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# Impact of Learning on Employability

## Key Findings

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Of interest to everyone involved in adult  
further education, skills and employability



## **Acknowledgements**

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## Key Findings

- 1 The Centre for Economic and Social Inclusion (*Inclusion*), the British Market Research Bureau (BMRB) and the Institute for Employment Studies (IES) were commissioned by the Learning and Skills Council (LSC) in 2007 to undertake a survey on the impact of learning on employability.
- 2 The survey was conducted between June and August 2007, using learners selected from the LSC's individualised learner record (ILR) database, who had undertaken a range of learning programmes in further education (FE), had had fee remission because they were receiving out-of-work benefits, and were aged 20 to 55 when they started their course of learning. Some 10,000 interviews were conducted using computer-assisted telephone interviewing (CATI). This report presents the key findings of the survey.

### Overall findings from the survey

- 3 The results of this survey represent a positive first attempt to quantify the benefits of FE learning for welfare benefit recipients in England. The findings show statistically significant positive effects from learning for welfare benefit recipients, in terms both of moving into work and of improving employability.
- 4 This research has shown how FE learning contributes to both economic and social inclusion objectives. Only 10 per cent of all learners in the survey had been in work prior to the start of their course (for less than 16 hours per week). However, 38 per cent had gone on to work at some point after finishing their course. Among those who had not moved into work, many had still benefited from social and personal outcomes of learning that may yet move them closer to the labour market and may also contribute to their wider social inclusion.
- 5 It was harder for some of the more disadvantaged groups in the survey to move into work after learning. A consistent pattern that emerges from this research is of a number of factors that significantly negatively affect the

chances of a positive job outcome after learning. These are seen in learners who:

- had experienced multiple disadvantage (note: this refers to *Inclusion's* measure of multiple disadvantage among learners. It takes account of the following attributes of a learner: disability affecting the type of learning and/or work, the presence of financially dependent children, ethnicity, and no or low level of prior qualifications. It does **not** refer to the LSC's measurement of disadvantage, which uses learners' and providers' postcodes to calculate a 'disadvantage uplift' in funding);
- had caring responsibilities;
- were from an older age group;
- were 'far' from the labour market;
- undertook non-vocational or basic skills learning; and
- attended lower-level courses.

6 The length of time that a person had been out of work also significantly negatively affected their chances of starting work.

7 However, those who were less likely to have found work or to have moved off benefits after learning were more likely to have had 'softer' personal or social outcomes from learning. These personal and social outcomes included being more involved in their local community, having improved social skills and confidence, and also seeing improvements in the communication, literacy and numeracy skills that employers value.

8 We recommend conducting further research using matched control groups, to compare those taking part in learning with those not taking part in learning, in order to show definitively whether participation in learning is more effective in moving people into work and improving their employability than non-participation in learning. Evidence of this kind would add to the evidence base for targeting government funding and activity towards

learning or human capital-based approaches to securing advancement for individuals claiming welfare benefits.

## **The impact of learning on employment and benefit outcomes**

### **Moving into work after learning**

- 9 Only 10 per cent of all learners had been working immediately prior to the start of their course, and all of those had been working for less than 16 hours per week. After learning, 38 per cent had worked at some point since they finished their course.
- 10 Multivariate analysis found that the fewer disadvantages a learner had, the more likely they were to have found work.
- 11 Learners who had been working part time before embarking on a programme of learning were significantly more likely to be working after learning than the reference category of those who had not worked for one to two years. Learners who had not worked for three years or more were increasingly less likely to start work after learning.
- 12 The further the learner was from the labour market before learning, the less likely they were to start work after learning. Distance from the labour market includes three factors: the number of reasons given for not being in work before learning, the motivation to move into work, and the learner's description of their work history.
- 13 Older learners were less likely to start work than those under 34.
- 14 Those who had undertaken learning for non-career-related reasons were significantly less likely to start work after learning than those who had embarked on learning for career-related reasons.

### **Effect of learning on progression in employment**

- 15 There was little change in the structure of employment following learning. Just 3 per cent of all learners in the survey moved from part-time to full-time employment after learning. After the end of the course, 3 per cent of all

learners moved from temporary to permanent positions. However, there was more significant change in terms of occupational position.

- 16 Some 16 per cent of all learners in the survey improved their occupational position, 10 per cent remained at the same level, and 9 per cent moved to a lower occupation after learning. Learners in process plant and machine operative occupations and elementary occupations (based on the Standard Occupational Classification (SOC) code) were the ones who improved the most, with 26 per cent and 24 per cent of them, respectively, moving to higher-level jobs. These were followed by learners in sales and customer service occupations (where 22 per cent moved to higher-level jobs).
- 17 Multivariate analysis shows that learners with the fewest disadvantages are most likely to improve their occupational position.
- 18 Those with longer periods out of work are significantly more likely to improve their occupational position if they return to work after learning, all other factors being equal. This may be due to changes in the occupational structure of the economy.
- 19 Older people are less likely (other factors being equal) to improve their occupational position.
- 20 Compared to vocational learning and, particularly, non-vocational learning, basic skills learning is shown to be strongly positive in terms of moving up the occupational scale.
- 21 It is vital that learning should not only help people to enter employment, but should also improve their prospects of progression in work. This research does show some positive effect of learning on both the employment **and** the progression outcomes of Jobseeker's Allowance (JSA) claimants. Around one in five of those who had been claiming JSA at the start of the course reported that the learning had had a positive impact when it came to finding a better-paid job or a job with more responsibility.

