

Research report

Employment Retention and Advancement (ERA) demonstration: Delivery, take-up, and outcomes of in-work training support for lone parents

by Richard Hendra, Kathryn Ray, Sandra Vegeris, Debra Hevenstone and Maria Hudson

Department for Work and Pensions

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Richard Hendra, Kathryn Ray, Sandra Vegeris, Debra Hevenstone and Maria Hudson

A report of research carried out by a research consortium consisting of the Institute for Fiscal Studies, the National Institute of Economic and Social Research, the Office for National Statistics, the Policy Studies Institute, and MDRC, a US-based non-profit social policy research firm, which is leading the consortium on behalf of the Department for Work and Pensions

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Abbreviations

ADF	Adviser Discretion Fund
ASA	Advancement Support Adviser
BIS	Department for Business, Innovation and Skills
DfES	Department for Education and Skills
DWP	Department for Work and Pensions
EDF	Emergency Discretion Fund
ERA	Employment Retention and Advancement (programme)
GCSE	General Certificate of Secondary Education
IS	Income Support
JSA	Jobseeker's Allowance
ND25+	New Deal 25 Plus
NDLP	New Deal for Lone Parents
NQF	National Qualifications Framework
NVQs	National Vocational Qualifications
PA	Personal Adviser
PET	Post-Employment Team
PSI	Policy Studies Institute
TA	Technical Adviser
WTC	Working Tax Credit

Glossary of terms

Advanced level qualifications (A levels)	Recognised as level 3 on the National Qualifications Framework, A levels are normally completed in years 12 and 13 of secondary school (age 17 to 19 years) and follow from GCSEs. They are the main route into higher education.
Advancement Support Adviser (ASA)	Employment specialist holding a position specifically created as part of ERA. These individuals were based in Jobcentre Plus offices and provided ERA participants with continuing advice and assistance intended to help them overcome obstacles to steady employment and find pathways to better job opportunities and higher wages.
BIS	Department for Business, Innovation and Skills.
DfES	Department for Education and Skills (now DFE, Department for Education).
Employment, full-time	A paid job of 30 or more hours per week.
Employment, part-time	A paid job of 16 to 29 hours per week.
Employment Retention and Advancement (ERA) programme	A demonstration programme which offered a combination of employment counselling services and financial supports to certain recipients of Government benefits or lone parents claiming Working Tax Credit. Its purpose was to help people stabilise and improve their work situations.
General Certificate of Secondary Education (GCSE)	The main national qualifications for 14- to 16-year-olds taken in a range of academic and applied subjects. GCSEs constitute levels 1 or 2 on the National Qualifications Framework, depending on the grade achieved.
Income Support (IS)	A means-tested benefit for working-age adults who are not required to sign on as unemployed. They may work up to 15 hours per week.
In-work training	This refers to training completed while participants were working. It should not be confused with 'on-the-job' training since the training may have taken place outside of work (but while people had jobs).
Jobcentre Plus	An agency of the Department for Work and Pensions which provides help and advice on employment and training for people who can work and financial support for those of working age who cannot.
Jobseeker's Allowance (JSA)	The main benefit for people of working age who are out of work, work less than 16 hours a week, on average and are available for, and actively seeking, work.

Lone parent	Parent or guardian who is not in a cohabiting relationship, with a dependent child under age 16. The vast majority are female.
National Qualifications Framework (NQF)	Sets out the level that needs to be attained for a qualification to be recognised in England and Wales. These are regulated for standardisation and quality. In Scotland a parallel but different educational system applies.
National Vocational Qualifications (NVQs)/Scottish Vocational Qualifications (SVQs)	Industry- and work sector-specific qualifications which are based on practical, work-related tasks. NVQs can be attained at levels 1 to 5 on the NQF.
New Deal programme	The UK's main welfare-to-work initiative during the time in which ERA was operating. New Deal services included the development of individual action plans outlining customers' work goals and job search assistance and training to help them achieve these goals.
New Deal 25 Plus (ND25+)	Mandatory New Deal programme which was in effect while ERA operated. It served longer-term unemployed people (mostly males) age 25 or over who were claiming JSA for 18 or more months (or 18 months out of the last 21). Various elements of provision were made available through a Personal Adviser (PA) and participants followed a programme of mandatory activities.
New Deal for Lone Parents (NDLP)	Voluntary New Deal programme which was in effect while ERA operated. It aimed to help and encourage lone parents to improve their job readiness and employment opportunities and gain independence through working. Various elements of provision were made available through a PA. Eligibility for NDLP included all lone parents aged 16 or over whose youngest child was aged below 16 and those who were not working or were working less than 16 hours per week. Most participants were female.
Personal Adviser (PA)	Employment specialists, working in Jobcentre Plus offices, who provided job advice and assistance to New Deal customers who were not randomly assigned to the ERA programme group.
Post-Employment Team (PET)	A group of ASAs whose sole task in the ERA programme was to assist in-work customers.
Technical Adviser (TA)	Staff position specifically created as part of ERA. These individuals, posted in each ERA district, ensured that ERA services were delivered in accordance with the policy design and provided general support for the evaluation effort.
Working Tax Credit (WTC)	A means-tested earnings supplement. Lone parents were required to work at least 16 hours a week to qualify.

Summary

When the Employment Retention and Advancement (ERA) demonstration programme was launched in autumn 2003, it was conceived as the ‘next step’ in Britain’s ‘welfare-to-work’ policy, which had previously focused primarily on job placement assistance rather than in-work services. One of the key goals of ERA was to encourage human capital development by supporting and incentivising training among low-wage workers. To accomplish this, the programme provided personal adviser support and financial incentives for completing training and working full time. This report looks specifically at the delivery, take-up and outcomes of the training support and incentives provided through ERA. A central question is whether an approach which features intensive adviser support and financial incentives encourages training beyond what would normally occur. Because training encompasses a broad range of activities, this report details the kinds of courses people took in ERA. Finally, it is important to assess whether training leads to better labour market outcomes. Some programmes have increased training with no corresponding effect on earnings. One hypothesis to explain these results is that the training might not have been in courses relevant to advancement. Therefore, this study closely examines the occupational relevance of the courses taken.

The UK’s ERA programme

The UK’s ERA demonstration was designed to test the effectiveness of a programme to improve the labour market prospects of low-paid workers and long-term unemployed people. It is being evaluated through a large-scale, randomised control trial. Operated within six Jobcentre Plus districts across the UK from 2003 to 2007, the programme included a package of measures designed to help participants enter, remain in, and advance in full-time work. There were two main types of support: (1) personalised advisory support and (2) financial incentives for completing training and working full time.

The ERA programme targeted three groups of people: two groups of lone parents and one group of long-term unemployed people. The groups comprised:

- lone parents entering the New Deal for Lone Parents (NDLP) programme;
- lone parents working between 16 and 29 hours a week and receiving Working Tax Credit (WTC);
- long-term unemployed people entering the New Deal 25 Plus (ND25+) programme.

As a randomised control trial, qualifying members of the three target groups were invited to volunteer for ERA. Two of the groups of participants started on ERA when unemployed (the two New Deal groups), while the third group (WTC participants) started on ERA while in (part-time) work. This report focuses on the two lone parent groups (results for ND25+ group members are shown in the Appendix).

This report seeks to find out how ERA supported and encouraged in-work training as a means to advancement. The ability of ERA to influence training activity is important as a potential mechanism for enhancing the prospects of lone parents advancing in work by developing their human capital. ERA was expected to induce training through two types of incentives: First, ERA staff could pay for participants’ tuition for training courses, up to a maximum of £1,000 per person for all courses, provided participants took the courses while they were working 16 or more hours per week. Second, ERA participants could receive a training completion bonus. This incentive paid £8 for every hour of training completed, up to a maximum of £1,000 (or 125 hours of completed training). Again, participants had to be working 16 or more hours per week to be eligible for the training completion bonus. Finally, advisers encouraged and facilitated course-taking and helped embed training into advancement plans.

This report uses both quantitative and qualitative data. The quantitative analysis drew on two waves of the ERA customer survey, using information from those who responded in both waves. The survey was administered to a sample of programme and control group participants 12 months and 24 months after their date of random assignment. The sample sizes for most of the quantitative analyses in this report are 2,293 (for the NDLP group) and 1,248 (for the WTC group). The qualitative data are drawn from interviews and focus groups with staff and programme group participants in multiple rounds of fieldwork conducted during and after ERA programme delivery.

Results

- **ERA increased training overall and increased training specifically relevant to occupations.**

ERA increased participation in training for both lone parent target groups. It is reasonable to expect, however, that not all training courses are equally relevant for advancement. In particular, courses specific to occupations in which people currently work or to which they are hoping to transfer would be expected to lead more quickly to economic advancement. For the purposes of this analysis, courses were categorised as either ‘general’ (such as soft skills or basic skills courses) or ‘trade-specific’ (courses relevant to specific occupations, such as nursing). Most of ERA’s effect on training was achieved by increasing the likelihood of taking trade-specific courses. Among the NDLP group, ERA increased the likelihood of taking trade-specific courses by 4.8 percentage points above the control group level of 46 per cent (a ten per cent gain). Among the WTC group, ERA increased the likelihood of taking both general and trade-specific courses, but the impact was much larger for trade-specific courses; ERA increased the likelihood of taking trade-specific courses by 13.5 percentage points over the control group average of 54.5 per cent. The increase in trade-specific training was distributed over several course content areas, including business, information technology and basic computer user skills.

- **Both advisory support and incentives may have been important in producing ERA’s impacts on education and training.**

Interviews with participants and staff suggested that advisory support and financial incentives, separately or in combination, contributed to ERA’s impact on training, and that their respective roles differed for different groups of people. First, the role of advice and guidance was critical. Coordinating training into a clear advancement strategy was very complex and participants (and occasionally advisers) sometimes struggled to make the link between taking a course and advancing. Financial support to cover training fees was influential, as course costs were often a barrier to training. There was less agreement among advisers and participants regarding how important the training completion bonus was as an incentive.

- **ERA increased training for those with lower educational credentials.**

Among the control group, training rates were notably lower for those who entered ERA with lower educational attainment. This was reflected in advisers’ and participants’ experiences, which showed that less prior success in formal education led to a lack of confidence and motivation among participants to take up training. In the absence of ERA, those with lower educational attainment were also less likely to advance in the labour market. One goal of ERA was to help ‘close the gap’ by encouraging somewhat less-prepared participants to take up training to enable them to get onto an advancement path. The research found that advisers helped to close the skills gap by encouraging and supporting those with lower educational credentials to take up training. For the NDLP group, the effects of ERA on training were largest for those with secondary education qualifications (GCSEs). For the WTC group, the effects of ERA were largest for those with GCSE qualifications and for those with no qualifications. By contrast, ERA had no effect on training among those with A levels as their highest educational qualification in either of the lone parent target groups.

- **All of ERA's effect on course-taking was among those with children aged five or older.**

In the absence of ERA (i.e., among the control group), those with children under five took training at nearly the same rates as those with older children. However, it was found to be difficult to encourage additional course-taking among those with younger children beyond what they would have done on their own initiative. For both the NDLP and WTC target groups, ERA's effects on course-taking were clustered among those with older children. Advisers recounted in interviews that participants with young children were difficult to engage in training; if they had advancement aspirations they often deferred them until their children were older.

- **Though it is too early to assess whether ERA's effects on course-taking will translate into long-term advancement, the analysis of subgroup variation has shown mixed results and points to the possible importance of earning a concrete, recognised, employment-related qualification.**

While it is relatively early (with only two years of follow-up data) to expect the impacts on course-taking to translate into advancement, the early patterns emerging in three particular subgroups may be illuminating. The first example serves as an important reminder that there are other elements of ERA besides training support. The largest impact on earnings in the first two years was among NDLP participants who entered ERA with A-level qualifications. ERA had no effect on training for this group. This finding points to the importance of other elements of ERA, such as the retention bonus and/or advancement support.

The second example suggests that even substantial increases in course-taking do not necessarily lead to short-term advancement. Among WTC participants who entered the programme with GCSE qualifications, ERA produced a very large (over 20 percentage points) increase in course-taking, but had no effect (within the first two years) on earnings. This may be because ERA did not lead to a higher likelihood of translating this course-taking into educational qualifications. The third example again points to the potential importance of qualifications. Among those with older children (in both target groups), ERA increased the propensity to take trade-specific courses and the likelihood of attaining training or educational qualifications. This group has seen statistically significant increases in earnings.

- **ERA's in-work training support seemed to help participants in a broad range of areas (including non-economic outcomes).**

Training can have effects on non-economic outcomes which are difficult to measure with quantitative data. The qualitative research examined outcomes from training for participants two years after ERA service delivery had finished and looked at what participants considered as the facilitators of and constraints on positive advancement outcomes. The work outcomes participants had achieved by this stage were diverse, ranging from promotions or taking on greater responsibility at work, to softer outcomes, such as becoming more aware of capabilities and increasing self-confidence and assertiveness.

While the financial assistance was important, information, advice and guidance on training choice, and on how to translate new skills and qualifications into advancement, were found to be equally important. The evidence from ERA therefore suggests that an holistic package of training support is necessary to enable working lone parents to upgrade their skills and improve their long-term employment prospects. This needs to be borne in mind if any future Jobcentre Plus-based delivery of advancement-related support is considered. Finally, one weakness of ERA training was that it focused on the supply side of the labour market; the programme did not engage employers in the choice of training, nor did it take into account the local labour market. Future training initiatives may need to incorporate input from the demand side of the labour market.

1 Introduction

1.1 Introduction

This report focuses on the delivery, take-up and outcomes of the in-work training support provided through the Employment Retention and Advancement (ERA) demonstration.

Many low-income people face skill deficits which hinder their advancement in the labour market. This has become an issue of central importance in the UK (Leitch, 2006). Efforts to address the skills disadvantage through training have been mixed, with persistence and completion of training being an ongoing challenge (Martinson and Holcomb, 2007). Working lone parents, in particular, find it difficult to find time to complete training or are reluctant to trade limited time available for their children for time spent in training. There are also issues of confidence. Many low-income individuals may have had difficulty in formal education, making the prospect of training in adulthood seem intimidating for some. Finally, simply taking training classes is not enough. To be effective, training needs to impart skills which are in demand by employers (Maguire *et al.*, 2009) and it is sometimes difficult to know which courses to take. Together, these factors create a 'skills gap' for many low-wage workers.

One of the key goals of the ERA demonstration was to encourage human capital development by supporting and creating incentives for training among low-wage workers. To accomplish this, the programme provided personal adviser support and financial incentives for completing training and working full-time. This report looks specifically at the delivery, take-up and outcomes of the training support and incentives provided through ERA. A central question is whether an approach which features intensive adviser support and financial incentives encourages training beyond what would normally occur. If there is an effect on training, it is important to assess whether the training leads to better labour market outcomes. Some studies of US-based programmes designed to increase training found that they failed to do so (Navarro *et al.*, 2009). Other studies found an increase in training with no corresponding effect on earnings (Miller *et al.*, 2005). One hypothesis to explain these results is that the training might not be in courses relevant to advancement. Therefore, this study will also examine the occupational relevance of the courses taken.

In brief, this analysis finds that ERA did increase the proportion of people who took courses. Particularly encouraging was that ERA increased training among those who were at an academic disadvantage. Depending on the target group, ERA encouraged those with middle- or lower-level qualifications to train more. Finally, while the increase in training was in areas one would expect to be relevant to advancement, such as courses specifically focused on trades or concrete workplace skills, the early economic impact patterns are mixed and it is not yet clear whether the additional training is translating to economic gains.

The ERA demonstration was designed to test the effectiveness of a programme to improve the labour market prospects of low-paid workers and long-term unemployed people. It is being evaluated through a large-scale, randomised control trial. Operated within six Jobcentre Plus districts across the UK from 2003 to 2007, the programme included a package of measures designed to help participants enter, remain in, and advance in full-time work. There were two main types of support: (1) personal adviser support and (2) financial incentives for completing training and working full-time.

The Department for Work and Pensions (DWP), working with Jobcentre Plus staff in each of the study districts, managed the overall implementation of ERA and is overseeing the evaluation. The study is being conducted by a research consortium made up of the Institute for Fiscal Studies, the

National Institute of Economic and Social Research, the Office for National Statistics and the Policy Studies Institute, under the overall leadership of MDRC (a New York City-based research organisation experienced in conducting large-scale random assignment tests of new social policies).

This report focuses specifically on the ERA measures to encourage and support training, particularly for people who were working. It builds on the two-year impact analyses published in 2008, which showed that ERA increased training take-up for lone parent participants who were in work. It provides further detail on the delivery of ERA training support by Jobcentre Plus Advancement Support Advisers (ASAs), the types of training taken up and by whom, and early findings on the employment-related outcomes from this training. It also addresses key questions left unanswered in previous reports, such as whether the course-taking ERA encouraged was occupationally relevant and therefore likely to lead to longer-term advancement, who was induced to take courses, and what the role of advisers was in encouraging course-taking and steering it towards advancement goals. In so doing, the report provides insights to help inform the design and implementation of future policies on skills, training and advancement support for low-paid workers.

1.1.1 The ERA programme

The ERA programme targeted three groups of people: two groups of lone parents and one group of long-term unemployed people. The groups comprised:

- lone parents entering the New Deal for Lone Parents (NDLP) programme;
- lone parents working between 16 and 29 hours a week and receiving Working Tax Credit (WTC);
- long-term unemployed people entering the New Deal 25 Plus (ND25+) programme.

Two of the groups of participants therefore started on ERA while unemployed (the two New Deal groups); the third group (WTC participants) started on ERA while in (part-time) work. This report focuses on the two lone parent groups. (Data on the ND25+ group are shown in Tables A.1-A.6 and Figures A.1-A.6.)

As a randomised control trial, qualifying members of the three target groups were invited to volunteer for ERA. After completing an informed consent process, the volunteers were assigned randomly to either the ERA programme group or the control group. Individuals assigned to the control group could continue to receive whatever provisions they were normally entitled to receive from Jobcentre Plus. ERA services available only to the programme group consisted of additional advisory support and financial incentives, as described below.

Advisory support

ERA programme group participants were allocated an ASA employed by Jobcentre Plus¹ for a maximum of 33 months (including both pre-employment and in-work periods). In the pre-employment stage, ASAs advised ERA participants to consider longer-term advancement goals as well as simply finding a job. This might entail considering a job's advancement opportunities before taking it or trying to identify work which would be a good fit with participants' skills and interests. Once participants were working, support continued to address any new challenges and help them advance. This support might include assisting participants during periods of stress, arranging childcare, or advising on tax credit claims. In addition, ASAs could help participants think about advancing by increasing hours, attaining a promotion, or finding a better job. To guide their work with participants, it was intended that ASAs develop an Advancement Action Plan for each ERA participant, which set out job search, retention and advancement steps.²

¹ The ASAs were drawn largely from the pool of Personal Advisers (PAs) already working at Jobcentre Plus in the selected districts, who were provided with training on how to deliver ERA services.

² The challenges in implementing this type of support have been documented in previous ERA evaluation reports (see Hall *et al.*, 2005; Dorsett *et al.*, 2007).

ASAs also had access to an Emergency Discretion Fund (EDF), which was a pool of up to £300 to cover assistance with problems which hindered participants' ability to work. It could be spent on things such as work clothes, tools, car repairs, or emergency childcare. Participants could access this emergency fund when they were employed 16 or more hours per week.

Financial incentives

The ERA programme also included financial incentives designed to promote retention and advancement and training completion. These incentives (as well as the EDF funds) were tax-free and did not count as income against entitlement to tax credits. Three financial incentives were available:

- A retention bonus, intended to motivate participants to enter full-time work or to make the transition from part-time to full-time employment. This comprised up to six payments of £400 for each period when participants worked 30 or more hours per week for 13 out of 17 weeks. This amounted to £2,400 for a customer who received all six payments. Participants were required to provide evidence of their employment and hours by showing wage slips and to come into the Jobcentre Plus office to claim their retention bonus.
- Participants were also eligible for the payment of training fees, up to £1,000, for courses undertaken while in work of at least 16 hours per week. Courses needed to be approved by an ASA and were intended to reflect the goals agreed in participants' Advancement Action Plans. Payments were made directly to training providers.
- A training bonus was also available to participants who successfully completed an approved course, paid at £8 for every hour of training completed, up to a maximum of £1,000 (or 125 study hours). It was paid only for training completed within the 33-month ERA service period.

This report focuses specifically on the ERA support available to encourage in-work training, including advisory support and the two financial incentives (training fees and completion bonuses), as described above. This package of support was intended to encourage participants to invest time and effort in developing skills which might promote their long-term career progression.

1.1.2 Two-year findings on training and advancement

This report builds on the published two-year findings from ERA on training and advancement (Miller *et al.*, 2008; Riccio *et al.*, 2008). These findings showed that by the time of the two-year follow-up survey, ERA had a positive impact on the likelihood of lone parents training while in work. For the NDLP group, 35 per cent of the programme group took up training while in work compared with 29 per cent in the control group. Among WTC participants, the overall take-up of training while in work was higher and the impact of ERA was also larger (72 per cent of the programme group and 56 per cent of the control group participated in training while working). Compared with the lone parents, fewer of the ND25+ participants took up training while in work (19 per cent) and there was no significant difference between take-up in the programme and control groups (i.e., ERA had no impact on training take-up). For this reason, and due to small sample sizes and possible survey response bias, this report focuses on the two lone parent groups.

While ERA had an impact on training take-up for the two lone parent groups, the data suggest that not all of this training was motivated by the ERA financial incentives. Only a quarter (24 per cent) of the NDLP programme group who participated in training while working received fee payments through ERA and just 21 per cent received a completion bonus. For the WTC programme group, just over a third (36 per cent) of those who participated in training while working received fee assistance and around the same proportion (33 per cent) received the completion bonus.

Qualitative research with the ERA programme group illuminated some of the reasons for the relatively low take-up of ERA-supported training, as well as the differential take-up across participant groups. First, although the skills of ASAs improved over time, they had difficulties in implementing advancement and career-focused support for ERA participants. Challenges included limited experience among ASAs, large caseloads and a lack of practical guidance on how to deliver the relevant support. Second, participants' attitudes regarding advancement and training influenced outcomes. Some participants, particularly in the WTC group, volunteered for ERA specifically because of the training opportunities. Others (mostly among the NDLP group) wanted to defer advancement until they were settled in work and their children were older. Still others rejected advancement and did not see it as relevant to them.³ The qualitative research with both ERA staff and programme group participants indicated that, often, this was related to individuals' lack of confidence in their ability to undertake training. Skilled ASAs could alter such attitudes to training and advancement, although this was not easy.

1.2 Policy background and previous findings on training for low-skilled and disadvantaged workers

Much academic and policy literature in the UK is premised on the association between skills, qualifications and employability. Since the publication of the Leitch Review in 2006, there has been a greater focus on raising the skill levels of the UK workforce. Lord Leitch was asked by the previous Labour Government to consider a long-term strategy on skills for the UK, in order to increase economic competitiveness and improve social justice. His report called for the Government to commit to becoming a 'world leader' in skills by 2020 and argued that this could benefit the UK by boosting productivity and employment, reducing child poverty, improving employment rates for the disadvantaged and reducing income inequality (Leitch, 2006). Leitch's recommendations included making the skills system more demand-led; sharing responsibility for investment in skills between government, employers and individuals; and embedding a 'culture of learning' among individuals.

More recently, the UK coalition Government published *Skills for sustainable growth: consultation on the future direction of skills policy* (BIS, 2010) to address the needs of those who have poor work prospects or a high chance of spending long periods out of work. It called for recognition that employers, colleges and training organisations require support and incentives to help them prioritise these groups within mainstream learning and highlighted the need for a diverse set of colleges and training organisations which are able to engage and support the more disadvantaged in the labour market.

1.2.1 Employability programmes and training

When the ERA programme was launched in autumn 2003, it was conceived as the 'next step' in Britain's 'welfare-to-work' policy, which had previously focused primarily on job placement assistance rather than in-work services. For the two ERA groups that entered the programme when out of work (NDLP and ND25+), ERA services were additional to the services which they would have ordinarily received through their respective New Deal programmes. These programmes were introduced into Britain's welfare-to-work repertoire in 1998 and were intended to introduce 'active case management' for unemployed and out-of-work people and increase work-focused advice, encouragement and job preparation services.

³ Such participants may have volunteered for the programme without fully understanding its advancement intent (see Walker *et al.*, 2006, for fuller discussion of this) or may have been simply motivated by the retention bonus.

When the ERA programme was in operation between 2003 and 2007, those lone parents who joined the NDLP and were assigned to the ERA control group would have received various training opportunities as part of NDLP pre-employment support. It should be noted that NDLP was a voluntary employment support programme, which meant that out-of-work benefits were not affected by participation or non-participation in NDLP-sponsored activities.

By joining NDLP, lone parents indicated their interest in paid work and NDLP PAs encouraged participants to improve their employability and take up paid employment. Although the programme followed a ‘work-first’ approach, participants also received support and opportunities for training before they entered work, for example:

- funding for approved training or education courses (up to National Vocational Qualification (NVQ) level 2);
- £15 per week training premium allowance (for up to a year) for those undertaking work-related training while on NDLP;
- help with the costs of travel and childcare for training courses;
- work-training placement or trial period in work without risking loss of benefit;
- for those interested in self-employment, referral to a programme offering business advice.

Unlike ERA, NDLP did not offer in-work financial support which specifically incentivised training alongside employment. However, working lone parents in receipt of WTC (a means-tested earnings supplement) were entitled to have training fees waived or reduced for certain eligible courses. This policy would have applied to ERA control and programme group participants.

A key issue in welfare-to-work debates has been the extent to which such programmes should focus on ‘work-first’ or ‘human capital development’ approaches. It has been argued that the UK has typically taken a ‘hybrid’ approach, with programmes like the New Deal offering individually tailored support from PAs, but combined with performance incentives which encourage rapid work entry (Lindsey *et al.*, 2007). Individual programmes also differ in the emphasis they place on these different elements.

Work-first approaches have often been criticised because they are said to encourage people to take low-skilled, low-paid work; the assumption that progression through in-work training will follow later is largely unwarranted from the evidence. The human capital development approach places more emphasis on training before entering work in order to facilitate placement in ‘better-quality’ jobs, as well as taking a more holistic approach to dealing with people’s barriers to employment and training and support needs (Lindsey *et al.*, 2007). The evidence on training-focused vis-à-vis employment-focused programmes, however, is inconclusive. A joint review of the evidence on improving the employability of those with low skills by the Department for Education and Skills (DfES) and DWP (2007) suggested positive sustained employment effects (over 12 to 18 months) from some out-of-work training programmes in the UK, such as Employment Training and Training for Work.⁴ The evaluation of Work-Based Learning for Adults also showed longer-term positive effects over a three-year period. There was no impact on hourly wage rates from these interventions, however, suggesting that participants were not moving into ‘better jobs’.

⁴ Employment Training and Employment Action programmes were merged into Training for Work in 1993. Training for Work was a programme aimed at helping people unemployed for over six months to find jobs and improve skills. Three routes were followed by participants: employer placements, full-time training or project placements.

Evidence from randomised control trials conducted in the US have shown that programmes with an employment, rather than a training focus, were more likely to have a positive effect on earnings in the short term, although programmes with education interventions started to ‘catch up’ within a longer time frame (reviewed by Dench *et al.*, 2006). However, the human capital programmes did not ultimately surpass the work-first programmes in terms of their effect on long-term earnings (Hamilton, 2002) and they were found to be more costly.

The DfES and DWP review concluded that the most effective out-of-work training programmes are those which develop strong links with employers⁵, have a clear work focus, use work placements or work trials and tailor the support provided to meet individual needs.⁶ It also concluded that individuals need to be able to continue their training after they have moved into employment.

1.2.2 Outcomes from training while in work

The ERA programme offered incentives and support to encourage participants to take up training while they were in work. This was due to growing concern about the sustainability of the jobs which long-term unemployed people and lone parents typically take and their potential for income growth. The New Deal programmes, detailed above, focus on job placement but offer no in-work support to help participants retain and advance in their work. The ERA programme shifted the focus of service delivery towards in-work advancement to help people leave the cycle between low-wage work and benefits. The training ERA supported could be any type of training, either on or off the job, and employer-supported or independent of work. An ASA had to approve the training as relevant to that individual’s ‘advancement plan’. The policy intended that, to be funded through ERA, the training needed to be additional to anything which would otherwise be funded by an employer.

While it is widely documented that a lack of skills and qualifications is associated with labour market disadvantage, the evidence is less clear about the labour market returns to education, training and qualifications gained as an adult, through post-compulsory schooling (Dench *et al.*, 2006). Much depends on the types of training undertaken and the context (e.g., in work or out of work, on the job or off the job), qualifications gained, as well as demographic characteristics of participants, the time frame used for measuring outcomes and the outcomes measured (Blanden *et al.*, 2008).

Some positive results have been seen in terms of employment returns to qualifications acquired post-school. For example, McIntosh (2004), using Labour Force Survey (LFS) data, showed that acquiring level 2 or 3 vocational qualifications after leaving school was associated with higher employment rates for unqualified school leavers over a six-year period, significantly reducing the employment gap with those who left school with good General Certificates of Secondary Education (GCSEs). However, the qualifications gained had a lesser association with wages. Another study by Stewart (2009), focusing on the work trajectories of lone parents (using data from the British Lone Parent Cohort⁷, 1991-2001) found that wage progression over the period was increased both by having post-school qualifications to begin with (wages rose by an extra 2.4 per cent annually) and by

⁵ A recent study of sectoral training strategies in the US has found an approach to be effective in which participants trained for specific jobs in training programs which were closely coordinated with the needs of industry (Maguire *et al.*, 2009).

⁶ Dench *et al.*, (2006) also note, however, that in many cases those on ‘purer’ education-focused interventions are further from the labour market to begin with (as some programmes involve an initial assessment of needs and then a tailored pathway). Positive outcomes from interventions may take a longer time to be realised for these people.

⁷ The British Lone Parent Cohort is a panel survey, which began with a nationally representative sample of lone parents in 1991, but was later supplemented by a sample of Family Credit recipients, resulting in an over-sampling of lone parents in work.

acquiring advanced or vocational qualifications during the period of observation (wages rose by an additional 1.5 per cent annually). However, other reviews raise concerns about the returns to lower-level qualifications (level 2 and below), which are thought to be diminishing (e.g., Johnson *et al.*, 2009; Lawton, 2009). Evidence also suggests that returns to vocational qualifications (even at the same level of qualification) can vary significantly depending on subject, sector or learning pathway (Johnson *et al.*, 2009).

The DfES and DWP review (2007) cites evidence suggesting that training undertaken with the support of an employer has better returns in terms of progression. One study showed that returns to the NVQ 2 qualification were greater for those who acquired it via an employer, while another study showed both wage progression and retention effects for employer-provided training. Train to Gain was the previous Labour Government's flagship programme, designed to improve qualifications within the workforce. The programme provided skills brokers to carry out organisational assessments of workforce training needs and to help employers commission the training their employees needed. Some public funding was available to subsidise the training, depending on the type of the business, skills needs and the employees' qualifications.

