

A REVIEW OF

**ENTERPRISE AND  
THE ECONOMY IN  
EDUCATION**

Howard Davies  
February 2002



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Howard Davies  
February 2002

# Summary and Recommendations

## Summary

The world of work is changing fast. Over the last two decades the number of people working in small firms or who are self-employed has grown sharply, while jobs in the public sector and large firms have been cut back. These trends, at least in the private sector, seem set to continue. Looking forward, therefore, young people seeking work in the future are likely to need to be more flexible and entrepreneurial in their attitudes. Even in larger firms and in the public and voluntary sectors entrepreneurial skills are more highly valued than they were in the past.

The education system plays a crucial role in preparing young people for the world of work and employability. How well is it adapting to these changes, and how effective are schools and colleges in developing an understanding of the economy, and of enterprise, among their students?

Some commentators have argued that our schools are positively hostile to entrepreneurship and to business in general. We do not find that to be so. There has been evidence in the past that young people's views of business careers were negative. But our research into current attitudes shows that most think well of entrepreneurs and many see running their own business as an attractive career option.

Schools have played a part in developing that more positive view. Almost all offer work experience opportunities, and many facilitate other contacts with business. But our research also shows that whilst young people recognise the challenges and rewards involved in starting and running a business, many are unsure of their own ability to meet the challenges successfully. They lack the skills and confidence to turn positive attitudes into action during their future careers.

That confidence, and those skills, are more likely to be developed through involvement in enterprise activities, such as mini-company schemes or enterprise projects undertaken as part of a curricular course. Yet while some schools have implemented imaginative programmes, usually with business support, those experiences are available to relatively few students nationally – fewer than 30% of young people take part at any point in their school careers. It is also clear that few schoolchildren are exposed to basic concepts about finance and the economy, which form part of the essential toolkit of the effective entrepreneur.

The time is right for a step change both in enterprise activities, and in the promotion of economic and financial literacy. The reorganisation of the 14-19 curriculum offers an opening to revisit the place of enterprise learning in schools. In addition, changes including the recent establishment of the Learning and Skills Council, the addition of

Citizenship to the curriculum this year and the Financial Services Authority's new duty to promote public awareness of the financial system present a series of opportunities for greater integration of enterprise learning into young people's education.

But it will not happen unless the Government articulates and secures commitment to a clear strategy for enterprise learning, provides the resources to deliver it and ensures that the performance of schools and colleges is monitored and reported. That strategy should begin with a clear statement of aims. The ultimate objective is a more dynamic economy, with a more rapid rate of job and business creation. That in turn requires a more enterprising workforce, with the skills and attitudes necessary to manage more flexible careers and to understand and manage risk. Enterprise learning in schools can develop those skills and attitudes.

If the Government accepts the case for a significant expansion of enterprise activities, it will be important to ensure that the programmes and activities involved are delivering a high quality experience to participants, one which genuinely adds to their understanding of enterprise, and to their self-confidence. Greater support from business will be needed. While we have found considerable anecdotal evidence to support the effectiveness of programmes like Young Enterprise, and activities run by individual schools, there is a dearth of hard-edged evaluation of the outcomes. That is true both of the ultimate aim – more job and wealth creation – and the intermediate outcomes, such as attitudes to business, or understanding of risk-taking.

We therefore recommend a phased approach, and one which aims to build on the successful partnerships which already exist between Government, schools, business and brokers. The Government should commit to providing resources so that all young people have the opportunity to experience enterprise activity at some time during their school career, with the attached funding sufficient to support an average of five days per pupil. (Clearly that 'Enterprise Experience' is likely to be spread across a longer period of time).

Some schools and colleges are already delivering this level of activity from within existing resources. But to bring the majority up to this level, and to raise the quality and effectiveness of existing activities, we estimate that the annual public funding needed would be of the order of £54 million. This assumes that in addition, business support in terms of time and other resources, to the value of £30 million a year, would be provided by the private sector. We hope and expect that the business community will be prepared to contribute in this way. Our evidence suggests that many businesses are keen to be involved but are uncertain about how best to approach schools and colleges.

The achievement of that objective should be phased in as quickly as practicable, with preparation for implementation beginning in 2002 to allow large-scale, rigorously evaluated pilots to begin in 2003-4 co-ordinated with the follow-up to the 14-19 Green Paper. We have developed proposals for the evaluation framework which would be needed to ensure that all parties – Government, schools and business - were getting value for their investment.



We believe it is possible to define the attributes which contribute to an enterprising workforce, and to measure their achievement over time. The Government should quickly establish a benchmark against which progress can be assessed. Without such measurement there is a risk of ill-focused, expensive and ineffective activity.

We recommend that a substantial portion of the funding to support expansion should be provided direct to schools and colleges. This will allow schools to develop and buy in approaches tailored to their particular needs. Funding should also be directed to brokers, who will need greater and more secure funding schemes to build capacity. We think it likely that there will be some need for financial support to be skewed towards schools in economically deprived areas with less opportunity to exploit informal networks, including parental connections, which can be a cost-effective method for many schools to develop fruitful business links.

There is evidence that, while teachers are generally supportive of business links, they are uncertain of their own ability to promote enterprise, and need help to do so. Our report includes a number of detailed recommendations designed to help teachers, supported by business and brokers, deliver both financial literacy programmes and enterprise activities.

We also emphasise the importance of integrating the assessment of a school's delivery of enterprise learning into the Ofsted framework. Without that underpinning, schools may not find it possible give it the attention it requires, and it will not become a mainstream activity.

Finally, it is clear that the quality of local partnership brokerage varies enormously, partly due to the absence of any clear quality framework underpinning their work. We have made recommendations which, we hope, will lift all brokerage to the high standard already set by some.

We are confident that, with careful planning and effective partnership, the step change we envisage can be achieved without adding substantially to the burdens on teachers and schools, and in a way which reinforces the Government's other objectives in the education system.

Schools and colleges are under pressure, and any new obligations must be matched with new resources. That is a key feature of our proposals: without adequate funding, schools will be unable to deliver. Schools will need time to design enterprise learning experiences for their pupils in partnership with business. High quality packages of enterprise learning need to be made more accessible and easy to deliver by teachers, in partnership with business and brokers. This will minimise the work needed by individual schools to create quality enterprise learning experiences. But what of the pressure on curriculum time?

Three complementary approaches are needed to ensure delivery of our recommendations without elbowing out other essential elements of the curriculum. First, we believe that some of the time currently devoted to work-related learning could be refocused. For example, we see considerable scope to upgrade work

experience, by adding a participative element of enterprise learning, making it a richer experience for students, one which imparts skills as well as a basic familiarity with the world of work.

Second, there are opportunities to use other curriculum time more effectively if a school takes an integrated approach to enterprise learning. Part of the Citizenship curriculum can be used, for example, and financial literacy work can be integrated within the numeracy strategy. These approaches can be road-tested in the pilots we propose.

Third, a large part of the burden of increasing the provision of enterprise activities for young people will rest with the brokers. If Government and business are prepared to provide the resources we propose, brokers will be able to build capacity and improve quality to meet this challenge. Brokers can play a key role in procuring the design and delivery of enterprise learning packages.

Taken together, the recommendations in this report will promote positive attitudes to enterprise and business creation among future generations of school-leavers. That should, in turn, promote faster growth of small businesses and jobs. It will also make young people, whatever their choice of career, better equipped to manage risk and change in their working and personal lives. The needed investment is modest, if the private sector and schools are prepared to co-operate, which we believe it will be in their interests to do. The potential rewards are great.

## Recommendations

### Strategy and objectives

- The Government should make a clear statement of policy setting out a national agenda for building enterprise capability, economic and business understanding, and financial literacy in all young people. Such a statement should be signed by the Chancellor, the Secretary of State for Education and Skills, and the Secretary of State for Trade and Industry. It should include a clear definition of the outcomes that the Government wants to see, and how young people can be encouraged to be enterprising and to understand and respond successfully to the challenges and opportunities driven by changes in the economy.
- The DfES should prepare guidance which explains for teachers and other professionals what is meant by 'enterprise capability' as an aspect of learning across the curriculum. It should cover the knowledge, skills, attitudes and attributes which are associated with the concept, and examples of how and where they could be introduced within the National Curriculum and other subjects.
- The Government should establish and monitor a clear benchmark of young people's enterprise capability. This could be achieved by a nationally representative survey conducted on a regular basis.

## Building enterprise capability

- The Government should commit to providing resources so that all young people have the opportunity to experience enterprise activity at some time during their school career, with funding sufficient to support an average of five days per pupil. (Clearly that 'Enterprise Experience' is likely to be spread across a longer period of time). Young people should be provided with these enterprise learning opportunities within or in addition to the mainstream curriculum during their school career. In the short term, testing of different types of enterprise learning and delivery models should be co-ordinated with the follow-up to the 14-19 Green Paper.
- In order to support our proposed level of provision of enterprise activity, we estimate that Government would need to commit annual funding of £54m by 2005-06. We recognise that the Government will need to consider this recommendation alongside other priorities in the forthcoming Spending Review.
- Wherever possible, enterprise activities should be developed in partnership between business, schools and Government. In order to support our proposed level of provision of enterprise activity, we recommend that the business sector should commit £30m in time and resources annually by 2005-06. Their contribution will be largely in the form of staff time in schools and supporting enterprise activities built around work experience programmes.
- The additional funding to enable the planning and delivery of enterprise learning for pupils should be weighted to recognise the differing circumstances and needs of individual schools and groups of young people.

## Supporting measures

- The Qualifications and Curriculum Authority (QCA) should review the schemes of work which have been produced for National Curriculum subjects when they are next revised, so that they show clearly how and when enterprise learning can be introduced into the teaching of subjects. We also recommend that some examples are produced in an audio-visual format to illustrate how enterprise learning might look in terms of individual lessons.
- New teaching and learning materials should be developed for enterprise learning and personal finance education. Where appropriate these should be integrated into existing curriculum initiatives, such as the National Numeracy Strategy, and made available through a dedicated website, so that the good practice currently evident in some schools may be readily accessible and available for all.
- The National College of School Leadership should include enterprise learning and personal finance modules as appropriate within the portfolio of school leadership training and development programmes, which include the National Professional Qualification for Headship, the Leadership and Management Programme for New Headteachers (HEADLAMP), the Leadership Programme for Serving Headteachers, short skill courses, strategic programmes and partnership programmes

- Existing professional development placements for teachers should be re-focused to support the development of sustainable working relationships with local business, and the General Teaching Council working with DfES should explore ways to build optional enterprise modules into the national strategy for continuous professional development.
- The Government should provide £2m to brokers via the Learning and Skills Council to enable a greater focus on improving the scale and quality of business engagement, particularly amongst small and medium sized companies, in support of enterprise learning.

### **Quality, monitoring and evaluation**

- Ofsted should include an additional question in the next revision of the inspection framework: ‘How well does the school prepare young people for employability and work (including their enterprise capability)?’
- The Learning and Skills Council should develop a standards framework for broker activity, setting out transparent aims, objectives and outcomes.
- The Government should support a programme of evaluation based on the Review’s recommended definition of enterprise capability. This should include an evaluation of the principal programmes and activities designed to promote enterprise capability, and an assessment of the outcomes from activities run in connection with the 14-19 Green Paper follow-up.

The remainder of the report sets out the key findings of the Review, explores the thinking behind this package of recommendations and includes a number of interesting and suggestive examples of current practice identified during the course of the Review.

# Remit and Rationale

## Remit

In June 2001 the Chancellor of the Exchequer, Secretary of State for Education and Skills and Secretary of State for Trade and Industry asked Howard Davies, Chairman of the Financial Services Authority, to conduct a Review of enterprise and the economy in schools and further education, covering the age range 5-19. Its terms of reference were to consider how to promote better understanding of business, the economy and enterprise throughout the school and further education systems. It was required to examine:

- Current attitudes towards business, enterprise and the economy amongst students and teachers, and the factors that drive those attitudes
- The level of financial literacy and how this affects attitudes
- The scale and effectiveness of existing activities in education institutions
- The outputs that Government should aim to achieve in this area
- International comparisons

An independent Review team was drawn from the Financial Services Authority, Department of Trade and Industry (including the Small Business Service), Department for Education and Skills and HM Treasury to carry out the independent Review. The Review was asked to make specific and costed recommendations to the Government on how to achieve the outputs that it proposes, reporting by the end of January 2002.

The Review has used a range of approaches to build a picture of current provision in terms of enterprise and education in England and to inform its recommendations<sup>1</sup>:

- A survey of previous government initiatives in this area since 1986 was undertaken along with a review of relevant academic research.
- Public consultation was undertaken via a Call for Evidence. An information leaflet was distributed to secondary and primary headteachers and to a range small, medium and large businesses.
- Key stakeholders were invited to participate in focus groups.

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1. Where appropriate, relevant research reports are available in full on the Review's website: [www.daviesreview.org](http://www.daviesreview.org)

- MORI was commissioned to undertake primary research. Six initial focus groups were held involving a range of young people aged 15-18. The findings from these groups were used to inform a quantitative telephone survey involving 600 young people in the same age range. Further quantitative research with an additional 400 young people in a mixture of schools and colleges followed.
- 1500 businesses including SMEs were surveyed.
- 17 schools offering a range of enterprise learning opportunities to their students were visited

The Review also looked at what is being done outside England to promote enterprise education, knowledge about the economy and financial literacy. Information has been gathered from the other parts of the UK, the European Union, Central and Eastern Europe, Australia, New Zealand, Canada and the USA.

### **Enterprise Case Study: Microsociety**

'MicroSociety' is a Citizenship-related project aimed at Key Stage 2 pupils which has been successfully introduced into a number of primary school in Enfield. Based on an idea originating in California, the programme and materials have been adapted for use in the UK.

The programme, usually delivered in 24 units over 12 weeks, involves children in:

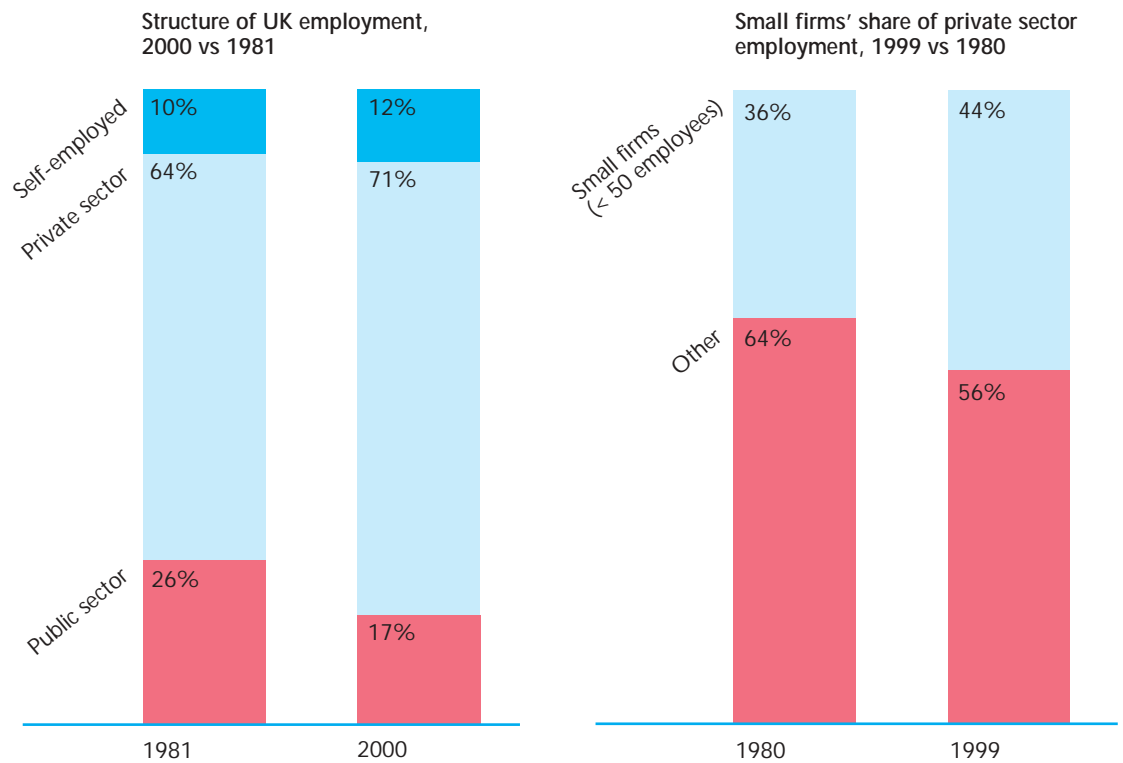
- Creating their own society with its own identity, name, flag and currency within the classroom;
- Setting up the institutions necessary for that society to function (eg civil service, legal system, business and an economy);
- Learning about basic economic concepts;
- Developing enterprise activities;
- Meeting visitors from business and local/national government.

