

HSBC Bank PLC

Employer

Inspection dates		5–9 August 2013
Overall effectiveness	This inspection:	Good-2
	Previous inspection:	Good-2
Outcomes for learners		Good-2
Quality of teaching, learning and assessment		Good-2
Effectiveness of leadership and management		Good-2

Summary of key findings for learners

This provider is good because:

- Customer service and business administration apprentices achieve their qualifications very well.
- Apprentices develop an excellent understanding of financial products, legislation and the reasons why they need to gather specific information from customers through highly effective theory training. This helps them deal more confidently and competently with customers.
- A significant number of apprentices gain promotion at work, take on extra responsibility and complete more difficult tasks through completing the programme.
- Assessors, trainers and line managers provide good quality training, mentoring and coaching for apprentices which they supplement with flexible e-learning packages.
- Assessors use their extensive industry expertise well to extend apprentices' knowledge, assess their skills and develop their functional skills in mathematics and English.
- Leaders and managers set high expectations and show an impressive commitment to the apprenticeship which has helped introduce the programme successfully across HSBC Bank PLC (HSBC).
- HSBC's central apprenticeship team (the team) and the subcontractor's managers work together in an outstanding way to monitor and improve the programme continually, manage assessors and provide constructive professional development.
- HSBC has developed imaginative training programmes that benefit employees and the business.

This is not yet an outstanding provider because:

- Not enough training and assessment sessions are outstanding because a few assessors do not ask sufficiently probing questions to challenge all apprentices to reflect on their work and how they apply learning, including about diversity.
- Apprentices' achievement of the financial services technical certificate requires further improvement.
- The team has not yet established a formal mechanism, with senior executives, to review the programme overall and plan further developments and interventions, where appropriate.

Full report

What does the provider need to do to improve further?

- Use data to identify any gaps in achievement more quickly and evaluate the success of improvement initiatives such as those for raising apprentices' achievement of the providing financial services technical certificate.
- Provide the subcontractor's managers and assessors with HSBC's training, such as 'values based leadership', and work with them to identify and share the best practice in training, assessment and progress reviews so that all apprentices experience a consistently excellent experience.
- Fully develop overall programme review meetings with senior executives to review the apprenticeship's effectiveness and any emerging trends.

Inspection judgements

Outcomes for learners	Good
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- Apprentices achieve their qualifications well and success rates in customer service and administration are particularly high. The team recognised that apprentices' achievement of the providing financial services technical certificate was too low in the first region the programme was introduced and took very effective action. This significantly improved success rates on this programme to an acceptable level.
- Most apprentices make good progress towards achieving their qualifications by their agreed deadlines. Those currently on programme make at least the progress expected of them, or better, given their time on the apprenticeship.
- Apprentices develop a thorough knowledge and understanding of the financial products they sell. They become more confident and assertive in requesting complex information from customers and explaining relevant legislation. In locations, such as the call centre in Leicester and the south west branch network, apprentices increase their customer service score ratings to be better than their peers.
- Achievement by most of HSBC's apprentice groups is similar by age, gender and geographical location. The few Pakistani and Bangladeshi apprentices achieve less well than learners from other ethnic heritage groups. The team analysed data and identified this issue but have yet to ascertain the reason for this lower achievement.
- Apprentices develop good English and mathematics functional skills which they use productively at work and at home. An apprentice working in the card centre of excellence responds to complaints letters more professionally through improving their English skills. Some apprentices improve their qualification level considerably from entry level 3 at the start of the programme to level 2 at the end.
- Apprentices enjoy their learning and increase their motivation at work. More apprentices, and particularly those who complete the programme, stay with HSBC than employees not taking the apprenticeship. The proportion of apprentices graded in the top bands at their performance review is significantly better than the whole workforce.
- Line managers encourage all staff, including apprentices, to contribute towards community activities. Many apprentices gain good personal and social skills through participating in charity fund-raising initiatives or volunteering.
- A significant number of apprentices gain promotion at work during, or on completion of, their programme. Many take on extra responsibilities or more demanding work, particularly in the card centre of excellence and operations centres. In the branch network, learners work more flexibly, for example by helping out in different branches, deputising when their manager is absent and devising and holding online conferences for their colleagues.