Accepting research design limitations, the research reviewed here generally identifies better returns when the training is supported by an employer. It may also be that training which is outside the workplace or not supported by the employer can require different strategies to attain progression and therefore take longer to realise a return (for example, moving jobs to an occupation or sector which has better progression opportunities). Earlier qualitative findings on a low-skilled subsample of ERA participants (Ray *et al.*, 2010) found that participants experienced such strategies as harder to achieve because they involved more 'risk' and additional support was needed from advisers to help manage the transition.

1.2.3 The take-up of training

While, in the shorter term, labour market returns from work-related training are greatest from qualifications gained within the workplace, low-skilled people are much less likely to receive training from their employers and are concentrated in occupations with little training (DfES and DWP, 2007). One objective of the Train to Gain programme was to increase employer demand for training, although the Office for Standards in Education, Children's Services and Skills (Ofsted, 2008) found there was little evidence, to date, that the programme increased training among employers and that the 'hard to reach' criteria (for measuring training uptake among employers not traditionally offering training) was too lax: many of those meeting the criteria were already committed to training. Given that the training supported through ERA could be either employer-supported or independent of work, the programme had the potential to enable people to access training while in work, which they would not otherwise have received. Whether ERA did indeed increase training among those otherwise unable or unlikely to take it up is a key question addressed in this report.

A review of the evidence on employee demand for skills (Johnson *et al.*, 2009) showed that training take-up and skills development is lower among certain groups of people, including those with few qualifications, low-skilled people, older workers, part-time workers and those working in small or non-unionised workplaces. The evidence on gender is inconclusive; some studies suggest that women's participation in work-related training, while previously lower, is now overtaking that of men due to women's increasing participation in the labour market and the shift to service sector employment characterised by both higher rates of training and female participation. However, those with caring responsibilities (more common among women) are less likely to take up skills development and part-time workers (again often women with caring responsibilities) are also less likely to receive training at work.

Johnson *et al.* identified a range of barriers to training take-up/skills development:

- financial factors;
- lack of advice, information or guidance;
- negative family or peer influence;
- past negative educational experiences;
- limited awareness of the benefits of skills development;
- perceived poor quality or lack of access to relevant provision.

Facilitators of training take-up among people with barriers to training, included:

- support from employers and a ‘culture of learning’ within the workplace, which plays an important role in influencing decisions about engaging in skills development. Support from Union Learning Representatives or other learning ‘champions’ was found to be important, as were the attitudes and behaviours of line managers;
- clear progression routes and accreditation, which can play a role in facilitating continued skills development, particularly for people over the age of 40;
- flexible learning provision, which can promote participation in learning. This can be either work-based or home- or community-based.

This review of policies and programmes identified a number of means to support take-up of training in the workforce. These include financial support, employer support, information, advice and guidance. Financial support on its own is unlikely to be sufficient for stimulating take-up, and additional information, advice and/or guidance is important, particularly for less well-qualified people and/or those with negative experiences of formal education. The ERA programme comprised a mix of both financial incentives and adviser support and encouragement for taking up training, as detailed earlier. One of the questions addressed in this report is the relative effectiveness of financial incentives and adviser support in encouraging participants to take up training.

1.3 Scope of the report

1.3.1 Research questions

This report builds on the two-year findings already published for the ERA programme and aims to answer some of the questions raised by the literature reviewed above. While the two-year results showed that ERA had a positive impact on participation in training while in work for lone parent participants, it was unable to shed light on the type of training participants took or the type of participants who took training. In addition, this report takes a closer look at the delivery of the ERA training support. This section outlines the key research questions.

How relevant were courses to advancement? One key question relates to the types of training participants took and whether the training was relevant to economic advancement. At first, one might expect that any training should increase one’s advancement prospects. However, evidence from other studies and closer consideration suggest this may not be the case. Based on the review of the literature, one can expect general ‘basic skills’ training to be less effective than training specific to either one’s current or future occupation. One hypothesis of this report is that training is expected to be more relevant to advancement if it is specific to either the occupation one currently works in or the occupation one is trying to transfer to.

As will be discussed in Chapter 2, for the purposes of this report, courses are first broken up into two broad categories: general and trade-specific. The expectation is that trade-specific courses will be more occupationally relevant. Initial reviews of course title data suggest another reason why training is not necessarily linked to advancement. Some respondents reported taking courses in areas which appear to be related to personal interests or hobbies. The report will focus on how training was related to participants' current occupation and to their advancement goals. The report will describe the specific types of courses taken and how these differ based on whether a participant was in the ERA group or the control group. This will address whether ERA's effect on training was in occupationally relevant courses. Course distributions are also examined to shed light on whether course-taking patterns vary based on employment status and based on whether ASAs arranged courses.

Who took courses? Another key set of questions relates to who took courses. Given that ERA increased training, it is important to determine whether the increases in course-taking were among groups who already tend to take courses at an above-average rate or whether the increase was among those who do not tend to take courses as much. Although both outcomes would be favourable, the latter outcome would be particularly encouraging, as it would show that ERA helped to narrow the human capital gap for those with lower skills.

Did training lead to advancement? While the report is not able to present longer-term impact data on work progression and advancement⁸, it reports on the findings of descriptive results which analyse the correlation between course-taking (and other background characteristics) and short-term advancement among the control group.⁹ The report also includes new qualitative data from research with participants carried out in 2009 (approximately two years after ERA service delivery had finished), which can provide further insight into the experiences of participants in trying to capitalise in the labour market on any training undertaken.

What was the role of ASAs and of incentives in delivering training support? In terms of ASAs, the report examines the enablers and barriers to the delivery of training support. It outlines the challenges for ASAs in delivering effective training support through ERA and provides suggestions for how these could be improved in future initiatives. The analysis also looks at the relative importance of incentives in fostering participants' completion of training.

1.3.2 Report outline

The next chapter discusses the characteristics of the samples, the strategy used to classify courses into categories and the data sources and methods used for the report.

Chapter 3 focuses on the control group's training and advancement patterns. This sets the stage for the subsequent analysis by providing a portrait of course-taking and advancement patterns in the absence of ERA.

Chapter 4 focuses on the ERA programme group by examining the delivery of training support by ERA ASAs, the level of take-up of in-work training and the extent to which the courses taken were relevant to advancement.

⁸ Five-year impact findings will be published in 2011.

⁹ It is important to be clear that these analyses do not permit causal claims related to the payout from course-taking. It also needs to be borne in mind that these relationships between training and advancement outcomes will likely change over time because advancement outcomes typically take a long time to be realised.

Chapter 5 focuses on the impacts of ERA on general course-taking and the types of courses taken and whether ERA affected the type of participants who engaged in training. The supporting qualitative analysis for Chapter 5 then takes a closer look at the different elements of ERA provision: adviser support and financial incentives for training. It considers which elements of the ERA programme ASAs and participants valued most and which elements made the most difference to participants' decision to take up training.

Chapter 6 uses qualitative data to explore participants' experiences of using training and the qualifications they gained to advance in the labour market. It identifies the enablers and constraints to the conversion of training into advancement for participants with different goals and aspirations.

Finally, Chapter 7 presents conclusions and discusses some policy implications.

The Appendix presents more details on course-taking and advancement patterns among the ND25+ group and the training and occupational typologies created for this report. Some supplementary tables relating to the WTC group are also shown in the Appendix.

2 Samples, characteristics and training typology

This chapter describes the characteristics of the New Deal for Lone Parents (NDLP) and Working Tax Credit (WTC) target group samples, discusses the samples and data used in this report, and presents the typology used throughout the report to measure the content of courses taken by participants.

2.1 Characteristics of NDLP and WTC participants

Reflecting the diversity of the districts included in the evaluation, the Employment Retention and Advancement (ERA) sample exhibits considerable variation in a number of important background characteristics. Important differences also distinguish the NDLP and WTC target group samples, resulting, in part, from the differences in eligibility criteria for ERA and the way in which those sample members were recruited. The following sections describe the sample by target group and highlight some of the main differences across the districts which are important to consider throughout this report, as they at least partially help explain why course-taking was more common among WTC participants compared with NDLP participants (regardless of ERA).

2.1.1 Characteristics by target group

Between October 2003 and April 2005, 6,787 people entered the ERA sample from NDLP and 2,815 people entered the ERA sample from WTC across all six districts (in practice, only the WTC target group enrolled people during the last three months of this period). These two groups have relatively different social compositions, as the profile summarised in Table 2.1 shows.¹⁰

¹⁰ This table shows the characteristics of the full samples for the NDLP and WTC target groups. Throughout the report, the analysis focuses on the smaller (though very similar) survey samples. In addition, some of the measures shown in this table are not used in analyses due to international data-sharing restrictions.

Table 2.1 Demographic profile of all participants

Characteristic	New Deal for Lone Parents	Working Tax Credit
Gender (%)		
Male	5.1	2.6
Female	94.9	97.4
Age (%)		
Under 30	42.1	17.0
30-39	39.3	47.1
40 or older	18.6	35.9
Age of youngest child (%)		
No children	0.9	1.4
Under 7	58.2	36.8
7-11	25.0	31.8
12-16	15.4	25.9
17 or older	0.5	4.1
Race/ethnicity (%)		
Ethnic minority	12.7	7.8
White	87.3	92.2
Education (highest qualification obtained) ^a (%)		
None	23.6	12.1
GCSE	47.0	45.0
A level	21.9	30.7
Other	7.5	12.2
Housing status ^b (%)		
Family	8.2	6.0
Social	66.8	37.6
Private	25.0	56.3
Number of months worked in 3 years prior to random assignment (%)		
None	48.0	1.2
1-12	24.2	11.6
13+	27.8	87.2
Cohort		
Early (October 2003 - May 2004)	53.5	19.1
Late (June 2004 - April 2005)	46.5	80.9
No driving licence or lack of access to vehicle (%)	67.6	33.1
Has barriers to work ^c (%)	64.3	68.0
Severely disadvantaged ^d (%)	22.1	n/a
Moderately disadvantaged ^e (%)	n/a	37.3
Sample size	6,787	2,815

(continued)

Table 2.1 Continued

SOURCE: MDRC calculations from baseline information forms completed by DWP staff.

NOTES: Rounding may cause slight discrepancies in calculating sums and differences.

Sample includes all lone parent customers randomly assigned between October 2003 and April 2005.

^aParticipants who have General Certificate of Secondary Education (GCSE) qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

^bFamily housing refers to situations where the customer is living with his/her parents or other friends or relatives. Social housing refers to housing in which the Local Authority (local government) or a private housing association is the landlord. Private housing refers to owner-occupied housing or housing that the customer rents privately.

^cBarriers to work include housing, transport, childcare, health, basic skills, or other problems.

^dSeverely disadvantaged refers to those NDLP participants with GCSE qualifications or lower, no work in the three years prior to random assignment, and at least one barrier to employment.

^eModerately disadvantaged refers to those WTC participants with GCSE qualifications or lower and at least one barrier to employment.

NDLP participants

NDLP participants are mostly young to middle-aged women; about 95 per cent are female. Over 80 per cent are under 40, and 13 per cent are from an ethnic minority. This generally aligns with the demographics of NDLP entrants nationwide.

NDLP participants face significant barriers to work. About a quarter have no educational qualifications and just under half have reached General Certificate of Secondary Education (GCSE) level. Two-thirds live in social housing (housing owned by the local authority or a private housing association) and only a quarter live in privately owned or privately rented accommodation.

Over two-thirds do not have a driving licence or access to a vehicle and almost two-thirds cite barriers to work (which can include housing, transport, childcare, health, basic skills or other problems). Nearly half did not work at all in the three years before random assignment and just over a quarter worked 13 months or more during this period. The children of the NDLP sample are quite young; the youngest child of 58 per cent of the sample is under the age of seven and only 16 per cent of sample members have a youngest child over the age of 12.

WTC participants

Almost all of the WTC participants in the research sample are women. The WTC sample is older than the NDLP sample, as nearly half are in their 30s and another 36 per cent are age 40 or older. Consequently, the youngest child of members of the WTC sample is older than in the NDLP sample, with 62 per cent over the age of seven and 30 per cent over the age of 12.

The lone parents receiving WTC differ from the NDLP group in ways which underscore the differences between groups of people who have worked more steadily and those who have been out of work. Nearly 90 per cent of the WTC group reported working 13 months or more in the three years before random assignment. The WTC group had to be working at the time of random assignment to enter ERA, so consequently very few reported no work experience in the three years before random assignment.

The WTC group also reported better qualifications than the NDLP group – with only 12 per cent having no qualifications at all and a greater percentage having qualifications beyond GCSE. Over half live in privately owned or rented housing, a proportion much greater than among the New Deal participants. The WTC group also had fewer transport barriers; only one-third reported no driving licence or access to a vehicle, compared with two-thirds of the NDLP sample.

2.2 Samples and data sources

The ERA evaluation uses a varied set of quantitative and qualitative data to assess ERA's implementation and effectiveness. Data sources include qualitative data, staff surveys, customer surveys, administrative records, data on receipt of financial incentives and baseline data. This report draws on the customer surveys as well as baseline and qualitative data.

The quantitative analysis for this report drew on two waves of the ERA customer survey, using information from those who responded to both waves. The survey was administered by phone or in person to a sample of programme and control group participants 12 months and 24 months after their date of random assignment (between December 2004 and February 2006 and November 2005 and March 2007). For the NDLP target group, 87 per cent of the fielded sample responded to the 12-month survey and 77 per cent to the 24-month survey. For the WTC target group, 93 per cent of the fielded sample responded to the 12-month survey and 79 per cent to the 24-month survey. Table A.9 shows the characteristics of the survey sample groups.

The response rates to the first-year survey were significantly lower for the New Deal 25 Plus (ND25+) group than those obtained from the lone parents and there was evidence of response bias. In addition, the ND25+ group has a small sample size relative to the other groups. For this reason, this group is excluded from the analysis of programme impacts. Descriptive characteristics of course-taking and short-term advancement patterns among the ND25+ group are shown in Tables A.2-A.6 and Figures A.1-A.6.

The sample sizes for most of the quantitative analyses in this report are 2,293 (for the NDLP group) and 1,248 (for the WTC group).

One possible concern for the quantitative analysis is that some Advancement Support Advisers (ASAs) worked with both ERA programme group and control group participants. It was, therefore, quite possible that these ASAs may have used ERA-type approaches with their control group customers. This is known as the 'contamination' problem in the terminology of randomised control trials. The assessment of researchers who did fieldwork for ERA is that this problem was not widespread, but it bears monitoring. For this reason, it is important in the analysis to continually examine the extent to which advisers arranged training. Control group members should not have many adviser-arranged courses, since the control groups were either in work-first-oriented programmes (with some limited referrals to training) or, in the case of the WTC group, were not enrolled in any programme.

2.3 Qualitative data

Researchers conducted multiple rounds of qualitative fieldwork with both staff and ERA participants from 2004 to spring 2007 and again with participants in 2009, approximately two years after ERA programme delivery ended. The analysis for this report is based on three discrete datasets:

18 Samples, characteristics and training typology

- 1 **Staff dataset** consisting of 69 individual depth interviews and 13 focus groups, across four waves of data collection at each research site. Longitudinal site data were supplemented by interviews with the DWP project implementation team in summer 2006.

Wave 1	May-June 2004	depth interviews with ASAs and managers (n = 18)
Wave 2	April-July 2005	depth interviews with ASAs and managers (n = 34)
	May-June 2006	depth interviews with Technical Assistants (n = 6) depth interviews with project team (n = 3)
Wave 3	May-June 2006	ASA focus groups (n = 7)
Wave 4	February-June 2007	depth interviews with ERA managers (n = 8) ASA focus groups (n = 6)

- 2 **Longitudinal participant dataset**, consisting of 142 individual depth interviews with participants (programme group only), across three waves of data collection.

Wave 1	cohort 1: October-November 2004 cohort 2: October-November 2005	58 depth interviews
Wave 2	cohort 1: October-November 2005 cohort 2: October-November 2006	58 depth longitudinal interviews
Wave 3	May 2007 (both cohorts)	26 depth longitudinal interviews

- 3 **Cross-sectional customer dataset**, consisting of 60 depth interviews with participants (ERA programme group only) undertaken from April to July 2009. Thirty-one of these respondents took up ERA-supported training.

2.3.1 Qualitative data analysis

The analysis of qualitative data (using Nvivo8 software¹¹) included:

- cross-sectional thematic coding to identify themes relevant to training and advancement, which were compared across cases;
- in-case analysis to identify individual outcomes from training;
- longitudinal analysis of staff data focusing on changes in the delivery of ERA over time.

2.4 Training typology

In order to analyse what kinds of courses ERA group and control group participants took, a course typology was developed from an analysis of verbatim survey responses. Table 2.2 shows the three-level course typology. The first level breaks courses up into those which involved ‘general’ compared with ‘trade-specific’ skills. General skills include soft skills (e.g., confidence building, conflict management, assertiveness), workplace skills (e.g., first aid, health and safety, fire safety), basic education (e.g., literacy, numeracy) and general academic courses (e.g., English literature, Welsh). While these skills may build the foundation for a solid career, the hypothesis was that trade-specific courses would lead to more immediate effects on advancement because they are more directly relevant to specific occupations. It is also possible, however, that general courses can be occupationally relevant and therefore lead to advancement. For example, learning workplace skills such as how to manage conflicts in a professional manner can be critical to one’s advancement prospects.

¹¹ Registered by QSR International.

Table 2.2 Course coding typology

Level 1	Level 2	Level 3	Definition
		<i>Unknown</i>	Miscellaneous category
<i>General Skills</i>		<i>Workplace skills</i>	First aid, health and safety, food hygiene
		<i>Soft skills</i>	Self-confidence, conflict management, self-discipline
		<i>Basic education skills</i>	Math, reading, English as a Second Language
		<i>Academic, non-applied</i>	Sociology, literature
<i>Trade-Specific</i>	<i>General</i>	<i>Computer user skills</i>	CLAIT, ECDL, word processing, Excel
	<i>Caring</i>	<i>Health</i>	Auxiliary nursing, infection
		<i>Social services</i>	Care work, counseling
		<i>Childcare, education, training</i>	Early education, teaching assistant
	<i>Office</i>	<i>Advanced IT skills</i>	Java, networks, computer installation, CCNA, ISS, BCS1
		<i>Business</i>	Business & business software
	<i>Service</i>	<i>Personal services</i>	Hairdressing, beauty, massage
		<i>Retail/customer service</i>	Retail training, bar training,
	<i>Creative</i>	<i>Arts/design/fashion</i>	Graphic design, floristry, drama, film
	<i>Manual</i>	<i>Construction & skilled trades</i>	Brick laying, carpentry
		<i>Labor</i>	Cleaning, cherry picker
		<i>Protective services</i>	Fireman, security guard
	<i>Academic</i>	<i>Applied</i>	Law, accounting

The level one ‘trade-specific’ category is broken up into seven categories at level two:

- basic computer skills;
- ‘caring’ courses include those in health (nursing, pharmaceuticals), social services, childcare and education;
- ‘office’ courses include advanced IT skills, such as website design and Java programming, as well as business courses, such as operating pay systems;
- ‘service’ courses include personal services (waxing, massage, hairdressing), as well as courses in sales, customer service and hospitality;
- ‘creative’ courses include drama and design;
- ‘manual’ courses include skilled trades like carpentry, as well as protective services courses like fireman training;
- applied academic studies such as accounting or law.

The report will describe how the distribution of these courses differed across various groups, notably for the ERA groups compared with control groups, for those who worked compared with those who did not and for those who had courses arranged by advisers compared with those who did not.

The next chapter discusses patterns of training and advancement among the control group participants. This sets the stage for the subsequent analysis by providing a portrait of course-taking and advancement in the absence of ERA.

3 Control group course-taking and advancement patterns

This chapter sets the stage for the analysis of Employment Retention and Advancement (ERA) training by analysing course-taking and short-term advancement patterns among the control group. The control group, or counterfactual, provides a picture of the course-taking and advancement patterns which occurred in the absence of ERA and therefore sets up the analysis of how ERA went beyond what would happen ordinarily. Thus, it is important to analyse the control group to assess the prevalence and types of training taken without ERA's package of incentives and adviser support. In particular, the chapter examines what kinds of courses people take when they do not have the benefit of adviser guidance. Ultimately, the goal of training is to lead to economic advancement. Therefore, another goal of this chapter is to establish a baseline regarding the correlation between training and advancement. It is important to understand the relationship between the courses that people ordinarily take and economic advancement in order to assess whether ERA went beyond what happens normally.

Box 3.1 Chapter 3 at a glance

- A high proportion of the control groups took courses.
- Control group members who entered ERA with higher educational qualifications were more likely to take courses than control group members with lower qualifications.
- Control group members with higher initial qualifications were more likely to advance.
- Control group members who took more courses while working, who took occupationally relevant courses, or who earned additional qualifications were more likely to advance.

3.1 Control group course-taking patterns

Table 3.1 shows rates of participation in education and training among the control groups. The first point to emphasise in this table is that control group members often took courses. In both the New Deal for Lone Parents (NDLP) and Working Tax Credit (WTC) control groups, nearly 60 per cent of control group members took at least one course during the two-year follow-up period. As outlined in Chapter 1, while NDLP was mostly a 'work-first' programme, training opportunities were made available to participants in order to improve their employability and this may account for these patterns. For the WTC group, the letter sent out to eligible participants outlined training opportunities and it was found that enhanced access to courses was a prime reason for volunteering to take part in the ERA demonstration (Dorsett *et al.*, 2007). Therefore, high rates of training for WTC control group members may be due to the way the study sample was recruited for that target group. Relatively few control group members (in either target group) took any adviser-arranged courses. This suggests that much of this training was self-initiated.

Table 3.1 Participation in education and training among the NDLP control group, years 1-2

NDLP control group outcomes, years 1-2	NDLP	WTC
Ever took a course (%)	55.8	61.7
Worked and took a course while working (%)	29.6	57.1
Took any adviser-arranged course (%)	14.4	3.9
Obtained any training or education qualification (%)	22.9	29.3
Sample size	1,107	616

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

High proportions of the control groups took courses while working – nearly 30 per cent among NDLP control group participants and 57 per cent of WTC control group participants. The percentage is higher among the WTC control group because all WTC group members were working at the time they entered the programme. These relatively high levels of in-work training must be borne in mind when analysing the added value of ERA (in Chapter 5). To generate impacts on training, ERA had to produce training rates which were above these already high levels.

3.1.1 Control group course-taking patterns by baseline education level

There is a well known finding in the training literature that those who have relatively higher educational credentials are more likely to build on them compared with those who have lower educational credentials (Carneiro and Heckman, 2003). This is known as ‘increasing returns’ in economics. A look at the NDLP control group suggests that this is very much the case within the ERA samples. Table 3.2 shows rates of training participation by initial levels of educational attainment for the NDLP control group. Those who entered the programme with A-level credentials were more likely to add to their human capital through course-taking during the follow-up period compared with those with General Certificates of Secondary Education (GCSEs)¹² and those with GCSEs were more likely to have added to their credentials compared with those with no qualifications.¹³ This finding suggests that the more prepared are ‘pulling away’ from the rest of the sample by building on their pre-existing human capital advantage through more course-taking. This sets up the question as to whether ERA was able to help those with lower qualifications catch up (or at least not fall further behind) those with higher credentials.

¹² Definitions for educational qualifications are noted in the Glossary of terms.

¹³ Results for the WTC control group were similar and are not shown.

Table 3.2 Participation in education and training among the NDLP control group during years 1-2, by level of educational qualification at baseline

NDLP control group outcomes, years 1-2	No qualifications	GCSE	A level
Ever took a course (%)	45.4	53.3	70.7
Took a course while working (%)	18.8	27.1	45.4
Ever took trade-specific course (%)	33.7	44.3	63.0
Obtained any training or education qualification, years 1-2 (%)	15.8	22.9	30.7
Sample size	245	514	263

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Participants who have GCSE qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

3.2 Advancement patterns among the control group

Ultimately, the main goal of ERA's training support was to help people to stay in work and advance in the labour market. While there is an extensive literature demonstrating the labour market returns to skills and education, the evidence on the effectiveness of training programmes is mixed (Carneiro and Heckman, 2003). As a baseline for the analysis of whether ERA training is leading to employment advancement, this section looks at the association between training and advancement for the control group. This shows what the pattern is without ERA. First, three groups are defined based on different retention and advancement trajectories, and analysis is shown to demonstrate that the groups are quite distinct in terms of various important economic outcomes. Then, the analysis shows how pre-existing educational attainment (defined at baseline) and further course-taking correlate with advancement, all for the control groups. A parallel analysis done for the New Deal 25 Plus (ND25+) group is shown in Figure A.1 and Tables A.2-A.4.

For the analysis in this chapter, the samples were broken up into three groups which reflect three distinct retention and advancement trajectories:

- those who either did not work or only worked unsteadily (i.e., they only worked in one of the two years);
- those who worked steadily, meaning they worked in both follow-up years, but never saw a pay rise; and
- those who worked steadily and saw a pay rise at any point in that two-year period.¹⁴

The analysis in this section is descriptive. While an effort has been made to highlight differences and trends which seem important, the reader should keep in mind that some of these patterns may simply reflect random sampling variation. In addition, it should be noted that while background characteristics and outcomes are often found to have associations with receiving a pay rise, these correlations do not imply that these relationships are causal. As an illustration, it is

¹⁴ Respondents were asked whether they had received a pay rise since the time of random assignment either on the same job or by moving to another job.

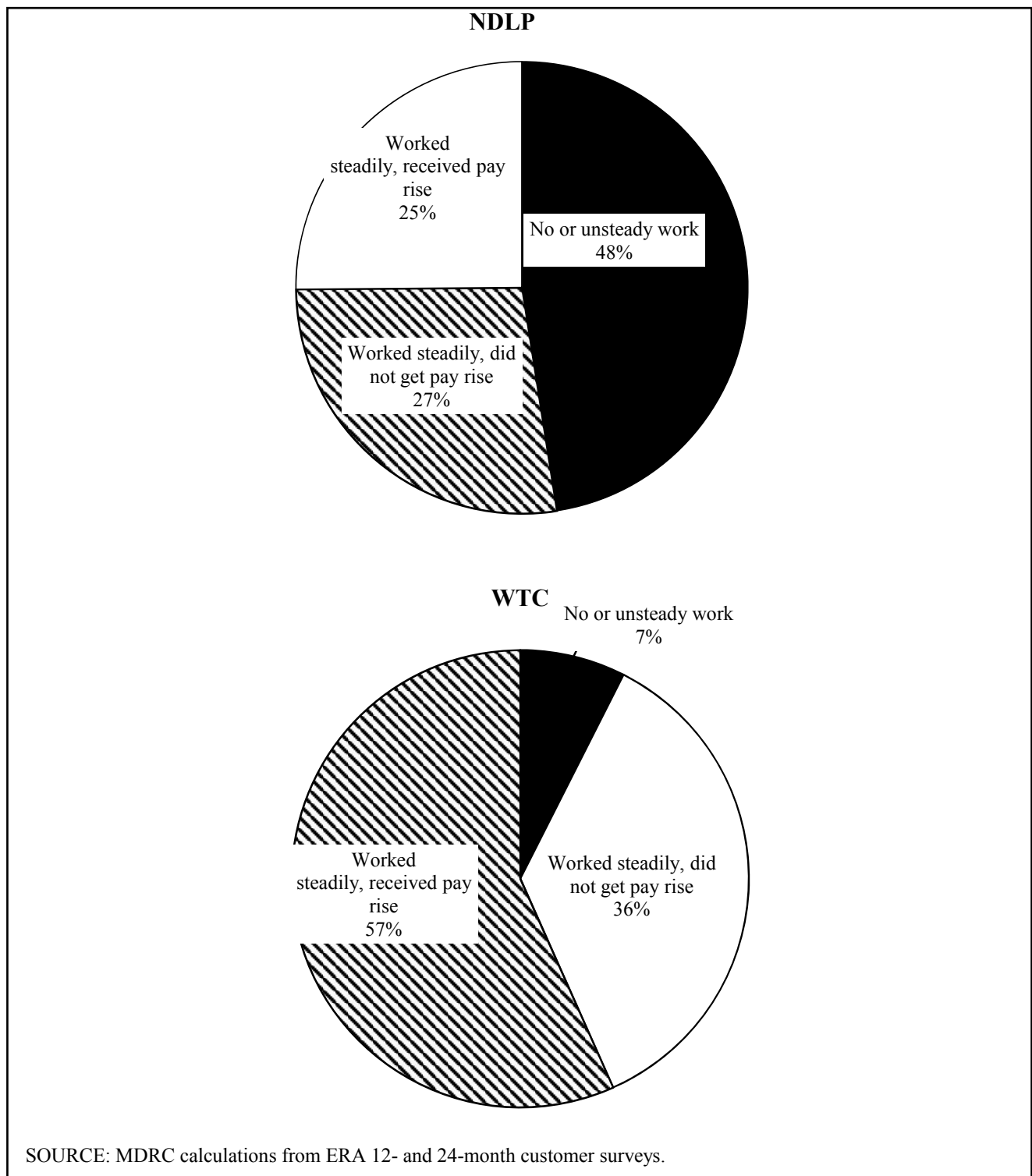
well known that more motivated people take and complete training classes. Better post-training outcomes for these individuals may simply reflect this underlying selection pattern rather than the added value of the training.

Figure 3.1 displays the percentage in each advancement category for the NDLP and WTC control groups. As discussed in Chapter 2, members of the NDLP group were often out of work when they entered the ERA study. Nearly half of the NDLP control group sample fell into the ‘unsteady’ employment group during the follow-up period.¹⁵ Among the steady workers, NDLP control group participants were split fairly evenly between those who did receive a pay rise and those who did not, with pay rises being somewhat less frequent. In all, 25 per cent of NDLP control group members worked steadily and received a pay rise.

In contrast to the NDLP control group, the WTC control group was already in employment when they entered ERA. Therefore, it is not surprising that few of them (less than ten per cent) worked unsteadily during the follow-up period. In addition, the majority of WTC control group members received a pay rise during the follow-up period. The high incidence of pay rises probably reflects two factors: (1) the WTC group was working steadily when they entered the study and was less disadvantaged in general; and (2) the WTC group was very motivated in general to advance (as mentioned earlier, many of them signed up for ERA to take advantage of the training support).

¹⁵ Given the way this group was defined, it would be possible that some in this group found steady work in year 2, but subsequent analysis found that this was rarely the case.

Figure 3.1 Retention and advancement outcomes for years 1 and 2, NDLP and WTC control group members only



3.2.1 Control group economic outcomes associated with advancement

Table 3.3 provides more detail on the advancement groups and shows that they are quite distinct in terms of other employment outcomes during the follow-up period. This is important to establish, as subsequent analyses examine the variation in education and training outcomes across the advancement groups. Table 3.3 is for the NDLP control group only.¹⁶

¹⁶ Results for the WTC control group are shown in Table A.11.