Although the programme has a citizenship theme, teachers are able to deliver other National Curriculum requirements through this programme. There are also many 'out of classroom' learning opportunities, with schools arranging visits to the Houses of Parliament, the Civic Centre, and the Magistrates Court, as well as developing enterprise activities to involve the local community

## Rationale

Education has a responsibility to contribute to the preparation of young people for the world of work. But the world of work has changed significantly over the past two decades. Overall, there are more opportunities than ever before, as the total number of jobs in the UK has increased by 11% since 1981. But the pattern of growth has not been even. The number of public sector jobs has fallen by almost two million, offset by four million new jobs in the private sector. The fastest growth has been amongst small businesses which now account for over 4 in 10 of business jobs, and in self-employment which accounts for almost one in eight jobs in the economy as a whole. International experience suggests that these are likely to be the most dynamic areas of the economy in the foreseeable future.

### UK Employment Trends, 1980–2000



Source: ONS; SBS Research, team analysis

It is also likely that young people in education now will face greater economic uncertainty and more frequent change in their future working lives than did their predecessors. Against that background, all young people will need more enterprising skills and attitudes, not just to set up businesses (or enter self-employment), but also to build their own careers and to stay employable. In addition, enterprise may be seen as a set of skills, attitudes and capabilities which can help weaken the link between economic uncertainty and social exclusion.

With the decline of the state pension and other benefits as a proportion of retirement income, and the diversification of personal saving options, young people will also need to make more personal provision for their own financial futures. Education therefore has a responsibility not only to contribute to the preparation of young people for the world of work, putting them in touch with the range of opportunities open to them, but also to develop their financial literacy and ability to make choices and manage risk.

### **Enterprise Case Study:**

#### **Enfield EBP**

Working with the Careers Service, the Enfield Education Business Partnership developed an enterprise activity ('First Class Skills') focusing on the school's Christmas card postal service. Year 6 pupils identified their skills and qualities, completed application forms, attended interviews, received training and then ran the school's postal service. Jobs included selling stamps, collecting, sorting and delivering the post. With other pupils as their demanding customers, the 'Posties' quickly started working as a team, working additional hours in peak periods and learning the necessity of good time-keeping, financial monitoring and remembering their uniform. With over 10,000 cards delivered in each school, the pupils will be rewarded by spending their profits on their school summer trip.

### **Enterprise Case Study:**

#### **Cadbury's/Princes' Trust/Four Dwellings High School**

The 'learning to work for yourself' project was a joint initiative between Cadbury Schweppes plc and The Prince's Trust, with the aim of raising the profile of self-employment as a viable career option.

Four Dwellings High School lies within the Quinzone Small Education Action Zone in Birmingham. It has close links with Cadbury's who provide a Cadbury employee to act as the Link Manager between them and the school. Four Dwellings actively seeks to involve its community in initiatives where new and exciting beginnings are possible, and so was an ideal partner for this project.

The project began with discussions on the attitudes of pupils, teachers and learning mentors to the idea of self-employment and found many had an idea of what they would like to do when leaving school but had not thought how this could be turned into working for themselves. For example, some pupils were interested in sport and fitness, but did not realise how this could be turned into a business.

A play raising the issues was devised by the Prince's Trust, using a local theatre group, Round Midnight. A performance was staged at the school, which has the ideal venue in the form of an old gym recently converted into a theatre, with the help of Cadbury's. Cadbury's initiated a poster design competition based around the slogan 'I want to be . . .', and also organised after school sessions for students to talk to 'real' people in employment and self-employment.

The lively, entertaining and engaging play was well received, and it was followed up with discussions with the pupils who freely admitted it had made them think about working for themselves as an option. The school has since been able to develop these ideas and has used them now to stage a second successful performance.



# Concepts and definitions

The terms of reference for the Review were broad and included a wide range of outcomes to which an even wider range of educational content, programmes and activities contribute. In this section we will focus first on what these outcomes are.

## Outcomes

The overarching outcome to which the Review can contribute most is the employability of young people. We see employability as the knowledge and understanding, skills, attitudes and qualities that young people will need to thrive in their future working lives. For everyone, the challenge to maintain and update employability lasts throughout life. However, the scope of the Review is focused on young people who are at the start of this journey in schools and colleges.

Employability comprises many different components. Those which fall within the remit of this Review are:

- Enterprise capability
- Financial literacy
- Economic and business understanding

We have found there to be a lack of clarity around these terms arising in part from different views in the worlds of education and business. For the purposes of this report, we have adopted the following definitions<sup>2</sup>:

**Enterprise capability:** the capability to handle uncertainty and respond positively to change, to create and implement new ideas and new ways of doing things, to make reasonable risk/reward assessments and act upon them in one's personal and working life. This depends on the development of:

- Knowledge and understanding of concepts - organisation, innovation, risk, change;
- Skills - decision-making (particularly under conditions of uncertainty), personal and social, leadership, risk management, presentational;
- Attitudes - self-reliance, open-mindedness, respect for evidence, pragmatism, commitment to making a difference;

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<sup>2</sup>. We are particularly grateful to Ofsted for sharing their latest work in this area with us.

- Qualities - adaptability, perseverance, determination, flexibility, creativeness, improvisation, confidence, initiative, self-confidence, autonomy, action-orientation.

**Financial literacy:** the knowledge, skills and attitudes necessary to become a questioning and informed consumer of financial services and the ability to manage one's finances effectively. Financial literacy can be divided into three interrelated themes:

- Knowledge and understanding - familiarity with a range of concepts such as money, credit and investment;
- Skills and competence - budgeting, financial planning and personal risk management;
- Attitudes - taking responsibility for the wider impact and implications of money and financial decisions on individuals, business and the community

**Economic and business understanding:** a process of enquiry, focused on the context of business, central to which is the idea that resources are scarce so that choices have to be made between alternative uses. This includes :

- Knowledge and understanding - familiarity with a range of economic concepts such as the market, competition, price, efficiency and economic growth
- Skills - the ability to take decisions and make judgements on issues with an economic dimension, investigate simple hypotheses and apply theoretical understanding to practical situations.
- Attitudes - an interest and concern in: economic affairs, responsible use of resources, challenges of business and its importance to society, responsibility of employers to the community and the environment

These three components (enterprise capability, financial literacy and economic and business understanding) are neither the sole components of employability, nor is employability the only outcome to which they contribute. For instance, Key Skills<sup>3</sup> are important components of employability; and while financial literacy is important for someone considering setting up a business, it is just as important for someone taking out a mortgage or planning for retirement.

The three outcomes on which we are focusing are not developed in isolation. In particular, there is a strong connection between aspects of enterprise capability and many of the Key Skills. Our three components of employability are also closely related to each other, and in practice overlap to some extent. For example, success in enterprise and personal finance both require a wider awareness of how changes in the economy, such as an increase in the growth rate, or changes to the rate of inflation, may affect businesses and individuals.

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3. Literacy, application of number, ICT, working with others, improving own learning, problem-solving

## Learning opportunities

In the reality of the school environment, the development of young people's enterprise capability, financial literacy and economic and business understanding takes place in a range of curriculum programmes, often containing one or more of three strands of activity.

The first strand focuses on *education about work* and the way business functions, including vocationally-related courses such as design and technology, leisure and tourism, performing arts, health and social care, manufacturing and engineering. It also includes general subjects that deal with the world of work, notably: business studies and economics; and enrichment courses to promote economic and business understanding. In addition, it includes the vocational dimension contained in general subjects such as English, mathematics and science.

The second strand emphasises *education for work* and is concerned with improving the transition of young people to adult and working life, particularly through careers education and guidance and provision of the Key Skills of literacy and application of number. It includes the development of the particular qualities and attitudes young people need to succeed in employment, such as problem-solving, working with others, entrepreneurship, personal and social skills, creativity, perseverance, flexibility, adaptability, and self-reliance. Careers education and guidance help students make informed choices about their future education, training and employment.

The third strand, *education through work*, provides opportunities for pupils to gain experience of work in a range of ways. For example, placements or work experience in business firms to carry out particular work-related tasks, work shadowing, work role-play, "mini-enterprise" activities, art and technology projects undertaken in partnership with employers, mentoring of pupils by business personnel, and work simulations. Most often, such experiences are organised in co-operation with employers. Many schools have formal partnerships with employers to facilitate their co-operation.

Many of the learning opportunities in these strands involve an element of work-related learning, which according to the Qualifications and Curriculum Authority (QCA) occurs where there are planned activities that use work as a context for learning. Links between business and education provide the vehicle for some of these activities, and these links are often facilitated by intermediary organisations referred to in this report as 'brokers'. These organisations are also sometimes referred to as education-business link organisations (EBLOs)<sup>4</sup>. Examples include Young Enterprise, businessdynamics, SATROs, the Trident Trust and Education Business Partnerships. Some brokers, but not all, provide and run their own programmes.

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4. EBLOs have recently grouped together into consortia (EBLOCs) within the structure of the 47 local LSCs.

## Our focus

In the context of the wider learning opportunities afforded by work-related learning, including business links, we have given the development of enterprise capability particular attention. This is because we believe that it could play a bigger role than at present in preparing all young people for the changing economic and technological environment, and in developing the confidence and self-reliance they need to manage their own careers in this context, whatever their career choices (not only those who choose to start up their own business). As we have argued above, the development of enterprise capability has a strong and necessary relationship to economic understanding and financial literacy, whilst also being a distinct (and important) outcome in its own right.

We believe that there are a number of learning opportunities through which enterprise capability in particular can be developed. We refer to the experience of young people taking up these opportunities as ‘enterprise learning’. Where these opportunities take the form of a discrete activity, we refer to them as ‘enterprise activities.’

This report does not attempt to redefine or replace work-related learning, education-business links or wider programmes of curriculum enrichment. Rather, we seek to improve the opportunities within these areas for the development of enterprise capability.

# Educational context

This is not the first review of the links between education and the world of work in the UK, nor will our recommendations be the first that have been made in this area. Over the past 20 years there have been a variety of initiatives, including the establishment of the Technical and Vocational Education Initiative in 1982, education business partnerships in 1992 and vocational GCSEs in 2001.<sup>5</sup>

In combination, these initiatives have contributed to some valuable changes. Over 95% of 16 year olds now participate in work experience programmes<sup>6</sup>, and broader links between business and education have become widely embedded in the education system. But in a fast-moving economic and political environment, too often previous initiatives have run out of steam and have failed to generate and sustain systematic integration of enterprise learning and economic and business understanding into the education system. In our view, this is primarily because they have not been set within a realistic overall strategy to develop enterprise capability, and have not been rigorously monitored and evaluated.

There are already encouraging signs that the need for a more coherent approach is recognised. Economic and industrial understanding was included in the National Curriculum as one of the five National Curriculum cross-curricular themes identified as essential to promote the aims defined in the Education Reform Act of 1988. In addition, the Ofsted Framework for Inspection considers the effectiveness of work-related learning, albeit only to a limited extent: individual school inspection reports have often contained only a few sentences on this aspect of education. An Ofsted evaluation of this area in secondary schools in 1998 concluded that *'almost all secondary schools take some steps to prepare their pupils for adult and working life....[but that]...a well-coordinated and coherent programme of work-related learning is found in only one-quarter of schools'*<sup>7</sup>.

More generally, the education system is going through a period of significant structural change. The funding of post-16 education and the delivery of learning local partnerships has been fundamentally altered by the setting up of the Learning and Skills Council in 2000. Teachers are implementing a new Key Stage Three strategy, and a new approach to careers education and guidance through the Connexions service will be rolled out across England by 2003. The addition of Citizenship to the curriculum will become a statutory requirement from September 2002. The Government has introduced literacy and numeracy strategies, with targets of achievement set for 2002. Changes are proposed to the organisation, planning and

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5. Further details of these and other initiatives are attached to this report.

6. *Work related aspects of the curriculum in secondary schools*, Ofsted 1998; our own survey of 15-18 year olds found that 84% had taken part

7. Ofsted 1998, opus cit.

content of the 14-19 curriculum. A Government-commissioned review of teacher workload was made available at the end of 2001, outlining ways of alleviating the pressure on teachers. Finally, a new Education Act is planned for later in the year.

There are also changes underway in the teaching of financial literacy. The National Numeracy Strategy has recently been extended to cover Key Stage 3 and from December 2001 the Financial Services Authority (FSA) has a statutory duty to promote public awareness of the financial system, a responsibility that includes young people as well as adults. The aim is to provide individuals with the knowledge, aptitude and skills necessary to become questioning and informed consumers of financial services and to be better equipped to manage their finances effectively.

These changes together do not in themselves address the questions in our terms of reference. They do not provide a rationale or a delivery mechanism for enterprise learning. However, they do present a series of opportunities for greater integration of enterprise learning into the curriculum.

In framing our recommendations, we have taken account of this agenda of change, and of the other pressures on the education system. We are conscious that most schools and colleges are already fully stretched responding to these changes, and that we should not add to the challenges that they are facing. Nonetheless, we believe it is possible, as long as appropriate resource is provided to schools, to take advantage of the new opportunities that change brings to advance the cause of enterprise learning.

In the next section we identify the starting point for this in terms of an overview of current learning opportunities and educational outcomes.

### **Enterprise Case Study: Looe Community School, Cornwall**

Looe Community School is an 11-16 comprehensive school with a predominantly rural catchment area, situated on the edge of a small seaside town. The school is promoting a new focus on enterprise to encourage a wider consideration of the world of work.

Innovation and Enterprise Days were mounted for the first time in 2001. Creativity and innovation were at the heart of the enterprise activity, which had the aim of identifying 'the next Pokemon'. All 120 13-14 year old pupils took part over a 2 day period, with 60 young people involved each day. Each group was organised into 10 'companies' with 6 employees, each holding specific roles with clear job descriptions.

Each company had to produce an example, or a detailed drawing, of the product they thought would become the next Pokemon; produce a marketing jingle, leaflet, and advertising poster; calculate the basic financing of the product; and make a final presentation to a bank board, 'selling' their idea in the hope of gaining venture capital.

