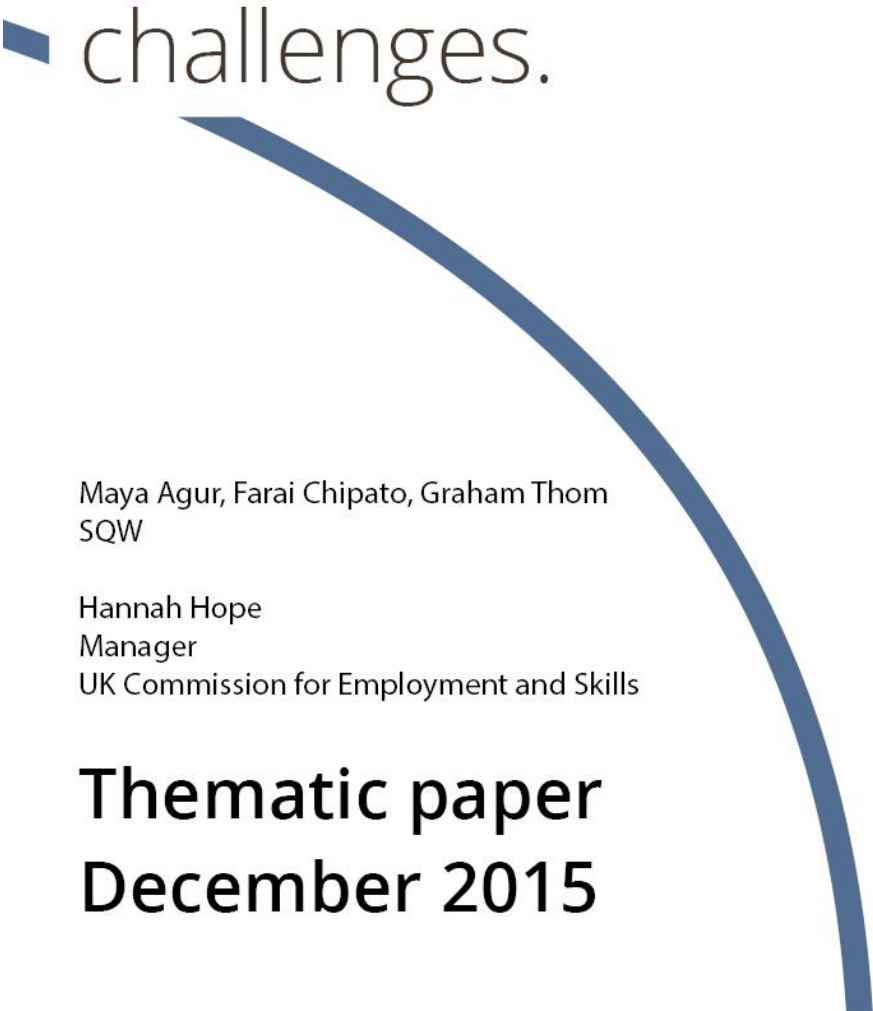




# The UK Futures Programme

Employer leadership and  
collaboration to address  
workforce development  
challenges.



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# 1 Introduction

## 1.1 UK Futures Programme

The UK Futures Programme (UKFP) is seeking to provide an innovative approach to tackling workforce development issues. The UKFP is not intended as an extension of previous large scale funding initiatives by UKCES, but instead is adopting a different approach by offering smaller scale investments, targeting particular issues and sectors, and seeking greater levels of innovation. The UKFP has four key aims, to:

- Support collaborative approaches to workforce development issues amongst employers and, where applicable, wider social partners
- Encourage innovative approaches to addressing workforce development issues
- Identify ways to address new or persistent market or system failures which act as a brake on UK workforce competitiveness
- Identify 'what works' when addressing market failures in relation to workforce development, for adoption in policy development and wider business practice.

## 1.2 UK Futures Programme evaluation

UKCES has commissioned SQW to carry out a real-time evaluation of the Programme. The aim of the evaluation is to develop a rich understanding about 'what works' in addressing workforce development issues; understand the conditions that can stimulate workplace innovation and learning; actively enable continuous improvement of the investment approach; and communicate the learning in a way that can readily inform and influence policy and wider practice. As part of the evaluation and in order to improve their understanding of key themes UKCES has commissioned a number of thematic papers from SQW.

# 2 About this thematic paper

Collaboration was one of the key objectives of the UK Futures programme (UKFP)<sup>1</sup>. UKCES believes that successful collaboration between employers and other stakeholders in finding solutions to address workforce development issues can lead to the transfer of learning and best practice between collaborators and subsequently through their networks.

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<sup>1</sup> The UK Futures Programme (UKFP) is an initiative funded by the UK Commission for Employment and Skills, which seeks to provide an innovative approach to tackling workforce development issues. The initiative is constructed of six Productivity Challenges, each focusing on a specific challenge relating to workforce development. The programme is intended to run for around two years from April 2014.

The literature refers to various definitions of collaboration. For the purpose of this paper, we have looked at collaboration in the context of organisations and social stakeholders coming together to address a common workforce development challenge.

This paper summarises the learning from the first two Productivity Challenges of the UKFP on the types of collaboration projects reported being involved in, how collaboration came about and the benefits and outcomes of collaboration. Productivity Challenge 1 focussed on developing solutions to the workforce challenges in the offsite construction (OSC) industry. Productivity Challenge 2 focused on raising demand for management and leadership skills through supply chains and networked organisations.