Table 3.3 Employment outcomes by whether participants had steady or unsteady work and received a pay rise as of year 2, NDLP control group members only

Outcome	No or unsteady work, years 1-2	Worked steadily years 1 and 2	
		Did not get pay rise	Received pay rise
NDLP group			
Earnings			
Year 1	296	4,956	5,667 ***
Year 2	784	6,167	8,887 ***
Ever worked full time (%)			
Year 1	3.2	31.1	35.7 ***
Year 2	7.3	33.5	44.7 ***
Is a trade union member (%)	1.0	6.6	15.8 ***
Average number of employment spells	0.4	1.3	1.1 ***
Foresees further opportunities for promotion or increases in responsibility (%)	9.8	23.8	51.5 ***
Benefits			
Pension	7.8	28.2	59.0 ***
Paid holidays	13.2	52.2	92.5 ***
Flexible working hours	10.9	31.9	56.5 ***
Paid or unpaid time off for family reasons	10.1	40.2	68.4 ***
Sick pay	9.9	38.5	75.9 ***
Sample size	526	303	278

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Any relationships between the background characteristics shown in this table and getting a pay rise can only indicate that the variables are correlated (not causally related).

An ANOVA analysis was used to test for differences in means across all three groups. Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; *** = 1 per cent.

Nearly half of NDLP participants entered ERA without employment. It is, therefore, possible that some segment of the unsteady employment group found work in year 2 and then worked steadily thereafter. Table 3.1 shows that this was uncommon. The employment and earnings levels among the unsteadily employed group indicate that they worked very little in either year. For example, only 7.3 per cent worked full-time in year 2. This group is clearly unattached to the labour market.

Among the steady workers, those who received a pay rise had better outcomes on a range of measures. By year 2, they earned in excess of £2,000 more than those who worked steadily but did not get a pay increase, were over ten percentage points more likely to be in full-time work and were more likely to be members of trade unions. In addition, they were far more likely to qualify for a range of benefits. Thus, the table shows that those who were employed in jobs with generally good characteristics were more likely to advance. They also were on a clear advancement trajectory: half of those who worked steadily and received a pay rise reported that they foresaw future opportunities for promotions, which is double the percentage of those who worked steadily without any pay rise.¹⁷

¹⁷ Results for the WTC group were similar, although there was less of a difference in the propensity to work full-time. These results are shown in Table A.11.

3.2.2 Control group background characteristics associated with advancement

Table 3.4 Comparison of baseline characteristics and training outcomes by whether participants had steady or unsteady work and received a pay rise as of year 2, NDLP control group members only

Outcome	Worked steadily years 1 and 2		
	No or unsteady work, years 1-2	Did not get pay rise	Received pay rise
NDLP group			
Baseline characteristics			
Education level (highest qualification obtained) ^a (%)			
No qualification	24.7	20.8	18.7
GCSE	48.9	43.9	44.2
A level	19.0	25.4	30.6 ***
Other qualification	7.4	9.9	6.5
Has a child under 5 years old ^b (%)	36.5	29.5	26.9 **
Participation in education and training, years 1-2			
Ever took a course (%)	55.1	53.1	60.1
Took a course while working (%)	9.4	41.9	54.6 ***
Took any adviser-arranged course (%)	19.9	7.6	11.3 ***
Average number of courses taken	1.4	1.3	1.9 ***
Average number of weeks spent in training	20.1	14.4	12.0 ***
Obtained any training or education qualification, years 1-2 ^a (%)	21.4	23.1	25.7
GCSE	7.5	8.6	4.8
A level or above	3.9	4.6	2.9
Other	14.5	13.2	19.3 *
Type of course taken ^c			
General			
Basic skills	12.4	5.3	3.6 ***
Non-applied academic	3.8	2.3	2.9
Soft skills	2.5	3.3	5.4 *
Workplace skills	9.5	13.5	23.6 ***
Trade-specific			
Applied academic	1.5	2.6	2.5
Art/design/fashion	3.2	2.3	1.1
Business and information technology	8.8	8.6	10.5
Computer user skills	16.2	13.5	18.5
Personal services/retail	7.8	9.6	12.3
Skilled trades/labour/protective services	2.3	2.3	1.1
Health, social services, childcare, education ('caring')	17.6	19.8	26.8 ***
Sample size	526	303	278

(continued)

Table 3.4 Continued

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Any relationships between the background characteristics shown in this table and getting a pay rise can only indicate that the variables are correlated (not causally related).

An ANOVA analysis was used to test for differences in means across all three groups. Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; *** = 1 per cent.

^aParticipants who have General Certificate of Secondary Education (GCSE) qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

^bThis measure was taken from the customer survey.

^cSeveral sample members took more than one type of course, which is why the sum of the percentages taking courses exceeds the percentage taking any courses.

Table 3.4 provides more detail about the background characteristics of the advancement groups and shows that control group members who entered the study with more education were more likely to advance (pay rises are being used as a summary indicator of advancement in this analysis). The table shows that those who advanced had higher baseline educational credentials. Among NDLP control group members, nearly 31 per cent of those who advanced had A levels compared with 25 per cent of those who worked steadily without advancing. Only 19 per cent of those who worked unsteadily had A levels. This relationship between advancement and educational attainment has been noted in several studies (for example, Cheeseman Day and Newburger, 2002). In addition, those who advanced were less likely to have young children.

3.2.3 Control group training and advancement patterns associated with advancement

Education and training can be an important means to advancement because they can improve workers' skills and make them more productive, thereby increasing their chances of receiving a higher wage. Despite the positive returns to education and training, a substantial amount of research documents show that completion and persistence are relatively low for less-skilled individuals, suggesting that many may need additional supports to increase their human capital (Martinson and Holcomb, 2007). Skills can be acquired through a variety of avenues, such as work experience, on-the-job training, formal schooling and training programmes. Table 3.4 examines rates of participation in various education and training activities and the attainment of credentials. It examines differences in overall participation rates and types of courses taken across the three advancement groups. Results are shown for the NDLP control group only.¹⁸

Among the NDLP control group, there is an association between training and advancement, but only if the training took place while the participant was working. Just looking at the last two columns – among NDLP control group members who worked steadily – those who advanced were over 12 percentage points more likely to have trained while working (the same result holds for the WTC control group). It should be recalled, however, that this correlation does not necessarily mean that taking courses while working **caused** wages to rise. It may be that those who have the motivation and ability to take courses while working receive pay rises as a result of other factors. Likewise, those who worked unsteadily were much more likely to take courses while out of work, by definition.

¹⁸ Results for the WTC group are shown in Table A.10.

Interestingly, while those who took more courses were more likely to advance, they spent less time in training compared with those who did not advance. At first glance, this might suggest that those who advanced used their time in training more efficiently. However, analysis presented later in the report points to differences in the types of courses taken as the more likely explanation for this pattern. Specifically, longer-term, basic skills training was more common among those who worked unsteadily.

The middle and bottom portions of Table 3.4 examine the association between getting qualifications, taking specific types of courses and advancing. Among NDLP control group members, those who advanced were more likely to have received ‘other’ types of credentials (such as licences and certificates) than those who did not advance. Those who advanced were less likely than those who did not advance to take ‘basic education’ courses (likely because they entered the study with higher qualifications). They were also much more likely to take ‘workplace skills’ courses compared with those who did not advance.¹⁹ Those who advanced were 10 percentage points more likely to take workplace skills courses than those who worked steadily without advancing. It could be that these skills help one advance or rather that employers who provide such training are generally more likely to provide pay rises.

Table 3.4 also shows that those who advanced were also more likely to take courses in the ‘caring’ area (health, social services, childcare or education), compared with those who did not advance. The patterns among the WTC control group are fairly similar, with some small differences.²⁰ First, it is important to remember that advancement was much more common among the WTC control group, perhaps reflecting their higher levels of work experience and educational credentials. Among WTC control group participants, those who advanced were more likely to take courses (and most of these classes were taken while they were working, because most of them worked throughout the follow-up period). In addition, among WTC control group participants, those who advanced were more likely to have received credentials since the time of random assignment compared with those who did not advance. In terms of courses, there was not much difference in take-up of workplace skills courses (a type of course which distinguished the training of NDLP control participants who advanced from those who did not advance). However, as was the case among NDLP control group participants, WTC control group recipients who advanced were more likely to have taken caring or computer-related courses than those who did not advance (though the differences across the groups were not statistically significant in the case of computer courses).

3.3 Chapter summary

This chapter established the foundation for the analysis which follows. One key finding is that many people took courses in the absence of ERA, even while working. It was also clear that control group members who entered the study with higher educational credentials were more likely to build on this advantage compared with control group members who entered the study with lower educational credentials. The analysis also found that a fairly sizeable proportion of the sample (particularly in the WTC group) saw at least some increase in pay over a two-year period.

A key question is whether ERA was able to improve on these outcomes (a question which will be taken up in Chapter 5). The analysis of economic outcomes established that those who received pay rises were on a very distinct trajectory compared with the rest of the sample. An analysis of their background characteristics suggests that they entered the programme with higher educational

¹⁹ Although workplace skills are not classified as ‘trade specific’ in the training typology developed for this report, these courses are clearly occupationally relevant.

²⁰ These results are shown in Table A.10.

qualifications and they continued to build on this advantage throughout the follow-up period. It will be important, therefore, to assess whether ERA was able to help close this gap by encouraging somewhat lesser-prepared participants to take up training and earn credentials.

In terms of education and training, this descriptive analysis found that taking training while working, translating course-taking into specific education and training credentials, and taking certain types of courses (notably workplace skills and courses in the caring field) were associated with advancement. If ERA improves on these training outcomes, the study will be able to measure whether the training, along with ERA participation, appears to translate into longer-term advancement.

The next chapter focuses on the ERA programme group by examining the delivery of training support by ERA advisers, the level of take-up of in-work training and the extent to which the courses taken were relevant to advancement.

4 The delivery of ERA training support and courses taken

Having established what training and advancement patterns are without Employment Retention and Advancement (ERA) (i.e., for the control group), this chapter examines the delivery of ERA training support and the types of courses programme group participants took. An important policy question covered in this report is whether adviser-supported training is an improvement upon the ‘unguided’ training people normally pursue. Thus, the chapter will shed light on how advisers worked with participants to use training as a means to advancement. It is important to emphasise that all findings presented in this chapter are for the programme group only. The next chapter brings together the programme and control groups to assess the effects or ‘impacts’ of ERA on training.

This chapter begins by exploring the experiences of Advancement Support Advisers (ASAs) in delivering training support, with a focus on how relevant the training was to work advancement. The chapter then examines the kinds of courses programme group members took, with specific emphasis on how courses taken varied by work status (since ERA was designed to encourage in-work course-taking). It also looks at ASA-arranged courses, exploring what kinds of people had their courses arranged by ASAs and what kinds of courses they took. The chapter also includes an analysis of acquired credentials and how these varied by work status, occupation and type of course taken. The chapter concludes with a discussion of the barriers and facilitators to training take-up and completion.

Box 4.1 Chapter 4 at a glance

- After some initial start-up problems, staff generally became adept at integrating participants’ course-taking into a coherent and customised advancement plan.
- The content of the advancement plan varied based on whether participants sought to advance within their current fields or through career change. Other participants sought training only to improve general work skills and a small group took training unrelated to advancement goals.
- An analysis of course-taking among programme group participants found that most took courses which were relevant to specific occupations.
- Those for whom ASAs arranged courses were more likely to have lower educational credentials and less work experience compared with those who took courses independently.

4.1 Delivering training and advancement: the experiences of ASAs

As discussed in Chapter 1, the training support available through ERA (adviser support, fee assistance and the completion bonus) was part of a package of measures designed to improve job retention and advancement among low-income individuals. Specifically, the training support was intended to encourage participants to invest time and effort in developing skills which might promote their long-term career progression. Delivery of this ‘advancement agenda,’ including the training support by ASAs, evolved over the four-year lifetime of the programme. Initially, ASAs struggled to maintain contact with ERA participants who were in work; they were hesitant to promote advancement and took an essentially reactive approach.

The challenges ASAs faced in promoting and supporting advancement among ERA participants are discussed in detail in previous ERA evaluation reports (see Hall *et al.*, 2005; Dorsett *et al.*, 2007) and are summarised below. Three key issues have been identified:

Staff training and expertise. ASAs who were previously trained as New Deal Personal Advisers were accustomed to focusing primarily on helping people to find work rather than to advance in work. They were unfamiliar with the concept of advancement and did not know how to promote it to people who seemed uninterested. This improved over time with training, especially specialist training brought in from the US ERA project, as set out in more detail below.

Organisational constraints. It took some time for ERA staffing to reach its intended levels. In addition, the organisational culture in Jobcentre Plus focused on moving people into work and this was reinforced by performance incentives for work entry (job entry targets). This created an environment in which staff were reluctant to prioritise in-work contact. ASAs struggled, particularly where they were not ringfenced²¹ to ERA work, but also worked with people on other programmes (New Deal for Lone Parents (NDLP) and New Deal 25 Plus (ND25+)). Just two of the districts had ringfenced ASAs from the outset, while another two districts developed dedicated ERA 'post-employment' teams in the second year of the programme.

Caseloads. In the first year of the programme, while intake to ERA continued, ASAs' caseloads were dominated by out-of-work participants who needed help with job placement. ASAs also felt that participants needed to settle into work before advancement support could be effectively delivered.

How did ASAs deliver advancement support?

Over time, with staff training, better management support and experience, ASAs' ability to deliver advancement support improved dramatically. They developed enhanced understandings of what advancement might mean to participants as well as how to promote it most effectively.²²

Initially, many ASAs defined advancement quite narrowly, for example, as improving pay or being promoted at work, but these definitions broadened over time. They began to focus on supporting individuals to develop their individual advancement goals, such as job satisfaction, a better work-life balance, improving personal relationships and child outcomes, and material or lifestyle improvements as well as self-improvement or self-confidence. ASAs also recognised that individuals were starting from different baselines and for some participants, especially those who had been out of work for a lengthy period, advancement could constitute quite small improvements:

'Advancement for someone could be going from unemployed to becoming a dustman; for someone else it could be going from being an unknown to a famous actress, you know, it's, for every individual, again, advancement is something totally different. It's something that improves, something that the individual wanted that in some way has made things better for them. However large a scale or small a scale is irrelevant; it's the fact that something has improved.'

(ASA)

²¹ Ringfencing involved setting aside staff and/or resources specifically for ERA. A ringfenced budget meant that a District Manager could not use the funds for any other Jobcentre Plus work. Likewise, an ERA-ringfenced ASA should not undertake other, non-ERA, Jobcentre Plus tasks.

²² It should be noted that these strategies for delivering advancement are 'best practice' examples that were delivered as part of ERA by some ASAs in some districts, most notably during 2005 and 2006. All ASAs did not universally adopt them, reflecting differences (over time and place) in the level of support for staff, management practices and staff turnover.

Some ASAs developed a strategy of delivering advancement by encouraging participants to think about their long-term goals and then helping them to identify steps to reach these goals:

'I sort of talk to them and try and prompt them to think, "OK, not what do you want to do now, but what do you want to do in a year? What do you want to do in two or three years? What do you want to do in five or even ten years?" And try and get them to look at a long-term goal as well and just try and create stepping stones with them.'

(Advancement Support Adviser)

As part of this approach, some ASAs encouraged participants to think about their 'ideal' or 'dream' job. This approach could sometimes result in the participants developing unrealistic advancement plans, as discussed later.

In addition, ASAs became more confident in engaging with participants who were initially unreceptive to the idea of advancement. They pursued different tactics for this. For example, some ASAs continually reminded participants (through letters or phone calls) about the training incentives (although some ASAs felt uncomfortable about being 'too pushy'). Some also spoke of 'planting a seed' in the person's mind, which could then grow at a later stage, with more confidence or when the timing was right. Another strategy was to use 'hooks' to motivate people. ASAs explained that in order to encourage people to think about advancing, it was helpful to find out what motivated people and use that as a 'hook', as ASAs explained in a focus group discussion:

R1: *'You've got to come from the outside, I think; you can't go down the middle with them and get an answer. If you go in and you just ask, "Do you want promotion?" you'll get "Yes" or "No" and it's too prescriptive; if you go in round the sides and start working – what they want for the kids, or where they want to go on holiday, then you can generally wheedle your way in with them somehow.'*

R4: *'Then, "Do you think promotion might help with that?"'*

R1: *'Yeah, you come at it from a strange angle, I think.'*

R3: *'I think it's also getting your customers to think for themselves in a way, what they want and what changes they would have to make to move forward or to get what they want. So it's encouraging them, as I say, to think for themselves and to tell you, rather than us telling them.'*

(ASA, focus group)

This approach was adopted from the US ERA programme and disseminated among ASAs in training events, led by the US ERA trainer, in 2004 and 2005. ASAs used 'motivation sheets' focusing on a range of different goals, notably lifestyle improvements (holidays, car, mortgage, children's treats), to engage participants in thinking about advancement. These were felt to be more effective at 'hooking' people onto the advancement agenda than talking directly about work progression (e.g., promotions, pay rises).

4.1.1 Delivering training support and incentives

From the outset, promoting financial incentives for training (fee payments and completion bonuses) was a key way in which ASAs delivered advancement services. If nothing else, participants would be routinely reminded of these incentives whenever they were in touch with Jobcentre Plus (for example, to pick up a retention bonus). ASAs and managers saw take-up of in-work training as a key way to judge the success of their delivery of the programme.

Near the end of the programme, ASAs heavily promoted the training incentives; they sent participants letters reminding them that they should ‘use it or lose it’, i.e., take up training before their eligibility ran out. Many ERA participants reported this, both those who had taken some training and those who had not. For example, one lone parent who worked as an administrative assistant had taken a nail technician course through ERA, with the intention of becoming self-employed. She said she was encouraged by her ASA to take a second, related course during the last months of the programme:

‘...the time was like ticking and my adviser was saying to me, “You know, you’d better decide if you can do anything course wise...you’ve got a thousand pounds to spend; you’ve only spent like half, so why not go for the second part of the course?” So that’s why I done it really.’

(Lone parent, Working Tax Credit (WTC) programme group)

The amount of support and guidance participants received regarding in-work training varied considerably, depending on the individual’s needs. Some participants already knew what they wanted to do and could source their own training; ASAs simply sorted out the paperwork for the payment of fees. This was often the case when ERA-funded training was delivered through the workplace, but the employer was unable to fund it (or could only partially fund it).²³ In other cases, ASAs delivered support and guidance on the availability and suitability of courses. ASAs reported that they had little organisational support in this and that their expertise evolved with experience and as they gradually built relationships with training providers.

Some participants required more emotional support, particularly those who lacked confidence about training, perhaps because they had negative experiences in formal schooling and little experience of adult learning. Coaching and encouraging these people was a key part of delivering the advancement agenda. The role of ASAs in encouraging training among ERA participants is explored further in Chapter 5, where the relative roles of advisory support and financial incentives in training take-up are discussed.

4.2 The advancement relevance of training

This section considers whether the training ERA participants took was relevant to advancement. Qualitative data are used to explore why participants took training and how this related to advancement goals. Later, quantitative data are used to measure how often participants took occupationally relevant courses.

4.2.1 How was training related to advancement goals?

Staff and participant accounts suggested that there were four main ways in which the training ERA participants took was related to advancement goals.

One group of trainees appeared to be more goal-oriented and aimed to achieve a certain training qualification which would enhance their job prospects in relation to their current work. Some of these people set out to complete a qualification or series of training modules they had started prior to ERA. Others were encouraged to take up training once they had started on ERA to better equip themselves for their current job role, for example, a course in computerised bookkeeping for someone who was self-employed as an events coordinator, or pastry chef training for a restaurant cook. The time frames for completing and using this training could vary. For example, some people

²³ While ERA money was intended to fund training beyond whatever was offered through employers, there were examples of ERA paying for training that would have otherwise been paid for by the employer.

took short one- or half-day courses that could be put to immediate use, whereas training for nationally recognised qualifications such as National Vocational Qualifications (NVQs) might entail a longer-term commitment.²⁴ Box 4.2 illustrates a case where a participant used training to enhance skills for a current job role.

Box 4.2 Training applied to current job

After a spell of ten years, Alice (NDLP programme group), who lived with her teenage child, returned to work as a medical secretary in a large hospital. She had previously held office roles but felt she needed to increase her skills to help her perform her job and she wanted to get her administrative qualifications ‘up to speed’. She enrolled in college and trained in various office and computer applications (word processing, accounts, shorthand and business law) for which she received ERA training bonuses.

Alice stated she was ‘quite contented’ to continue in her current position and did not wish to change jobs or take on more responsibilities. However, her training was directly relevant to her job and she was able to transfer her learning to other work-related tasks. In her second interview after completing the training she stated:

‘Still working with computers...We use Microsoft Word; we use that quite a lot and there’s all different applications on the computer that we use. But there’s different ones I use here that I didn’t use when I was in college, so it’s like swings and roundabouts really.’

Others pursued training in order to achieve longer-term career goals outside of their current area of work, often related to a ‘dream job’. As mentioned previously, ASAs promoted this. They often encouraged participants to think about their ‘dream job’ and take up training to lead towards this. In a similar vein, some ASAs promoted a ‘work first + training’ strategy, whereby they would encourage participants to take ‘any job’ and then use ERA training to develop towards their job goal. ASAs felt that this made sense, given that out-of-work training was limited. Indeed, some ASAs marketed the training incentives to participants as an inducement to enter work:

‘I use it as a sell for some customers to get them out to work. I’ve got one customer who wants to be a swimming teacher, so I’ve got her working as a cleaner in a leisure centre at the moment, but obviously we’ll be using ERA to pay for her teaching course.’

(Advancement Support Adviser)

Examples of people who pursued training to this end included a supermarket employee who wished to become self-employed as a massage therapist and an administrative assistant who pursued a course in hairdressing. Box 4.3 provides an example of an individual who viewed training as a means to advance into a preferred field of work.

²⁴ This might explain the finding, discussed in Chapter 3, that NDLP control group members who worked unsteadily spent more time in training. It might simply be because those who worked unsteadily took courses related to basic qualifications, which take longer to complete.

Box 4.3 Training for a different job

When she started ERA at age 39, Dorothy (WTC programme group) had been working part-time at a supermarket for eight years. Her youngest child was about to start secondary school, which she felt was ‘the right time’ for her to devote some time to training. She credits ERA with providing the impetus for her training, since, without the course fees, she would not have been able to afford it. She chose to pursue a diploma in business studies and viewed the training as a means to move into a new field where there were better opportunities for advancement:

‘My intention is, once I’ve finished the [diploma] or round about the time it’s finishing, to try and find a job where I can use what I’ve learnt and get better pay and obviously better prospects.’

By the time of the last interview, Dorothy was nearing completion of the course. The age of her children also made it possible for her to plan to devote more time to work. Although she had not yet moved into her desired field of work, she had confidence that her new skills would facilitate this:

‘I do know that I want something more than just working in a supermarket and I have worked hard for the last two years and I’ve got good grades and they are up to going to university if I wanted to. So I know that I have got the knowledge and I’ve had experience working so I’ve got quite a lot to take to another job.’

A third group of participants (most prevalent in the qualitative sample) viewed training as a means to improve their general employability or as part of self-improvement. Computer applications, driving lessons and basic literacy and numeracy training were examples of courses which both participants and ASAs commonly saw as a means to enhance future job prospects, as well as developing ‘soft skills’ such as self-confidence.

Finally, a small group of participants in the qualitative sample seemed to be taking training simply in order to make use of the financial incentives available through ERA. Some said they felt compelled by their ASA to take training in order to use up the money allocated to them, as relayed by one participant whose ASA told him: *‘it’s here, it needs to be used; don’t just leave it’*. In some cases, the courses taken up were related to individuals’ hobbies or interests outside of work and seemed to have little relation to any advancement goals. For instance, one person, who worked in office administration, took two courses in nail extensions because this was something she already did for friends and family. Some of these people tended to engage in training near the end of the ERA programme, when participants were encouraged to ‘use it or lose it’.

Initially, ASAs spoke of maximising training take-up, with little regard for what the outcomes would be. Eventually they became more adept in ensuring that the training paid for through ERA was advancement-related and linked to a career plan. In one district, ASAs were required to develop a business plan and have training approved by a manager, but this was not introduced systematically across all districts. ASAs’ knowledge of local labour markets and career pathways was limited to what they had learnt through their experience of working on New Deal programmes and subsequently ERA. A lack of formal careers guidance may have been a gap in the delivery of advancement-relevant training. As discussed in later chapters, this could pose problems for participants training outside of their current field of work who wanted to move towards their ‘dream job’. If the framework and support for progression was not available within their current workplace, they were more reliant on ASAs to help facilitate career change.

4.3 The types of courses taken in ERA

This section highlights the types of courses ERA programme group members took. The two-year report found that ERA increased course-taking in general and course-taking while in work (Riccio *et al.*, 2008). A key question unanswered in previous reports is how relevant these courses are to specific occupations. The expectation is that training which is more relevant to occupations may lead to better long-term advancement outcomes than generally focused training. The analysis in the previous chapter suggested this possibility and also pointed to the potential importance of taking courses while working, taking courses in certain occupational areas and taking courses which lead to specific employment-related qualifications. After documenting overall course-taking patterns, this section examines who took courses, how courses taken in work differed from those taken while participants were not working and how ASAs arranged courses compared with courses not arranged by ASAs. The analysis concludes with a look at attainment of employment-related credentials based on occupation, work status and the type of course taken.

Figure 4.1 provides basic statistics on course-taking and the occupational specificity of courses taken among programme group members by target group. It shows that most programme group members trained at some point during the two-year follow-up period (60 per cent of NDLP programme group members and 76 per cent of the WTC programme group). The middle bars of Figure 4.1 suggest that most of this training was trade-specific: a much higher proportion of the programme groups took trade-specific compared with general courses.

The categories in Figure 4.1 are quite broad; Figure 4.2 provides some more texture by detailing the types of courses taken. Figure 4.2 provides further affirmation that programme group members were taking occupationally relevant courses. Within the trade-specific domain, the courses most commonly taken were in the 'caring' professions (health, social services, childcare and education), followed by computer user skills. Among the general courses, those courses focused on workplace skills (such as first aid, health and safety and food hygiene) were most common.

In order to understand why sample members are taking courses in specific fields, it is useful to examine which occupations they are working in. It could be that many people were taking courses in the 'caring' professions because they were encouraged to make a switch to what may be perceived as a high-growth profession. Or, the high proportion taking caring courses may simply reflect that most study participants work in that area. Figure 4.3 suggests that the latter explanation is more likely. This figure shows the most common occupations that programme group participants worked in (see Table A.7 for occupational coding). Among both target groups, caring professions are most common, which almost certainly explains why caring courses (such as health and social services) were the most frequently taken courses.

