



## **TUI case study**

*"Apprenticeships have made a real impact on our business. On average, our travel and tourism apprentices stay with the company two years longer and contribute roughly 17 per cent more sales than other employees in similar roles." (Andy Smyth, Accredited Programmes Manager)*

TUI Travel PLC is one of the largest travel groups in the UK and the world. The company has a reputation for offering first class training and development and has a well-embedded training culture. It has a history of investing in government-backed training programmes and their successful apprenticeship programme is a clear example of this.

This short case study reveals the value of TUI's apprenticeship programme and explores the benefits to the business. The information featured is based on interviews with Andy Smyth, Accredited Programmes Manager at TUI and research carried out by York Consulting for the Quality Improvement Agency.

### **Background**

TUI Travel PLC was formed in September 2007 by the merger of First Choice Holidays PLC and the Tourism Division of TUI AG. The company employs 19,000 people in the UK, around half of whom are based overseas. It has a strong high street presence with over 900 Thomson and First Choice retail shops and First Choice franchises, in addition to five call centres.

TUI is very supportive when it comes to training and ongoing development and believes it is vital that people are given opportunities to learn throughout their career. The company has its own dedicated in-house Learning and Development team and there are many opportunities for development such as workshops on a variety of topics, one-to-one coaching, e-learning and where appropriate, TUI support their staff to undertake professional and vocational qualifications relevant to their role.

All staff have regular one-to-one reviews with their managers to support their ongoing development and explore further opportunities for training and development.

### **TUI's apprenticeship programme**

TUI has an extensive apprenticeship programme with approximately 800 apprentices in 2008. The programme is delivered in two tiers –the Level 2 Apprenticeship in Travel and Tourism Services has around 450 employees on it and the Level 3 Advanced Apprenticeship in Travel and Tourism Services has around 350 employees.

### **Recruitment and selection**

*"What we've done is we've tried to make our programme the programme of choice for people to go to. One, because of the package we offer but, two, because it's actually the one where they've got the greatest number of career opportunities and chances of success." (Andy Smyth, Accredited Programmes Manager)*

There is extremely high demand for the Apprenticeship programme at TUI, with over 40,500 website enquiries and 15,000 applicants each year.

Due to the high volume of applicants, an extensive and rigorous selection process is in place for the 450-500 positions. This includes an online assessment focusing on literacy and numeracy skills, an interview and a 'taster day' in a branch which allows them to experience the real working environment and understand what the role entails.

*"We always use a taster day. So what we do is we bring people into the location and see how they get on with the tasks which are typical of the day. And what we do find is that lots of people will either immediately realise it's for me or it's not for me."* (Andy Smyth, Accredited Programmes Manager)

In addition to looking for people with literacy and numeracy skills, TUI also look for people with strong personal attributes such as motivation and personality.

*"In order to get onto the apprenticeship programmes, we're actually looking for people who do have strong numeracy and literacy skills and we're looking for people with personality. What we want are people who are motivated. We want people who are driven to succeed."* (Andy Smyth, Accredited Programmes Manager)

### Content and delivery

To successfully complete their apprenticeship, apprentices must complete an NVQ, three technical certificates (providing the knowledge and understanding which underpins the NVQ) and two key skills as shown in the table below:

Tier	NVQ	Key skills	Technical certificate
Travel and Tourism Services Apprenticeship level 2	Travel and Tourism Services level 2	<ul style="list-style-type: none"> <li>Application of Number level 1</li> <li>Communication level 1</li> </ul>	<ul style="list-style-type: none"> <li>Worldwide Travel and Tourism Destinations</li> <li>Additional Travel and Tourism Services</li> <li>UK Travel and Tourism Destinations</li> </ul>
Travel and Tourism Services Advanced Apprenticeship level 3	Travel and Tourism Services level 3	<ul style="list-style-type: none"> <li>Application of Number level 2</li> <li>Communication level 2</li> </ul>	<ul style="list-style-type: none"> <li>Worldwide Travel and Tourism Destinations</li> <li>Travel Insurance</li> <li>UK Travel and Tourism Destinations</li> </ul>

Apprentices receive all the normal training a non-apprentice receives such as a first day induction in store, health and safety training, daily store briefings and an hour of training each week where the store is closed.

