

THE ECONOMIC IMPACT OF MANAGEMENT APPRENTICESHIPS

AN INDEPENDENT REPORT FOR THE
CHARTERED MANAGEMENT INSTITUTE BY
OXFORD ECONOMICS

FEBRUARY 2025

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February 2025

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FOREWORD

Britain is a nation in search of economic growth

From the Prime Minister to the Chancellor, the UK government has made important commitments to boosting productivity, living standards and life chances over the course of this Parliament, so that people in every region can feel the benefits that stem from a rising economy.

This task, which depends upon the agility, responsiveness and ingenuity of both the private and public sectors, is no easy one.

And it would be harder still were it not for the contribution made by management apprenticeships – one of the few tools that can deliver benefits to individuals, their employers and the economy as a whole, year in and year out.

CMI has long championed the fact that better management – including through the use of management apprenticeships – leads to higher productivity, higher output, and greater economic strength.

This independent report, commissioned from Oxford Economics, demonstrates the real-world contribution that management apprenticeships make across England. Its conclusions are critical at a time when ministers are considering wide-ranging changes to the apprenticeship system.

For me, a few data points really stand out.

- If ministers want the economy as a whole to improve, those completing management apprenticeships last year alone are adding an extra £120m to the national bottom line
- If ministers want to see rising living standards, they should note that 35% of all management apprentices last year got a significant pay rise - and a similar number were promoted.
- If ministers want to deliver greater social mobility and opportunity, look no further than management apprenticeships – where 71% of our learners in 2023-24 came from families where neither parent went to university.
- And if ministers want to overcome gender divides, consider the fact that 59% of management apprentices last year were female - compared to just 46% of the management population as a whole.

I could go on, but I want to let the facts speak for themselves.

Management apprenticeships deliver – at every level – and need to be a key part of the skills mix across the UK, both now and into the future.

Ann Francke OBE

Chief Executive

CMI

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EXECUTIVE SUMMARY

The Chartered Management Institute (CMI) is the only chartered professional body focused on promoting high standards in management and leadership, providing training and accreditation for managers in the UK and overseas. CMI offers management apprenticeships where learners combine learning with work experience, enhancing the learning process and their earnings potential.

Oxford Economics was commissioned by CMI to undertake an economic impact assessment of management apprenticeships. We used CMI's survey and administrative data to quantify the economic impact of management apprenticeships on individuals, businesses, and the economy as a whole. We also profiled CMI's management apprentices, examining their demographics, the types of businesses they work for, their motivations for undertaking a management apprenticeship, and achievements since qualifying.¹

THE IMPACT OF GAINING A MANAGEMENT APPRENTICESHIP ON INDIVIDUALS

The number of management apprentices accredited by CMI has grown quickly, at an average annual rate of 24% since 2019/2020, reaching over 12,000 in 2023/24. This is largely driven by growth in level 7 apprenticeships.

Around a third of CMI management apprentices surveyed (35%) report receiving a pay rise beyond any basic pay award offered to all employees in the year after gaining their qualification, and a similar share (34%) report receiving a promotion.

The average boost to pay for apprentices receiving a pay rise in the year after gaining their qualification was £12,000, and for all management apprentices including those not receiving a pay rise was £4,300—equivalent to an average pay rise of just under 10 percent.

THE ECONOMIC IMPACT OF GAINING A MANAGEMENT APPRENTICESHIP ON BUSINESSES

Using industry averages which tell us the relationship between employee pay and business revenues, we can infer the average revenue associated with the pay rise that management apprentices receive. In this way, we estimate that CMI management apprentices help to create an average boost to their firm's revenue of £20,900, per apprentice per year.²

35%

Share of CMI management apprentices reporting a pay rise due to their accreditation as a management apprentice.



¹ Unless otherwise stated, data reported in this executive summary refer to CMI survey data and are hence representative only of CMI-accredited management apprentices.

² This estimated revenue boost is assessed for private sector activities only, given that individual pay is not typically linked to revenue and profit growth within public service activities.

£106.1m

Total increase in business revenues due to CMI management apprentices accredited in 2023/24.



Across the private sector CMI management apprentices accredited in 2023/24, this represents a £106.1 million increase in business revenues.

THE ECONOMIC IMPACT OF GAINING A MANAGEMENT APPRENTICESHIP ON THE ECONOMY AS A WHOLE

Similarly, we can use industry average relationships between wages and gross value added (GVA)—a measure of worker productivity, and a component of gross domestic product (GDP)—to infer the additional contribution to the macroeconomy that management apprentices make. GVA differs to business revenues, which captures all businesses' sales, rather than just their value added to the economy. In this way, we estimate that as a result of their management apprenticeship, management apprentices make an additional annual GVA contribution to GDP of £6,800, on average per apprentice. This figure is higher for management apprenticeships working in the private sector at £8,900.

The macroeconomic impact of gaining a CMI management apprenticeship increases with the level of the apprenticeship, suggesting that higher level apprenticeships lead to larger productivity improvements. Level 7 CMI management apprentices make the highest average annual contribution to GDP (£8,800), followed by level 6 apprentices (£7,400), level 5 apprentices (£4,600), and level 3 apprentices (£4,300).

In aggregate, we estimate that the more than 12,000 economically active CMI management apprentices who completed their apprenticeship in 2023/24 contribute an additional £75.4 million to UK GDP as a result of their management apprenticeship. This result may even represent a lower bound for the total impact as we make the conservative assumption that individuals who do not report any wage increase are no more productive as a result of gaining a management apprenticeship.

To demonstrate the impact of all management apprentices in the UK, we undertook illustrative analysis assuming all management apprentices make an equivalent additional contribution to the UK economy as CMI management apprentices. In this way, the hypothetical impact on the UK economy of all management apprenticeships completed in 2023/24 is an additional contribution to GDP of £119.5 million. Under this scenario, level 7 apprentices support the largest additional GVA contribution of £50.6 million.

According to research by CMI, more than eight in 10 managers in the UK became managers without any formal training, suggesting a continued opportunity for growth in management apprenticeships among this wider management population.³



The macroeconomic impact of gaining a CMI management apprenticeship increases with the level of the apprenticeship, suggesting that higher level apprenticeships lead to larger productivity improvements



£119.5m

Management apprenticeships completed in 2023/24 resulted in an additional contribution to UK GDP of £119.5 million.



³ CMI, "[Taking responsibility – Why UK PLC needs better managers](#)", October 2023, accessed December 2024.

PROFILE OF CMI MANAGEMENT APPRENTICES

There were more than 12,000 CMI management apprentices accredited in the last financial year with the majority enrolled in a level 7 apprenticeship—the level which is also associated with the largest productivity gains.

The majority of CMI management apprentices worked in full-time employment (93%). A small proportion of CMI management apprentices were part-time employed (5%), and even fewer were economically inactive or unemployed (1%). This high rate of employment is to be expected given management apprentices undertake their apprenticeships whilst in employment, but is suggestive of strong employment perspectives.⁴

CMI management apprentices worked in all regions of England. Slightly fewer than three in 10 (28%) worked in the North, and Mid-England respectively, compared to more than four in 10 (44%) in the South. Almost six in 10 (59%) management apprentices were female—a higher share than among the UK population of managers as a whole, where only 46% of managers are female.

CMI management apprentices worked across a broad range of sectors, with the highest concentration in the health sector (22%), in which around 2150 CMI management apprentices who graduated in 2023/24 currently work—a very small share of the estimated 1.8 million individuals working in health who have management responsibilities.

CMI management apprentices were more likely to work for large organisations (81%)—associated with higher levels of productivity— compared to the average UK worker (39%).^{5,6,7} They were most likely to be middle-level managers (40%) or senior managers (23%). Nearly half of CMI management apprentices worked in the public sector within areas such as education, health, and the civil service.

Putting CMI learnings into practice in real time was a key motivation for undertaking a management apprenticeship (66%) and so was increasing the chances of higher future earnings (56%). The motivation to increase future earnings has been fulfilled for over one in three CMI management apprentices (35%) who received a pay rise and a similar share (34%) who were promoted.



59% of management apprentices were female—a higher share than among the UK population of managers as a whole, where only 46% of managers are female.



⁴ Management apprentices work in parallel to undertaking their apprenticeship, however the average survey respondent completed their apprenticeship more than a year prior to taking the survey, thus offering an insight into the sustainability of their employment.

⁵ ONS analysis shows that, all else equal, productivity is increasing in business size, flattening off only for businesses with more than around 250 employees. Office for National Statistics, "[Firm-level labour productivity measures from the Annual Business Survey, UK: 1998 to 2019](#)", 2022, accessed January 2025.

⁶ Large organisations are defined as organisations which have more than 250 employees.

