all FD students registered at HEIs progressed to an Honours degree (HEFCE, 2008). The latest HEFCE statistical bulletin does not provide the same level of detail as the Scottish data regarding the types of employment that have been taken up by FD students. However they report that of those in employment, 48% of full-time and 49% of part-time qualifiers were in a 'graduate job' six months after completion. When data was gathered from the 2002-03 qualifiers it was possible to assess their employment

outcomes three and a half years after qualifying, at this point the proportion in a graduate job had increased to 54%.

While the data sets provide broad indications of the likely outcomes for students there are frustrating gaps in our knowledge. In particular neither is able to show the extent to which those entering employment do so in a role which is related to the subject area of their qualification. Greater understanding should emerge as a result of the new Futuretrack programme of longitudinal research into the experiences of 2006 entrants to higher education (HECSU, 2008). In our small sample we have attempted to drill down further to identify those who gained related and unrelated work. The data that we were able to gather, detailed in Table 3 below, remains incomplete however since some programme organisers were unable to identify the outcomes for all students in the cohort.

**Table 3 Known outcomes for students who completed their FD or HN in 2007, 9-11 months after completion**

Course	No. on course at initial research interview	No. in related work only	No. in unrelated work only	No. in study and work	No. in further study	No. unemployed	No. known not to finish course	No. with unknown outcome
FD Fashion	17	1	3 ( <u>1</u> )*	1 (Ft study + pt work) ( <u>1</u> )	10 ( <u>1</u> )		2	
FD H/T/T	9		2 ( <u>2</u> )	1 (FT unrelated work + Pt study)	3 ( <u>1</u> )			3
FD Early Years	7	2 ( <u>2</u> )		5 (FT related work + FT study) ( <u>2</u> )				
HNC Early Years	25	5	2		14 ( <u>2</u> )		4	
HNC Fashion	30	9 intending work, incl. 2 self-employed in Fashion within our sample ( <u>1</u> )			16 ( <u>3</u> )	5		
HND H/T/T	40	8 ( <u>1</u> )	9		11 ( <u>2</u> )	4		8

\* The number underlined and in brackets indicates the number of interviewees in each category.

### Exchange into further study

The majority of students, across all courses, appear to continue their studies to the next level, either to an HND or an Honours programme. Thus our sample mirrors the national picture in each country. All of the 'progressing' students we interviewed felt that their FD or HN qualification had been instrumental in gaining entry to their desired programme, and the process of application and acceptance was unproblematic. Applicants were sometimes required to achieve a threshold mark for entry; however these were not viewed by students as punitive. And there is evidence from one programme organiser at least that these stipulations are not rigorously enforced.

All of the FD students who progressed were able to enter directly onto Level 3 of their Honours programme, and without any bridging course requirement. The programme organiser for the BA receiving students from the FD in Hospitality/Travel & Tourism indicated that this high exchange value was due to a university wide policy of applying 'the full tariff'. His own view was that a further semester, prior to starting the existing 3<sup>rd</sup>

year, was required by these FD students to fully prepare them for their Honours programme. However he had been unsuccessful in arguing for this additional semester.

Students on the HNC Fashion were able to progress directly to the second year of the HND and received a guaranteed place. Students progressing from an HN onto an Honours programme experienced mixed outcomes. Those making a move from the HNC Early Years onto a degree pathway appeared to be subject to a filtering process, involving an assessed piece of Level 2 work, to enable them to enter at the 'appropriate level'. The programme organiser for the Early Years BA refers to this as a 'negotiation' with the student. Struggling students may be advised to enter at Level 1, without any credit. However they do have the right to insist on Level 2 entry and, she indicates, 'we cannot stop them'. Similarly those progressing from the HND Hospitality/Travel & Tourism onto a linked BA were able to do so into Year 3. However, entry to an Honours programme at another institution would be at Level 2, a situation which the programme organiser felt reflected an underlying 'snobbery' about the value of HNDs within the HE sector. Where HN students were transferring to Honours programmes, including linked programmes, they were required to undertake a bridging unit prior to entry and/or or a series of short study skills courses in the initial stages of their new studies. None of our interviewees suggested that these were additional unwelcome hurdles however, rather they were seen by them as helpful preparation for the new level.