The quality of teaching, learning and assessment

Good

- Apprentices receive good quality teaching, learning and assessment which are consistent with their good rates of progress and achievement. Assessors and line managers set high expectations for apprentices who produce work of a very high standard. They plan training and assessment activities well to match HSBC's drive for excellence in customer service and developing apprentices for management roles.
- Assessors and line managers provide theory training very successfully through individual coaching and group workshops. This helps apprentices develop a wide range of industry knowledge, particularly in legislation, that increases their customer service skills and confidence. They produce relevant and useful work, for example, one apprentice developed systems to identify performance issues which are now used by line managers.
- Apprentices have good training at work that is supported well by HSBC's e-learning modules. In particular, through using the 'one best way' materials, apprentices gain an increased understanding of their job roles. This helps them recognise and contextualise how the skills they are learning increase their effectiveness at work and future roles they aspire to hold with HSBC.
- Assessors use their extensive industry experience and qualifications to provide apprentices with good quality assessments of their work. Most assessors extend apprentices' understanding by asking skilful questions and discussing their work but a few do not probe sufficiently to encourage apprentices to reflect on, or think deeply enough about, their current practice. Not all assessors use the additional observations carried out by line managers of apprentices' performance at work to full effect when assessing vocational qualifications.
- Apprentices know how well they are progressing and what they need to improve because assessors give them detailed and developmental feedback. Assessors set them very precise tasks and independent learning activities to complete between their regular monthly visits.
- Apprentices complete comprehensive initial and diagnostic assessments that identify their skill gaps in English and mathematics. Assessors and apprentices make good use of the results of these assessments to plan learning and support, although occasionally they do not complete the diagnostic assessment. Apprentices with additional learning needs receive appropriate specialist help and assessors adjust the frequency of their visits or assessment methods accordingly.
- HSBC celebrates its successful apprentices well through high profile graduation events in prestigious locations where the chief executive and senior executives present certificates. Regional and area managers publicise apprentices' achievements well in newsletters, at local events and by awarding trophies.
- Apprentices develop good functional skills in English and mathematics through completing online learning activities. They enjoy functional skills learning and value how the activities help them improve their skills. A few assessors rely too heavily on the online functional skills learning activities and lack the confidence or training to give apprentices extra coaching with the more difficult concepts.
- Apprentices make good use of HSBC's 'my career' online resource for careers advice and guidance. They gain good information about progression and promotion opportunities, including specialist roles, from line managers and assessors. Line managers meet regularly with apprentices for performance management meetings and use these to discuss development opportunities.
- HSBC's trainers promote equality, diversity, community and welfare initiatives well at induction. Apprentices increase their awareness of their rights and responsibilities very effectively through completing their qualification and researching topics in the employee handbook and HSBC's intranet. Assessors check apprentices' understanding of diversity during progress review meetings but their questions are superficial and not adapted to be relevant to, or draw upon, HSBC's extensive initiatives, training and promotional materials.

The effectiveness of leadership and management**Good**

- Senior executives and the team show an inspirational commitment to the new apprenticeship programme. They have developed the scheme to become an important part of a laudable wider initiative to improve the professionalism of HSBC's workforce and develop future managers. Although it is too early for HSBC to be certain if this is having the full impact, line managers and apprentices speak positively about individual and local benefits.
- The new scheme is particularly well managed and sensibly introduced in phases into many operational areas. The team implemented pilot schemes which they carefully evaluated before increasing the number of geographical regions and apprentices. However HSBC's previous, smaller, apprenticeship scheme was not as well recognised or integrated into the bank's routine business as the new scheme.
- Working relationships with the subcontractor are outstanding because all involved in the programme work very closely to provide apprentices with a coherent programme. The team applied rigorous and careful criteria before selecting a subcontractor, which has contributed to the success of the apprenticeship. The subcontractor and the team work as partners in developing the programme and resources, but with a healthy and good level of challenge on both sides.
- The team uses comprehensive and well-presented data to monitor the subcontractor's effectiveness and apprentices' progress. They resolve individual apprentice and assessor issues very quickly through regular meetings with HSBC's regional teams and the subcontractor. The team has yet to establish a mechanism and timetable for reviewing the apprenticeship programme overall with HSBC's senior executives and ensuring consistency of good and excellent practice.
- The subcontractor manages the performance of its assessors very well. Subcontractor managers take an impressively thorough approach to internal quality assurance which is developing assessors' assessment and coaching skills. They recruit industry specialists to deliver the providing financial services apprenticeship and give them assessor training which in a few instances delays the updating of apprentices' e-portfolios with completed work.
- The team gives line managers good support to help them to be involved in the programme. Line managers complete the technical certificate training and test which enables them to coach apprentices more effectively. The team produces clear briefing materials and presentations for line managers and apprentices to help them understand the programme's requirements, but the amount of time suggested for study time at work is unrealistically low.
- The team uses well-devised 'voice of the customer' questionnaires regularly to gather apprentices' and line managers' feedback. They analyse the results thoroughly to measure trends in satisfaction, identify common areas for improvement and positive comments. Regional and area managers also gather learners' views more informally to effect change, through events such as the south west afternoon tea with the area director and their regional development day for apprentices.
- The team carries out thorough self-assessment which takes good account of line managers' and apprentices' views. Their assessment is highly accurate and gives them a reliable basis for quality improvement, which is planned meticulously. The team takes very effective actions such as those taken to raise achievement rates on the providing financial services technical certificate.
- HSBC has outstanding plans for the long-term development of programmes, including progression routes onto the apprenticeship through work experience schemes and an HSBC funded traineeship, and providing significant financial support for learners aged over 24. The team plans apprenticeship programmes to be integral in meeting future government and industry requirements for professional qualifications. Excellent collaboration with competitor banks has enabled the team to share expertise and develop a higher-level retail branch manager apprenticeship.

