Ambition: identifying best practice for demand-led approaches

GHK Consulting

A report of research carried out by GHK Consulting on behalf of the Department for Work and Pensions
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Acknowledgements

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Summary

Introduction

GHK undertook, on behalf of the Department for Work and Pension (DWP), a small research study into the Ambition Programme. Ambition aims to place disadvantaged jobseekers into types of employment not usually accessible to them, whilst seeking to address identified skills shortages and employers’ human resource needs in specific sectors and occupations. Initiatives have been piloted for five sectors or ‘strands’, namely Energy, Construction, IT, Retail and Health. The research was completed to a tight timescale over February and March 2005.

The specific objectives of the research were to identify:

- best practice in employer engagement;
- aspects of the programme that could be replicated in the delivery of BoND;
- changes in employers’ attitudes to Jobcentre Plus and its customers, as a result of participating in the programme.

The study was based on qualitative research with key stakeholders, namely employers, training providers/intermediary organisations and Jobcentre Plus lead staff in selected Ambition strands. The approach examined three strands and six locations that Jobcentre Plus had identified as demonstrating key features of the Programme.

About the strands

The scope of the research was limited to three strands, namely Energy, Construction and IT. The Ambition models for each strand or sector were designed specifically to meet the needs of the different targeted industries and selected trades or occupations within them. Accordingly, the Pilots bundled together different types of activity including the following generic elements:
Summary

- demand-led approach and employer engagement;
- referral, assessment and selection of candidates;
- training (including pre-employment courses, such as health and safety, life/soft skills, commercial skills and occupation/trade-specific technical training);
- work experience or placements (in some cases, post-placement support).

One Ambition strand, Energy, was designed and implemented as a national peripatetic pilot, with courses running in different locations across the country depending on confirmed local demand. The Construction and IT strands were managed, designed and implemented locally in areas that been identified as having sufficient demand from local employers. The different models resulted in a range of practices for consideration here.

Key conclusions

The underpinning principle of Ambition was the demand-led approach, which based the programme on the requirements of employers, in terms of the vacancies they were seeking to fill and the training provided to the individuals identified as potential candidates to take up these vacancies. In practice, a demand-led approach operated at different levels, including the selection of sectors and occupations that experienced a skills shortage and the identification and engagement of individual employers with their specific requirements. It was found that:

- general skills shortages need to be narrowed down to a limited number of occupations on which to focus pilot activities. The sectors had been selected by Jobcentre Plus and the National Employment Panel (NEP) when Ambition was initially conceived, but each pilot then identified a limited number of occupations or trades for which training could be provided. Ambition:Energy did this at national level, covering nine trades in total. Ambition:IT was implemented at the local level, and the occupational/skill shortage focus varied from area to area. For Ambition:Construction, six core trades were identified at the start of the pilot, recognising perceived national industry skill shortages; but later on, these were increased to build in an element of flexibility to respond to the particular needs of local employers;

- employer interest is a prerequisite for delivery. Sufficient numbers of employment opportunities should be identified before starting a course. The Ambition:Energy model used the principle of ‘confirmed demand’, where employers with vacancies were identified before a course would be delivered. Ambition:IT and Ambition: Construction Pilots used a less strict concept, a riskier, and perhaps less motivating approach, where placements and vacancies were secured later when Jobcentre Plus customers were already on the programme and undertaking training.
The methods and intensity of engaging with employers varied significantly, although they typically included information/marketing materials, visits, open days, employer networking meetings, and Steering Groups. Best practice in employer engagement included:

- building effective working relationships with employers from the start of what is a continuous process;
- working within the interests and capacity of employers in providing an array of opportunities to be involved, at different levels of intensity, in the design, set-up and implementation of the programme;
- incorporating employer requirements in all stages of the programme, from selection of participants to training content;
- utilising existing relationships with the targeted sector, either through the chosen intermediary or through existing employer networks;
- focusing on selected occupations and areas with skills shortages, as directly experienced by local employers;
- creating employer confidence and trust in the processes and outcomes;
- ensuring effective communication between employers and other stakeholders;
- adaptability and flexibility by delivery organisations, including intermediaries and Jobcentre Plus, in order to respond to changing requirements from employers over time.

Employers were not necessarily aware of Ambition being a Jobcentre Plus service. Although this does not matter in terms of the outcomes achieved by Ambition, it will affect the extent to which employers might change their views on and use of services provided by Jobcentre Plus.

Employers who were aware of Jobcentre Plus’ involvement in Ambition tended to distinguish between their involvement in Ambition ‘the programme’ and other services provided by Jobcentre Plus, generally. This suggests that one programme alone is unlikely to achieve significant change in the perceptions and attitudes of employers about the organisation. The use of an intermediary was regarded as advantageous if an employer would not consider using Jobcentre Plus for their recruitment.

A small number of employers had already sought to diversify or grow their workforce and the programme helped them to do this. In other cases, there had been a notable shift in employer views about certain population groups as a result of Ambition. The majority were simply looking for motivated and enthusiastic candidates with the right skills. Most jobs offered appear to be additional to Jobcentre Plus, with employers reporting limited use of Jobcentre Plus as a recruitment channel in the past.
Employers interviewed for the research were generally satisfied with the programme overall and the people they had recruited through it. Although this was not necessarily a representative sample, it shows that Ambition and the specific sector/occupation pilot programmes worked for most of the employers interviewed.

Policy recommendations

The general satisfaction with Ambition and its principles suggest that an approach that takes employer requirements into account and provides the necessary flexibility in delivering such a service should be replicated in other employment programmes. This is in line with the principles of a stronger voice for employers and increased flexibility, as set out in the BoND strategy.

The Pilots have shown that, in practice, implementation of a demand-led approach is complex, resulting in variation in local delivery models and outcomes. This is a consequence of the extent to which there are established processes for creating relationships with employers and an understanding of their needs and ability to address their requirements. More importantly, the variation in delivery models reflect the extent to which they were able to achieve a balance between the two potentially conflicting objectives of supporting individuals disadvantaged in the labour market into new types of employment and providing employers with their ideal candidates for existing vacancies.

The generic delivery model of Ambition appears to be effective, provided there are actual skill needs and vacancies to be filled in a tight labour market, which results in employers being more open to alternative methods of finding suitable staff.

The current model places great responsibility on the intermediary and its capacity and capability to engage with employers and develop provision suitable to employer needs. The importance of intermediaries suggests that Jobcentre Plus would, therefore, need to ensure the selection of the ‘right’ intermediaries, in terms of their capacity and capabilities, and the development of effective linkages between programmes and Jobcentre Plus processes, services and provision.

The model combines a mix of different elements, each of which was regarded as important in its own right as well as the package of elements creating a coherent offer to employers and individuals. The elements include a selection process to identify the most suitable and motivated candidates followed by a combination of vocational training, soft-skills training, work experience and other support, as required.

The selection process should be kept as a main feature in future programmes, as it increases the probability of satisfying employer requirements and achieving a successful outcome for Jobcentre Plus customers. Selection criteria should avoid the ‘creaming’ of the most job-ready Jobcentre Plus customers, but there is a need to recognise the limitations to improving individuals skills and employability that can be achieved by the programme, given the parameters of available support, such as the
length and intensity of possible training provision and other basic/life skills support programmes. Additionally, some employability barriers will be overcome by individuals through participation in the programme, others are created by employer attitudes to, and experience of, certain population groups. Employer engagement should, therefore, not only be about understanding and addressing skill requirements, but also work to broaden the horizons and change the attitudes of employers.

The detailed content for each programme (i.e. each occupation/trade) was provided through a development process, i.e. the identification of what is required by employers and design, followed by further refinement, of the course content and selection criteria. This was the most resource-intensive part of the pilot, and it is unclear to what extent districts would be able to replicate such activities in the future under mainstream provision on an area by area basis, or indeed if this is a sensible option.