We begin by summarising some of the key literature which looks at the motivation for employers to collaborate and what makes a successful collaboration. We continue by looking at the different types of collaboration evidenced in the UKFP, what makes an effective collaboration, the barriers to collaboration and how they have been overcome, and the benefits and outcomes that followed. We conclude the paper with a summary of the conclusions and the implications for different audiences.

### 3 The role of collaboration

#### 3.1 Why do employers collaborate?

There are a host of potential benefits that organisations can gain from collaborating. The 2014 **UKCES Employer Perspectives Survey**<sup>2</sup> provides insights into the decision making processes and behaviours of 18,000 employers across the UK, with a focus on skills and training issues, including employer collaboration. Overall, 17% of surveyed employers had engaged in some form of collaboration with other employers involving skills over the previous 12 months. This included any activities that helped employers to access, develop or share expertise on skills and training.

**Figure 2-1** shows the main reasons that employers collaborated with each other on skills issues. By far the most common benefit cited was the ability to share best practice from previous experiences, which was mentioned by 50% of respondents. Keeping up to date with the latest training developments was the second most common response, with 19% of respondents noting it as a benefit of collaboration.

**Figure 2-1: The benefits of collaborating with other employers**



Source: UKCES Employer Perspectives Survey 2014

<sup>2</sup> UKCES, Employer Perspectives Survey 2014, <https://www.gov.uk/government/publications/employer-perspectives-survey-2014>

Relationships between employers and education providers provide another example of skills collaboration. The UKCES report *Forging Futures* provides evidence on the extent and nature of collaboration between universities and employers in the UK<sup>3</sup>. The research, based on 18 case studies, identified a number of advantages for both employers and universities, which are summarised in **Figure 2-2**.

**Figure 2-2: Reasons for university – employer collaboration**

Employer	University
<ul style="list-style-type: none"> <li>• Improve competitiveness and productivity</li> <li>• Ensure relevant pathways into industries are in place</li> <li>• To attract new talent into an industry or region</li> <li>• To retain and train existing staff</li> </ul>	<ul style="list-style-type: none"> <li>• To extend the diversity and relevance of the curriculum</li> <li>• To differentiate their offer from other universities</li> <li>• To increase student employability through work-based practice</li> <li>• To raise their profile and increase income diversity</li> </ul>

Source: UKCES *Forging Futures Report 2014*

One of the key overall messages of the report was that collaboration was most effective when it was part of the cultural norm among the organisations involved. This co-operation needs to be embedded as a core part of how employers and universities think about skills development in order to have maximum impact. As a result, collaborations should be demand-led, with clear requirements set out by employers, leading to the development of bespoke products and services that can tackle specific problems.

Literature on the importance of networks and employer co-operation more generally offers a further indication of the benefits of employer collaboration. The *UKCES Employer Collective Measures Review*<sup>4</sup>, which examined a range of policy levers designed to encourage employers to train on a collective basis, looked at the benefits of employer networks for skills development. The study suggests that networks are an effective mechanism for enhancing training for the benefit of employers, by improving understanding of the role of skills within businesses, addressing information imperfections and reducing the cost of training.

<sup>3</sup> UKCES and University UK, *Forging futures: building higher level skills through university and employer collaboration*, 2014, <https://www.gov.uk/government/publications/forging-futures-building-higher-level-skills-through-university-and-employer-collaboration>

<sup>4</sup> UKCES, *Review of Employer Collective Measures*, 2009, [http://dera.ioe.ac.uk/9795/1/UKCES%20CM%20A4%20Main%20Report%20Web\\_1.pdf](http://dera.ioe.ac.uk/9795/1/UKCES%20CM%20A4%20Main%20Report%20Web_1.pdf)

Networks also provide a forum for knowledge transfer and dissemination of good practice among employers. Managers can gain access to advice and solutions to common training issues from respected peers. Moreover, networks can help managers become aware of any gaps in their management and leadership skills and the training that might address these issues.

The Employer Collective Measures Review also showed that sourcing and accessing appropriately tailored learning was a significant issue for a number of businesses, particularly micro, small and medium-sized enterprises (SMEs) and geographically dispersed organisations. This was primarily caused by a lack of economies of scale, which meant that providers would not deliver, or if they did so, then costs would be prohibitive. Employer networks and collaboration could help to alleviate this by providing a group of businesses with a scale of demand to access the right provision at affordable prices.

These issues formed part of the rationale for the first two Productivity Challenges. The first Challenge was developed following research published by UKCES that highlighted the fragmentation of the UK offsite construction sector, which was inhibiting the growth of the sector and leading to a lack of skills investment<sup>5</sup>. One of the aims of the Challenge was to bring employers together with key partners to collaborate on the sector's skills issues and address the problem of fragmented provision. Productivity Challenge 2 sought to use the relationship of primes (major businesses) with their supply chains to develop skills in leadership and management. This recognised that smaller firms are often likely to underinvest in skills and so sought to test the hypothesis that primes could stimulate demand and help address market failures in training in smaller firms.