- 22 Overall, 44 per cent of the 3,910 learners who had had a paid job since completing the course or who were working when surveyed (18 per cent of all learners in the survey) felt that their job outcome was the result of having undertaken the course. It is important to note that the courses that learners followed were **not** necessarily designed to lead directly to a job. Therefore, it is encouraging that more than four learners in ten felt that their job was linked to their learning in FE.
- 23 While learners may have achieved positive employment and benefit outcomes as a result of having participated in learning, they may also have received help from other sources that contributed to these outcomes. Learners used a variety of sources for additional help or support in improving their skills and employment situation. A multiple-response question revealed that the top three sources of additional support were:
- friends and family (22 per cent);
  - Jobcentre Plus (18 per cent); and
  - community and voluntary organisations (9 per cent).

#### **Moving off benefits into work**

- 24 A third (33 per cent) of all learners in the survey had moved from benefits into work after the end of the course.
- 25 Multivariate analysis shows that learners with few or no disadvantages are much more likely than those with three or four disadvantages to move from benefits into work.
- 26 The length of time since a learner last worked is also strongly related to moves from benefits into work. Those who have relatively recent work experience are much more likely to move from benefits to work, all other factors being equal. The effect of this factor decreases as the length of time since the learner last worked increases.

- 27 Distance from the labour market is strongly related to moves from benefit to work, with those closer to the labour market more likely to move from benefits to work and those further from the labour market less likely to achieve this outcome.
- 28 Older learners are significantly less likely to move from benefits to work than are younger learners.
- 29 The benefit that learners were claiming before learning makes a significant difference as to whether they move from benefits to work. Those claiming the 'main' Jobcentre Plus benefits (Jobseeker's Allowance, Income Support and Incapacity Benefit) are much more likely to move from benefits into work than are claimants of Carer's Allowance and Pension Credit.
- 30 Those who undertake learning at Level 3 and above are more likely to move from benefits into work.
- 31 Those who undertake learning for personal learning-related reasons and those who embark on learning in order to help their children with their education are significantly less likely to move into work than those approaching learning with career-related reasons in mind.
- 32 The findings therefore indicate that the economic benefits of learning (in terms of finding work and moving off benefits) are stronger for the following groups of learners:
- JSA claimants;
  - those who are closer to the labour market;
  - people with no, or relatively few, disadvantages; and
  - those who are learning with a particular career aim in mind.
- 33 Learners requiring more support to move into employment include the longer-term unemployed, females, older learners and those receiving Carer's Allowance.

## **Employability, skills, social and personal outcomes**

34 There were a number of key findings in terms of employability skills.

Overall:

- 63 per cent of learners felt clearer about their career aims after the end of the course;
- 56 per cent of learners felt nearer to getting a job as a result of the course;
- 64 per cent of learners felt they had improved their job-related skills as a direct result of the course; and
- 44 per cent of learners felt they had acquired better job-search skills as a direct result of the course.

35 Those who had been claiming JSA at the start of the course had positive employment outcomes – 60 per cent had worked since completing their learning. Moreover, the learning had had a particularly positive impact on JSA claimants' employability skills – they were more likely than other claimant groups to report that their job-related and job-search skills had improved. Overall:

- 66 per cent of all learners reported feeling that their communication skills had improved as a direct result of learning;
- 60 per cent of all learners felt their team-working skills had improved as a direct result of the course;
- 57 per cent of all learners felt their problem-solving skills had improved as a direct result of the course;
- 50 per cent of all learners felt their literacy skills had improved as a direct result of the course;

- 41 per cent of all learners reported that their numeracy skills had improved as a direct result of the course; and
- 55 per cent said that learning had contributed to the progress of their IT skills.

36 The skills listed above are valued by employers, and may help unemployed learners progress on the road to employment. The effect of learning on communication, literacy and numeracy skills is particularly marked among groups of learners who were less likely to actually move into work – females, people from minority ethnic groups, those with multiple disadvantages and those further from the labour market.

37 The impact on team-working skills was stronger among younger learners, who would have had fewer opportunities to develop these skills in the workplace.

38 Learners also experienced a number of social and personal outcomes after taking part in learning. Of those learners who took part in the survey:

- 51 per cent felt that attending the course had encouraged them to take part in voluntary and community activities;
- 83 per cent agreed that learning had improved their social relationships and helped them to meet new people;
- 70 per cent agreed that the course had improved their personal and social skills;
- 86 per cent claimed they felt better about themselves because of the course;
- 84 per cent agreed that the course had given them a sense of more opportunities;
- 75 per cent felt their motivation had increased because of the course;

- 70 per cent said they felt more confident as a result of the course;
- 83 per cent agreed that the course had contributed to their doing something useful with their spare time;
- 32 per cent agreed that the course had helped them to support their children with their school work.

