



UK COMMISSION FOR
EMPLOYMENT AND SKILLS

Learning from projects that support outcomes for young people

Thematic Paper
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Intelligence > Investment > Impact

1 Learning from projects that support outcomes for young people

This paper sets out the learning from the ‘*Qualitative Evaluation of Demand-led Skill Solutions*’ case study projects in which young people were the ultimate beneficiaries of the intervention.

Summary

- Young people are not necessarily a direct focus of investment projects because the policy emphasis is on employer demand/need rather than targeting specific groups.
- Projects where young people might benefit include those developing entrance routes to sectors/occupations; improving the work-readiness of training provision and enhancing sector attractiveness through career progression routes
- Large employers were more engaged in these type of projects because they will recruit more people in any given year
- Corporate Social Responsibility is not usually enough of a motivation to engage employers as there needs to be a clear business benefit to take up
- Wider stakeholders have a particularly important role in acting as the gatekeeper to young people, e.g. training providers, and they can be constrained by the rules in which they operate, e.g. ‘September starts’
- Key lessons include the need to ensure engagement of wider stakeholders early and to ensure planning of delivery; being clear on the benefits to employers.

1.1 Purpose and structure of the paper

The evaluation examined the development, delivery and implementation of projects funded through the UK Commission’s standards and framework and EIF and GIF investment funds. The aim of the evaluation was to:

- *‘develop a greater understanding and insight of the development and commissioning of the individual funds;*
- *draw insights about delivery and potential improvements; and*
- *to enable the continuous improvement and capacity building to develop sustainable solutions¹.*

¹ Invitation to tender, September 2012 UK Commission

The evaluation included ten case studies on investment projects (five EIF Phase 2 projects and five GIF projects) and ten case studies on standards and framework projects. For each case study, interviews were conducted with the lead delivery organisation, employers and delivery partners. The case studies were conducted from January to April 2013.

The purpose of this paper is to examine how the case study projects have supported the employment and progression of young people. It describes the characteristics of these projects and how the nature of the end users influenced project design and delivery.

1.2 The characteristics of investment projects with young people as the ultimate beneficiaries

Young people were directly or indirectly the focus of five of the investment project case studies. Based on the case study sample, we can suggest three ‘types’ of projects that support young people²:

- **Expanding opportunities for young people to enter a sector through the development of new entry routes.** The two projects we examined in this category were focused on apprenticeships. They aimed to increase apprenticeship take up in sectors where employer demand for apprentices has historically been low. One of the case study projects transferred good practice from one UK nation and replicated it in the other three UK nations. The other project set up an Apprenticeship Training Agency (ATA). Not all apprenticeship projects in the investment portfolio are likely to have the same impact on young people. There are a number of investments that focus on refining the existing apprenticeship offer. What distinguishes the projects identified above is that they are focusing on developing new routes to enter a sector, the beneficiaries of which are disproportionately likely to be young people.

² Note: We make no assumption about how the case study relates to the wider investment portfolio, but it should be possible for the UK Commission to generalise based on information it holds about the activities of all investment projects. The case study sample was geared towards over-representing projects that had identified young people as a beneficiary group – although our sense is that this does not reflect the full picture, especially in terms of projects that indirectly target young people

- **Improved the work readiness of career entry training.** These projects aim to increase the quality of career entry training in order to help new recruits enter and remain in employment. One of the case study projects expanded a programme that supported HE providers to develop degree courses that ensure learners had the business skills they needed to enter and remain in employment. The extent to which these projects explicitly target young people varies. However, in practice, they have a *de facto* focus on targeting potential future entrants who are largely in the younger age range. This is similar for all projects that aim to support the transition from education to employment. On a similar theme, previous research noted that one of the earlier EIF Phase 1 projects evolved to offer an online recruitment matching service to target undergraduates via universities – with the intention of providing easier access to graduate entry level positions (through the marketing of internships, sandwich courses and jobs).
- **Improved the attractiveness of a sector and facilitating careers progression.** These projects aim to encourage young people to enter a sector. This was done in two ways: developing an infrastructure that supports CPD and progression; and conducting direct engagement/marketing, sometimes explicitly targeting young people, to promote the benefits of the sector in terms of pay and rewards and progression opportunities. The projects we examined primarily focused on developing infrastructure; one by rolling out a Guild and another through introducing professional standards in a sector that was known to be dominated by young people working part-time or seasonally.