In addition to this, TUI provides the following support to help apprentices complete their programme:

- A two day 'Welcome Event'
- Five hours of study time per week
- E-learning

- Six formal off-the-job training days per year, with a focus on completing the technical certificates

There is a strong support network available to ensure the apprentice receives all the help they require. This includes an Apprenticeship Expert in each region whose role is to co-ordinate training and ensure that the apprentices are progressing in line with the programme. There are a number of Shop Managers in each region who are responsible for the delivery of training to apprentices.

Each apprentice is also allocated a workplace mentor based in the same shop as them. Most mentors are ex-apprentices themselves and are there to provide support, inspiration and to help them progress.

Apprentices are assigned an assessor to guide them through the framework and support them with action planning. They visit on a monthly basis and ensure that learning is taking place.

*“So, there is a continual support network that’s in place there. Plus, we have a centralised support system as well, which is my team.” (Andy Smyth, Accredited Programmes Manager)*

An important element of the programme is that the content has been designed to meet the needs of their own organisation and all materials and workbooks are bespoke to TUI.

### **Benefits of the apprenticeship programme**

Research carried out by People1st has highlighted the main benefits of the apprenticeship as being:

- Increased recruitment, retention and motivation of staff
- A demonstration of an organisation’s commitment to training
- Supporting performance and career development
- Providing cost effective training
- A programme that is consistent and structured
- A programme which complements in-house training
- Supporting the development of skills
- Increased loyalty to the business

At TUI the key business benefits of apprenticeships have been higher staff retention rates and greater sales performance. This is illustrated for example, by ex-apprentices who regularly featuring in their ‘top-sellers’ lists. An example was also given of an ex-apprentice who achieved £1.3 million in sales in one financial year. The average is £350k. This individual became a shop manager at 18.

TUI has examined how ex-apprentices performance compares to non-apprentices in relation to sales revenue generated. The table below shows clearly that the apprenticeship programme helps improve sales performance with ex-apprentice Travel Advisors achieving over 16% more sales than non-apprentices.

Role	Performance (hourly sales revenue) of apprentices above non-apprentices
Travel Advisors	16.4%
Assistant Retail Manager	12.3%
Retail Manager	13.2%

When looking at staff retention, apprentices stay on average two years longer at TUI than non-apprentices and many of them progress within the company (see table below)

Role	Proportion of employees within occupations who are apprentices
Travel Advisors	12.7%
Assistant Shop Manager	33.7%
Assistant Retail Manager	43.9%
Retail Manager	28.9%
Deputy Regional Sales Manager	36.1%

In terms of career progression, all apprentices are provided with a 'career map' which sets out the range of progression opportunities. Typical routes are to become Assistant Manager then Manager in the store and there are further development opportunities such as a Foundation Degree available to support their progression.

*"What we are obviously doing is trying to develop people for the future and the progression stages are very, very clearly mapped out... We're always looking for them to become managers so it's very much a case of almost putting the process in front of them so to speak and making it available."* (Andy Smyth, Accredited Programmes Manager)

## Summary

*"We intend to build on this success across other areas of our business and are looking to increase our Apprenticeship programme by up to 50 per cent over the next year."* (Andy Smyth, Accredited Programmes Manager)

In short, TUI is an organisation which has a reputation for offering a first class apprenticeship programme. They have aimed to make it the programme of choice and this is demonstrated in the opportunities and career development available for apprentices. It is unsurprising then, that demand for Apprenticeship places greatly exceeds supply.

For TUI the return on investment of the apprenticeship programme is a clear increase in sales performance and greater staff retention for those who have been through the programme, compared to those who haven't.

Looking to the future, TUI intends to build on their successful apprenticeship programme by increasing places by up to 50% in the coming year.

### **Further information**

For further information on this case study please contact:

Name: Karen Roberts  
Job title: Research Manager  
Company: People 1st  
Tel: 07778506610  
Email: [karen.roberts@people1st.co.uk](mailto:karen.roberts@people1st.co.uk)

For further information on TUI's Apprenticeship programme please contact:

Name: Andy Smyth  
Job title: Accredited Programmes Manager  
Company: TUI  
Tel: 02476 282876  
Email: [andy\\_smyth@tui-uk.co.uk](mailto:andy_smyth@tui-uk.co.uk)

For further information on Apprenticeships please contact:

Name: Preeti Sumal  
Job title: Apprenticeships Manager  
Company: People 1st  
Tel: 01895 81 7051  
Email: [Preetkiran.sumal@people1st.co.uk](mailto:Preetkiran.sumal@people1st.co.uk)

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