⁷ Department for Business & Trade, "[Business population estimates for the UK and regions 2023: statistical release](#)", accessed November 2024. Note that data for the average UK worker only cover the private sector.

1. INTRODUCTION

The Chartered Management Institute (CMI) partners with both businesses and the education sector, helping to improve the management and leadership skills of managers, both future and current. At the time of writing, more than 100,000 people were in training with CMI to become better managers globally.⁸

CMI supports managers by providing thought leadership and research, organising events, and making available online resources that its growing community of more than 220,000 members can benefit from. It also offers apprenticeships solutions that seek to deliver value to learners and education providers alike and promote diversity in management. Research commissioned by the CMI found that management apprenticeships deliver benefits such as an upskilling and diversification of the workforce.⁹ For example, 71% of CMI management apprentices come from families where neither parent attended university.¹⁰

Apprenticeships combine studying with on-the-job experience and, beyond enhancing the learning process, also offer students a practical way to earn an income. Apprentices are expected to spend 20% of their time acquiring on-the-job learning.

There are six apprenticeship levels in the UK, all reflecting different equivalent educational levels. Management and leadership apprenticeships, a specialised domain of apprenticeships, currently have five levels:¹¹

- **Level 3:** Team Leader or Business Administrator apprenticeships for junior or entry-level candidates in their respective lines of work.
- **Level 4:** Junior Management Consultant apprenticeships are also designed for entry-level roles and offer a diverse range of skills including project management and business analysis. At the same level, Associate Project Manager apprenticeships are entry-level roles that contribute skills vital to delivering projects, such as resourcing and scheduling activities.
- **Level 5:** Operations Manager roles designed for mid-managers who wish to further develop core management competencies like resource management and recruitment.
- **Level 6:** the Chartered Manager Degree Apprenticeship designed for middle and senior managers who are ready to take responsibility for people and projects, working towards delivering on longer-term objectives.
- **Level 7:** the Senior Leader Apprenticeship designed for senior managers aims to develop their skills for driving long-term agendas in their organisations.

⁸ Chartered Management Institute, "[About CMI](#)", accessed November 2024.

⁹ Chartered Management Institute, "[Annual report and accounts 2024](#)", accessed November 2024.

¹⁰ Chartered Management Institute, "[Annual report and accounts 2023](#)", accessed June 2024.

¹¹ Information on the management apprenticeship levels drawn from: Chartered Management Institute, "[Apprenticeships](#)", accessed November 2024.

CMI has commissioned Oxford Economics to estimate the economic contribution of management apprentices to UK firms and the economy, along with the impact of receiving a CMI management apprenticeship on individuals, and how these impacts differ by apprenticeship level.

The remainder of the report is structured as follows:

- **Chapter 2** presents the results of our economic modelling, providing estimates of the impact of management apprenticeships on individuals, firms, and the macroeconomy.
- **Chapter 3** provides information about CMI management apprentices, analyses their socioeconomic and demographic characteristics, and compares them with the wider UK management population.

2. THE ECONOMIC IMPACT OF MANAGEMENT APPRENTICESHIPS

In this chapter, we outline the impact of gaining a CMI management apprenticeship on individuals, businesses, and the economy as a whole.¹² Extending our findings for CMI management apprenticeships, we also discuss the impact of all 2023/24 management apprenticeship graduates in the UK.¹³

2.1 THE IMPACT ON THE INDIVIDUAL OF GAINING A CMI MANAGEMENT APPRENTICESHIP QUALIFICATION

The most direct impact of management apprenticeships is that they combine theoretical learning with practical on-the-job experience. Apprentices can apply their learnings in a real work environment, minimising the disconnect between theory and practice and offering unique insights into the challenges faced in the workplace and the complexities associated with real-life collaborations.

As part of the management apprenticeship, candidates need to complete an End-Point Assessment (EPA). This is an independent assessment of the progress made through the apprenticeship which confirms that candidates have developed the required skills. These assessments are designed by potential employers in the sectors that provide apprenticeships and can hence be expected to align with the professional competencies required from employees.

This alignment with professional requirements may make successful management apprentices more productive employees, with higher earnings potential.

2.1.1 Impact on average salaries

Around one in three CMI management apprentices (35%) report receiving a pay rise beyond any basic pay award offered to all employees after gaining their qualification, which increases slightly when considering just those working in the private sector (43%). CMI management apprentices who report a salary increase receive a salary uplift of £12,000 on average in the year after completing their apprenticeship.¹⁴ Averaged across all CMI management apprentices,

¹² The results presented are based on several data sources including administrative data on the population of CMI management apprentices, a survey of CMI management apprentices, and data from the ONS. Further details are available in Appendix A of this report.

¹³ Most management apprentices surveyed graduated in the financial years 2023/24 and 2022/23, with a small proportion graduating in the financial 2021/2022. We make the assumption that the survey is representative of management apprentices graduating in 2023/24, and to be conservative do not adjust pay uplifts to account for inflation.

¹⁴ Specifically, survey respondents are asked whether they have received a pay rise above basic pay awards and the value of that pay award. The median respondent completed their management apprenticeship around a year prior to taking the survey.

including those not receiving a pay rise, the average rise in compensation is £4,300, equivalent to pay rise of just under 10 percent.

2.1.2 Impact on lifetime earnings

Individuals who receive a pay rise after gaining a management apprenticeship qualification are likely to continue to earn more throughout their working career—a hypothesis supported by analysis of earnings data, which shows that income gains from accredited qualifications do not diminish significantly over time.¹⁵ As such, we also calculated the lifetime earnings impact of gaining a management apprenticeship qualification, assuming the salary uplift is persistent.

The value of this increase in lifetime earnings for those reporting a pay rise upon gaining a management apprenticeship qualification is £209,000 in today's terms, increasing to £222,000 for CMI management apprentices in the private sector.¹⁶

Across the whole population of CMI management apprentices, including those not reporting a pay rise upon gaining a management apprenticeship qualification, the average of the lifetime earnings increase in today's terms is £66,000.

2.2 THE IMPACT ON BUSINESSES OF INDIVIDUALS GAINING A CMI MANAGEMENT APPRENTICESHIP QUALIFICATION

Businesses and organisations in which CMI management apprentices work also stand to benefit from the knowledge and skills acquired from individuals gaining a management apprenticeship qualification, and the productivity impact that this may imply. More productive individuals can help businesses to become more profitable by increasing revenues and managing costs more efficiently.

Survey estimates suggest that around four in 10 CMI management apprentices (42%) work in the private sector. We calculated business-level impacts for this sample of CMI management apprentices, since the public sector is typically not focused on improving revenue and profitability.

Private sector workers—both those in receipt of, and not in receipt of a pay rise—gaining a management apprenticeship boost annual business revenues on average by £20,900.¹⁷ Private sector workers receiving a pay rise boost annual business revenues by £48,000.

¹⁵ Oxford Economics' analysis of Office for National Statistics data. Office for National Statistics, "[Annual Population Survey, 2023](#)", accessed June 2024.

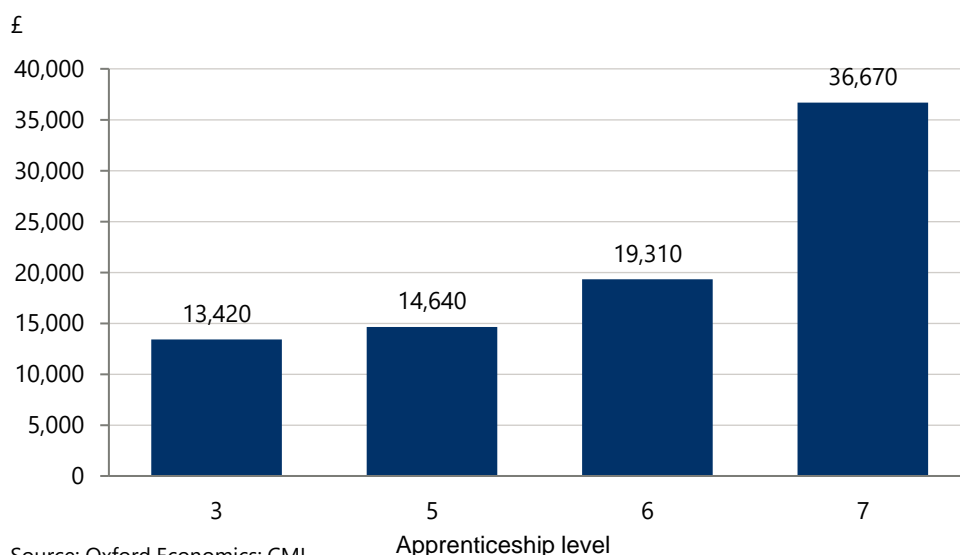
¹⁶ "Today's terms" refers to adjustments made to account for discounting. These calculations are also based on the assumption that the uplift in wages is maintained in real terms across the remainder of an individual's career, which is supported by analysis of ONS data.

