Measuring performance at all levels is one of the keys to success for growing businesses. Traditional financial measures alone are no longer sufficient. Measuring an employee's performance and the contribution each individual makes to achieving goals is essential. NVQs (National Vocational Qualifications) can help you to do this.

This briefing outlines:
- What NVQs can offer your business.
- How to introduce NVQs.
- What is involved.
- How to use NVQs as effectively as possible.

The basics

A NVQs are nationally recognised qualifications.
- NVQs are available for almost all occupations.
  For example, there are NVQs for customer service, training, small business management and so on.
- NVQs can be used in almost any business, of any size.
  For example, almost every business will have some employees for whom an administration or customer care NVQ might be suitable.
- NVQs are available at up to five levels.
  ‘Level 1’ represents performance at a basic level; ‘level 3’ is typically performance at a supervisory level; and ‘level 5’ is typically performance at senior level or higher.

B NVQs are based on standards of work performance. They provide measures for what an employee should be able to do, how well, and in what contexts and conditions.
- The standards for each NVQ have been nationally developed and agreed by industry.
- The standards are based on work performance, underpinned by knowledge.
  The usual way to achieve an NVQ is by demonstrating actual work performance which meets the specified standards. The work must demonstrate an understanding of the knowledge required.
- The standards are grouped into units.
  Each unit represents an area of work activity which is of value to an employer.
You can use the NVQ standards as a stand-alone business tool. Many businesses choose to use the standards alone initially, delaying the introduction of certification (see D). You can use the standards for:

- Training needs analysis.
- Design, delivery and evaluation of training and development.
- Preparing recruitment specifications.
- Career development and succession planning.
- Self-development.
- Continuously assessing and appraising performance.

Assessment is conducted in the workplace and is not necessarily tied to any specified training programme or time frame.

Introducing NVQ certification (the award of NVQs to employees) provides additional benefits.

- Managers and employees of all ages can achieve national recognition for competent performance.
- Individual units of NVQs can be assessed and awarded flexibly.
- You can use NVQ certification as part of a business-led performance management system, such as Investors in People.

Getting started

Select a priority area for action. For example, you may want to improve training or appraisal, or to restructure roles for a particular group or department.

- Identify a pilot group of managers or employees in the selected priority area.
- Contact your local business support organisation, trade association or college of further education to see what advice, support and funding they can offer.
- Contact any ‘friendly’ companies you know who are already using NVQs.

Start by thinking about your business needs, not by seeing what NVQs are available.

Obtain and review the standards.

- Check the Department for Education and Skills’ website for a full list of all available NVQs and awarding bodies. For people aged under 19, go to www.dfes.gov.uk/section96 or for those over 19, go to www.dfes.gov.uk/section97.
- Contact the marketing department of the awarding body for copies of the standards for the NVQs which interest you.
- Check the unit and element titles in the standard against the job descriptions or role profiles of your selected pilot group.
- Select NVQs at a level which will be challenging to your employees.

If the standards only reflect what the employees already do, the process of assessment might be demotivating and achieve little for your business.

Select assessment options.

- You may choose not to get involved in the formal NVQ process at this stage. You may want to test the use of the standards within your own appraisal and training systems (see 1C).
- You may choose to use an external provider (see 4) to assess NVQs during the pilot and to help you develop systems.
- You may choose to use an external provider in the long term. If you plan to limit NVQ certification to a small group of employees, a good relationship with an external provider may be the best option.
- You may want to become an approved NVQ centre (see 5).

This will be cost-effective if you plan to

Selecting an awarding body

Not all awarding bodies offer all NVQs. However, the same NVQ offered by different awarding bodies will be based on the same standards.

Costs vary. Ask the awarding bodies offering NVQs you are interested in for the costs of:

- Registration and certification (see 3D).
- Approval as a centre (see 5B).

Some awarding bodies may be known to your managers and employees. Managers and employees may be more motivated by the prospect of an NVQ from an awarding body they consider to be prestigious.
introduce NVQ certification for large numbers of employees. You may need external support initially to develop your in-house skills and systems.

3 Time and costs

A Most time and money will be spent starting the pilot and developing systems.
  • You will need a greater input if you want to become an approved centre (see 5).