Teams were created at an earlier preparation and concept-presentation session, which also included some discussion of possible products. At the start of the activity day each group was given a preliminary briefing by an Education Business Partnership representative. Pupils were asked to come dressed in appropriate business clothing, rather than in school uniform, and received briefing and support from advisers from local businesses. All the companies successfully outlined well-presented products, and all participants received certificates for inclusion in their Record of Achievement. The school as a whole was also made aware of the project through a special assembly on enterprise.

# The Current Picture

We found evidence of a broad range of activity in schools and colleges related to our terms of reference, both within the National Curriculum and outside it. We found that work experience and paid work are widely undertaken by young people but that enterprise activities, such as mini-company initiatives, are only available to a small number of them. The level of access to other education-business link activity, such as visits to and from business, is higher than enterprise activity but lower than work experience. Our own survey of young people revealed that over 80% had undertaken work experience, while fewer than 15% had taken part in mini-company schemes.

We also found that only a small percentage of businesses, and an even smaller percentage of business people are involved with schools, and that teachers are not always well supported in prioritising the delivery of enterprise learning. This is not helped by the variable quality and profile of brokerage arrangements around the country.

Many respondents to our Call for Evidence claimed that there is strong demand from young people for enterprise learning opportunities, greatly in excess of the current level of supply. Their claims were reinforced by our own research with young people, which showed clearly that they have strongly positive attitudes to business and entrepreneurship but also that they lacked some of the important skills, expectations and behaviours which are vital for developing enterprise capability.

The rest of this section presents in more detail the evidence the Review has collected about the current supply of learning opportunities and about the attitudes, knowledge and experiences of young people.

## Enterprise Case Study: Bishop Vesey Grammar School

Students at Bishop Vesey Grammar School have a long tradition of involvement with organising charitable events. In one example, the school worked with Dr. Barnardos (which in turn received support from Friends Provident). Teams of students were invited to a regional launch at the local Premier league football club ground and encouraged to consider ways in which they could organise themselves as a fund-raising social enterprise. After some initial success some low-key events (a raffle for a teddy bear and a sponsored bowling event), the team felt confident enough to aim for its major money-spinner: 'Who wants to be a millionaire, almost'.

The *Millionaire* shows were well received and also provided the team with a 'customer base' eager for more. A disco, more raffles and sponsored games ensured that the team made a profit of £1200, 75% of which went to the charity, with the remainder being donated to school funds. A website was created and publicity material was also presented at events such as parents' evenings. The local newspaper was kept informed with regular press releases and featured the project's work on several occasions.

The concluding part of the exercise involved the production of a final report and a set of accounts. These were submitted to the charity for judging and the team was also asked to make a presentation at the regional finals of the annual competition. The school was delighted to hear that the team had been chosen as regional champions.

## Learning opportunities

We examined the availability to young people of educational experiences relevant to enterprise capability, financial literacy and economic and business understanding. This includes measures designed to support teachers and to promote engagement of business with the education system.

### Work experience and paid work

Work experience is by far the most widespread activity. Nearly all young people spend 1-2 weeks on work experience some time during Year 10 or 11:

- Ofsted found that 95% of pupils undertake work experience in Key Stage 4 (1998)<sup>8</sup>
- The then DfEE found that 98% of pupils undertake work experience in Year 10 or 11, as do half of 6<sup>th</sup>-formers (1997-8)<sup>9</sup>
- Our own survey of 15-18 year-olds found that 84% had done work experience<sup>10</sup> and 79% have done some form of paid work.

Work experience is a well-established part of young people's education, and takes up a significant portion of time: Ofsted estimate that on average a placement takes up two weeks, or the equivalent of 50-60 hours of school time<sup>11</sup>. Ofsted found that work experience is well-organised in over 90% of schools; that three quarters of placements are well-matched to pupils' abilities and that two thirds provide an appropriate level of challenge. But they also found that one fifth of pupils find their placement unsatisfactory, largely because of limited scope for taking responsibility, and that links to curricular outcomes are sometimes unclear.

### Other education-business link activity

It is more difficult to establish reliable figures for how many young people are involved in education-business link activity other than work experience. However, we estimate that somewhere between 15% and 30% of young people have some involvement every year. Much of this comprises short experiences such as a class led by a businessperson, with only a small part made up of more extended enterprise activities such as the Young Enterprise Company Programme.

We base our estimate on four bodies of data regarding levels of annual involvement:

- The then DfEE's survey of education-business link activity in 1997-8 suggests that 30% of young people are involved<sup>12</sup>

8. Ofsted 1998, opus cit.

9. *Survey of School-Business Links in England*, DfEE 1998

10. MORI Survey for Davies Review Team, 2002

11. Ofsted 1998, opus cit.

12. DfEE 1998, opus cit.

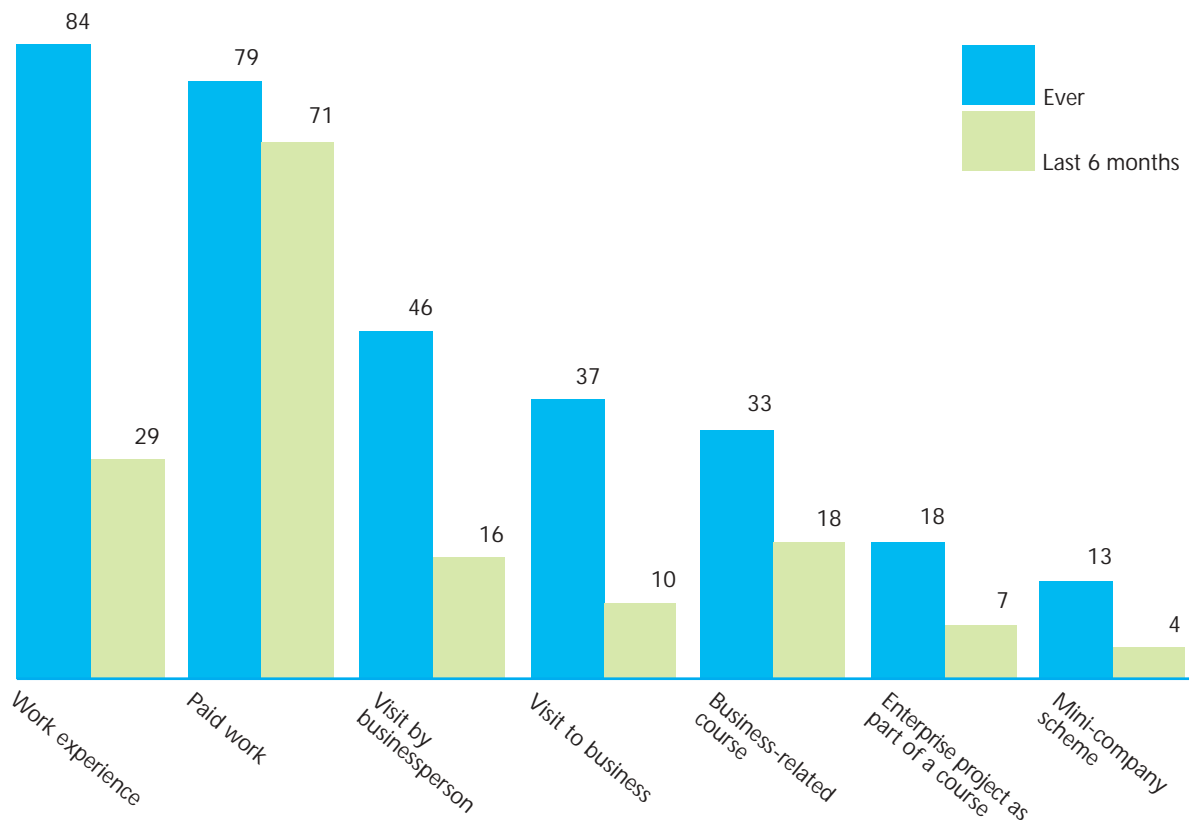


- A McKinsey analysis for Business in the Community and London First of activity in London secondary schools found that 16% of pupils are involved in some form of education-business link activity<sup>13</sup>
- Our own survey of 15-18 year-olds provides a very rough estimate of frequency of activity and suggests that 20-35% of young people are involved<sup>14</sup>
- Based on a “bottom-up” estimate of the activity, we estimate that 16-24% of young people are involved<sup>15</sup>

We believe that there is a significant amount of curriculum time devoted to this kind of activity, but also that there is a gap in provision within it. In our view the mix of activity here, particularly when taken together with work experience, comprises too little activity that specifically aims to develop young people’s enterprise capability. In response to our survey, young people told us that most had not been involved in a participative exercise of this kind:

### Scale of School-Business Link Activity

% 15-18 year olds who have experienced activity



Source: MORI Survey for Davies Review Team

13. McKinsey and Co, 2001

14. MORI Survey for Davies Review Team, 2002

15. Team estimate: The weakness of this method is that local, un-brokered activity where a school links up directly with a local business is largely invisible, and therefore hard to quantify accurately.

We think it possible to use the “enterprise project” and “mini-company” data as a proxy for enterprise activity, and to use business visit data as a proxy for “other” education-business link activity. Enterprise activity could be expected to raise young people’s enterprise capability. Other activity is likely to contribute to young people’s understanding of the world and society, but is generally less student-owned and so less likely to build enterprise capability. Our view that there is too little enterprise activity is supported by findings from our research, which suggest that young people have good attitudes to business but a limited ability to handle uncertainty and manage risk effectively.

### **The Curriculum (including business-related courses and Citizenship)**

While revisions of the National Curriculum itself are outside the remit of the Review, we are aware that there are already a significant number of areas of opportunity for enterprise learning in the curriculum.

The DTI commissioned research<sup>16</sup> from the Centre for Education and Industry at the University of Warwick (CEI) which covered the opportunities for enterprise learning in the curriculum and existing examination syllabi. CEI found a wide range of opportunities for enterprise learning across all subjects and key stages, apparently largely unmatched by provision. What provision there is seems to be concentrated at Key Stage 4 and post-16.

We also looked briefly at business-related courses. The trend in the uptake of these courses is positive and does not require further attention in our recommendations. Access is now fairly broadly spread: for example, 62% of secondary schools offer Business Studies A Level, 45% offer Economics A Level and 40% offer Business Studies GNVQ. Last year at A Level 31,000 students took Business Studies and 17,000 took Economics; at GCSE 92,000 took Business Studies.

Citizenship will become a statutory part of the curriculum from September 2002. As Citizenship requires an understanding of the economy, this represents a substantial new opportunity to deliver better outcomes in the areas covered by the Review. However, there are a number of potential limitations:

- Economic understanding could be lost in the bigger picture of Citizenship, where it must be delivered alongside other major topics such as an understanding of the workings of democracy; similarly, the personal, social and health education (PSHE) curriculum covers financial literacy, but equally must deliver sex and drugs education
- There are at present only limited materials available to support teachers in delivering the economic understanding element of Citizenship in a way that builds young people’s enterprise capability

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16. CEI (2002) *Independent Research Into Enterprise Learning*; DTI Pub 5886/URN 02/579, [www.dti.gov.uk/enterpriseguide/research](http://www.dti.gov.uk/enterpriseguide/research)

Our recommendations are directed to ensuring that enterprise learning finds an appropriate place in young people's educational experience, including through the statutory curriculum.

## Teacher-focused activity, business engagement and careers guidance

### Teachers

Respondents to the Call for Evidence were asked to comment on the appropriate role for teachers in developing young people's knowledge of enterprise and the support they need to fulfil it. Many argued that teachers are crucial, but that they need more training and much more support to maximise their effectiveness:

*For children to be able to maximise their potential and have the confidence to achieve this, teachers need to be able to enthuse and speak confidently on the subject. Many teachers have not experienced the world of work outside of the education environment (Broker)*

*Teachers can probably best act as facilitators. In [my organisation's] experience, there has been a great deal of commitment and enthusiasm from individual teachers from across the country and educational spectrum. ...At the same time, outside expertise and resources are essential (Large firm)*

*More secondments are needed into business for senior teachers and headteachers. Many heads, like me, have never been in any other field except education. (Primary school headteacher)*

Despite this widespread recognition of its importance, there is relatively little relevant formal training and development for teachers today<sup>17</sup>.

- Fewer than 6% of teachers go on placement to business annually, and the average length of a placement has dropped in recent years to 1-3 days
- There is some piecemeal availability of more general enterprise or business-related training for teachers from providers such as the University of Durham. But in general, most teachers experience little if any training in this area
- Only a minority of headteachers are mentored by businesspeople. Headteachers are also given some training in working with business. However, both mentoring and training appear to focus mainly on their role as managers and budget-holders.

The limited evidence also suggests that teachers see financial literacy as important, but would value greater support in their efforts to deliver effective outcomes. During March and April 2001 the FSA conducted a survey of personal finance teaching in schools. 65% of primary schools and 87% of secondary schools considered personal

17. The lack of teacher training in enterprise learning is not confined to the UK. Initial analysis of information collected from member states by the European Commission (DG Enterprise) as part of a benchmarking project suggests that the training of teachers on the subject of enterprise is – in most countries- done on a limited basis or occasionally.

finance education to be fairly or very important<sup>18</sup>. The priorities teachers identified included: materials; information from the financial sector; advice from DfES and their Local Education Authority; and training.

### **Business**

Many businesses are supporting enterprise activities and other kinds of education programmes in schools and colleges. But only a small fraction of the business population is actively engaged. Some of the support is financial, such as the £1000 that business contributes annually to each of businessdynamics' 1500 seminars. However, the main contribution from business is in the form of employee time. Estimates of the scale of this contribution vary, but the following provide an order of magnitude:

- Enterprise Insight estimates that 200-250k businesspeople are involved in link activity
- The National Education Business Partnership Network estimate that their members work with 170,000 out of the approximately one million businesses in England<sup>19</sup>
- Of the main national programme providers, businessdynamics works with 1800 companies and 7500 businesspeople, and Young Enterprise with 2000 companies and 11,500 businesspeople

It would be unrealistic to expect all businesses and businesspeople to be involved with education: overall, there are 50 private sector businesses per school. Nonetheless, the figures suggest that there is a large untapped pool of business contribution which could be unlocked if the appropriate supporting structures and incentives were put in place.

### **Careers guidance**

Ofsted (1998) found that four out of five of schools provide adequate careers guidance. In our own research 45% of respondents felt that careers education, and 47% felt that teachers, had contributed to their knowledge and views of business. Our view is that advice about business and enterprise should be an important element of careers education and guidance. However, in light of the unfolding Connexions programme, which is still in the early days of implementation, we have not prepared major recommendations specifically for careers guidance.

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18. *Personal Finance Teaching in Schools*, Financial Services Authority Consumer Research Publication, February 2002

19. This excludes shell businesses and sole traders.

### Enterprise Case Study: Penwith College

Penwith is a small FE college, which provides a range of vocational courses including Business, ICT, Leisure and Tourism, Health and Social Care, Art and Design, Sport, Public Services and Special Needs, as well as A and A/S programmes. The head of computing and ICT developed an enterprise project as an alternative to work placements, with the aim of providing a genuine commercial service to a local company or companies through the development of a website specific to its business. A leading internet design company was recruited as an industrial adviser. The course tutor then spent 2 days on industrial secondment where the company provided training in the latest web-design techniques. Subsequently 12 Intermediate GNVQ students were given a full week of course time to undertake the task.