The evidence from our sample therefore suggests that the exchange value into study was high for FD students, whilst in some cases HN students were not able to utilise the full national credit rating ascribed to their qualification. HN students were also subject to additional 'bridging' requirements which were not seen as feasible in the FD case.

### **Exchange into work or progression within work**

One advantage of our study is that by interviewing a sub-sample of the cohort we have been able to gain insights into the factors that students and other stakeholders feel have influenced these employment/study outcomes. However, as we have indicated the small number of interviews that we have been able to obtain with students who are in work following completion means that the issues that we highlight here can only be proposed as indicators, rather than definitive findings. In particular, outside of the Early Years FD qualifiers, we have been able to interview very few students in related work, partly because there appear to be few who actually fall into this category (see Table 3).

There are indications from the interview data that some FD students are identifying a mismatch between their expectations for future work, whilst on the course, and their experiences in the labour market. This was a particularly strong theme within the FD Hospitality/Travel & Tourism interviews where all three students we interviewed had sought but not found work related to their qualification. These students had experience of a number of short placements in different aspects of their industry and had undertaken regular WRL as part of their FD. Some had high hopes that their placement experience would in combination with the qualification itself help to secure them relevant work. Within our initial research interviews several students suggested that the placement had given them a 'foot in the door' in the industry. However nine months later they have not been able to find work in their region. For example Joyce says

*"I have been looking now for a year and I think I feel that you have more chances to find jobs in [FD degree name] down south in maybe London. Maybe I should have figured that out before but*

*that is what I felt. I feel that here you need to find a company and make your way up basically.*" (Joyce, student, FT Hospitality FD)

All of the other students from this FD echo her conclusion that jobs in this specific industry are scarce and any that do exist will require a significant move away from the region that they live and studied in. None of the students we were able to interview felt able to make that move as they had families or relationships which prevented such mobility. Joyce's comment also suggests that students have only just become aware of this as an issue, and she at least is questioning whether the FD route is an appropriate one for entry into this specific area of work.

Similarly students who exited with the Fashion FD have, with one exception, found it necessary to move into retail or even completely different sectors (banking) to find work. Although several of these students have ambitions to use their knowledge and skills to establish their own small businesses at some point in the future and hence re-enter the Fashion sector. As the programme organiser for the Fashion FD notes many students aspire to work for the top design houses. She cites her experience at a recent graduate recruitment event to suggest that such employers remain unaware of the existence or value of FDs. Instead of valuing the solid skills base delivered by the WBL and WRL elements of this FD they seek graduates with design flare and creativity. In the light of this, and perhaps wisely, the majority of students decided to progress to the Honours top-up year offered by the same institution. Indeed such is the lack of exchange value amongst employers, and recognition amongst students and parents, of the FD that the institution has now ceased to offer it as a distinct qualification and it is now fully incorporated within a 3 year BA.

The Early Years FD students were already well established in work as a condition of their part-time course. Those we interviewed were hoping to progress their careers and gain recognition for their new qualification. However, only one of the four students we re-interviewed had experienced a formal change in role and an increase in pay. Her perception was that the FD was a contributing factor in securing her promotion to manager, although the fact that she was already the deputy manager was also significant. The other Early Years qualifiers had already reached the most senior positions in their setting prior to completing their FD. Any subsequent changes in role were in addition to their existing workload and were not recognised by increased pay. The experience of these students mirrors the poor returns reported elsewhere in the sector by Knight *et al* (2006). This may in part reflect the structure of the sector where smaller settings offer limited opportunities for progression. However interviewees also identified recent changes in the qualification structure in the sector as weakening the exchange value of their FD. For example one student explained her decision to progress to Honours level,

*"Because I felt that in this moment in time that the Foundation Degree isn't terribly recognised and on its own I don't actually know what it stands for in the means of qualifications. The other reason being that with everything the CWDC [Children's Workforce Development Council] are doing, before very long everybody is going to have to have this early years professional status and you have to have a full Degree to be able to do it."* (Penny, student, PT Early Years FD).

