Exploring training providers’ perceptions of bureaucracy within Train to Gain and assessing support for planned bureaucracy reduction measures

August 2009

This study provides a benchmark of training providers’ perceptions of bureaucracy within Train to Gain. The benchmark will be periodically reviewed following the introduction of bureaucracy reduction measures throughout 2009/10.

The research also identifies aspects of the programme that are most closely associated with perceptions of high bureaucracy. The study reveals strong support for the Learning and Skills Council’s planned bureaucracy reduction measures, as well as providing new insight into how operational processes can be streamlined to achieve improvements and efficiencies.

Key Findings

- A large proportion of providers strongly support the LSC’s planned measures for reducing bureaucracy. There is most support for fewer signatures as verification of data; single contract relationships for multiple region providers; three year contracts and standardised paperwork.

- On a scale of 1 to 10, where 1 is ‘minimal bureaucracy’ and 10 is ‘excessive bureaucracy’ the mean average score for assessing Train to Gain as a whole programme, is 7.69.

- However, when individual processes relating to ‘setting up contracts’ and ‘performance management’ are rated using the same scale, the mean average scores are lower, typically around 5 or 6 out of 10. This may indicate that headline perceptions of bureaucracy are higher than actual activity.

- Bureaucracy ratings are higher amongst Further Education (FE) providers; those working in consortium; and those working in multiple regions. Inconsistent contracting and evidencing requirements across regions is also associated with high bureaucracy scores.

- When comparing the internal administration systems of high scoring FE and low scoring private providers, we find that in FE providers more people are involved in administrating Train to Gain, a greater number of job functions are involved in processing learner paperwork and consortium working is more common.

- When training providers score at the high end of the bureaucracy scale, they raise concerns about learner paperwork including: a high volume of paperwork; complex paperwork; duplication of paperwork; and frequent changes to paperwork.

- High overall bureaucracy ratings are closely associated with training providers scoring at the high end of the scale for processes such as ‘evidencing and auditing requirements’ and ‘completing learner paperwork,’ especially gathering the required signatures and completing the ‘enrolment and data capture form’ and the ‘learner review record’.

- Providers returning low bureaucracy scores characteristically have: a good relationship with their LSC contract manager; have experienced a quick contract set-up or variation; and have successfully streamlined their own paperwork or adopted the Train to Gain standardised learner paperwork.
Background

Train to Gain (TtG) was launched as a national service to employers in August 2006. The service offers a diagnostic assessment of employers’ skills needs in relation to the development of their business and the identification of appropriate training from a network of quality assured training providers.

The service provides funding for the delivery of qualifications, including full subsidies for full Level 2, Skills for Life and Level 1 qualifications and full or part subsidies for full Level 3 and 4 qualifications. Under new flexibilities introduced in January 2009, small to medium sized employers can also access funding for specific accredited units of qualifications or VRQ thin qualifications that have been mapped to ten business critical functions.

The Train to Gain Review of Bureaucracy

In 2007, in consultation with the Bureaucracy Reduction Group, the LSC commissioned PriceWaterhouseCoopers (PWC) to examine real and perceived issues with TtG delivery and to make recommendations for improvement. PWC reported that the contract and procurement processes were too complex, alongside being perceived as bureaucratic and slow and inconsistent across regions. An end-to-end process review with training providers was carried out by CFE in 2008 to further understand where providers might be creating additional bureaucracy and to identify how processes might be improved.

Following these reports, the Bureaucracy Reduction Group recommended five broad areas of activity to reduce bureaucracy within TtG: a review of documentation; transfer of the skills brokerage service from the LSC to Regional Development Agencies; a new framework for performance management; a single contract for providers working in multiple regions and the removal of the two tier rate of funding. These measures have either recently been introduced or are due to roll out during the 2009/10 academic year.

The study

As the full range of service improvements are rolled out across the country, it is important that the LSC is able to measure their impact and effectiveness in reducing bureaucratic burden. To do this, the LSC needs to understand provider’s current perceptions of bureaucracy within the service, creating a benchmark. Then as measures are introduced, reassess the situation to understand whether the measures are working and to what effect.

The overall objective of this project is to provide regular assessment of the impact and effectiveness of service improvements, starting with a benchmark against which future activity can be measured.

Drawing upon 20 in-depth telephone interviews and a telephone survey with 451 Train to Gain training providers’ undertaken in May and June 2009, CFE’s research:

- Provides understanding about ‘real’ and ‘perceived’ bureaucracy across the contracting and performance management processes;
- Identifies bureaucracy ‘hotspots’;
- Considers the extent to which providers’ own processes create additional bureaucracy;
- Reviews how well LSC communications and support have operated; and
- Asks providers for their feedback on the proposed bureaucracy reduction measures and to offer their own ideas for further improvements and efficiencies.

Perceptions of bureaucracy

The current perception of Train to Gain amongst training providers is that it is overly bureaucratic. On a scale of 1 to 10, where 1 is ‘minimal bureaucracy’ and 10 is ‘excessive bureaucracy,’ the mean average score for assessing Train to Gain as a whole programme, is 7.69. The most frequently mentioned (mode) score is 8.

Thinking about all the processes involved in delivering TtG in your organisation, how would you rate the level of bureaucracy involved? (Base = Overall rating (451))

![Figure 1: Overall bureaucracy scores for Train to Gain](image)

Just over three-quarters (77%) of providers gave a rating of 7, 8, 9 or 10. Just under a quarter (23%) gave a rating of 1, 2, 3, 4, 5 or 6.

Bureaucracy ratings tend to be higher amongst Further Education (FE) providers, those working in consortia, and those working across multiple regions.