¹⁷ To calculate the results in this section, we use reported wage uplifts as a result of gaining a management apprenticeship qualification and apply economic modelling techniques. The key assumption used is that the returns to productivity gains from gaining a management apprenticeship qualification are shared between workers and businesses in the same ratios as the average across the UK. For more information, see the technical appendix.

Aggregating this across all economically active CMI management apprentices in the private sector who were accredited in 2023/24 shows an annual impact on business revenue of approximately £106.1 million.

The total contribution to businesses' turnover is higher for level 7 management apprenticeships (£58 million) and level 3 (£22 million) management apprenticeships, the latter given the number of apprentices enrolled in a level 3 course. Factoring in the number of apprentices at each level, however, the average contribution to businesses' turnover increases with management apprenticeship level and peaks at £36,700 for level 7 management apprenticeships, is second highest for level 6 management apprenticeships at £19,300, followed by level 5 management apprenticeships (£14,600) and level 3 management apprentices (13,400).

Fig. 1. Business turnover uplifts as a result of gaining a CMI management apprenticeship, by apprenticeship level



Source: Oxford Economics; CMI

2.3 THE IMPACT ON THE UK ECONOMY OF INDIVIDUALS GAINING CMI MANAGEMENT APPRENTICESHIPS

The knowledge and skills that individuals develop in the process of undertaking a management apprenticeship crucially also impact on the economy as a whole through improvements in productivity. With more productive managers, the UK economy is able to produce more, and/or better-quality goods and services using the same amount of inputs, which in turn can drive improvements in wages and living standards.

This section quantifies this effect by estimating the economy wide impact on gross value added (GVA) contribution to gross domestic product (GDP). GVA differs to business revenues, which captures businesses' sales, rather than their value added to the economy.

2.3.1 The average economic impact of an individual gaining a CMI management apprenticeship qualification

For those CMI management apprentices receiving a pay rise after completing their management apprenticeships, we estimate that the resulting increase in annual GVA contribution to GDP is £19,000.¹⁸ Looking at all CMI management apprentices, including those not reporting a pay rise after completion, we estimate the resulting increase in annual GVA contribution to GDP to be £6,800.

2.3.2 The aggregate economic impact of individuals gaining CMI management apprenticeship qualifications

Combining this estimate of the average GVA uplift from gaining a management apprenticeship with the number of management apprentices in a given year gives us the total GVA uplift associated with all management apprenticeship qualifications in a given year. Following this logic, we estimate that the 12,100 economically active CMI management apprentices in the UK who completed their apprenticeship in 2023/24 contribute a £75.4 million uplift to GDP as a result of their apprenticeship.

It should be noted that this result likely represents a lower bound for the total impact of management apprenticeships. This is because we use the uplift in wages from individuals gaining a management apprenticeship as a measure of their increase in productivity. For individuals who do not report any wage uplift, it is assumed that their productivity is unchanged, when in practice this may not hold as their productivity increase may simply not have been reflected in higher wages.

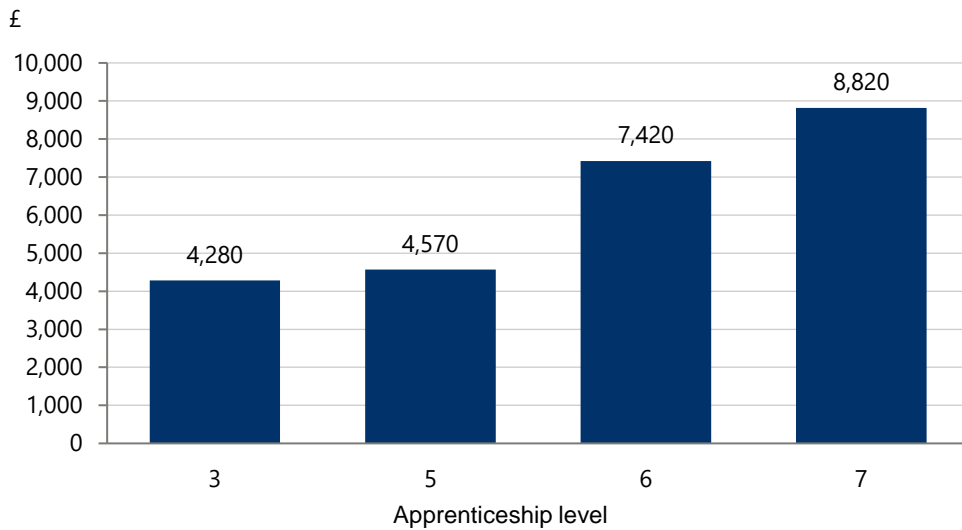
2.3.3 The economic impact of different management apprenticeship levels

There is a substantial difference in both the average and aggregate impact of CMI management apprentices depending on the level of management apprenticeship completed.

Level 7 management apprentices make the largest contribution to GDP, both on average and in aggregate. Due to their completion of a management apprenticeship, level 7 CMI management apprentices contribute in excess of £35 million to GDP, and more than £8,800 per apprentice on average, across both those receiving and not receiving a pay rise on gaining a management apprenticeship. The average additional contribution increases with the level of qualification undertaken, suggesting that higher level apprenticeships lead to larger productivity improvements. Level 6 CMI management apprentices make the second highest additional contribution to GVA (£7,400), followed by level 5s (£4,600) and level 4s (£4,300).

¹⁸ Hereafter we use “GVA contribution to GDP”, and the shortened “contribution to GDP” interchangeably.

Fig. 2. Additional GVA contribution to GDP impact a result of gaining a management apprenticeship, by apprenticeship level

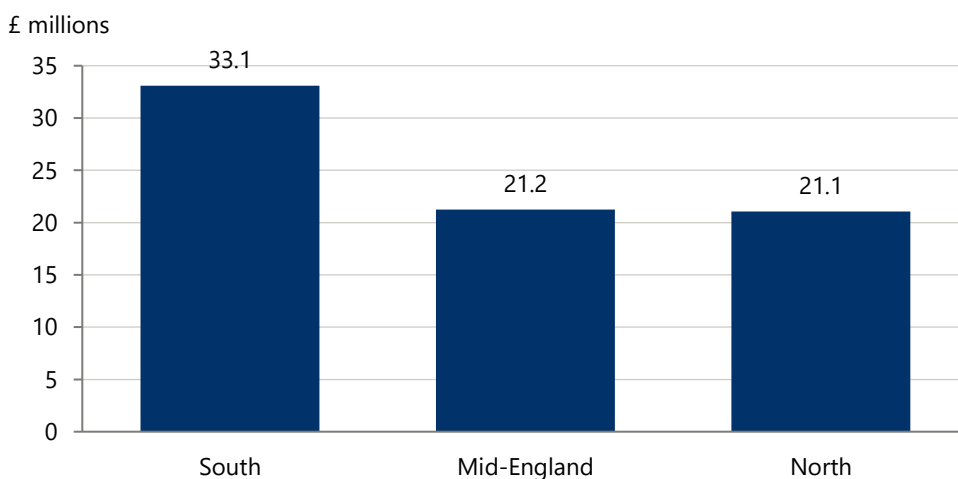


Source: Oxford Economics; CMI

2.3.4 The regional economic impact of individuals gaining a management apprenticeship qualification

CMI management apprentices across the regions of England contribute to the uplift to GDP of £75.4 million, discussed in 2.3.2. Individuals working in the South make the highest contribution (£33.1 million)—representing 44% of the countrywide impact.

Fig. 3. Estimated total annual additional GVA contribution to GDP due to individuals' gaining a management apprenticeship qualification by region of England¹⁹



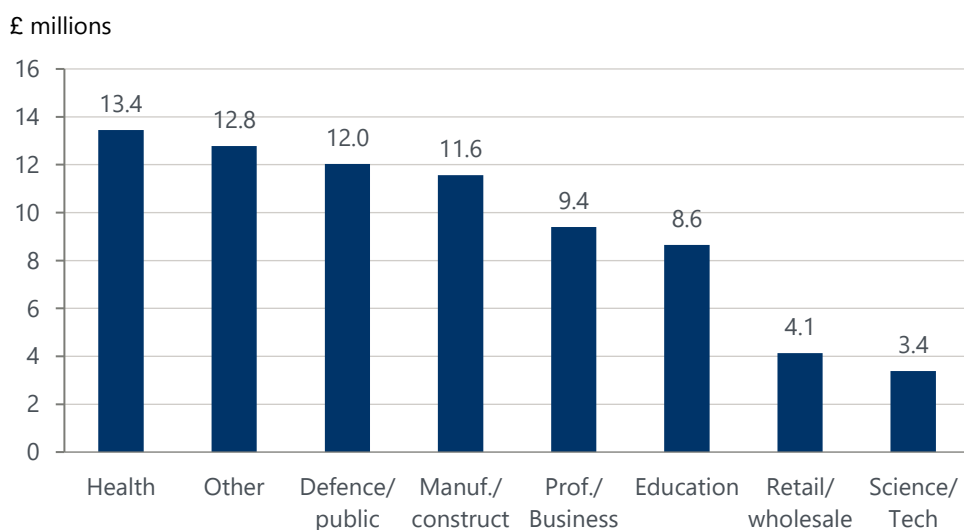
Source: Oxford Economics; CMI

¹⁹ The South includes London, the South East and the South West. Mid-England includes East and West Midlands and the East of England. The North includes the North East, North West and Yorkshire and the Humber.

