

## European Social Fund Cohort Study – Wave 3

**Summary** <http://research.dwp.gov.uk/asd/asd5/rports2011-2012/rrep771.pdf>

The ESF Cohort Study is a large scale longitudinal quantitative survey designed to evaluate the longer term outcomes of the training and advice provided through the ESF programme. It involved three waves of interviews, which were mainly conducted by telephone supplemented by a small number of face-to-face interviews with more vulnerable respondents. Respondents were first interviewed between April and September 2009 after they had started their course, and approached again between January and March 2010 (Wave 2) and January and March 2011 (Wave 3) subject to consent to be recontacted. Full interviews were conducted with 2,740 respondents in Wave 3.

Survey data has been weighted so that it is representative of the profile of ESF and match participants according to management information available in April 2009, when the sample for the study was drawn.

The study covered four of the ESF priorities, including: Priorities 1 and 4, which have a focus on extending employment opportunities and tackling barriers to employment; and Priorities 2 and 5, which aim to develop and improve the skills of the workforce.

This report contains the findings from participants who responded to all three waves of the ESF Cohort Study, and uses responses from all three interviews. While the Wave 1 and 2 reports focussed upon the characteristics of participants, respondents' experiences of the programme as well as outcomes, the purpose of the third wave is to provide information on the longer term outcomes of ESF provision. This wave also collected data related to sustainability to explore the integration of this cross-cutting theme into ESF provision. The report examines the involvement of ESF and match funded participants in training about green issues and the degree to which they are employed by organisations providing related products and services.

### Course completion

Only a minority of respondents (1 per cent) had still to finish their course when they took part in the Wave 3 ESF Cohort Study, with 74 per cent of participants staying to the end of the course and 25 per cent leaving early.

The participants' courses lasted six months on average but ranged from less than one month to three years or more. Longer courses were more common among Priority 2 and 5 participants with average lengths of 13 and 8 months respectively, compared with 4 months among Priority 1 participants and 5 months among Priority 4 participants.

A higher proportion of Priority 2 and 5 participants had stayed until the end of their course compared with those in Priorities 1 and 4. Five per cent of Priority 2 and 11 per cent of Priority 5 participants left their course early. Among participants in Priorities 1 and 4, the comparable figures were 29 per cent and 25 per cent respectively. Participants were also more likely to have left the course early if they had multiple disadvantages or if they had been 'made to' or 'persuaded to' take part in the course rather than it being their own idea. Being aged 16-19, not having prior qualifications and not being in employment were found to be significantly associated with non-completion once other factors were taken into consideration. While a proportion of participants left early because they found a job, this suggests that further support may be necessary to encourage continued participation among these groups. The level of satisfaction with the quality of the course was also a significant factor.

## Qualifications

Before starting the course, 16 per cent of participants had no qualifications, while a further 25 per cent had qualifications below Level 2 or had 'other' qualifications. Participants with a disability or long term limiting illness were less likely to have qualifications.

By the time of the Wave 3 interview, 36 per cent per cent of participants had gained full qualifications through the course, although this figure was higher in Priority 2 (80 per cent) and Priority 5 (73 per cent). Gaining a qualification was more common among women compared with men and less common among participants aged 50 or more. Whether a Priority 2 participant gained a qualification also significantly differed with the size of the employer. Those working for smaller employers with less than 25 employees were more likely to gain a qualification than those working for very large employers. For Priorities 2 and 5, ESF funded participants were less likely to gain a full qualification compared with match funded participants (61 per cent compared with 90 per cent).

Once other respondent characteristics were controlled for, not gaining work skills on the course, being a lone parent and being female were found to have a significant negative relationship with qualification acquisition. Differences in provision by funding stream and course intensity also appear to play a role.

In addition to the acquisition of full qualifications, 12 per cent of participants had gained units or modules towards qualifications by the time of the Wave 3 interview. Again, this was higher among Priority 2 (24 per cent) and Priority 5 (22 per cent) participants.

A number of results targets relating to qualification acquisition exist for the Priorities 2 and 5. For both priorities, there is a 40 per cent target for the proportion of participants without a prior level 2 qualification gaining a full level 2 qualification. Similarly a target of 30 per cent exists for the achievement of a full level 3 qualification amongst those with only a level 2 prior to the course. The findings from the cohort study suggest that these targets have been met. At the time of interview, of those without a prior Level 2 qualification, 40 per cent of Priority 2 and 5 participants had obtained a Level 2 qualification. Of those participants without a prior Level 3 qualification, 32 per cent of Priority 2 and 5 participants had obtained a Level 3 qualification by the Wave 3 interview.

Forty-four per cent of participants had taken part in some form of vocational training since the course. Most commonly, participants had received training in how to look for a job (23 per cent), followed by general training in the world of work (20 per cent) and training in personal skills (18 per cent). Around half of these participants would not have done undertaken this training without the original course, suggesting that ESF and match funded provision plays an important in engaging participants with wider training opportunities.

## Employment outcomes

Priorities 1 and 4 have a number of results targets related to employment. For Priority 1, there are targets of 22 per cent of participants in employment on leaving the course and 26 per cent in employment six months after this. The findings from the ESF Cohort Study suggest that the programme has been successful in this regard. While the study does not provide us with a snapshot of participants' employment status at the exact point of leaving and six months later, the employment status of participants at the various Waves is in line with these targets. Similarly for Priority 4 participants, targets were set at 24 per cent in employment on leaving and 30 per cent in employment six months later. Once again the survey data suggest that these targets have been met.