Figure 4.1 Courses taken by NDLP and WTC programme group members, years 1-2

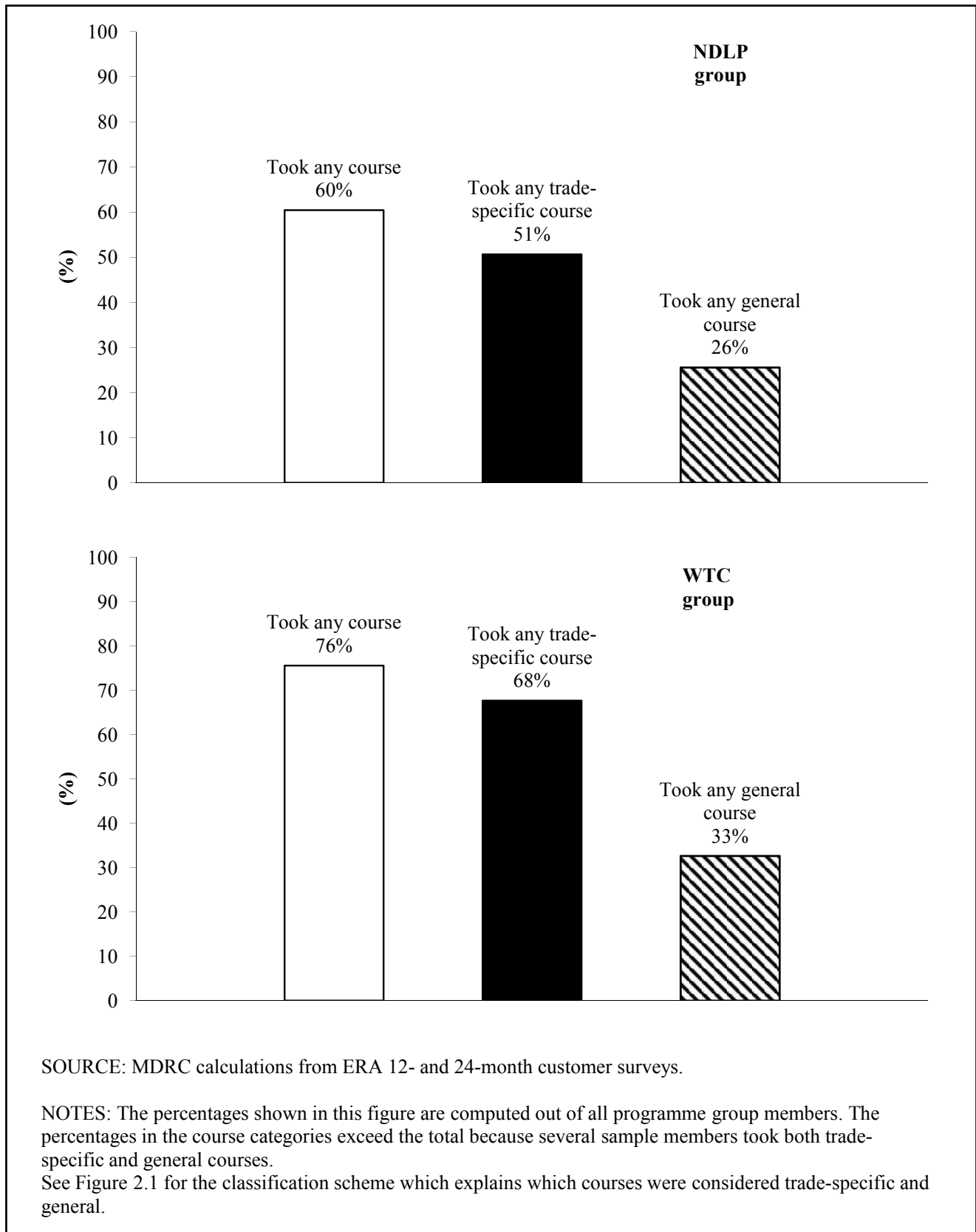


Figure 4.2 Types of courses taken among NDLP and WTC programme group members, years 1-2

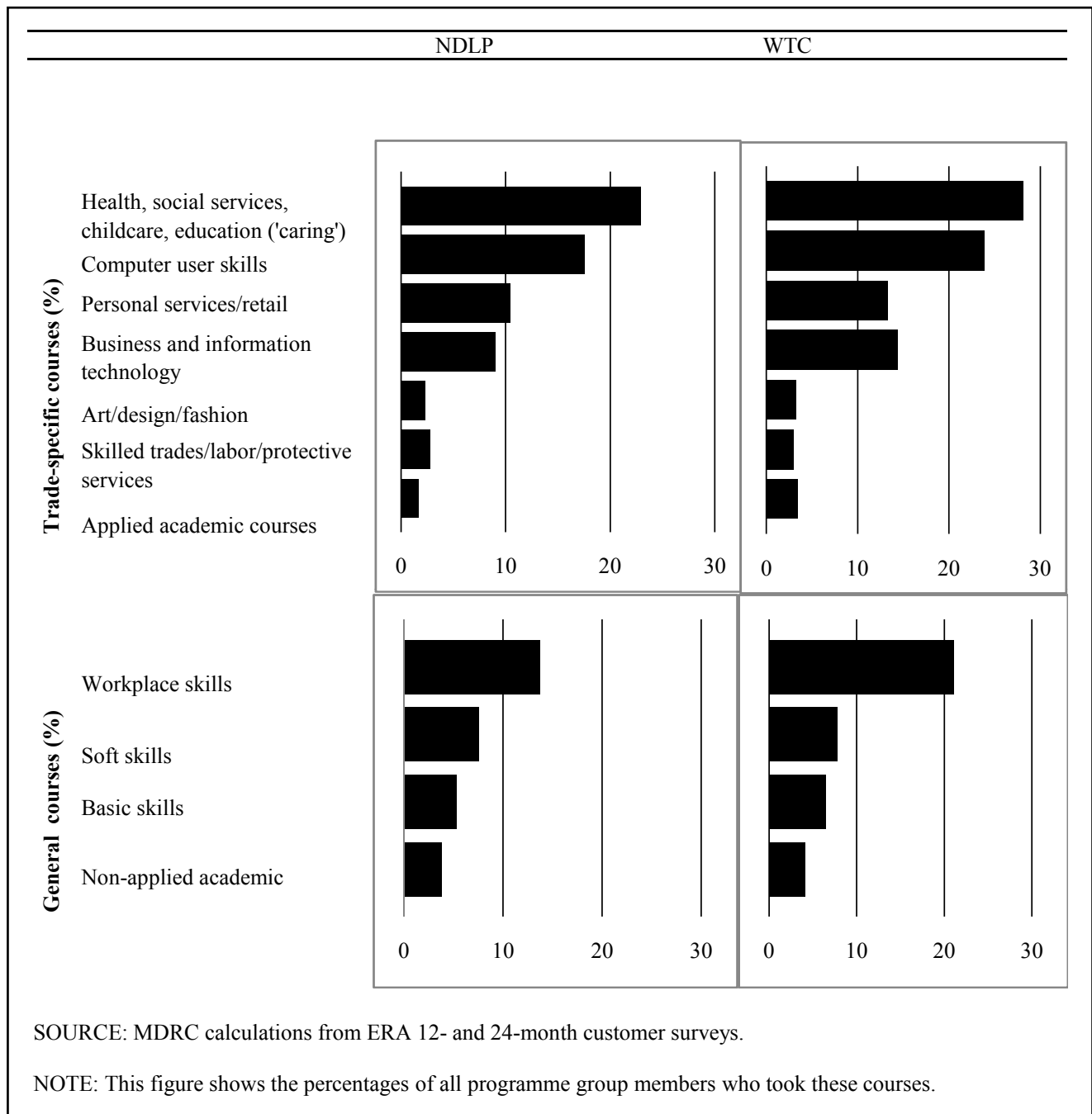
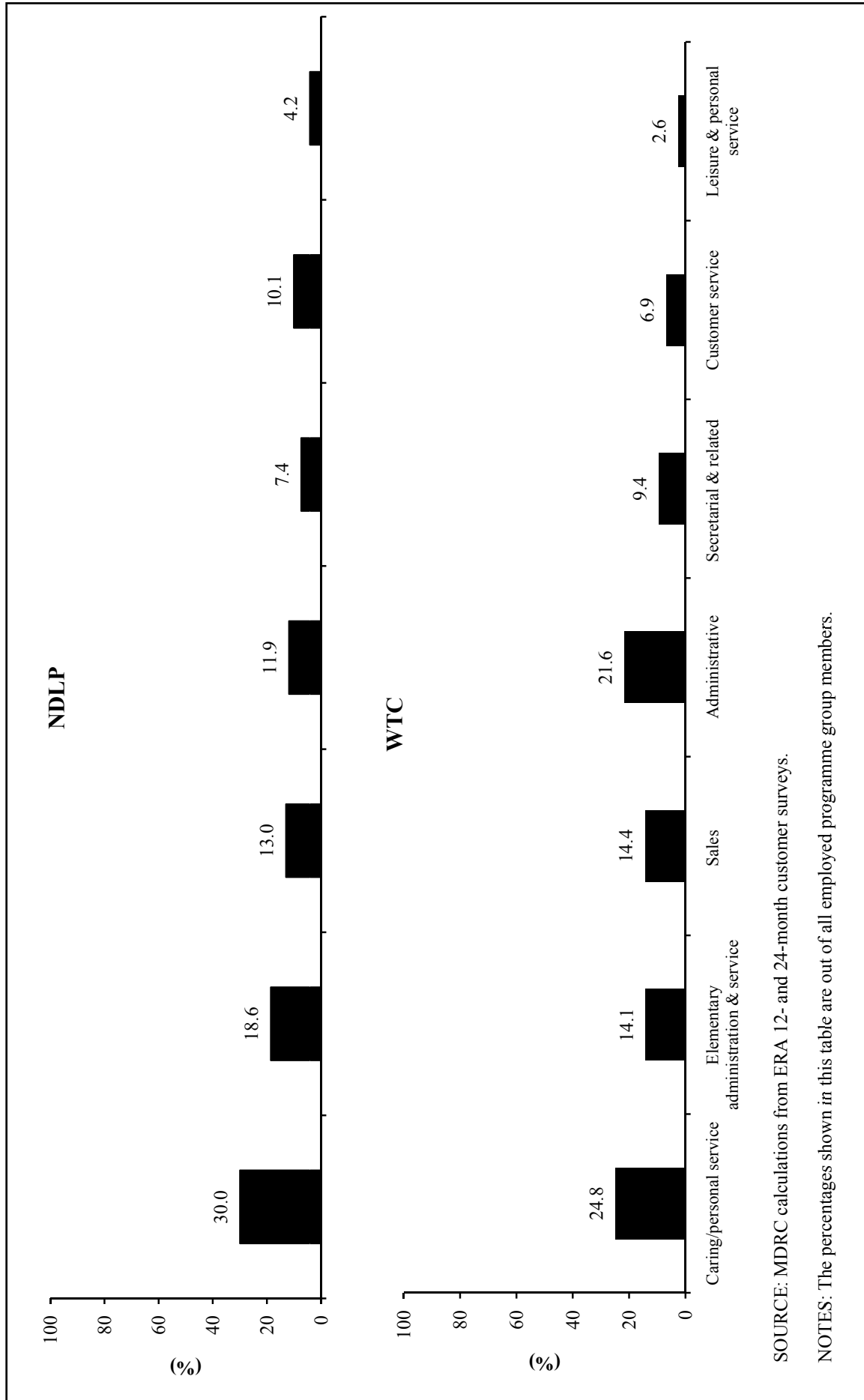


Figure 4.3 Occupations reported by target group, years 1-2, NDLP and WTC programme group only

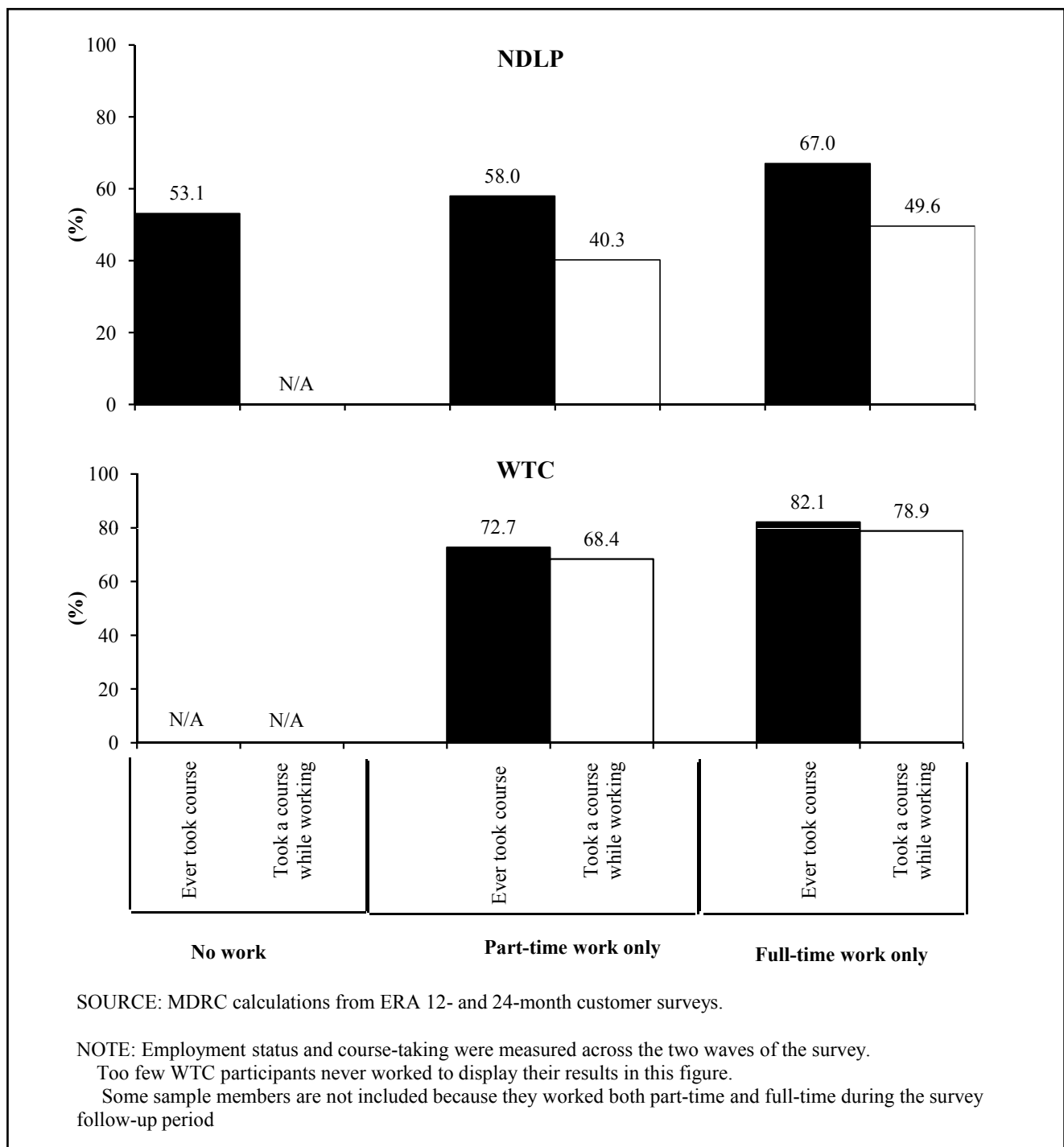


4.4 Training and work

This section discusses the propensity to train while in work. The descriptive analysis in Chapter 3 found that taking courses while working was positively associated with advancement. While this raises the possibility that training while working is a possible pathway to advancement, it is challenging for lone parents. One might expect that it would be uncommon for lone parents to combine work and training in addition to their childcare responsibilities.

Figure 4.4 shows that, in fact, combining work and training was quite common. Those who worked were more likely to take courses. Among NDLP programme group members, 53 per cent of those who never worked took a course. Among programme group members who worked part-time only, 58 per cent ever took courses and 40 per cent took courses while they were working. Among programme group members who worked full-time, the proportion ever taking courses was 67 per cent. Strikingly, nearly half took courses while working full-time.

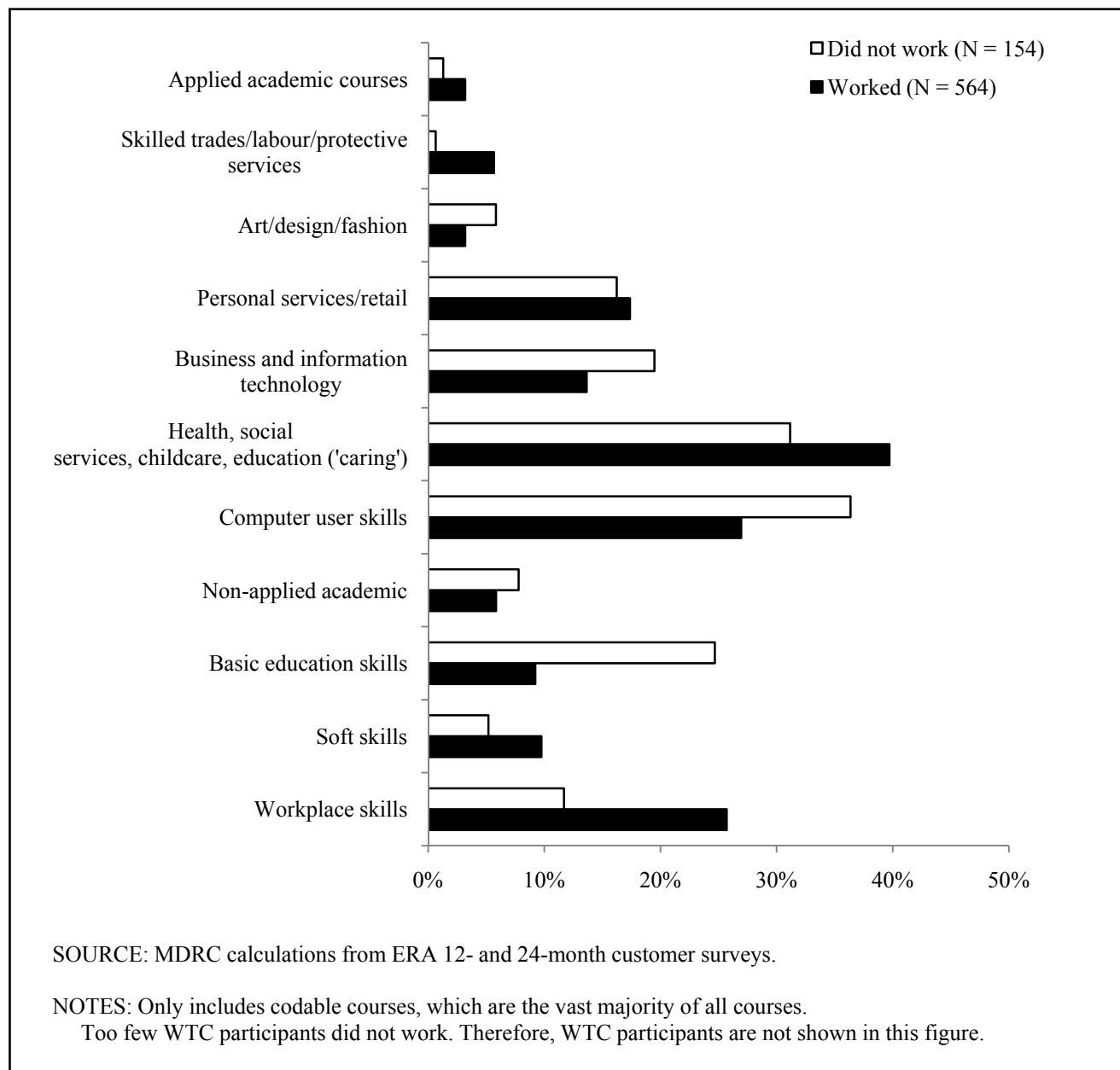
Figure 4.4 Percentage attending courses by employment status, years 1-2, NDLP and WTC programme group only



Nearly all WTC programme group participants worked, which is why no numbers are shown for training among those who never worked. Course-taking was more common in general among WTC programme group participants, particularly among those who worked full-time. Nearly 80 per cent of WTC programme group participants trained while working full-time, which highlights the initiative these lone parents took to try to advance through training.

4.5.1 Types of courses taken by work status

Figure 4.5 Type of courses taken by whether NDLP participants worked, years 1-2, among programme group members who took courses



While many took courses while working, it is interesting to assess whether the kinds of courses taken while working differ from those taken out of work. It may be expected, for example, that those who did not work would take more general courses, such as those which refine soft skills and provide basic education, while those who took courses while working might be expected to take more trade-specific courses. Like all results in this chapter, these results are for the programme group only. Figure 4.5 shows the types of courses taken among those who worked compared with those who did not. Because nearly all WTC programme group participants worked, this figure is shown only for NDLP programme group participants. Figure 4.5 shows that those who did not work were more likely to take basic education courses, confirming the expectation mentioned above. More surprising, perhaps, is that those who did not work and took courses were more likely to take computer user and IT classes, compared with those who worked and took classes. Perhaps they (or their ASAs) viewed this as a means to find employment. Among programme group members who

worked, course-taking tended to be more trade-specific (compared with those who took courses and did not work); courses in the caring domain were the most prominent example. Workers in the caring professions often are required to take courses to earn or maintain certifications. Those who worked were more likely to take workplace skills courses, likely because their employers encouraged, required or financed these courses (which were largely first aid and health and safety classes).

4.6 Training and advisory support

Many ASAs tried to use training, particularly in-work training, as a means to advancement. However, as shown in Chapter 3, many control group members took courses independent of ERA. It is thus important to analyse whom ASAs convinced to take courses (to assess whether they encouraged more course-taking among those who are less likely to train) and whether the courses ASAs arranged differed from those which participants arranged independently of ERA.

Table 4.1 examines the baseline characteristics of programme group members who took ASA-arranged courses compared with programme group members who took courses with alternative (most likely independent) arrangements. Among NDLP programme group participants, those whose courses were arranged by ASAs were more likely to have lower educational credentials and less work experience compared with those who took courses independently. For example, among those for whom ASAs arranged courses, 25.8 per cent had no educational qualifications, compared with 14.1 per cent of those who took courses with alternate arrangements.

While this would seem to be a step in the direction of ‘closing the gap’ noted in Chapter 3 (where it was found that those with higher qualifications are more likely to take courses), the analysis of programme impacts (discussed in Chapter 5) is needed to see whether this actually translated into more course-taking than would have occurred in the absence of ERA among those with lower educational qualifications. The results here may be due to ASAs encouraging the more disadvantaged to take training (as suggested in the qualitative analysis) or it may be that the more disadvantaged needed more advisory support when they took courses (for example, to arrange for reimbursement). Table 4.1 shows that among WTC participants, ASAs were also somewhat more likely to arrange training for people with lower qualifications.

Figure 4.6 shows that courses ASAs arranged tended to be different from those arranged independently. ASA-arranged courses were disproportionately likely to relate to IT skills. Those who took courses ASAs arranged were 14 percentage points more likely than those who independently took courses to take computer courses. This may be because ASAs had easier access to providers of computer training. In addition, there was a push to provide people with basic IT skills (such as keyboarding) during the follow-up period. By contrast, programme group members who took courses not arranged by ASAs were much more likely to take trade-specific courses in the caring fields. Perhaps these individuals took these courses through their employers and thus did not need advisers to arrange them.

Table 4.1 Comparison of baseline characteristics among NDLP and WTC programme group members who took adviser-arranged courses compared with those who took courses with alternative arrangements, years 1-2

Outcome	NDLP	
	Took adviser-arranged course	Took course with alternative arrangement
Education level (highest qualification obtained) ^a (%)		
No qualification	25.8	14.1 ***
GCSE	46.1	47.6
A level	20.7	31.3 ***
Other qualification	7.4	7.0
Worked in the past year	24.6	31.5 *
Number of months worked in last		
None	55.1	46.7 **
1-12	18.0	23.7 *
13-24 months	11.3	13.3
25 or more months	15.6	16.3
Total number of months on public assistance during prior 24-month period	17.1	16.2
Has barriers to work ^b	28.5	22.8 *
Number of children	1.7	1.6
Has a child under 5 years old.	24.6	26.7
Sample size	256	460
	WTC	
Education level (highest qualification obtained) ^a (%)		
No qualification	14.6	9.1 *
GCSE	50.6	49.0
A level	27.0	33.8
Other qualification	7.9	8.1
Worked in the past year	97.8	96.6
Number of months worked in last		
None	2.3	1.4
1-12	16.3	10.1 **
13-24 months	8.4	13.2
25 or more months	73.0	75.3
Total number of months on public assistance during prior 24-month period	3.6	3.1
Number of children	1.5	1.6
Has a child under 5 years old.	14.9	13.9
Sample size	178	296

(continued)

Table 4.1 Continued

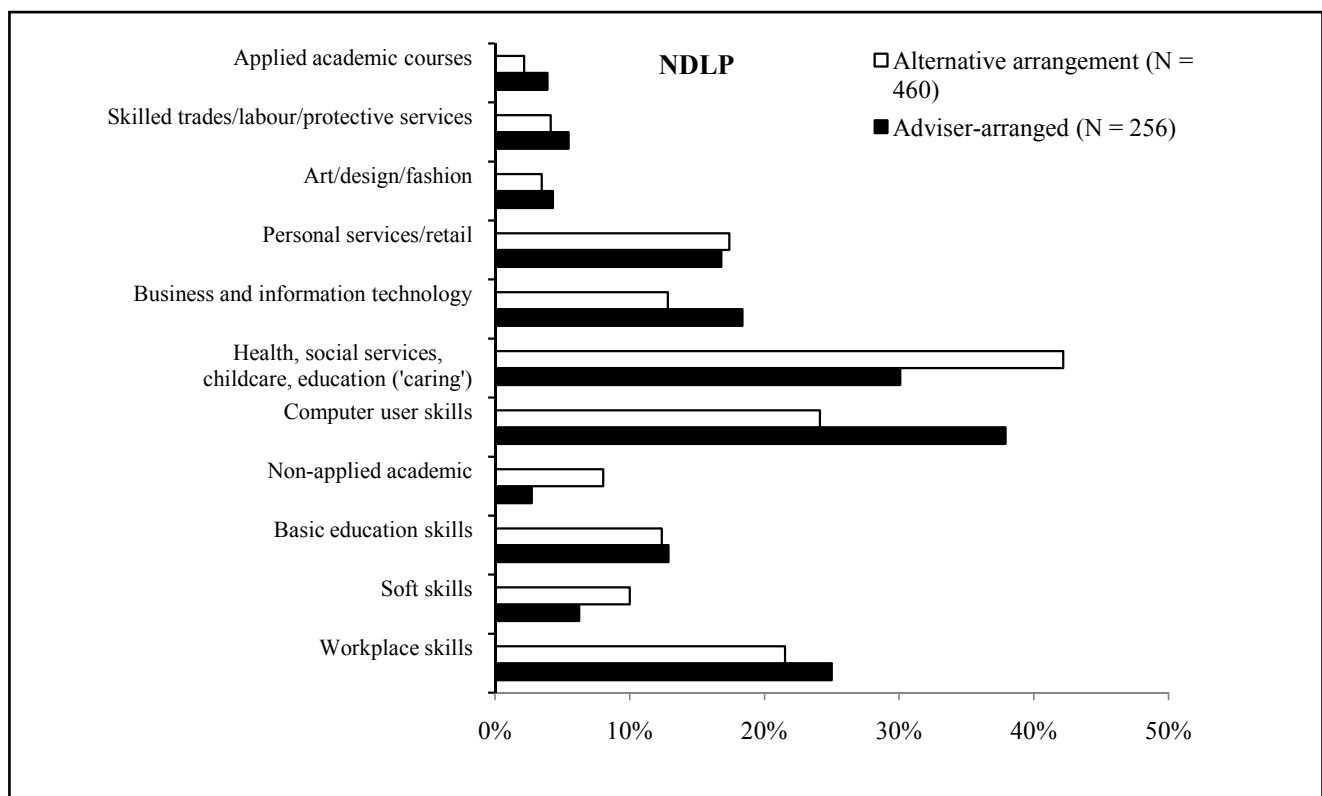
SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; and *** = 1 per cent.

^aParticipants who have General Certificate of Secondary Education (GCSE) qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

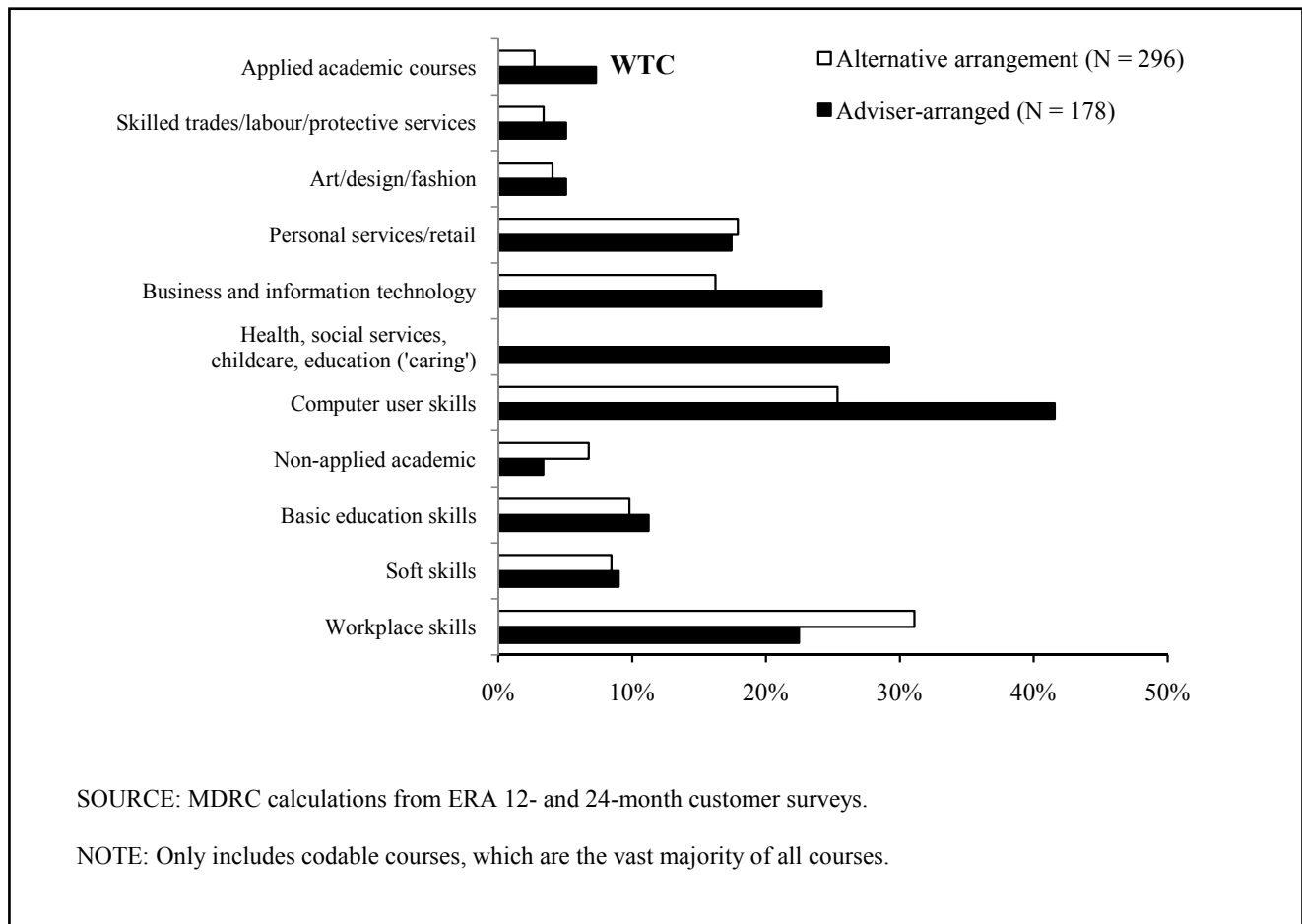
^bBarriers to work include housing, transport, childcare, health, basic skills, or other problems.

Figure 4.6 Type of courses taken by whether courses were arranged by ASAs, years 1-2, among NDLP and WTC programme group members who took courses



(continued)

Figure 4.6 Continued



Patterns were nearly identical among WTC programme group participants. WTC participants for whom ASAs arranged courses were 16 percentage points more likely to take computer courses and 13 percentage points less likely to take courses in the caring fields.

4.7 Course-taking and acquired qualifications

The analysis in Chapter 3 found that among both target groups, additional qualifications were associated with short-term advancement. One problem which has plagued job training interventions is that many people start programmes without completing them, while completion is ultimately associated with better outcomes.

Table 4.2 shows rates of obtaining any training or educational qualification both for the full samples and for subsamples based on work status, occupational area and the type of course taken. In reading this table, it is first important to factor in the full-sample averages. Around 24 per cent of the NDLP programme group and 35 per cent of the WTC programme group earned a qualification during the follow-up period.

The first panel shows that programme group members who worked, and particularly those who worked full-time during at least part of the follow-up period, were more likely to earn qualifications. For example, among NDLP programme group participants, 31.3 per cent of those who worked both full-time and part-time during the two-year follow-up period earned a qualification, which was 12 percentage points higher than those who never worked.

Table 4.2 Rates of obtaining training or educational credentials by work status, occupation and type of course taken among NDLP and WTC programme group members

	NDLP		WTC	
	Percentage (%)	Sample size	Percentage (%)	Sample size
Percentage of full sample receiving any training or education qualification (%)	24.5	1,186	34.5	629
Percentage receiving any training or education qualification by work status, years 1-2 (%)				
Never worked	19.3	290	n/a	n/a
Worked part time only	23.1	455	30.0	350
Worked full time only	28.1	270	38.2	123
Worked both part time and full time	31.3	163	43.1	144
Percentage receiving any training or education qualification by occupation (%)				
Administrative	40.9	66	42.6	101
Caring	47.3	165	53.4	116
Customer service	25.0	56	40.6	32
Elementary administration & service	38.2	102	40.9	66
Sales	25.4	71	40.3	67
Secretarial & related	41.5	41	39.5	43
Percentage receiving any training or education qualification by type of course taken (%)				
Trade-specific courses	42.5	600	47.3	425
Applied academic courses	55.0	20	50.0	22
Art/design/fashion	40.7	27	47.6	21
Business and information technology	43.0	107	49.5	91
Computer user skills	43.5	207	42.0	150
Personal services/retail	45.2	124	57.1	84
Skilled trades/labour/protective services	45.5	33	n/a	n/a
Health, social services, childcare, education	50.6	271	57.6	177
General courses				
Basic skills	42.2	90	56.3	48
Non-applied academic	26.7	45	42.3	26
Soft skills	34.9	63	60.0	40
Workplace skills	59.3	162	59.4	133

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTE: Certain categories are not shown due to low sample sizes.

There is variation in the likelihood of earning a qualification based on a participant's occupation. Among the NDLP group, nearly 50 per cent of those in the caring occupations earned a qualification (twice the full-sample average). The same pattern is evident among the WTC programme group.

Overall, while programme group members who took courses had higher rates of obtaining credentials compared with the full-sample average, there was not a large difference in whether one obtained a credential based on what specific type of course was taken. One exception is that those who took workplace skills courses were unusually likely to earn a credential – 59.3 per cent of NDLP programme group members who took such courses earned a credential, which is nearly 35 percentage points more than the full-sample average. Recall from Chapter 3 that workplace skills courses were found to be associated with advancement among the control group.