This latter condition is important in understanding the relationship between types of GIF/EIF investment and the relative focus on young people. The development of Guild models and new professional standards has much wider application than specifically targeting young people; and not all of these projects could be considered to meaningfully support young people specifically. There are two characteristic differences about the case study examples in question here: first, there was an explicit focus on strengthening career progression routes in sectors with a young and transient workforce (as a means of retaining young people who typically pass in and out of the sector); and second, as a consequence, the marketing of materials is geared towards this specific audience.

In summary, projects in the first two categories do not tend to target young people directly. However, as they focus on increasing the volume and quality of new entrants to the sector they will need to recruit a high volume of young people. In this context, it is important to understand 'which' young people are being indirectly targeted. The EIF and GIF experience suggests that the focus is generally on young people who are currently in education (including a specific focus on higher education in the case study example).

Projects that aim to improve the attractiveness of the sector and facilitate career progression were more likely to target young people directly (and arguably a wider range of young people) to help them make decisions on their future careers. There are examples in EIF 1 of projects delivering promotional activities in schools and providing sector information to careers advisors that support young people.

1.3 Rationale/case for action

An important distinction between investment projects and those delivered through funding streams such as European Social Fund (ESF) is that **investment projects are not designed around the needs of specific target groups**. The investment fund projects tend unsurprisingly to be led by demand-side considerations, and therefore sector bodies choose not to limit recruitment to specific groups of beneficiaries such as young people or individuals that could be considered to be disadvantaged, such as young people Not in Education, Employment of Training (NEET).

The case for action was primarily framed around addressing employers skills needs. This is a consequence of the investment approach – investees need to think upfront about the 'business case' that will encourage employers to invest in the solution. When projects are providing wide social benefits, for example by aiming to make the workforce reflect a broader range of socio-economic groups or addressing youth unemployment, then investees justify the need for intervention by considering the benefit to employers. This may be articulated as increasing the volume and quality of new entrants to a sector, or helping employers to recruit from a wider pool of talent.

1.4 The bidding process

The bids for projects that support young people were largely developed in the same way as other investment projects. The sector body generally led in the bidding process, but most tested ideas and potential solutions through networks, boards and sub-groups. In earlier investment programmes, such as GIF 1, sector bodies primarily developed the project and structure of the solution. In later investment rounds, sector bodies often built into the design cycle a period where they could review the proposed solution with employers before finalising the proposal.

It was significant that in these projects **the employers engaged at the project design stage were primarily large employers**. This is perhaps a characteristic of projects that support young people – the returns will be greater for employers that recruit a high volume of new entrants per year. In addition, these organisations are also likely to have greater resources to support sector providers, as many employ individuals such as graduate recruitment managers that focus specifically on attracting high quality new entrants to their organisation.

Most projects also aimed to ensure that learner needs were considered at the design stage. In most instances these needs were articulated by training providers. These organisations were felt to have direct experience of working with learners, and as a result were often engaged in designing and steering projects.

1.5 The role of employers

Projects that aimed to improve the volume and quality of new entrant provision mostly engaged employers to support the development of new training products, primarily through providing in-kind contributions. Perhaps a key feature of these projects, and where they differ from other sector body interventions, is that it was expected that employers take ownership of shaping sector training and articulating their skills needs to providers. As a result, employers nearly always play an active role in supporting this type of project.

In the case study projects, employers most commonly participated by:

- Attending workshops and meetings with sector bodies and providers
- Reviewed drafts of training standards and modules.

All of the projects that leveraged this type of employer support had been relatively successful in recruiting employers. Most had attracted employer interest at the design stage and were then able to translate this to tangible support during the project implementation. Employers were primarily recruited through sector bodies existing networks, and therefore most already had a good working relationship with the sector body which made them more willing to participate.

In a few cases employers' participation was influenced by the wider social benefits the project would bring in increasing the diversity of the workforce and also helping young people into employment. In these cases the projects were seen as an extension of their 'corporate social responsibility' and responsibility to their local communities. **However, in most cases there also needed to be a direct benefit from the intervention for the employer.** For many employers this was necessary to justify to their board their engagement in the project. Nearly all the employers that supported these initiatives had a clear expectation of the benefit of the initiative on their organisation, even when these benefits were likely to be felt in the medium to long term.