### **3.2 What types of employers collaborate?**

*The Employer Perspectives Survey*<sup>6</sup> gives an indication of the extent of collaboration between employers in the UK, both in terms of the size of the firms that are collaborating, and the most collaborative sectors. It found that public sector organisations (administrative, education and health) were the most likely to collaborate on skills issues, with 35% of respondents in the sector indicating that they had collaborated in the previous year. Among the private sector respondents, employers in the “business and other services” sector are the most likely to collaborate, with 18% having done so over the previous year. This sector includes a wide variety of businesses, including those in financial and professional services, information and communication services and professional, scientific and technical

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<sup>5</sup> UKCES, Technology and Skills in the Construction Sector, Evidence Report 74, September 2013, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/305024/Technology\\_and\\_skills\\_in\\_the\\_construction\\_industry\\_evidence\\_report\\_74.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/305024/Technology_and_skills_in_the_construction_industry_evidence_report_74.pdf)

<sup>6</sup>UKCES, Employer Perspectives Survey 2014, <https://www.gov.uk/government/publications/employer-perspectives-survey-2014>



activities. However, the common theme appears to be that businesses in this sector are more likely to require higher level skills from employees.

Employers are more likely to collaborate as they get larger, with 33% of large firms (100+ employees) having collaborated over the previous 12 months. Businesses with 10 to 24 employees collaborated at almost the same rate (31%), but those with 5 to 9 employees were less likely to collaborate (16%), as were the smallest businesses with 2 to 4 employees, among whom only 13% had collaborated over the previous year.

Research in the *Forging Futures* report suggests that the propensity of businesses to collaborate as they get larger reflects that smaller organisations may lack the time or resources necessary to engage in collaboration<sup>7</sup>. In many cases, these organisations may not be able to conduct the preliminary work to consider the feasibility of collaboration, due to short-term commitments.

### 3.3 What makes a successful collaboration?

*The Understanding Employer Networks* study by UKCES examines the factors that make networks successful<sup>8</sup>. Whilst the focus of this research is relatively broad, taking in trade associations, chambers of commerce and other membership organisations, it also looks at informal networks and collaborations between businesses.

The research found that networks need to be able to provide rapid benefits to employers in order to ensure engagement and demonstrate the common interests to potential participants. Organisations that initiated networks generally made contact with each-other through an existing relationship, as trust was an important foundation for the development of a strong collaboration. This is important as it implies that a history of collaboration between partners creates the likelihood for further co-operation in the future.

Employer needs are a crucial factor for the development of employer networks, including those that focus on skills issues. Older networks show evidence of flexibility, evolving and changing their direction as the needs of businesses and industry change over time. The changing flows of government funding and national skills priorities also play a role in the durability of these relationships, and networks that had the flexibility of focus to adapt to this evolving landscape were likely to be more successful.

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<sup>7</sup> Forging futures: building higher level skills through university and employer collaboration, 2014, <https://www.gov.uk/government/publications/forging-futures-building-higher-level-skills-through-university-and-employer-collaboration>

<sup>8</sup> UKCES, Understanding Employer Networks, 2013, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/303510/ER66\\_Understanding\\_employer\\_networks\\_-\\_Feb\\_2013.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/303510/ER66_Understanding_employer_networks_-_Feb_2013.pdf)

Evidence from the **Employer Collective Measures Review** shows that employer networks focussed on skills are resource intensive, requiring considerable commitment and support from employers<sup>9</sup>. Moreover, competitor organisations were likely to have reservations about collaborating and generally need more time to build the trust necessary to maximise the benefits of co-operation. SMEs were particularly difficult for networks to engage, due to their lack of staff resources to invest in these types of activities. Face-to-face meetings and efforts from larger employers in the supply chain have proven to be effective ways to persuade smaller employers of the benefits of collaboration. Support from skilled and credible network facilitators was also identified as an important element in the success of many networks.

There are a variety of ways that barriers to collaboration on skills can be overcome, as demonstrated by evidence from the **UKCES Systematic Review of the Employer Investment Fund (EIF) and Growth and Innovation Fund (GIF)**<sup>10</sup>. During the delivery of the two funds, which were intended to stimulate employer investment in skills, UKCES encountered a number of barriers to engaging businesses in skills projects, as well as identifying the most effective solutions, which are shown in **Figure 2-3**.

**Figure 2-3: Solutions to employer engagement issues**

Challenges	Solutions
<ul style="list-style-type: none"> <li>•Lack of capacity to engage</li> <li>• Fragmented/dispersed nature of sector</li> <li>•Finding the right contacts within employers</li> <li>•Staff turnover in employers (&amp; in delivery organisations)</li> <li>•Access to the internet/ technical issues</li> <li>•Diversity in the sector – “one size fits all” product does not necessarily work</li> </ul>	<ul style="list-style-type: none"> <li>•Minimise admin burden; use transparent communications</li> <li>•Awareness raising, e.g. events workshops</li> <li>•Peer-to-peer networks</li> <li>•Supply chain networks</li> <li>•When employer representatives change, engage with them promptly</li> <li>•Training on technicalities of delivery methods (eg. online platforms)</li> <li>•Trusted business body/ brand figurehead</li> <li>•Engage in design/testing</li> </ul>

Source: SQW, UKCES Systematic Review of the Employer Investment Fund (EIF) and Growth and Innovation Fund (GIF)