Districts would need to establish effective processes to identify employer requirements and skill shortages. The development of Ambition-type programmes in each district could lead to duplication of effort and lack of collective learning across Jobcentre Plus for common skills demand or occupations. It may, therefore, be of greater value to Jobcentre Plus, if districts were able to draw down a menu of occupation-specific provision that is tailored to the needs and requirements they have identified, but which could then be adapted further for local requirements.

In summary, employment programmes that address identified skill shortages, such as Ambition should be replicated through BoND, which seeks greater devolution and flexibility, within a national framework. In the context of Ambition-like provision, this should include:

- at the national level:
  - identification and review of skills shortage areas (in conjunction with NEP and Sector Skills Council (SSCs));
  - design and development of a menu of occupation-specific provision (course content) and, related to this, selection criteria for these specific occupational areas (e.g. in conjunction with employers and employer representative organisations);
  - facilitation of the collection and dissemination of labour market/sector information and support for learning and transferability between Jobcentre Plus areas on tailored sector/occupation provision;
  - seeking economies of scale in the design and development of provision, and guidance on intermediary/provider selection and procurement/contract negotiations;
• at the local level:
  – local employer engagement (in conjunction with local intermediaries) to identify and review of local skill shortage areas, to create employer interest and obtain vacancies in selected sectors and occupations;
  – enhanced knowledge of labour market trends and employer requirements amongst customer facing Jobcentre staff;
  – local implementation (in conjunction with intermediaries) of selection processes, training and related support, where necessary adapted to local context;
  – piloting of new occupation-specific provision and related selection criteria.
1 Introduction

1.1 Research objectives

GHK were commissioned to undertake a small research study into the Ambition Programme, which seeks to place disadvantaged jobseekers into types of employment not usually accessible to them, whilst seeking to address identified skills shortages and employers’ human resource needs in specific sectors and occupations. The research was completed to a tight timescale over February and March 2005.

It was not the intention of the exercise to evaluate the impact of the Programme\(^1\), but to identify features that demonstrate potential for mainstreaming and where there had been clear value added. Specifically, the research objectives were to identify:

- best practice in employer engagement;
- aspects of the programme that could be replicated in the delivery of BoND;
- changes in employer attitudes to Jobcentre Plus and its customers, as a result of participating in the programme.

1.2 Methodology

The study was based on qualitative research with key stakeholders, namely employers, training providers/intermediary organisations and Jobcentre Plus lead staff in selected Ambition Pilots. The approach was premised on examining those sectors and locations that had been identified by Jobcentre Plus as demonstrating key features of the Programme.

\(^1\) The research specification had stated that original proposals for an evaluation of Ambition had envisaged a large-scale quantitative and qualitative evaluation. This was not developed due to limitations in the ability to measure net impact given the lack of an appropriate counterfactual.
Programme sectors or ‘strands’ and sample areas were selected by Jobseeker Analysis Division (JAD) in discussion with the Jobcentre Plus Ambition Team. There are five Ambition strands, namely Energy, Construction, IT, Retail and Health. Energy, Construction and IT were chosen for the research as they had shown promising results after an initial period of implementation.

For each Ambition strand, two locations were selected as representative Pilots, based on criteria such as the spectrum of trades covered, geographical location, and performance. They were:

- Ambition:Energy – Dudley, Neath;
- Ambition:IT – Greater Manchester, West Lancashire;
- Ambition Construction – Paddington, Forth Valley and Dumbartonshire.

The research consisted of qualitative in-depth interviews with key stakeholders involved in the Ambition Pilots in the six areas. Each location was visited to undertake face-to-face interviews with the Jobcentre Plus project manager/local lead contact and the Training Provider/Intermediate Organisation, especially programme managers, recognising, that in some, instances training providers may be employers. This was complemented by telephone interviews with up to five employers, focusing on those who have recruited Ambition participants and where possible, examples where success has been more limited.

The plan was to undertake approximately seven interviews in each area. The actual number of interviews is shown in Table 1.1. A total of 45 interviews were undertaken, half of which were with employers.

### Table 1.1 Number of interviewees

<table>
<thead>
<tr>
<th>Ambition strand</th>
<th>Jobcentre Plus</th>
<th>Intermediary/ training provider</th>
<th>Employers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>5</td>
<td>4</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>IT</td>
<td>3</td>
<td>4</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>Construction</td>
<td>2</td>
<td>4</td>
<td>9</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td>12</td>
<td>23</td>
<td>45</td>
</tr>
</tbody>
</table>

Additionally, ‘feedback sheets’ were sent out to Jobcentre Plus leads in districts and regions that had run an Ambition pilot. A total of 25 completed feedback forms were received for Ambition:Energy, four for Ambition:IT and six for Ambition:Construction.
1.3 This report

In the remainder of the report: Chapter 2 provides an overview of the Ambition Programme and sets the context for the research; Chapters 3 and 4 discuss the findings of the research covering the demand-led approach, employer engagement and operational aspects of Ambition; and Chapter 5 presents conclusions and recommendations.
2 The Ambition Programme

2.1 Programme objectives

The Ambition Programme is a pilot training programme aiming to meet skills shortages in specific sectors and occupations and to help unemployed and disadvantaged people into sustainable jobs that pay well and have career potential.

The fundamental principle underpinning the programme is a demand-led approach. Designed by Jobcentre Plus and the NEP, this principle bases the programme on specific human resource needs and skills shortages, and engages employers in the design of packages of training and work experience.

Overall, the programme aims to achieve the following generic objectives:

- Achieve higher placement and retention rates of disadvantaged participants in jobs that are not usually accessible to unemployed people.
- Meet employer human resource and skill shortage requirements in specific sectors and occupations.
- Engage industry expertise directly in the design and customer feedback of all provision, so that candidates meet ‘job readiness tests’ and contribute to employer productivity.
- Increase the number and diversity of participating employers to maximise the quality and variety of jobs on offer by Jobcentre Plus.
- Build the organisational capacity and staff expertise of Jobcentre Plus and local intermediaries to plan, manage, market and deliver a demand-led strategy.
- Develop bespoke management, contracting and information systems fit for the purpose of a high performance initiative.
2.2 Ambition strands

There were five sectors or ‘strands’ in which Ambition was piloted, namely Energy, Construction, IT, Retail and Health. Most strands started in 2002, however, Ambition:Health was implemented relatively recently with a first intake of trainees in autumn 2004.

Of all Ambition strands, one (Energy) was delivered as a nationwide peripatetic pilot. A single national delivery model was developed and implemented through courses run in locations across the country, where local demand could be confirmed. Ambition:Energy was implemented and managed at national level by the Jobcentre Plus Ambition Team, in collaboration with EUSkills, the SSC for the Energy and Utilities industry.

The other four of the five Ambition strands (Construction, IT, Retail and Health) were implemented as local Pilots, covering one or more districts. Each pilot area had been identified as having sufficient demand from local employers in that sector. Based around the national framework for Ambition, each area would develop a local delivery model, which would be implemented through repeated courses over the length of the pilot. These, also referred to as ‘static’ Pilots, were principally implemented and managed at the district level by the Divisional Programme Quality Management Team (DPQMT) staff, in collaboration with local intermediaries, such as employer training organisations and employment and training agencies, including sector specialists and general providers.

The Ambition models for each strand were designed differently to meet the needs of the different targeted industries and selected trades or occupations. Each strand bundled different types of activities to achieve this; Table 2.1 provides an overview of the generic content or model for each sector. All featured the following components:

- demand-led approach and employer engagement;
- referral, assessment and selection of candidates\(^2\);
- training (including pre-employment courses, such as health and safety, life/soft skills, commercial skills and occupation/trade-specific technical training);
- work experience or placements (in some cases, post-placement support).