4.8 Barriers and facilitators to taking and completing training

The quantitative analysis above found that participants' characteristics, work status and the extent of ASAs' interaction with them seemed related to the types of courses ERA participants took. The qualitative material illuminates some of the reasons why there was a relationship between course take-up and participants' characteristics. The discussion draws on the experiences of both ERA participants and staff. Three broad factors were identified as particularly important in influencing the take-up of in-work training: participants' motivations, attitudes and confidence; their life stage and family responsibilities; and institutional factors related to employer flexibilities and course availability. In the quantitative analysis above, education level and work history likely capture the effect of motivations, attitudes and confidence, while the presence of children under five captures life stage and family responsibilities.

4.8.1 Motivations, attitude and confidence

ASAs believed that participants' attitudes and motivations with regard to work and advancement and their work and educational experiences were key determinants of whether they took up training. ASAs felt that many participants were uninterested in advancement and, of the two lone-parent ERA participant groups, the NDLP group was less interested in advancement, since they had often been out of work for long periods. Just getting into work and maintaining a steady job was considered to be a challenge, as ASAs commented in this focus group discussion:

R3: *'I've got one, he went into work...and he does production work, and he takes a job and he comes in and sees me every time his work retention bonus is due, and I talk to him about, "How's things in the job? You doing any more hours?" "No, everything's just the same", and I talk to him about, "Would you not like to do training? Would you not like to change your job to do something different?" "No". He's...just quite happy with what he's doing; he doesn't want to do anything else,...but he had been unemployed a long, long time, and I think even, to him, to have a job is an achievement in itself, and he's just quite happy at that.'*

Q: *'Just to stay steady and stable?'*

R4: *'Yes, and you don't want to push them to...push them over the edge.'*

R1: *'I would say that's the majority of clients isn't it, steady and stable, and just a stable lifestyle so they can plan, instead of the chaos of benefits...and saving for everything, at least they know what's coming in every week; they know they've got £400 and that takes the pressure off doesn't it?'*

(ASAs, focus group)

This was reflected in interviews with ERA participants, too, where it was clear that respondents' attitudes or perceptions about training acted as a barrier. Some stated that they were 'too old' to learn, or that they lacked confidence in their abilities. The 'classroom format' of much training was also cited as an inhibitor among people who had negative experiences of formal schooling. Distance education and home-based learning materials (such as the Internet or television/video instruction) could make training more accessible to people who were not comfortable in a classroom learning environment or who needed the extra flexibility of self-directed study. For example, one lone parent with a pre-school-aged child was able to complete level 2 literacy and numeracy courses through Learn Direct, which she accessed at home on the Internet. She had a history of learning difficulties and said she would not have trained if she was expected to attend classroom-based instruction:

'When I was at school I wasn't interested in school. I absolutely hated school. And now that I'm older and I can do it on the computer and you've got nobody on your back, it's easier.'

(Lone parent, NDLP programme group)

It was also common for people who initially lacked confidence to either withdraw from courses or fail to pass the assessment. There were two examples of lone parents who embarked on college courses in alternative therapies (e.g., aromatherapy, reflexology) who ultimately found the academic content of the course too difficult; one stated: *'I think it was a bit over my head'*. One of these respondents failed to pass the exam, while the other withdrew from the course. This latter lone parent felt, in retrospect, that she was misled by the course tutor who told her that the formal requirement for A levels (level 3 qualification) was unnecessary and that they would waive it for her. She also felt that she should have looked into what the course entailed in a bit more detail:

'I'm more experienced now...if I'm doing it now I would take more time to pick what courses I was going on,...I'd spend more time actually, you know, what to do and what paperwork to do, but at the time I should have probably asked more questions, you know.'

(Lone parent, WTC programme group)

Qualitative interviews suggest that factors which may have contributed to successful completion of courses among participants who were less confident about their ability to undertake training included: social and emotional support, either from ASAs or work colleagues, to help them keep going through the challenging times or low points in the training experience; early discussions with ASAs about what would be a manageable training commitment; and training which was feasible, complemented day-to-day work tasks, and was enjoyable.

ASAs also referred to a group of people who were motivated to do training and to advance at work before they started on the ERA programme. They had an end goal in mind and were sometimes already part way through training courses, simply using ERA to expedite their completion. Particularly in the WTC group, people sometimes stated that they were attracted to the ERA programme because of the training opportunities. For instance, one WTC lone parent who worked as a self-employed dog walker mentioned that she had already been considering training when she was approached about joining ERA:

'I got a phone call one day from the job centre...and they were encouraging people to retrain or, you know, advance in the training...At the time I was thinking of going to college anyway so it seemed like a good idea.'

(Lone parent, WTC programme group)

While participants' attitudes were important, ASAs stressed that these could change over time as people adjusted to working, became more confident and successfully managed their work-life

balance. For this reason, ASAs said that the WTC group, who were already working at the start of ERA, were easier to engage in training, although sometimes caring for young children could be a barrier for both lone parent groups (see below). While work experience was generally considered to be positively related to a willingness to engage in training and advancement, some ASAs suggested that participants could also be ‘too settled’ in a job which they were reluctant to disrupt, particularly lone parents settled in ‘comfortable’ part-time jobs. This reflects the findings above, that participants working part-time were less likely to engage in training.

While ASAs and participants talked about the ASAs’ role in changing participants’ attitudes towards training, participant interviews suggested that when this happened it was usually early in the programme, since longitudinal analysis showed little change in attitudes across the waves of interviews. Many had started training by the first interview and continued throughout the programme, while others never trained at all. A few people added training between waves 1 and 2, but these people seldom did so because of a change in attitudes. Rather, they planned to train from the beginning and waited until they were settled in their jobs or found the right training programme. In only a few cases did participants change their minds over the course of the research interviews. ASAs sometimes played a role in these changes, encouraging participants to take advantage of the opportunity and the money available for training.

4.8.2 Family responsibilities

ASAs reported that for lone parents, their life stage and, particularly, the age of children, were important determinants of whether they took up training. This was confirmed in the quantitative analysis, discussed later, which found that ERA was not able to increase the likelihood of training among parents of young children. ASAs said that lone parents of young children were less receptive to increasing their hours and taking on greater responsibility at work. Some had advancement plans but deferred them until their children were older. Training became more feasible for lone parents as their children aged and became more independent and childcare responsibilities eased.

In participant interviews, the primary reason given among those who did not take up training was the lack of time outside of work and family obligations. It was difficult for lone parents with family commitments to fit training courses around work hours, as they often did not want to do training in the evenings when time with family took priority. For example, one lone mother with two school-age children who was working as a clerk in a small business said:

‘I just couldn’t fit everything in...keeping my house how I like it, and look after my children the way I want to, and go to college and change my career – I just couldn’t do it.’

(Lone parent, WTC programme group)

Difficulties balancing training with work and other commitments also contributed to participants not completing courses. Related to this were complicated circumstances in the lives of some people which detracted from a focus on training. Some dropped a course of study or needed time out from training due to personal or family illness (physical or mental) or to deal with complicated family situations (e.g., illness of a family member, child behavioural difficulties).

Lone parents of young children were sometimes able to pursue training despite their family and work obligations through flexible self-study courses which could be pursued at home (as mentioned above) or because they had help with childcare, especially from grandparents or an ex-partner. One self-employed parent, for example, shared childcare with her business colleague, which enabled her to train.

4.8.3 Institutional factors

Staff and participants also felt that the type of employment people had and the timing of courses could influence training take-up. If participants were happy in their jobs, but there was little scope for progression or promotion in the workplace, then ASAs felt it was less easy to engage them in advancement. Conversely, when employers offered training, participants seemed more motivated to take it up (although sometimes participants found ERA-supported training superfluous when their employers already offered it). This is confirmed by the finding in the quantitative analysis that those in occupations like caring (social work, health and education) or in administration did more training than those in jobs with less opportunity for progression, such as customer services.

Working hours also affected participants' ability to engage in training. For example, those in shift work found it difficult to enrol in courses with set hours; those on short-term contracts found it difficult to train while on the contract and those with employers who did not allow employees to adjust their hours (flexi-time) had difficulty attending courses. Some participants did not complete courses because they moved to different jobs or their work schedules had been adjusted. Conversely, a good relationship with an employer or work colleagues could make it easier to get time off for training courses or finish work at a time which made it possible to go to an evening class.

In a similar vein, the timing of courses which colleges and training agencies offered posed difficulties. For example, intensive training over one week required an individual to take either unpaid or holiday time off work and sometimes courses were offered only during traditional nine-to-five work hours. In addition, some college offerings were limited, with programme intake occurring only once per year.

4.9 Summary

Chapter 4 examined the delivery of ERA training support and the types of courses participants took. There were limitations on the delivery of the training incentives, and advancement support more generally, in the early days of the programme, due primarily to limited staff expertise and guidance, as well as organisational constraints. Over time, with staff training, better management support and evolving experience of the programme, ASAs' ability to deliver advancement (and training) support improved dramatically.

Qualitative data from ASAs' and participants' accounts suggested that the training ERA programme group participants took up was related to advancement in four different ways:

- 1 taking occupationally relevant training with a view to advancing within that field;
- 2 taking training outside one's current field in order to move into a new area of work, sometimes associated with a 'dream job';
- 3 taking training to improve soft skills (e.g., self-confidence) or general employability, rather than relating to advancement in a specific occupation;
- 4 taking training which was not related to work advancement goals.

The extent to which the course-taking ASAs encouraged was in occupationally relevant areas was a key question which remained unresolved in the analysis for the two-year impact reports. It was possible that ERA's course reimbursement and incentive policies could lead participants to take courses unrelated to advancement goals (i.e., those in group 4, above). The analysis of the survey data in Chapter 4 found that this was not generally the case. The majority of courses taken in ERA were relevant to workplace skills. Most of those who had taken courses took at least some which were specific to a trade (most commonly in the caring professions) and even those who took

‘general’ courses tended to take occupationally relevant courses such as in ‘workplace skills’. These are the kinds of courses found to be associated with advancement in Chapter 3, though those associations might simply reflect selection bias. The long-term analysis of programme impacts on earnings will be more definitive.²⁵

The analysis then examined work and training. Many programme group members combined training with work. The chapter also added to the recent literature showing that full-time workers take up training more often than part-time workers or those who are not employed. Nearly half of NDLP participants and close to 80 per cent of WTC participants worked full-time while taking courses. This may be because more training opportunities are available in the workplace to people working full-time or because those working full-time are more orientated to advancement. It could also reflect the influence of the ERA bonus for full-time work. Qualitative data also showed how workplace factors, such as attitudes of employers or working hours (e.g., shift working, lack of flexibility, or short-term contracts) could affect take-up of training

The analysis then examined the characteristics of those who had courses arranged by ASAs and what kinds of courses they tended to take. ASAs tended to arrange courses more often for somewhat less-educated participants. ASAs’ accounts suggested that this may have been due to their ability to encourage training take-up among those who were initially uninterested in taking courses or lacked confidence. Both ASAs and participants pointed to examples of this happening, although ASAs did not find this an easy task. The pattern could also be because programme group members with higher educational levels did not seek as much advisory help. Chapter 5 looks in more detail at the role of advisory support in influencing training take-up. ASA-arranged courses were somewhat different than courses not arranged by ASAs.

Finally, the analysis in Chapter 4 found that those who worked full-time were more likely to translate their training into a specific qualification or credential. Those who worked in caring occupations or who took workplace skills courses were more likely to earn credentials as well. This could explain why (among the control group) it was found that these types of courses were more likely to be associated with advancement.

Chapter 5 focuses on the impacts of ERA on general course-taking and the types of courses taken, and whether ERA affected the type of participants engaging in training. The supporting qualitative analysis for Chapter 5 then takes a closer look at the relative importance of the different elements of the ERA provision for training: adviser support and financial incentives.

²⁵ However, since ERA contained other components in addition to training support (such as the employment retention bonus), it will be never be possible to completely isolate the training effect using experimental methods.

5 The impacts of ERA on course-taking

Chapter 4 examined patterns of course-taking and advancement among members of both the control group and the Employment Retention and Advancement (ERA) programme group. This chapter brings these analyses together in order to assess whether ERA had an impact on the amount of training lone parents took and on the qualifications they acquired. The results in this chapter will address the question of whether programmes like ERA, which include financial incentives and adviser support, affect the amount and type of training participants take. Impacts are differences in the average values among programme and control group members. Because ERA used a random assignment research design, any such differences which are statistically significant can be causally attributed to ERA.

After establishing the overall impacts on training, the analysis extends the results of the two-year report by investigating whether the increases in course-taking were in courses which were occupationally relevant. The expectation is that such courses are more likely to have an effect on longer-term advancement. The chapter then examines whether the short-term impacts on course-taking and earnings varied across subgroups, and how this variation may speak to the short-term advancement payoff from training. The chapter concludes with a qualitative analysis which explores the relative importance of ERA's advisory support and incentives in producing the impacts of ERA on training.

Box 5.1 Chapter 5 at a glance

- Much of ERA's effect on training was in courses which are relevant to specific occupations.
- ERA increased course-taking among those who entered the study with lower educational attainment.
- Though it is too early to assess whether ERA's effects on course-taking will translate into long-term advancement, the analysis of subgroup variation provides a mixed picture and suggests the possible importance of translating course-taking into training qualifications.
- The qualitative work suggests that advisory support and financial incentives both contributed to ERA's impact on training.

The ability of ERA to influence training activity is important as a potential mechanism for enhancing the prospects of lone parents advancing in work by developing their human capital. ERA was expected to induce training through two types of incentives. First, ERA staff could pay for participants' tuition for training courses, up to a maximum of £1,000 per person for all courses, provided that participants took the courses while they were working 16 or more hours per week. Second, ERA participants could receive a training completion bonus. This incentive paid £8 for every hour of training completed, up to a maximum of £1,000 (or 125 hours of completed training). Again, participants had to be working 16 or more hours per week to be eligible for the training completion bonus. One policy concern which motivated the analysis in this chapter is that ERA's training incentives, by reducing the costs of training, could encourage sample members to take courses which are not occupationally relevant (examples of this were discussed in the qualitative data analysis above and included participants taking courses in areas of general interest or in which they have a hobby).

The descriptive analysis in Chapter 3 found that for the control group, in-work training, obtaining

qualifications during the follow-up period and taking occupationally relevant courses were associated with advancement. This chapter assesses whether ERA increased any of these outcomes, which would be expected to increase the likelihood that ERA could lead to advancement in the long run.

5.1 General impacts on incidence of education and training, number of courses, length of stay and acquired credentials

5.1.1 New Deal for Lone Parents (NDLP)

As was shown in Chapter 3, nearly 56 per cent of the control group participated in training or education at some point during the first two years, even without ERA's assistance. Table 5.1 shows that ERA increased the likelihood that NDLP participants would take a course by 4.8 percentage points. This effect was driven by training taken while participants were working. Table 5.1 shows an increase in the probability of combining work and training of 5.8 percentage points above a control group rate of 29.6 per cent.²⁶ Table 5.1 also shows that training was often arranged by Jobcentre Plus staff (Advancement Support Advisers (ASAs) for the programme group and Personal Advisers for the control group). ERA increased participation in such training by 7.3 percentage points. There is no evidence yet of an effect of this increased training on qualifications, which has been found in other studies to be associated with advancement. The results in Table 5.1 show that ERA caused a small but statistically significant increase in the number of courses taken, but did not affect time spent in training.

²⁶ This result does not imply that ERA increased training for those in work. It could equally be the case that employees are more likely to participate in training and that the observed increase in training while in work is simply capturing the increase in employment due to ERA. However, the same pattern is observed for the Working Tax Credit (WTC) group, for which there was no employment effect, thus supporting a conclusion that the ERA did directly increase training among those in work.

Table 5.1 Effects of ERA on general course-taking patterns, years 1-2

Outcome	NDLP			WTC		
	ERA group	Control group	Difference (impact)	ERA group	Control group	Difference (impact)
<u>General impacts on course-taking</u>						
Participated in training or education (%)	60.6	55.7	4.8 **	76.1	61.1	15.0 ***
Participated in training or education while working, years 1-2 (%)	35.3	29.6	5.8 ***	71.6	56.5	15.0 ***
Took a course while out of work (%)	26.8	27.8	-1.0	5.7	4.5	1.2
Participated in training or education arranged by Jobcentre Plus staff, years 1-2 (%)	21.7	14.4	7.3 ***	28.3	3.9	24.4 ***
Participated in training or education arranged by staff, while working years 1-2 (%)	8.3	1.7	6.6 ***	25.7	1.6	24.1 ***
Obtained any training or education qualification, years 1-2 ^a (%)	24.6	23.0	1.7	35.2	28.5	6.7 **
GCSE	6.7	7.1	-0.4	7.0	7.3	-0.4
A level or above	2.9	3.9	-1.0	5.2	5.2	0.0
Other	17.4	15.4	2.0	25.5	19.2	6.3 ***
<u>Impacts on time spent in training</u>						
Average number of courses taken	1.7	1.5	0.2 **	2.4	1.9	0.5 ***
Average number of hours spent in training	159	166	-7.6	173	132	40.9 **
Average number of weeks spent in training	17	16	0.4	26	18	7.8 ***
Sample size	1,188	1,105		630	618	

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

Two-tailed t-tests were applied to differences between outcomes for the ERA group and the control group. Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; and *** = 1 per cent.

^aParticipants who have General Certificate of Secondary Education (GCSE) qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

5.1.2 WTC

For the WTC group, ERA's effect on training was stronger. Table 5.1 shows that, while the WTC control group's participation in training or education over the two years was only somewhat higher (at 61 per cent) than the rate among the NDLP control group (55.7 per cent), ERA's impact of 15 percentage points was considerably larger. A similarly sized effect was evident when considering the effect of ERA on combining training and employment. Furthermore, these effects were sizeable

and statistically significant in each of the two years after random assignment (not shown). The role of advisers is very strongly evident. Participation in training arranged by Jobcentre Plus was almost non-existent among the control group. This was to be expected, as lone parents who receive WTC are not normally engaged with Jobcentre Plus. ERA increased such training by over 20 percentage points. Unlike the NDLP group, there is also evidence that ERA increased the likelihood of obtaining training or educational qualifications by 6.7 percentage points, a factor found to be associated with short-term advancement in the descriptive analysis of control group members.²⁷ ERA increased the number of courses taken as well as the number of hours and weeks in training.

5.2 Effects on types of courses taken

Table 5.1 showed that ERA increased participation in training. However, as mentioned at the beginning of this chapter, there were concerns about whether government-subsidised courses (in the form of tuition reimbursement) might encourage training which was not directly linked to advancement goals. Table 5.2 provides detail on whether the overall impacts seen in Table 5.1 were in trade-specific or general (perhaps occupationally irrelevant) courses. The table also provides detail on whether ERA influenced the nature of the training.²⁸

Table 5.2 Effects of ERA on types of courses taken, years 1-2

Outcome	NDLP			WTC		
	ERA group	Control group	Difference (impact)	ERA group	Control group	Difference (impact)
Type of course taken (%)						
General	27.8	26.1	1.7	34.0	28.1	5.9 **
Basic skills	7.6	8.2	-0.6	7.9	4.7	3.2 **
Non-applied academic	3.9	3.2	0.7	4.2	4.0	0.2
Soft skills	5.4	3.4	2.0 **	6.5	5.5	1.1
Workplace skills	13.8	14.0	-0.2	21.2	18.0	3.2
Trade-specific	50.8	46.0	4.8 **	68.0	54.5	13.5 ***
Applied academic	1.7	2.1	-0.4	3.5	3.8	-0.3
Art/design/fashion	2.3	2.4	-0.1	3.4	1.7	1.7 *
Business and information technology	9.0	9.1	-0.1	14.6	10.7	4.0 **
Computer user skills	17.6	16.0	1.6	23.9	19.2	4.7 **
Personal services/retail	10.4	9.6	0.8	13.3	10.9	2.5
Skilled trades/labour/protective services	2.7	2.1	0.6	3.0	1.0	2.0 **
Social services, childcare, education	23.0	20.4	2.6	28.6	26.7	1.9
Sample size	1,188	1,105		630	618	

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

Two-tailed t-tests were applied to differences between outcomes for the ERA group and the control group.

Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; and *** = 1 per cent.

²⁷ This result differs from those shown in the two-year impacts report because this report uses only WTC group members who were surveyed in both year 1 and year 2, and the results differed across these samples.

²⁸ If ERA increases course-taking of a specific type it does not necessarily mean that ERA steered individuals into specific types of courses. It could just mean that ERA increased training among those who are more likely to take certain kinds of courses.

5.2.1 NDLP

The analysis in Chapter 3 suggested that the type of training might be relevant to the possibility of advancement. Specifically, the analysis found that courses which are either specific to a trade (notably in the caring field) or general but still occupationally relevant (notably workplace skills) were associated with advancement.

Table 5.2 provides clear evidence that the impact on course-taking among the NDLP group was concentrated among trade-specific courses. ERA increased the likelihood of taking trade-specific courses by 4.8 percentage points above the control group level of 46 per cent (a ten per cent gain). While ERA did not increase the likelihood of taking general courses as a category, there was a small increase in the propensity to take 'soft skills' courses. ERA had no effect on the likelihood of taking courses focused on workplace skills or in the caring profession, both of which had been found to be correlated with advancement in the descriptive analysis of control group members.

5.2.2 WTC

Among the WTC group, ERA increased the likelihood of general skills and trade-specific training, but the impact was much larger for trade-specific courses. ERA increased the likelihood of taking trade-specific courses by 13.5 percentage points over the control group average of 54.5 per cent. Looking at the specific types of courses, the increase in trade-specific courses was distributed over several course content areas, notably in the areas of business, information technology and basic computer user skills.

5.3 Whom did ERA induce to take courses?

The analysis in this chapter has demonstrated that ERA encouraged more people to take up training than would have in the absence of the intervention and that the increase in training was in occupationally relevant courses. But this leads naturally to the question of **who** was induced to take more courses. The subgroup analysis seeks to explore whether ERA had different effects on course-taking for particular groups of lone parents. Evaluations of employment and training programmes in the US have found that some programmes work better for particular types of individuals. For example, the US ERA project had larger effects for those who were semi-attached to the labour market, possibly because they had the right mix of the ability to benefit from the services offered and the need for case manager support (Hendra *et al.*, 2010). Aside from the empirical evidence, it is easy to imagine that ERA's effects might vary across subgroups of participants who have, for example, different skills, views of work or family circumstances which might affect their prospects in the labour market, even in the absence of ERA.

The qualitative analysis above found that lone parents with young children and who prioritised their caring role over their work role may be less likely to take up ERA's offer than those with older children. Similarly, those with higher educational qualifications may be more likely to take up training in response to the training bonus. In other cases, those who are expected to have a more difficult time in the labour market may benefit more from training. Should the findings suggest that the programme is more effective for certain subgroups of participants, policymakers might consider targeting programmes like ERA differently. On the other hand, finding little variation across subgroups would also be encouraging, since this would indicate that ERA works for a wide range of people.

The analysis in Chapter 3 suggested that many control group participants (particularly in the NDLP group) were stuck in a pattern of either low-wage or unstable work. Another group was on a clear advancement path. Members of this latter group were more likely to build on their educational

credentials, were experiencing pay rises and expressed optimism about the prospects for future promotion. They came into ERA with higher educational qualifications and seemed to pull even further away during the two-year follow-up period by building on their relative advantage. Thus, the subgroup analysis is also important to determine which of these two groups ERA was more effective for: (1) the group which is at a human capital disadvantage and stuck in unstable or low-paying jobs or (2) the group which is building on their existing human capital advantage and is already on the path to advancement. The analysis in Chapter 3 also showed that, in general, those who entered the programme with higher baseline qualifications were more likely to take courses. The additional course-taking ERA induced could have been generated by simply encouraging training among the relatively advantaged. Other analysis in Chapter 4 suggests a different possibility. The analysis of adviser-arranged courses suggested that ASAs tended to arrange courses for more disadvantaged participants, perhaps helping to ‘close the human capital gap’ between the more and less disadvantaged participants, which was noted in Chapter 3.

Table 5.3 shows the effects on taking trade-specific courses by level of baseline educational attainment and age of youngest child. Trade-specific courses were chosen as the outcome, as these courses are most obviously occupationally relevant.

Table 5.3 Impacts on taking trade-specific courses by subgroup, those with older children

	Took trade-specific courses years 1-2								Sample size
	NDLP group				WTC group				
	ERA group	Control group	Difference (impact)	P-value	ERA group	Control group	Difference (impact)	P-value	
Qualifications^a									††
None	37.2	33.7	0.0	0.41	52.1	38.1	14.0 *	0.07	510
GCSE	50.1	44.3	5.8 *	0.06	69.0	48.3	20.6 ***	0.00	1,076
A level or above	63.0	63.0	0.0	1.00	74.2	71.3	2.9	0.53	540
Child under 5									†
Yes	42.3	43.6	-1.3	0.73	59.8	53.7	6.2	0.42	701
No	54.3	47.1	7.2 ***	0.00	69.1	54.4	14.7 ***	0.00	1,554

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

Two-tailed t-tests were applied to differences between outcomes for the ERA group and the control group.

Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; and *** = 1 per cent.

A statistical test was performed to measure whether impacts differed significantly across subgroup categories.

Statistical significance levels are indicated as: † = 10 per cent; †† = 5 per cent; and ††† = 1 per cent.

^aParticipants who have General Certificate of Secondary Education (GCSE) qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

5.3.1 Effects on course-taking by level of educational attainment

As shown in Chapter 3, baseline educational qualifications were closely related to the propensity to train. Table 5.3 shows that this same relationship holds for trade-specific training. Control group

members with A-level qualifications were nearly twice as likely to have taken trade-specific courses compared with those who had no qualifications.

Table 5.3 shows that there is important variation in the effects of ERA on training across these subgroups. Among the NDLP group, the impacts of ERA on trade-specific training were clustered among those with a General Certificate of Secondary Education (GCSE), though the variation in impacts is not statistically significant across levels of educational attainment. Among the WTC group, all of ERA's effects on course-taking were among those with a GCSE or those with no credentials and the variation in subgroup impacts was statistically significant. For example, among those with a GCSE, ERA increased the likelihood of taking trade-specific courses by nearly 21 percentage points (a 43 per cent impact above the control group average of 48.3 per cent). Surprisingly, however, further analysis (not shown in the table) found that ERA did not lead to increases in credentials for this group.

These results support the qualitative results presented in Chapter 4, which indicated that ASAs were often able to encourage and motivate those who were initially reluctant to take courses (many of whom had lower educational qualifications). The subgroup results are also consistent with the quantitative results from Chapter 4, which found that ASAs were more likely to arrange courses for those with lower educational credentials. Finally, the results suggest that it is difficult to encourage those with higher levels of qualifications to participate in training beyond their already relatively high level of engagement.

5.3.2 Effects on course-taking by age of children.

Chapter 4 found that ASAs had trouble encouraging training among those who had young children and were not already taking courses. Table 5.3 shows that this finding is clearly supported by the quantitative analysis. For both the NDLP and WTC target groups, ERA's effects on taking trade-specific courses were clustered among those with older children. Among the NDLP group, ERA increased the likelihood of taking trade-specific courses by 7.2 percentage points above the control group level of 47.1 per cent. The daggers show that the variation in subgroup impacts was statistically significant. Similarly, among the WTC group, impacts on course-taking are twice as large among those with older children, though for the WTC group, the variation in impacts was not statistically significant across subgroups.

Although there were only small differences in course-taking between control group members with younger compared with older children, ERA's package of training and advisory support was unable to encourage additional course-taking among those with younger children beyond what they would do on their own initiative. This suggests that either other services or supports may be needed to encourage additional course-taking among those with younger children or that policies focusing on increasing course-taking among lone parents should focus on families with children who are five or older.

5.4 Correspondence between impacts on training and impacts on year 2 earnings

The subgroup analysis discussed in the previous section can serve another purpose. Identifying subgroups for which ERA had particularly large impacts on the education and training outcomes expected to be associated with advancement (such as attaining qualifications or taking occupationally relevant courses) can shed light on an important question for the ERA final report: do large impacts on key education and training outcomes lead to advancement in the long term? The analysis of variation in subgroup impacts will take an early look at this question by measuring

the effects on year 2 earnings and examining whether these impacts vary by whether there were impacts on training outcomes.²⁹

Figure 5.1 shows the effects of ERA on taking trade-specific courses, obtaining any training qualifications and earnings in year 2. To facilitate the comparison of impacts, all impacts are expressed in ‘percentage change’ terms (to do this, the impact was divided by the control group level and multiplied by 100). The purpose of Figure 5.1 is take advantage of the variability in impact results across subgroups to reveal whether impacts on training and qualifications correlate with impacts on year 2 earnings. For example, if subgroups which experienced a larger than average impact on training also had a larger than average impact on earnings, this would be taken as evidence that the additional training may be the cause of the earnings impacts. However, an important caveat is that ERA did more than incentivise and support training, so the contribution of other features of the programme cannot be ruled out.

While it is relatively early to expect the impacts on course-taking seen in this section to translate into advancement, a couple of early patterns are emerging. In particular, the patterns emerging in three particular subgroups may be illuminating.