<sup>9</sup> UKCES, Review of Employer Collective Measures, 2009, [http://dera.ioe.ac.uk/9795/1/UKCES%20CM%20A4%20Main%20Report%20Web\\_1.pdf](http://dera.ioe.ac.uk/9795/1/UKCES%20CM%20A4%20Main%20Report%20Web_1.pdf)

<sup>10</sup> UKCES, A review of project level learning and performance across the UK Commission for Employment and Skills' (UKCES) Employer Investment Fund (EIF) and Growth and Innovation Fund (GIF). 2015, <https://www.gov.uk/government/publications/review-of-investment-projects-learning-and-performance>

## **4 Collaboration in the UKFP**

### **4.1 Types of collaboration in the UKFP**

The UKFP promoted different formats of collaboration. The three main types of collaboration that could be identified in the UKFP were: collaboration between stakeholders within a project, collaboration with end-users within a project and collaboration between projects within a Productivity Challenge. In the section below we explore the characteristics of these types of collaboration and how they came to be.

### **4.2 Collaboration between partners within a project**

#### **4.2.1 Shape of collaboration**

The most common type of collaboration evidenced in the UKFP was between stakeholders within a project. This usually involved industry partners (i.e. primes<sup>11</sup>, other employers, membership business organisations) and knowledge partners (i.e. universities, skills experts) coming together towards a common goal. Different projects had different numbers of stakeholders involved, and different levels of partnerships and collaboration. In most cases projects had a day-to-day management group constructed of a small number of employers and/or knowledge partners who were leading on the development and delivery of the project. This was often referred to as the 'core group'.

Projects also established a larger group of stakeholders, unusually from a wider circle than the stakeholders' immediate networks. These tended to include professional associations and policy makers as well as other industry and knowledge partners. This larger group usually formed a steering group supporting the project through the development, implementation and dissemination processes. In both the core group and the steering groups the members were usually senior people in their respective organisations.

The size of the partnerships varied between projects. Core groups varied in size and involved from four and up to nine stakeholders. Steering groups tended to be larger and usually involved around 14-15 stakeholders with a few projects involving a smaller number of stakeholders (seven) and one involving 17 stakeholders. Feedback from stakeholders involved in the projects suggested that there was no 'right or wrong' size of the partnership, as long as the right people were involved (i.e. committed, aware of industry need and proactive in driving the change).

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<sup>11</sup> Defined by UKCES as 'major businesses'. Please see [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/327945/UK\\_FP\\_\\_Management\\_Leadership\\_Competition\\_brief\\_AB\\_edit.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/327945/UK_FP__Management_Leadership_Competition_brief_AB_edit.pdf)

The size of the businesses engaged with the UKFP as members of the core team or members of the steering groups of the various projects varied as well. Management information collected by the projects<sup>12</sup> in the first two Productivity Challenges suggests that around 59% of the employers engaged with the UKFP were large companies, around 15% were medium sized companies and around 26% were small or micro companies.

In most cases the lead partner was a large business, however, in a substantial proportion of the projects the lead partner was a small (and in one case a micro) company. Where small or micro businesses were the project leads, they tended in almost all cases to join with larger companies in the core management group. These findings from the first two Productivity Challenges in the UKFP seem to be in line with the findings in *The Employer Perspectives Survey* mentioned above, suggesting that large companies find it easier to spare the resources and engage in collaboration, and that while small employers engage in collaboration at a similar rate they tend to join with larger employers when doing so.

The stakeholders who were members of the **core management group** collaborated in the design, development and delivery of the projects, with all stakeholders sharing views, knowledge, learning and resources with each other. These stakeholders also contributed matched funding to the projects, usually both in cash and in kind, demonstrating their commitment and sense of ownership of the project and their direct responsibility for the delivery and implementation of the projects. In many of the cases all stakeholders had contributed to the writing of the bid for the project, whether through actively writing sections or through reviewing and commenting on drafts of the proposal. Throughout the various stages of the project (design, development and delivery) the stakeholders took responsibility for progressing the work, with usually one stakeholder taking a lead and allocating tasks as relevant and appropriate to each partner. In many cases the lead partner was also the intermediary who brokered the partnership between the stakeholders in the core management group.

Members of the steering groups often took the role of advising and supporting the core group in their development and delivery of the projects. The stakeholders who were members of the steering group often collaborated with the employers who led the project by linking the projects with key contacts in their respective networks, and in some cases through spreading the word about the projects in their network, thus extending the reach of the projects. In most of the cases it was hoped that the collaboration with stakeholders, members of the steering group would help ensure the sustainability and scalability of the products and solutions that have been developed through the projects.

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<sup>12</sup> Information on the size of companies engaged with the UKFP is based on the data provided by projects in the 'Key Employers and Partners' spreadsheets.

## 4.2.2 Motivation for collaboration

In all of the projects there was one key motivation for stakeholders to collaborate. This was to address a common need. Stakeholders seemed to have individually identified a gap or a need relating to skills or workforce development. All of the stakeholders consulted had a clear awareness of the opportunities for growth in their respective sectors or areas of business, which required the sector/ business to change on a large scale. For this change to happen successfully one business could not act alone and so they sought collaborators. The call from UKCES for projects to suggest solutions to address these issues presented an opportunity for the stakeholders to engage in a discussion with others, agree the common need or shared objective, and join in partnership to address it. In a handful of projects the partnership between the lead stakeholders already existed prior to the launch of the UKFP. However, in the vast majority of the projects, the stakeholders came together following the opportunity of the UKFP.

