

Research report

What do employers want from an aligned employment and skills system?

by Dr Sarah Jenkins, Jane Darragh and Jayesh Navin Shah



Department for Work and Pensions

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Abbreviations

BIS Department for Business, Innovation and Skills

CBI Confederation of British Industry

DWP Department for Work and Pensions

EEF Engineering Employers Federation

FSB Federation of Small Businesses

HMRC HM Revenue & Customs

IoD Institute of Directors

LAA Local Area Agreement

LEP Local Employment Partnership

LSC Learning and Skills Council

MAA Multi Area Agreement

NAS National Apprenticeship Service

NES National Employer Service

NVQ National Vocational Qualification

RDA Regional Development Agency

RSP Regional Skills Partnership

SME Small and medium-sized enterprise

SSC Sector Skills Council

STEM Science, technology, engineering and maths

UK Commission for Employment and Skills

Glossary of terms

Continued pre-employment The idea of continued pre-employment refers to Government

agencies such as Jobcentre Plus continuing to support employers in developing the skills of job candidates after they have been recruited, so they are better tailored to

employers' needs.

Hiding the wiring Hiding the wiring refers to efforts to improve the employer

experience of employment and skills provision in the short to medium term by concealing its complexity behind the scenes, making it easier for them to find and obtain the support they need without the bureaucracy of dealing with several

organisations.

Local and Multi Area Agreements Local Area Agreements (LAAs) are three-year agreements

between central Government and a local area (through its Local Strategic Partnership) setting out priorities for that area across a range of policy areas, including employment and skills. Multi Area Agreements (MAAs) are cross-boundary

equivalents of LAAs.

No wrong door advocates having multiple access points across

organisations to provision. It was developed on the basis that different employers may wish to access provision in different ways; for example, some would prefer to contact a training provider directly, whereas others may need support from

Business Link to help assess their requirements.

Single point of contact Single point of contact refers to employers having a fixed point

through which to access all employment and skills provision, in

contrast to a no wrong door policy.

Summary

Introduction

The DWP and the BIS commissioned Ipsos MORI to undertake research on what employers want from an aligned employment and skills system, and the extent to which employers, employer representatives and stakeholders in the system currently think it is joined-up. The study was conducted in two stages, including:

- a literature review stage looking at existing research on employer perceptions; and
- a qualitative research stage, comprising 41 in-depth interviews with stakeholders in Government and public sector agencies, employer representative bodies and employers of varying sizes and sectors across England.

Following the election of a new UK Government in May 2010, this research has been published under a changing policy environment and some Government organisations or services cited may have been dissolved, renamed or rebranded, or had their responsibilities deferred elsewhere. The findings should be considered in this context, although the messages behind what employers want from an aligned system remain relevant. As a first look at employer and stakeholder views, this research should also be viewed as part of ongoing wider evidence gathering on the alignment of employment and skills.

Finding out about services

Large employers were generally more aware of employment, skills and business support services than small and medium-sized enterprises (SMEs) for two reasons: Firstly, large companies tended to have dedicated human resources managers to keep abreast of the system, while often SMEs did not. In addition, large employers often had assigned national account managers through various Government services, while SMEs did not have access to a formal account management system.

In many cases, employers had misperceptions of the full scope of support offered by organisations. Many thought that Jobcentre Plus could only help recruit blue-collar workers. Some thought that Acas was more of a rule setter than an advice-giving organisation. There was also confusion over the extent of skills support, leading some employers to think there was little information and advice about assessing their overall training needs and how to grow their business.

Overall, however, SMEs often felt a sense of information overload, with contacts from employment and skills organisations that were not always relevant to their business. Large employers tended not to complain of too much information, but rather of inconsistent information from different organisations. Some stakeholders concurred that employers already got approached too much by various agencies and providers. Because of this they felt that their role should be reactive, with engagement only starting once initial contact had been made by the employer.

However, employers themselves were reactive to provision, expecting relevant employment and skills services to come to their door. Employers suggested resolving this dilemma by having better coordinated information, rather than more information, sent through their established channels. These included trade magazines, social networking websites like LinkedIn, via employer representatives or through HMRC. There was also a desire to simplify the number of logos, brands and acronyms used to make messages clearer.

Use of services

Employers outlined a geographically-patchy employment and skills system, with examples of good and bad experiences. When developing new services or improving existing services, policymakers would need to consider the following:

- Positive experiences often involved an **effective account manager** who could guide employers through an enquiry. This system was thought to be more developed among large employers than among SMEs.
- Employers wanted **consistent account management** and some complained that the role changed hands too frequently, with progress being undone. When account managers did move on, employers expected there to be a **formal handover process**.
- Employers wanted a **continued sense of progress** after the initial contact, having their enquiry officially logged and being guaranteed that someone would get back to them with a relevant response in an agreed timeframe. By contrast, being referred back to a website was disliked.
- Good experiences often included **follow-up contact**, for example having someone in the service call you back to make sure everything was running to schedule.
- Major factors in negative experiences were bureaucracy and inflexibility. This included having to
 provide the same details to different organisations and not being able to access data in the most
 straightforward way.
- Many employers were disappointed by the quality of unfiltered Jobcentre Plus candidates, having been unaware that they were unfiltered, suggesting a need to manage expectations.

Some employers had not used Government employment and skills services at all, despite being aware of them. Within this, some felt their employment and skills needs were already met by established contacts within employer representatives or in the private sector. However, others mistakenly thought they were ineligible for Government services or assumed they would be bureaucratic.

Many stakeholders thought it unlikely that employers would recognise recent moves to align and improve services, particularly in light of recent downsizing of skills provision. However, some employers noted that it was currently a good time in general to engage employers who would be more willing to use free Government services following the recession.

Aligning services

Employers were very keen on the idea of an aligned employment and skills system. Some noted it would make the transition from recruitment to upskilling more seamless, so more employers would consider upskilling new employees. Stakeholders similarly acknowledged that a more joined-up system would allow them to present a more comprehensive business case to employers for upskilling, and allow different agencies to take advantage of employer relationships established in other parts of the system.

When discussing what a joined-up system would look like, employers outlined two aspects: Firstly, many said they wanted a 'one-stop-shop' for accessing Government services. However, when probed, the system employers actually envisaged was closer to a first-stop-shop, a diagnostic service from which generalist advisers would signpost employers to specialists in different organisations. Although employers generally did not want to be forwarded on to more than a few different people, they were ultimately less concerned about the number of organisations and individuals involved in their enquiry, so long as they felt they were getting closer to a solution and not having to repeat themselves at every point.

Employers were split on whether there should be a single first-stop-shop, or separate ones for employment, skills and redundancy support. Some thought that Jobcentre Plus already provided this first-stop-shop for recruitment and Acas provided redundancy support, respectively, suggesting that the foundations for this model are already in place. However, many SMEs thought an equivalent first-stop-shop for skills and planning for growth was currently missing. In addition, while some large employers felt they already had a first-stop-shop in the form of their national account managers in Jobcentre Plus, they were potentially missing out on information and advice about skills as well as recruitment.

Many stakeholders and employer representatives were keen for a single Government organisation to become the default first point of contact in a joined-up system. However, some employers preferred to access employment and skills services via their established contacts rather than be forced through a prescribed first-stop-shop.

The second aspect of an aligned system involved organisations that worked across recruitment and skills talking to each other more behind the scenes. Employers often assumed this did not happen. Where employers were aware of organisations working together, they tended to have more positive perceptions.

However, stakeholders noted barriers to this joint working. Some saw different organisations as working towards different goals or targets. This could lead to organisations not only failing to cooperate, but actively competing with each other, being unwilling to share employer contacts or to engage in joint marketing. Various stakeholders agreed that joint working was not currently centrally-driven, but relied on the efforts of a few frontline stakeholders. For some frontline stakeholders, a sense of initiative churn also made them cynical about aligned employment and skills and whether this was just another short-lived initiative. This made them question whether they should commit to the idea.

Improving service delivery

Stakeholders suggested various ways to encourage more top-down integration. Some felt that DWP and BIS could do more to instil a culture that supported integration, for example by having explicit joint objectives. One stakeholder also suggested developing a single commissioning process, allowing organisations to pool their budgets to fund projects. With this, each organisation would know what services had been commissioned in a particular area and would no longer have to coordinate commissioning manually.

Employers also suggested specific ways in which they thought bureaucracy could be reduced to deliver a more joined-up service. This could be done through more shared contacts databases or a central computer system to store a company history. Time spent on paperwork could also be reduced if Jobcentre Plus could provide employers with support for completing their payroll for new recruits on temporary contracts and, more generally, having all agencies send employers the relevant paperwork as standard when they enquired about a service, rather than employers having to seek this out themselves.