\(^2\) Eligibility criteria for referral differed between strands and pilot areas, but they were generally similar to New Deal eligibility, with earlier referral possible for some priority groups; from these groups Ambition participants would be chosen through a selection process.
### Table 2.1  Generic strand Programme content

<table>
<thead>
<tr>
<th>Strand</th>
<th>Training content guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Energy</strong></td>
<td>Syllabus designed to meet specific trade requirements, but all incorporate the following elements:-Life and Key Skills Training, e.g. confidence building and working as part of a team; -Qualification from NVQ level 1 to 2; and -Work placement with an employer in the relevant energy sector.</td>
</tr>
</tbody>
</table>
| **IT**       | To be designed locally with particular employers in mind, generic requirements are:  
|              | – assessment period – Pilots are operating a variety of assessment periods ranging from one day to two weeks;  
|              | – Intensive Training Period – up to 26 weeks intensive technical training to VRQ level 2 and/or vendor specific certificate;  
|              | – soft and commercial skills training;  
|              | – work placement with an IT employer; and  
|              | – six months post placement support.                                                                                                                        |
| **Construction** | Two week pre-employment course: includes safety training/certification (health and safety, abrasive wheels, first aid, etc.) and trade work tasters. The customer chooses a trade route at end of this period.  
|              | Up to 26 week intensive training period in the trade route: combination of waged training/work experience. The participant is registered for the Construction Skills Certification Scheme (CSCS) card, and begins working towards NVQ2.  
|              | Up to 26 weeks subsidised employment: The employer receives subsidy towards cost of NVQ training, customer continues to work towards completing NVQ2.  
|              | Unsubsidised employment: Employer subsidies stop, customer is retained in employment and achieves NVQ2, with opportunity to continue to level 3 if appropriate. |
Table 2.1 Continued

<table>
<thead>
<tr>
<th>Strand</th>
<th>Training content guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>One-three day assessment.</td>
</tr>
<tr>
<td></td>
<td>Four-eight week training, including work experience placement.</td>
</tr>
<tr>
<td></td>
<td>Guaranteed interview at the end of training.</td>
</tr>
<tr>
<td></td>
<td>Six months post-placement support.</td>
</tr>
<tr>
<td>Health</td>
<td>Open day to give an overview of careers in the health sector and training required.</td>
</tr>
<tr>
<td></td>
<td>An assessment period where tests are given to assess aptitude for working in the health sector.</td>
</tr>
<tr>
<td></td>
<td>Intensive Training consisting of a mixture of up to 26 weeks technical training and work placement, working towards NVQ Level 2 and/or employer equivalent qualification.</td>
</tr>
<tr>
<td></td>
<td>Once in employment, further training and support to achieve an NVQ Level 3 and/or employer equivalent qualification.</td>
</tr>
<tr>
<td></td>
<td>Post-employment support for the first six months.</td>
</tr>
</tbody>
</table>

Source: Ambition Programmes – A demand-led approach, March 2004; www.jobcentreplus.gov.uk

Ambition:Energy piloted programmes for about nine trades, and 100 courses have been delivered. The majority, however, related to the gas industry, with more than two-thirds of participants training to become a domestic gas installer. Construction, IT and Retail have been piloted in six to nine locations, with up to 30 courses in each location.

By the end of January 2005, more than 7,000 Jobcentre Plus customers had participated in training under the five Ambition programmes. Ambition:Energy is regarded as the most successful strand: it has exceeded the job outcome target of 60 per cent training starters into jobs and retention target of 70 per cent job starters retained at 26 weeks set for the programme. Overall, Ambition programmes for IT, Construction, Retail and Health did not reach the same targets. Table 2.2, however, shows the wide range of performance by individual pilot areas, suggesting that each strand included at least one successful pilot that achieved higher job outcome rates than other employment programmes³, if not the overall targets set by Ambition.

³ For comparison: job outcome targets achieved by other employment programmes ranged from 19-40 per cent (Source: NEP 2004, Ambition Stocktake Report, p. 18).
Table 2.2  Selected strand and performance data

<table>
<thead>
<tr>
<th>Ambition strand</th>
<th>Pilot number</th>
<th>Date of first intake</th>
<th>Training starters total</th>
<th>Job starters* %</th>
<th>In employment six months later** %</th>
<th>Median starting salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>Nine trades, multiple locations</td>
<td>June 2002</td>
<td>2,726</td>
<td>67-100</td>
<td>0-100***</td>
<td>Not available</td>
</tr>
<tr>
<td>IT</td>
<td>Six locations</td>
<td>September 2002</td>
<td>1,919</td>
<td>22-53</td>
<td>60-75</td>
<td>£13,000-£14,000</td>
</tr>
<tr>
<td>Construction</td>
<td>Ten locations</td>
<td>July 2002</td>
<td>1,698</td>
<td>28-75</td>
<td>40-77</td>
<td>£10,000-£11,000</td>
</tr>
<tr>
<td>Retail</td>
<td>Six locations</td>
<td>June 2002</td>
<td>1,188</td>
<td>38-60</td>
<td>42-77</td>
<td>&lt;£9,000</td>
</tr>
<tr>
<td>Health</td>
<td>One location</td>
<td>October 2004</td>
<td>120</td>
<td>0</td>
<td>Not available</td>
<td>Not available</td>
</tr>
</tbody>
</table>

Source: Jobcentre Plus Ambition Team Performance Data, January 2005; * percentage of training starters into jobs (Ambition target 60 per cent); ** job entries retained at 26 weeks (Ambition target 70 per cent); *** 0 per cent is due to failure of employers to provide figures; ranges represent performance of, for Energy individual piloted trades, and for the other strands, pilot locations.
2.3 Diversity of delivery models

The scope of the research was limited to three strands, namely Energy, Construction and IT. Given the objectives of this research, it is important to realise that the Ambition Pilots included in the research, not only differed in terms of sectors covered but also in management, design and delivery parameters. This section sets out the diversity of Ambition as delivered.

The entire programme for Ambition:Energy was designed nationally; consequently, the areas selected for the research, Dudley and Neath, which had both run courses from the Domestic Gas Installation (DGI) pilot, were similar in their set-up. In contrast, there was variation between each of the two research locations for Ambition:Construction and Ambition:IT, as a result of the detailed content of Pilots being designed at the local level. Table 2.3 provides an overview of the programmes run in the different locations covered by the research.

The variations included the order in which elements of Ambition took place (e.g. Open Days versus Assessment Days; intensive training followed by work experience versus combined training and work experience). The technical training also differed, for example, one location would provide bespoke training developed for the purpose of a number of employers, and the other used a standard course leading an industry certificate.

Ambition:Energy differed further from the other two strands covered in that it had benefited from a longer development period. The specific programme and delivery model had been developed prior to the launch of Ambition in 2002, and has been further refined since then by the national tier Jobcentre Plus Ambition Team and EUSkills, the SSC for the Energy Sector.

It is likely that there is further variation across the other local Ambition Pilots not included in the research. The generic lessons drawn out in this report should, therefore be viewed as reflecting the research locations only, as it is difficult to assess the extent to which they may apply to the remaining Ambition programme locations.
Table 2.3 Research location – programme overview

<table>
<thead>
<tr>
<th>Strand</th>
<th>Location 1</th>
<th>Location 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy (DGI only)</td>
<td>Referral</td>
<td>Referral</td>
</tr>
<tr>
<td></td>
<td>Assessment</td>
<td>Assessment</td>
</tr>
<tr>
<td></td>
<td>Open day</td>
<td>Open day</td>
</tr>
<tr>
<td></td>
<td>Intensive training and work experience</td>
<td>Intensive training and work experience</td>
</tr>
<tr>
<td>IT</td>
<td>Referral</td>
<td>Referral</td>
</tr>
<tr>
<td></td>
<td>Evaluation day (weekly, including information, assessment, interview)</td>
<td>Awareness day</td>
</tr>
<tr>
<td></td>
<td>Intensive training (four occupations; 12 weeks)</td>
<td>Assessment day</td>
</tr>
<tr>
<td></td>
<td>Placement</td>
<td>Intakes</td>
</tr>
<tr>
<td></td>
<td>Post-placement support</td>
<td>Intensive training (industry certificate)</td>
</tr>
<tr>
<td>Construction</td>
<td>Referral</td>
<td>Referrals</td>
</tr>
<tr>
<td></td>
<td>Interviews</td>
<td>Assessment day</td>
</tr>
<tr>
<td></td>
<td>Pre-intensive course (taster sessions)</td>
<td>Open day</td>
</tr>
<tr>
<td></td>
<td>Assessment</td>
<td>Pre-employment course (two weeks)</td>
</tr>
<tr>
<td></td>
<td>Intensive training (six months)</td>
<td>Intensive training (18 weeks)</td>
</tr>
<tr>
<td></td>
<td>Work placement</td>
<td>Work placement</td>
</tr>
</tbody>
</table>

2.4 Performance

It was not within the scope of this research to assess the effectiveness and transferability of individual courses, but rather to look at the features of the overall programme and selected strands that demonstrate potential for mainstreaming and value added. However, information on the effectiveness of individual Pilots and locations can be inferred from available performance information.