A local company became the course client, submitting a formal website design brief. The specific target for the group was the production, by the end of the five days, of an appropriately styled, prototype website with at least a part of it completed to professional standards. The team spent time with the client both before and after submitting its design proposals in order to examine the service it was promoting, to get illustrations for the web pages and to investigate linked marketing opportunities. The exercise gave the students full responsibility for the product and artistic and design freedom within the scope of the brief. Students were surprised at the complex nature of the real task and the time needed for production. There was special emphasis on decision-making and personal responsibility within the group; comparing and contrasting ideas; and reaching consensus.

## Education outcomes

At the start of the Review, we were faced with conflicting views as to young people's attitudes, knowledge, and understanding of business, enterprise and the economy. In some areas, such as economic and business understanding and levels of financial literacy, this seems to reflect the fact that there is little recent research. Other areas have been more thoroughly researched, but there is no clear consensus as to the results or their implications. This is particularly the case for attitudes to business and enterprise, and factors informing career choice.

In terms of economic and business understanding, the largest recent study in this area<sup>20</sup> concluded that levels of economic understanding amongst 15-17 year old students was low. When they were asked about basic topics such as government spending and taxation, unemployment and inflation, both knowledge and understanding appeared to be weak. For example, only a small minority believed that the Government was able to borrow money. 58% agreed with the statement that "people are unemployed because computers are putting them out of work". These findings underline the importance of role of the new Citizenship curriculum in helping to develop economic and business understanding amongst all young people.

In terms of financial literacy, we have not found any large scale survey work on current capability amongst young people. However, young people themselves recognise the importance of leaving school financially aware. A survey of 11-16 year olds<sup>21</sup> carried out for QCA found that money skills came top of the list in terms of what young people most wanted to learn about in preparation for adult life.

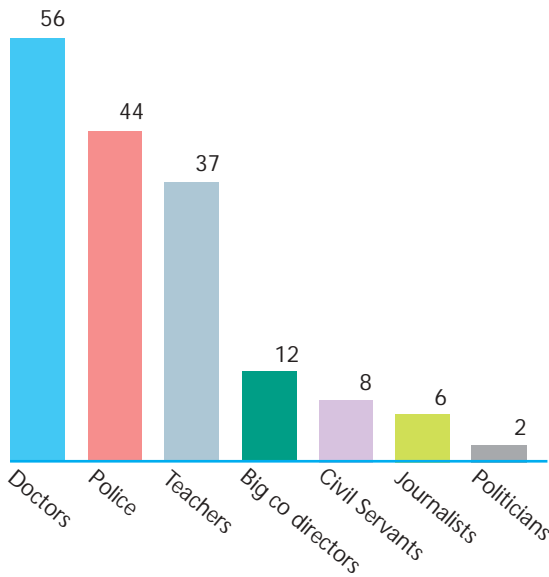
20. Davies P et al, 2001

21. *School Omnibus Survey*, MORI 1999

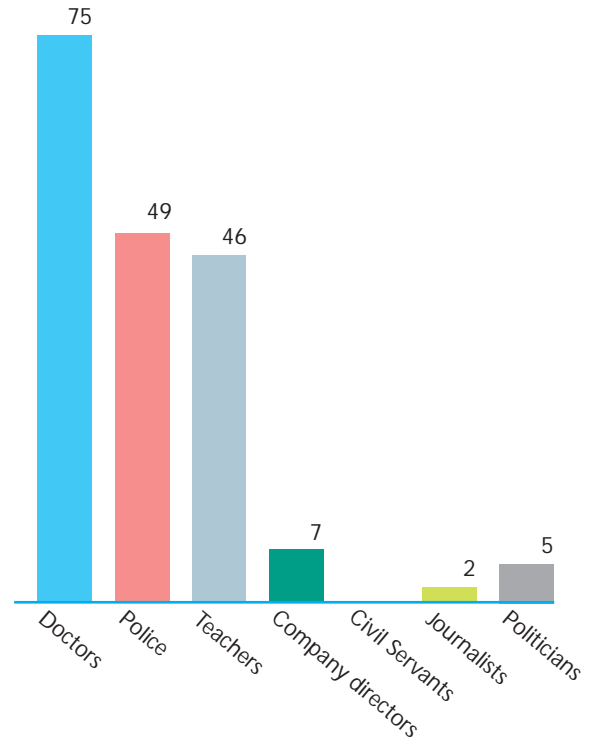
Rather more is known about attitudes to business. On the one hand, some of the existing research suggested that young people didn't regard business occupations as highly as some others:

**Which groups are admired by Young People**

*Business Image: % of child respondents selecting groups as the '2 or 3 you admire'*



*Millenium Generation: % of respondents selecting groups as the '2 or 3 you have most respect for'*

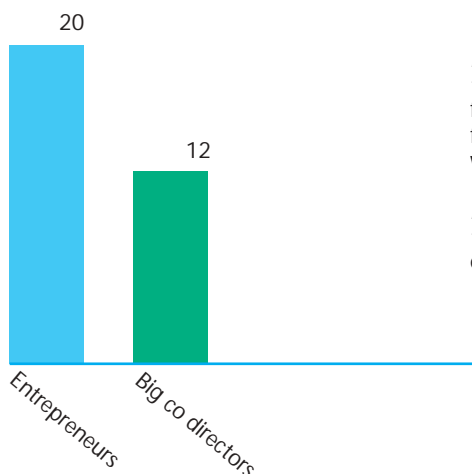


Source: *Business Image (MORI 2000), The Millenium Generation Survey (MORI 1998)*

On the other hand, the surveys suggested that more young people saw entrepreneurship as a relatively good thing compared to 'big business':

**Young People's views on Entrepreneurs**

*Business Image: % of child respondents selecting groups as the '2 or 3 you admire'*



*Millenium Generation: role models include 'successful sports people, musicians and pop stars, TV presenters and film stars. Bill Gates and Richard Branson were also mentioned as were famous designers, teachers, Nelson Mandela and a number of people who had set up their own businesses'*

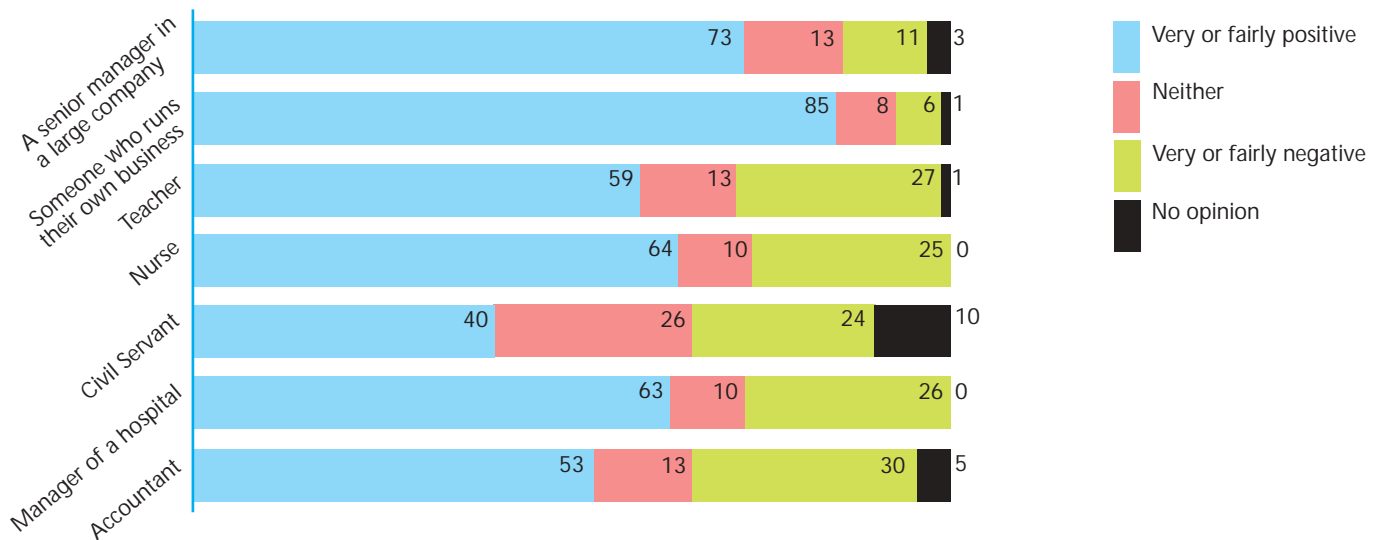
*Business Image: 'The surveys show, in general, positive attitudes towards British enterprise and specifically entrepreneurs'*

Source: *Business Image (MORI 2000), The Millenium Generation Survey (MORI 1998)*

To try to establish a balanced picture, we commissioned research into the attitudes, knowledge and experiences of a nationally representative sample of young people in the 15-18 year age group<sup>22</sup>. We found that the vast majority of young people have favourable attitudes towards entrepreneurs and entrepreneurship. A lower, but still significantly positive, proportion have favourable attitudes to other business occupations. And in general, attitudes towards business and enterprise are more favourable than towards some other well known occupational groups. These findings are summarised in the chart below.

### Young People's impression of Occupations

15-18 year olds, % respondents



Source: MORI Survey for Davies Review Team

In terms of attitudes, therefore, the picture is definitely favourable. Other research such as the SBS Household Survey suggests that young people's attitudes are broadly similar to those of the population more generally, particularly towards entrepreneurs<sup>23</sup>. We have found little evidence of an "anti-business" culture amongst young people, and certainly not any more than might exist in the population as a whole.

22. full details of the research are being published in parallel with this Report on the Review's website: [www.daviesreview.org](http://www.daviesreview.org)

23. The Small Business Service's 2001 Household Survey of Entrepreneurship (SBS, 2002) found similar evidence demonstrating that the population as a whole admired entrepreneurs. Based on a survey of a representative sample of 5872 people of working age throughout the UK, it found that 86% of respondents agreed that they "admire people who start their own business". This compares to only 9% who do not.

In order to understand young people's perceptions, we asked them to assess a number of occupations based on a range of job-related characteristics. Their perceptions (which do not reflect those of the Review) can be broadly summarised in a series of 'occupational portraits' as below:

## YOUNG PEOPLE'S PERCEPTIONS OF DIFFERENT JOBS

To improve our understanding of young peoples' perceptions of business and enterprise, we compared these with their perceptions of a small number of other occupations. We asked our nationally representative sample of young people about the extent to which they associated these different jobs with a set of sixteen characteristics derived from our qualitative research. The results have been written-up as 'pen portraits' based on the characteristics where the greatest difference in perception was identified relative to the other occupations. For the sake of clarity, we have underlined the characteristics measured.

**All the occupations** we looked at are reckoned to involve hard work and people who do them are generally valued and trusted in their work. Most are also thought to involve making important decisions working with pleasant colleagues and taking responsibility when things go wrong.

**People who run their own business** are seen as having the greatest control over their own work, and as most likely to take risks. The work they do is interesting, and (along with teachers) they are perceived as being comparatively creative and innovative. They also get to work directly with clients - almost as much as nurses. On the downside, the job security is lower than all the other occupations; they are also unlikely to work set hours.

**Senior Managers in Large Companies** are more strongly associated by young people with being well paid than any of the other occupations we tested. They are also seen to have comparatively secure jobs with set working hours. However, the work they do is thought to be less interesting and to make less contribution to society than any other occupations. It also involves least contact with clients.

**Teachers** are perceived by young people as being less well paid than those in business or running their own companies, but (in common with the other public service occupations) make a greater contribution to society. They are thought to do interesting work, but make relatively few important decisions and have less control over their work than business people. Despite this, it is felt that there is good scope to be creative and innovative. Being a teacher is also viewed as involving less risk-taking than other occupations.

**Nurses** are not seen by young people as well paid compared with other occupations, but make the greatest contribution to society of the jobs we tested. They are also seen as doing interesting work, involving the highest comparative degree of contact with clients. However they have less control over their own work than those in business and have less scope to be creative or innovative than teachers, hospital managers or those in business.

**Hospital Managers** have comparatively secure jobs (more so than other public sector occupations), and make a good contribution to society. However they are only moderately creative or innovative.

**Civil Servants** are the least familiar to young people of the occupations we asked about. Although they have above average association with working set hours, they score badly on having control over their work which is also thought to be less interesting than that of the other occupations. They are ranked lowest for being creative or innovative and for taking responsibility when things go wrong, though this may well be because they are perceived as being least likely to make important decisions of the occupations we looked at. They also come out below the other occupations in terms of having pleasant working colleagues, and fewer young people associated them with having job security than for all the other jobs apart from entrepreneur.

Source: MORI Survey for Davies Review 2002; Review Team Interpretation



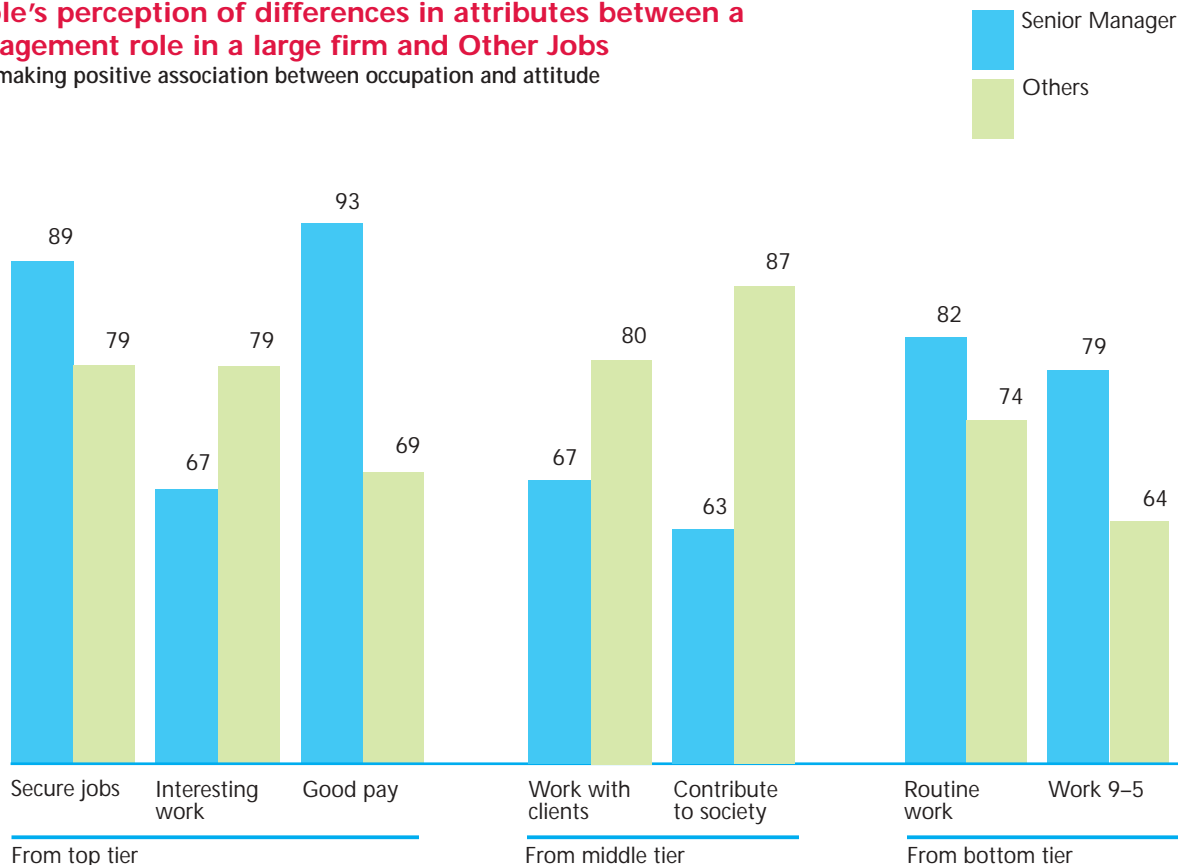
But we also found a mismatch between the characteristics young people associated with enterprise and business, and what many of them were looking for in their own career. We found that young people attach varying levels of desirability to attributes of jobs, falling roughly into three tiers:

- Top tier (more than 92% of respondents see attribute as essential or important in choice of career): have secure jobs; do interesting work; work hard; valued and trusted; pleasant work colleagues; receive good pay
- Middle tier (75-87% of respondents see attribute as essential or important in choice of career): responsibility; control over own work; make important decisions; work directly with clients; be creative/innovative; contribute to society
- Bottom tier (less than 60% of respondents see attribute as essential or important in choice of career): take risks; routine work; work set hours/ nine-to-five

Relative to the other occupations we looked at, careers in large business were not thought to offer particularly interesting work, nor the opportunity to work directly with clients. They were also perceived as being relatively routine, and as making least contribution to society. On the other hand, they were seen as well-paid and secure, both attributes to which young people attached a high level of importance when thinking about their own careers.