- The apprenticeship schemes play a full part in HSBC's work to ensure that diversity is respected among employees and in their work with customers. Recruitment to the apprenticeship programmes is open and fair. The team analyses performance by different groups, including why apprentices leave without achieving, and recognise the need to investigate some of the underlying reasons further.
- HSBC meets its statutory requirements for safeguarding learners. All apprentices, as full HSBC employees, benefit from a wide range of well-supported policies and procedures linked with employee well-being. Subcontractor staff have a good level of understanding of their role in safeguarding learners and deal with concerns appropriately.

Record of Main Findings (RMF)**HSBC Bank PLC**

Inspection grades are based on a provider's performance: 1: Outstanding 2: Good 3: Requires improvement 4: Inadequate	Overall	Apprenticeships
Overall effectiveness	2	2
Outcomes for learners	2	2
The quality of teaching, learning and assessment	2	2
The effectiveness of leadership and management	2	2

Subject areas graded for the quality of teaching, learning and assessment	Grade
Accounting and finance	2
Customer service	2

Main course or learning programme level	Level 1 or below		Level 2		Level 3		Level 4 and above	
Total number of learners (excluding apprenticeships)	16-18	19+	16-18	19+	16-18	19+	16-18	19+
Full-time	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Part-time	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of apprentices by Apprenticeship level and age	Intermediate		Advanced		Higher			
	16-18	19+	16-18	19+	16-18	19+		
	1	39	10	922	N/A	N/A		
Number of learners aged 14-16	N/A							
Number of community learners	N/A							
Number of employability learners	N/A							
Funding received from	Skills Funding Agency (SFA)							
At the time of inspection the provider contracts with the following main subcontractors:	<ul style="list-style-type: none"> Capita PLC 							

Additional socio-economic information

HSBC employs 38,000 staff in the UK Bank and offers apprenticeships in providing financial services, administration, customer service and management. The programme is managed by the central apprenticeship team comprising three members of staff. Apprentices work at one of HSBC's retail branches, its call centres in Leeds and Leicester, card centre of excellence in Birmingham or operations centres in Coventry, Sheffield and Salford. The programme has significantly changed since the previous inspection, which had a different management team and subcontractor and a gap of two years where HSBC did not hold its own contract. The current apprenticeship programme was relaunched in September 2011. Apprentices work in locations and areas with mixed levels of affluence, ethnic heritage groups and qualification levels.

Information about this inspection

Lead inspector	Janet Rodgers HMI
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Two of Her Majesty's Inspectors (HMI) and five additional inspectors, assisted by the senior apprenticeship and professional qualifications specialist as nominee, carried out the inspection with short notice. Inspectors took account of the provider's most recent self-assessment report and development plans, and the previous inspection report. Inspectors also used data on learners' achievements over the last two years to help them make judgements. Inspectors used group and individual interviews and telephone calls to gather the views of learners, managers and senior executives; these views are reflected throughout the report. They observed learning sessions, assessments and progress reviews. The inspection took into account all of the provision at the provider. Inspectors looked at the quality of teaching, learning and assessment across all of the provision and graded the sector subject areas listed in the report above.

What inspection judgements mean

Grade	Judgement
Grade 1	Outstanding
Grade 2	Good
Grade 3	Requires improvement
Grade 4	Inadequate

Detailed grade characteristics can be viewed in the *Handbook for the inspection of further education and skills 2012*, Part 2:

<http://www.ofsted.gov.uk/resources/handbook-for-inspection-of-further-education-and-skills-september-2012>

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