



UK COMMISSION FOR
EMPLOYMENT AND SKILLS

Qualitative Evaluation of Demand-led Skills Solutions: standards and frameworks

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Qualitative Evaluation of Demand-Led Skills Solutions: standards and frameworks

Executive Summary

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Executive Summary

Introduction

The UK Commission for Employment and Skills commissioned a qualitative evaluation across a range of investments, including the standards and framework programme, which procures the development of National Occupational Standards (NOS) products, apprenticeship framework products and Vocational Qualification (VQ) products. The evaluation was undertaken from November 2012 to April 2013. It was based primarily around a qualitative case study approach. There were 10 case studies looking at standards and frameworks products (five National Occupational Standard case studies; four Apprenticeship framework case studies; and one Vocational Qualification case study) and 10 case studies on projects funded through the Growth and Innovation Fund Rounds 1 and 2 (GIF) and Employer Investment Fund Phase 2 (EIF).

There are two evidence reports: one presents the findings of the standards and frameworks case studies; and a separate report presents the findings from the research undertaken on the GIF and EIF investment programmes.

Background to standards and frameworks

The standards and frameworks programme was introduced for 2012/13 and, in its first year, 381 standards and framework products were commissioned, which received £4.82m of public investment. As part of the bidding process sector bodies were invited to organise themselves into consortia and 12 partnerships and individual suppliers were selected as providers over the period from 2012-2015.

Findings from the research

- The standards and frameworks programme commissioned around 300 unique products during 2012/13, a substantial proportion of which (43%) were new products. There was broad geographic coverage of these products and a substantial focus on activity in Scotland.
- The new partnership model for contracting standards and framework was effectively set-up, leading to 12 consortia and individual suppliers being contracted for this work from 2012-15. There is good understanding of the new collaborative approach among suppliers and the process benefited from previous good working relationships between many of the SSCs. The bidding process did not lead to new entrants to the market or increased competition between existing suppliers.

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- All of the case study suppliers could point to a plausible rationale for product development or refresh. Sector bodies are increasingly focusing on revisions to standards and frameworks that relate to high-volume, strategically important qualifications. It is more difficult to identify demand for new products (especially NOS) than existing products, where existing data on qualification take-up can be used as a proxy for demand.
- While a mix of evidence is often used to make the case for investment in new products, demand is typically articulated as a general need rather than a more specific business case. A general need might relate to gaps in the existing standards and frameworks landscape (especially regarding specialist or emergent occupational areas) or changes to occupations / working practices that mean existing products cannot simply be refreshed. There are some exceptions to this, and the case for new development is strengthened when linked to regulatory or other similar changes that impact on employers and, in effect, creates new markets for training and qualifications.
- The commissioning process for products in the form of annual funding agreements has been well-designed, even though the timescales in 2012/13 were tight for suppliers (especially given that the process was new). Suppliers are being more closely geared towards considering the anticipated outcomes from product development when they make their case. The pricing model introduced has impacted on how suppliers organise standards and framework development – introducing new project management disciplines, looking for efficiencies and economies in the development process, as well as guiding them towards more streamlined processes.
- While the development process for apprenticeship frameworks and NOS is quite standardised and characteristically similar to qualification-related activities in the past, there are differences between suppliers in terms of the overall time taken for development, the approach to engaging employers, how the process is managed and the roles played by different organisations/individuals.
- The new commissioning model has directly led to sector bodies innovating approaches to research, consultation and testing. Employers are still largely involved in a consultative role, but these discussions are much more targeted and focused – something that is generally felt by all parties to be an improved approach. There is much better use of technology and greater task-orientation to ensure that working groups make the most of effective use of employers' limited time.

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- There is a greater focus in many cases on working with employers and stakeholders that can bring intelligent industry insight and technical understanding, and less of a focus on light-touch consultation with a large number of employers. Suppliers typically gravitate towards previously-engaged employers when forming working groups. In some cases, the occupational area might be niche in nature or new to the supplier and here, considerable effort is deployed to ensure that specialists or experts are involved. How representative these groups are is a debatable point. However, most participants across the case study sample thought that there was a 'good mix' of employers and other stakeholders.
- The consortia approach is bringing greater consistency in standards and framework development through peer review, sharing of learning and approaches to consultation. The benefits are variable across the partnerships depending on how the lead supplier interprets its role.
- By the end of March 2013, 93% of planned outputs had been delivered. Five out of the 12 suppliers delivered all outputs by the deadline. By and large, suppliers delivered the vast majority of what they had been commissioned to do.
- It is too early to measure take-up and use of the new / revised products in most cases. There is early evidence of some new apprenticeship frameworks delivering increased take-up, and anecdotal evidence of individual employers using NOS to inform their own training and development. Largely, though, this relates to employers and stakeholders involved in the development process. The wider promotion of NOS is piecemeal and the difficult task of capturing intelligence on the wider use of NOS remains work in progress for most suppliers.
- The commissioning model has largely shifted the risk for product development onto suppliers, creating substantial efficiencies for the use of public money. The onus is increasingly on suppliers to ensure that there is sufficient demand in the first place, providing an additional lever to ensure that investment is targeted in the right place.
- There has been no major shift in thinking about, or planning for, the future sustainability of standards and frameworks products or the possibility of more practical employer contributions to sustainability. There is some early evidence that qualifications-related activities are becoming more integrated with the wider work of sector bodies, but it remains quite a discrete activity.

Conclusions

- **Competitive commissioning and investment culture:** Increased competition for skills investment funding is having a positive impact in ensuring that proposed skills solutions and products are better-targeted at areas of identifiable demand. Suppliers are being more selective about the solutions and products they put forward. The shifting of financial risk from the public funder to standards and frameworks suppliers is an extremely powerful lever for ensuring that development is demand-led.
- **The role of the UK Commission:** The overall feedback on support and management from the UK Commission is largely positive. The view from organisations with extensive experience of working with the UK Commission is that the guidance, support and monitoring it has provided is generally clear, appropriate and proportionate.
- **Employer demand and involvement project design:** There is inherent and long-standing difficulty in trying to capture an upfront measure of demand for a proposed standards and frameworks product. Bids for standards and frameworks investment tend to focus on well-established evidence of 'need', often drawing on LMI, rather than providing more tangible evidence of 'support' from employers. It is more resource-intensive to coalesce active sector support than to present a case for action based on existing LMI, so the approach appears to be a consequence of the relatively small level of investment in individual standards and frameworks product.
- **Progress, delivery and outlook:** There is evidence of effective and efficient approaches to managing the delivery of investment projects. The output-based payment model and price bands for standards and frameworks product development create value for money and improved project management across the supplier network.
- **Planning for sustainability:** The indicators of preparedness for future success include: whether there is a robust plan in place for making the transition beyond the investment period (and investees, especially SSCs, are getting stronger in this area over time) and whether investees can lever sufficient *active* involvement from at least a core of employers so that they are not just customers, but also champions of the solution that they shaped and developed. There are more substantial questions about whether standards and frameworks suppliers are generally gearing towards promoting those products once developed.
- **Strategic fit:** Standards and framework projects remain quite discrete in nature and there is scope for the links between standards and frameworks products and the wider strategic ambitions of many sector bodies to be much more explicit.

Executive Summaries present the key findings of the research produced by the UK Commission for Employment and Skills. More detailed analytical results are presented in Evidence Reports.

Produced by ICF GHK for the UK Commission for Employment and Skills

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