Opinions amongst employers of the relative value of the FD, an Honours degree and the new Early Years Practitioner Status (EYPS) varied, with several suggesting that they operated on the basis that the higher the qualification the better. One employer favoured the new EYPS qualification since it was a 'setting development', whereas she viewed the FD as 'personal development'. One student was being encouraged by her

employer to move into teaching as a way of progressing beyond her small nursery school setting.

The same theme of mismatched expectations did not emerge strongly from the HN interview data. This may partly be a result of the limited number of interviews that it was possible to secure with those in work. The figures we were able to obtain suggest that a higher proportion of HN students obtained related work than was the case on the FDs. Unfortunately, despite numerous efforts, we were not able to interview HNC Early Years qualifiers who had gained related work, and so were unable to explore the contribution of their HNC to securing this work or the nature of their roles. Students on the HNC Fashion appear to be able to secure related part-time work in a retail environment, and one interviewee suggested that the HNC had been a significant factor in gaining her position. These students are also encouraged to pursue self-employment, an option which at least two of our interviewees were now actively pursuing. Those entering work with an HND Hospitality/Travel qualification appear to be fairly evenly divided between those in related and un-related work. Our two student interviewees in this category had contrasting experiences. One felt that the subject matter, and WRL experience, of the HND had helped to secure his part-time work, whilst the other initially considered that it had had no effect, although he later suggested that the 'piece of paper' may have been valued as a sign of general ability. The programme organiser for the linked BA progression route distinguished between the level of work that the HND qualifier might wish to access as, in her rather dismissive term 'trolley dollies', and the needs of the industry which she suggested were addressed by the strategic management and leadership focus of the BA. She suggests that part of her role is to raise the aspirations of the HND qualifiers to encourage them to move on to a leadership role.

Students who had yet to test the employment market, i.e. those who had progressed to full-time Honours or HND studies, were generally still positive about the role of their WBL or WRL in securing eventual work. Most felt that this experience would be a significant selling point with employers. The exchange value of this WBL and WRL was increased for many students by the absence of such learning opportunities on their Honours courses. For example qualifiers from the HNC Early Years were surprised to learn there was no work-based learning within the BA. One of these students was so concerned that this will count against her when she attempts to enter a postgraduate teaching course that she has taken on voluntary work in a nursery school. In a contrasting sector some students from the Fashion FD who were now 'topping up' to Honours suggested that their WBL and WRL, and in particular the making skills they had developed on the FD, might be viewed positively by employers when set alongside their eventual Honours degree. It would, they felt, contrast favourably with a more conventional route to Honours which had concentrated on more academic and drawing skills. This suggests that some students continue to perceive that their FD or HN has significant exchange value with employers even if they feel it will be necessary to complete an Honours degree in order to secure their desired job. Whilst most students who were now on Honours routes continued to be positive some concerns were raised that the extent of the WBL or WRL was too limited to really make a difference to their job prospects. This was particularly raised by those who had studied the FD and HND in Hospitality/Travel and Tourism.

## **Conclusions**

In this paper we have attempted to trace the outcomes for HN and FD students in our small sample. Gathering the data has been problematic and some absences remain. It appears that the outcomes for these students reflect closely the national data sets, and in particular the strong preference for topping up HN or FD qualifications to a degree.



This suggests that for significant numbers of students both HN and FDs are transitional. In our sample students with an FD received the 'full tariff' of credit within an Honours degree, whilst those with an HN may not receive the full credit rating and are more likely to be required to undertake a bridging programme. Some students who had progressed believed that the WBL and WRL they had experienced within their 'HN/FD plus Honours' pathway would enhance the exchange value of their final qualification.