2.3.5 Economic impact of individuals gaining a management apprenticeship qualification by sector

At the sector level, CMI management apprentices in the health sector make the largest contribution (£13.4 million) to the aggregate GDP uplift which occurs due to individuals having completed a management apprenticeship. Public administration and defence (£12.0 million) and manufacturing and construction (£11.6 million) also rank highly compared to other industries. This is in line with the number of CMI management apprentices working in each of these industries, with around 2,150 individuals working in the health sector having completed a management apprenticeship in 2023/24 compared to just 660 in retail and wholesale. Increased participation in management apprenticeships by sectors such as retail and wholesale would be expected to bring their productivity contribution in line with health as the sector with the largest contribution to GDP due to CMI management apprenticeships.

Fig. 4. Estimated total annual additional GVA contribution to GDP due to individuals' gaining a management apprenticeship, by sector



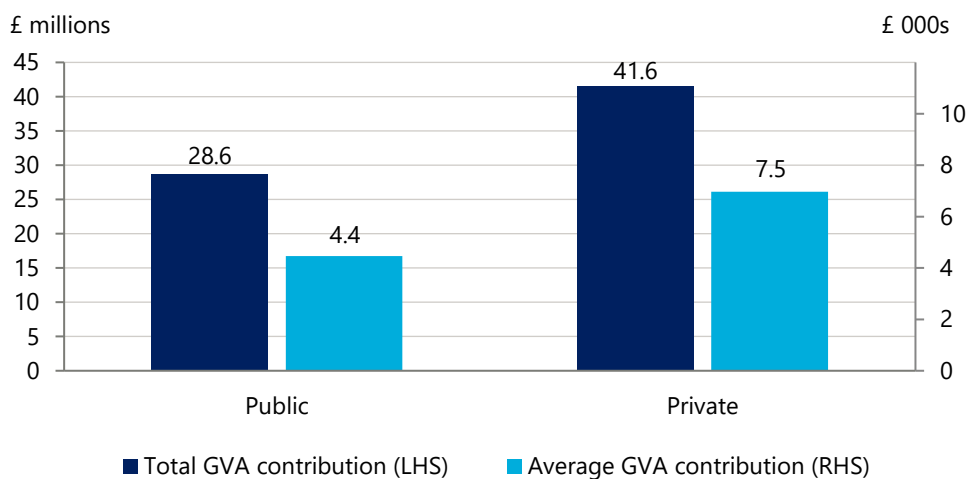
Source: Oxford Economics; CMI

2.3.6 Economic impact of individuals gaining a management apprenticeship qualification by private and public sector

As a result of gaining a management apprenticeship, CMI management apprentices in public sector roles make an additional contribution to UK GDP of £28.6 million, and those in private sector roles a contribution of £41.6 million. Private sector management apprentices contribute £7,500 on average, public sector management apprentices £4,400 on average.²⁰

²⁰ Total GVA contribution to GDP does not sum to £75.4 million as those working in the third sector/not-for-profits, and those answering "Don't know" are omitted.

Fig. 5. Estimated total annual additional GVA contribution to GDP due to individuals' gaining a management apprenticeship, by private and public sector



Source: Oxford Economics; CMI

2.4 THE TOTAL CONTRIBUTION OF CMI MANAGEMENT APPRENTICES TO THE UK ECONOMY

To provide context to the productivity uplifts associated with gaining a management apprenticeship, it is also possible to estimate the total economic contribution of each CMI management apprenticeship graduating in 2023/24, not just from the effect of gaining a management apprenticeship, but reflecting how they contribute to the economy as a whole as a result of all of their accumulated education, as well as professional and personal experience.²¹ This stands at £80,500 on average, based on the average salary of CMI management apprentices of £50,700.

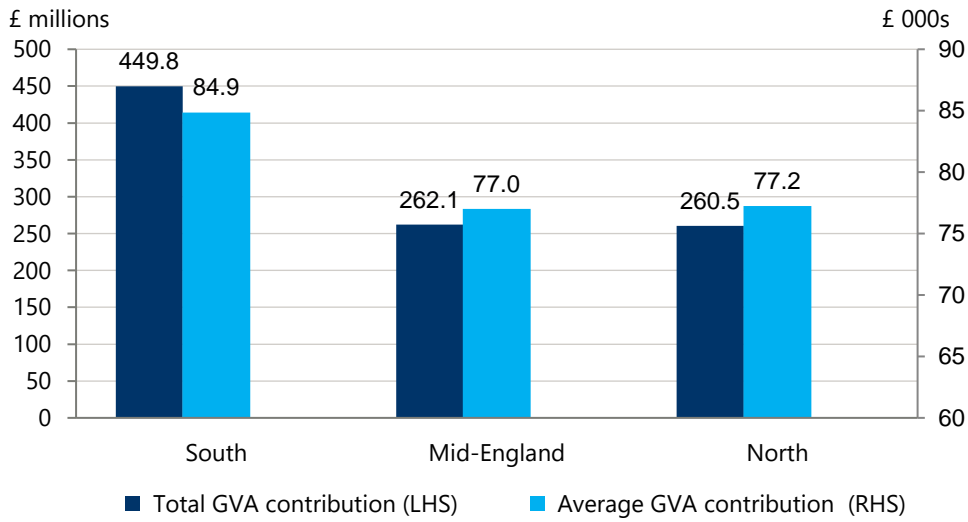
Following on from this, the total annual GVA contribution of the more than 12,000 CMI management apprentice graduates from 2023/24 is around £972.4 million. Level 7 CMI apprentices make the largest contribution in this way at £428.2 million.

CMI management apprentices in the South contribute £449.8 million each year to UK GDP, followed by CMI management apprentices in Mid-England, who contribute £262.1 million, and those in the North who contribute £260.5 million.

CMI management apprentices in the South have the highest average contribution to UK GDP at £84,900 per apprentice.

²¹ A worker's contribution to GDP is a function of their level of human capital, determined by a myriad of factors including their education, work experience and soft skills.

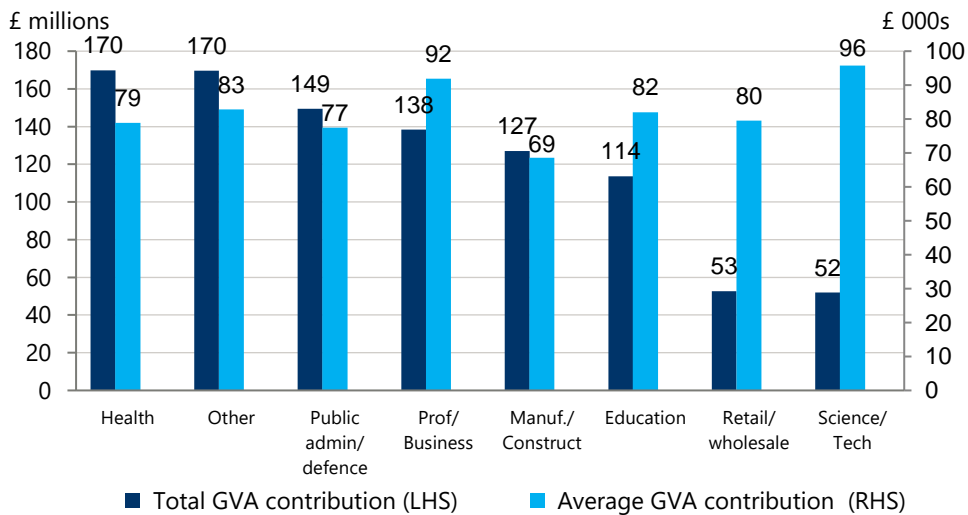
Fig. 6. Estimated total and average annual GVA contribution to UK GDP of CMI management apprentices in 2024, by aggregate region



Source: Oxford Economics; CMI

On a sectoral level, CMI management apprentices in the health sector contribute more than any other sector to UK GDP (£169.9 million). The largest average individual contributions come from CMI management apprentices in the science and technology sector, who contribute an average of £95,800 to GDP each year.