A typology of employers

We have identified four broad segments of employers with different priorities in a joined-up system. The implications for each segment would need to be considered when developing new or existing employment and skills services:

- Existing engagers were employers of all sizes that had an established relationship with Government services. Although they tended to be the most satisfied with the system, there was a risk that those engaged exclusively with Jobcentre Plus were not getting information and advice on skills. Moreover, if their contacts moved on without a formal handover, this could make them disengage.
- Unaligned non-engagers were SMEs¹ that were completely new to the employment and skills system. They would probably search for keywords online when trying to find the right service, or even go to another Government website. These employers present a chance to establish a first-stop-shop for Government services by signposting them there from these other websites.
- **Unfulfilled non-engagers** tended to be employers that had already established a relationship with an employer representative body. They often thought relevant support was not available because it did not arrive via their existing channels, so might benefit from more signposting via employer representatives.
- Uninterested non-engagers had informal contacts in private sector recruitment agencies or training providers so felt no need to access Government provision. However, they may benefit from knowing what Government services could do beyond funding individual training programmes, such as support for growing a business.

Recommendations

On the basis of these findings, we have made recommendations on how to improve employers' views of the employment and skills system:

- To improve joint-working, stakeholders should consider developing joint aims and objectives across existing employment and skills services. They should also attempt to coordinate how they talk about services, how they share employer contacts, and their feedback and handover processes, all of which may keep employers engaged without the need to offer additional services. Across all services, policy teams should highlight local good-practice examples of this kind of joint working for others to replicate.
- To make existing joint-working more visible, Jobcentre Plus should try, as a matter of course, to signpost employers to local colleges and training providers and to any funding available. This may require investing in further guidance for existing national account managers to ensure they have an overview of skills as well as employment services. Jobcentre Plus should also aim to develop a more consistent filtering service across its offices and consider charging for this.
- To have an identifiable first-stop-shop for services, DWP and BIS should consider having an existing service that employers are familiar with become the default first-stop-shop for SMEs. Advisers in this service should be interpreters of the system, who can assess business needs and then guide employers to the relevant specialist service.
- To signpost employers who prefer not to engage with the prescribed first-stop-shop, stakeholders should use employers' existing relationships with HMRC and with employer representative bodies as a low-cost way of engaging employers.

Large employers who had not engaged with the employment and skills system were not interviewed as part of this research.

1 Introduction

The DWP and BIS commissioned Ipsos MORI to conduct research into what employers want from an aligned employment and skills system. This report presents the findings from primary research with employers in England, employer representatives and stakeholders in the system, alongside the findings from a literature review on employer views of the system.

1.1 Background

In recent years, there has been a vast amount of change taking place in the employment and skills sector, even before the change of Government in May 2010. The UK currently lags behind its European neighbours in terms of qualifications and skills, and there is concern that much needs to be done in the sector to ensure that the UK remains internationally competitive. Employers will play a key role in making this happen. It is, therefore, important that employers both understand the long-term gain of upskilling their staff and have access to the right information, advice and guidance and financial support they need to be able to do this.

The primary goal of the Integrated Employer Offer is to ensure that employers receive a seamless service, ensuring that employment and skills products and services are responsive and demandled. Due to the recent recession in the UK, more people have become unemployed and will need to retrain or enhance their skills to re-enter the labour market. As a result, it is imperative that employers are able to obtain a joined-up approach to employment, skills, and business advice and support.

Prior to the publication of this report, but after the fieldwork was completed, a new UK Government was elected. Consequently, this report has been published under a changing policy environment. The reader may find that some Government organisations or services cited in this report may have been dissolved, renamed or rebranded, or had their responsibilities deferred elsewhere. Where existing organisations or structures are not directly relevant to the findings we have removed any references to these. Despite any recent or upcoming changes to the employment and skills system, the messages behind what employers want from an aligned system remain relevant, regardless of the organisations involved.

1.2 Research objectives

The overall objectives were to explore:

- what employers want from Government employment, skills and business development services;
- the extent to which a coherent recruitment and skills offer is being made and the steps being taken to provide a coherent offer to employers;
- the extent to which employers have recognised a change to the offer over time, and if there is a perception that services are becoming more integrated;
- how Government departments and their agencies in different parts of England go about offering a joined-up employment, skills and business support service in relation to policy aims, actual practice and performance variation;

Descriptions of the services available to employers at the time of fieldwork for this research are provided in Appendix A.

- what employers have gained from a joint employment and skills service, including the policies of 'no wrong door', 'single point of contact', 'hide the wiring', 'continued pre-employment', and 'in-work training';
- how various Government services³ have ensured that employers receive a high-quality employment and skills service, provided through partnership working, LAAs, MAAs, Employment and Skills Boards, and the London Employer Accord; and
- what kind of changes are required for Government to successfully hide the wiring in employment and skills service delivery.

1.3 Methodology

Ipsos MORI conducted two stages of research for this study: a review of literature; and a qualitative research stage. The literature review was designed to inform and enhance the qualitative research in two ways: looking at the wider context of reforms to the UK employment and skills system; and exploring what previous research has to say about what employers want from and think of the system. This was followed by in-depth interviews with stakeholders in Government and public sector agencies, employer representative bodies and employers of varying sizes and sectors across England. In total, Ipsos MORI undertook **41 in-depth interviews** from 8 February to 15 April 2010.

The in-depth interviews formed the main stage of the research and the findings from these are the main focus of this report. The findings from the literature review, rather than forming a standalone chapter, are referred to throughout the report, where appropriate, to support or provide a context for the qualitative research findings.

More details on the methodology for both stages can be found in the appendices.

1.4 Presentation and interpretation of data

As a first look at employer and stakeholder views, this report should be viewed as part of ongoing wider evidence gathering on the alignment of employment and skills. As a piece of qualitative research, it provides the opportunity to explore what participants think and feel in greater depth than would be possible with a structured questionnaire.

However, it is important to note that qualitative research is designed to be illustrative rather than statistically representative. The research findings cannot be generalised to that of all employers, or indeed all stakeholders or employer representative bodies engaged in the UK employment and skills system. In addition, it is important to bear in mind that we are dealing with perceptions, rather than facts, although to participants those perceptions are facts.

The specific services researched included Jobcentre Plus, the former LSC and Business Link.

2 Finding out about services

This chapter looks at whether employers felt they were able to get the information and advice they need from employment, skills and business support services in the way they want it. Key findings are as follows:

- SMEs tended to be less aware of services and sometimes felt inundated with irrelevant or duplicated information;
- large employers with national account managers often felt informed, though their knowledge of the system was limited by the knowledge of their account manager. Some, however, felt information was inconsistent across organisations;
- employers wanted to simplify the number of logos, brands and acronyms used in employment and skills provision to make messages clearer.

2.1 Employer awareness of services and organisations

At the time of fieldwork for this research, employers had access to various employment, skills and business support services through public sector organisations. However, the research shows that employers were not always aware of the range and scope of existing support. Descriptions of the main services that were available are provided in Appendix A.

2.1.1 Differences between larger and smaller employers

Reflecting previous research, large employers were generally more aware of employment, skills and business support services than SMEs. We found two reasons for this: Firstly, large companies tended to employ dedicated human resources managers whose remit includes investigating developments in the employment and skills system and networking with stakeholders. In smaller companies, a non-expert senior manager would fulfil this role among other day-to-day duties, so would have less time, and less knowledge, to seek information. Secondly, large employers had access to formal account managers from Government services⁴ who would keep them informed, whereas SMEs would often have to seek this information out by themselves.

Conversely, in some cases having a single account manager meant that although large employers were more aware of various initiatives, they were generally not aware of the agencies that delivered them since the information came through one channel. As a consequence, their knowledge of the system was limited by the knowledge of the account manager, who they expected to keep them informed about all aspects of provision.

Nevertheless, some stakeholders said that employers did not necessarily need to be aware of all the organisations involved in employment and skills provision, particularly ones that are not employer-facing. They suggested that keeping these organisations in the background was a way to hide the complexities of the system from employers (see Section 4.1).

At the time of fieldwork, large employers had access to national account managers via the National Employer Service (NES) or Jobcentre Plus. The large employers we interviewed all had established account managers, although not all large employers nationally will have accessed this support.

2.1.2 Misperceptions of the full scope of support offered by organisations

Research to date has highlighted that brand awareness does not always align with understanding. For instance, a 2009 survey found that while four-fifths (80 per cent) of private-sector employers recognised the main skills brands available at the time⁵ only just over half (55 per cent) felt they, or other business people, could make clear distinctions between them.⁶

Similarly, the employers we interviewed were often aware of employer-facing organisations but did not have a full understanding of the scope of support these organisations could offer so often assumed they could not provide the required service. For instance, while employers were aware of the Government recruitment agency, Jobcentre Plus, they assumed that it could only provide blue-collar workers, so would not consider using it in the first instance for recruiting for more high-skilled vacancies. Similarly, while some employers said they treated Acas as their first port of call for managing redundancies, other employers regarded them as more of a rule setter and did not know what other advice and support they might be able to offer.

There were also misperceptions of the extent of skills support. Some SMEs thought that while they received information about training programmes to develop specific skills, there was not enough information and advice on what package of training programmes would most help to grow their business. They assumed that the Government did not offer this holistic business support, even though such a Training Needs Analysis was available at the time via face-to-face advisers.