The exchange value of FDs directly into work is less clear. Evidence from the interviews suggests that in each of the three FDs in our sample students perceive a mismatch between their expectations and the experience of seeking relevant work or promotion. Those in unrelated work had in a number of cases ended up returning to the same organisation they had worked in before the FD or whilst a student. Unsurprisingly some of these students felt they had not been able to realise much exchange value from those years. Reflecting back on the two policy objectives for the FD that we outlined at the start of this paper it appears that the indications from this small sample are that the objective of increasing progression to honours has been met more fully than that of addressing skills gaps. The data we obtained from our HN student sample suggests slightly more students were able to progress directly into related work. The perspectives arising from the HN student interviews were more varied and no similar theme of mismatching of expectations and experiences arose.

## References

Brennan, J., Little., B. *et al* (2006), *Towards a Strategy for Workplace Learning*, Report by CHERI/KPMG of a study to assist HEFCE in the development of a strategy for workplace learning. Accessed at [www.hefce.ac.uk/pubs/rereports/2006/rd09\\_06/](http://www.hefce.ac.uk/pubs/rereports/2006/rd09_06/)

DfEE (2000) *Foundation Degrees: a consultation document*, London, Department for Education and Employment

DfES (2004) *Foundation Degree Task Force Report to Ministers*. London, Department for Education and Skills

Fdf (2008) *What is a foundation degree?* (Student leaflet) Foundation Degree Forward. Available at [http://www.fdf.ac.uk/home/information\\_for\\_students/what\\_is\\_a\\_foundation\\_degree/](http://www.fdf.ac.uk/home/information_for_students/what_is_a_foundation_degree/)

Fuller, A (1994) New Approaches to Management Training and Qualifications: Perceptions of Use and Exchange, *Journal of Management Development*, Vol. 13 No.1, 1994, pp. 23-34.

Gallacher J, Ingram R and Reeve F (2006) *Differing national models of short-cycle, work-related higher education provision in Scotland and England*. Centre for Research in Lifelong Learning. <http://crl.gcal.ac.uk>

HECSU (2008) Futuretrack Accessed at: <http://www.hecsu.ac.uk/hecsu.rd/futuretrack.htm>

HEFCE (2008) Foundation degrees: Key statistics 2001-02 to 2007-08. HEFCE 2008/16

Accessed at: [http://www.hefce.ac.uk/pubs/hefce/2008/08\\_16/](http://www.hefce.ac.uk/pubs/hefce/2008/08_16/)

Knight, T., Tennant, R. Dillon, L. Weddell, E. (2006) *Evaluating the early years sector endorsed foundation degree – a qualitative study of students' views and experiences*, London: National Centre for Social Research for the DfES, Research Briefing RB751.

QAA (2004) *Foundation Degree Qualification Benchmark*. Gloucester, Quality Assurance Agency for Higher Education

Reeve, F. Gallacher, J & Ingram, R. (2007) A comparative study of work-based learning within Higher Nationals in Scotland and Foundation Degrees in England: contrast, complexity, continuity. *Journal of Education and Work*, Vol 20, No. 4: 305-318

Scottish Government (2008) *Attainment in HE and destination of leavers 2006-07*, Statistics Publication Notice, Lifelong learning Series, Scottish Government. Accessed at:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Lifelong-learning/TrendHEGraduates>

SQA (2007) 'HN Toolkit – Introduction and Overview'. Scottish Qualifications Authority. Accessed at [www.sqa.org.uk/sqa/6402.677.html](http://www.sqa.org.uk/sqa/6402.677.html)

SQA (2008) 'HNCs and HNDs – a career with prospects'. Scottish Qualifications Authority. Accessed at [www.sqa.org.uk/sqa/566.html](http://www.sqa.org.uk/sqa/566.html)