This driver of collaboration is in line with the evidence in the literature, which lists improvement of competitiveness and productivity as one of the key reasons for industry partners to collaborate (**Figure 2-2 above**).

Stakeholders were identified in different ways. In the majority of the cases, the key players in the projects had previous contact with each other, which the literature suggests is common. In one project the partnership between the lead stakeholders had been established in a previous project (which is still ongoing). This collaboration between the stakeholders continues in a second UKFP project. In other cases, some of the stakeholders had worked with each other in the past in various projects (although in many cases not in recent projects). All of the stakeholders commented that the first natural step in forming a partnership was to approach the people they knew first and in many cases this was enough to form the initial collaboration. This was true in forming the partnership between stakeholders in the core management group as well as with stakeholders in the steering group.

As noted, direct contact with an individual was often the quickest and most effective approach to start the partnership, however to ensure the ongoing partnership, stakeholders were required to engage the company more widely, with the individual acting as their representative in the core or steering groups. To achieve this, stakeholders needed to identify key individuals in the organisation who were able to influence relevant parts of the company. This required research into the organisation and time.

Where there was collaboration between a group of stakeholders, in which a few or most did not have a history of working together, there was usually one stakeholder who had previously worked with all, who then acted as an intermediary to broker the partnership. Intermediaries were important when projects were attempting to expand their networks, as they were able to use their wider networks.

Projects found it much easier to bring new stakeholders on board once they had a tangible product to demonstrate what they were hoping to develop and deliver. This was useful in the context of the UKFP projects that had a focus on innovative solutions, as stakeholders found it easier to engage with new ideas when they had an example in front of them<sup>13</sup>.

#### **4.2.3 Collaboration with end-users**

In the context of the projects funded under the UKFP the definition of end-users was not straightforward. The stakeholders in the different projects identified different audiences as their end-users. This included clients, companies in the supply chain, employees, graduates and young people looking for qualifications.

At the start of most projects, collaboration with end-users in the development and delivery of the project was not regarded as a vital element to the project. Stakeholders seemed to focus primarily on building strong partnerships between themselves. For the majority of the stakeholders, engaging with the end-users was a task towards the end of the project, when they were ready to launch their product. There were exceptions to this, and a few projects (mainly in Productivity Challenge 2) engaged end-users at the outset. This was to gain an understanding of the specific needs of end-users. It also enabled the project lead to understand the current skills of end-users so that the project offer built upon the knowledge end-users already had.

Building on their previous experience of other initiatives, UKCES guided the projects to define their various groups of end-users and consider when and how they could be engaged in the project. UKCES was hoping to promote early engagement and collaboration with end-users, as evidence from previous projects suggested that this would benefit the development of the projects.

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<sup>13</sup> The UKFP encourages a Research and Development (R&D) approach to skills and seeks greater innovation and risk taking to promote greater levels of learning about what works, what does not, and how to apply that learning. For more information on the objectives of the UKFP see [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/418213/15.03.11\\_UKFP\\_Introduction\\_updated\\_-\\_V2.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/418213/15.03.11_UKFP_Introduction_updated_-_V2.pdf)

As the projects progressed they came to the realisation that earlier feedback from end-users would benefit the quality of their outputs. Therefore, much earlier than they anticipated, the stakeholders engaged end-users in the development process of their projects. End-users were mostly engaged in scoping research for the development of products (through surveys and discussion groups) and in testing the products (testing specific elements as they were being developed or through piloting sessions) to provide feedback to improve the design, functionality and suitability of the products.

The project leads commented that in order to maintain the ongoing engagement of the end-users a two way open and iterative approach was often effective, showing that the project leads are open to accept criticism and advice, as well as demonstrating how the feedback received was being implemented in the design of the project. In Productivity Challenge 2, for example, one project found that holding end-user feedback sessions immediately before or after the delivery of a training session allowed them to capture more views as people were attending the other event anyway. This enabled ongoing collaboration with end-users.

As with the partnership between stakeholders in the core and steering groups, here too the stakeholders found that the most effective approach was to engage people that they knew. For the most part this meant that projects engaged managers, employees and others in their supply chain or networks, and in a few cases projects reported engaging their clients. The end-users were approached through direct contact via email, telephone or personal meetings.

The motivation for end-user businesses to collaborate with the projects was similar to that of the stakeholders. In most cases, businesses engaged if they had an interest in what the project was aiming to achieve, or if a benefit for them was clear (i.e. professional development, upskilling staff, and increased business). In some cases, the end-users had already identified the gaps that the projects were trying to address amongst their employees, and so the potential benefits of the projects were clear to them. In other cases the project leads found that they needed to use more persuasion to convince end-users that there was a need in the sector and that they could benefit from the project. In these cases feedback from clients on their needs and how these translated to the skills that are required in the sector often helped. Similar to the engagement of stakeholders in the wider circle, having a tangible product helped to encourage the engagement of the end-users.