The target job outcome for all Pilots was 60 per cent of people who had started training, which was achieved by Ambition:Energy and the Ambition:Construction pilot in the Forth Valley (Table 2.4). With the exception of one location, job entry rates in the other locations have been higher than those from Jobcentre Plus employment programmes, such as New Deal and Work Based Learning for Adults, generally between 20 per cent and 40 per cent.

Ambition:Energy has been developed longest and, as a nationwide peripatetic programme, has been able to test courses in various locations across the country. On average, it has achieved high job outcome and retention rates, although there are
variations between locations and courses, as illustrated by the performance data. Table 2.4 shows the ranges of outcomes achieved in the two locations involved in the research. In one area, the data shows improvements over time, suggesting a learning and refinement effect during the implementation of the programme; the reasons for variation are less clear in the other location.

Ambition:Construction and Ambition:IT have not been developed for the same length of time or delivered across the country as was Ambition:Energy, so it is, therefore, more difficult to assess from this limited research their relevance outside the specific locations where they have been piloted. The performance data suggests:

- the job entry rates shows that one of the two IT and Construction locations was more successful than the other; the research suggests this was probably caused by a range of factors including: employer demand; efforts in engaging with employers; selection criteria; and performance management rather than a single cause;

- at the course level, outcome data show considerable variation. It should be noted, however, that the number of participants in each course tended to be small, between eight and 16 people.

**Table 2.4  Research locations and selected performance data**

<table>
<thead>
<tr>
<th>Ambition strands/Research Locations</th>
<th>Number of courses run in location</th>
<th>First intake</th>
<th>Training starters</th>
<th>Job starters %</th>
<th>In employment six months after %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dudley*</td>
<td>5</td>
<td>April 2003</td>
<td>80</td>
<td>75-100**</td>
<td>94-100</td>
</tr>
<tr>
<td>Neath*</td>
<td>4</td>
<td>August 2003</td>
<td>64</td>
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<td>Not yet available</td>
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Source: Jobcentre Plus Ambition Team Performance Data, January 2005; * courses run under Ambition Funding Model; ** no average data available, % represent range of performance of individual courses; ***average performance for all courses
3 Demand-led approach and employer engagement

3.1 Interpretations of the demand-led principle

The underpinning principle of Ambition was the demand-led approach, which meant the programmes were based on the requirements of employers in terms of vacancies to be filled and the training provision that equips individuals with the skills to take up these vacancies. In practice, the demand-led approach operated at multiple levels, from the identification of national broadly defined skills shortages down to individual employer requirements for specific skills.

At strand level, demand-led meant sectors were selected because they had been identified as experiencing a national skills shortage. Additionally, these were sectors or occupations, which did not typically recruit through Jobcentre Plus.

Within these strands, Pilots were required to engage in a development process with employers to develop programmes and course content based on the requirements of employers. As a result, programmes were narrowed down further to specific occupations or trades, for example, Ambition:Energy focused on nine trades; one Ambition:IT pilot identified four different types of occupations; Ambition:Construction focused on six trades, including ‘multi-skillers’.

For local implementation, Ambition:Energy used the principle of confirmed demand. Courses were only run in a specific area following the identification of a sufficient number of vacancies from employers. When Ambition was conceived, the Energy sector, despite a national skill shortage, was not thought to have sufficient numbers of employers in a particular area to warrant a local two-year programme. Additionally, national standards and requirements (e.g. health and safety) exist for many of the occupations and associated training. As a result, Ambition:Energy was developed as a national pilot and this may have led to the strict interpretation of the demand-led approach.
The Construction and IT strands were implemented, following identification of sufficient demand in a particular area for a pilot to be run over a two-year period. However, this did not require the identification of sufficient numbers of employers before the start of the pilot or courses, and local Pilots, therefore, did not appear to have been based on ‘confirmed demand’ in the same way as Ambition: Energy. This looser concept of a demand-led approach seems to have worked as well, as long as sufficient numbers of employers with placements and vacancies willing to participate were identified after the programme start through the employer engagement process. Not all Pilots, however, achieved this.

Local Pilots appeared to be more vulnerable to changes in employer demand over time. In at least one case, previously identified local demand did not materialise when the programme was launched and only five per cent of the employer contacts provided as leads, were willing to participate in the programme.

The research showed that the more successful Pilots were those able to identify and engage with sufficient numbers of willing potential employers for each course. In at least one area, it appears that this has not been possible, although it is more difficult to identify a particular cause for this. Factors that may have contributed include:

- robustness (or lack thereof) of market research before an area was chosen to run a programme;
- the time lag between identifying employers and the start of a programme;
- changes in demand, following changing circumstances within the sector and locally;
- the capacity of intermediary organisations, including experience, competence and sufficient effort and resources to engage with employers;
- insufficient time or effort to engage with employers before the course began.

Ambition provided the flexibility, reported to be absent from other employment programmes, to allow for changes to be made to programme content. All programmes were refined over the length of the pilot. Local Pilots also adapted their provision, by introducing new courses, to respond to changing local employer skills and occupation requirements over the length of the programme period.

3.2 Employer engagement – principles and best practice

Employer engagement was to ensure that Ambition was developed as a demand-led pilot programme seeking to address specific employer skills requirements and to identify vacancies the Pilots could seek to fill. This would convert a loose identification of skills shortages into actual vacancies for jobs and work placements and appropriate training for Jobcentre Plus customers wishing to take up these employment opportunities.
Employer engagement with Ambition was largely the responsibility of intermediary organisations, with whom Jobcentre Plus contracted, and, therefore, relied heavily on the intermediary’s capacity and capability to engage with employers and develop provision suitable to employers’ needs. EUSkills, the national SSC for the Energy and Utility sector, was involved in Ambition:Energy. Ambition IT and Construction, as local Pilots, used local intermediary organisations, such as employer training organisations and employment and recruitment agencies, including sector specialists and general providers.

Local Jobcentre Plus were less involved in employer engagement for Ambition:Energy, although the national tier project managers work closely with employers in the design and delivery of programmes. In Construction and IT, Jobcentre Plus lead managers were more likely to engage as partners in this process, by, for example, undertaking joint employer visits, providing leads through their own knowledge of local companies or linking to the work of local Jobcentre Plus marketing teams.

One advantage of working closely with the intermediary in engaging employers is to ensure that the interests of Jobcentre Plus and their customers are represented. As shown by Ambition:Energy, this does not necessarily require the involvement of local staff, if the employer engagement process takes place at national level.

Another advantage of working with intermediaries concerned engaging employers who do not usually employ through Jobcentre Plus but who may be more open to an approach from an external organisation. The use of an intermediary, however, kept employer contact outside of Jobcentre Plus structures, and as a result, spillover effects from employer engagement were less likely to occur. Indeed, it was noted previously in the NEP Stocktake report that Jobcentre Plus has not been able to capitalise from new relationships with employers, a view that has been borne out by responses from intermediaries and Jobcentre Plus representatives involved in this research.

The sectoral and occupational focus was generally regarded as a benefit, targeting the engagement process to employers with similar requirements. All Pilots narrowed the sectoral and occupational focus down further to a limited number of specific occupations and related vocational training. Ambition:Energy focused on nine trades, the Ambition:IT research locations provided training for up to four different occupations. Similarly, Ambition:Construction training was also provided for selected trades only.

