

Independent Review of Education

Department of Education

Rathgael House

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Dear Sir/Madam

Re: Independent Review of Education

FSB welcomes the opportunity to respond to this consultation which seeks initial views - we attended an 'in person' event with other stakeholders to share considerations. We trust you will find our contributions here helpful and that they will be fully considered.

FSB in context

FSB is the UK's largest business organisation, with around 165,000 members in total, including around 6,000 in Northern Ireland across all sectors of industry and business. Established over 40 years ago, we are a non-profit making and non-party political organisation that's led by our members, for our members. Our mission is to help smaller businesses achieve their ambitions.

Northern Ireland is a small business economy, with the highest concentration of SMEs in all the regions in the UK - 99.9% of businesses are SMEs. 98% of all firms employ fewer than 20 people, while 95% employ fewer than 10. Northern Ireland SMEs provide 75% of all private sector jobs, and over two-thirds of private sector turnover compared with around 50% in the UK as a whole. Small businesses employ more people than the public sector and large businesses, combined.

FSB and the education system

The Review Term of Reference document states:

"The Department of Education recognises that whilst there are many areas of excellence within the Northern Ireland education system there are also significant challenges. It is accepted that the education system requires transformation..."

We note that this review therefore focuses on securing greater efficiency in delivery costs, raising standards, access to the curriculum for all pupils, and the prospects of moving towards a single education system. The three strands under consideration are:

1 - Education journey and outcomes

- 2 - Support for settings and schools, funding and governance
- 3 - System level design, delivery and administration

We also note that business owners and employees will interact with 'education' throughout their careers, and that there are various NI strategies which sit alongside Education, for example, the NI Skills Strategy. However, in this letter we respond in the context of the traditional 'school age' element of our education system.

Against this backdrop, **FSB priorities are centred on entrepreneurship and skills**. Firstly, people who might consider and then start a business, and then people as future employees, who will pick up the requisite knowledge before or after joining a business.

Businesses are started by people and businesses employ people. From this perspective, education plays a highly influential role in shaping the mindset of young people who might consider starting a business as an option, and then choose to be entrepreneurs in later life.

Statistics tell us that despite a plethora of support programmes, NI lags behind its neighbours when it comes to the number of business start-ups. For example, using 2004 as a base year - when comparable data first became available - the overall increase in new Northern Ireland businesses created was 16%. During the same period there were increases of 41% in England and 51% in Scotland between 2004 and 2019.¹

The widely accepted view is that the more people who start a business, the more chance we have of generating associated economic and societal value. If the FSB mission is to help smaller businesses to achieve their ambitions, then it follows that we seek to help cultivate an entrepreneurial mindset amongst people in our society – thus creating a higher chance of *more* entrepreneurs and employees who are more effective due to such a mindset.

How to create a more entrepreneurial society via the education system?

If the statistics show that people in NI *could* be starting more businesses, and the evidence demonstrates that starting more businesses is a good thing – then what is the education system doing now and what could it do *more* or *less* of to create the requisite conditions?

Our evidence base on the education system is not robust because FSB members are experts in business, and *not* necessarily education. However, if we consider that education is about preparation for future life then, as long as they are interpreted in the correct way, the views of business are valuable. When asked, FSB members stated the following:

¹ <https://www.fsb.org.uk/resource-report/backtothestartup.html>

"I fully support Integrated education for all, and one Teacher training college"

"As a father of two teachers, neither of whom can get full time posts but can work as subs every day for years at a time, the budgets for schools need to be better managed as principals can't be expected to be accountants and manage already reduced annual budgets to the detriment of proper teaching."

"Secondary school' education that turns out 'tradespeople' and 'essential workers' and indeed 'entrepreneurs' should be marketed as much as an ideal course as Uni. Not as it is now, that you have failed at 11 years old and all secondary education is doing is shovelling up the pieces and getting you through the next 5 years. Many a trades person earns more than £200 a day putting them in the higher tax bracket and they haven't left uni with tens of thousands of student debt."

"Agree that we need a single system, and that is the reason for the budget crisis. As employers we need people with critical thinking skills, who can problem solve, work in teams and are open to lifelong learning. The current system, focused on exam results inhibits development of these practical skills. The system creates 'academic underachievers'. We need a system that is user focused on learners, families and employers."

"The EA does not take ownership of the system and leave much up to the hands of the individual schools. Students need modules on real life issues such as mortgages, debt management, credit cards, interest, compound interest, banking, loans, pensions. Future valuable skills for those who can create jobs if going self-employed, or starting a business are around VAT, PAYE, Pensions, Credit Control, People Management, Project Management, People Skills, Interview presentations, tendering, document control, time management etc."

"Need to bring back apprenticeships in a stronger way than they have and also by introducing practical courses back into colleges – bring catering, woodwork, plumbing and engineering into our schools etc as going forward there is a big demand for those skills."

Some questions for consideration from the employer perspective therefore include:

- Better use of data is key to identifying trends – what are people studying, good at and where are the opportunities? How can this be understood and made accessible to the population?
- How do we encourage an entrepreneurial mindset and pathway in schools as a 'valid' option?
- Businesses and schools need to work together more effectively in general, to ensure workplace experience and 'role models' are open to all. How is this currently measured and published?

- Employers often speak of seeking people more generally well rounded, with an entrepreneurial mindset and motivation learn rather than specific subject expertise. Can the system overcome or reframe the issue of qualifications versus experience and the weight each carries in society?

Conclusion

We welcome that the review team wishes to work with business stakeholders to provide an evidence-based assessment of various issues. FSB members are impacted by, and contribute to, our education system. We hypothesise that more can be done to ensure more, or *all*, people in our education system:

- Consider entrepreneurship as an option
- Cultivate an 'entrepreneurial' mindset
- Interact with and understand 'business' from a young age

Ideally, all the questions posed in this response are, at the very least, considered and addressed by this report. However, at a minimum, the questions we pose to the Review team for investigation and comment in its report are as follows:

- 1) Does the NI education system maximise the chances of creating young and future entrepreneurs?
- 2) If so, will the Review panel outline how?
- 3) If not, will the Review panel outline it's understanding why this is and make recommendation(s) for further action and/or investigation?

Given this is an initial sift for views, we hope that the review panel re-engage on the specific focus of our response, as outlined. In the coming weeks and months FSB would be open to surveying members on specific business-related questions that the review team wishes to investigate – please let us know if this would be of value.

Otherwise please do not hesitate to make contact if you have any other queries and we look forward to continued engagement.

Yours faithfully,

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ENDS