B Training and development requirements will vary for each candidate.
The NVQ standards do not specify training programmes or time frames.
  • Each candidate will need to be briefed at the outset.
  • If you have selected challenging NVQs, initial assessment will identify the candidates’ development needs.
A manager might achieve an appropriate NVQ over 12 to 14 months, a secretary or a telesales employee over six to nine months.

C Assessing NVQs does require some additional time input.

D You pay registration and certification fees.
  • Each candidate must be registered for an NVQ for at least ten weeks before an award can be claimed.
  • Registration fees are paid per person and depend on the level of the qualification and the awarding body.
  • Certification fees are often additional.
  • Contact the appropriate awarding body for details of the fees charged. External providers may also charge you for training and development sessions and assessment.

E NVQ quality control can be built into your own quality assurance systems.
  • Internal verifiers (within your company or from your provider) ensure that individual assessors are consistent.
  • An external verifier from the awarding body normally visits each approved centre twice a year to ensure consistent assessment across centres.

4 External providers

A Identify approved centres.
The provider must be approved by your selected awarding body for the NVQs you wish to offer.
  • Your local business support organisation may have a list of approved centres.
  • Your selected awarding body will provide you with a full listing.

B Check whether the provider will be suitable for assessing your NVQ candidates.
  • Will the provider design assessment records to fit in with your own appraisal system?
  • Will the provider assess your employees in the workplace?
  • Does this provider require candidates to prepare large paper-based portfolios?
  • Those who do may be inflexible (see 6A).

C Check whether the provider is prepared to help you develop as an NVQ centre (if you plan to become one).
• Is the provider approved to train and assess your own internal assessors?
• Could the provider offer continuing assessment support if you chose this in the long term?

\section*{5 Becoming an NVQ centre}

Many larger companies choose to become approved NVQ centres. As well as saving the costs of external providers, using your own managers and supervisors as assessors encourages them to take a greater role in managing the performance of their subordinates.

\textbf{A Select} technically competent individuals to cover the necessary roles in the NVQ process.

You will need:
• Approximately one NVQ assessor for every six NVQ candidates.
• Approximately one internal verifier for every ten assessors.
• A centre co-ordinator to manage the registration of NVQ candidates and to request certificates.

This role is frequently undertaken by the internal verifier.

\textbf{B Prepare a submission to the awarding body for your company to be approved as an NVQ centre.}

You will need to demonstrate that you have the required resources, structure and quality systems.
• The awarding body will provide a guidance pack on becoming an approved NVQ centre.
• The awarding body may charge an approval fee, as well as charging for any pre-approval advice given.

Check with your local office.

\textbf{C Train} your assessors and verifiers.

They must have a clear plan for achieving the appropriate ‘assessment’ and ‘verification’ units.
• Typically it takes individuals three to six months to achieve the required units.
• The standards for these assessment and verification NVQs are available in the same way as for any other NVQ.
• Like other NVQs, training and development NVQs are assessed through work performance.

Your assessors and verifiers must already be carrying out these roles themselves in order to be able to assess you.
• Most companies choose to use an external provider to train the company's own assessors and verifiers.

\section*{6 Avoiding bureaucracy}

One of the main criticisms of the NVQ system in the past has been that it is bureaucratic. This is easily overcome by adopting a business-led and not NVQ-led approach.

\textbf{A} NVQ candidates do not have to produce huge amounts of \textit{paperwork}.

• You do not have to use the assessment documentation provided by the awarding body, as long as your own systems are adequate to maintain an audit trail.

You must agree this approach with your awarding body.
• NVQ candidates do not have to produce a large paper-based portfolio of evidence.

Evidence can take a variety of forms. The evidence will need to be organised in a suitable form.
• You can integrate NVQ assessment with your own company appraisal system.

A good external provider or consultant will help you to develop documentation which minimises the burden and which satisfies the awarding body.

\textbf{B} You can use NVQs as \textit{flexibly} as you want.

• You can introduce the standards without introducing the NVQ assessment and certification components.
• You can choose which units of which NVQs to use. Employees gain credit for the units completed.
• The NVQ system imposes no restrictions on the training programmes you use or the time frames candidates work to.

Candidates who can already demonstrate competence can even achieve an NVQ without any training, although they may need help in presenting evidence.
• You can incorporate the standards into your own company-specific standards, but you may not then be eligible for an NVQ.