Fig. 7. Estimated total annual GVA contribution to GDP of UK CMI management apprentices and average annual contribution to GDP, 2024, by sector



Source: Oxford Economics; CMI

2.5 THE HYPOTHETICAL IMPACT ON THE UK ECONOMY OF ALL MANAGEMENT APPRENTICESHIP QUALIFICATIONS IN 2023/24

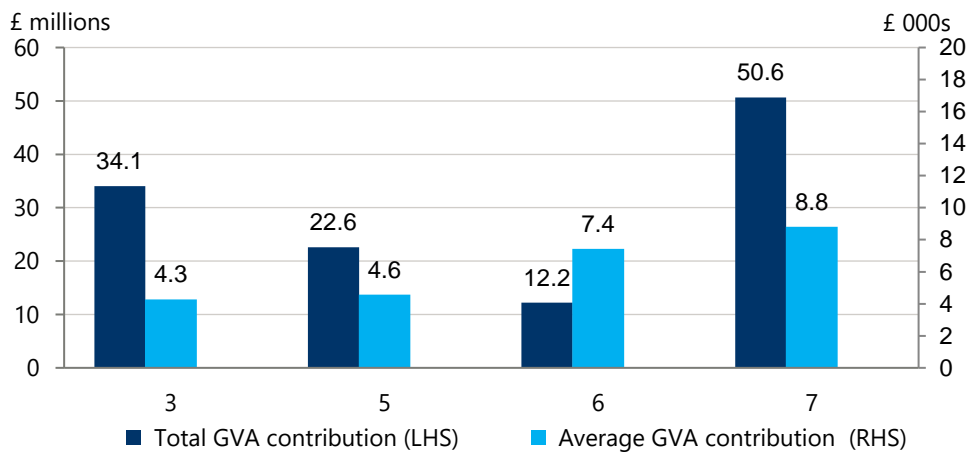
In the previous sections, our economic impact estimates were derived from wage uplifts for those undertaking CMI-accredited management apprenticeships using CMI survey data. This section presents our estimates for the aggregate impacts of becoming a management apprentice for all management apprentices—not just those accredited by CMI. The analysis relies on the assumption that the wage uplifts calculated for CMI management apprentices hold for the sector as a whole.²² These results should be treated with caution as it may reasonably be the case that CMI-accredited apprenticeships deliver more (or less) value to apprentices than the average, and hence are associated with higher (or lower) wage uplifts.

Under the assumption that all management apprentices receive the same wage uplift as CMI management apprentices, the hypothetical impact on the UK economy of all management apprenticeships completed in 2023/24 is an additional contribution to GDP of £119.5 million.

The hypothetical impact of management apprenticeships on the UK economy broken down by level is in line with the findings for CMI management apprenticeships. Level 7 management apprenticeships support the largest average GVA contribution followed by level 6 apprenticeships, level 5 apprenticeships, and level 3 apprenticeships. The total GVA contribution is largest for level 7 management apprenticeships (£50.6 million), followed by level 3 management apprenticeships (£34.1 million), level 5 management apprenticeships (£22.6 million), and level 6 management apprenticeships (£12.2 million). The lower total contributions for level 5 and level 6 management apprenticeships relative to level 3 management apprenticeships reflects the fact that fewer apprentices achieve a level 5 or level 6 qualification than do a level 3 qualification. For example, if the same number of individuals achieved a level 6 qualification as do a level 3 qualification, the total GVA contribution of level 6 management apprenticeships would be £59.1 million.

²² Our estimates do not include Level 4 apprentices due to the lack of data to estimate wage uplifts.

Fig. 8. Hypothetical GVA contribution to GDP of all management apprentices, by apprenticeship level



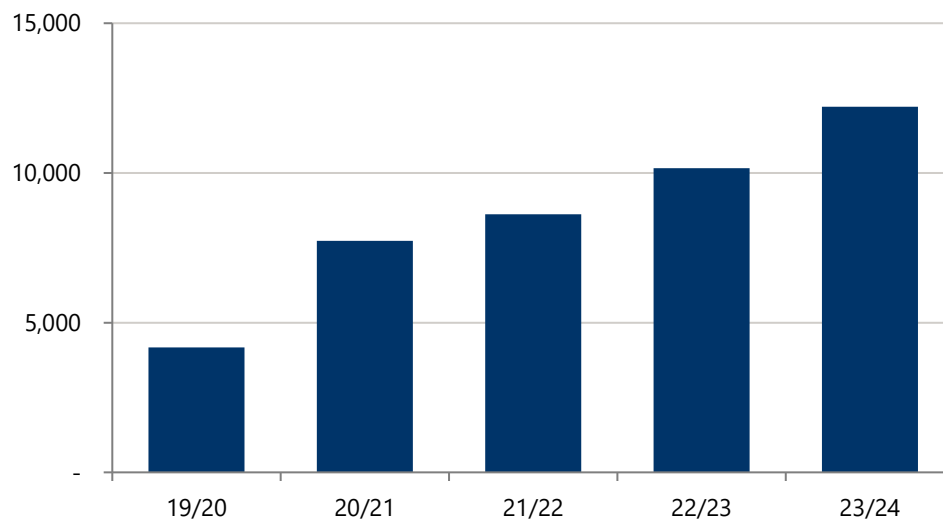
3. PROFILE OF CMI MANAGEMENT APPRENTICES

This chapter presents key findings about the demographic composition of CMI management apprentices, their position in the labour force, and their motivations for undertaking a management apprenticeship, as well as their achievements since completion. We also consider how they compare to the wider management population in the UK.

3.1 CMI MANAGEMENT APPRENTICE NUMBERS ARE GROWING

The number of CMI management apprentices has almost tripled over the past five years, growing by over 20% in the last year alone. There were more than 12,000 CMI management apprentices accredited in the last financial year with the majority enrolled in a level 7 apprenticeship—the level which is also associated with the highest productivity gains. Level 3 and level 5 apprenticeships were the second and third most represented categories, respectively.

Fig. 9. Number of CMI management apprentices at the end of the financial year



Source: Oxford Economics; CMI

3.2 DEMOGRAPHICS OF THE CMI MANAGEMENT APPRENTICE POPULATION AND THEIR ROLE IN THE LABOUR FORCE

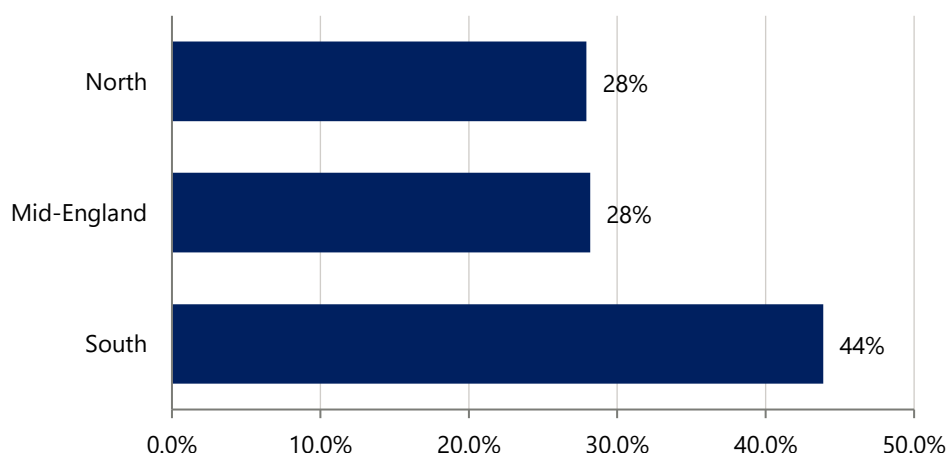
In this section we explore the characteristics of CMI management apprentices, including where they work, which sector they work in, and their career stage.²³

3.2.1 CMI management apprentices by geography

CMI management apprentices worked in all regions of England (Fig. 10). Slightly fewer than three in 10 (28%) worked in the North, and Mid-England respectively, compared to more than four in 10 (44%) in the South.²⁴

On a per capita basis, and on a more granular level, the South West had the highest share of CMI management apprentices, followed by the West Midlands, and London. The lowest shares were in the East of England, and the South East respectively.

Fig. 10. Share of total CMI management apprentice population by UK area of workplace



Source: Oxford Economics; CMI

3.2.2 CMI management apprentices by sector and size of organisation

CMI management apprentices were more likely to work in the public sector than the private sector, with almost half (49%) working in the public sector, compared to just over four in 10 in the private sector (42%). Of the remainder, seven percent worked in the third sector or for not-for-profit organisations.