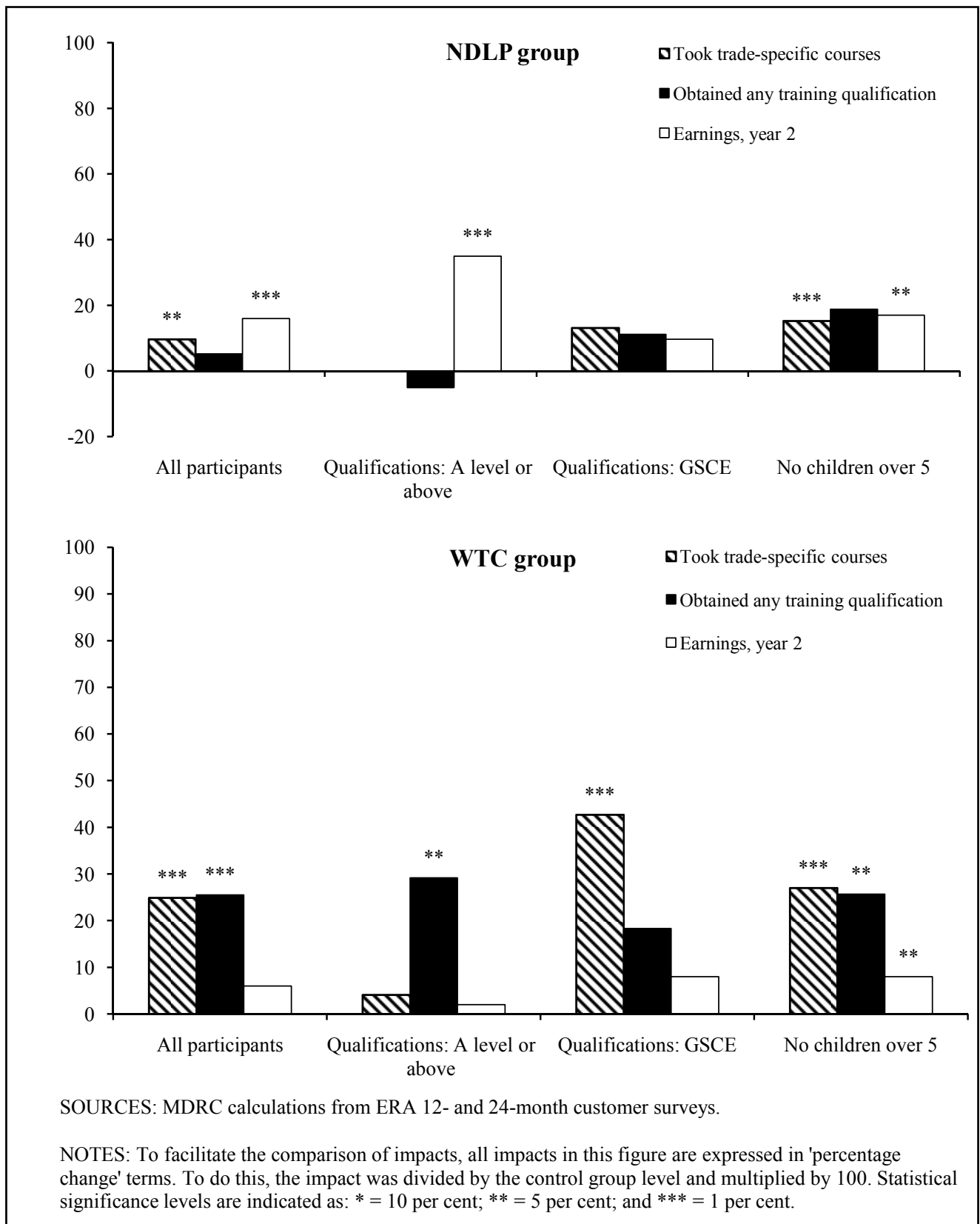
The first example is among NDLP participants who entered the programme with A-level qualifications. This subgroup experienced the largest impact on earnings. Earnings impacts for this subgroup were nearly 40 per cent above those of the control group level, which is the largest increase among the subgroups shown in Figure 5.1. However, those with A levels did not experience increases in either of the education and training variables shown in Figure 5.1. A closer examination of the course-taking impacts for this subgroup revealed very few effects of ERA on any course-taking outcomes. Therefore, it seems likely that the impacts for this subgroup must reflect the effectiveness of other ERA components, such as the employment retention bonus or adviser advancement support.

By contrast, the second example is the pattern of impacts among both NDLP and WTC participants with older children. The pattern of impacts for this subgroup more closely matches what the descriptive analysis on advancement in Chapter 3 would lead one to expect. Among NDLP participants with older children, ERA increased the likelihood to engage in trade-specific training and the likelihood of receiving an employment-related qualification. ERA also produced an impact on total earnings for this subgroup. It is possible that other components of ERA drove this effect, but the pattern does not exclude the possibility that the increases in skills were partly responsible. For WTC participants, the effects among those with older children also support the possibility that the combination of taking trade-specific courses and obtaining qualifications may lead to advancement.

The third example is the pattern of impacts among WTC participants with GCSE credentials. This scenario is particularly interesting, as it shows that simply increasing course-taking may not be enough, at least in the short run, to lead to economic advancement. As discussed above, among this subgroup, ERA increased the likelihood of taking trade-specific courses by over 40 per cent. However, ERA did not increase the proportion who earned an employment-related qualification. This could explain why the large increases in course-taking did not lead to any increases in earnings. Further analysis found that most of the course-taking effect for this subgroup was in the area of computer user skills (a subject which the analysis in Chapter 4 found to be very common among those who did not work).

²⁹ This analysis focused on earnings in year 2 because it was the last year of follow-up available for this report. The ‘pay rise’ variable was not used for this analysis, since previous analysis has shown that most of ERA’s effects on earnings is due to working more hours or more stably, rather than working at higher wage rates. Thus, it should be borne in mind that working more hours is considered a form of advancement for the purposes of this analysis.

Figure 5.1 Percentage change impacts of ERA on course-taking, qualifications, and earnings, years 1-2, by subgroup



5.5 Discussion

The analysis in Chapter 5 has extended the finding from the two-year report that ERA increased in-work training. Among both target groups, it is clear that much of ERA's effect on training was in courses relevant to specific occupations. It is also encouraging that (particularly among the WTC group), ERA encouraged training among some types of participants who are ordinarily less likely to take courses. ERA was not able, however, to increase course-taking among lone parents with young children.

Though it is too early to assess whether ERA's effects on course-taking will translate into long-term advancement, the analysis of subgroup variation provides a mixed picture. For some subgroups, ERA increased training and qualifications and had a positive effect on earnings. Although this effect could have been attributable to other aspects of ERA (such as the employment retention bonus), the results do not exclude the possibility of a long-term advancement benefit of training. After all, the analysis of background characteristics and numerous studies have demonstrated that skills matter, so it should not be considered surprising if training has an effect (particularly when it leads to qualifications which are valued in the labour market). On the other hand, some subgroups which have seen a training effect have not yet seen positive impacts on earnings and it remains to be seen whether these subgroups will eventually see an advancement payout from their training efforts. The final report, scheduled to be released in 2011, will provide an answer to this question.

The patterns of impacts for the full WTC group may also provide some clues about the long-term advancement effects of training. As discussed, the WTC group experienced much larger impacts on participation in training compared with the NDLP group and (unlike NDLP) saw an increase in qualifications. In year 1, the WTC group experienced no impact on earnings from ERA. However, by year 2, a small impact on earnings began to emerge (this effect was very close to being statistically significant: $p = .11$). It remains to be seen whether the relatively large impacts on training among the WTC group translate into longer-term advancement.

5.6 The role of ERA programme components in taking and completing training

This chapter has shown that ERA had several effects on course-taking which one would expect could lead to longer-term advancement. However, ERA participation is 'a black box', since, as was described in Chapter 3 and 4, different offices and districts provided different levels of services, and participants engaged with those services to varying extents. This section of the chapter explores the different elements of ERA training support (adviser contact, payment of training fees and the completion bonus), using qualitative data to consider which programme elements influenced training take-up and choice of courses.³⁰ It begins with a discussion about staff and participant views on advisory support and financial incentives, generating hypotheses about the influence of the different ERA components on training. This is an important topic for public policy, because it speaks to the issue of whether the Government should provide financial incentives such as those offered in ERA more generally to encourage course-taking and completion. It also speaks to the role of advisory support in both encouraging training and steering it towards advancement.

³⁰ It should be noted that the different programme components were not randomly assigned and thus all analyses treat this as observational data. The analyses are thus subject to the weaknesses of any observational study.

5.6.1 Staff and participant views: which elements of ERA were influential in participants taking and completing training?

Both ASAs and participants suggested that the impact of ERA programme elements was different depending on the needs and circumstances of the participants concerned. For example, the role of adviser support depended on participants' motivation. Those who were motivated to train before ERA did not need adviser support or encouragement to take up training, although fee payments could still be important for them. For those who were not motivated to train, both adviser support and the financial incentives were important.

The role of advisory support

The amount of support and guidance given to participants varied depending on individual needs and some participants valued that support more than others. Some already knew what they wanted to do and could source their own training, and ASAs simply sorted out the paperwork for payment of fees. In other cases, ASAs were credited with encouraging participants to take training by repeatedly reminding them of the opportunity. Another way in which they supported training was by finding appropriate courses for participants and helping them fill in forms and post applications, as this respondent described:

'The encouragement I've had from the job centre has been great. When I approached them about the course they were very enthusiastic about it, very helpful, even so much as actually phoning the university to find out where things are paid, and things like that. They've been exceptionally good in doing that.'

(Lone parent, NDLP programme group)

Near the end of ERA, ASAs were also instrumental in arranging training fees or expediting the training bonus payment before ERA eligibility ended.

Participants with negative educational experiences required more encouragement to pursue training. ASAs became more confident in coaching and encouraging these people over time, while participants credited their ASAs with giving them the confidence and motivation to take up training. For example, one lone parent who did a series of short courses in basic IT, literacy and numeracy, said that her ASA was crucial in raising the idea of training in the first place and in building up her confidence to take the courses. At first, she was hesitant and unconfident:

'I thought, "Oh no I'm all right for a bit now", I thought, I didn't want to face...I think I was a bit reluctant to do anything because I thought, "Oh I couldn't do anything like that."'

(Lone parent, WTC programme group)

She then described how her ASA encouraged her and built up her confidence:

Q: *'But would you have done the courses, do you think, if she hadn't mentioned it in the first place?'*

R: *'No, I don't think I would, no. If she hadn't have put the idea...like talked about the courses, it made me think, "Oh could I do it?" you know.'*

She also said that her ASA kept her going by providing support throughout her training:

'...because if I hadn't had the contact I'd have felt a bit on my own...like I would have had no one to talk to about it so, yes... I might have...thought, "Oh no", you know, I'd have felt a bit lonely with it...she kept me going on it, do you know what I mean? I...probably wouldn't have wanted to go on with it sort of thing, so the little chats, you know they're good.'

ASAs also assisted participants in other aspects of their lives which could have inhibited training. For example, in order to help participants balance training with their work and home lives, ASAs helped to rectify childcare issues, attended to financial dilemmas (either with direct aid through the ERA Emergency Discretion Fund (EDF) or by signposting to other help) and provided continued emotional support, at times instilling the confidence needed to persevere with studies.

The role of financial incentives

Payment of course fees

ASAs felt that the payment of training fees enabled people to take up training. While the ASA could offer motivation for training, the fee payment made it possible.

Participants also felt that the payment of fees enabled them to take up training, since these costs were often unaffordable on their salaries. Some had considered training previously but were concerned about the cost and referred to the money they received from ERA as a ‘**godsend**’ or a ‘**real bonus**’.

Fee payments were unimportant, of course, when courses were low cost or free. For example, some lone parents received free training through employers and others who were receiving tax credits were eligible for free or reduced-price courses at local colleges. The latter courses often included the basic skills and computer skills courses described in the quantitative analysis.

While ERA money was intended to fund training beyond whatever was offered through employers, there were also examples of ERA paying for training which otherwise would have been paid for by the employer.

As noted earlier, some participants had been enrolled in a training programme prior to ERA and used the training fee payments to continue their studies, while others had plans to train which were funded by ERA. ASAs thought that some of these people might have found a way to do the course without ERA funding, although they believed that the fee payment expedited training and allowed participants to avoid educational loans. Box 5.2 provides an example of ERA expediting training plans.

Completion bonus

ASAs’ and participants’ views on the training completion bonus were more mixed than for fee payments. Most participants, both those who had completed their courses and those who were still taking them, downplayed the role of the bonus as an incentive to complete training. Once training started, people claimed they were self-motivated and determined to complete the course to achieve the qualification or certification. For example, one lone parent described her motivation to complete her NVQ qualification:

‘...for other people that might be a massive incentive, but to my mind was, I’d started it, I am going to finish it. I don’t like it but I’m going to do it and I am going to pass it...and then I gleefully went and got my free money, but it wasn’t to me the be all and end all.’

(Lone parent, NDLP programme group)

Box 5.2 Expediting training plans

Jacqueline (WTC programme group) was a divorced lone parent with three school-aged children who was working part-time hours in a retail shop when she enrolled in ERA. She had completed a National Vocational Qualification (NVQ) level 1 in accounting once her children were in school. ERA then paid for the second-year fees and she attended college one day a week:

‘For a while I’d wanted to go back to college to further my education and without ERA I wouldn’t have been able to have funded it myself...It’s changed my life to be able to go on the ERA scheme.’

During ERA, Jacqueline moved to a bookkeeping job offering flexible, part-time hours which, together with the help of her parents, enabled her to continue her studies. She wished to become qualified so she could set up her own business as an accountant and enjoy the flexibility of working from home. This goal was motivation enough for her to complete the course, regardless of the financial incentive of the completion bonus:

‘Well, it is icing on the cake, isn’t it? But I mean if there hadn’t been bonuses, I would have still gone ahead with the course. I did feel it was that time in my life for me to do something for myself...at the end of the day, it boils down to the individual, doesn’t it? It’s what you want to achieve for yourself. And if you just go through life doing things because you’ve got a payment at the end of it, well it’s a sad way to look on things, isn’t it?’

Above all, Jacqueline felt that ERA gave her an earlier opportunity to continue her studies and that this training gave her the confidence to obtain a job which used her skills in accountancy.

The fact that many people continued training after ERA ended reinforces this finding.

Some ASAs felt the training completion bonus was irrelevant to take-up but thought it might influence completion rates, while others felt the bonus could influence training uptake but only for some participants in specific circumstances. One instance in which the training completion bonus could influence training take-up was when participants were contemplating taking time off from work to take a course. In these cases, it was reasoned that the bonus money would compensate for lost wages or, as one ASA described this scenario, *‘like a part-time job which paid more than the minimum wage’* (since the training bonus was payable at £8 an hour). Similarly, participants said their ASAs sold the training bonus to them as a way to *‘learn while you earn’* and sometimes this was influential in their decision to train.

Another circumstance in which the training bonus could be important to course-taking was when lone parents were reluctant to sacrifice family time in order to train. This was seen in the account of one lone parent who felt the bonus income justified the extra time away from her family:

‘When you are a lone parent – and that’s sounding horrible but – time is money, you kind of feel like you can’t go off and do something for yourself because there just isn’t the time or you can’t afford to do it. So [the training bonus] made the course more enjoyable because you knew you were getting paid as well.’

(Lone parent, WTC programme group)

From participants’ accounts, it also seemed that the bonus could be motivational for people who initially lacked confidence or were of two minds about doing training and needed further encouragement. For example, one lone parent who took up short customer service courses offered through her workplace said that the advisory support and the bonus payments together encouraged her to do the training. At first, she felt she was not ready to take up training:

'...then [ASA] said to me, "If you do further training...", but at that time I wasn't interested because I just wanted to be able to do the job first, and then further on, [ASA] had said, "Now that you're comfortable, are you interested in doing anything further? Are you happy in your job? Is there anything extra you want to do?"'

(Lone parent, NDLP programme group)

This lone parent further explained that when she did take up the training, the financial support from the completion bonus was influential:

Q: *'ERA did give you some money...what did that mean to you?'*

R: *'It was fantastic because you were getting to learn something, and you were getting extra money for something that was helping you to get further, which it did.'*

Q: *'If they hadn't done that...?'*

R: *'I wouldn't have done it, and I wouldn't have been confident enough to go for the other job within [organisation], doing the coaching.'*

Q: *'Why wouldn't you have done the training without the financial incentive?'*

R: *'I would have just went in and plodded along, just did my hours and went home; I wouldn't have...as I said before,...it is going to come down to what money you can make to provide for your kids.'*

Box 5.3 provides another example of a participant for whom adviser support and financial incentives, in combination, were influential in her decision to train.

To summarise, the qualitative work suggests that advisory support and financial incentives both contributed to ERA's impact on training, but that their respective roles varied for different groups of people.

Box 5.3 Influence of adviser support and financial incentives in taking up training

Carol (WTC programme group), with a 16-year-old child, had been working 16 hours per week in a pub kitchen for the last 17 years when she started ERA. She was attracted to ERA's support for training because she felt she was at a stage where she needed to do something more with her life. However, she had reservations since she had not done well in school and felt that the support she received from her ASA was central to building up her confidence:

'I need somebody to...especially exams because I hate doing exams, I hate it, I'm so frightened, you know, even though it's nothing to be frightened of but, you know, because I always saw myself as thick at school...'

The ASA also helped her to develop goals and choose an area to train in. For example, initially Carol wanted to go into childminding and also considered counselling, but eventually, in consultation with her ASA, decided to build on the skills she had developed in the pub job by pursuing training in catering with the goal of moving into self-employment. She pursued a range of courses in this field while on ERA. There was no financial contribution from the employer and Carol said she would not have been able to do the course if she had to pay the fees. She was also motivated by the completion bonus:

'I went, "Well yes,...if you're going to pay me!" Because, like I say, you want that bit of extra money, you know, like decorating and stuff like that; it comes in handy that bit of extra money and it also gives you an incentive.'

Since completing ERA, Carol said the courses gave her more confidence to continue training and to set up her own business in the end.

5.7 Summary

This chapter examined the effect of ERA on course-taking, using both quantitative and qualitative data to shed light on which of the various ERA components encouraged course-taking.

The quantitative analysis found that much of ERA's effect on training was in courses relevant to specific occupations. It also found that, particularly among the WTC group, ERA encouraged some types of participants to take courses who are ordinarily less likely to take them. It is too early to assess whether ERA's effects on course-taking will translate into long-term advancement; the analysis of subgroup variation provided a mixed picture, but it did suggest that attaining educational qualifications could be important for advancement.

The qualitative work suggested that advisory support and financial incentives both contributed to ERA's impact on training, but that their respective roles differed for different groups of people. Advisory support was particularly important for those who were less confident, as it encouraged them to take up and persist with training. However, it may also have been influential for others, by reminding them about training opportunities and encouraging them to take a course before the support ended. Training fees were influential (including for those already motivated to do training who were less influenced by advisory support), as fees were often a barrier to training. However, for some people the fee payment was irrelevant because the courses they wanted to pursue were free of charge. This was the case either for employer-funded courses or college-provided/online courses which were free to people on a low income. There was less consensus among ASAs and participants as to whether the training completion bonus was an important incentive, although some considered it as an extra source of encouragement, a payment for the 'opportunity cost' of their training time or a justification for giving up precious 'family time'. ASAs also thought the bonus could motivate course completion in some cases.

Chapter 6 uses qualitative data to explore participants' experiences of making use of training and qualifications gained to advance in the labour market. It identifies the factors which enabled and constrained the conversion of training into advancement for participants with different goals and aspirations.

6 Converting training to advancement: enablers and barriers

Building on the analysis in Chapter 5, this chapter uses qualitative research to explore the experiences of participants in making use of their training to advance in employment, drawing out the factors which enabled or acted as barriers to this. It is based on the accounts of participants who were interviewed near or after the end of the Employment Retention and Advancement (ERA) programme.³¹ In the chapter, advancement is considered in a wide sense, using participants' accounts of what they felt the outcomes of their training were; this includes 'soft' outcomes as well as concrete measures of progression such as promotions or pay rises. The chapter begins by mapping the range of outcomes achieved by participants – at their last interview – across the group of respondents and how this related to different types of advancement goals (as described in Chapter 4). The chapter then explores barriers and enablers to advancement for participants with different goals.

Box 6.1 Chapter 6 at a glance

- Those who used training to pursue promotion in their field of work benefited from attaining qualifications or credentials required for a new post. Workplace opportunities and employer support were also important for advancement.
- Those who were aiming to enter a new vocation faced additional challenges, such as a lack of relevant work experience and the fear of putting financial stability and family life at risk.
- Despite having new qualifications and skills, some lone parents wished to defer a new career or a change in their work patterns until their children required less care.
- ERA advisory support was most appreciated by individuals who were not independently pursuing training.

6.1 Differences in goals and outcomes across the sample

6.1.1 The diversity of participants' outcomes

ERA participants' outcomes from training were diverse. For some participants, training and qualifications were perceived to contribute to concrete forms of progression in the workplace, such as a promotion and pay rises. Other participants felt the training facilitated upgrading of their skills and contributed to their taking on more responsibility at work, possibly enhancing their prospects for promotion in the future.

There were participants who did not experience these concrete work advancement outcomes, even though they had obtained one or more work-related qualifications. There were also other

³¹ This includes the 31 respondents interviewed in 2009 (two years after ERA support ended) who had taken up training while on ERA, as well as ten respondents who had taken training and were interviewed for a third time in 2007 (who were just reaching the end of the ERA programme).

participants who started courses but failed to complete them for a variety of reasons. Irrespective of whether courses were completed, training participants across the board tended to experience soft outcomes. For some, gains from ERA training included a growth in awareness of training and development opportunities or career possibilities, self-confidence, self-esteem and a greater awareness of their capabilities, a sense of their own potential, and a desire to 'better themselves'. For example, passing a training course (or even partially completing it) could lead them to realise that they were able to engage in training and succeed.

Other participants acquired a life skill, typically the acquisition of a driving licence, which they felt positively contributed to their personal lives, for example, their sense of identity in the household and wider society.

Finally, there were those participants who seemed to obtain very little from ERA training. This included those who did not enjoy their ERA-supported training course, sometimes finding the course difficult or being critical of the quality of training provision and those who had experienced multiple barriers to engaging in courses and subsequently abandoned them. Participants reporting little benefit also included some people for whom the training bore little relevance to their area of work.

6.1.2 Goals and outcomes

Participants who trained with a specific goal in mind can be divided into two broad types. First, there were those aiming to achieve a certain training qualification which would enhance their job prospects in relation to their current field of work, for example, moving from a job as a barmaid to a job in deputy pub management or from a job in IT support to a managerial IT role. Some of these participants pursuing this within-occupation advancement achieved a promotion helped by ERA training, as described later in this chapter.

The second group of ERA participants were pursuing long-term career goals outside their current area of work, often in the form of a 'dream job'. The goal here was to switch occupations. For example, this included trying to move from factory work into HGV driving or from an office job into a front-line role in the care sector. Participants in this group tended not to achieve such long-term goals during the period of this research, for a variety of reasons which will be explored further below.

There was also a larger, third group of participants who might not necessarily have taken up training with a specific job-related goal in mind, but who viewed training as improving employability, or self-improvement more generally. While they did not secure a promotion or explicitly work towards a change of career, they did start thinking more about their labour market position and training and career opportunities while in ERA.

6.2 Seeking advancement within a current area of work

6.2.1 Enablers in converting training to advancement

In the qualitative sample, participants who were oriented towards advancing in their current sphere of work and took up training to do so tended to be in work at the start of ERA (these were largely Working Tax Credit (WTC) participants). The training they took up was directly related to their current work role and several achieved a promotion at work through this. Their approach to training was goal-focused, seeing it as a vehicle to obtain the qualifications and credentials which workplace structures signalled as necessary conditions for promotion. In practice, participants' accounts suggested that this very much proved to be the case, with the ability to meet job selection criteria being the key facilitator in converting training into advancement.

Participants in this group often expressed frustration at the start of the ERA programme, as they knew the importance of training but experienced barriers to access (as discussed in Chapter 4). Some participants who worked in low-wage and low-status positions suggested that they felt labelled as ‘not worth promoting’. One tangible, and recurring, factor in the barriers participants experienced in accessing training was age, as some company training schemes give priority to younger employees. Where employees were in this position and felt trapped in existing roles with no chance of promotion, ERA support proved timely. Training became a core feature of their strategies to secure promotion. A case example on how one ERA participant converted within-occupation training into a promotion is provided in Box 6.2.

Box 6.2 Using training for within occupation advancement

Yvonne (WTC programme group) had trained to be a hairdresser when she first left school, then got a full-time administrative post, leaving this job when her daughter was born. She subsequently had a part-time job in a newsagent. When she became a lone parent, she began to work in a pub to make ends meet and was able to fit this job around her childcare.

At the start of her participation in ERA, she was working as a barmaid and felt dissatisfied in this role, as employer support for training was skewed towards younger employees or those who had already attained hospitality qualifications. Because her employer would not pay for her to train and as she was on a low wage, she did not feel that she could afford to take a self-funded route to training and advancement.

The ERA financial support for training gave her the opportunity to access a variety of hospitality-related courses and, as she became more motivated, she began to view career progression as a realistic possibility. She soon began to advance in pay and position in the pub management industry. Her acquisition of the required qualifications led to her own employer then being much more supportive in giving her access to further pub management training courses.

Talking about the role of ERA support for training, Yvonne acknowledged the ways in which her decision-making supported labour market progression:

‘I think it’s made a big difference because it meant that I could make the transition...obviously I got moved up into a better position within my job and went onto a higher hourly rate of pay, and then once I’d completed all of my training it meant that I could then sort of leave the pub where I was...and went into a deputy position, which obviously meant a lot more money to just being on the hourly rate.’

As suggested in Chapter 5, Advancement Support Advisers (ASAs) could have an influential role in participants’ work behaviour and this included the process of converting training to advancement. While being goal-orientated could contribute to ERA participants independently converting training into advancement, for others, ASAs’ encouragement could fuel self-confidence and provide greater goal focus. Such developments, alongside ERA’s upgrading of skills, further enhanced participants’ advancement prospects. For example, one lone parent found it useful to talk to her ASA about career development in the estate agents where she was working. They discussed the kinds of courses which might assist progression, thus sharpening her goal focus. She pursued digital photography and computer courses, both of which helped her to increase her credentials for promotion. After completing the training, she was gradually promoted to the letting side of the business, which was more computer-orientated.

ASAs sometimes played an even greater ‘hand-holding’ role for participants who were more insecure. A good example is provided by a lone parent in the WTC programme group who was working as a receptionist at the start of her ERA participation, but then moved into a low-level part-

time administrative role in a finance department. Her ASA called her every two to three weeks after she started her new job to see if she needed any help. Having had a bad pre-ERA training experience, ERA gave this participant the confidence to try again. She undertook an online bookkeeping course and while this was in progress, she talked with her ASA about how it was progressing. When a full-time post arose with her employer, she discussed this with her ASA, who tried to ensure that she would feel sufficiently comfortable with the recruitment process, helping review her CV as well as the job application form. The step-by-step support enabled this participant to successfully apply for the new post and expand the work team she was responsible for. She aspired to move further into management and emphasised that she had advanced in work, becoming a more confident person:

'...where I've worked in small shops and sort of like colleges and that, I've always just got on with my work, never came out and say this suggestion, but now I actually do. So I've actually coped having sort of like three members of staff working with me in a team and coaching them, so I've done quite well, yes.'

(Lone parent, WTC programme group)

A few participants had tried to secure promotion before they participated in ERA and failure in this endeavour had crystallised their understanding of the criteria they needed to meet in order to get promoted. For instance, one participant in the WTC programme group related how he had previously tried and failed to get a promotion to a managerial role in the IT sector. He already had several qualifications and had built up work experience in the IT sector. ERA financial support for IT-related courses gave him the credentials to move up to the kind of managerial position he aspired to. The participant also felt that the ASA's moral support was helpful in converting his training into advancement.

6.2.2 Barriers in converting training to promotion

There was a group of goal-orientated participants who were very interested in training but did not achieve actual advancement within the time frame of the study. There were a variety of reasons for this, including:

- the nature of workplace opportunity structures, for example, the number of job vacancies;
- a perception that making use of new training and skills would make an insufficient difference to wages and salaries;
- the age of children and related childcare needs;
- participants wanting to delay promotion due to their current orientations towards advancement.

All these barriers could interact together in participants' experiences.

Workplace opportunity structures

A lack of vacancies could mean that promotion with an existing employer was not feasible. For example, one lone parent with two children, the youngest of whom was 16, worked for an employer who was not willing to pay for her training. While she completed a National Vocational Qualification (NVQ) in business and administration, using ERA funding, and was given time off by her employer in so far as it did not interfere with her work, she was not able to convert this into advancement. This was partly due to the opportunity structures at her place of work:

'Where I work at the moment they're promoting, they're actively promoting young people, so everyone that's been promoted to a position of authority is in their early 20s. I feel there's... discrimination against older people, but I'm not going to say that or complain about that; it's just a very young-based office, and there's only a few of us that aren't. So I don't feel there's anywhere to go there.'

(Lone parent, WTC programme group)

Use of new skills perceived as unprofitable

The financial return on advancement opportunities could also be a factor in shaping attitudes and actions in relation to converting training into advancement. This was the case for one lone parent in the WTC programme group who worked as a hairdresser and had drawn on ERA training support to undertake nail care courses. However, she felt she could earn more by continuing to specialise in hair, rather than by drawing on her training to do nail treatments. Although she felt that the training had provided another 'string to her bow', she strongly linked earnings potential with advancement and in this sense could not justify making use of her training. This example raises issues about the quality of adviser guidance in ensuring that training was related to realistic advancement possibilities.

Labour market conditions, interacting with household circumstances and family priorities, could also affect advancement trajectories. The challenge involved in sustaining advancement in the longer term is illustrated by another lone parent in the WTC programme group, who felt that his career development had stalled, as he was unable to increase his working hours with his current employer. Given other workplace tensions, he decided to change direction and get a job as a cab driver. An element of life-style choice was also evident, as he felt that this type of job would increase his income as well as allow for more work flexibility around his family life. This example highlights the diversity of personal definitions of 'advancement' (e.g., work-life balance rather than promotion), as ASAs emphasised (see discussion in Chapter 4) and the way these can also change over time.

Age of children and childcare responsibilities

Orientations towards childcare responsibilities and the availability of childcare support could be a powerful dynamic in prospects for converting training into advancement. For some participants, childcare was not an issue. For example, the lone parent mentioned earlier who completed an NVQ in Business Administration had a youngest child aged 16 and had fewer barriers in terms of childcare. However, for some ERA participants, their care orientations affected their drive to convert training to advancement. For these people, achieving a better work-life balance was more often important than advancement.

Some participants felt that several interacting factors fed into their not changing jobs, including a lack of relevant training experiences and their childcare responsibilities, meaning that they were at a stage in their life when they were simply not ready for change. For instance, ERA helped one lone parent to train in computer applications while working as a shop assistant. She found the course difficult, did not enjoy it and emphasised that it was not relevant to her current job role and so could not facilitate advancement. Moreover, she explained that while she had been willing to explore the possibility of a work change training might bring, any movement in this direction would be tentative. She had little desire to change her work situation through ERA and childcare considerations were an ongoing concern:

'I never wanted to do something else. I was out there to see what was available, but I don't think I would be choosing to give [my current job] up. I always was choosing to see what was out there, could I combine it? I always thought I would like to work in the building society... or something like that as well, combine it, couple of days and whatever. But then I ended up getting my shifts...but it was looking on the side of, well, if they're not always going to be available, if I've got two jobs, but, again, I would want it to work round [daughter], do you know what I mean?'

(Lone parent, WTC programme group)

Participants wanting to delay promotion

For some participants, ERA training support had only indirectly contributed to advancement or to the potential for advancement. For example, one individual got a nursing job early on in her ERA participation and worked in a sector which was supportive of training and progression from the outset. Her employer encouraged her to take a free six-month mentoring course, which mostly took place during her working hours and for which she received the ERA training bonus. While completion of the course did not lead to promotion, she did get new mentoring-related responsibilities in a lateral move at work. This person had passed up the opportunity for promotion due to a desire to avoid work stress.

6.3 Seeking a change of career or 'dream jobs'

As noted earlier, while ERA supported participants in the pursuit of their longer-term career goals, these ambitions, sometimes for a 'dream job', were not fulfilled for the study sample during the time frame of the research. There were a variety of factors at play here, including perceptions of the quality of terms and conditions of employment in a new career, employer definitions of job readiness, fear of job change and the need for guidance on how to advance. A further issue was ERA support coming at a point in people's lives when there were barriers to embracing it.

6.3.1 Poor terms and conditions attached to the dream job role

At the start of their ERA journey, one group of participants who were pursuing a career change were in jobs they perceived to be relatively secure and provided a reasonable level of household income for their families. However, the 'dream jobs' they desired were associated with poorer terms and conditions of employment. While they successfully completed ERA training and enjoyed it, they did not feel that they could afford to make the career change and absorb the reduction in household income which would accompany it. This was the case for one lone parent in the WTC programme group who did not feel able to give up a secure public service role to follow her dream of becoming a hairdresser, even though she had attained NVQs in hairdressing which ERA paid for. This raises questions, again, about the adequacy of ASA support in encouraging participants to think through their long-term strategies and explore the practicalities of these 'dream jobs'.