**Young people’s perception of differences in attributes between a Senior Management role in a large firm and Other Jobs**

% respondents making positive association between occupation and attitude



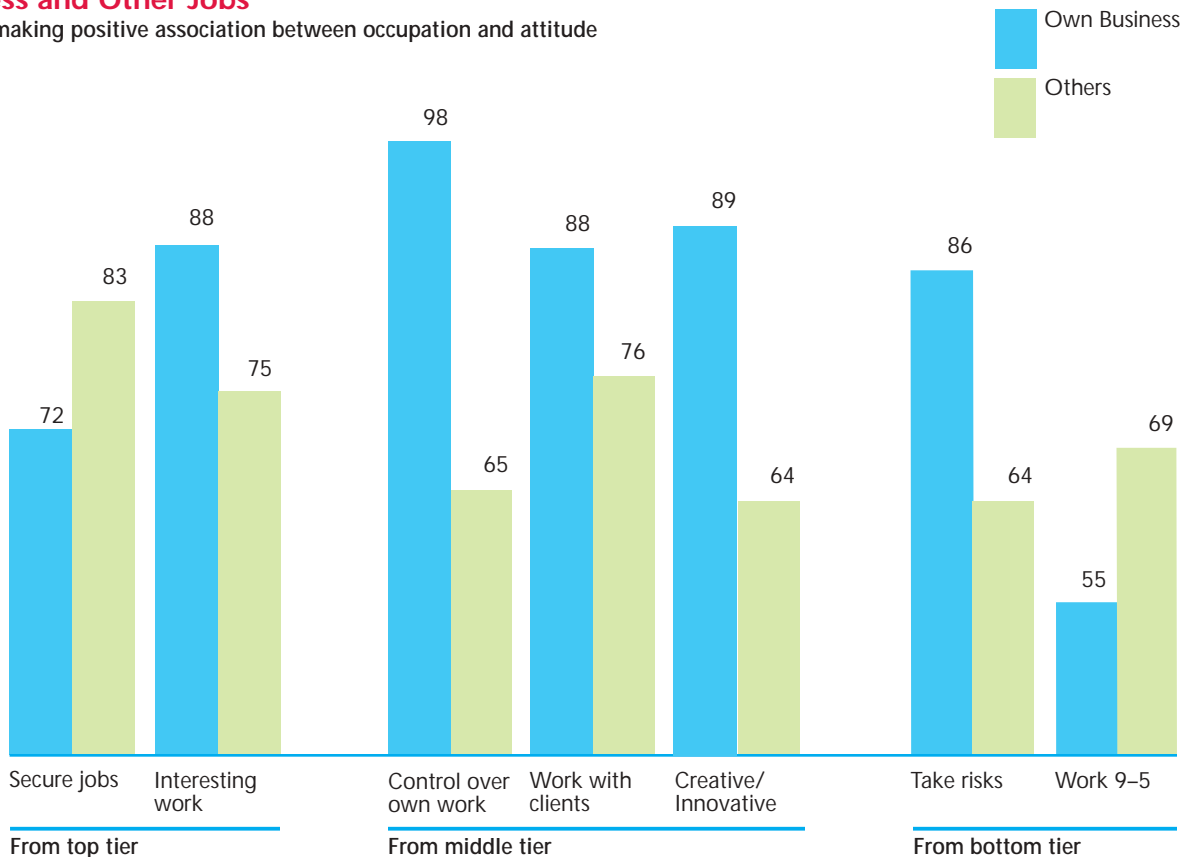
Source: MORI Survey for Davies Review Team, taking areas of difference only

These perceptions may be based on a lack of understanding about what being in a large business involves; equally, they may accurately reflect what it is like in some firms.

In contrast, running your own business scores relatively well on many of the 'middle tier' attributes. For example, entrepreneurs are reckoned to have a higher than average degree of control over their own work, to do interesting work that also involves being creative and innovative, and have the opportunity to work directly with clients. On the other hand, young people associate lack of job security, working long hours, and risk-taking as features of running your own business. These are the areas where there is the greatest mismatch between what young people want in their own careers, and what they perceive to be the characteristics of an entrepreneurial role.

### Young people's perception of differences in attributes between Running Your Own Business and Other Jobs

% respondents making positive association between occupation and attitude



Source: MORI Survey for Davies Review Team, taking areas of difference only

We think that these distinctive attributes associated with running your own business are relevant to a wide range of occupations and roles. They also suggest to us that there are significant barriers to be overcome if more young people are to translate positive attitudes into the confidence and ability to take on entrepreneurial roles, and to be more enterprising in their future careers. For example, while young people think job security is important, it seems to us that given the wider trends in the economy, this preference will be increasingly difficult to fulfil. Equally, risk-taking (and the ability to manage risk) is likely to increase in importance in all jobs, even for the many

young people who do not at present actively seek roles associated with this characteristic.

Clearly, the education system is unable to change these characteristics, many of which are inherent to enterprise and the world of work more generally. But it can play a positive role in equipping young people with the attitudes, skills, knowledge, and understanding that help them manage these challenges better in their future working lives. Our rationale above sets out why we think this needs to happen. We explore how this might be approached in the diagnosis section.

### **Enterprise Case Study: Changemakers**

Changemakers is a community enterprise development organisation with a track record of success in encouraging young people to tackle issues of concern to themselves in their community and the world in which they live. They design and manage their projects and learn by reflecting on their experiences and reviewing the use and development of 12 defined key enterprise skills within the activity. A Changemakers facilitator helps young people to identify how these skills are transferable to their learning at school, their role in society and where appropriate, their future careers, including the skills needed for employment and lifelong learning.

**King Edward VI School** is a 13-18 mixed comprehensive community school serving the town of Morpeth and surrounding rural areas. The Year 11 'Active Citizenship through Changemakers' is an eleven week course delivered as part of the Key Stage 4 Personal Social Health Education (PSHE) programme.

Pupils are encouraged to engage in learning by looking at what interests them, seek others with similar ideas and look for ways of developing their ideas into projects that can benefit themselves and others. During the programme the pupils move through a six stage process.

- Stage one Introduction to citizenship and Changemakers. Discussion on 'defining communities'.
- Stage two Facilitating the development of young people's interests and ideas into project proposals.
- Stage three Research, action planning and collation of resources.
- Stage four Project action – e.g. 'the planned event' or culmination of work.
- Stage five Review the work and prepare presentations – identifying skills used and developed, what they have learned and what difference have they made to their community through the project.
- Stage six Celebratory event with invited guests, informal presentations, evaluation and accreditation

# Diagnosis

## 1. Summary diagnosis

- There is confusion and a lack of agreed definitions in the area covered by the Review's terms of reference – in particular, enterprise learning is a new area for many schools and businesses. This limits the ability of businesses, brokers and schools to work together effectively to deliver quality learning outcomes for young people in the field of enterprise learning. There is also inadequate support from central Government in terms of a clear policy framework.
- Schools, brokers and businesses currently put a lot of effort into providing young people with work-related learning opportunities. These efforts result in a wide range of provision, but quality and access are patchy and very little is focused on the development of enterprise capability. Additional resource from Government and business could improve the degree of enterprise learning available to young people.
- There are a number of opportunities to incorporate enterprise learning across the curriculum, but more effective development and material support is necessary for teachers to meet these opportunities. The quality of business engagement in facilitating enterprise learning for young people could be substantially improved if more effective supporting mechanisms were in place.
- There is little systematic national monitoring and evaluation of enterprise capability, learning or activities. Although much good practice exists, arrangements for dissemination are not widespread. Brokerage between schools and businesses at a local level is patchy.

## 2. Strategy and objectives

The area investigated by the Review is characterised by a lack of clear definitions, particularly around the concepts of enterprise and financial literacy. For example, CEI commented :-

*There is a lack of clarity in the vocabulary of 'enterprise' and 'entrepreneurship' despite more than twenty years of initiatives and intervention in the curriculum, 5-19. This is manifested in the tension that appears to exist between the notion of enterprise as 'business start-up' and a wider notion of enterprise as a set of knowledge, skills, understanding and attitudes applicable to a wide range of contexts.<sup>24</sup>*

24. We found a similar picture in our review of international practice. For example, a recent investigation into Enterprise Education in New Zealand schools found that primary schools principals had no common understanding of what enterprise education meant. A similar exercise with secondary principals suggested that the term referred specifically to education in business concepts.

The need to pin down clear definitions at a national level was one of the most strongly made points by respondents to our Call for Evidence. What do we actually mean by 'enterprise learning'? How does it fit with 'work-related learning?' Should it be measured solely in terms of contribution to the learning outcomes assessed in national qualifications? How can we attribute value to the contribution made to the wider employability of young people? We recognise these concerns, and in seeking to address them have offered our own proposed definitions earlier in the report.

The lack of clarity of definitions impacts particularly on schools and inhibits a wider understanding and awareness of enterprise learning. In addition, schools' and businesses' identification of the best learning opportunities appears to depend too much upon approaches made to them by suppliers, and not enough on any systematic analysis of their own needs or those of individual young people. This may be linked to the absence of quality assurance measures for suppliers of programmes (including some brokers), and therefore of evidence upon which schools and businesses can base sound decisions about what best meets their individual needs. CEI found that,

*Whilst choice may be regarded as desirable, duplication is evident in a number of schemes, for example 'challenges' and competitions which purport to develop 'enterprise' skills. Some of these attract very low numbers. Schools are overloaded with initiatives and need to be convinced of the benefits of engaging in such activities.<sup>25</sup>*

Where they do plan, schools tend to organise these activities within the context of individual subjects such as PSHE or business studies or as part of a wider programme of curriculum enrichment. Education-business links can also make an important contribution, but Ofsted found that whilst nearly all schools have well-established education-business links, 'only in a third do they make a significant impact upon the curriculum beyond work experience and careers education'.<sup>26</sup> In addition, there are few examples of schools systematically planning enterprise learning within the context of the whole school programme across Key Stages in such a way as to deliver a progressive programme of study with clearly defined outcomes.

We have also found instances in which a similar proliferation and lack of clarity applies to financial capability, which is a non-statutory element of the curriculum. There are opportunities to deliver it through a number of curriculum areas particularly within the numeracy strategy and as part of PSHE and Citizenship. A recent report from the National Association of Citizens Advice Bureaux<sup>27</sup> recognised this by calling for a national strategy to join up and co-ordinate the initiatives to improve financial literacy.

Against this background, schools and colleges clearly need better support to develop a coherent strategy and objectives for enterprise learning. There is no detailed national professional guidance for enterprise learning as there is for some other cross-curricular themes, such as financial literacy and work-related learning. Such

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25. *Independent Research into Learning for Enterprise and Entrepreneurship*, Centre for Education and Industry, 2002

26. *Work related aspects of the curriculum in secondary schools*, Ofsted 1998

27. *Summing up – bridging the financial literacy divide*, NACAB November 2001

guidance would help schools and colleges by articulating the knowledge, understanding and attributes which are the desirable outcomes of this learning and to map out where at each Key Stage, including post-16, they might be best developed. The guidance should also incorporate a diagnostic toolkit which illustrates how enterprise learning can be approached by the individual school. This would enable schools to draw together enterprise learning within their overall school development plan, showing where it will appear and how it will be delivered. It would be an essential support tool for schools in drawing up their overall strategy.

*We therefore recommend that DfES prepare guidance which explains for teachers and other professionals what is meant by 'enterprise capability' as an aspect of learning across the curriculum. It should cover the knowledge, skills, attitudes and attributes which are associated with the concept and examples of how and where they could be introduced within the National Curriculum and other subjects.*

A national policy framework can also play an important supporting role for schools and businesses in addressing young people's needs. The absence of a national framework in the area of enterprise learning contributes to a proliferation of organisations offering often competing opportunities to schools and businesses. This also constrains the quality of the contribution that business can make.

There is already a wide range of links between education and business. Sponsors for City Academies, City Technology Colleges and specialist schools are likely to come from business, and Foundation schools often develop strong relationships with local business partners. The DfES has recently established a Business Development Unit to improve these links.

In our view, in spite of these growing contacts clear objectives and outcomes for business and schools in the field of enterprise learning have not yet been generated. An important element in addressing this is a clear strategic framework, within which business and schools can operate. At a national level, it is appropriate that this should come from Government.<sup>28</sup>

*We therefore recommend that based on the findings set out in this report, the Government should make a clear statement of policy setting out a national agenda for building enterprise capability, economic and business understanding, and financial literacy in all young people.*

Such a statement should be signed by the Chancellor, the Secretary of State for Education and Skills, and the Secretary of State for Trade and Industry. It should include a clear definition of the outcomes that the Government wants to see, and how young people can be encouraged to be enterprising and to understand and respond successfully to the challenges and opportunities driven by changes in the economy.

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28. This is reflected in the approach taken elsewhere in the UK. For example, Learning and Teaching Scotland has produced a National Framework for education for work. The Framework is supplemented with a series of guidance booklets for teachers that show the relationship between the aims of education for work and the 5-14 curricular areas and the modes of learning post-14.

An important element of the strategic policy framework is a commitment to benchmark and monitor progress.

*We recommend that the Government establishes and monitors a clear benchmark of young people's enterprise capability. This could be achieved by a nationally representative survey conducted on a regular basis.*

Monitoring progress based on this initial benchmark will need to take place over the medium and long term. In the short term, we suggest that a more detailed implementation plan should be prepared by Government covering our recommendations.

#### **Enterprise Case Study:**

#### **Yorkshire and Humber: Experiencing Enterprise**

Enterprise and entrepreneurship are at the core of the RDA's Regional Economic Strategy for Yorkshire and Humber. The Young People's Enterprise Forum (YPEF) was launched in April 2001 *'to build a culture which values, promotes and nurtures enterprise among young people (age 5-30 years) in an inclusive manner'*, and involves 20 regional organisations with an interest in enterprise education. The Forum identified, as a regional priority, the integration of present enterprise provision at different age levels and in different geographical and social circumstances

The "Experiencing Enterprise" scheme is one of the many schemes operated by the YPEF. It comprises five pilot projects intended to test integrated provision of enterprise education and to establish models of best practice. The pilots include primary level activities in both rural and urban contexts; a project based on developing enterprise across the management and operation of secondary schools; summer activities aimed at secondary level; and community-based activities aimed at 16-25 year olds outside formal education.