One less common form of collaboration evidenced mainly in Productivity Challenge 2 was *between* end-users in the supply chains. The Productivity Challenges provided an opportunity for supply chain firms to meet, most commonly at workshops and events organised as part of a project. Relationships developed naturally at workshops and events with very little or no input from the prime. Collaborative relationships were developed as they were able to appreciate each other's issues by working together on simulated tasks.

End-users were also able to speak with each other about strategic issues: in many cases they had not had the opportunity to do this before having previously only engaged with one another on the delivery of contracts. This type of engagement is evidence of increased social capital amongst managers which was an aim of Productivity Challenge 2. In a number of instances managers getting to know other managers of businesses who are in a similar position led to collaboration between them either for the purpose of winning work, sharing work or support with management issues.

#### **4.2.4 Collaboration between projects within a Productivity Challenge**

This form of collaboration was most realised to date in Productivity Challenge 1. Feedback from the various stakeholders involved with the UKFP and the Productivity Challenge noted that this was not an expected outcome of the programme, suggesting that this form of collaboration is less common and perhaps more difficult to achieve, not least because of a lack of previous contact. This begs the question how did this type of collaboration come to be? Were there any elements that were unique to Productivity Challenge 1 which helped to promote this type of collaboration?

As noted above, the motivation for stakeholders to come together within a project was an identified need or a common goal which stakeholders believed they could achieve only by coming together. Productivity Challenge 1, in contrast to Productivity Challenge 2, was focused on one sector – Offsite Construction. They therefore had a strong common link.

This sector in particular is going through significant changes, offering great opportunities for business growth<sup>14</sup>. All of the stakeholders commented that they recognised the potential and at the same time the need to address skills gaps in order to be able to benefit from the changes in the sector. The motivation for the stakeholders to collaborate was that they all saw a benefit in becoming the driving force behind change in the sector. They thought that it would be better to be ahead than follow behind. Similar to the partnership within the projects, the stakeholders noted that they could not achieve this scale of a change working alone.

The collaboration between the projects in Productivity Challenge 1 had various formats. In a few projects, stakeholders from one project became members of the steering group of another. Others shared their progress and received and provided feedback to each other. Stakeholders also tested each other's products. In addition, there are positive signs of

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<sup>14</sup> In 2013 the Government published the 'Construction 2025' strategy for construction, which sets out a vision and a plan for long-term strategic action by government and industry to continue to work together to promote the success of the UK construction sector.  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/210099/bis-13-955-construction-2025-industrial-strategy.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/210099/bis-13-955-construction-2025-industrial-strategy.pdf)



ongoing collaboration between the projects to drive a change in the sector (as per the vision in ‘Construction 2025’).

The consultations with the various stakeholders in the first Productivity Challenge suggested that the UKFP provided the platform for the projects to come together and forge their partnership. They noted that initially they had limited interest in collaborating with other projects. However as their work through the Productivity Challenge progressed, they started seeing value in networking with other projects. It seems that the dialogue with UKCES and the other projects at the Co-creation Labs<sup>15</sup> played a key role in promoting the collaboration between the projects. The Labs appeared to have provided a space to build relationships and trust, in a way that a common issue could be identified across projects.

#### 4.2.5 So what works in achieving collaboration in the UKFP?

Table 3-1 summarises the key learning points in terms of what works in achieving greater collaboration between employers in the different types of collaboration identified in the section above.

**Table 3-1: Collaboration in the UKFP - summary of what works**

Type	Who collaborates?	When?	What about?	How?
Within a project	<ul style="list-style-type: none"> <li>Known stakeholders (history of previous joint working)</li> </ul>	<ul style="list-style-type: none"> <li>During bidding process</li> <li>At the start of the project</li> </ul>	<ul style="list-style-type: none"> <li>Development and delivery of the project</li> </ul>	<ul style="list-style-type: none"> <li>Personal approach</li> <li>Identification of common goals and needs</li> <li>Drawing out a shared vision</li> </ul>
	<ul style="list-style-type: none"> <li>Stakeholders not personally known (no history of previous joint working)</li> </ul>	<ul style="list-style-type: none"> <li>Mostly when the core partnership is established</li> </ul>	<ul style="list-style-type: none"> <li>Delivery of the project</li> <li>Extending the reach of the project</li> </ul>	<ul style="list-style-type: none"> <li>Networking and research</li> <li>Establishment of a steering committee</li> <li>Demonstrating benefits through a demo or prototype</li> </ul>

<sup>15</sup> The Co-creation Labs are one of the key mechanisms in the UKFP for promoting collaboration and co-creation between projects and UKCES. The Labs are one day workshops where delegates from all the projects in a Productivity Challenge and delegates from the UKFP team share lessons learnt and work together to address common problems. For each Productivity Challenge there are at least two Co-creation Labs.