The study found that the employment rate among Priority 1 participants rose from six per cent on the week before the course to 32 per cent rate at the time of the Wave 3 interview, while

the rate of unemployment fell from 70 per cent to 38 per cent over the same period and the proportion economically inactive rose from 24 to 30 per cent. Among Priority 4 participants the employment rate rose from 4 per cent to 34 per cent, with a corresponding fall in the proportion who were unemployed of 39 per cent to 20 per cent and a fall in the proportion who were economically inactive of 57 per cent to 46 per cent. When comparing the rate of unemployment at the time of interview with the rate 12 months before the course there was a small decline in unemployment (from 42% to 38% in Priority 1). It is also important to note that interviews took place during the economic recession, which may contribute to the reduction in unemployment not being higher.

Among the target groups, the lowest Wave 3 employment rates were reported for those participants with disabilities or health conditions and those aged 50 or older. Indeed, even once other factors were controlled for, having a physical or mental disability had a negative association with being in employment at Wave 3, presenting a considerable barrier in many cases. Having no prior qualifications and being long-term unemployed were also significant factors, as were having no recent work experience and being made to go on the course.

For Priorities 1 and 4, a greater increase in the proportion of participants in employment between the week before the course and the Wave 3 interview was seen among ESF funded participants (38 percentage points compared with 23 percentage points for match funded participants). As the courses funded by the ESF programme include a group of the population that have become unemployed and have been identified as potentially benefiting from these courses this is not unexpected.

For many, employment was sustained between earlier Waves and the Wave 3 interview. Among Priority 1 participants, 80 per cent of those employed at Wave 1 were still employed at Wave 3 and similarly 80 per cent of those employed at Wave 2. Among Priority 4 participants, 70 per cent of those employed at Wave 1 were still employed at Wave 3 and 76 per cent of those employed at Wave 2.

Of those participants who were in employment at the time of the interview and who had been out of work in the week before the course, 21 per cent said that someone on the course had suggested that they apply for their current job, while a similar proportion (22 per cent) had used contacts from the course when applying for their current job.

Of those Priority 1 and 4 participants not in work at the time of the Wave 3 interview, 66 per cent were looking for work, with a further 22 per cent wanting work although not currently looking. Intentions among this group were similar to those observed at Wave 2, as were their self rated likelihood of finding work and confidence in finding work.

Of those participants who were unemployed at the Wave 3 interview, most had made job applications (67 per cent) since the Wave 2 interview while a slightly smaller proportion had been to job interviews (63 per cent). Thirty-five per cent of unemployed participants had used contacts from the course in their job search, while 28 per cent said that someone on the course had suggested that they apply for particular jobs.

At this stage, as at previous Waves, the most cited barriers to getting a job were the lack of jobs locally, a lack of recent work experience and not having the right skills. While these barriers are based on participants' perceptions, consideration of local opportunities and matching skills training and work experience opportunities with these is clearly important in helping to ensure that ESF provision assists participants move towards work. At the time of the Wave 3 interview, access to and the cost of transportation and childcare was also cited as a barrier for some, suggesting that further support would be beneficial to participants after they have finished their course.

Improvements in employment were also observed among those participants in employment both before the course and at the time of the Wave 3 interview. Sixty-nine per cent of such participants said that, since they had been on the course, they had improved their job security. (This was more prevalent among participants working for small employers with less than 25 staff than larger employers.) A high proportion of participants (87 per cent) agreed that the course had helped them in this area. The course also seemed particularly beneficial to those employees who had taken on higher skilled work for an existing employer (51 per cent) – with 90 per cent acknowledging that the course had helped them to do this work. Participants also reported other positive changes such as increased hours, taking on responsibility for others and movement to a permanent contract. These positive changes suggest that the skills and qualifications acquired via the ESF provision have increased the value of participants to their employer and the labour market, although the degree to which these changes are attributable to this cannot be ascertained.

## **Green Training**

Fourteen per cent of participants reported having received training on green issues as part of their ESF/match funded programme. Of those in employment, 23 per cent had received such training in their current job. This most commonly covered recycling (18 per cent), reducing waste (17 per cent), energy conservation (15 per cent) and use of sustainable resources (14 per cent).

Overall, 45% of working participants said they worked in organisations offering one or more green products or services; most commonly recycling (34 per cent) and other waste disposal (25 per cent).

## **Conclusion**

This wave of the ESF Cohort Study aimed to provide information on the longer term outcomes of provision and whether the outcomes identified in earlier waves have been sustained.

Participants in ESF provision have reported improved employment prospects with some moving into employment since the course, evidence of progression within the workplace among those already in employment and the development of higher level skills and qualification acquisition amongst others.

While qualifications gained are a permanent achievement, employment outcomes can be transitory. However, the study suggests that that majority of those in employment at the previous wave have remained in employment at Wave 3 (and, in a period of economic difficulty, this proportion may be lower than would otherwise have been). Further improvements have also been observed since Wave 2 amongst those who have been in employment since the start of the course. Similarly, among those who have not secured employment, work search activity remains at similar levels to those seen at Wave 2; and levels of motivation to look for work and confidence in finding work appear to have been sustained. These outcomes have been observed across the board including amongst those participants facing disadvantages that hinder their labour market activities.

On the basis of the cohort study it appears that ESF and match-funded provision has had a positive and sustained impact upon participants in line with the targets that were set. The findings from the study do highlight some areas which could be given further consideration for future programmes with a view to improving outcomes. This includes additional efforts to engage younger participants and those 'made to' go on the course, additional support for participants who face certain disadvantages linked with poorer outcomes (i.e. those with disabilities or long term health problems, the long term unemployed and those with no prior qualifications), particularly provision to increase their confidence and greater work experience opportunities.