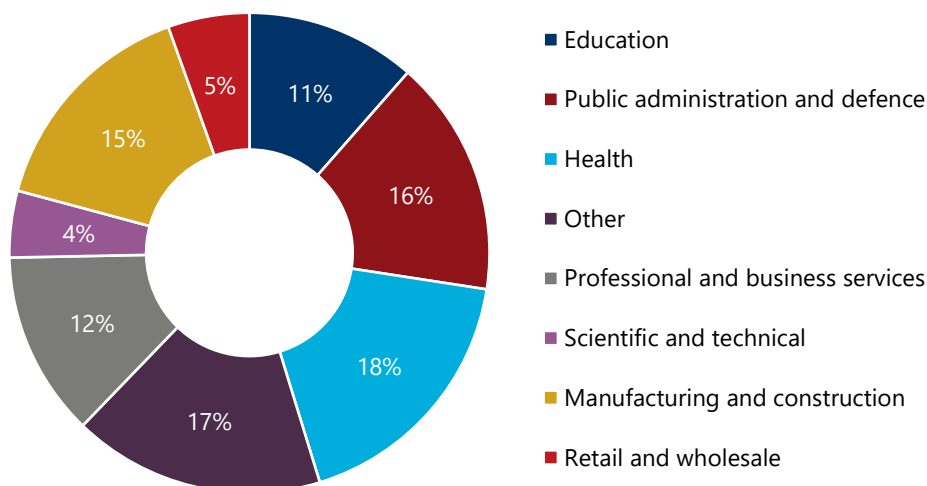
Breaking this down to a sectoral level for sectors which are predominately or entirely comprised of public sector workers, 18% worked in health, 16% in public administration and defence, and

²³ This includes both economically active and inactive CMI management apprentices. Only 1% of CMI management apprentices from our survey are defined as “economically inactive”. These individuals are either full time students or currently not in work.

²⁴ North defined as the North East, North West, and Yorkshire and the Humber. Mid-England defined as West Midlands, East Midlands and East of England. South defined as South East, London, and South West.

11% in education. Among sectors which are predominately private sector, 15% of CMI management apprentices worked in manufacturing or construction; 12% work in professional and business services; 11% in retail and wholesale; and 4% in professional and business services.

Fig. 11. CMI management apprentice population split by sector in current job



Source: Oxford Economics; CMI

Around eight in 10 (82%) CMI management apprentices worked in large organisations, with more than 250 employees (Fig. 12). This includes large private sector businesses as well as public sector bodies such as NHS trusts. As such, slightly less than two in 10 (17%) worked for SMEs.

In comparison to the UK labour force as a whole, CMI management apprentices in the private sector were more likely to work for large organisations, which are typically associated with higher levels of productivity.²⁵ Around eight in ten (81%) of CMI management apprentices in the private sector worked for large businesses, while less than four in 10 (39%) private sector workers worked in large businesses in the UK private sector as a whole. As a result, CMI management apprentices were less likely to work for SMEs compared to the share of total UK employment accounted for by SMEs (61%).²⁶

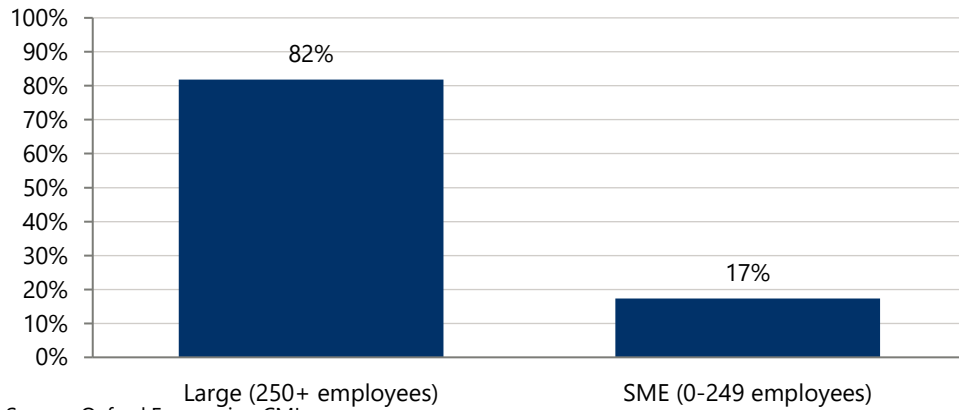
Given only around a fifth (19%) of CMI management apprentices worked for SMEs, there may be an opportunity to expand the uptake of management apprentices in these firms further. Smaller firms are generally associated with poorer management practices, which in turn are

²⁵ ONS analysis shows that, all else equal, productivity is increasing in business size, flattening off only for businesses with more than around 250 employees. Office for National Statistics, "[Firm-level labour productivity measures from the Annual Business Survey, UK: 1998 to 2019](#)", 2022, accessed January 2025.

²⁶ Department for Business & Trade, "[Business population estimates for the UK and regions 2023: statistical release](#)", accessed November 2024. Note that data for the average UK worker only cover the private sector.

associated with lower productivity.²⁷ As such, improving management capabilities in SMEs through management apprenticeships could lead to better productivity outcomes in these firms.

Fig. 12. CMI management apprentice population, split by whether employer is an SME²⁸



Source: Oxford Economics; CMI

3.2.3 CMI management apprentices by employment status

The majority of CMI management apprentices were in full-time employment (93%). A small proportion of CMI management apprentices were part-time employed (5%), and even fewer were economically inactive or unemployed (1%).²⁹ This high rate of employment is to be expected given management apprentices undertake their apprenticeships whilst in employment, but is suggestive of strong employment perspectives, given that the average respondent completed their apprenticeship more than a year prior to taking the survey.

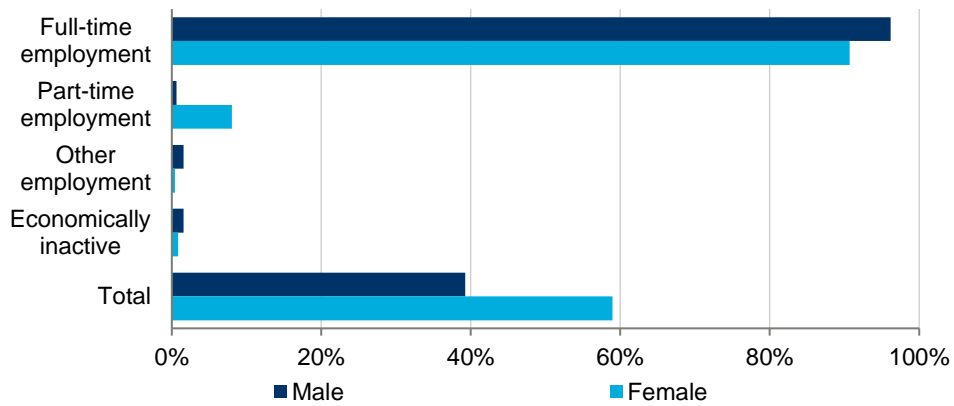
A slightly higher share of male CMI management apprentices worked in full-time employment (96% for male versus 91% for female) while the opposite is observed for part-time employment (1% for male versus 8% for female).

²⁷ Office for National Statistics, "[Management practices and productivity in British production and service industries](#)", April 2018, accessed January 2025.

²⁸ Figures do not add up to 100% due to omission of "Don't know" category.

²⁹ Figures do not add up to 100% due to rounding.

Fig. 13. CMI management apprentice population split by economic activity status and gender, 2024³⁰

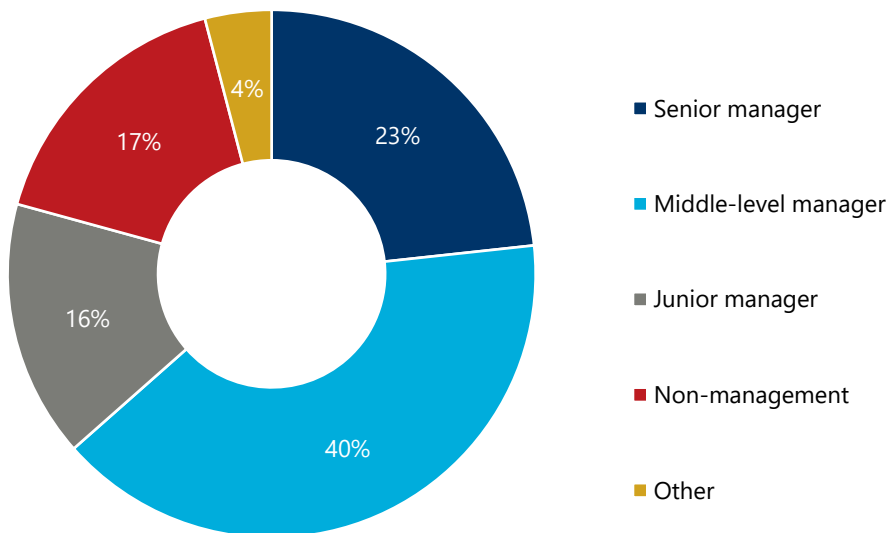


Source: Oxford Economics; CMI

3.2.4 CMI management apprentices by career status

CMI management apprentices can be found at all career stages, but the most commonly held position was middle-level manager (40%). Nearly one out of four held senior manager positions (23%) while slightly fewer (16%) held junior manager positions.