6.3.2 Employer job-readiness criteria

A few participants also encountered the barrier of the training being insufficient for them to change careers, because, for example, employers wanted them to have work experience which they had not had the opportunity to attain. This was the experience for one individual (WTC programme group) who wished to translate care-related courses into a job in the caring field, but found that employers (e.g., care homes) required experience as well as qualifications. A possible pathway into this type of job was to do voluntary work to build experience, but time was an issue, as she had young children and needed paid work. She emphasised that while she did not have time to do voluntary work at present, she would give this serious consideration when her children were older.

6.3.3 Fear of job change putting household stability at risk

A change of career could also feel like a ‘leap in the dark’ and a risky proposition for some participants (see also Ray *et al.*, 2010). One ERA participant who had wanted to move from a retail post to a career in care had subsequently turned down the offer of a care job because she was anxious about the transition (see Box 6.3).

Box 6.3 Fear of job change

Maxine, in the WTC programme group, was working as a retail assistant in a post office when she started with ERA and expressed an interest to work in social care. She was offered a care-related job, but was too frightened to take it and seemed very apprehensive about making a tangible change in job direction. She had a regular income and felt reasonably happy in her current job:

‘He [ASA] did say about if I wanted to sort of go into the caring profession maybe perhaps we ought to be putting out the feelers, and he didn’t sort of, I didn’t feel I was being, you know, pushed into anything I didn’t want to. He was just making suggestions, and I did actually get offered a job with a company...they look after, basically deal with people with learning difficulties, and I would have been basically going out and about, taking people out and about and stuff like that, looking after them, and when I really thought about it, I was in a sort of comfort zone because I was a single parent. I was really frightened about changing things because I had regular money coming in and I was reasonably happy in the job at the Post Office.’

Since finishing ERA, Maxine moved to a receptionist job in a doctors’ surgery. She then started an NVQ level 2 in customer service through the surgery, emphasising that she wanted to use the training to better herself.

Having left school barely able to read and write, Maxine felt that literacy problems had limited her willingness to train, but that she was still growing and having her eyes opened to other opportunities. After her ERA participation, she was still interested in going into social care and kept up to date on jobs in this area. However, the doctor’s surgery was also being rebuilt and enlarged, and she could see potentially more hours and more responsibilities there, e.g., moving into a nursing assistant role. Her current job was generating a regular income for the family and thus she saw it as providing a more secure context in which to access training and advancement than outside of work.

6.3.4 The need for guidance on how to advance

A small group of participants who pursued a career change seemed to need more guidance on how to capitalise on their training to make progress towards their goal. Limitations on advancement due to childcare responsibilities, particularly for lone parents with younger children, could also make advancement through training unrealistic, raising questions about initial advice received from ERA advisers (see Box 6.4).

Box 6.4 Needing more guidance to capitalise on training

Mark (New Deal for Lone Parents (NDLP) programme group) had been made redundant from factory work prior to ERA. His child was aged eight at the time. After finding work driving for a milk delivery company, his ASA encouraged him to do the class 1 HGV driving test, as there were more opportunities for class 1 qualified drivers in the local area. ERA paid for the certification tests, which, unfortunately, he did not pass. Moreover, he subsequently lost his job due to an accident and, needing to find a job quickly to pay his mortgage, took temporary employment in a food factory working the night shift.

Mark felt his ASA was very supportive in finding the funds necessary to take the training courses, especially as these courses were expensive. Over time, he found his ASA more difficult to get hold of but still spoke positively about the relationship:

'I trust her and she's doing her best for me. I know she's got lots of people on her books, and she's got to spread her time out and she can't be there all the time.'

Though he reported that the amount of time he had with his ASA suited him, Mark's views on the appropriateness of lorry driving as a career change implied that he was in need of greater guidance than he received. He felt that a job similar to the one he had been doing delivering milk would be ideal so that he could see his child off to school and complete the job within school hours. While expressing mixed views about advancement, ultimately he felt that lorry driving was more suitable for someone without family responsibilities than a single parent, because of the unsocial hours of work. Thus, he ended up taking the temporary factory job when he needed to find employment quickly, without guidance from his ASA. At his last research interview, he had secured permanent work at the factory and his goal was to move from night shifts to day work to ease the juggling of work with childcare commitments.

6.4 Soft outcomes from ERA training

The third group this chapter considers is those participants who might not necessarily have taken up training with a specific job-related goal in mind, though some did, but viewed training as self-improvement. For this group, ERA training tended to more generally enhance employability, potentially improving the prospects for labour market progression in the longer term, although not in all cases. Signs of self-improvement were evident in the attainment of 'softer' ERA outcomes, such as greater self-esteem and confidence. As noted earlier, this was often evident for a range of participants, even those who had not completed their training. For example, one participant had completed 18 months of a three-year accountancy/bookkeeping course and spoke of the major step forward that ERA-supported training had been for her as a mature student, providing her not only with a life skill but also with self-confidence:

'Well, it made a big difference because I didn't know...I'd never worked with computers, I picked up bits off the children...I was frightened to go anywhere near them...it boosted your confidence really...because going back to college is a big thing especially as you're older. But you met new people and you were on your course and things like that, and I do think it gives you...you're a person again not just a mum and, you know, doing housework and things like that, so...it [ERA] was a good scheme.'

(Lone parent, WTC programme group)

Such softer outcomes were often discernible in participants' discussions of their future plans, for example, in describing how they might take up further training and advancement in the future. This was a sign of the development they had experienced through ERA-supported training. To illustrate, one lone parent in the WTC programme group described how her ERA training encouraged her to take additional training after ERA had ended due to her positive experience with a basic computer literacy course. This individual had limited qualifications and trained while as a retail assistant in a store. Her intention was to eventually take a university degree course. A range of soft outcomes were apparent for her. For example, she began to talk about a desire to do more interesting work and felt more valued at her workplace. She also described how her children seeing her train meant that she was a good role model to them. Her oldest child often sat down to study with her and she hoped that her children would be able to obtain their qualifications early on rather than struggling as she was now doing in later life (she was almost 40 when she began to participate in ERA).

There were also several examples of participants who attained a driving licence through ERA, which then provided the geographical mobility to expand their job search. For example, one lone parent in the NDLP programme group had been doing voluntary work with an advice agency when she began to participate in ERA. The advice agency had already provided her with support to access training which might help her secure a paid post. When she explained in the interview what had aided her advancement, she emphasised that the ERA-supported driving lessons had given her new skills, thus making advancement possible. After passing her driving test, she was able to consider a wider range of job opportunities. When a permanent full-time post arose at the advice agency in which she was doing voluntary work, although the vacancy was at an office some distance from her home, she was able to apply for it and was successful.

6.5 Summary

ERA participants' outcomes from training were diverse, ranging from promotion or taking on greater responsibility at work, to softer outcomes such as becoming more aware of capabilities, self-confidence and assertiveness. Some ERA participants were very clearly goal-orientated, including those who trained with a view to promotion within their current occupation or to longer-term career change. Others viewed training more as self-improvement and softer outcomes were a key feature of how they benefited from this training.

For the goal-orientated, who were pursuing promotion in their current occupation, enablers in converting training into advancement included gaining a qualification that helped them meet job selection criteria and receiving varying degrees of adviser support. Barriers included a lack of workplace opportunities, a lack of financial return from skills acquisition, the age of children and childcare responsibilities, and participants' wanting to delay promotion.

Participants aspiring to longer-term career goals found that these were not fulfilled during the time frame of this study. Barriers included poor terms and conditions attached to the 'dream job' role, an inability to meet employer job-readiness criteria, fear of job change putting household stability at risk and a need for greater guidance on how to advance. A number of these examples suggest that greater guidance from advisers in thinking through how courses would relate to future advancement opportunities would have been helpful.

Across a wide range of participants, training through ERA resulted in soft outcomes which reflected their personal journeys through the programme. For most participants, training gave them a new level of awareness and self-confidence and made them think differently about what training and work they could do in the future.

7 Conclusions

This report focused on the delivery, take-up and outcomes of the training support provided through the Employment Retention and Advancement (ERA) demonstration. It built on the two-year impact analyses published in 2008, which showed that ERA increased training take-up for working lone parent participants. The report provided further detail on the delivery of ERA training support, the types of training taken up and by whom, and early findings on the employment-related outcomes from this training. The main goal of the report was to provide insights to help inform the design and implementation of future policies on skills, training and advancement support for low-paid workers.

This chapter first summarises the key findings from each chapter and then discusses overall lessons and policy implications.

7.1 Summary of findings

7.1.1 Control group training and advancement patterns

Chapter 3 established the foundation for the analysis by describing the course-taking and advancement patterns observed in the control group. Rates of course-taking among control group members were found to be relatively high, given that the lone parent control group members were not enrolled in programmes which actively promoted training (though, as noted in Chapter 1, the New Deal for Lone Parents (NDLP) programme started to promote training later in the follow-up period). Many took courses while they worked. Initially, this might raise the question about the added value of ERA, given that so many control group members managed to train without ERA's package of enhanced adviser support and incentives. However, Chapter 5 later found that ERA increased the proportion who trained while working above this high control group level.

Course-taking rates were higher for control group members who entered ERA with A levels. Control group members with a General Certificate of Secondary Education (GCSE) or no qualifications were less likely to take courses, which raises a concern that these individuals are falling behind in terms of skills.

The analysis then examined advancement patterns among the control group. For this purpose, the sample was broken up into three groups based on their employment and earnings trajectories. Among the NDLP control group, about half worked steadily. Among the steady workers, slightly fewer than half received a pay rise. Among the Working Tax Credit (WTC) group, nearly the full control group sample worked steadily and the majority saw a pay rise during the follow-up period. In order to produce impacts, ERA had to increase these outcomes above these relatively high control group levels.

The analysis of economic outcomes established that control group members who received pay rises were on a very distinct trajectory compared with the rest of the sample, which established that this measure is a good proxy for advancement. Those who received pay rises had higher earnings and more benefits and were more likely to expect further promotions. An analysis of their background characteristics suggests that those who advanced entered the study with higher levels of educational credentials and they continued to build on this advantage throughout the follow-up period. Thus, it is important to note that there was a sizable group of control group lone parents (particularly those with higher educational credentials) who were on a clear advancement path even in the absence of ERA. However, another large group of control group members (three-quarters of the NDLP sample and 43 per cent of the WTC sample) were either stuck in jobs without

advancement prospects or were unsteadily employed. One goal of an intervention like ERA was to help 'close the gap' by encouraging and supporting less-educated participants to take up training to enable them to get onto an advancement path as well.

The descriptive analysis examined the correlations between specific education and training outcomes and course-taking. The analysis found that taking courses while working, translating course-taking into specific employment-related qualifications and taking certain types of courses (notably workplace skills and those in the caring field) were associated with advancement. This raised the possibility that if ERA increased these outcomes, the programme might lead more participants to advance (compared with the control group).

7.1.2 The delivery of ERA training support

Chapter 4 examined the delivery of ERA training support and the type of courses participants took. There were limitations in the delivery of the training incentives and advancement support more generally in the early days of the programme, due primarily to limited staff expertise and guidance, as well as organisational constraints. Over time, with staff training, better management support and evolving experience in the programme, the ability of Advancement Support Advisers (ASAs) to deliver advancement (and training) support improved dramatically.

Qualitative data from ASAs' and participants' accounts suggested that the training ERA programme group participants took was related to advancement in four different ways. One group of programme group members took occupationally relevant training with a view to advancing within that field. Another group of programme group members took training outside of their field in order to move into a new area of work. A third group, the most prevalent in the qualitative sample, took training to improve soft skills or general employability, rather than to advance in a specific occupation. A fourth group (which was smaller) took training which was not related to work advancement goals.

ASAs positively promoted the first three types of training as relevant to the aims of the ERA programme. As the programme developed, ASAs developed broader understandings of advancement, focusing on individuals' self-defined goals, which might not constitute advancement in a conventional sense (e.g., a better work-life balance rather than improved pay or promotions). Thus, ASAs saw courses which were relevant to a desired field of work (type 2 above) or improved general employability and soft skills (type 3 above) as advancement-relevant in this broader sense. The fourth type of training, that unrelated to work advancement goals, was not intended to be promoted as part of ERA, but participants' accounts suggested that this was sometimes the case. This related to a lack of adviser skills in directing training towards advancement-related outcomes.

The extent to which the course-taking ASAs encouraged was in occupationally relevant areas was a key question which remained unresolved in the analysis for the two-year impact reports. The quantitative analysis in Chapter 4 found that the majority of courses taken in ERA were relevant to workplace skills. Among those who took courses, 44 per cent took at least some trade-specific courses (most commonly in the caring professions) and even those who took 'general' courses tended to take occupationally relevant courses such as in 'workplace skills'. These are the courses found to be associated with advancement in Chapter 3 (though those associations might simply reflect selection bias).

The analysis next examined work and training. Many programme group members combined training with work. Despite obvious time constraints as lone parents, full-time workers actually took up training more often than part-time workers or those who were not employed. Nearly half of NDLP participants and close to 80 per cent of WTC participants worked full-time while taking courses. This

may be because more training opportunities are available in the workplace to people working full-time or because those working full-time are more oriented to advancement. It could also reflect the ERA bonus for full-time work. Among those who worked, course-taking tended to be more trade-specific, with courses in the caring domain the most prominent example.

The analysis then explored the role of adviser encouragement in course-taking. The qualitative analysis found that less prior success in formal education led to a lack of confidence and motivation among participants, but that ASAs were often able to encourage this group to take up training. The quantitative analysis confirmed that ASAs tended to arrange courses more often for somewhat more disadvantaged participants. ASAs' accounts suggested that this may have been due to their ability to encourage training take-up among those who were initially uninterested in taking courses or lacked confidence or because those with higher educational levels did not need or seek advisory help. Both ASAs and participants pointed to examples of ASAs encouraging participants to take training who were at first unreceptive, although ASAs did not find this an easy task. One group of participants who were less easy to engage in additional training (even after their advisers encouraged them) were lone parents with younger children; if they had advancement aspirations they often deferred them until their children were older.

Finally, analysis in Chapter 4 found that those who worked full-time and those who took workplace skills or caring courses were more likely to translate their training into a specific training-related qualification. This could explain why these types of courses are more likely to be associated with advancement (among the control group in the analysis shown in Chapter 3).

7.1.3 Impacts of ERA on training

Chapter 5 focused on the impacts of ERA on course-taking and the possible role of incentives and advisory support in encouraging course-taking. The quantitative analysis found that much of ERA's effect on training was in courses which are relevant to specific occupations. ERA also increased the likelihood of taking courses while working and the number of courses taken. Among the WTC group (but not among the NDLP group) ERA increased the likelihood of earning training-related qualifications.

ERA's increases in training were concentrated among those with older children and (particularly in the case of WTC participants) among those with a GCSE or no credentials. It is too early to assess whether ERA's effects on course-taking will translate into long-term advancement. The analysis of subgroup variation provided a mixed picture, but it did suggest that attaining educational qualifications could be important for advancement.

Having established that ERA increased course-taking and encouraged somewhat less-disadvantaged participants to take courses, the last section of Chapter 5 explored, using qualitative data, how different elements of ERA training support (adviser contact, payment of training fees and the completion bonus) affected training take-up and choice of course.

The qualitative work suggested that advisory support and financial incentives both contributed to ERA's impact on training, but that their respective roles differed for different groups of people. Advisory support was particularly important for those who were less confident, as it encouraged them to take up and persist with training. However, it may also have been influential for others, as it reminded them about training opportunities and encouraged them to take a course before the support ended.

Training fees were influential (including for those already motivated to take training who were less influenced by advisory support), as fees were often a barrier to training. However, for some people the fee payment was irrelevant because the courses they wanted to pursue were free of charge. This

was the case for employer-funded courses or college-provided/online courses which were free to people on a low-income.

There was less consensus among ASAs and participants as to whether the training completion bonus was an important incentive, although some considered it as an extra source of encouragement, a payment for the 'opportunity cost' of their training time or a justification for giving up precious 'family time'. ASAs also thought the bonus could motivate participants to complete courses in some cases.

7.1.4 Outcomes from training

Finally, Chapter 6 discussed the initial outcomes from the take-up of ERA training, based on long-term, qualitative, follow-up interviews.

From programme participants' accounts collected in 2009, two years after ERA ended, the qualitative analysis examined the elements which acted as facilitators and constraints for converting training into positive advancement outcomes. The extent to which participants were able to achieve positive work outcomes seemed to be related to their initial intentions for training and how they viewed this as part of an overall advancement strategy.

For those who aimed to advance in their current occupation, gaining a qualification which satisfied job-selection criteria, as well as receiving advisory support, were found to be important for advancement. Barriers included a lack of workplace opportunities, a perceived lack of financial return from skills acquisition, the age of children and childcare responsibilities, and participants wanting to delay promotion.

All the participants in the study who were training for longer-term career change did not achieve this goal during the time frame of the study. Reasons for this included poor terms and conditions attached to the 'dream job' role, an inability to meet employer job-readiness criteria, fear of job change putting household stability at risk and a need for greater guidance on how to advance.

Across a wide range of participants, in addition to concrete gains, training through ERA resulted in soft outcomes which reflected their personal journeys through the programme. For most participants, training gave them a new level of awareness and self-confidence and made them think differently about the training and work they could do in the future.

7.2 Synthesis and policy implications

This section assesses the findings in this report as they relate to some important policy questions.

- **What kinds of education and training outcomes are associated with short-term advancement?**

The results of the descriptive analysis suggest that courses taken in work, courses leading to recognised training qualifications and courses taken which are either highly relevant to workplace skills or are in high-demand sectors (such as the caring fields) are associated with better outcomes, compared with taking more general, basic education-type training. However, these correlations do not imply that these relationships are causal. They may simply reflect the fact that more motivated or skilled individuals are more likely to both take in-work courses and advance.

- **Can financial incentives and advisory support encourage less-skilled participants to take and complete the kinds of courses which improve their advancement prospects?**

ERA's package of financial incentives and adviser support increased course-taking in fields which are clearly relevant to work and advancement. ERA also increased other education and training outcomes found to be associated with short-term advancement, such as taking courses while working. However, ERA had relatively weak effects on obtaining training-related qualifications among the WTC group and no effect among the NDLP group. The descriptive analysis and, to some extent, the subgroup analysis found that course completion, in the form of an educational or training qualification, is likely to be the most effective means for achieving concrete advancement goals, at least in the short term. Incentives and case management can support these goals.

- **How often do lone parents combine full-time work and training, particularly among those with young children?**

Large portions of the NDLP and WTC groups combined full-time work with training. This was the case in the control group as well, but ERA improved on the already high proportion of participants who do this within the existing system. However, both the qualitative and quantitative data strongly point to having young children as a barrier to additional course-taking. While overall levels of course-taking among this group are not necessarily low, it appears that increasing these levels is difficult. Even with all of the incentives and support, this group did not increase training under ERA. If increasing training among those with young children is the goal, more supports may need to be provided, for example, childcare to release parents to attend evening classes.

- **What is the role of advice and guidance in training?**

The report found that advisers played an important role in guiding and encouraging course-taking, particularly for those who lacked the confidence and motivation to take up training and for those with lower educational qualifications. One goal of ERA was to help 'close the gap' by encouraging somewhat less-prepared participants to take training as a path to advancement. To some extent, the evidence indicates that this goal was met. However, the report also found that the process of connecting training to specific job opportunities requires highly skilled advisers who have local labour market expertise. The experiences of the participants suggest that greater guidance in considering how courses could lead to advancement would have been helpful. This is particularly relevant for individuals who train outside of their work field as a means to career transition.

In summary, the report found that the kinds of support and incentives ERA offered led to an increase in training. While the financial assistance was important, information, advice and guidance on training choices and how to translate new skills and qualifications into advancement were equally important. The evidence from ERA therefore suggests that a holistic package of training support is necessary to enable working lone parents to upgrade their skills and improve their long-term employment prospects. Finally, one weakness of ERA training was that the training focused on the supply side of the labour market; the programme did not engage employers in the choice of training, nor did it take into account the local labour market. Future training initiatives may need to incorporate feedback from the demand side of the labour market.

Appendix

Supplemental tables and figures

Table A.1 Demographic profile of New Deal 25 Plus (ND25+) customers randomly assigned between October 2003 and April 2005

Characteristic	Percentage
Gender	
Male	81.6
Female	18.4
Age	
Under 30	16.2
30-39	36.3
40 or older	47.6
Age of youngest child ^a	
No children	84.6
Under 7	8.4
7-11	2.9
12-16	2.4
17 or older	1.7
Race/ethnicity	
Ethnic minority	16.4
White	83.6
Education (highest qualification obtained) ^b	
None	35.8
GCSE	27.7
A level	23.0
Other	13.5
Housing status ^c	
Family	23.9
Social	45.7
Private	30.4
Number of months worked in 3 years prior to random assignment	
None	44.2
1-12	33.7
13+	22.1
Cohort	
Early (October 2003 - May 2004)	47.8
Late (June 2004 - April 2005)	52.2
No driving licence or lack of access to vehicle	76.8
Has barriers to work ^d	63.2
Severely disadvantaged ^e	20.0
Sample size	6,782

(continued)

Table A.1 Continued

SOURCE: MDRC calculations from baseline information forms completed by DWP staff.

NOTES: Rounding may cause slight discrepancies in calculating sums and differences.

Sample includes all New Deal 25 Plus customers randomly assigned between October 2003 and April 2005.

^aChild's age is asked only for children who are living with the customer.

^bParticipants who have General Certificate of Secondary Education (GCSE) qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

^cFamily housing refers to situations where the customer is living with his/her parents or other friends or relatives. Social housing refers to housing in which the Local Authority (local government) or a private housing association is the landlord. Private housing refers to owner-occupied housing or housing that the customer rents privately.

^dBarriers to work include housing, transport, childcare, health, basic skills, or other problems.

^eSeverely disadvantaged refers to those participants with GCSE qualifications or lower, no work in the three years prior to random assignment, and at least one barrier to employment.

Table A.2 Employment outcomes by whether participants received a pay rise as of year 2, ND25+ control group members only

Outcome	Full sample	No or unsteady work, years 1-2	Worked steadily years 1 and 2	
			No pay rise	Received pay rise
ND25+ group				
Earnings				
Year 1	2,684	538	5,582	6,495 ***
Year 2	4,473	1,018	9,592	10,629 ***
Ever worked full time (%)				
Year 1	35.3	10.4	69.1	70.0 ***
Year 2	38.5	14.8	74.4	67.4 ***
Is a trade union member (%)	3.1	0.0	3.5	14.0 ***
Average number of employment spells	0.8	0.4	1.4	1.1 ***
Foresees further opportunities for promotion or increases in responsibility (%)	13.2	6.6	9.2	45.8 ***
Benefits				
Pension	15.3	6.0	13.8	52.0 ***
Paid holidays	28.7	12.0	27.6	92.0 ***
Flexible working hours	11.5	4.4	11.5	38.0 ***
Paid or unpaid time off for family reasons	17.1	5.4	18.4	58.0 ***
Sick pay	20.9	8.7	20.7	66.0 ***
Sample size	321	184	87	50

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Any relationships between the background characteristics shown in this table and getting a pay rise can only indicate that the variables are correlated (not causally related).

An ANOVA analysis was used to test for differences in means across all three groups. Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; *** = 1 per cent.

Table A.3 Comparison of baseline characteristics by whether participants received a pay rise as of year 2, ND25+ control group members only

Outcome	Full sample	No or unsteady work, years 1-2	Worked steadily years 1 and 2	
			No pay rise	Received pay rise
ND25+ group				
Baseline characteristics				
Education level (highest qualification obtained) ^a (%)				
No qualification	33.6	41.9	20.7	26.0 ***
GCSE	23.7	21.7	23.0	32.0
A level	26.8	23.4	36.8	22.0 **
Other qualification	15.9	13.0	19.5	20.0
Worked in the past year (%)	23.7	17.4	35.6	26.0 ***
Number of months worked in last three years				
None	43.3	56.0	24.1	30.0 ***
1-12	34.9	28.8	41.4	46.0 **
13-24 months	17.1	12.5	25.3	20.0 **
25 or more months	4.7	2.7	9.2	4.0 *
Total number of months on public assistance during prior 24-month period	19.3	20.1	18.1	18.3 **
Has 2 or more employment-related barriers ^b	11.5	11.4	10.3	14.0
Number of children	0.4	0.3	0.6	0.4 *
Has a child under 5 years old ^c (%)	42.2	44.8	50.0	11.1
Sample size	321	184	87	50

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Any relationships between the background characteristics shown in this table and getting a pay rise can only indicate that the variables are correlated (not causally related).

An ANOVA analysis was used to test for differences in means across all three groups. Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; *** = 1 per cent.

^aParticipants who have General Certificate of Secondary Education (GCSE) qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

^bBarriers to work include housing, transport, child care, basic skills, or other problems.

^cThis measure was taken from the two-year customer survey.

Table A.4 Participation in education and training in years 1-2, ND25+ control group members only

Outcome	Full sample	No or unsteady work, years 1-2	Worked steadily years 1 and 2	
			No pay rise	Received pay rise
ND25+ group				
Ever took a course (%)	58.6	59.2	57.5	58.0
Took a course while working (%)	17.2	3.8	30.2	44.0 ***
Took a course while not working (%)	39.5	47.8	27.9	28.6 ***
Took any adviser-arranged course (%)	38.4	45.1	30.2	28.0 **
Average number of courses taken	1.3	1.3	1.5	1.5
Average number of weeks spent in training	13.7	15.0	12.2	11.4
Obtained any training or education qualifications, years 1-2 (%)	25.0	21.2	29.9	30.6
GCSE	5.6	6.0	3.5	8.2
A level or above	1.6	1.6	2.3	0.0
Other	19.1	15.2	23.3	26.5
Type of course taken ^a				
General				
Basic skills	7.2	7.6	8.1	4.1
Non-applied academic	0.6	0.5	0.0	2.0
Soft skills	1.3	1.1	1.2	2.0
Workplace skills	15.9	10.3	20.7	28.6 ***
Trade-specific				
Applied academic	1.6	1.6	2.3	0.0
Art/design/fashion	4.7	6.0	4.6	0.0
Business and information technology	9.7	9.8	9.2	10.2
Computer user skills	19.7	22.3	14.9	18.4
Personal services/retail	4.4	5.4	3.5	2.0
Skilled trades/labor/protective services	9.4	7.1	10.3	16.3
Health, social services, child care, education ('caring')	6.3	2.7	12.6	8.2 ***
Sample size	320	184	87	49

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Any relationships between the background characteristics shown in this table and getting a pay rise can only indicate that the variables are correlated (not causally related).

An ANOVA analysis was used to test for differences in means across all three groups. Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; *** = 1 per cent.

^aSeveral sample members took more than one type of course, which is why the sum of the percentages taking courses exceeds the percentage taking any courses.

Table A.5 Comparison of baseline characteristics among ND25+ programme group members who took courses compared with those who did not, years 1-2

Outcome	ND25+		
	Took any course	Never took courses	
Education level (highest qualification obtained) ^a (%)			
No qualification	31.8	38.1	
GCSE	27.4	25.6	
A level	22.9	21.9	
Other qualification	17.9	14.4	
Worked in the past year	22.9	25.6	
Number of months worked in last			
None	47.5	38.8	
1-12	27.4	33.8	
13-24 months	13.4	21.3	*
25 or more months	11.7	6.3	*
Total number on public assistance during prior 24-month period	19.5	19.7	
Has barriers to work ^b	8.4	10.0	
Number of children	0.4	0.4	
Has a child under 5 years old.	39.5	42.4	
Sample size	179	160	

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; and *** = 1 per cent.

^aParticipants who have General Certificate of Secondary Education (GCSE) qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

^bBarriers to work include housing, transport, childcare, health, basic skills, or other problems.

Table A.6 Comparison of baseline characteristics among ND25+ programme group members who took adviser-arranged courses compared with those who took courses with alternative arrangements, years 1-2

Outcome	ND25+	
	Took adviser-arranged course	Took course with alternative arrangement
Education level (highest qualification obtained) ^a (%)		
No qualification	35.0	25.4
GCSE	29.2	23.7
A level	18.3	32.2 **
Other qualification	17.5	18.6
Worked in the past year	20.8	27.1
Number of months worked in last		
None	54.2	33.9 **
1-12	27.5	27.1
13-24 months	9.2	22.0 **
25 or more months	9.2	17.0
Total number on public assistance during prior 24-month period	20.0	18.6
Has barriers to work ^b	7.5	10.2
Number of children	0.5	0.3
Has a child under 5 years old.	34.6	50.0
Sample size	120	59

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; and *** = 1 per cent.

^aParticipants who have General Certificate of Secondary Education (GCSE) qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

^bBarriers to work include housing, transport, childcare, health, basic skills, or other problems.

Table A.7 Occupational coding

11	corporate managers
12	managers and proprietors in agriculture and services
21	science and technology professionals
22	health professionals
23	teaching and research professionals
24	business and public service professionals
31	science and technology associate professionals
32	health and social welfare associate professionals
33	protective service occupations
34	culture, media and sports occupations
35	business and public service associate professionals
41	administrative occupations
42	secretarial and related occupations
51	skilled agricultural trades
52	skilled metal and electrical trades
53	skilled construction and building trades
54	textiles, printing and other skilled trades
61	caring personal service occupations
62	leisure and other personal service occupations
71	sales occupations
72	customer service occupations
81	process, plant and machine operatives
82	transport and mobile machine drivers and operatives
91	elementary trades, plant and storage related occupations
92	elementary administration and service occupations

SOURCE: UK SOC 2000 occupational codes.