2.1.3 Dissociation between services and Government

As well as misunderstanding the extent of support on offer, the research suggests that employers did not always realise that the services they used were Government-funded. One employer had accessed funding via their Regional Development Agency (RDA), Yorkshire Forward, but did not recognise this as a public-sector organisation. The different branding of each RDA at the time might have contributed to this. Consequently, even though employers were generally not concerned about where funding came from, some ended up thinking that Government provision was lacking even after they had used a Government service and been satisfied with the process and the outcome.

2.2 Current efforts to engage and inform employers

2.2.1 Information overload and duplication

Many stakeholders already conducted employer satisfaction surveys or consulted employer representative bodies when testing or evaluating a new policy. Some sent newsletters to employers or engaged with employers at conferences and seminars. Stakeholders thought face-to-face discussions were important, particularly for employers who had not used employment and skills services, public or private, before and might need some explanation to see how Government services could help them.

Some stakeholders felt that employers already got approached too much by various agencies and providers. As a consequence, some of the frontline stakeholders considered their role to be a reactive one, with engagement only starting once initial contact had been made by the employer.

The brands examined included Train to Gain, Apprenticeships, Skills for Life and National Vocational Qualifications (NVQs).

⁶ UKCES (2009). Hiding the Wiring: Final assessment of progress on implementing the recommendations in Simplification of Skills in England. UKCES [p.27].

This sense of information overload chimed with the reactions of many of the SMEs, who had received various leaflets, emails and telephone calls from Government services or local training providers about individual Government-funded training programmes. However, some felt these were not always relevant to the business, or were duplicating training they already received from other providers. This was particularly the case for SMEs that routinely used the private sector for recruitment and training, who felt these existing contacts already fulfilled their business needs. These smaller businesses thought that should they ever want to access Government support, they would be able to find it themselves. However, this could again mean that they were missing out on the wider business support offered by Government services but not by the private sector, for issues such as growing the business.

2.2.2 Inconsistent information

For larger employers, the problem was less to do with getting too much information but rather with getting inconsistent information. They mostly got their information from account managers, newsletters, or conferences and breakfast meetings. However, some felt they had to then verify the information they got because in the past different agencies had given a different answer, for example on the number of trainees they would fund. These conflicting messages meant that some large employers still found themselves having to speak to several different organisations to get the correct information, which made the process slower and more bureaucratic.

Stakeholders recognised conflicting information as a problem but pointed out that it was challenging to make information consistent with the plethora of organisations involved. They thought it was further complicated when the system was undergoing constant changes, with new initiatives regularly replacing old ones and services being redesigned to perform different functions, which had had the potential to confuse employers.

2.3 How do employers prefer to find out?

2.3.1 Employers are reactive to Government services

Previous research has highlighted that employers tend to expect relevant employment and skills services to come to their door, rather than proactively seeking them out.⁷ Our findings suggest that SMEs in particular wanted to be approached directly with relevant information. Although emails and leaflets through the post had spurred some SMEs into using Government services, many suggested that telephoning them, having a local conference or road show, or paying their business a visit was the best way to contact them initially.

Generally, employers thought it would be easier to find the right service if there was a definitive telephone number and website that could lead them to all Government employment and skills provision. However, some acknowledged that they would still need further motivation to actually ring this number or visit a website. Indeed, many who wanted to see some kind of web or telephone portal had not explored whether this was already available.⁸

An explanation for this was that once an employer had experienced a good service through one organisation, be it in the public or private sector, they would cling to any contacts they had made and preferred to access services through these organisations. These could be formal contacts within

⁷ Constable, S. and Touloumakos, A. (2009). *Satisfying employer demand for skills*. The Work Foundation [p.5].

At the time of fieldwork, Business Link had a central telephone number and website offering a range of employment and skills support.

the Federation of Small Businesses (FSB), Chambers of Commerce and trade associations, or informal contacts like friends, colleagues and accountants. Venturing outside of these channels meant taking a risk, rather than relying on a tried and tested service. It would also mean increasing the number of organisations the employer had to deal with, which complicated the process unnecessarily.

Recent research has looked at the use of contacts outside of Government services. Among employers already engaged with Government services and initiatives, 54 per cent had also engaged with a private training provider. A quarter (23 per cent) had worked with a trade association or professional institute while one in seven (14 per cent) had engaged with their local Chamber of Commerce.⁹

Smaller employers felt that the way around this was to have more signposting to any portal or directly to services in areas they were likely to look, such as in trade magazines, on social networking websites like LinkedIn or via employer representative bodies. There were examples of this already happening, such as with employer representative bodies contracted to direct employers to Government services. Similarly, some SMEs suggested that the marketing of Government employment, skills and business support services should be tied into the websites where employers had to input information by law, for example when doing their VAT returns for HMRC.

2.3.2 Information in 'plain English'

Many employers were also keen to stress that any printed information they did receive or read on a website should be in 'plain English', free of jargon. This meant using fewer acronyms and reducing the number of different brands and logos used for existing services, since these did not help explain what service was being offered.

3 Use of services

For this research, we specifically recruited employers who had used a range of Government services as well as some who had not used any. This chapter examines whether services were delivered in the way employers wanted. Key findings are as follows:

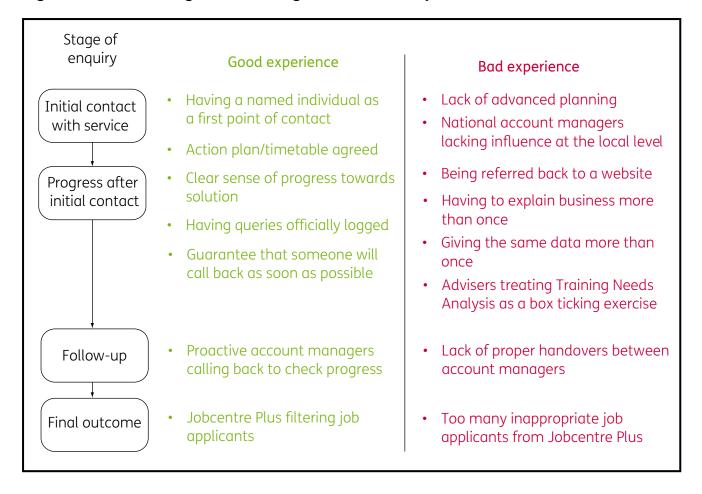
- good experiences of the system often involved a named first point of contact and an agreed timetable;
- bad experiences frequently involved ineffective account management, lack of handover and employers having to explain their query or provide the same information more than once;
- some employers chose not to engage with Government services at all due to the perceived complexity of the system, while others had existing ties with private contacts, so felt no need to explore the Government offer;
- some employers thought policy makers should view the recession as an opportunity to engage more employers needing specific recruitment and redundancy support.

3.1 Experiences of Government services

Employers' experiences ranged from very good to disappointing. The overall impression from talking to employer representative bodies and stakeholders was that services could be geographically patchy as a result of the regional structure of some Government organisations. While some stakeholders highlighted good practice such as the joint working between Jobcentre Plus and skills agencies in the North West region, they thought this was not happening universally, because other regional bodies did not view the alignment of employment and skills as a priority. In addition, some felt that business support services were also run differently between regions, so there was no guaranteed level of service.

It is important to note that employers did not uniformly consider any particular service as better, or worse, than others. Instead, across the country, many employers had similar thoughts on what made their experience of any employment, skills or business support service good or bad. Figure 3.1 summarises the recurring features mentioned by employers.

Figure 3.1 Recurring features of good and bad experiences



The rest of this section will look at the broad themes defining good or bad experiences and ends by looking at three employer journeys through the system, which show these themes in practice.

3.1.1 An effective account manager to use as an initial contact

Those who were more positive about the system had usually built up a good relationship with an individual within a service. This became someone employers could use each time as a first point of contact, even if they then got referred on to someone else in a different organisation. Employers tended to have more confidence in established contacts and knew they would not have to explain the basics about their business again to this person, speeding up the process. In this sense, this contact could act as an account manager for Government services.

SMEs often considered the contacts they had made in various Government organisations to be their account managers, even if this was not their official role. However, since services were often demand-led, and therefore dependent on the employer making first contact, SMEs only gained access to someone in this role after they had used the service for the first time. In addition, the SMEs that did not have a relationship like this usually wanted one. Some SMEs believed that the best way to foster this relationship was through telephone and face-to-face contact, so they could put a voice and a face to the person they were dealing with, and also because this allowed them to explain their needs there and then.

On the other hand, the large employers already had access to official national account management systems, with all those we interviewed having engaged in this way. Many agreed that this relationship made it much easier to navigate the system.

Despite this, some large employers thought that their national account managers were not as effective as they could be. One large employer thought that their Jobcentre Plus account manager lacked influence among local Jobcentre Plus offices. Although the company created a substantial number of vacancies nationwide, this might translate into just a few vacancies in any one location. The employer felt that local office managers put less effort into filling these vacancies because they only made a small contribution to local targets and the national account manager had failed to convince local office managers to see the wider picture. For large employers, a good experience, therefore, carried this extra dimension, with the account manager needing to be an effective negotiator at the local level.