Fig. 14. CMI management apprentice population, 2024, split by seniority in current role



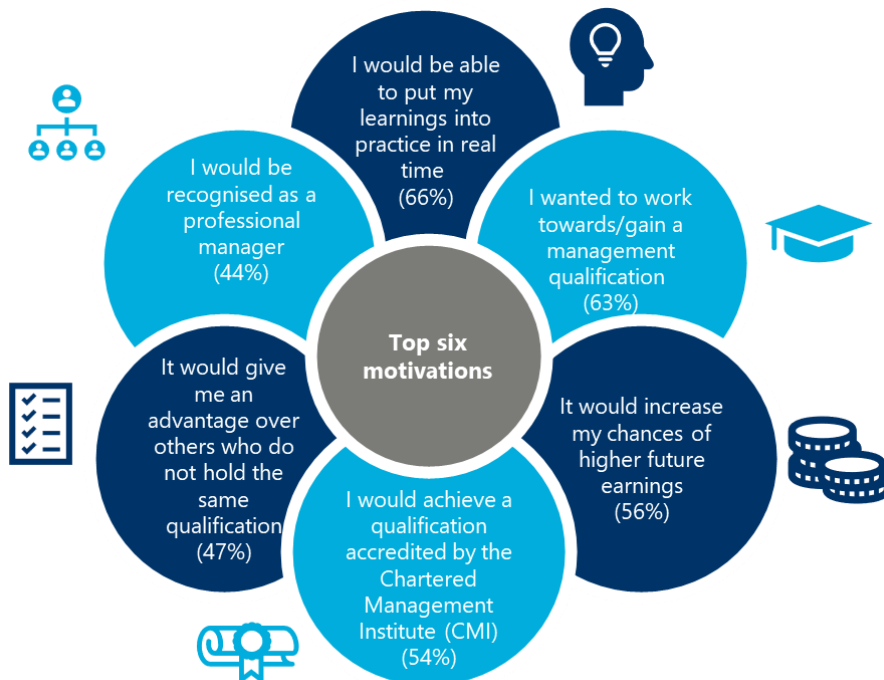
Source: Oxford Economics; CMI

³⁰ Other employment includes self-employed individuals and those who are working whilst studying.

3.2.5 Motivations for undertaking a CMI management apprenticeship, and achievements since completion

Survey results highlighted several key motivations for undertaking a management apprenticeship. Around two thirds of CMI management apprentices highlighted applying their learning in practice (66%) and gaining a management qualification (63%) as the main drivers behind pursuing the apprenticeship, whilst more than half (56%) cited higher future earnings.

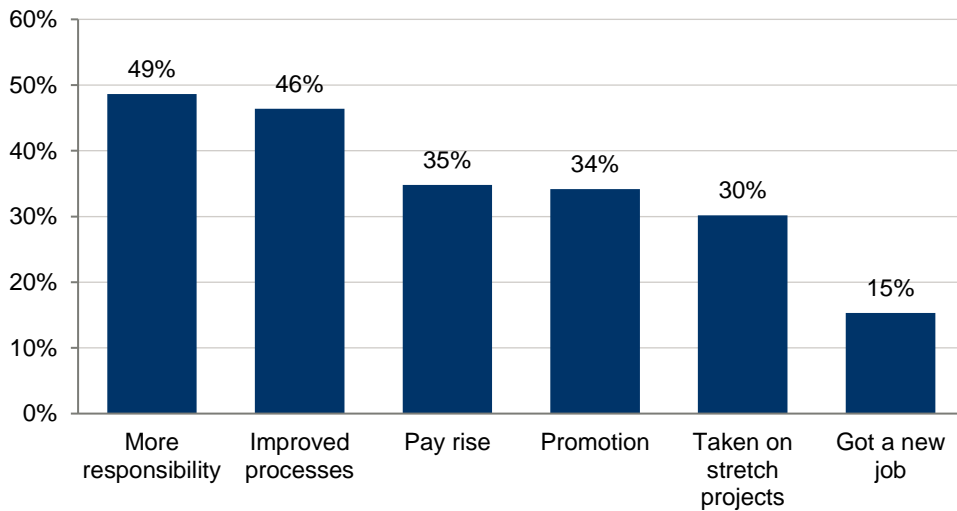
Fig. 15. Top six motivations for undertaking a management apprenticeship



Source: Oxford Economics; CMI

The outcomes reported by CMI management apprentices after completing their programmes were largely in line with their motivations for starting the apprenticeships in the first place. Gaining on-the-job experience and obtaining a recognised management qualification are likely to have helped CMI management apprentices to obtain more responsibility (49%) and implement improved processes in their organisations (46%). Moreover, their motivation to increase their future earnings has been fulfilled for more than a third (35%) who received a pay rise over and above any basic pay award offered to all employees, and a similar share (34%) who were promoted.

Fig. 16. Achievements reported by CMI management apprentices after completion



Source: Oxford Economics; CMI

3.3 HOW CMI MANAGEMENT APPRENTICES COMPARE WITH THE UK MANAGEMENT POPULATION

CMI management apprentices remain a small proportion of the total population of managers in the UK, despite the rapid growth in the numbers achieving qualifications. According to research by CMI, more than eight in 10 managers in the UK became managers without any formal training, suggesting a continued opportunity for growth in management apprenticeships among this wider management population.³¹

Using data from the Office for National Statistics' Labour Force Survey we identified individuals with management and supervisory responsibilities to compare CMI management apprentices to.

At the start of 2024, around 12 million individuals held a job with some level of management responsibility. Breaking this down shows that:

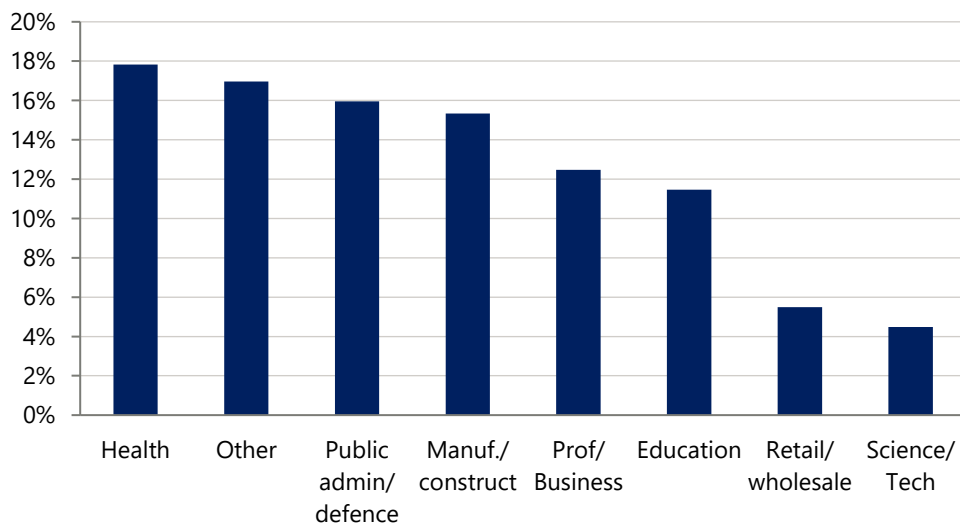
- 3.6 million were classified as managers, directors, or senior officials;
- 713,000 were classified in other occupations where their job title included "manager" or "supervisor", such as "office manager" and "production, factory and assembly supervisor";
- 7.7 million are workers whose job title does not make explicit that their work is managerial or supervisory, but who report that their work includes formal supervisory responsibilities.

³¹ CMI, "[Taking responsibility – Why UK PLC needs better managers](#)", October 2023, accessed December 2024.

3.3.1 CMI management apprentices by sector and their position in the wider management population

The concentration of CMI management apprentices was highest in the health sector (22%), in which around 2150 CMI management apprentices who graduated in 2023/24 currently work—a very small share of the estimated 1.8 million individuals working in health who have management responsibilities.³² Public administration and defence was another sector which accounts for a significant share of CMI management apprentices at around one in six (16%) of all management apprentices—again, a fraction of the estimated 1.4 million individuals working in public administration and defence who have management responsibilities.