### **3. Building enterprise capability**

Advancing young people's enterprise capability depends on the establishment of clear agreed definitions and a supportive strategic framework for schools, businesses and brokers. We have addressed this in the previous section. It also depends on identifying the need, recognising the opportunities and providing resource to enable schools, businesses and brokers to address those needs.

Our research with young people has identified both opportunity and need. Young people have positive attitudes towards business and enterprise. But they are also aware of the real barriers that exist to their pursuit of enterprise in their future careers, and are conscious that they lack many of the skills and abilities needed to overcome these barriers. More positively, young people's attitudes suggest that they see enterprise as being of relevance to them, and that they are interested in finding out more. Further Government investment in the development of enterprise capability in young people would sit alongside other Government investment in measures to reduce barriers to enterprise such as the Small Business Service and tax breaks for small business.

This cannot be achieved purely within the education system. The development of young people's enterprise capability is subject to many influences beyond the school and further education systems. However, it is probably held back by the mix of business/enterprise-related learning opportunities that are currently available. Our analysis of the current scale of provision indicates that only a small amount of this activity is strongly focused on developing enterprise capability. There are pockets of excellence, often driven by a single enthusiastic teacher, but access to enterprise learning varies. Many programmes only target certain types of schools while others deliver their scheme only to a fraction of the pupils within the school.

### **Focusing on enterprise activity**

Respondents to our Call for Evidence generally agreed that effective enterprise activities should be student-led and experiential. They should offer opportunities to manage and evaluate risk. Wherever possible projects should involve local businesspeople, and be self-contained with clear results and conclusions.

We have seen a range of activities that meet these requirements. The two which typically offer the richest opportunities for learning are:

- Mini-company schemes where students set up and run their own businesses and make real profits (or losses)
- Projects where students work with a company to design, manufacture, market and sell a new product or work in teams to deliver a project in the community

Unfortunately, relatively few young people are given the opportunity to participate in schemes of this kind. Perhaps only 15% do so at any time in their education experience, even though almost all undertake at least a week of work experience and most do more. We believe that there is an opportunity to improve this position.

Work experience makes a positive contribution to young people's understanding of the world of work. However, respondents to our Call for Evidence suggested that the quality of work experience varies widely and that placements can be too mundane. Some felt that the emphasis in many schools tends to be too much on simply organising sufficient placements to offer all Year 11 students some experience of a work environment, rather than on the quality of the learning opportunity. One business commented,

*Work experience is generally viewed as far more an introduction to the world of work than of an opportunity for a practical insight into the nature of business – we believe this to be a missed opportunity.*

We agree. Whilst we recognise the value of exposure to work, this exposure would be significantly enhanced if a more structured enterprise learning opportunity were available to schools to incorporate as part of the experience.



Access to other (i.e. non-work experience) education–business link activity varies widely, as does the quality of provision. We estimate that between 15% and 30% of pupils are involved in some kind of education-business link activity every year beyond work experience. Respondents to the Call for Evidence gave us many examples of the range and variety of education-business link activity going on across England, often as a result of local initiative resulting in activities tailored to local need. Access to an experience of consistent quality, though, was far from guaranteed:

*Access to such links, in an ideal world, should be an entitlement to all young people - but at the moment, geographical location, pressure for formal academic qualifications in school, and, above all else, adequate funding for the necessary brokerage mean that access is haphazard. (Broker)*

*Links between education and business can, at their best, lead to excellent gains in young people's knowledge, understanding and attitudes required by the world of business and enterprise....Access to links is very variable, with some schools confining them to work experience while others have a broad and sustained programme. (Non-ministerial Government Department)*

The degree of enterprise learning within these activities also varies. The great majority of education-business link provision comprises activity such as visits to and from business, which (like work experience) may improve young people's understanding of the world of work but are less likely to foster enterprise. Within the 15-30% of pupils engaged in education-business link activity nationally, only a very small number have access to educational experiences that are likely to build their enterprise capability strongly. For the latter category, there is only a low absolute level of activity, and our own research suggests that what does go on is concentrated on a small number of pupils.

## The case for further investment

Although there is a relatively high degree of consensus about what constitutes “good” enterprise activity, the efficacy of enterprise activities in delivering positive outcomes for young people has not been conclusively proven. However, there is some evidence to suggest that at least some of them are effective:

- Ofsted finds many examples of good practice - for instance it comments that ‘*the learning outcomes are impressive*’ from a trade fair activity for Year 8 pupils. Of mini company activities, they report: ‘*Pupils involved...enhance their problem solving and interpersonal skills through managing their own business....pupils generally show enthusiasm, interest, and high levels of motivation in these mini-enterprise activities...they frequently identify the markets for their potential products through appropriate research and base their pricing policy on sound business principles*’.<sup>29</sup>
- Respondents to the Review’s Call for Evidence, including teachers, provided examples of how to use enterprise activity effectively, both to deliver the outcomes of most direct interest to the Review and to deliver literacy and numeracy outcomes. The Review team’s own visits to schools provided further examples. Call for Evidence examples include:

29. Ofsted 1998, opus cit.

*I witnessed an example of good practice in a “failing” secondary school...A group of year 11 business studies pupils designed, made and marketed a CD holder.... The key to their success was an effective partnership between a) an enthusiastic, strong teacher; b) keen and able young people; c) experienced, articulate company directors. (Business)*

*The college’s annual Business Week provides a unique opportunity to introduce young people to business and enterprise concepts in a fun and learning way. (Secondary school teacher)*

*Primary enterprise was well supported by the ‘Journey into Enterprise’ pack and enabled me to set up a small enterprise with Year 6 children. £80 was invested; each group had £10, and about £300 was made from making Christmas cards to sell. (Primary school teacher)*

In order to support the improvement of enterprise capability amongst young people, further investment is required. We consider that there is enough evidence that enterprise activities deliver positive outcomes to justify an increase in support from Government so that access to them is much more widely available to young people.

The level of activity, and therefore of additional support, required to build enterprise capability is a complex judgement and is likely to vary depending on the individual talents and needs of each young person. However, we consider that the Review should indicate a level of provision that can:

- Serve as a benchmark for schools and teachers. We recognise that levels (and to some extent style) of provision should vary locally depending on the needs of pupils; for instance, we think it likely that young people from certain backgrounds who may have little contact with employment and enterprise would benefit from higher levels of provision. Nonetheless, a benchmark level of provision would be helpful to schools in judging what makes sense for their pupils
- Give business and Government some guidance about what level of resource it will take to build young people’s enterprise capability across the country

With these aims in mind, we consider that Government, businesses and schools should work together to provide all young people with an average of five days’ worth of enterprise learning at some time during their school career. This could be labelled ‘Enterprise Experience’ and could occur in a block or be spread over a period of years. We propose the level of five days for two main reasons:

- First, good quality versions of existing successful enterprise formats, for example some mini-company programmes, can be delivered in five days
- Second, we believe that five days could be delivered in a way that does not impose unmanageable burdens on teachers and is compatible with the other priorities in schools. In particular, these five days could be found within the current time that school pupils spend engaged in work experience and other education-business link activity. Nearly all schools already give their pupils the opportunity to spend one to two weeks (most commonly two) on work experience, and on top of this schools enable 15-30% of their pupils to engage in some kind of education-business link activity every year. Together, this should provide ample time for five days of enterprise learning.

There may be many different models for providing this 'Enterprise Experience'. They are likely to vary by locality so it would be advisable for Government to support pilots of various different models. One model may be substantially to upgrade one week of work experience so that it focuses much more strongly on the development of enterprise capability. These developments will be possible if Government and business commit to providing the level of resource recommended by the Review.

*We recommend that the Government should commit to providing resources so that all young people have the opportunity to experience enterprise activity at some time during their school career, with funding sufficient to support an average five days for each pupil. (Clearly that 'Enterprise Experience' is likely to be spread across a longer period of time). Young people should be provided with these enterprise learning opportunities within or in addition to the mainstream curriculum during their school career. In the short term, testing of different types of enterprise learning and delivery models should be co-ordinated with the follow-up to the 14-19 Green Paper*

We recognise the uncertainties and the need to ensure that programmes are effective, and therefore recommend a phased approach, with large-scale pilots, rigorously evaluated, to be carried out in 2003-4 and 2004-5 as the Government moves towards its objective in 2005-6. And in recognition of the need to improve evaluation in this area, our recommendations include several measures to monitor outcomes.

## Costs

We expect that a large part of the burden for building up the supply of quality enterprise activity will rest with brokers (albeit working with the active co-operation of teachers and businesspeople). However, teachers also will have an important role in encouraging young people to be enterprising. And business people will need to provide substantial time as facilitators of enterprise activities.

Given this expectation, we have held discussions with a number of brokers who provide or facilitate enterprise activities in order to assess and test the amount of investment required to provide our proposed level of enterprise learning. We considered a variety of approaches to costing the provision of enterprise activity, including: per pupil, per day, per activity. The most robust approach proved to be to work out how much resource was required to give one pupil one day's worth of quality enterprise activity, taking into account the scale savings that accrue from the group nature of most current formats.

We found a very wide variation in costs, which might be expected given the varied nature of the activities. Costs are driven largely by the need for staff to manage the activities, but also by materials and transport costs.<sup>30</sup> For the purposes of our recommendations we have focused on average costs as the most useful tool for

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30. The resource requirements of individual programmes were provided to us on a confidential basis, so will not be published as part of this report. Appropriate details will be shared with Ministers and their officials.

scoping required levels of resource. On average we estimate that it would cost about £30 to provide one pupil with one day's worth of quality enterprise activity, and that this cost would drop to £20 if the scale of activity increased to our proposed level. Based on these estimates we consider that annual funding of £54m should be sufficient to allow all young people, on average, to spend the equivalent of five days engaged in enterprise learning.<sup>31</sup> We think that Government should provide this resource, which excludes the resource that business should provide in the form of businesspeople's time. In our view it should be feasible to reach this objective by 2005-06, but recognise that this will depend on the progress of the pilots.

*In order to support our proposed level of provision of enterprise activity, we estimate that the Government would need to commit funding of £54m per year by 2005-06. We recognise that Government would need to consider this recommendation alongside other priorities in the forthcoming Spending Review.*

Although we have used this method to scope the level of resource required, we do not recommend that all of this funding be directed to brokers. There are teachers who already give enterprise learning priority as part of the curriculum. They may prefer to have control of the funding and should be given that opportunity. Our hypothesis is that it would in general be best to give schools control of funding, as teachers have the best knowledge of the particular needs of their pupils. They might then choose to spend these funds with a broker. But they might equally well decide to spend them in other ways such as:

- setting up their own stand-alone high quality enterprise activity, working with local businesses
- buying materials and training in order to be able to incorporate meaningful levels of enterprise elements into their delivery of curricular subjects

We recognise that this hypothesis is not proven. We cannot be certain that teachers are always well placed to deliver enterprise education themselves, particularly given other burdens on them. Given this uncertainty we accept that there may not be a single optimal route for funding, and that the Review's favoured approach of giving teachers control of delivery may not always be the most effective model. We also recognise that there is a need for capacity-building in the broker sector, which could be achieved through greater and more secure funding streams. We therefore look to the Government to use pilots to test and evaluate various different models for funding routes, including direct to schools and brokers. It will be important for the pilots to deliver enterprise activities in a range of ways, and to fully evaluate the outcomes.

These costs exclude the time of businesspeople, whose involvement we see as an important feature of quality enterprise activity. We think that business should scale up its contribution of time just as the Government should scale up the level of funding it provides for enterprise activity. Business already contributes some cash to support

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31. This assumes that in order to provide five days on average for all pupils at some point during their school career, the Government would have to provide sufficient funding in any one year for one year group to experience those five days.

enterprise activity. We encourage this, but in our view the main business contribution should come in the form of time. Students will benefit from direct interaction with business people, and school-based activities provide staff development opportunities for business.

In order to support our proposed level of provision we estimate that business would need to provide time and resources equivalent to a value of £30m, or 300,000 man-days of employee time. The table below illustrates our view of what resources business and Government would need to provide for various levels of provision:

### Estimated resource required to scale up provision of enterprise activity

Level of provision (days' worth of activity per pupil during their time in school and college)	Required cash support from Government £m p.a.	Required support from business (employee time)	
		Time (k man-days p.a.)	Cost of this time (£m p.a.)
1	15	55	6
2	28	110	11
3	37	170	17
4	43	225	22
5	54	280	28

Source: Team analysis

*In order to support our proposed level of provision of enterprise activity, we recommend that the business sector should commit £30m in time and resources annually by 2005-06. Their contribution will be largely in the form of staff time in schools and supporting enterprise activities built around work experience programmes.*

### Phased approach

We are recommending a phased approach to expanding provision in order to allow time for evaluation of educational outcomes and to test various different formats and funding routes. The nature of the large-scale testing and evaluation of these options, including as a part of the follow-up to the 14-19 Green Paper in 2003-4 and 2004-5, should be determined by Government. The pilots should include those characteristics of enterprise learning identified from respondents to the Call for Evidence. Existing good practice suggests there are a number of elements that it would be helpful to test and evaluate on a more rigorous basis. Pilots will need to be developed in detail, to ensure that different examples of existing good practice are fully tested and evaluated, so that any subsequent provision affords the best possible value for money. It will be important to ensure that the pilots give sufficient emphasis to deprived areas where the existing links between business and schools may not be so well developed. The pilots could include:

- Working with clusters of schools and brokers, possibly in Excellence in Cities areas, to develop local enterprise development plans where schools work together to ensure continuity and progression in enterprise learning across phases.

- A 'business associate' scheme, in which local business brokers (possibly Institute of Directors and British Chambers of Commerce) recruit and train teams of local business people who will commit to partner schools over minimum time period. They would offer a mutual development resource for schools and business support; a set number of visits to school and from school to the business per school year; and fixed minimum number of enterprise-rich work experience placements or advisory support for one mini-enterprise project within the school per year.
- An 'enterprise week' for Year 11 students undertaken in the time slot after the completion of examinations normally given over to work experience.
- School-facing advisory Enterprise Officers within a pilot group of local LSCs (LLSCs) with a brief to work with local schools and colleges to develop their strategies for enterprise learning.

### Individual needs

In implementing these support measures and the increased levels of enterprise learning, Government, teachers and business should consider the differing needs of individual pupils.

Our research suggests that young people's views reflect those of the communities of which they are a part, and are also influenced by their parents and friends. The social background of the young people and the level of parental involvement in their children's education varies tremendously between schools. For some, delivering an enterprise-enriched curriculum will be more straightforward than for others. For those young people with few working role models in the family, or for schools situated in areas of relative deprivation with little local business activity, more help will be needed.

Various initiatives such as Excellence in Cities and targeted programmes for those at risk of disaffection have been developed better to address this diversity. The Review encourages the DfES to develop this tailored approach in their review of 14-19 education.

CEI's work highlights related issues around individual tailoring, particularly the danger that *'enterprise learning becomes too readily associated with programmes for the excluded, or disaffected, at one end of the continuum and with academic 'high-flyers' at the other'*. Their work also suggests that the needs of those pupils with special, or individual learning, needs are not very well met at present.

*We therefore recommend that the additional funding for schools to enable the planning and delivery of enterprise learning for pupils be weighted to recognise the differing circumstances and needs of individual schools and groups of young people.*

## Enterprise Case Study: Manchester Grammar School

*Manchester Grammar School Angels* (“MGS Angels”) is an innovative approach to promoting enterprise amongst young people. It is the brainchild of economist Paul Ormerod, whose inspiration came from a venture capitalist in the US who specialises in providing very small sums to young people. *MGS Angels* plans to open its doors for investments before the end of the school year.