3.1.2 Consistent account management and formal handovers

Another point of concern among some employers was that the account manager role changed hands regularly, with progress being undone. For instance, one large employer had been appointed four account managers in three years, which had left them with a poor impression of account managers generally.

Employers of all sizes did understand that contacts had to move on eventually, but wanted handovers to be dealt with effectively when this happened, including SMEs whose contacts were not officially account managers. Employers expected the person taking over their caseload to get in touch with them and let them know that their old adviser or account manager had left. They also expected their new contact to be up to speed with what had been covered in previous meetings, assuming that there would be handover notes for them to have read. When this did not happen, it led to some employers no longer recruiting and training employees where they had before, because they had no one to support them in this.

3.1.3 A continued sense of progress after the initial contact

Employers were happy to be forwarded on to different people throughout their experience in principle, and within reason (i.e. being forwarded on to five or more different people was seen as too many). However, each time they were forwarded onto a new person, employers wanted to feel like they were getting closer to a solution and not having to explain themselves several times. A frequent annoyance for some employers was being referred back to the website, after they had gone to the trouble of calling to speak to someone.

Here, some employers thought an equivalent good experience would be knowing that their enquiry had been officially logged and being given clear guarantees that someone would get back to them with a relevant response, as soon as possible, rather than a vague assurance without a timeframe. One way to do this was to provide employers with contact details for a named individual so that they could rest assured that someone had taken responsibility for their enquiry.

An agreed timetable or action plan drawn up at the beginning of the enquiry could also help to manage employer expectations of the service by letting them know when to expect a response. Where this was absent, some employers felt like their enquiry had stagnated even if it was dealt with within the usual time period for the service.

Having an agreed project plan in place was also beneficial to wider policy planning. One stakeholder acknowledged that lack of planning among stakeholders at the early stages was sometimes the reason that initiatives failed to do what they set out to do, and why employers eventually ended up dissatisfied.

3.1.4 Follow-up

Another recurring feature of good experiences was receiving a follow-up contact, for example having someone in the service call you back to make sure everything was running to schedule. This gave employers the impression that their query was being treated with a sense of urgency. One employer was pleasantly surprised that they had been chased by their adviser in a Government service to check if they had received and were satisfied with information sent by email, rather than the employer having to chase them. Conversely, when employers' queries were not followed up, they sometimes lost interest and thought it was not worth their time to see their enquiry through to the end. This was where some employers perceived Government services to be lacking when compared to the private sector, where people's livelihood depended on providing a timely service.

Looking at organisational policies on follow-up, according to one of the stakeholders it was now standard practice in their service to log the details of each telephone enquiry from an employer and to call them back two weeks later to see if 'things have moved forward'. This could be good practice for other agencies to follow when they are used as a first point of contact.

However, it is not clear that all stakeholders currently do this or even think they should. One of the frontline stakeholders said that they expected their role to be more reactive, with their involvement ending when they had passed the employer on to the relevant person. When discussed, this approach was generally acceptable to employers, but only if their query was picked up quickly by the next person and the employer was made aware that someone else was taking charge, either through a telephone call or email update. Here, stakeholders thought it was not always clear whether the initial contact or the person they referred to should take responsibility for updating the employer.

3.1.5 Bureaucracy and inflexibility

Some employer representative bodies and employers considered the bureaucracy involved in parts of Government employment and skills provision to be the main barrier to service improvement. While other areas of provision such as the account management system had already improved services for many employers, there had been no perceptible change in the level of bureaucracy, so this was a complaint many thought that organisations had not successfully addressed.

A major source of bureaucracy was having to provide the same details to different organisations, which gave the impression that organisations did not talk to each other. This was a particularly concerning problem for large employers, although employer representative bodies saw it as an issue for employers of all sizes. It is worth noting that large employers saw these overlaps not exclusively within employment and skills services, but also with other agencies like the Health and Safety Executive, which often asked for the same information that employers had already provided in Individualised Learner Records. This may make a case for information sharing beyond just employment and skills organisations.

A related issue for large employers was not being able to access data in the most straightforward way. For instance, one large employer said Jobcentre Plus could not supply them with the details of the employees they had taken on through local Jobcentre Plus offices and could only give them a figure for how many had joined nationally. The company had to do an internal search so they could match employees to the relevant training programmes. This kind of experience gave the impression that there was too much emphasis on data protection at the expense of being able to link recruitment and skills.

Some large employers also saw the current funding model as inflexible, with agencies not having enough autonomy to provide the best national outcome. One large employer noted that even though they delivered 2,000 learning outcomes each year, these were all treated individually for funding. If they could instead have been considered together, they might have been able to cut out substantial paperwork and provide the same outcomes for less funding.

SMEs also believed bureaucracy was a problem, but were less able than large employers to give specific examples of this, saying there was too much paperwork in general. Some SMEs did, however, perceive the system to be bureaucratic because of the number of agencies involved and the potential duplication between them. This was exacerbated by information overload (see Section 2.2).

Finally, when employers of any size thought that people in the system were just treating them as another form to complete, this would augment their impressions of a bureaucratic, inflexible service, rather than an holistic one. An employer representative noted that bad experiences were those that Government services reduced to 'a tick box' exercise and made it obvious to the employer, for example when carrying out a full Training Needs Analysis just by filling in a pro forma.

3.1.6 Unfiltered Jobcentre Plus candidates and a need to manage expectations

Some SMEs had tried to use Jobcentre Plus for the first time to fill a vacancy and were overwhelmed by the number of emails they received from applicants. Moreover, they were often disappointed by the quality of these applicants, which meant that in the future they would rather use a private recruitment agency that would provide them with the CVs for a handful of more suitable candidates. This reflects previous research for the DWP, in which employers felt that Jobcentre Plus concentrated on individuals with a low skills base and that staff were under pressure to provide as many candidates as possible.¹⁰

In many of these cases, SMEs had expected Jobcentre Plus to filter candidates for them and dissatisfaction stemmed from a failure to manage these expectations. This problem has also been remarked upon in a previous service evaluation, which stated that care needs to be taken to manage employer expectations about the type of candidate they may be getting in order not to damage satisfaction with the overall service.¹¹

One SME discussed the free filtering of candidates done as part of the Small Business Recruitment Service at Jobcentre Plus, which they were very pleased with. However, as recent research has found, this service was often inconsistent across Jobcentre Plus offices, with no systematic screening process.¹² This suggests it is perhaps too early to tell employers nationally to expect this service as standard, but that a consistent sifting service could be an aspiration for Jobcentre Plus.

3.1.7 Examples of employer journeys

Here we contrast three employer journeys through the employment and skills system, one positive, one negative and one mixed, which reflect the range of experiences. Figure 3.2 shows the journey of a small employer that exhibits many of the aspects of a good experience, including having a named

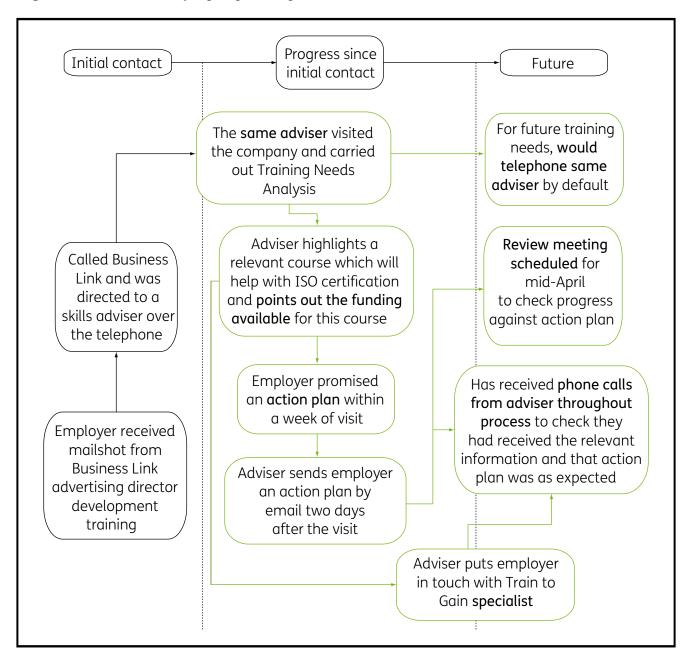
Hall, S., Pettigrew, N. and Mousley, W. (2008). *Building a coherent strategy for engagement:* Deliberative research with employers. Leeds: DWP Research Report No. 477 [p.33].

Bivand, P., Brooke, B., Jenkins, S. and Simmonds, D. (2006). *Evaluation of the StepUP Pilot: Final Report*. Leeds: DWP Research Report No. 337 [p.103].