Employer engagement appears to have worked best where it informs every step of development and delivery from the identification of occupations for a pilot to target, to participant selection criteria and training content. As a result, the programme becomes more relevant to employers and there is a higher probability in meeting employers’ requirements, which is indicated by the comparatively high rates of participants in employment six months after finding a job through Ambition.
The research showed that employer engagement should start before the programme is developed. Some Pilots undertook a significant amount of development work involving employers. Ambition:Energy was piloted before Ambition was started as a programme, one of the Ambition:IT Pilots reported to have had a long lead-in period in which the programme specification was developed and refined according to local requirements. It was important to identify potentially interested employers before the programme commenced, by, for example, meeting with them individually to discuss their requirements, holding open days to discuss the programme details at a time when there was still the opportunity to influence the design and involving them in the steering groups or processes for the pilot implementation.

**Employer engagement is a continuous process.** All interviewees noted that the Pilots did undergo a number of changes over their lifetime, because of:

- refinements to elements of the respective pilot that did not work well in the beginning, e.g. the selection criteria and process for participations, additional skills or support (tools, driving licences, life skills);
- changes in the requirements of existing employers, for example, for a new occupational area;
- new employers with different requirements becoming involved.

Short-cuts are possible in establishing employer relationships. Four out of six pilot locations appeared to have been able to successfully utilise existing relationships with employers, including:

- selecting an intermediary that was already connected to the targeted industry and was respected by businesses for their good reputation and track record in recruitment or training services;
- tapping into existing networks to establish contact with employers, for example, local employer coalitions or employer networks of partner organisations, e.g. Sector Skills Councils.

It is also important to recognise the diversity of employers and that there is no single effective method of working with them. Employer engagement was undertaken by intermediaries operating nationwide or just at the local level. Each pilot had to find their own approach, although some were more successful than others. Interviewees from Jobcentre Plus and providers noted that there are a range of factors that might influence the capacity and willingness of employers to engage in a programme like Ambition, including size, location, ethos of company and industry structures (e.g. sub-constructing structures, prevalence of small businesses).

It was repeatedly stated by the Pilots that smaller companies find it harder to engage with the programme and, in case of the local Pilots, would not necessarily provide the volume of vacancies required, as they may only be looking for one or two people. However, small companies are more likely to benefit from the support provided by
the programme, which basically provides them with an HR function. In contrast, larger companies are more likely to offer greater numbers of vacancies, are more secure/attractive employers and more able, and willing, to take risks in employing non-traditional candidates. **Larger companies or growing firms with numerous vacancies and similar requirements were, therefore, better ‘value’ to local Ambition Pilots in terms of the volume of job entries achieved.** Ambition:Energy required the commitment of a small number of vacancies and employers only (up to 20) for a course to be run in a particular area. This, combined with the flexible nature of the programme, available wage incentives and support provided by the intermediary project managers, was felt to improve the programme’s ability to engage smaller companies. On the whole, Ambition:Energy appears to have been able to do so, 330 out of 350 firms involved in the programme were reported to have been Small and Medium sized Enterprises (SMEs). Engagement of smaller companies, however, was still identified as a challenge by the employers and other stakeholders interviewed for the research.

**Employers differ in their preferred level of involvement.** One employer stated they were happy with minimal involvement, as long as their requirements were understood (e.g. they provided a job or person specification) and they were kept informed of progress. Others liked the opportunities to get more closely involved, for example, through open days and selection panels. Steering group members tended to be larger companies; smaller companies and those further away from the meeting location found it more difficult to participate in such a way. However, **all employers interviewed liked to have the option to engage** with the programme, whether it was through open days, being part of the selection panel or process, observing the training, attending employer network meetings or steering group meetings.

Effective Pilots would, therefore, create a variety of opportunities to get employers involved, working within the capacity of targeted employers and their requirements through the lifetime of the programme. This ranged from sending out newsletters to organising regular events for employers to meet with the programme managers, and employer visits.

The interest and perceptions of lead contacts within firms and their organisation played an important part in the success of employer engagement. It was noted that **companies with an ethos or culture of investing in staff and training were more likely to get involved**, and issues such as firm size mattered less in such cases.

**Confidence and trust appear to be key success factors.** Interestingly, **increased employer confidence in the programme also led to reduced involvement.** For example, one person reported that, following initial participation in a recruitment panel, they decided not to get involved in the second round of recruitment as they trusted the process and were confident it would deliver suitable candidates. Five other employers mentioned that because they knew and respected the individual managing the programme, they had confidence that their requirements
would be fully taken into account, without the need to get involved. In contrast, one interviewee reported that they got involved following an open day at the start of the pilot, in order to help address what they saw as a lack of understanding of employer requirements by the Jobcentre Plus and providers.

It should be noted that Ambition sits within the wider perception that employers have about recruitment services and training programmes, which tend to be fairly negative. Jobcentre Plus staff and providers stressed that the programme and Pilots had to overcome scepticism by employers of Government initiatives, generally, and engaging with Ambition in particular. This was confirmed by employers during the research, and although the programme is unlikely to have changed such views generally, those who had been satisfied with the programme said they would participate again. A number of employers also reported a notable shift in their views of certain population groups following their involvement in Ambition.

### 3.3 Employer satisfaction and views

Of the 23 employers interviewed for this research, three-quarters were satisfied with the programme and only one was dissatisfied⁴, although it should be noted that this was not a representative sample of all employers involved in Ambition. Of those that were satisfied, many stated the same reasons for their satisfaction, including observations about:

- understanding of requirements, being listened to and the ability to solve problems;
- relevance of the training to their requirements;
- responsiveness of the individuals or organisations involved in delivery of the programme;
- the quality of the candidates/participants;
- professional attitudes and behaviour.

Some Pilots operated as a partnership with roles and responsibilities divided between individuals and organisations according to their specialism (e.g. technical training, guidance or benefit issues) and, subsequently, had separate contact points. Two employers noted that they preferred having a single point of contact who is able to deal with any problems or issues, however, the important factor was that it was clear to the employer who they could contact and that issues would be dealt with in a professional and responsive manner.

Two employers interviewed had experiences with different Pilots, and noted that availability and consistency of service offer across areas were factors of interest to employers with operations in more than one location.

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⁴ The rest were neither satisfied nor dissatisfied.
Interestingly, employers’ views about Jobcentre Plus customers were mixed, but less negative than those held about Government initiatives generally. One interviewee liked the idea of a programme that helped unemployed people into work. At least two were proactively seeking a more diverse workforce. But about a third stated some concerns, mainly about individuals’ abilities to carry out particular types of work – partly practical concerns and partly drawn from stereotypical perceptions. These included issues of mobility for people with disabilities; working with the public and undertaking house visits in the case of ex-offenders and women; attitudes to work of people who have been out of work for some time; and the capacity of more mature participants to learn and adapt to different careers.

Generally, however, most employers expressed the view that they are interested in recruiting motivated, enthusiastic, and interested individuals with the relevant skills to do the job (note, not necessarily qualifications). The selection process was regarded as particularly important in identifying those that are the most interested and motivated, and was seen as a key characteristic of Ambition that distinguished it from other employment programmes.

As probably expected, skills shortages and increased competition for labour appear to have worked in the Pilots’ favour in that employers are more open-minded about who they are willing to recruit, and may also proactively seek out different groups in tight labour markets (e.g. women, older people). For example, one interviewee involved in an Ambition:IT pilot noted that the public sector finds it more difficult to compete with private employers in the labour market, and the programme, therefore, offered them an alternative source of recruitment.

Other employers saw good business sense in employing non-traditional groups. For example, one interviewee stated that the availability of female staff is important to a proportion of their customers who prefer or request dealing with women only. Others saw their participation in Ambition as evidence of being an equal opportunities and socially responsible employer. A third group found it reduced their recruitment cost and risk, by being able to ‘try out’ an individual before making a longer-term commitment.

Employers interviewed were generally very happy with the individuals they had recruited through the programme. They had normally taken on a larger number of people on placement. Those that were not recruited were either found not to be suitable for recruitment or left of their own will.