Type	Who collaborates?	When?	What about?	How?
With end-users	<ul style="list-style-type: none"> <li>Businesses in the supply chain of partners</li> </ul>	<ul style="list-style-type: none"> <li>At the start and throughout the life of the project</li> </ul>	<ul style="list-style-type: none"> <li>Scoping phase – identifying needs amongst the target audience</li> <li>Testing the solutions and products</li> <li>Providing feedback on functionality and relevance of solutions</li> </ul>	<ul style="list-style-type: none"> <li>Discussion groups</li> <li>Survey (online and email)</li> <li>Pilot sessions</li> <li>Establishing a two way communication of collecting as well as providing feedback</li> <li>Open approach that welcomes honest feedback</li> <li>Bringing together leading businesses in the sector to raise credibility and prestige of the project</li> </ul>
	<ul style="list-style-type: none"> <li>Learners and trainees</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the development process</li> </ul>	<ul style="list-style-type: none"> <li>Testing the products at the different stages of development</li> <li>Providing feedback on outcomes to demonstrate benefits</li> </ul>	<ul style="list-style-type: none"> <li>Through partners – nominated new employees and trainees</li> <li>Pilot sessions</li> </ul>
Between projects	<ul style="list-style-type: none"> <li>The lead partner of the project</li> </ul>	<ul style="list-style-type: none"> <li>During the advance stages of development</li> </ul>	<ul style="list-style-type: none"> <li>Providing additional resources for the development and implementation of the project</li> </ul>	<ul style="list-style-type: none"> <li>UKFP Co-creation Labs</li> <li>Links brokered by the Relationship Manager</li> <li>Stimuli from UKCES (e.g.</li> </ul>

Type	Who collaborates?	When?	What about?	How?
	<ul style="list-style-type: none"> <li>Other stakeholders in the core management group of a project</li> </ul>	<ul style="list-style-type: none"> <li>Towards the end of the Productivity Challenge</li> </ul>	<ul style="list-style-type: none"> <li>Joining resources to drive a change in the sector</li> </ul>	<ul style="list-style-type: none"> <li>linking to government departments and other stakeholders in their network)</li> <li>Formation of an industrial partnership / network</li> </ul>

### 4.3 Achieving effective collaboration in the UKFP

Achieving effective collaboration can be challenging, as seen in the evidence from the literature discussed above (Figure 2-3), not least because in the majority of the cases the industry partners that come together are also business competitors<sup>16</sup>. That said, the evidence from the UKFP suggests that collaboration has indeed been achieved between the different stakeholders on different levels. The collaboration was realised through stakeholders working jointly on the development and delivery of their projects, sharing ideas and information and joining resources.

Along with having the right people involved, it was important to have good communications between the stakeholders. Many of the collaborations started by investing time during the initial stages of the project to establish a clear, shared vision and common language between all stakeholders. The aim was to bridge differences in culture and come to a consensus around the issue that the project would focus on and how this would be described.

Stakeholders held frequent meetings (between fortnightly to monthly in most cases), as well as informal communications on an ad hoc basis as required. They fed back that having open communication between all stakeholders was key in developing trust and strong partnerships between the stakeholders.

Stakeholders also noted that having a good project manager was key in achieving an effective collaboration. The effective project manager took responsibility for organising the meetings, ensuring communications between stakeholders flowed, steering the development and delivery work and ensuring stakeholders remained on point. In most of the cases one of the stakeholders volunteered to take on the role of project management. Where there was an intermediary, they usually took on this role.

<sup>16</sup> Evidenced in the *Employer Collective Measures review*  
[http://dera.ioe.ac.uk/9795/1/UKCES%20CM%20A4%20Main%20Report%20Web\\_1.pdf](http://dera.ioe.ac.uk/9795/1/UKCES%20CM%20A4%20Main%20Report%20Web_1.pdf)

### **What makes an effective collaboration? An example**

- In Productivity Challenge 2, one project learnt a number of lessons about what makes effective collaboration. These included:
  - Focusing on a sector helped to ensure the relevance of activities to all the stakeholders who are involved.
  - Building on successful models of work (e.g. a previous project design or implementation structure) and established partnerships promotes the success of the project.
  - Recognition by the Prime of the importance of their supply chain in the final imbedding of the product added impetus to the project.
  - Poor project management is a barrier to collaboration. This can be mitigated by ensuring meetings are well executed and views of all partners are considered prior to making decisions.
  - Tension between partners needs to be managed and balanced. This can be achieved through the intermediary acting as an 'honesty broker' between the partners, holding informal discussions between partners and setting up sub-groups to address specific issues.
  - The introduction of new partners should be managed carefully. New partners should be briefed fully in advance on the nature of the partnership and terms of reference.
  - The chemistry between partners is as important as the subject matter that is being discussed.

#### **4.4 Barriers to collaboration in the UKFP**

The stakeholders noted that the key barrier to collaboration in the UKFP was the reluctance of stakeholders to commit financial investment, mainly due to the innovative nature of the projects and the associated risks. However, since the projects were awarded external funding through the UKFP, this barrier was relatively easily overcome in the short term. Indeed, the stakeholders did contribute matched funding in cash and in-kind to some extent, but the external funding provided a sense of focus and security, and so helped stakeholders to be more willing to take part. The stakeholders commented that without the external funding from UKCES they believe the initiative would most likely not have happened as employers would have been reluctant to take the risk with their own funds solely.

Another barrier to collaboration is the challenge of engaging stakeholders who do not have a history of working together. Feedback from stakeholders suggested that where this has been overcome, this was through good leadership from intermediaries who engaged in successful networking at various sector events, used their networks to reach to new partners and at a point where there was a tangible product to show to people.

As noted above, in some cases end-user collaborated with each other. A barrier to this type of collaboration was the seniority of end-users. If the end-user held a junior management position the extent to which they could engage in conversations about collaboration was reduced, compared to a senior manager. Facilitating collaboration at all tiers within Productivity Challenges and projects seemed to have required senior decision makers to be present as they have more scope to make decisions.