Institute for Employment Studies (2010). Local Employment Partnerships Evaluation: Inception Report. Unpublished report on behalf of the DWP [p.13].

and consistent point of contact, having an agreed action plan, being forwarded on to the relevant expert and good follow-up contact. The employer consequently had a good impression of the employment and skills system and was keen to engage again in the future.

Figure 3.2 Good employer journey



By contrast, Figure 3.3 illustrates the journey of a large employer which had many of the discussed recurring aspects of a bad experience. Although the employer was initially enthusiastic about the programme, they became disengaged due to a lack of ownership between the various organisations involved. The employer felt there was also a lack of advanced planning and follow-up, which led to slow progress.

Pilot in Before pilot **Future** operation Employer put in touch with the local Jobcentre Plus office Intended to make use of the pilot Meeting forced by in last quarter employer in of 2009 April 2010 Despite pushing, November between Almost a year after no timetable Jobcentre Plus, NES, showing an interest laid out the college and the in the pilot nothing HR manager business areas that has happened started building want to take the up interest and Met with the pilot on buy-in within college due to the company provide the training, but the college could not start as August 2009 they **had not** Jobcentre Plus Passed around on received the One of the business account manager the phone, with training packs areas is still pushing told HR manager no organisation from Sector for it but they are about Sector taking ownership Skills Council becoming frustrated Routeway pilot and almost out programme Pilot kicked off in of time as the October but they pilot ends in June were still unable to take part without training packs

Figure 3.3 Bad employer journey

Finally, Figure 3.4 shows a more mixed experience, with the positive aspects highlighted in green and the negative aspects in red. Again, the experience began well, with this small employer establishing a regular point of contact. Moreover, even though they had a poor experience with unfiltered Jobcentre Plus candidates, their regular contact managed to keep them engaged. However, after losing this contact, they disengaged with the system.

Progress since Initial contact **Future** initial contact Always called the Adviser made redundant same adviser for and no handover general business support (e.g. when they needed to But still happy to create expenses use Government To find out about claim forms for services via the services, would their business) same Business probably call Link adviser Business Link or search the internet, Found the Found out through but realistically Most of the **Business** Business Link that does not have candidates Link adviser Government time to seek out applying were to be a helpful services could the right person inappropriate regular point also help with without any for the role of contact recruitment guidance Got financial Called Business Jobcentre Plus support via Link and put in advertised the **Business Link** touch with job promptly in 2006 when Jobcentre Plus enrolling employees in Someone from a course at Jobcentre Plus visited Newcastle the office and talked college them through the relevant forms

Figure 3.4 Mixed employer journey

3.2 Reasons for not using Government services

For this research we purposely recruited some SMEs who had used few or no Government employment and skills services, though they were often aware of them.¹³ Again, there were common reasons for this, including having existing contacts outside of Government services, perceived ineligibility and bureaucracy. These are discussed in more detail below.

For large employers, we only recruited those already engaged with Government services, as this group would be more likely to be able to give specific examples of how services might be improved.

3.2.1 Existing non-Government contacts

Some SMEs had already forged links with individuals in non-Government organisations or in the private sector so had less incentive to seek out information about Government services (see Section 2.3). Previous research shows that half (52 per cent) of the private-sector employers who had not engaged with Government services had not done so because they already had their training needs met by private companies. ¹⁴ Our research suggests that these employers tended to be neutral rather than negative about Government employment and skills provision, since they had no experience of it and tended to ignore information not sent via their existing non-Government contacts.

3.2.2 Perceived ineligibility for services

Some reasons for not using Government services could be based on perceptions rather than reality. One employer representative noted that employers might be aware of services but assume they were not eligible for them. The Institute of Directors (IoD) has previously found that some of its small business members overlooked Government funding for skills programmes because they incorrectly thought themselves ineligible. This could again be due to the difficulty of sifting relevant from irrelevant information (see Section 2.2).

In its 2008 policy paper on apprenticeships, the IoD also suggested that employers may have overlooked apprenticeships due to this kind of misconception, specifically a belief that their organisation is not covered by an appropriate apprenticeship framework. There may also be a persistent belief among employers that apprenticeships are only relevant to sectors such as engineering and manufacturing, and not to the professional and financial service sectors (which do accommodate apprenticeships). Indeed, one stakeholder in the primary research also commented on the misperceived narrow focus of apprenticeships as a reason for employers not investing in them.

3.2.3 Perceived bureaucracy of services

An expectation of greater bureaucracy when compared to the private sector was also a reason for SMEs not using Government services at all. For example, one employer that frequently needed casual labour explained how the private recruitment agency they used also filled out the payroll paperwork for anyone they employed on a temporary basis (before deciding to take them on as a permanent employee) and then invoiced the company. Alternatively, if they went through Jobcentre Plus, they would have to arrange the payroll themselves.

Some SMEs assumed that Government employment and skills services would be bureaucratic based on past experience, which again reflects previous research findings. The IoD has found that many of its members assumed that Government skills programmes would be bureaucratic, because of their negative experience of other Government services.¹⁸

UKCES (2009). Hiding the Wiring: Final assessment of progress on implementing the recommendations in Simplification of Skills in England. UKCES [p.24].

¹⁵ Institute of Directors (2009). *Training in the recession: winner or loser?* Institute of Directors [p.30].

Institute of Directors (2008). *Apprenticeships: from 'ugly duckling' to swan?*. Institute of Directors [p.5].

¹⁷ Ibid [p.6].

¹⁸ Institute of Directors (2009). *Training in the recession: winner or loser?* Institute of Directors.

3.3 Has the system improved over time?

3.3.1 Stakeholder perceptions

Stakeholders generally thought that there had been many improvements to the employment and skills system in recent years, which were evidenced by the increased number of referrals to services from various agencies. They pointed out that employer engagement by colleges and training providers had improved and that employers were more at the heart of provision than they were before, for example with colleges agreeing to work outside of term time. In addition, some stakeholders thought that the landscape had been simplified, with employers finding and accessing services more quickly.

3.3.2 Employer perceptions

Encouragingly, previous quantitative research tends to show high, or at least rising satisfaction, with various services. ¹⁹ In the primary research, many employers agreed that they had seen an improvement in Jobcentre Plus, which they felt had started to recognise employers' needs as well as the needs of job candidates. Practically, this meant more of a dialogue between employers and services, rather than employers just taking or leaving what local Jobcentre Plus offices had to offer.

Overall, however, employers had tended not to notice changes to integrate the system unless those changes had had a direct impact on them. In fact, some felt it had got worse for them since their contact within Government services had moved on (without a proper handover) and they no longer had the time to engage with the employment and skills system, even though they acknowledged they might benefit from it.

Previous research also indicates that employers may still have preconceptions of the system being labyrinthine, which has discouraged engagement. In a survey of IoD members, two-thirds (64 per cent) agreed that the state skills system is too complex and difficult for employers to engage with, with a greater consensus among smaller organisations (67 per cent of those with fewer than 50 employees) than larger ones (57 per cent of those with over 250 employees).²⁰

Indeed, there was some scepticism among stakeholders in the primary research as to whether employers would recognise recent changes, particularly in light of recent downsizing of skills provision. One stakeholder was concerned that while there were moves to simplifying delivery, the number of grants had gone down and the one-to-one time employers got with skills advisers had also decreased, which might lower satisfaction with provision.

See for example Shury, J., Vivian, D., and Godwin, L. (2009). *Train to Gain employer evaluation:* sweep 4 research report, Coventry: Learning and Skills Council; or Adams, L. and Kuechel, A. (2008). *Jobcentre Plus Annual Employer Survey 2007/08*. Leeds: DWP Research Report No. 541.

Institute of Directors (2009). Response to Simplification of Employment and Skills Services: UKCES Consultation. Institute of Directors.

3.4 Have delivery needs changed following the recession?

Our research suggests that employers generally did not feel services needed to be delivered any differently as a result of the recession, since they thought there should be improvements in speed and bureaucracy regardless of the recession. However, many of the comments by employers and employer representative bodies suggest that now might be a good time for employers to get more information about certain services, such as redundancy support from Acas. In addition, some thought that mid- and high-skilled employees were harder to recruit because they were less likely to move companies in a recession. This suggests there may be an opportunity for Jobcentre Plus to show they can help with white-collar recruitment. Others noted that it was currently a good time in general to engage employers who would be more willing to use free Government services.

4 Aligning services

This chapter explores employer and stakeholder perceptions of the idea of an aligned employment and skills system. Key findings are as follows:

- employers felt an aligned employment and skills system should have a first-stop-shop, where employers could talk to an adviser with a good general knowledge of the system and then be forwarded to relevant specialists;
- a second aspect of an aligned system involved organisations talking to each other more, which some employers assumed was currently not happening enough;
- stakeholders thought this joint working was not being driven from the centre at present, and felt policymakers needed to empower frontline stakeholders to work together by resolving conflicting agendas and reducing uncertainty about the future of services;
- employers also wanted a more coordinated attempt to reduce bureaucracy, with organisations sharing information and ensuring employers did not have to explain themselves several times to different people;
- the research suggests there are four broad segments of employers who might have different considerations in an aligned system.