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5 Qualifications may be more important to participants for their future career prospects, as evidence of the skills they have. Certain qualifications (not necessarily NVQs) can also be an entry requirement into some sectors, such as Energy and Constructions, where they are required as a ‘licence to operate’ (e.g. CORGI registration).
A quarter of employers noted specific issues, including a participant moving on following completion of the programme or the opportunity cost of participating (e.g. staff time invested in the training, necessary supervision and management time). The latter was also mentioned by employers for whom the programme was ‘free’ or who had received subsidies. However, the programme appears to have reduced the overall investment required should a business undertake the recruitment and training themselves. On the positive side, employers involved in Ambition:Energy and Ambition:Construction noted that the training tended to be shorter than that provided by other training programmes, such as apprenticeships, but still suitable to meet their needs.

One of the objectives of Ambition is to increase the quality and variety of jobs on offer. The employer interviews suggested that most Ambition jobs were new or additional vacancies to Jobcentre Plus. Most employers interviewed, had limited or no previous dealings with Jobcentre Plus, and for a significant number it was the first time they had recruited somebody through Jobcentre Plus. It should be noted, however, that employers did not necessarily fully appreciate Ambition as a Jobcentre Plus service, but thought it was a service provided by the respective intermediary organisation.
4 Operational dimensions of the Programme

4.1 Introduction

The model for each programme was broadly the same. Each programme built a process of elements starting with the identification of recruitment and skill needs among employers and the most suitable and motivated Jobcentre Plus customers, followed by training, support and work experience to enable these individuals to successfully fill a particular vacancy. This section discusses aspects of the referral, assessment and selection process of participants and the training, support and work experience provided. This is followed by an overview of the key findings on management structures and the funding model.

The objective of this section is to highlight aspects of the programme that have potential to be replicated in other employment programmes, such as under BoND. It should be noted, however, that many interviewees stressed that the effectiveness of a programme like Ambition stems not only from the design of individual components, but also the way elements have been fitted and worked together. For example, although the selection process is a key characteristic of Ambition, it would not necessarily be as effective without a training programme that fits employers’ skill needs, and vice versa.

4.2 Referral, assessment and selection process of participants

The initial Jobcentre Plus referral process does not appear to be any different from other Jobcentre Plus programmes. Eligibility criteria were similar to New Deal, but some priority groups could be referred earlier to an Ambition programme. Some of these early entry eligibility criteria appear to be at odds with the selection processes employed, for example, promoting early entry for people with basic skill needs when some of the selection processes tested for competence in numeracy.
It should be noted that Ambition, in contrast to other programmes such as New Deal, has been a voluntary programme. It has been suggested that this may have resulted in a higher level of motivation and commitment among individuals referred to the programme. The research has, however, not shown conclusive evidence to support this view.

It was important that Jobcentre Plus Advisers were aware of the programme, what it offered and set out to do. Local or ‘static’ Pilots, such as Ambition:IT and Ambition:Construction, achieved increasing familiarity with Advisers throughout the programme, as a number of courses were run over two years. Some issues were raised by lead Jobcentre Plus managers and intermediaries about Advisers’ perception about what customers want and can do, which were addressed through increased communication, floorwalking at Jobcentre offices, and outreach work. The referral process was not reported as an additional burden on the workload of Advisers, but local lead managers needed to ensure that referrals took place and were monitored to ensure action could be taken, for example, when referrals levelled off over time or did not bring forward targeted customer groups.

The advantage of local Pilots was that Ambition was able to provide interested individuals with a second, or third, chance to get a place on to the programme, if they had not been selected at their first attempt. Generally, Advisers received feedback from the assessment and selection process, so that individuals could address any issues through additional training or support before trying again for Ambition.

A drawback of Ambition:Energy, as reported by Jobcentre Plus representatives, was the uncertainty of the availability of courses in local areas, which meant it was not possible to prepare interested individuals to attempt the selection process for the programme a second time. Additionally, there was less of a learning effect about Ambition among Advisers and Jobcentre Plus customers, particularly in areas that saw a single course only.

A key success factor of the programme was said to be the motivation of individuals who participated in the training. This was regarded as the result of a detailed and rigorous selection process, which differentiated Ambition from other programmes by identifying motivated individuals who just needed specific help to take up opportunities in an occupation they were interested in. This was the result of specific selection criteria, assessment, tests and interviews, developed and negotiated between the providers, Jobcentre Plus and employers. It was also felt that the involvement of employers throughout the process was an important means of motivating customers and retaining them in the programme.

There were tensions between supporting the more disadvantaged people and achieving results quickly by selecting those who need least support and are most job-ready. Employers clearly appreciated the selection process and thought it to be one of the most important elements of a successful programme. It was also in their interest to find the ‘best candidate for the job’. It was, therefore, the role of
intermediaries and Jobcentre Plus representatives to broaden employers’ horizons and to address more stereotypical views on certain customer groups, which, from the feedback from employers, was successfully achieved in individual cases, but not all. There is also some evidence that the programme benefited from a share of what could be regarded as job-ready people who had recently been affected by redundancy, and who, although within the eligibility criteria, may not be regarded as typically disadvantaged in the labour market.

Participant selection criteria were the result of negotiation between stakeholders in order to represent interests between employers and targeted Jobcentre Plus customer groups. There is, therefore, no standard list of criteria, but variations between Pilots and areas, based on employers’ ideal candidate, the characteristics and needs of Jobcentre Plus priority groups and the capabilities of the Programme and providers to bridge any gaps.

The selection process normally involved information days and assessments including tests and interviews, with variation in the order of these elements. In four locations, selection for the programme involved all stakeholders, including employers, whereas in two areas the intermediary carried out the selection process. The availability of employment at the end of the programme was regarded as a clear motivator for applicants, although only half of the locations appear to have matched individuals with employers right at the early stages of the selection process. The other locations sought suitable placements and vacancies and matched participants to these whilst they were undertaking intensive training.

4.3 Training and work experience

The content of the training and the combination between intensive training and work experience were dependent on strand requirements, targeted occupations, and specifically developed for each pilot, and, in the case of Ambition:IT and Ambition:Construction, location. Considerable investment was made in the design of some of these courses, which included training in specific technical or vocational skills as well as other skills, including life or soft skills.

The training content ranged from highly bespoke courses based on individual employer requirements, in one instance, reflecting employer’s own internal training, to training that was based on existing provision, e.g. apprenticeships, with certain module-based components adapted to make them more relevant and shorter. Both approaches appear to have been similarly effective as long they met employer requirements. Some training was provided en bloc and others on day release.

The work experience allowed participants the opportunity to learn on the job. Whilst at the same time, it provided a trial period before the employer made a commitment to take a person on permanently, which was regarded as a great advantage over the normal recruitment processes. Not all employers interviewed participated in Ambition to recruit for a specific vacancy to be filled; some provided placements only, which
required careful management to provide alternative employment opportunities for the individuals on completion of the placement. In some cases, this was caused by the design of the Pilots, which did not require the identification of specific vacancies for which candidates would be trained, but could also be a requirement from the employer. For example, one (public sector) employer reported that their recruitment policy did not allow them to offer vacancies to Ambition only.

The satisfaction levels of employers interviewed suggest that the training provided generally met their requirements, i.e. it was relevant and provided the right skills. However, most respondents had suggestions for improvements, but there were only two employers who found it did not meet their needs at all. Employers were not necessarily interested in qualifications, except for certificates that meet regulatory requirements, and mainly if they were regarded as not providing the right skills.

4.4 Funding

Ambition used a different funding model to other programmes, although this was agreed after the launch of the pilot and early Pilots had still been subject to New Deal terms and conditions. The funding model was designed to provide incentives that emphasised the importance of employment outcomes, with the majority of funding based on the achievement of job outcome and job retention rates. Providers would be paid 30 per cent at the beginning, when a course started, followed by 40 per cent for training starters who found employment and a further 30 per cent when job starters were still in employment 26 weeks after they started a job. A further bonus payment was available if the job entry and retention targets were exceeded significantly.