Fig. 17. CMI management apprentices share by industry of employer



Source: Oxford Economics; CMI

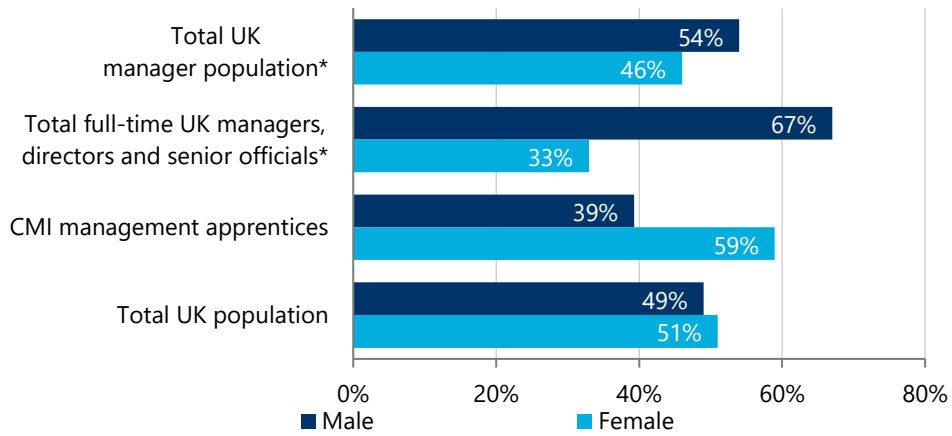
3.3.2 Comparison across gender

The wider UK management population has slightly more men than women, with men making up 54% of the management population. This is higher than the share of men in the labour force as a whole (49%).

This gender gap widens when considering individuals working in more senior roles, such as directors and senior officials. Around two in three (67%) of these jobs are held by males. CMI management apprentices primarily occupy middle management roles and were primarily female (59%), in contrast to the broader UK manager population which slightly skews towards males (54%).

³² The health sector includes: all forms of medical care, both in the private and public sector, residential care and other forms of care for the elderly and disabled.

Fig. 18. Gender distribution of UK manager populations



* These data series refer to the broader UK population of managers. In order, the data are as of April 2024, end of 2023, and June 2024.

Source: Oxford Economics analysis of Labour Force Survey, Annual Population Survey, and CMI administrative data

APPENDIX A: DATA AND METHODOLOGY

DATA SOURCES

We drew on four main sources of data to carry out our economic impact analysis of CMI management apprentices, which are described below.

CMI administrative data

We used anonymised data from a CMI administrative database for details on the total number of CMI management apprentices, as well as their levels.

Survey of CMI management apprentices

CMI surveyed 802 CMI management apprentices to capture data required for calculating the economic impact of CMI management apprentices, such as employment status, sector, seniority, reported annual compensation and compensation uplift on becoming chartered (if any).

Department for Education

We used data from the Department for Education on the total number of management apprentices among all accrediting bodies for the financial year 2023/24, and the breakdown by apprenticeship level.³³

Office for National Statistics

Much of our economic modelling drew on information published by the Office for National Statistics. This included:

- the *Labour Force Survey (Q1 2024)*, from which we drew statistics on the demographic characteristics of the UK's wider management population;
- the *Annual Survey of Hours and Earnings (ASHE)*, from which we drew information on the pay of the wider UK management population;
- the *Annual Business Survey (ABS)*, from which we drew information on business revenue and GVA, split by sector;
- the *input-output supply and use tables*, which we used to understand ratios of employee compensation to gross value added, and
- the *consumer price index*, which we used to convert historical reported pay figures into 2024 prices.

³³ Department for Education, "[Apprenticeships Interactive Tool](#)", accessed November 2024.

METHODOLOGY

Calculating average impact on GVA and GDP

We estimated the average gross value added (GVA) contribution of CMI management apprentices. GVA is a measure of economic activity that is a key component of the often-cited national-level GDP figures and is defined using the “income approach” as the sum of employee compensation, the profits and surpluses of businesses and charities, and taxes on production such as business rates. In simple terms, the key difference between total national gross value added and national gross domestic product is that GDP also includes taxes on products, such as VAT.

To calculate the average GVA of gaining CMI management apprentice status, we used CMI management apprentices’ reported compensation uplift as the starting point. To this, we applied a ratio of employee compensation to GVA that we calculated using the ONS’ input-output supply and use tables. From this, we can estimate total employee compensation and total GVA for each sector. We then calculated a weighted average of the industries based on the industries in which CMI management apprentices work. Different results were gained for different regions of the different responses to the survey.

Calculating average impact on business revenue

A similar approach was followed to calculate the average revenue uplift for businesses per CMI management apprentice. We used the average GVA uplift per management apprentice as a starting point, and then used the ONS’ ABS to calculate a ratio between GVA and revenue, weighted by the industries in which CMI management apprentices are employed. We then applied this ratio to the compensation uplift reported in the survey. The implicit assumption is that the ratios experienced across the economy as a whole hold true here.

It should be noted that it is likely these results represent a lower bound for the actual impact of gaining a management apprenticeship. This is because they rely on the reported uplift in wages from individuals gaining a management apprenticeship as a proxy for their increase in productivity. For individuals who do not report a wage uplift, the assumed productivity increase is zero when in practice this may not hold.

Calculating aggregated impacts

To calculate the aggregate uplift on the economy from individuals gaining a management apprenticeship, we multiplied the average uplifts by the total number of CMI management apprentices.

For the purposes of calculating geographically disaggregated results for the uplift, the sample of respondents receiving a pay rise is too small to calculate regional averages. As such, we applied the average calculated from the entire survey sample. The same approach is taken to estimate the total economic contribution of CMI management apprentices by geography: their current average salary is multiplied by the number of economically active CMI management apprentices. However, the sample size for the current salary variable is large enough that we are able to use a different average salary for each region, or in some cases aggregated region.

Impact on lifetime earnings

The lifetime impact on individual earnings is calculated as follows:

1. The average salary path by age of a typical UK manager is estimated. This is done using ASHE data, which provide average salaries by occupation at 10-year intervals of life (e.g. 30–39, 40–49 etc.). Interpolating between these 10-year intervals gives us an average salary path for each year of life for those in this occupational group across the UK.
2. We estimate the baseline salary path of UK CMI management apprentices starting with the average salary (£48,000) and the average age (40 years old).³⁴ We apply the pattern of the salary path identified in step one to this figure to get an estimated baseline salary path through life for going on to gain a CMI management apprenticeship.
3. To this baseline salary path, we then apply the uplift associated with gaining a CMI management apprenticeship. The percentage uplift on salary at the point of gaining the management apprenticeship is calculated from the survey results. This percentage is then applied to each year of the baseline salary path starting from age 40 to the future State Pension Age of 68.
4. The assumption here is that the percentage uplift remains the same in each year of the worker's career. While this is a simplifying assumption, it is broadly consistent with studies that look at the actual observed uplifts to earnings from different qualifications. This includes data from the ONS's *Annual Population Survey*: here the annual difference in earnings between university graduates, apprentices, those with only A levels, and those with only GCSEs remains broadly fixed in percentage terms over the lifetime of these groups of people on average.
5. These results for future years are expressed in 2024 prices, i.e., removing the effect of inflation.
6. The result is presented in net present value terms to be consistent with government analysis on the impact of qualifications on earnings and is calculated by applying a discount rate to future earnings.³⁵ Discounting is used "to compare costs and benefits occurring over different periods of time—it converts future costs and benefits into present values. It is based on the concept of time preference, that generally people prefer to receive goods and services now rather than later".³⁶ It should be noted that this is not an inflation-adjustment, and that discounting in this way should be applied to inflation-adjusted values. The 3.5% discount rate is the rate recommended by HM Treasury Green Book.
7. The inflation-adjusted, discounted values for all years are then summed to give the present value of the lifetime impact on earnings of gaining a CMI management apprenticeship.

³⁴Average salaries at the time of gaining charter are converted into 2024 prices.

³⁵ For instance, Department for Education, "[Measuring the Net Present Value of Further Education in England in 2018/19](#)", 2021, accessed June 2024.

³⁶ HM Treasury "[The Green Book \(2022\)](#)", 2024, accessed June 2024.

Calculating the impact of all management apprentices

Apprenticeship data for the UK is sourced from the Department for Education for the last three financial years.³⁷ At the time the analysis was carried out for this report, the data for financial year 2023/24 only covered three quarters. As such, we forecast the missing quarter using the assumption that CMI's market share remains consistent with previous years. We validated this approach using more recent data on UK apprenticeships as a whole, which produced similar estimates (difference of around two percent), providing us with assurance that our nowcast is accurate to within an acceptable degree of magnitude.

³⁷ ³⁷ Department for Education, "[Apprenticeships Interactive Tool](#)", accessed November 2024.



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