4.1 Options

4.1.1 One-stop-shop versus first-stop-shop

Employers of all sizes said they wanted a 'one-stop-shop' for accessing Government employment, skills and business support services. Many wanted one telephone number or one website to avoid the need for having to approach various different organisations. Some SMEs noted that this one-stop-shop could be localised, so they could tell them about the services in their area.

This appeared to conflict with some stakeholders' visions of a joined-up system. Stakeholders perceived a one-stop-shop approach to be unrealistic, since no individual working within the system could be an expert in every area. However, when probed, the system employers actually envisaged was closer to a first-stop-shop, from which they could be directed to the correct service. Moreover, employers did not expect their first point of contact to be an industry expert but more an interpreter, with a basic knowledge of all the services available. Some also thought these interpreters should have more general knowledge about how businesses operated, rather than sector-specific knowledge.

This model was close to some stakeholders' analogy of a first-stop-shop being like a GP surgery, where employers would have their business needs diagnosed and then be referred to a specialist. At the same time, their GP would remain their fixed point of contact for general enquiries and could keep them informed of progress. In this sense, the views of employers and stakeholders were actually very closely aligned.

4.1.2 Who should be the first point of contact

Many stakeholders and employer representative bodies were keen for a single Government organisation to become the default first point of contact in a joined-up system, which was not always the case at present. Even though some employers were already using the existing default Government business support service²¹, they did not recognise this was its intended role, suggesting that there may be a need to promote one organisation specifically as being a first-stop-shop.

Nonetheless, both stakeholders and employer representative bodies warned that it was also a misconception that all employers would be happy to access services through a single prescribed organisation. Instead, they believed that employers would prefer to use already established contacts, be they in Government or non-Government organisations (see Section 2.3). Therefore, while the default first-stop-shop might be a suitable way to engage those who have not already established relationships with other organisations, a joined-up system would also require there to be individuals within all employer-facing organisations who have a good generalist knowledge of the employment and skills system and are able to properly signpost employers.

Another objection to using a single Government service as the exclusive first-stop-shop was that some employers wanted separate first points of contact for employment, skills and redundancy support. This was an area where employers were split, with some strongly wanting a single organisation to signpost them to all these areas and others thinking this would be untenable, with the size of such an organisation making it prone to becoming bureaucratic. Moreover, some employers felt that explicitly merging these areas was unnecessary, as long as there was joint working behind the scenes.

4.1.3 Organisations talking to each other

Some thought that while a first-stop-shop would help to guide them to the right service, it would not be enough in itself to make services work together. They felt that there needed to be greater communication and knowledge sharing before the system could feel truly aligned.

For example, one employer felt that while Jobcentre Plus was a model first-stop-shop for their recruitment needs, they remained segregated from skills services. When recruiting through Jobcentre Plus, they had a list of essential skills and desirable skills for candidates to have. While Jobcentre Plus would always find a candidate with the essential skills, they could not always find someone with the extra desirable skills. They thought that in a joined-up system, Jobcentre Plus should work with training providers to set up the relevant training.²²

4.2 The impact of aligned services

4.2.1 Benefits for employers

Employers and employer representative bodies were generally very positive about the idea of a more joined-up employment and skills system. They said a first-stop-shop would make the system simpler, with fewer organisations to deal with and fewer overlapping services. Employers would also have a greater awareness of all the relevant services available to them if information was channelled through one effective account manager, as it already was for many of the large employers and some of the SMEs.

²¹ At the time of fieldwork the Government business support service was Business Link.

Jobcentre Plus is currently acting on employer feedback to introduce better matched candidates to employers, suggesting that perceptions of Jobcentre Plus' joint working with skills agencies may improve in the future.

Some noted it would make the transition from recruitment to upskilling more seamless, so more employers would consider upskilling new employees in areas that they would not have previously. One employer working in transport and storage suggested that if the opportunity was readily available at the recruitment stage, they would opt to give their warehouse employees forklift truck training, not as a necessity but as a desirable skill. In addition, employers thought it would speed up this transition, since employers would immediately know where to go.

4.2.2 Benefits for stakeholders

Stakeholders themselves noted that better communication between organisations would allow different agencies to take advantage of established employer relationships. Some stakeholders also considered a major benefit of joined-up services to be the ability to present a more comprehensive business case to employers for upskilling, which was not being done enough at the moment. By better coordinating employment, skills and business support services and having each know what the others could provide, they would be able to convince more employers to take on a complete package of services, rather than one service on its own.

4.3 Are services currently aligned?

4.3.1 Does a first-stop-shop already exist?

Some employers and employer representative bodies thought that Jobcentre Plus and Acas already provided a first-stop-shop for recruitment and redundancy support respectively. By contrast, many SMEs thought a first-stop-shop for skills and planning for growth was missing.

Although some large employers felt they already had a first-stop-shop in the form of their national account managers, this had limitations. In instances where large employers relied exclusively on a single Jobcentre Plus account manager, employers might have believed that the system was joined-up, but still have missed out on relevant skills programmes if their account manager did not highlight them.

4.3.2 Do organisations talk to each other?

There was a disparity between employer and stakeholder perceptions of joint working. Employers generally did not know whether organisations worked together. Moreover, they often assumed they did not. One employer had the impression that while different organisations might be more aware of each other than in the past, they were still not coordinated in their approach to employers, because they had heard about the same initiatives several times from various organisations.

There was also a sense that different parts of the same organisation were not communicating. This was linked to a lack of advanced planning and timetabling (see Section 3.1). Some employers felt that organisations would promise an unrealistic outcome when signing up employers to reach a target. This was felt to occur when training providers had a detached sales arm and teaching arm, with the former over-promising and the latter under-delivering.

Nevertheless, in the instances where employers were aware of organisations working together, there tended to be a better perception of the system. One employer held their local Government business support services in high esteem because they knew it had worked together with the Engineering Employers Federation (EEF) to deliver the company's apprenticeships. This suggests that making partnership working more visible might improve employers' views of whether services are joined-up.

By contrast, stakeholders thought that joint working had improved considerably in recent years with more regular meetings, joint funding and information sharing between different agencies. In fact, where this had happened, it had led to employers engaging more. However, stakeholders did agree that the extent of joint working currently varied across the country. Moreover, in the areas where there was successful joint working, some stakeholders thought this was due to the efforts of the individuals in those areas, rather than the organisational structures or national policies in place.²³ In other words, joint working was not currently being centrally driven.

4.3.3 Conflicting agendas

One of the reasons that some stakeholders believed efforts to join up services were not being driven from the top was because they saw different organisations as working towards different goals or targets. In particular, some saw the DWP and Jobcentre Plus as having too narrow a focus on reducing the claimant count, which meant these organisations were currently only committed to joint working if it could serve this objective, regardless of the wider skills agenda.

For example, some thought that Jobcentre Plus staff were encouraging jobseekers to apply for as many jobs as possible, rather than considering which candidates would best fit the job role. A recent evaluation has similarly found that Jobcentre Plus staff who concentrated on filling vacancies to reach service targets might have put less effort into arranging the pre-employment training that employers wanted new recruits to have.²⁴

A few stakeholders thought that conflicting targets were also an issue for Government business support services. Although advisers in these services might consider their priority to be engaging new employers, this might reduce the resources they have to follow up ongoing enquiries and provide employers who have already engaged with a joined-up service.

In some cases, stakeholders thought a lack of joint ownership of projects could lead to organisations actively competing with each other. This might mean that employer-facing organisations were unwilling to share data and allow others to benefit from their existing relationships with certain employers. It could also lead to employers being faced with a multitude of brands for similar programmes.

4.4 Improving service delivery

4.4.1 Alignment from the top down

Stakeholders offered various ways to resolve the issue of conflicting agendas. One stakeholder thought that organisations that would be involved in the delivery of programmes should have more involvement at the proposal stage to make sure plans were workable. A few stakeholders also felt that DWP and BIS could do more to instil a culture that supported alignment, for example by having explicit joint aims and objectives, from which more integrated policies could emerge.

One stakeholder felt, in particular, that the development of a single commissioning process was needed to ensure alignment was driven from the centre. From the employer perspective, this would mean less provision being duplicated locally, since different agencies would not inadvertently be commissioning the same services. From the stakeholder perspective, it would mean each

One stakeholder's example of successful joint working included the joint commissioning between Jobcentre Plus and the former LSC in the North West.

Institute for Employment Studies (2010). Local Employment Partnerships Evaluation: Inception Report. Unpublished report on behalf of the DWP [p.9].

organisation would know what services had been commissioned in a particular area, so they could give more comprehensive information to employers. Moreover, this would no longer be reliant on proactive stakeholders having to coordinate commissioning manually, but would occur by default.

4.4.2 Reducing bureaucracy

Many employers wanted there to be more information-sharing between organisations to reduce bureaucracy. Encouragingly, stakeholders suggested that this was possible and moreover that it was already taking place between some organisations with shared contact databases.