Projects that aimed to develop new infrastructure to improve the attractiveness of a sector and career progression most commonly recruited employers to sign up to the development of new standards or products. In these cases, employers generally provided cash contributions, based on a *transaction model* for employer engagement. This was generally a more passive form of engagement, with providers purchasing a product rather than actively contributing to the development of the solution. In these projects, employer engagement had been slower owing to the development time required to market and launch a new product.

In these projects employers' return on investment was a more significant influence on engagement. Employers that invested in these activities generally did so because of the benefits they believed it would bring their organisation. This may be because these projects were reliant on attracting a high volume of employers to 'buy' a service, and therefore the return on investment was more ingrained in the way the product was marketed and promoted to employers.

1.6 The contribution of wider stakeholders

The employer-focused dimension of the investment portfolio meant that in most cases the sector bodies did not work directly with young people. This task was primarily undertaken by training providers. In most cases this was a pragmatic response by sector bodies, as training providers have expertise in promoting services to young people and had links with existing schools and careers providers, which meant they were better placed to recruit young people.

The reliance on third party organisations to recruit learners did bring an added risk to projects focused on young people. Sector bodies were not in a position to intervene to increase recruitment and were reliant on the work of training providers. For example, one sector body stated that they had experienced delays because “providers are still tied to September starts”.

Some sector bodies also experienced difficulties in recruiting training providers. In many cases this was found to be the most challenging aspect of delivering the project. Sector bodies stated that it was difficult to market new courses to providers as the level of demand from learners was not always clear. In addition, in many projects there was a strong need for providers to work together to plan local provision, and in some areas there was not an ethos of joint working which made engagement more difficult, and ultimately delayed recruitment.

1.7 Progress, delivery and outlook

Some of the earlier projects were over-optimistic about the timescales for implementation, and did not factor in the lead in time required to recruit training providers. As a result, some projects experienced delays in recruiting young people.

Despite some underperformance, all the delivery partners were confident that they would achieve their expected outputs by the end of the investment period. There was evidence of providers taking steps to mitigate for underperformance by, for example, changing fee strategies to employers, and also working with new stakeholders such as funding agencies to help promote the initiative to providers and encourage take-up.

All the delivery partners had clear plans of how the initiatives would be sustained in the future. There were two general approaches taken to sustain projects:

- In some cases it was expected that the initiative would build the capacity of providers to deliver new training, and these products will continue to be provided at the end of the investment period. There was therefore no need for further intervention by the sector body.
- In other instances, where future plans depend on the volume of uptake the delivery partners planned to continue to deliver support services and recruit employers to sign up for new standards. In these projects it is expected that at the end of the investment phase the project will have recruited sufficient beneficiaries to maintain their services.

As with other investment projects, the key indicators of sustainability were demand from individuals, employers and training providers. All these projects were at an early stage of implementation, and therefore the true test of sustainability will be if support for the intervention is maintained in the next few years.

1.8 The role of the UK Commission

The investment approach ensures that public funding is targeted at addressing market failure and meeting employer demand. As a result, the services that are developed are often open to a wide range of beneficiaries. Employers' main objective is to have a high skilled workforce, and they are not generally concerned if their skills needs are met by young people or adults.

Although young people are rarely an explicit target group of investment projects, there are many examples of projects where young people are the main beneficiaries. These projects are often targeted at improving the talent 'pipeline' in a sector, by ensuring there are sufficient individuals entering the sector and/or that new entrants have the skills they need to stay and progress in employment.

The case study projects typically created new employment opportunities for young people. A key benefit of the investment approach, compared to other funding streams, is that the need to leverage employer contributions requires investees think upfront about how solutions can be marketed to employers. This means that projects are well-positioned to gain employer buy-in and therefore achieve a long-lasting sector impact.

In order to quantify the impact of investment funds on young people, the UK Commission may need to consider asking future bidders to indicate the groups of individuals that will benefit from their project. At present this information was not always clearly presented in bid documents or project delivery plans.

Evidence Reports present detailed findings of the research produced by the UK Commission for Employment and Skills. The reports contribute to the accumulation of knowledge and intelligence on skills and employment issues through the review of existing evidence or through primary research.

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