

How much are qualifications worth?

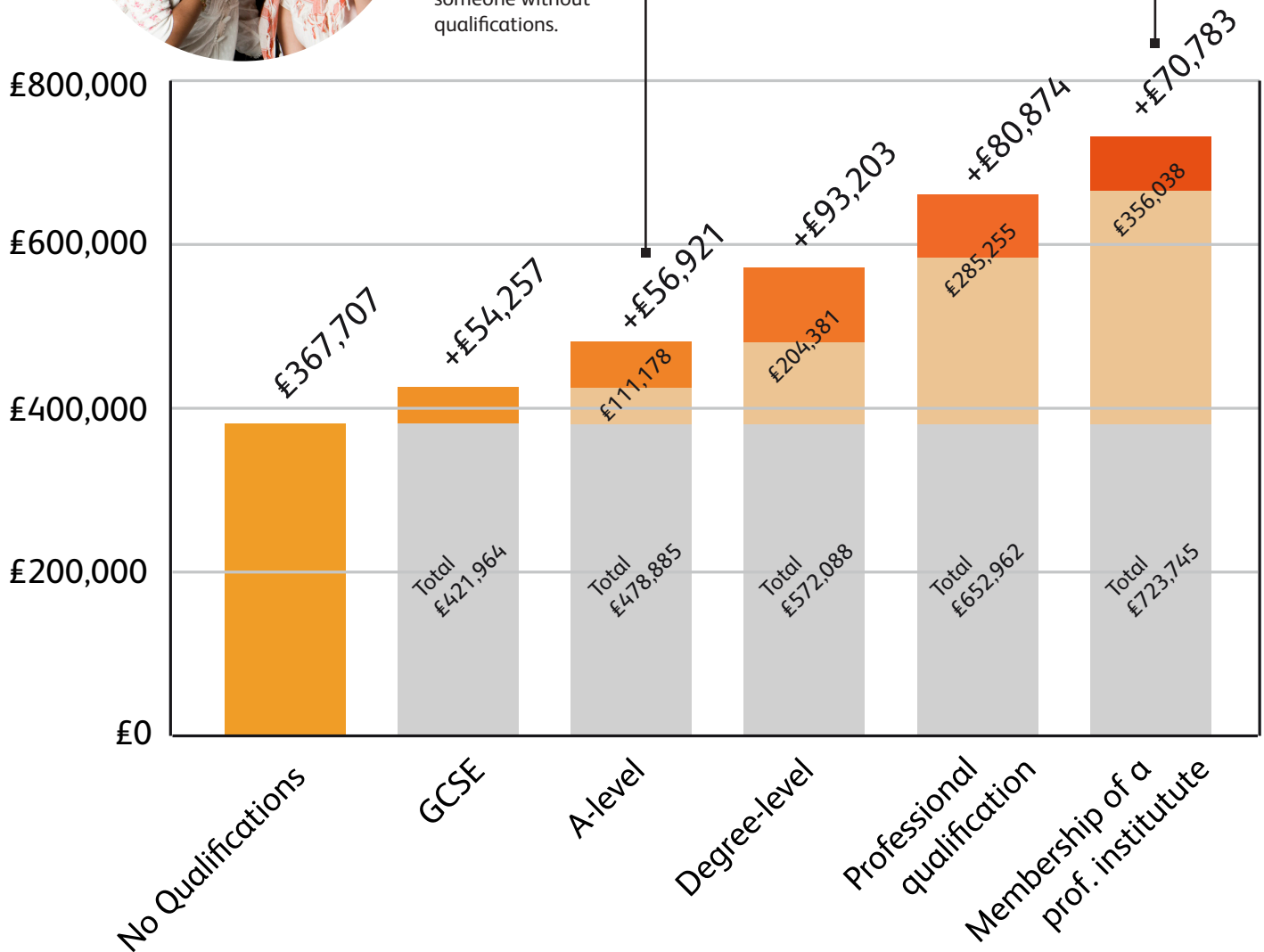
The table below represents the typical present value of lifetime earnings for an individual based on qualifications achieved.



Example 1:
This group achieve A-levels. They will each earn on average **£111,178** more than someone without qualifications.



Example 2:
This group achieve all their qualifications, including a professional qualification, and join a professional body. They will each earn on average **£356,038** more than someone with no qualifications and **£244,860** more than the other group.



Source: London Economics based on Labour Force Survey.

About StudyFlex

StudyFlex is an Approved Centre of the Chartered Management Institute. Our main aim is to help managers and prospective managers improve their skill levels by gaining one of the Chartered Management Institute qualifications.

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An Impact Assessment of the Consultative Committee for Professional Management Organisations (CCPMO)

A report prepared by London Economics published in December 2008

The CCPMO comprises eight professional bodies:



The Chartered Management Institute is the only chartered professional body that is dedicated to management and leadership. The Institute offers a wide range of qualifications and career guidance services to help managers and organisations meet new challenges in a fast-changing environment.



The Chartered Institute for Purchasing and Supply (CIPS) is an international organisation, based in the UK, serving the purchasing and supply profession.



The Chartered Institute of Personnel and Development (CIPD) is the UK's leading professional body involved in the management and development of people.



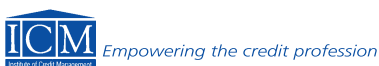
The Chartered Institute of Management Accountants, founded in 1919, is the world's leading and largest professional body of Management Accountants.



The Chartered Institute of Logistics and Transport is the professional body for everyone in the logistics, passenger transport, transport planning and related industries.



The Chartered Institute of Marketing is the leading international professional marketing body with some 47,000 members worldwide.



The Institute of Credit Management (ICM) is the largest professional credit management organisation in Europe.



The Institute of Chartered Secretaries and Administrators (ICSA) is the recognised global voice on governance and regulatory issues in the private, public and not-for-profit sectors.

Introduction

In recent years there has been increasing recognition among both employers and Government of the critical need to improve higher level skills to ensure the UK's future competitiveness. The UK's world-class professional bodies already make a significant contribution towards raising demand for these higher level skills. This report sets out to assess the hard economic impact of professional qualifications and also the wider benefits offered by membership of a professional body.

Key Findings

1. The CCPMO provides more than 50,000 professional awards a year, focused on the business and management professions. In addition, the CCPMO provides continuing professional development to its 560,000 members and students, and training to both employers and individuals.
2. The estimated lifetime financial benefit associated with holding professional qualifications and membership of a professional institute is approximately £152,000 in today's money terms. This is comprised of £81,000 from holding professional qualifications, and £71,000 from holding membership of a professional institute.
3. The professional qualifications offered by the CCPMO are 'open access', with no barriers to entry in terms of previous qualification attainment. This is reflected in the diverse nature of current students, which include significant proportions of women, and workers at all stages of their careers.
4. The business and management focus of the CCPMO gives the qualifications offered a unique cross-sectoral appeal, providing individuals with considerable flexibility in the context of an economic downturn.
5. Employers place a high value on the skills provided by professional bodies. This is evidenced by the high levels of employer-funded education and training, the substantial wage premium (estimated at approximately 37% over a working life) and the increased likelihood of being employed achieved by individuals in possession of professional qualifications and holding membership of a professional body.



About London Economics

London Economics is a leading European economic consultancy firm specialising in the provision of high quality research in public policy, competition and regulatory economics.