Ideally employers wanted to be able to give an agency data and then have this available for all organisations involved in employment and skills provision to access if necessary. Some employers suggested there could be a central computer system to store a company history. This could ensure that employers did not have to explain themselves twice when being passed on to someone new after making an enquiry. It could also allow organisations to target employers with more relevant information, looking at what services they might be interested in based on what services they had used before.

Some employers also pointed out ways that organisations could make paperwork easier, e.g. by Jobcentre Plus giving employers support for completing their payroll for new recruits on temporary contracts, or signposting employers to specialist private agencies providing this service. Another employer highlighted how his local Chamber of Commerce helped him deal with paperwork by providing him with the relevant forms he would need to complete for a particular service and sometimes filling them out for him. Government services could similarly help by sending employers the relevant paperwork when they enquired about a service, rather than employers having to seek this out themselves.

4.4.3 Countering initiative fatigue and uncertainty about the future

Frontline stakeholders were concerned about the number of ongoing initiatives in the employment and skills system, which made duplication of services more likely. It also made it harder for them to keep track of everything on offer, so made signposting employers to the right services more difficult. For some frontline stakeholders this sense of initiative churn also made them cynical about aligned employment and skills and whether this was just another short-lived initiative. The more sceptical frontline stakeholders wanted assurance that aligning employment and skills had long-term support at a departmental level. They also thought it would be useful if they could see the bigger picture of how existing initiatives were supporting this agenda.

More generally, some stakeholders worried that the ongoing changes to the system made it difficult to give a fixed role to Government business advice organisations and to promote their role credibly to employers. Consequently, they felt that there would need to be more certainty about the future of the various employment and skills services in order to develop a successful first-stop-shop structure. Some expanded this to wanting a more stable employment and skills system in general, so existing brands could establish themselves as household names.

4.5 A typology of employers

A consistent finding in the employer interviews was that different employers tended to seek out information differently and wanted to access services differently. We have identified four broad segments of employers who might have different considerations in an aligned system.²⁵

This is not a quantitative segmentation, but is indicative of the different segments likely to exist among employers.

4.5.1 Existing engagers

This group included large employers and some SMEs who already had an established relationship with an individual (or individuals) in a Government service who they thought of as an account manager. These employers tended not to venture outside of this relationship to seek out information and expected their contact to be proactive in making them aware of services or funding. This might be considered the ideal segment for employers to be in because, as long as the account management relationship was effective, employers were satisfied and there was always a channel through which to promote new initiatives to them.

However, to be effective, their contact would need to have basic information about both employment programmes and skills programmes. If their contact only had an overview of employment services, **existing engagers** might be locked out of skills provision and unaware that they were getting incomplete information.

There was a risk if account managers changed and handovers were not dealt with formally. This could leave employers lost as to where to go, making them fall back into one of the other non-engaging segments.

4.5.2 Unaligned non-engagers

This group of SMEs²⁶ were completely new to the employment and skills system, having never needed to recruit or train staff until recently. They were unaligned to any employment or skills organisation, employer representative or private-sector provider so tended to have a neutral opinion of Government services. They would probably search for keywords online when trying to find the right service, or even go to another Government website, like HMRC or Directgov.

These employers present a chance to establish a first-stop-shop for Government services, possibly by signposting them to employment and skills websites when they visit related websites. An alternative way to do this might be for a single Government service to contact them directly and be the first to engage them. If impressed with their first experience of the system they might then develop a relationship with Government services and become **existing engagers**.

4.5.3 Unfulfilled non-engagers

Unfulfilled non-engagers were the SMEs that had not used Government services, because they thought the relevant support, such as help planning for growth, was not available. This meant they took a negative view of Government provision.

These tended to be employers that had already established a relationship with a non-Government organisation like the FSB, or their local Chamber of Commerce, which they would consult when looking for services. They did not want to establish a new relationship with a Government organisation, which might become too much to manage.

The best way to inform these employers might be signposting from employer representative bodies. Indeed, previous research has suggested that Government departments could improve links with employer representative bodies possibly by holding joint events or speaking at their seminars.²⁷ This could help engage the employers who would not go to Government services directly.

Large employers who had not engaged with the employment and skills system were not interviewed as part of this research.

Hall, S. et al. (2008). Building a coherent strategy for engagement: Deliberative research with employers. Leeds: DWP Research Report No. 477.

4.5.4 Uninterested non-engagers

This group of SMEs had already built up informal contacts in private-sector recruitment agencies or training providers so felt they had no need to access Government provision, even though they might have invested more in upskilling their staff if they knew about available support. This meant they tended to ignore any material about Government services sent by post or email. Because of this, they are likely to be the hardest employers to engage. Again, they tended to have a neutral opinion of Government services.

One way to engage these employers might be to promote what Government services can do beyond funding individual training programmes (i.e. in terms of wider business support).

5 Conclusions and recommendations

This chapter draws out the key themes emerging from this research. We also make recommendations for how Government employment and skills services should be promoted and delivered going forward.

5.1 Key themes

The employers we spoke with outlined a regionally-patchy employment and skills system, with stakeholders suggesting that some regional bodies placed a higher priority on aligning employment and skills than others. SMEs in some areas of the country told us they already received a joined-up service, while others thought the system was disjointed because they were inundated with irrelevant information or felt there was a lack of support for planning for growth. The large employers who had access to national account managers were likewise often pleased with the service they got from these, though some complained they lacked influence at the local level. There were examples of good and bad experiences, usually linked to the extent of advanced planning, the quality of account management and follow-up.

Employers were very keen on the idea of an aligned system as a way to tackle some of these inconsistencies. For many, this meant having a first-stop-shop, a diagnostic service from which generalist advisers would signpost employers to specialists in different organisations. Employers did not mind dealing with different people as long as they could be guided through this by someone in the system.

Encouragingly, many employers already saw Jobcentre Plus and Acas as first-stop-shops for recruitment and redundancy support respectively, which suggests that the infrastructure for a joined-up system is already partly in place. However, many thought an equivalent first-stop-shop for skills and planning for growth was currently missing.

Employers preferred to access employment and skills services via their established contacts. For some SMEs, these established relationships were not always with public sector organisations, but with employer representative bodies or in the private sector. Among these employers, some thought the best way to engage them was through their dealings with existing Government departments, such as HMRC.

In addition, some employers noted that a first-stop-shop was not enough on its own to ensure that organisations involved in provision worked together. Employers assumed organisations were not working jointly at the moment because they often received conflicting advice, had to provide the same information to different agencies or saw overlaps in services. In addition, they thought that recruitment and skills services remained segregated because job applicants often lacked the desired pre-employment training. Stakeholders often agreed that this joint working was not currently centrally-driven, but relied on the efforts of a few frontline stakeholders.

Frontline stakeholders themselves may need further convincing about aligning employment and skills. Some were cynical, thinking it might be a short-lived initiative and therefore, not worth investing time in. Persuading these stakeholders that there is a commitment towards developing joined-up services is essential, since they in turn will be responsible for presenting a joined-up approach to employers.

5.2 Recommendations

On the basis of these findings, we have made recommendations on how to improve employers' views of the employment and skills system. The recommendations outlined below are also designed to make better use of existing services, without needing to reinvent the wheel. To improve employer perceptions of joint-working between stakeholders, we recommend the following:

- the DWP and BIS should make the commitment to an aligned employment and skills system visible to frontline stakeholders;
- local Jobcentre Plus offices should try, as a matter of course, to signpost employers to local colleges and training providers, and to any funding that could help job applicants get desired, as well as essential, pre-employment training, so employers make best use of existing services;
- Jobcentre Plus should consider investing in further guidance or training for its national account managers to ensure they have an overview of skills as well as employment services;
- different organisations should attempt to coordinate how they talk to employers about employment and skills services so that SMEs do not experience information overload, and should consider working together more to ensure employers receive consistent messages;
- DWP and BIS should encourage public-sector employment and skills agencies to share established employer contacts and whole contact databases where feasible. This is also a more efficient way of organising the service, and may lead to cost savings by avoiding unnecessary duplication;
- all services should aim to develop a consistent feedback system to keep employers updated on progress with their enquiries, and a formal handover process for account managers and other employer engagement staff;
- Jobcentre Plus should try to better manage the expectations of employers using its service to advertise vacancies, explaining that candidates are unfiltered by default;
- Jobcentre Plus should aim to develop a more consistent filtering service across its offices and consider charging for this if it cannot be provided free within current resources;
- policy teams might consider outlining what an aligned employment and skills system means in practice for frontline stakeholders, by highlighting local good practice examples of information sharing and joint working for stakeholders to follow.

In order to have an identifiable first-stop-shop for services, we recommend the following:

- DWP and BIS should consider whether to have an existing service that employers are familiar with become the default first-stop-shop for SMEs, in order to create the perception of a more joined-up system and to encourage more employers to use it;
- advisers in this service should try to manage expectations by explaining to employers that they are not intended to be experts, but interpreters of the system, who can assess business needs and then guide employers to the relevant specialist service;
- DWP and BIS, however, need to ensure that advisers have the time and resources to follow up employers who have already engaged and keep them informed of progress.