Providers returning low bureaucracy scores have these characteristics: a good relationship with their LSC contract manager; have experienced a quick contract set-up or variation; and have successfully streamlined their own paperwork or adopted the new LSC learner paperwork.

Providers were asked to use the same scale to give a bureaucracy score for each region where they held a TtG contract. A similar pattern to the graph in Figure 1 emerged in
each region and no statistically significant differences can be found.

Actual processes involved in ‘setting up contracts’ and ‘performance management’ were rated using the 1 to 10 scale. The mean average scores for actual processes were typically around 5 or 6 out of 10, indicating that headline perceptions of bureaucracy are higher than those relating to individual strands of activity.

Providers also identified changes in policy, audit and eligibility rules year on year as a significant contributory factor to the bureaucracy burden of delivering the programme. Where changes were introduced mid-year, this created confusion over the eligibility of employees and led to providers collecting more information about employees’ profiles for fear that evidencing requirements may increase.

Factors associated with high bureaucracy scores
- Evidencing and auditing requirements
- Completing learner paperwork
- Time consuming to complete the ‘enrolment and data capture form’ and the ‘learner review record.’
- Changes to funding guidelines, eligibility and audit requirements
- Regional inconsistencies in contract set-up, reporting and auditing

Factors associated with low bureaucracy scores
- Good relationship with LSC contract manager
- Prompt awarding of contracts and ease of contract variations
- Adoption of new standardised learner paperwork
- Successful internal streamlining of paperwork
- Belief that other funding streams are more bureaucratic than Train to Gain, especially the European Social Fund

Table 1: Explaining bureaucracy

Providers’ internal processes

The research also addresses how Train to Gain processes are interpreted and implemented by providers, including the flexibility providers have to create their own paperwork and processes.

Nearly all (96%) providers create their own internal paperwork as an alternative or addition to LSC paperwork. Providers are creating additional paperwork to satisfy and supplement the LSC’s reporting requirements. Extra evidence is collated in case additional reporting requirements are added mid-year and to satisfy the reporting requirements of other programmes such as the Training Quality Standard and Ofsted inspections.

Sometimes, additional paperwork is created because LSC paperwork is: not known about; is never received; received late; appears confusing or is deemed inadequate to cover evidencing requirements.
Providers are divided about whether creating bespoke internal paperwork makes Train to Gain ‘easier to administrate’ (48%) or ‘adds another layer of bureaucracy’ (43%).

However, the research does show that where providers perceive their own paperwork to be streamlined and simpler than LSC paperwork and when providers have adopted the new standardised learner paperwork (27% of providers sampled), overall bureaucracy scores fall. Providers are signalling their requirements for standardised paperwork and providers are willing to share best practice examples, which could be rolled out as an option to more providers.

A key factor in high bureaucracy scores is the volume of paperwork (associated with multi-region and consortium working) and the number of people involved in completing it. Higher bureaucracy ratings in FE providers compared to private providers might be explained by the higher numbers of staff administering Train to Gain contracts, the wider distribution of learner paperwork within the organisation across many job functions and the higher incidence of consortium working.

**LSC Support and Communications**

LSC communications, support and advice are well used:
- 99% have used LSC Guidance Notes
- 95% have sought advice from their LSC Partnership Manager
- 78% have attended the LSIS events

However, there are mixed opinions about the helpfulness of these resources.

Some providers have requested more communication with the LSC and do associate bureaucracy with:

**Dissatisfaction with account management**, e.g. time taken to arrange contracts; late issue of paperwork; non awareness of key paperwork and missed opportunities to attend new provider workshops.

**Frequent changes to audit, eligibility and funding rules** – which are often communicated too late to be enacted without costs to providers.

**Complex guidance notes** – lengthy documents written in complicated language, where it is difficult to distinguish processes and paperwork which are essential from those that are desirable.

**Bureaucracy Reduction Measures**

Training providers demonstrate strong support for the LSC’s planned bureaucracy reduction measures, with the majority believing they will result in either a large or slight reduction in bureaucracy.

- Nine in ten (89%) providers believe that fewer signatures required as verification of data will result in less bureaucracy;
- Three-quarters (77%) think that a single contract relationship with the LSC by passing region specific procurement processes will reduce bureaucracy.

![Figure 4a: Provider views on potential impact of proposed bureaucracy reduction measures](image)

We would like your views on whether these changes are likely to reduce or increase bureaucracy

**Figure 4b:** Provider views on potential impact of proposed bureaucracy reduction measures

Training providers’ own suggestions for reducing bureaucracy largely align with the planned measures and include: less paperwork and documentation; improved guidance and support resources; more communication with the LSC including a single point of contact; standardised paperwork; fewer signatures; standardised processes across regions; improved learner paperwork and fewer changes to paperwork.

**LSC Action**

Following the survey research findings the LSC is planning to:

- Re-publish a summary of bureaucracy reduction measures taken to date and seek to improve awareness of these existing measures;
- Improve policy awareness and communications with providers;
- We would like your views on whether these changes are likely to reduce or increase bureaucracy

**Base = All (451)**

![Figure 4b: Provider views on potential impact of proposed bureaucracy reduction measures](image)
Consider further reduction and standardisation of paperwork, based on identifying and publishing good practice around internal processes and paperwork; and

Integrate quantitative data collection into phase 2 of the evaluation linking into the wider work of the Bureaucracy Reduction Group.

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About CFE

CFE is an independent, not for profit specialist in skills, employment and economic development. Founded in 1997, we provide research and evaluation, programme management and consultancy services to both the public and private sectors. With over 40 dedicated staff, we work on behalf of government departments and agencies, local authorities, colleges and universities. Our experience and unique understanding of the local, regional and national policy landscape enables us to deliver services that are innovative, practical and responsive to the needs of our customers.

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