39 For all of the above social and personal outcomes of learning, women were more likely than men to feel that they had gained these outcomes through learning. The same is true of those with multiple disadvantages compared to those with few or no disadvantages, and of those who were furthest from the labour market compared to those who were nearer. Therefore, the personal and social benefits of learning are stronger for learners who are less likely to have experienced economic benefits (such as finding a job or moving off benefits).

### **Further learning outcomes**

- 40 42 per cent of all the learners in the survey undertook further learning after the end of the original course. Of those, 32 per cent learnt in their own time, 6 per cent undertook learning as part of their job, and 5 per cent undertook learning both at work and outside work.
- 41 Some 81 per cent of those who went on to further learning felt that the original course had helped them do so, indicating the value of learning in encouraging further study.
- 42 Not only had a significant number of learners enrolled in further study, but four in ten subsequent learners had paid their course fees – so a good proportion of learners do make a personal financial contribution towards any further learning that they undertake.
- 43 In all, 20 per cent of learners had achieved a further qualification since completing the original course.

- 44 All learners were asked how likely or unlikely they thought it was that they would undertake further learning in the next two years. Four learners in five thought it likely, with 54 per cent saying it was very likely and 25 per cent saying it was fairly likely.
- 45 Two-thirds of learners (66 per cent) planned to study for a new qualification in the next two years.

### **Entering learning**

- 46 Four learners in ten (41 per cent) said that they had started their original FE course in order to improve their labour market chances. These learners felt that the course had helped them to get a job or a better-paid job, and had helped them to change career.
- 47 The most important factor in starting the course had been 'to get new skills or update skills' (20 per cent). This was followed by 'to help get a job' (15 per cent) and 'wanting to learn something new or for personal interest' (16 per cent). The need to improve skills is, therefore, high on learners' agendas when they enrol on FE courses. Acquiring new skills and updating skills becomes more important with age, with older learners more likely than younger ones to want to improve their skills.
- 48 The most popular reason for choosing a particular course was to get new skills that the learner thought they needed (cited by 81 per cent of all learners). The next most commonly cited reason was 'it related to the job that you wanted to do' (66 per cent), which reveals the importance for the majority of learners of choosing learning to improve their employability.
- 49 Learners were asked a number of questions about whether certain factors had triggered their decision to embark on learning. Over three-fifths of all learners (62 per cent) agreed that they wanted to return to work after caring for children, while 44 per cent agreed that a change in their caring responsibilities had been a trigger. This reveals that caring responsibilities are a major factor in preventing people from taking up learning.

50 Very few learners found out about the course through information, advice and guidance services (2 per cent), local community centres or voluntary organisations (3 per cent in both cases). Some 8 per cent heard about the course through Jobcentre Plus. This shows that, when individuals are looking for learning opportunities, they may not automatically think of these as places to go to find out about learning. Learners prefer, it seems, to go through more direct channels, such as colleges (where 34 per cent of learners had heard about their course).

### **Learners' situations before the course**

- 51 More than eight learners in ten (81 per cent) had attended vocational courses; 11 per cent had attended basic skills and 8 per cent non-vocational courses. Of all the learners in the survey, 81 per cent had studied part time, and 19 per cent full time.
- 52 Almost a third (32 per cent) of all the learners in the survey had attended courses leading to Level 1 qualifications; 29 per cent undertook learning at Level 2; and only 21 per cent attended courses at Levels 3 and 4.
- 53 Before starting the course, the majority of the learners had been in receipt of Council Tax Benefit (55 per cent); Income Support (53 per cent) and Housing Benefit (52 per cent). Looking only at primary income-replacement benefits, Jobseeker's Allowance claimants made up just under one-third of learners (31 per cent), and were outnumbered by claimants of 'inactive benefits', including Income Support (53 per cent), Incapacity Benefit (17 per cent) and Carer's Allowance (7 per cent).
- 54 Overall, 70 per cent of all learners in the survey had been in paid employment at some point before their course began.
- 55 Family and caring responsibilities were the main barrier to employment, cited by 41 per cent of the learners who had not been in work immediately prior to the start of their course. This was followed by health reasons (35 per cent), lack of experience (29 per cent), lack of qualifications and skills

(27 per cent), lack of jobs (23 per cent) and lack of childcare (20 per cent). Personal barriers – such as caring responsibilities and ill health – are therefore more significant than labour market barriers, such as lack of jobs.

- 56 In all, 42 per cent of the learners in the survey had been looking for work immediately before their course started. Despite the barriers to working listed above, over three-quarters (78 per cent) of the learners who had been out of work when the course started were motivated to move into work, with over half being 'very motivated'.
- 57 The groups of learners who were most motivated to find work were JSA claimants, those studying for higher-level qualifications, those with dependent children and younger learners.