The NEP Stocktake report 2004 stated that the funding model was regarded as providing a signal regarding the focus of Ambition. Discussion with the intermediaries and Jobcentre Plus representatives suggests that not only was the funding model different from other programmes, but also that the funding levels (per individual) were higher.

Respondents also noted that organisations and their staff undertaking Ambition tend to be motivated by more than one factor, funding being only one of them. In at least one case, interviewees from an intermediary stated that organisational objectives of supporting the most disadvantaged into employment are at least as important as achieving a successful job outcome quickly to trigger payment.

The funding model carried a certain degree of financial risk for intermediaries. Given that these were Pilots targeting harder to help customer groups, and the model includes a significant lag between activities, outcomes, and payments, there were different approaches to minimising risk. This included a rigorous selection process to identify candidates who were most likely to achieve a positive outcome; placing greater effort into the employer engagement; or resource planning based on the funding level with the least uncertainty (i.e. the first 30 per cent or 70 per cent).
Using resource planning as a risk-averse approach appears to have been evident given that some intermediary organisations had been asked to increase staff resources deployed on the pilot.

4.5 Management

Ambition:Energy was managed nationally, by Jobcentre Plus and EUskills as the intermediary organisation and was supported through dedicated teams in both organisations. Local implementation took place through the involvement of districts and local training providers, supported through a local steering group.

In contrast, the Pilots for Ambiton:IT and Ambition:Construction were managed locally by the contracted local intermediaries, with support from local steering groups. DPQMT staff in local Pilots reported spending the majority of their time on Ambition, including performance monitoring and management, engagement of local office staff and marketing to Jobcentre Plus customers, and, in some cases, employer engagement in collaboration with the intermediary. It has been recognised that the programme has been quite resource intensive, but there have been clear benefits in allocating sufficient Jobcentre Plus staff time to the management of the programme.

An important finding is that Jobcentre Plus staff in three Pilots, across the strands, saw themselves as a member of a partnership, where the different organisations involved in delivery do what they do best, a division of labour, with issues addressed more easily and at an earlier stage. The other Pilots showed a more contractual relationship, typical of other Jobcentre Plus programmes, with the achievement of objectives the responsibility of the intermediary, and as a result, depending to a greater extent on the capability and effectiveness of the intermediary.

Where Jobcentre Plus had been closely involved in the design and implementation process, its interests and objectives were clearly represented. Following delivery and performance issues in one of the locations, greater involvement of Jobcentre Plus resulted in a higher level of Jobcentre Plus involvement in the management of performance and changes to the selection process, training content, employer engagement, and placement support. This was reported to have resulted in significant improvements in outcomes, the problem had, however, been picked up very late, making redress more difficult.

Local-led Pilots, such as Ambition:IT and Ambition:Construction, were more likely to represent the same type of delivery structures as envisaged under BoND. Based on a ‘broad brush’ national framework, each pilot was then designed and developed locally, and training, work experience and other support were assembled to suit local requirements. A local Ambition steering group, including Jobcentre Plus, training providers and employer representatives, oversaw this process.
It would be difficult to replicate the management structure of Ambition:Energy under BoND. Ambition programmes have been operating as an add-on, because they were Pilots and quite different from other programmes within districts. However, contract and performance management of Ambition has been resource-intensive compared to the delivery of other programmes, which districts may find difficult to sustain in the longer-term.
5 Conclusions and recommendations

5.1 Conclusions

The report has presented the main findings from this small research study into three Ambition strands, namely Energy, Construction and IT. The objective of the research was to identify changes in employers’ attitudes, best practice in engaging with employers and aspects of the programme that could be replicated in other employment programmes.

Ambition was a training programme that piloted a demand-led approach in different occupational areas and locations. It aimed to place disadvantaged jobseekers into types of employment not usually accessible to them. Ambition aimed to address skills shortages in specific sectors, selected to form particular strands of the programme. There were a total of five strands, of which three were chosen to form part of the research.

The Ambition models for each strand were quite different, designed to meet the needs of the targeted industries and occupations. Detailed design of programme contents and employer engagement processes lay with those who managed and implemented the Pilots. In the case of Ambition:Energy this was the Jobcentre Plus Ambition Team at national tier, the other Pilots were managed by local DPQMT teams in the areas in which Pilots were run.

Ambition:Energy was fundamentally different from the other Ambition strands as it was a national pilot that had been developed over some time and was supported by a dedicated team at national tier. Because its delivery model was developed nationally, the two areas included in the research appeared to show great consistency in how the programme was run at the local level, at least on the basis of the course covered by the research. Ambition:IT and Ambition:Construction were developed and implemented at local level, and as a result, showed greater variation in delivery, despite common requirements to the programme.
The length of the development phase and resources dedicated to the implementation and management of Ambition, which was particularly important at the crucial early stages of implementation, varied between Pilots. Those that had a longer initial development period, benefited from being able to spend more time adapting the programme to the targeted sector/occupation and employer requirements.

The underpinning principle of Ambition was the demand-led approach, which based the programme on the requirements of employers, in terms of the vacancies they were seeking to fill and the training provided to the individuals identified as potential candidates to take up these vacancies. In practice, a demand-led approach operated at multiple levels, including the selection of sectors and occupations that experienced a skills shortage and the identification and engagement of individual employers with their specific requirements. It was found that:

- **general skills shortages need to be narrowed down to a limited number of occupations on which to focus pilot activities.** The sectors had been selected by Jobcentre Plus and the NEP when Ambition was initially conceived, but each pilot identified a limited number of occupations or trades for which training could be provided. Ambition:Energy did this at national level, covering nine trades in total. Ambition:IT was implemented at the local level, and the occupational/skill shortage focus varied from area to area. For Ambition:Construction, six core trades were identified at the start of the pilot, recognising perceived national industry skill shortages; but later on these were increased to build in an element of flexibility to respond to the particular needs of local employers;

- **employer interest is a pre-requisite for delivery.** Sufficient numbers of employment opportunities should be identified before starting a course. The Ambition:Energy model used the principle of ‘confirmed demand’, where employers with vacancies were identified before a course would be delivered. Ambition:IT and Ambition: Construction Pilots used a less strict concept, riskier, and perhaps less motivating approach, where placements and vacancies could be secured later whilst Jobcentre Plus customers were already on the programme and undertaking training.

Employer engagement processes were the basis of a demand-led approach, in that they sought to capture and address employer requirements and identify vacancies that could be filled by the programme. Employer engagement was largely the responsibility of intermediary organisations, who, depending on the Ambition model, operated nationwide or locally. There were successful examples for national and local models, which suggest that both can be equally effective. There did not appear to be any major differences between strands, although factors such as industry organisation and structure have to be taken into account when setting up processes.

The objective of Jobcentre Plus involvement in the employer engagement processes was to represent the interests of Jobcentre Plus and its customers, but also to
facilitate spillover effects, allowing Jobcentre Plus to benefit from new relationships with employers and, ultimately, vacancies. Whereas, the programme managers worked to ensure representation of Jobcentre Plus interests, there is no evidence that spillover effects from the employer relationships were achieved. The extent to which this was facilitated by the Pilots is not clear, however it would be an important issue in the mainstreaming of similar provision, e.g. in the process of BoND.

The methods and intensity of engaging with employers varied significantly, although they typically included information/marketing materials, visits, open days, employer networking meetings, and steering groups. **Best practice in employer engagement included:**

- building effective working relationships with employers from the start of what is a continuous process;
- working within the interest and capacity of employers in providing an array of opportunities to be involved, at different levels of intensity, in the design, set-up and implementation of the programme;
- incorporating employer requirements in all stages of the programme, from selection of participants to training content;
- utilising existing relationships with the targeted sector, either through the chosen intermediary or through existing employer networks;
- focus on selected occupations and areas with skills shortages, as directly experienced by local employers;
- creating employer confidence and trust in the processes and outcomes;
- ensuring effective communication between employers and other stakeholders;
- adaptability and flexibility by delivery organisations, including intermediaries and Jobcentre Plus, to changing requirements from employers over time.