*MGS Angels* is a mini-venture capital fund whose aim is to “promote the spirit of entrepreneurship amongst current and former pupils of the Manchester Grammar School, aged between 17 and 25”. The fund is currently signing up members who will each contribute between £1000 and £5000, and is on track to have raised sufficient funds by Easter. It will then be open for business, and will provide finance up to £20,000 for each business proposal that it accepts. In return, *MGS Angels* will own 50% of the shares in the business. Where the fund is able to exit from its investments, profits will not be disbursed to members but will instead be donated to the MGS Foundation Bursary Appeal.

The finance is only one element of what *MGS Angels* will provide. Alongside the money *MGS Angels* will provide a mentor for each young entrepreneur, whose role will be to supply advice and other forms of non-financial support. Paul Ormerod hopes that this mentoring activity will create amongst the business community in the North West a strong network of individuals to encourage enterprising young people. The fund will also lower barriers to enterprise by providing legal and accounting services free of charge.

*MGS Angels* is wholly independent of the school, but the school will help the fund by advertising its existence to current and former pupils, by assessing levels of demand and by considering the nature of proposals for investment. The highmaster of MGS will also be involved in appointing the committee that will manage the fund. This relationship will be critical to the success of *MGS Angels* and will also help build stronger links between MGS and the business community more generally.

## Enterprise Case Study: Corbets Tey School

Corbets Tey School, Upminster is a designated special school for pupils in the 5-16 age range with moderate and severe learning difficulties. A group of Year 7 and 8 pupils working collaboratively with younger children in the school produced a design for a hoarding. The purpose was to deter vandalism to an empty shop near to their school.

The project began with representatives from the Metropolitan Police visiting the school to explain the brief to the pupils in detail. They were told why the hoarding was needed and given the timescale they had to work to. After some discussion the pupils decided on a ‘jungle’ design for the hoarding. They felt bright, bold patterns and images would disguise the wood used to protect the shop and brighten up the whole area.

Working in teams the pupils began to plan their designs for the mural. They produced their draft ideas and experimented using different types of materials. A group of community artists from the Greenwich Art Workshop visited the school and helped the pupils develop and refine their work. The final designs were taken away by the artists to create the hoarding. When completed the hoarding was erected in front of the empty shop. There was a formal unveiling ceremony, attended by all those involved.

The hoarding stood protecting the previously vandalised empty shop for six months. The effectiveness of the final product was proven, as vandals touched neither the hoarding nor the shop during the time it was erected. The hoarding is now on display in the school’s junior playground.

## 4. Supporting measures

In order to develop enterprise capability in young people, schools and businesses will also need various kinds of support in addition to the resources identified above. We believe that the following measures will be essential to enable them to fulfil this role. We look first at schools.

### Schools

Some schools are successfully offering their students a variety of enterprise learning opportunities through a range of activities and courses within the curriculum, without compromising the quality of teaching and learning across other subjects. However, in our judgement this good practice is not widespread.

CEI found that *'Enterprise is more likely to be taught as a separate lesson, or seen as an extra-curricular activity'*. This picture was reinforced by our own school visits, and by the responses to the Call for Evidence. But CEI's work surveying qualifications and programmes demonstrates the wide range of existing opportunities available for supporting and accrediting enterprise learning. They are found within the statutory programmes of study and existing post-14 courses and awards, as well as within the new suite of qualifications which support Careers Education and Guidance (CEG) and Preparation for Working Life.

For individual teachers wishing to promote enterprise through the curriculum, there are already some high quality tools to support their efforts:

- The DTI Enterprise Guide website<sup>32</sup> contains case studies and exemplars of how schools have incorporated enterprise learning into a range of National Curriculum subjects;
- The new DfES Citizenship website<sup>33</sup> provides a series of schemes of work and lesson plans for the new statutory orders, which come into effect in September 2002. Work is presently underway to develop a unit to help teachers interpret the requirement in Key Stage 4 that 'Pupils should be taught about how the economy functions, including the role of business and financial services';
- Some excellent teaching and learning resources on personal finance education are available through the Personal Finance Education Group (pfeg) 'Excellence and Access' project<sup>34</sup>, but this work is still in its early stages so many teachers are unaware of what is available.

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32. [www.dti.gov.uk/enterpriseGuide](http://www.dti.gov.uk/enterpriseGuide)

33. [www.dfes.gov.uk/citizenship](http://www.dfes.gov.uk/citizenship)

34. [www.pfeg.org.uk/eanda.htm](http://www.pfeg.org.uk/eanda.htm)



There is significant potential to build on these support tools. In particular, we have been told by a number of teachers that a 'model' scheme of work<sup>35</sup> which allows them to consider how to introduce different approaches and resources into their courses can be helpful in reducing their workload. This is particularly true for those areas which could go across more than one subject, as is the case with enterprise learning. Schemes of work have already been produced by the QCA for most subjects in the National Curriculum. When they are next revised it would be helpful if they were reviewed to establish whether more detail on how to introduce enterprise learning through the subject could be included. Further exemplar individual lesson plans and case studies, probably in a DVD or CD-ROM format, would help teachers to see more clearly how to introduce such approaches into their lessons.

*We recommend that QCA review the schemes of work which have been produced for National Curriculum subjects when they are next revised, so that they show clearly how and when enterprise learning can be introduced into the teaching of subjects. This will bring them in line with the unit now produced for the Key Stage 4 scheme for Citizenship. We also recommend that some examples are produced in an audio-visual format to illustrate how enterprise learning might look in terms of individual lessons.*

Teachers may also find it helpful to have ready access to learning resources which they can use in their planning of lessons and courses. It is rarely the case that one resource, particularly in the area of enterprise learning or personal finance education, will meet the needs of a whole course or even an individual lesson; the teacher's professional skill is used to combine a range of possible resources into a lesson where varied methodology allows pupils to learn using different styles and to access information from different sources, especially via information technology. Resources can be catalogued and accessed through a dedicated website, as is the case with the pfeg project referred to above.

One way of further encouraging the dissemination of good practice may be to require all schools awarded the new Specialist Schools status in business and enterprise to serve as regional centres of excellence of business education and enterprise learning for all other secondary schools in their areas.

*We recommend that new teaching and learning materials should be developed for enterprise learning and personal finance education. Where appropriate these should be integrated into existing curriculum initiatives, such as the National Numeracy Strategy, and made available through a dedicated website, so that the good practice currently evident in some schools may be readily accessible and available for all.*

Respondents to our Call for Evidence, particularly those with an educational background, emphasised that school leaders and teachers would welcome professional development in this area, especially if they are asked to increase the

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35. A 'scheme of work' outlines the plan for teaching a subject over the course of a key stage and details the content to be covered and the methods and resources to be used. These are usually then divided into units, which often match the programme of study and last for either half a term (6/7 weeks) or for a whole term. A 'lesson plan' relates to each individual lesson and details the different activities which will take place.

number of pupils experiencing enterprise learning and personal finance education. The attitude of school leaders to enterprise and their understanding of how to integrate such learning into the school's curriculum will be crucial. Further development for school leaders will therefore be needed if, as we recommend, schools are to have more responsibility for developing their own strategy for enterprise and personal finance in line with their own development plans.

*We therefore recommend that the National College of School Leadership should include enterprise learning and personal finance modules as appropriate within the portfolio of school leadership training and development programmes, which include the National Professional Qualification for Headship, the Leadership and Management Programme for New Headteachers (HEADLAMP), the Leadership Programme for Serving Head teachers, short skill courses, strategic programmes and partnership programmes*<sup>36</sup>.

Similarly, many teachers would like to do more, but feel that they have neither the time nor the confidence at the moment to organise such learning by their own initiative alone. The introduction of the literacy and numeracy strategies shows that one key to success is a clear, high-quality, consistent and well-resourced development programme for teachers, which is an integrated part of the wider CPD framework for the profession. Enterprise education is similarly new to many teachers; for this reason, we believe a strand of professional development is an important part of their support package. Professional development placements for teachers into business were seen by all groups of respondents to the Call for Evidence as the best form of professional development for teachers in this area.

*Preparation for the world of work in particular, and adult life in general is a key part of the duty of teachers to inform, encourage and assist those in their care to maximise their potential. Professional Development Placements can have a significant impact in both informing the teacher force of the nature of the workplace and encouraging closer collaboration with local businesses, and should be supported and expanded. (Broker)*

*A greater number of secondments and exchanges between schools and other workplaces should be encouraged...At present, many schools do not appear geared up to allow this to happen, partly because of teacher shortages but also partly because of academic culture. Such exchanges and secondments must also cover all areas of the curriculum and not just teachers in business or science-based subjects. (Business organisation)*

*My own school encourages staff to go on industry placements, visits, etc. to enhance their subject knowledge...most schools need money to cover lessons whilst teachers are out doing this. We send staff out during the exam periods. (Teacher)*

36. The NCSL, launched in November 2000, has been established to develop and oversee a coherent national training and development framework for heads, deputies and others in leadership positions in schools, providing a single national focus for school leadership development and research. It runs the three national headship training programmes: the NPHQ, established in 1997, taken by school leaders (usually deputy heads) aspiring to become head teachers; HEADLAMP, established 1995, a self-directed programme of development for newly appointed head teachers; and LPSH, established in 1998, a programme for experienced heads to refresh and focus on practical aspects of effective leadership.

Done well, professional development placements for teachers have the potential to contribute effectively to their continuing professional development, for example by providing the opportunity to update subject knowledge and expertise. They can also provide insight into other aspects of business and enterprise. There are many placements that meet this high standard, and achieve wider objectives as well.

But other evidence suggests that there is considerable variation in quality, and that many placements lack focus. As we have noted above, both the number of placements and their average length has fallen in recent years. In the context of pressures on staff time, and the effort involved in filling staff vacancies, some of the reasons for this decline are understandable. Certainly, we do not consider it feasible to recommend a significant expansion of professional development placements for teachers, at least in the short term.

Despite this, we consider that without adding to burdens on schools or the overall demands on staff (or business) time, there is the opportunity to use the time currently spent on placements more effectively. Schools wanting to develop better links with business to support the development of enterprise programmes or other work-related learning find that there is a significant “up-front” investment, particularly in building the relationships and shared understanding that are the essential foundation for sustained partnership.

Professional development placements for teachers should be viewed to a greater extent as a key resource available to schools to support this investment, enabling the teacher to spend time with the business partner with whom they will be working in future. Ensuring that this takes place within a framework where both partners have clear objectives can also make a significant contribution to this re-orientation. We believe that there is significant potential for greater use to be made of the various Associate modules that are already used, including possible development to provide a stronger enterprise focus.

*We therefore recommend that existing professional development placements for teachers be re-focused to support the development of sustainable working relationships with local business, and that the General Teaching Council (GTC) working with DfES should explore ways to build optional enterprise modules into the national strategy for continuous professional development.*

In summary, enabling schools to fulfil their vital role will require a range of support. We hope our package of actions represents a balance that is right for current circumstances and the scale of the task ahead. But we recommend that this balance be kept under review; although the desired outcomes will not necessarily change, circumstances will. There will be new opportunities and new barriers that will need to be addressed, and teachers will remain under pressure to deliver on a series of challenging priorities. For this reason, if - after a sensible period of development, testing and implementation time - it is demonstrated that the measures we propose here are having only limited effect, we believe the Government should explore the explicit and direct inclusion of enterprise learning within the next review of the National Curriculum.

## **Business**

If schools are to provide quality enterprise learning experiences, and if all young people are to have access to those experiences, effective external support is vital. In particular, it is critical that businesses accept their responsibilities in this area.

We have argued above that more needs to be done if schools and colleges are to be encouraged and supported in taking an integrated approach to the development of enterprise learning. Drawing on external support does not, and should not, entail putting enterprise learning outside the main school curriculum or giving control to people who are not education professionals. It would also be a mistake to suggest that schools and colleges themselves are not enterprising places, and that many teachers are themselves not enterprising in their approach to young people's learning. In fact, our view is that development of the enterprise capability of the educational institution and its staff can play a vital role in supporting the development of the same capability in young people.

But schools, colleges, and teachers are already facing many competing pressures on their time and resources. So businesses – and other organisations such as social enterprises – need to play an important role in helping schools by providing additional support.

The best businesses – particularly smaller ones – are often the most enterprising. They are where young people can see the relevance, excitement and challenge of enterprise brought to life. Entrepreneurs have a highly developed set of enterprise skills; working with education professionals they can use these skills to inspire, coach and nurture similar abilities in young people. And in areas such as work-related learning, real business problems provide ideal opportunities for young people to apply what they have learned within education, often with outstanding results for their development and confidence.

If all young people are to have access to opportunities for enterprise learning, there will need to be a significant increase in levels of business support. If this access is to be sustained, the level of business support must also be sustained, by building quality partnerships between individual schools and businesses.

Both schools and businesses need more support and clearer incentives if they are to build these partnerships. Partnerships will only be sustainable if there are real benefits to both sides. From an education perspective, schools and colleges told us that they were sometimes frustrated by the challenges of sustaining long term partnerships with businesses, particularly during difficult economic conditions. From the business perspective, we found some disappointment that too often schools and colleges were perceived as seeing partnership in terms of a one-way transfer, principally of money or other resources from the business to the school. There is also evidence that businesses suffer many problems in deciding how they should best work with schools, and particularly in choosing from the wide range of competing offers from different brokers. For instance:

*Businesses require clear and straightforward guidance on the ways in which they can engage with education. Simply increasing the numbers involved will have limited success unless those recruited are given a clear brief on what they might do. (CEI)*

*Education business partnerships have been useful but we believe that there is a great deal more that needs to be done to develop knowledge and understanding. Because most of the business input is dependent upon local employers giving their time, it tends to be the large firms who are able to cooperate most by using employee volunteers who participate as part of their personal development plan. However, the majority of enterprise in Britain is initiated by small firms of under 10 employees. Their business issues are not the same as corporates or large companies. The entrepreneurial flair of small company managers, small partnerships and sole traders is lost because they are fully employed just running their business, and regardless of the goodwill they would like to offer, do not have the time to give to educational institutions. (Business)*

Our own survey of businesses currently involved in education links confirmed this picture<sup>37</sup>. We were particularly interested in how the businesses had initiated and planned their links with education, and what benefits they thought they were securing. Although a high proportion (89%) of those surveyed claimed to benefit overall from their involvement in education, when asked to identify the ways in which these benefits were felt the conclusions were far less clear. In general, businesses whose activities were focused, with a clear rationale and objective for the link with education were more likely to identify specific benefits; but only a minority of businesses – mostly larger firms - took this approach. Small and medium-sized firms (SMEs) were less likely to benefit on all of the impact areas we looked at, and they were less likely to have in place the key management objectives and measures which indicate that their links with education were of a high quality.

From these results, it is clear to us that it is not just the quantity of business engagement that needs to be addressed, but also its quality. Although a number of best practice guides for business have been produced in the last few years, both by Government and others, from our limited sample we can see that there is a long way to go before many of the approaches they recommend are properly implemented. Concerted effort is required, particularly for SMEs, if the quality of partnership is to be raised. This is not just an optional extra. Quality partnership is in our view the key to securing engagement that is effective not just in educational terms, but in terms of the benefits for business. And without both of these outcomes being achieved, we question whether increased business engagement can be sustained beyond the short term.