Table A.8 Matching occupational and course codes

Subject description	Subject code	Matching occupational code	Occupational description
<i>Unknown</i>	0		
<i>Pre-employment</i>	1		
<i>Workplace skills</i>	2		
<i>Soft skills</i>	3		
<i>Basic skills</i>	4		
<i>Computer user skills</i>	5	41, 42, 92	administrative, secretarial, and related, elementary administration and service
<i>Health</i>	6	22, 32	health professionals and health and social welfare associate professionals
<i>Social services</i>	7	32, 61	health and social welfare associate professionals, caring personal service
<i>Childcare, education, training</i>	8	23, 61, 62	teaching and research professionals, caring, leisure and personal service
<i>Advanced IT skills</i>	9	21, 31	science and technology professionals and associate professionals
<i>Business</i>	10	11, 12, 24, 35, 41, 42	corporate managers, managers and proprietors in agricultural services, business and public service professionals, administrative, secretarial
<i>Personal services</i>	11	62, 92	leisure and personal services, elementary administration and service
<i>Retail/customer service</i>	12	71, 72, 92	sales, customer service, elementary administration and service
<i>Arts/design/fashion</i>	13	34, 54	culture, media, and sports, textiles, printing, and other skilled trades
<i>Construction & skilled trades</i>	14	51, 52, 53, 54	skilled agricultural, metal and electrical, construction and building, textiles, printing, and other skilled trades
<i>Labor</i>	15	81, 82, 91	process, plant, and machine operatives, transport and mobile machine drivers and operatives, elementary trades, plant and storage related occupations
<i>Protective services</i>	16	33	protective service
<i>Non-applied academic</i>	17	23	teaching and research professionals
<i>Applied academic</i>	18	21, 22, 24, 31, 32	science and technology professionals and associate professionals, health professionals, business and public service professionals, science and technology associate professionals, health and social welfare associate professionals

Table A.9 Baseline characteristics of the survey samples for New Deal for Lone Parents (NDLP) and Working Tax Credit (WTC) customers

Characteristic	NDLP	WTC
District (%)		
East Midlands	18.5	57.7
London	15.4	7.2
North East England	17.1	9.4
North West England	16.7	6.1
Scotland	15.7	10.9
Wales	16.7	8.6
Date of random assignment (RA) (%)		
October 2003 - December 2003	3.8	1.3
January 2004 - March 2004	34.9	12.6
April 2004 - June 2004	24.6	10.6
July 2004 - September 2004	25.3	15.6
October 2004 - December 2004	11.4	39.6
January 2005 - April 2005	0.0	20.4
Female (%)	95.2	97.6
Single (%)	71.3	42.7
Number of children (%)		
None	1.1	1.2
One	53.4	48.9
More than one	45.5	49.9
Education (%)		
O level	46.7	43.7
A level or above	23.5	31.8
Other	7.5	12.7
None	22.3	11.9
Number of months worked in three years prior to RA (%)		
12 or fewer	71.8	12.0
13 - 24	12.8	12.6
More than 24	15.5	75.4
Worked in the past year (%)	29.8	97.5
Age (%)		
Under 30	41.6	15.2
30 - 39	39.9	47.3
18.5		37.5
Age of youngest child (%)		
Under 8	65.0	42.2
8-12	22.2	31.9
13-16	11.4	20.8

(continued)

Table A.9 Continued

Characteristic	NDLP	WTC
Ethnic minority (%)	12.3	7.3
Weekly earnings in the past year for current/most recent job (£)	27.6	117.3
Average number of months on benefits in the two years prior to RA (%)	17.1	299.2
Sample size	2,297	2,119

SOURCES: MDRC calculations from baseline information forms completed by DWP staff, ERA 24-month customer survey, and Work and Pensions Longitudinal Survey benefits receipt records.

NOTES: Benefits refers to Income Support.

Rounding may cause slight discrepancies in calculating sums and differences.

Two-tailed t-tests were applied to differences between outcomes for the respondent group and the non-respondent group. Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; and *** = 1 per cent.

Table A.10 Comparison of baseline characteristics by whether participants received a pay rise as of year 2, WTC control group members only

Outcome	No or unsteady work, years 1-2	Worked steadily years 1 and 2	
		Did not get pay rise	Received pay rise
WTC group			
Baseline characteristics			
Education level (highest qualification obtained) ^a (%)			
No qualification	23.9	16.7	10.0 ***
O level	43.5	39.4	47.6
A level	21.7	33.0	33.5
Other qualification	10.9	10.9	8.9
Worked in the past year (%)	82.6	95.0	98.0 ***
Number of months worked in last three years			
None	2.2	0.9	0.9
1-12	30.4	17.2	9.5 ***
13-24 months	34.8	13.6	11.8 ***
25 or more months	32.6	68.3	77.9 ***
Total number of months on public assistance during prior 24-month period	10.9	3.9	2.4 ***
Has 2 or more employment-related barriers ^b	34.8	19.0	20.9 *
Number of children	1.9	1.6	1.6 *
Has a child under 5 years old ^c (%)	31.1	15.6	12.3 ***
Sample size	46	221	349
Ever took a course (%)	45.7	56.1	67.3 ***
Took a course while working (%)	8.7	53.4	65.8 ***
Took a course while not working (%)	23.9	4.5	2.0 ***
Took any adviser-arranged course (%)	15.2	3.2	2.9 ***
Average number of courses taken	1.3	1.7	2.3 ***
Average number of weeks spent in training	21.0	15.5	20.0
Obtained any training or education qualification, years 1-2 (%)	19.6	24.9	33.3 **
GCSE	8.7	6.4	8.1
A level or above	2.2	4.5	6.4
Other	15.2	16.7	22.1
Type of course taken ^a			
General			
Basic skills	4.4	1.8	6.9 **
Non-applied academic	4.4	2.7	4.9
Soft skills	2.2	5.9	5.7
Workplace skills	6.5	18.1	19.8 *

(continued)

Table A.10 Continued

Outcome	No or unsteady work, years 1-2	Worked steadily years 1 and 2	
		Did not get pay rise	Received pay rise
Trade-specific			
Applied academic	4.4	5.0	3.2
Art/design/fashion	4.4	1.8	1.4
Business and information technology	6.5	8.6	12.9
Computer user skills	19.6	15.8	21.0
Personal services/retail	8.7	11.8	10.6
Skilled trades/labour/protective services	0.0	0.9	1.2
Health, social services, childcare, education ('caring')	17.4	24.0	30.7 *
Sample size	46	221	349

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Any relationships between the background characteristics shown in this table and getting a pay rise can only indicate that the variables are correlated (not causally related).

An ANOVA analysis was used to test for differences in means across all three groups. Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; *** = 1 per cent.

^aParticipants who have General Certificate of Secondary Education (GCSE) qualifications refers to those who have passed a series of examinations in a variety of subjects, usually taken at age 15 or 16. Participants with A-level qualifications have passed a series of more advanced examinations usually taken around age 18 or older. Those with no qualifications have completed neither series of examinations.

^bBarriers to work include housing, transport, childcare, basic skills, or other problems.

^cThis measure was taken from the customer survey.

Table A.11 Employment outcomes by whether participants received a pay rise as of year 2, WTC control group members only

Outcome	No or unsteady work, years 1-2	Worked steadily years 1 and 2	
		Did not get pay rise	Received pay rise
WTC group			
Earnings			
Year 1	1,220	7,117	8,784 ***
Year 2	762	7,585	10,195 ***
Ever worked full time (%)			
Year 1	2.2	21.6	18.9 ***
Year 2	6.8	31.7	31.6 ***
Is a trade union member (%)	2.2	11.8	31.2 ***
Average number of employment spells	0.6	1.1	1.1 ***
Foresees further opportunities for promotion or increases in responsibility (%)	6.5	25.7	45.8 ***
Benefits			
Pension	0.0	36.7	73.6 ***
Paid holidays	8.7	58.8	96.6 ***
Flexible working hours	6.5	37.1	59.9 ***
Paid or unpaid time off for family reasons	8.7	50.7	76.5 ***
Sick pay	6.5	48.0	84.2 ***
Sample size	46	221	349

SOURCE: MDRC calculations from ERA 12- and 24-month customer surveys.

NOTES: Any relationships between the background characteristics shown in this table and getting a pay rise can only indicate that the variables are correlated (not causally related).

An ANOVA analysis was used to test for differences in means across all three groups. Statistical significance levels are indicated as: * = 10 per cent; ** = 5 per cent; *** = 1 per cent.

Figure A.1 Retention and advancement outcomes for years 1 and 2, ND25+ control group members only

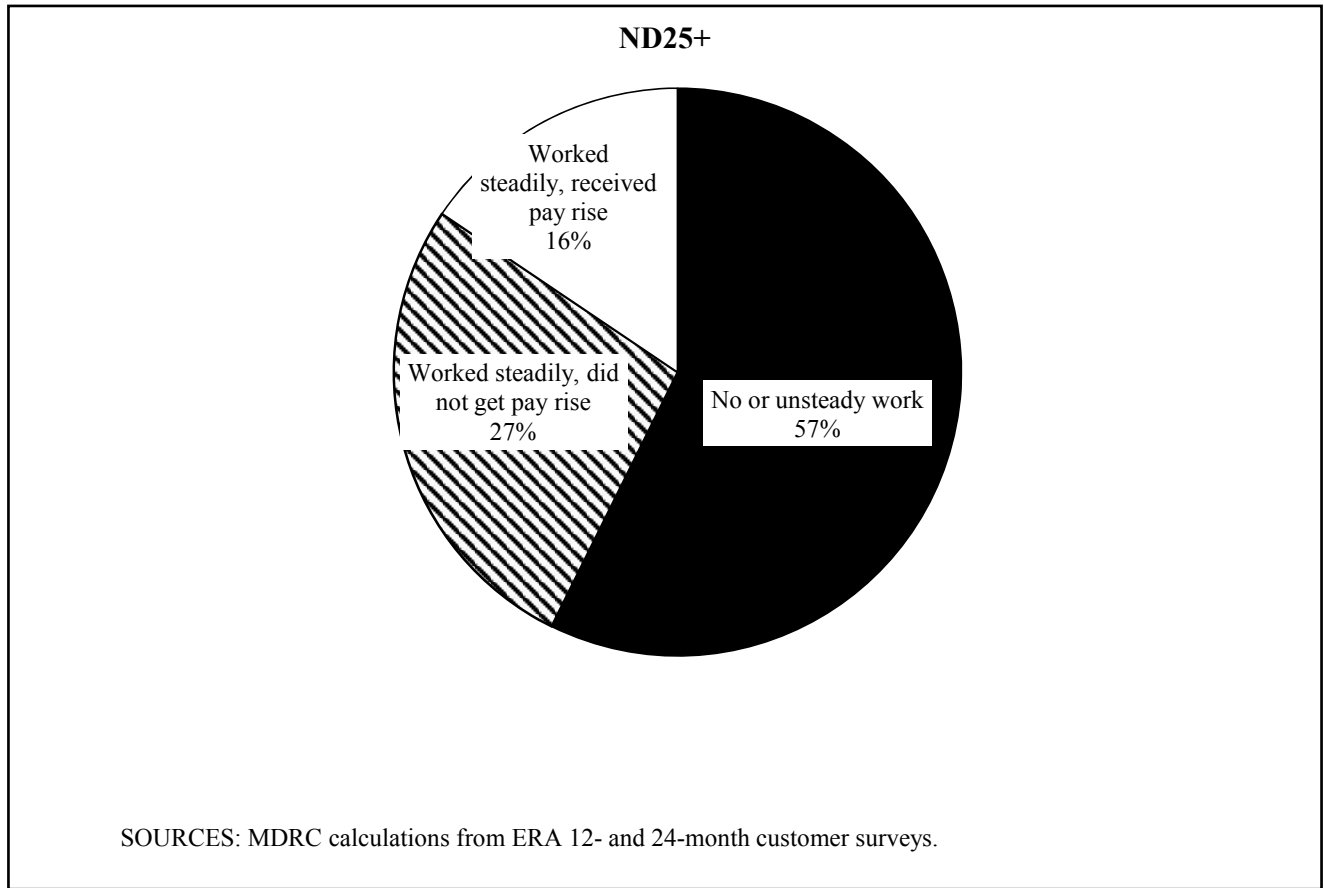


Figure A.2 Courses taken by ND25+ programme group members, years 1-2

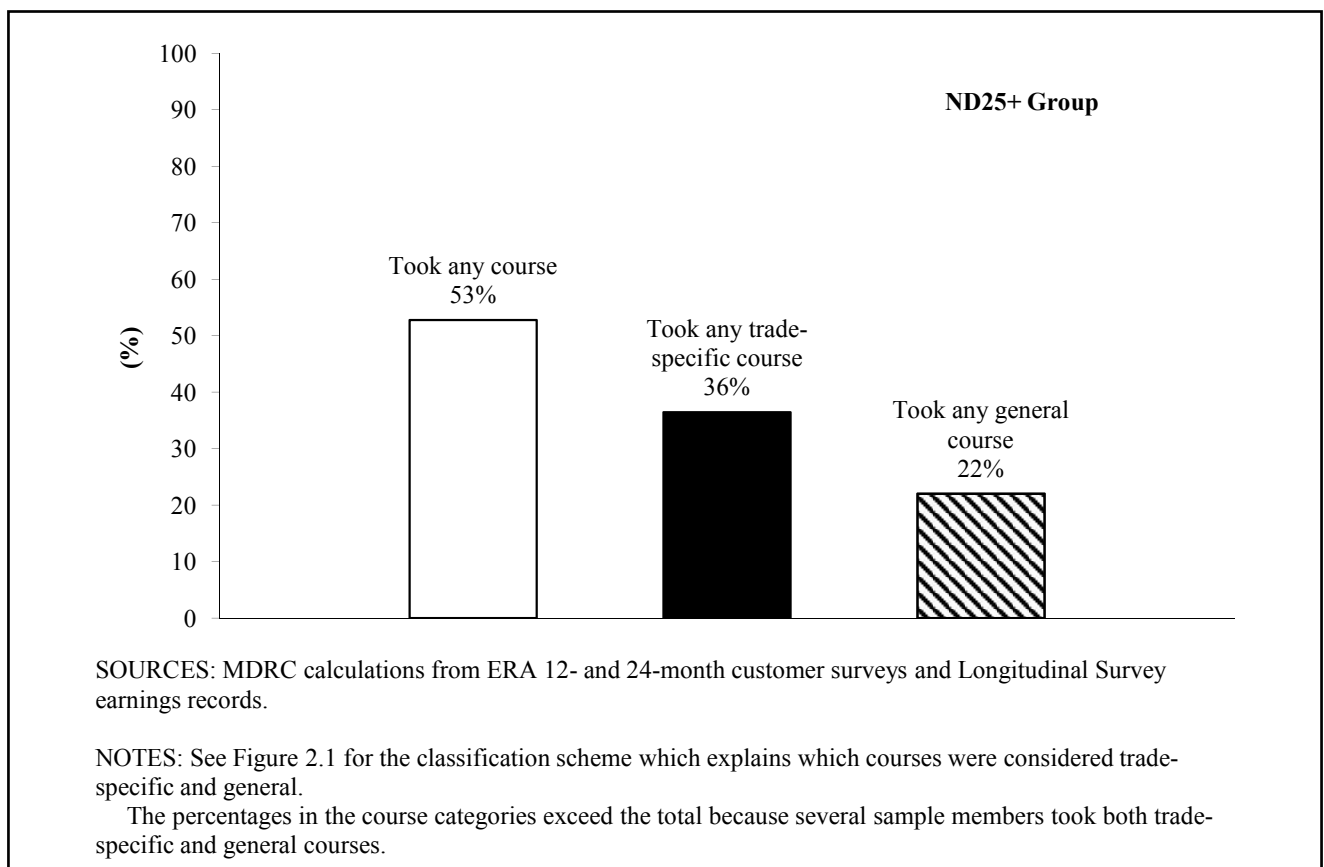


Figure A.3 Types of courses taken among ND25+ programme group members, years 1-2

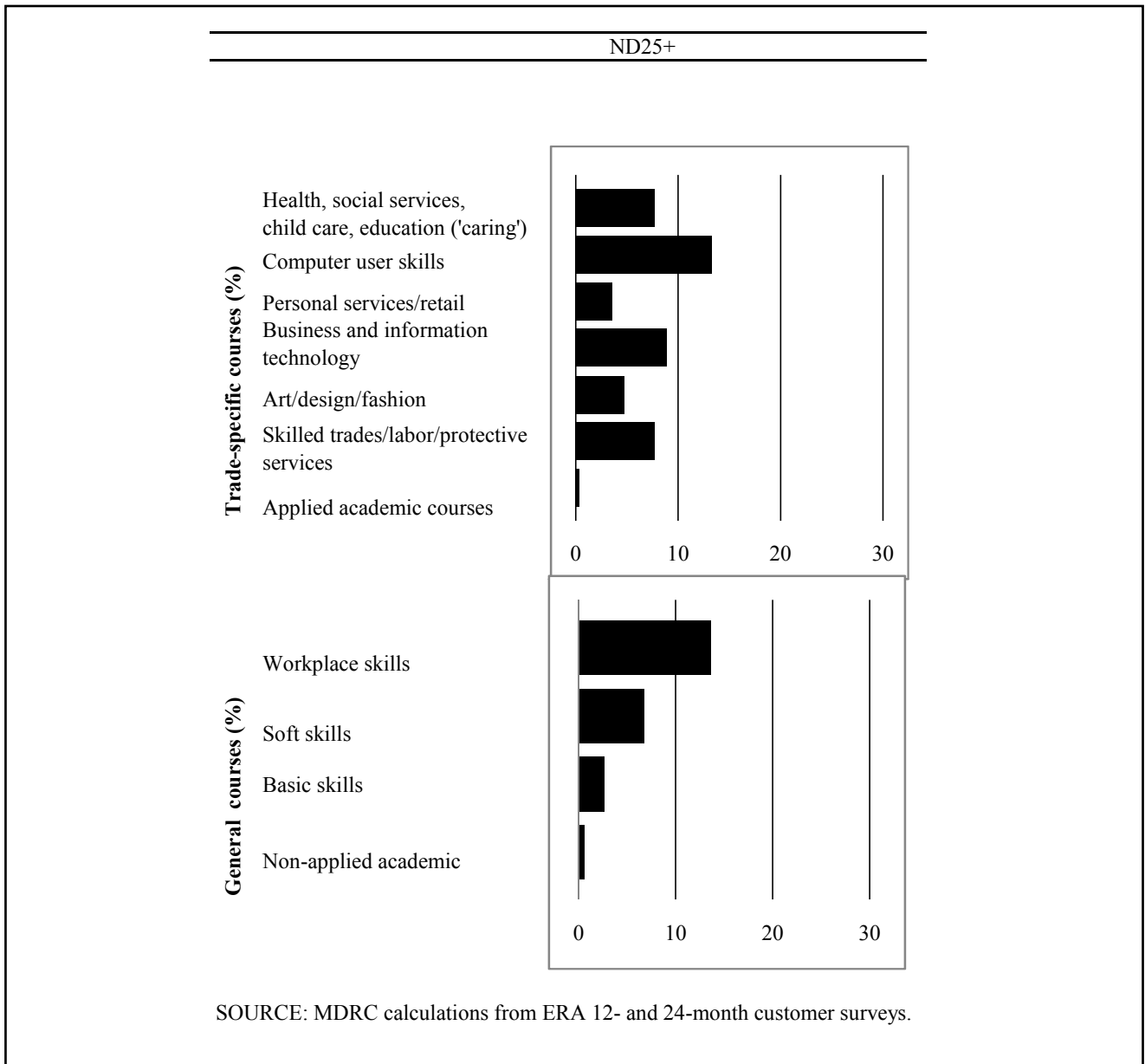


Figure A.4 Percentage attending courses by employment status, years 1-2, ND25+ programme group only

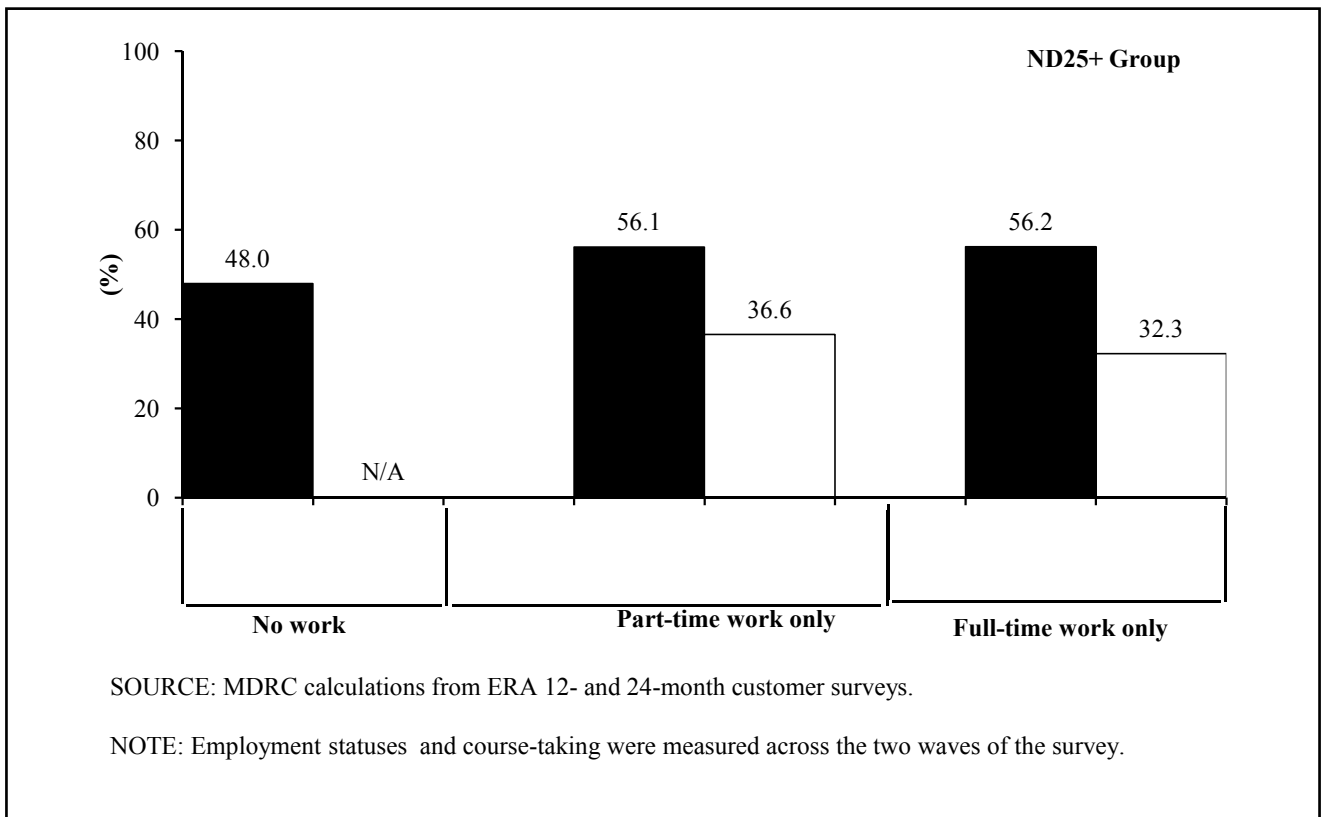


Figure A.5 Type of courses taken by whether ND25+ participants worked, years 1-2, among programme group members who took courses

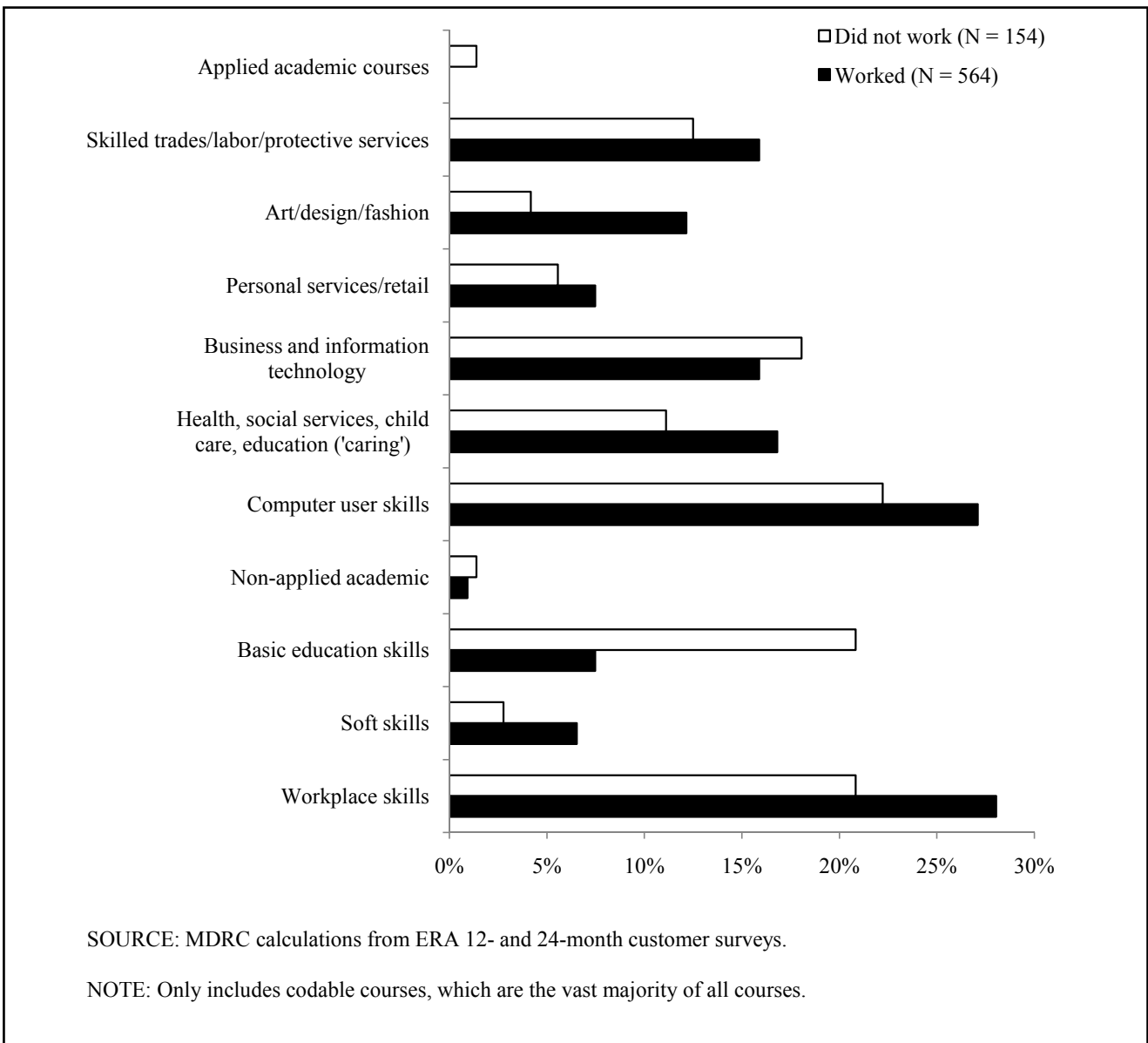
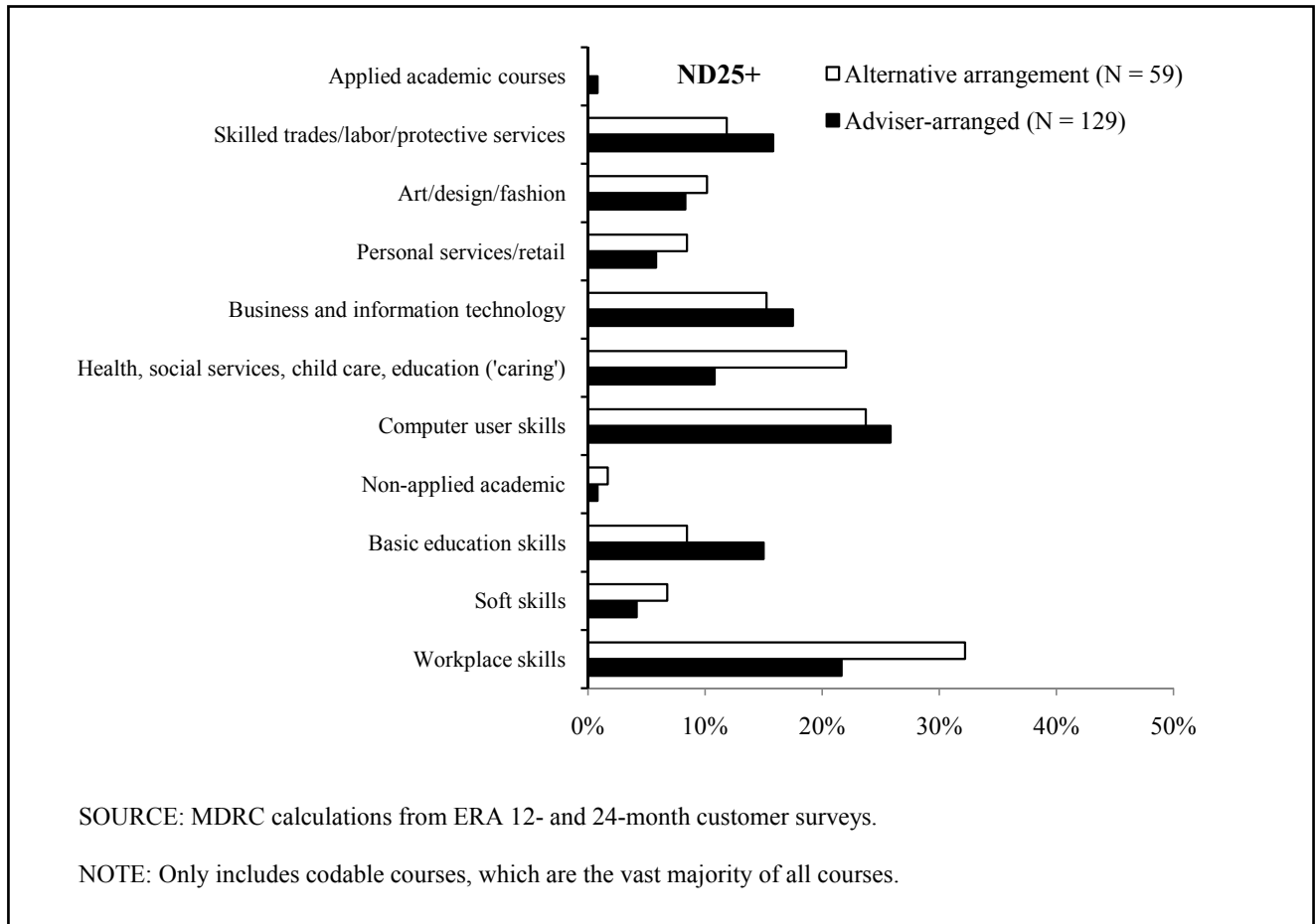


Figure A.6 Type of courses taken by whether courses were arranged by ASAs, years 1-2, among ND25+ programme group members who took courses



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This report presents new findings from Britain's Employment Retention and Advancement (ERA) demonstration programme, which was launched in autumn 2003. ERA was designed to test the effectiveness of a programme to improve the labour market prospects of low-paid workers and long-term unemployed people and is one of the largest randomised social policy trials ever undertaken in Britain.

One of the key goals of ERA was to encourage human capital development by supporting and incentivising training among low-wage workers. To accomplish this, the programme provided personal adviser support and financial incentives for completing training and working full-time. This report looks specifically at the delivery, take-up, and outcomes of the training support and incentives provided through ERA. A central question is whether intensive adviser support and financial incentives encourage training beyond what would normally occur. Because training encompasses a variety of activities, this report details the kinds of training courses people took in ERA. Finally, it is important to assess whether training leads to better labour market outcomes. Some programmes designed to increase training have failed to do so, and others have resulted in an increase in training with no corresponding effect on earnings. One hypothesis to explain these results is that the training might not have been in courses relevant to advancement. Therefore, this study will closely examine the occupational relevance of the courses taken.

This report draws on quantitative data from two waves of the ERA customer survey, administered to a sample of participants 12 months and 24 months after their date of random assignment. The qualitative data are drawn from interviews and focus groups with staff and programme participants conducted during and after ERA programme delivery.

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