**Employers were not necessarily aware of Ambition being a Jobcentre Plus service.** Although this does not matter in terms of outcomes achieved, it is likely to play a role in the extent to which employers might change their views on taking-up additional services provided by Jobcentre Plus.

Employers who were aware of Jobcentre Plus’ involvement in Ambition tended to distinguish between their involvement in Ambition ‘the programme’ and other services provided by Jobcentre Plus, generally. This suggests that one programme alone is unlikely achieve significant changes in the perceptions and attitudes of employers about the organisations. The use of an intermediary was, however, regarded as advantageous if an employer would not consider using Jobcentre Plus for their recruitment.

A small number of employers had already sought to diversify or grow their workforce and the programme helped them to do this. In other cases, there had
been a notable shift in their views about certain population groups. The majority were simply looking for motivated and enthusiastic candidates with the right skills. Most jobs offered, appear to be additional to Jobcentre Plus, with employers reporting limited use of Jobcentre Plus as a recruitment channel in the past.

**Employers interviewed for the research were generally satisfied with the programme overall and the people they had recruited through it. Although this was not necessarily a representative sample, it shows that Ambition and the specific sector/occupation pilot programmes worked for most of the employers interviewed.**

**The flexibility of Ambition to tailor programmes to specific requirements was widely appreciated.** The Pilots bundled different types of activities to create a complete programme to enable Jobcentre Plus customers to access the types of employment provided by employers targeted through the Programme. Additionally, there was other support available, e.g. funds to purchase tools, driving licence. All Pilots included elements of:

- referral, assessment and selection of candidates;
- training, including vocational/work-focused provision and soft skills;
- work experience and placement (some including wage subsidies);
- in some cases, post-placement support.

Ambition was as much as a process of development as it was about the delivery of a specific employment programme. Considerable investment was made in the development and refinement of the programme content for each pilot, including training provision and the design of other elements, such as the selection process, over the length of the Pilots.

**The selection process** can be regarded as a main characteristic that differentiates Ambition from other Jobcentre Plus programmes. Selection criteria for each pilot were negotiated between stakeholders in order to balance interests between employers and targeted Jobcentre Plus customer groups. This process resulted in the identification of motivated candidates, whilst allowing for the selection of individuals who would normally be disadvantaged in the application process, due to their lack of skills or other barriers they might have (which may include perceptions held by employers). This applied to all three Ambition strands and all research locations.

It was the role of the occupation-specific training and work experience to bridge the skills gap between employer requirements and candidates’ employability barriers and existing abilities, including technical and other commercial or soft skills. The training content and the mix between training and work experience was specific to each strand, trade/occupation, and, in the case of Ambition:IT and Ambition:Construction, location. Not all barriers can, however, be overcome through training of Jobcentre Plus customers. Some are created by employers’ perceptions and attitudes about the capabilities of individuals or certain population groups to carry out the job, drawn partly from practical concerns and partly from stereotypical perception, and should be addressed through employer engagement.
The ability of Ambition:Energy to run the same courses in locations across the country, suggests that requirements for the same trade/occupation do not necessarily differ to a great extent between locations and shows the transferability of the programme that has been developed. It was also a centrally managed programme, which would ensure consistency in the way the programme had been implemented at the local level.

The local Pilots varied in how they had focused on specific occupations, and consequently had developed training provision and the mix between training and work experience for these specifically. It is, however, less clear how transferable these programmes would be to other locations.

Some Pilots were run as partnerships, where Jobcentre Plus, the intermediary and training providers and employers would have specific roles and responsibilities and come together where necessary, e.g. for the selection process. Other Pilots were largely delivered by the intermediary organisations, who would also undertake the main activities, including selection, training and placing individuals into employment.

All three researched strands have included successful examples of programmes that achieved better than average job outcomes, compared to similar employment programmes. The factors that are regarded as having contributed to this and, therefore, being of benefit to the implementation of other programmes, including BoND, are:

- the consideration of employers’ requirements in the design and implementation of the programme, including participant selection and training provision;
- focus on skills shortage areas and occupations, where vacancies exist, employers are more open-minded about changing recruitment requirements and processes, and training can be provided;
- referral and selection processes that identify motivated candidates, who can be trained and support to access specific employment opportunities;
- support programmes that are tailored to the needs of individuals and the requirements of employers.

5.2 Policy recommendations

The general satisfaction with Ambition and its principles suggests that an approach that takes employer requirements into account and provides the necessary flexibility in delivering such a service should be replicated in other employment programmes. This is in line with the principles of a stronger voice for employers and increased flexibility, as set out in the BoND strategy.

The Pilots have shown that, in practice, implementation of a demand-led approach is complex, resulting in variation of local delivery models and successful outcomes. This is a consequence of the extent to which there are established processes for
creating relationships with employers and understanding and addressing their requirements. More importantly, it reflects the (locally) attained balance between two potentially conflicting objectives of supporting individuals disadvantaged in the labour market and providing employers with their ideal candidate.

The current model places great responsibility on the intermediary and its capacity and capability to engage with employers and develop provision suitable to employer needs. The importance of intermediaries suggests that Jobcentre Plus would, therefore, need to ensure the selection of the ‘right’ intermediaries, in terms of their capacity and capabilities, and the development of effective linkages between programmes and Jobcentre Plus processes, services and provision.

The generic delivery model of Ambition appears to be effective, provided there are actual skill needs and vacancies to be filled and a tighter labour market, which results in employers experiencing skill shortages being more open to alternative methods of finding suitable staff. The model combines a mix of different elements, which was regarded as more important than the sum of its parts. This includes a selection process to identify the most suitable and motivated candidates followed by a combination of vocational training, soft skills training, work experience and other support, as required.

The selection process should be kept as a main feature in future programmes, as it increases the probability of satisfying employer requirements and achieving a successful outcome for Jobcentre Plus customers. Selection criteria should avoid the ‘creaming’ of the most job-ready Jobcentre Plus customers, but needs to recognise the limitations to improvement in skills and employability that can be achieved by the programme, given available support, such as the length and intensity of possible training provision. Additionally, some employability barriers will be overcome by individuals through participation in the programme, others are created by employer attitudes to, and experience of, certain population groups. Employer engagement should, therefore, not only be about understanding and addressing requirements, but also work to broaden the horizons and change the attitudes of employers.

Based on this general model, the detailed content for each programme (i.e. each occupation/trade) was provided through a development process, i.e. the identification of what is required by employers and design followed by a refinement of the course content and selection criteria. This has been the most resource-intensive part of the pilot, and it is unclear to what extent districts would be able to undertake such activities in the future under mainstream provision on an area-by-area basis.

Districts would need to establish effective processes to identify employer requirements and skill shortages. The development of Ambition-type programmes in each District could lead to duplication of effort and lack of collective learning across Jobcentre Plus for common skills demand or occupations. It may, therefore, be of greater value to Jobcentre Plus, if districts were able to draw down a menu of occupation-specific provision that is tailored to the needs and requirements they have identified, but which could then be adapted further for local requirements.
In summary, employment programmes that address identified skill shortages, such as Ambition should be replicated through BoND. BoND seeks greater devolution and flexibility, within a national framework. In the context of Ambition-like provision, this should include:

- at the national level:
  - identification and review of skills shortage areas (in conjunction with NEP and SSCs);
  - design and development of a menu of occupation-specific provision (course content) and, related to this, selection criteria for these specific occupational areas (e.g. in conjunction with employers and employer representative organisations);
  - facilitation of the collection and dissemination of labour market/sector information and support for learning and transferability between Jobcentre Plus areas on tailored sector/occupation provision;
  - seeking economies of scale in the design and development of provision, and guidance on intermediary/provider selection and procurement/contract negotiations;

- at the local level:
  - local employer engagement (in conjunction with local intermediaries) to identify and review of local skill shortage areas, to create employer interest and obtain vacancies in selected sectors and occupations;
  - enhanced knowledge of labour market trends and employer requirements amongst customer-facing Jobcentre Plus staff;
  - local implementation of selection processes, training and related support, where necessary adapted to local context;
  - piloting of new occupation-specific provision and related selection criteria.

Conclusions and recommendations