There is much that business can do to help itself and improve the management and effectiveness of its own links with education. Our survey indicates that some larger businesses are already doing this, and are seeing the benefits. But external facilitation and brokerage can also play an important role. Most businesses responding to our survey recognised the need for involvement of a third party (i.e. someone other than the education institution) to facilitate their education links in the future. But only a minority currently involve a broker in the management of their links; and the

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37. Full details are available on our website: [www.daviesreview.org](http://www.daviesreview.org)

relationship between quality of link and brokerage was not clear. In our view, this reflects in part the lack of incentives brokers have to focus their effort and develop their competence in engaging business and acting as the catalyst for longer term partnerships.

*We therefore recommend that Government should provide £2m<sup>38</sup> to brokers via the LSC to enable a greater focus on improving the scale and quality of business engagement, particularly amongst small and medium-sized companies, in support of enterprise learning.*

We are aware of a range of local awards for business that recognise their involvement in education activity. But in taking forward this work, brokers, the LSC and the DTI should consider how greater use can be made of existing, proven, business-support tools. Connections should also be made with the work of the Business Links as the principal Government-supported local agencies leading on the delivery of business support measures for SMEs, and with the work of the new Sector Skills Councils. The EFQM<sup>39</sup> Business Excellence Model, the Investors in People Award (IiP), and associate programmes which recognise work with education as part of a formal professional development programme, are three examples where we see potential for building work with education into widely recognised business improvement tools. For instance, an IiP “Young People Investor” module could be marketed to businesses and other organisations as an optional addition to the main IiP standard, enabling recognition for long-term and sustained commitment to working with schools and colleges.

### **Enterprise Case Study: Bexley College of Further Education**

Bexley College is a large FE college in a relatively deprived area of South East London. For the past two years, the college has been running Team Enterprise, as part of the curriculum for students with learning difficulties. A catering business "Bexley Buffets" was started by students working towards their preliminary cookery certificate. Their first job was providing the catering for a MENCAP AGM, after which their work snowballed so that some offers had to be turned down. Shares were sold to members of the public, and the company generated a £3000 surplus, much of which has been re-invested.

The buffet company is now in its second year with new students. New enterprises have been started in horticulture and a car valet service as part of the core curriculum in those areas. The horticulture business rescued the college greenhouse from an overgrown state, restored part of the college gardens, and grew a variety of plants ready for the Christmas market.

The enterprise approach complemented the College's desire to move away from an accreditation-led approach to the curriculum. For the students, the main impact has been in building their confidence and enriching their learning, improving motivation and results. The catering enterprise enabled students to cook with ingredients the College wouldn't have been able to afford otherwise. A great range of skills were developed, as the students had taken it in turn to take on different roles (e.g. cashier, waiter, cooking). The students also learned a lot about business, particularly the importance of solving problems as well as making money, and the importance of reputation for selling shares in the company. Two of the students from the first year had gone on to employment in catering. The enterprise projects are now known more widely as a highlight of the courses, and have been actively sought out by prospective students.

38. We consider that one extra person per LLSC could make a significant impact in this area. We assume a fully loaded cost of £40,000 per head which for 47 LLSCs implies a total cost of £2m per annum.

39. European Foundation for Quality Management.

## 5. Quality, Monitoring and Evaluation

To support our recommendations, we propose four key measures to improve the quality and consistency of enterprise learning opportunities. These are:

- A national benchmark of young people's enterprise capability<sup>40</sup>
- School-level monitoring by Ofsted
- Quality assurance of broker activity
- Evaluation of programmes and activities

The lack of clarity over the relevance and importance of the development of enterprise capability (within the context of an understanding of the world of work and employability) is reflected in the Ofsted framework. At present there is no explicit reference to these concepts or outcomes either as part of the formal inspection framework or as part of emerging policy thinking around new models of lighter, self-evaluation inspections.

It is not our intention to prescribe individual priorities for teachers and schools – each is different, facing different challenges in a variety of circumstances. Schools and colleges should decide how best to meet the requirements of the National Curriculum. However, Ofsted could usefully offer guidance in this area, based on the clarification of the current picture of activity and capability across the country. Until learning for work and employability, with explicit reference to enterprise capability, is surveyed in some way by the Inspectorate, implementation will continue to be patchy, and the identification and dissemination of good practice limited.

*We recommend that Ofsted should include an additional question in the next revision of the inspection framework, 'How well does the school prepare young people for employability and work (including their enterprise capability)?'*

Local brokerage arrangements vary in quality and profile. Whilst qualitative evidence points to the usefulness of good brokerage, we also found evidence of patchy quality in the success of local partnerships offering schools coherent and relevant opportunities for high quality work-related learning and progression. The findings of our business survey support this picture.

Much broker activity is directed at securing work experience and teacher placements, with the development of sustainable partnerships between schools and local business being less of a priority. Our recommendations above are designed to redress this balance. Coverage of other broker activity tends to be concentrated in urban regions, with levels of activity largely dependent on the number of national and multi-national firms in the area. Although a number of brokers have developed their own quality frameworks, there are at present no performance quality criteria or evaluations of performance attached to the distribution of central Government funding to support education-business links, and no quality standards framework applied to all brokers.

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40. Included in Strategy and Objectives

***We recommend that the LSC should develop a standards framework for broker activity, setting out transparent aims, objectives and outcomes.***

Beyond a few national evaluations (mostly focused on established programmes such as work experience) there is little individual programme evaluation, particularly of enterprise activities as we have described them above. Commenting on the latter, CEI found that :-

*Most monitoring is an internal matter with few examples of external monitoring. The exception is the large-scale evaluations commissioned by a small number of national providers. As far as we are aware no large data set, longitudinal study has ever been commissioned into the impact of enterprise education on learning.*

What little does exist is of limited use to teachers. As a result, they have no wider basis beyond their own personal experience and word of mouth on which to differentiate between the enterprise activities on offer. Schools and funding agencies also have difficulty in terms of assessing outcomes and value for money. Programme providers and others delivering enterprise activities lack a reliable measure of young people's learning and development on which to base a strategy of innovation and continuous improvement. And the Government has no appropriate mechanism for measuring outcomes at a national level.

This picture points to a clear need for better evaluation, for schools, businesses, brokers, funding agencies, and Government. Better evaluation is central to being able to achieve improved outcomes for young people, and therefore to the increase in enterprise capability we have argued for in this report. But it is also essential that any evaluation framework is widely shared and accepted, produces results that can be compared, and meets the needs of different stakeholders.

***We therefore recommend that the Government should support a programme of evaluation based on the Review's recommended definition of enterprise capability. This should include an evaluation of principal programmes and activities designed to promote enterprise capability; and an assessment of the outcomes from activities run in connection with the 14-19 Green Paper follow-up. This programme of evaluation would complement assessment by Ofsted at the individual school level.***



## Enterprise Case Study: Wharton County Primary School

Staff at Wharton County Primary School, Salford wanted to explore a range of teaching and learning approaches to support the national numeracy strategy. Specifically, they were interested in the practical application of mathematics through 'real life' problems. The teachers, focusing on the Year 6 objectives, wanted to develop scenarios where children would encounter these 'real life' problems and decided to focus on those areas involving money.

Three activities were developed that would help the children understand positive and negative numbers, especially the difference between a positive and a negative number or between two negative numbers. The work began with the class thinking about a thermometer. The concepts were then developed, this time using a bank account as the context. The children were asked what happens when you spend more than you have in a bank. The vocabulary was developed to include terms such as credit and debit.

In the final activity, the children were given a set of receipts and paying-in slips. A discussion took place about the format, each with particular reference to vocabulary. Using calculators, the children were asked to follow the teacher as she calculated on an OHP the final balance of the account. Each step was recorded and the final overdrawn balance was calculated. To reinforce the learning, the class were asked individually to work out a second balance. In a higher order activity the children were asked to sort through the receipts and paying-in slips and use a calculator to record the transactions and find the final balance. In a lower order activity the children were asked to calculate a final balance for a given set of transactions.

## Next steps

We believe our recommendations represent a coherent package which should, taken together and adequately resourced, improve the quality and quantity of enterprise learning undertaken by young people. We have sought to take account of other changes underway within the system, but ultimately it is for Government to integrate our recommendations into these changes.

If, as we hope, our recommendations are accepted, measures will need to be introduced to manage implementation. Our suggestion is that there should be a regular review of delivery, undertaken and co-ordinated by a group of officials from the three departments and the FSA, led by DfES, and reporting regularly to Ministers.

# Annexes published on website

The following annexes are available on [www.daviesreview.org](http://www.daviesreview.org)

- A Call for Evidence
- B Young people survey findings
- C Business survey findings
- D International comparisons

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# Summary of initiatives related to areas covered by the Review's Terms of Reference

Year	Policy Sponsor	Policy Initiative	Description
1963 –	Sir Walter Saloman (and later supported by a wide range of private sector companies)	Young Enterprise	Described as the 'catalyst which develops effective links between educational establishments and the world of business'. Based on the US 'Junior Achievement' model and introduced to the UK in the 1960s, the programme has grown since.
1972+	Manpower Services Commission (MSC)	Project Trident	Facilitates the placement of a business manager secondee to LEAs and schools to work on: work experience schemes, promoting voluntary service, and pupils' personal development focusing on living and working. Much of the project's philosophy was later adopted by TVEI. Currently has over 60 decentralised offices throughout England and 3 regional offices, including a Northern Ireland Business Education Partnership.
1977	TUC, CBI, DE and Schools' Council	Schools Council Industry Project	Set up to investigate ways in which schools could help pupils to gain a greater understanding of industry. Started with 5 LEAs who appointed teacher co-ordinators, by 1981 had expanded into 22 LEAs and 150 schools.
1981	Department of Industry (Industry/Education Unit)	Primary School Industry Education (PIE) Project	A teaching programme to initiate B.Ed primary students into the concerns of Industry Education, involving the design of a curriculum plan, industrial case studies and teaching materials for primary schools.
1981-1988	Department of Employment	Youth Training Scheme (YTS)	Built upon programmes in the 70s – Community Industry, YOP, and Work Experience Programme. Comprised 'Work Experience on Employers' Premises' (WEEP) scheme/'Training for Skills Programme' (TSP), targeting 16/17 year olds and eventually all unemployed school leavers. Cost £1 billion per year.
1982-1997	Manpower Services Commission (MSC)	Technical and Vocational Education Initiative (TVEI)	Launched November 1982 'in response to growing concern about existing arrangements for technical and vocational education for young people expressed by the National Economic Development Council'. By 1985 48 more authorities were accepted onto the scheme each receiving £2 million over 5 years. It was extended in 1985.
1986	National Curriculum Council (NCC)	GCSE Curriculum – esp. Business and Information Studies	100% coursework-oriented course with compulsory enterprise model and initiating other vocational courses with enterprise components.
1986	DTI	Mini-Enterprise in Schools Project (MESP)	Initially a short-term project aimed at staff development in enterprise education and more recently merged with SCIP providing information/support services to schools/LEAs.
1986	MESP	Industry Year	Education/Industry links chosen as one of Industry Year's main themes.

Year	Policy Sponsor	Policy Initiative	Description
1986-1987	MSC Sponsored (through TRIST: TVEI Related INSET Scheme for Teachers); Bristol, Sunderland and Wolverhampton Polytechnics	The National Business Studies Project	The outcome of discussions between the MSC, DES, HMI and the 3 polytechnics listed. The project aimed to establish a more active partnership between education and business, to help Business Studies teachers and business personnel to work together, to improve both formal and informal learning, and to support Business Studies teachers particularly in the areas of IT, business and economic awareness, and the relationship between business and education. The project set up good-practice task forces, a Business Advisory Service for teachers and others, and a schools-industry support consultancy service.
1987	Department of Education and Science, DTI, MSC, private funding & managed by NFER	BRIEF – <i>Briefing Industry on Education</i>	Information service for people in industry and business with responsibility for curriculum development (e.g. SCSST), industry/education partnerships (e.g. Trident), etc. Longer term goal to become self-financing.
1988 – 2001	Department of Employment	Training and Enterprise Councils (TECs)	Not formally launched until 1991 at a cost of £2 billion, devolving most responsibility to businesses. Initiative established 82 TECs in England and Wales and 22 LECs in Scotland.
1988/89	Department of Employment	Compacts	Launched as part of the Government's Inner City Action Plans, and based upon the East London and Boston Compact models. Compacts were agreements between schools, employers, pupils and parents with specific goals and the employer contracting to give a job guarantee to a pupil.
1988/9	DTI, DfEE	Education and Enterprise Initiative	Aim – to give every teenage pupil and up to 50,000 teachers work experience, costing £12 million.
1990	Department of Education and Science, National Curriculum Council	Education for Economic and Industrial Understanding (EIU)	Cross-curricular initiative for KS 1 – 4 produced by NCC aimed at integrating education for economic awareness into schools. Specifically aimed to help students make decisions about how they contribute to the economy through their work, how to organise their finances and how to spend their money.
1990	Mini-Enterprise in Schools Project (MESP) Community Service Volunteers	Enterprise Education in the National Curriculum: Agenda for the 90s	Document advocating 5 key elements to form the core of an enterprising approach to education.
1992	Departments of Employment, Education and Trade and Industry	Education Business Partnerships (EBPs)	Established to bring coherence and co-ordination to business link activity. Set up locally by LAs and TECs and appointed Understanding Business Industry (UBI) to coordinate national programme of teacher placement in industry: targeting 10% of all teachers. Has three kinds of schemes: student-centred (e.g. Compacts, mentoring schemes), curriculum-centred (e.g. work experience, business games), and teacher/management centred (e.g. industrial placements for teachers, professional development).
1993	Midland Bank, British Railways Board, ADT, IPM, Guinness, backed by DE	Industry in Education	A national education trust aiming to improve the quality of students seeking employment, focusing on school management issues and to 'encourage the development of core skills including communication, problem solving, team working, self-discipline and self-motivation'.



Year	Policy Sponsor	Policy Initiative	Description
1998	DfEE	Education Action Zones (EAZ)	<p>EAZs were established to foster local partnerships with the aim of developing new and imaginative approaches to raising standards in disadvantaged urban and rural areas. Each EAZ includes a cluster of two to three secondary schools with their supporting primaries and special schools working in partnership with LEAs, parents, business and other representatives from the local community. Zones initially run for three years, with the possibility of extension for a further two years.</p> <p>Generally, zone initiatives focus on four main themes: improving the quality of teaching and learning, social inclusion, family and pupil support, and working with business and other organisations.</p>
2000 -	British Chamber of Commerce, Confederation of British Industry and Institute of Directors: DTI backed	Enterprise Insight	Aiming to change public attitudes to business, generate greater enthusiasm for risk taking and persuading parents and educators to present a more positive image of business and enterprise. Also supported by Prince's Trust, Young Enterprise and Business in the Community, seeks to recruit 250 'ambassadors' to 'spread the gospel' in schools.
2001	DfES	(Extension of) Specialist Schools – Business curriculum	Aimed at giving pupils the chance to gain essential 'know how' skills. Business and Enterprise Colleges will place a special emphasis on enterprise topics and develop business studies teaching.
2001	DfES	City Academies	Currently 13 in total. The pilot in Manchester Science Park, will particularly develop school-industry links.
2001	DfES	Vocational GCSEs	Courses to enable young people from 14 – 16 years to gain meaningful work experience for 2 days per week leading to vocational qualifications.