Finally, to better signpost employers who prefer not to engage with the prescribed first-stop-shop, we recommend the following:

- 'no wrong door' should be expanded to include employer representative bodies, which could have a greater signposting role;
- HMRC's existing interaction with employers might be used as an opportunity to promote employment and skills services without the need for any additional marketing.

Appendix A Services available during fieldwork

The table below gives brief descriptions of the various employment, skills and business support services offered to employers by public sector organisations at the time of fieldwork for this research.

Lead organisation	Service	Description
Acas	Helpline and website	Acas stands for Advisory, Conciliation and Arbitration Service. The service provides free advice and guidance on employment and work policies through a national helpline and website. It also offers mediation of employment disputes and runs training courses for employers.
Business Link	Business Link advisers	Business Link operates a face-to-face adviser service for SMEs on a regional basis. Advisers can be contacted by telephone or via the Train to Gain or Business Link websites. As part of the Train to Gain programme, advisers can act as skills brokers, carrying out a free Training Needs Analysis for SMEs to diagnose their skills needs and highlighting the relevant courses and funding available.
	Business Link websites	Business Link has central and regional websites that offer guides and case studies on using Government employment and skills services. Since April 2010 employers have also been able to submit their VAT returns online via the Business Link website.
Jobcentre Plus	Employer Direct online	This is a free service that allows employers to post vacancies online without having to go through a Jobcentre Plus adviser. This function moved from the former Jobcentre Plus website (now disbanded) to the Business Link website.
	Local Employment Partnership	Local Employment Partnerships (LEPs) are a Government initiative run through Jobcentre Plus. Employers agree to offer employment and training opportunities to local jobseekers and in return receive a named contact at Jobcentre Plus and a tailored package of support. This may include tailored pre-employment training and Work Trials to ensure candidates have the necessary skills for the job.
	Small Business Recruitment Service	Through the Small Business Recruitment Services, launched in 2010, SMEs get a free professional recruitment service from Jobcentre Plus. This includes help with notifying and wording of vacancy advertisements, advice on the local labour market, filtering for appropriate candidates and advice on other available Jobcentre Plus services. The service also incorporates a national helpline.

Lead organisation	Service	Description
Learning and Skills Council	Train to Gain	Train to Gain is a Government-funded initiative to deliver vocational training to UK employees. Skills Brokers liaise with employers to identify their skills needs and match them with appropriate training providers, while highlighting funding or grants available to offset the costs of the training. The programme can be accessed via Business Link advisers or, if employers prefer, through contracted colleges and training providers.
National Apprenticeship Service	National Employer Service	NES Account Managers offer expert advice on workforce development to national, multi-site employers with more than 5,000 employees, accompanied by a range of funding support. They aim to reduce bureaucracy and complexity for large employers by offering a single point of contact for skills provision.
UKCES	Talentmap	An interactive web tool that lets employers search for publicly-funded employment and skills support in their local area.

Appendix B Literature review methodology

Ipsos MORI reviewed a total of 85 documents from Government publications, employer organisations, universities and think tanks, as well as existing Ipsos MORI research, and research conducted by other research agencies.

Inclusion criteria

The table below outlines the starting search terms used to search online for documents to include in the literature review. We included relevant research published from 2005 onwards (although in a few cases we included documents pre-dating this if they were still useful). Additionally, a few key documents were forwarded for inclusion by the Integrated Employment and Skills Unit at DWP and BIS.

Search term one		Search term two		Search term three	
Employers	and	Employment	and	Provision	
Managers		Skills	Joined-up		
Business		Upskilling		Integrated	
Businesses		Retrain		Integration	
Skills broker		Business Development		Service	
Business Link		Joint employment and skills	Advice		
Training provider		Integrated Employment Offer		Support	
		Jobcentre Plus		Demand-led	
		Training		Challenge	
		Policy		No wrong door	
		Recruitment		Hide the wiring	
		Funding		Engagement	
		Apprenticeship		Simplification	
		Train to Gain		Employer Voice	
		Skills Pledge		Seamless	
		Unionlearn		Responsive	
		Nextstep		Progression	
		Work-based learning		Sustainable employment	
	•	•	•		

Review process

For every piece of research we reviewed, we completed the following evaluation template, regardless of whether the document was included in the final report.

	l cana ::::		National	
Key document	1	- I	Not useful	
Yes	N'		No	
1				
Useful quotations inc. page numbers				
	Key document Yes	poi	points	

As per the template, each review included publication details, a summary of key findings and quotations, a note on relevance to the literature review and a quality assessment. The quality assessment included an appraisal of the reliability and limitations of each document, considering the representativeness and age of the data, and whether conclusions were based on evidence or opinion.

Each completed template was added to a study wiki and tagged by theme. When an entirely new theme emerged, the review team reassessed the tags for completed templates in light of this, to systematically draw out the key themes of the research.

Appendix C In-depth interview recruitment and quotas

The 41 in-depth interviews undertaken by Ipsos MORI included:

- 13 interviews with stakeholders, including representatives from Jobcentre Plus, the former LSC²⁸, Business Link, BIS and Sector Skills Councils (SSCs);
- four interviews with employer representatives, including the FSB, the Confederation of British Industry (CBI), the British Chambers of Commerce and the Chartered Institute of Personnel and Development (CIPD); and
- 24 interviews with employers from a mix of small, medium and large enterprises and a range of sectors.

The sample for the stakeholders and employer representative bodies, as well as for large national employers, was provided by DWP. SMEs were recruited by telephone using a sample obtained from the Experian National Business Database. As an incentive for taking part in the full interview, employers were given £50 for their time, which was also provided as a charity donation upon request.

Recruitment quotas and locations

Employers were recruited from a range of sectors (including retail, manufacturing, construction, transport, communication, property and business services amongst others), and companies of different sizes: eight small companies with five to 49 employees; eight medium companies with 50 to 249 employees; and eight large companies with over 250 employees. For SMEs, recruitment criteria ensured employers had used a range of Government employment and skills services. We also purposely recruited six that had used few or no Government services, in order to examine the reasons behind this.

Stakeholder and employer representative interviews took place in either London or Coventry. Interviews with large national employers were also in London. Interviews with SMEs took place in four locations: Birmingham, Newcastle, Sheffield and Suffolk. These were chosen to contain a mix of locations where joined-up services were known to be in operation, and locations where services were believed to be less aligned.

The majority of interviews were carried out face-to-face, although some were conducted over the telephone when this was more convenient for the participant, or if clustering of the more rural interviews was not possible.

The LSC was replaced by the Skills Funding Agency (SFA) and Young People's Learning Agency (YPLA) in April 2010.

Employer interviews sampling matrix

The table below gives a detailed breakdown of the 24 employers interviewed for this research, by size, location and industry sector. In large companies, we generally spoke to the head of human resources, or equivalent. In small and medium companies, we spoke to the owner or to senior managers with responsibility for human resources, recruitment and training.

For small and medium employers, we recruited six that had used relatively few Government employment and skills services, or none at all. These are shown with an asterisk (*).

	Employer location				
Employer size	Birmingham	Newcastle	Sheffield	Suffolk	
Small (5-49 employees)	Labels manufacturer	 Engineering consultancy* Home repair* Journalism and photography 	Debt managementPrinters*	Furniture manufacturerMeat packing	
Medium (50-249 employees)	 Private healthcare provider Public sector decision-making body* Steel manufacturer 	Specialist housing organisation	 Cutlery manufacturer* Security and CCTV services 	Vehicle retailerWarehousing services*	
	•	Nationwide			
Large (over 250 employees)	 Care provider Clothes retailer Construction Facility services Food and catering Housing and care performer Property and asset Travel agency 	provider			

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In recent years, there has been a vast amount of change taking place in the employment and skills sector. The UK currently lags behind its European neighbours in terms of qualifications and skills, and there is concern that much needs to be done in the sector to ensure that the UK remains internationally competitive. The primary goal of the Integrated Employer Offer is to ensure that employers receive a seamless service where employment and skills services are responsive and demand-led.

The Department for Work and Pensions and the Department for Business, Innovation and Skills commissioned Ipsos MORI to undertake research on what employers want from an aligned employment and skills system, and the extent to which employers, employer representatives and stakeholders in the system currently think it is joined-up. The study comprised of a review of existing research on employer perceptions, plus qualitative research comprising of 41 in-depth interviews with stakeholders in Government and public sector agencies, employer representative bodies and employers of varying sizes and sectors across England.

Since this research was conducted, some Government organisations or services cited may have been dissolved, renamed or rebranded, or had their responsibilities deferred elsewhere. The findings should be considered in this context, although the messages behind what employers want from an aligned system remain relevant.

If you would like to know more about DWP research, please contact: Kate Callow, Commercial Support and Knowledge Management Team, Upper Ground Floor, Steel City House, West Street, Sheffield, S1 2GQ. http://research.dwp.gov.uk/asd/asd5/rrs-index.asp