## **5 Benefits and Outcomes**

Feedback from the various stakeholders suggested that successful collaboration had a number of benefits:

- The key benefit mentioned by many was that the project was successful in developing a product or a solution in addressing the issue that was at the focus of the work. Stakeholders commented that they did not believe they could have achieved this output without collaborating, which had added:
  - Shared resources. Some examples included one project hosting the content of another on their online platform in order to enhance reach, or stakeholders splitting the task of developing the product and then sharing their outputs. In the latter case, this meant increased resources was devoted to the development in a short timescale.
  - Shared learning. This included sharing of best practice, visits to each other's facilities and the sharing of findings from the scoping research conducted for the purpose of the project.
  - Sharing information. Knowledge partners provided valuable information which added insight on specific issues and around learning methods. In most cases this was expert content, relating to technical aspects of the projects (e.g. information on National Occupational Standards).

- A second benefit stakeholders mentioned was increasing the credibility of the product with other businesses. Stakeholders mentioned that because a number of large, respected employers had come together and in essence endorsed the output, it was more likely that other primes, as well as smaller firms would adopt the solution. This was also useful in engaging end-users in the development stage, especially when they were businesses in the sector. This could help with future sustainability, but it is too soon to say at this stage.
- A third benefit mentioned by stakeholders was networking. Some evidence in the UKFP suggested that this could lead to new business opportunities. In a few cases, industry partners who met through a project reported that they have or were intending to collaborate on future initiatives (mainly in Productivity Challenge 1). Where collaboration between end-users occurred (mainly in Productivity Challenge 2) this has led to the sharing of business opportunities (where there were capacity issues) and informal support networks between two or more businesses.

#### **The Benefits of collaborating – An example**

- In Productivity Challenge 1, one project formed a partnership between industry and knowledge partners, brokered by the lead partner who acted as the intermediary. The key benefits of the collaboration highlighted by the project were:
  - The collaboration was beneficial to all partners as everyone felt that their objectives were met.
  - Partners were able to achieve more outputs faster as more people were involved.
  - Different insight and skills of partners strengthened the partnership and promoted the shared learning.
  - Engaging stakeholders from wider circles meant that the project had the potential to build on these stakeholders' networks to scale up further.

## 6 Emerging implications

The literature suggests that:

- 17% of employers have collaborated with another employer on skills over the past year. The most common reason for collaboration cited by these organisations was the ability to share best practice
- Collaboration is generally most effective when it is embedded in the culture of the organisations that are co-operating
- Networks of employers offer a variety of benefits in terms of skills development, including the reduction of training costs and knowledge transfer. This suggests that the current rate of employer collaboration (17%) may need to go up to improve the effectiveness of addressing the skills and productivity challenges that businesses face
- Successful collaboration is often based on existing relationships and should be focused on the needs of employers. Research on networks has shown that collaborations that are flexible in their focus are more likely to achieve longevity.

The evidence from the UKFP so far is in line with the literature, providing a rich series of examples of how such benefits can be realised in practice. Several factors have promoted the collaboration evidenced in the UKFP:

- Awareness amongst stakeholders about the issues, gaps and challenges that their industry and businesses were facing
- A commonly recognised need or goal across the stakeholders
- Having a platform to initiate discussions and bring stakeholders together (in the case of the UKFP the external funding, Co-creation Labs and support of UKCES provided this platform)
- External funding which attracted partners to get involved and increased their willingness to work together and to take risks.

## 6.1 Key messages

The findings also highlighted several points for consideration for the programme managers, policy makers and other stakeholders, in terms of how collaboration between employers and stakeholders can be promoted. These are set out below.

Employers	UKCES	Policy Makers
<ul style="list-style-type: none"><li>• Active business engagement with education providers leads to provision which better suits business needs</li><li>• Collaboration with other employers can mean achieving more for less and in less time (doing so requires letting others lead on some elements)</li><li>• Time should be allowed at the start for trusted networks to develop</li><li>• Collaborating employers go on to develop new business opportunities together</li><li>• Having a tangible product with clear benefits helps to engage new partners/customers</li><li>• Earlier feedback from end-users gets a quality product more quickly</li><li>• Project management resources is key for success – may be a role for an intermediary</li><li>• Having high profile sector leaders involved can help with engaging others</li></ul>	<ul style="list-style-type: none"><li>• UKFP provided platform to initiate activities and promoted collaboration</li><li>• External funding can attract partners due to lowered risk to collaboration and provided shared focus</li><li>• UKFP sped up a process of collaboration that may have occurred naturally</li></ul>	<ul style="list-style-type: none"><li>• Target support on issues that have traction with employers</li><li>• Target issues that are common across sectors or groups of employers</li><li>• Target issues that require action greater than one organisation can achieve alone</li><li>• Prestigious prime employers are a key route to smaller businesses and increase credibility of product</li><li>• Trust is vital. A neutral intermediary can drive collaboration between competitors</li></ul>



The UK Commission for Employment and Skills (UKCES) is a publicly funded, industry-led organisation providing leadership on skills and employment issues across the UK. Together, our Commissioners comprise a social partnership of senior leaders of large and small employers from across industry, trade unions, the third sector, further and higher education and across all four UK nations.

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