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Research Report

A longitudinal study of Further Education learners receiving out of work benefits

Prepared for Learning and Skills Council By
IFF Research

August 2009

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1 Introduction

1.1 This report presents the findings of a longitudinal survey of learners commissioned by the Learning and Skills Council (LSC) to assess the longer term impact of learning on the employment outcomes and employability skills of individuals in mainstream FE.

1.2 The study involved re-contacting learners who were first interviewed between June and August 2007. For this previous research a total of 10,000 learners were interviewed, all of whom:

- Were aged 20 to 55 at the end of August 2005
- Were enrolled on an FE course during the academic year 2005/06 (all completed their course between 1 August 2005 and 31 Jul 2006), and
- Had been out of work or working for less than 16 hours a week when they started their course (the individuals had their tuition fees waived because they received out-of-work benefits).

Adult and Community Learning and non-LSC funded courses were excluded from the original study.

1.3 The current follow-up study was conducted from 30th October to 10th December 2008 (hence more than 12 months and up to 18 months after the first interview). From the original 10,000 interviews, 8,749 individuals indicated that they were happy to be re-contacted for further research. These were sent an opt out letter, and just over 300 opted out of the research. In total 4,843 of these former learners were re-interviewed for the current survey. Six of these learners were unwilling for the answers they had given in 2007 to be linked to their 2008 answers. Because so much of the analysis for the current report relates to changes in employment and learning status between the two interviews results in this report are based on the 4,837 learners willing for their two sets of answers to be linked.

1.4 Both the initial and the current surveys were conducted by telephone.

- 1.5 The overall aim of the research was to assess the longer-term perceived impact of FE learning of individuals that were claiming out-of-work benefits such as Jobseeker's Allowance or Income Support at the start of the course which they completed in 2005/6. This was achieved by re-interviewing learners initially surveyed in the summer of 2007 to find out whether (and how) their circumstances had changed. More specifically, the objectives of this research were to determine the learners' perception of the role of FE on the following key areas:
- The longer-term benefits of the course as learners perceive them with hindsight
 - The longer-term impact the course has had on career progression and how sustainable this employment is; hence how many that had moved into employment in summer 2007 are still in employment, and how many have progressed in terms of pay, responsibilities and job role
 - The extent to which learning was felt to have improved the employment prospects of those that remain unemployed
 - Whether the course has enabled learners to progress into further and higher levels of learning, and whether they have achieved any further qualifications
- 1.6 Given the need to assess the longitudinal impact of learning on a particular cohort of learners, the survey data has not been weighted. Thus, we compare the employment and learning situation of the 4,837 learners interviewed in late 2008 with *their* situation in the summer of 2007 (not with the employment situation of the full 10,000 learners interviewed in 2007).
- 1.7 As a note, the sample profile of the learners interviewed for the current survey is broadly similar to the weighted profile of learners in the initial 2007 survey, although there are slightly more female and more older learners (see table in Annex A).
- 1.8 It should be noted that because this report is looking only at a sub-set of the learners interviewed in 2007, where we discuss – for example - the employment situation of learners in 2007, the results presented will not always match those discussed in the 2007 report, which was based on a total of 10,000 interviews. For example, the 2007 report showed 32% of learners to be working at the time of the interview, while 34% of the 4,837 learners interviewed for the current survey were working in the summer of 2007.
- 1.9 *It is important to note that the research investigates changes in employment levels, as well as comparing progression at work, by examining the situation of a group of learners before their course (completed between 1 August 2005 and 31 July 2006), to that when they were interviewed in summer 2007 (1-2 years after the course) and again in winter 2008 (2.3 – 3.3 years after they completed the course).*
- 1.10 *However we cannot definitely conclude that any actual gains have come about as a result of their undertaking the FE course since the gains may have arisen anyway, without their undertaking the learning. In order to isolate the effects of FE participation on employment would require comparing outcomes among the learners interviewed with a control group of similar individuals (those on out-of-work benefits who did not undertake FE learning in 2005 / 06). This study is therefore limited to reporting the perception of the impact of FE participation only and not actual impacts.*

2 What is the status of learners in late 2008 compared with summer 2007?

Key messages on learner employment and learning status in late 2008 compared with summer 2007:

- There has been a significant increase in the proportion in paid employment (41%, up from 34% in summer 2007)
- There has been a small though statistically significant increase in the proportion in learning or training (12% from 10%), but overall more than two in five (44%) have participated in learning or training activity since summer 2007

Changes in employment and learning status

- 2.1 Among the 4,837 learners, more than half (53%) are currently engaged in work or learning. This is a significant increase compared with the proportion working or learning at the time of the 2007 survey (44%). There has been a particularly marked increase in those in paid employment (41%, up from 34%), though the increase in those engaged in full or part-time study, an apprenticeship or a government scheme for employment training (12%, up from 10% in the summer of 2007) is also statistically significant. It should be borne in mind that part of the increase in employment levels from summer 2007 to winter 2008 may be down to a seasonality effect, whereby employment levels increase in the winter months.

Table 2.1: Work and learning status		
	Previous wave (Summer 2007)	Current wave (October-December 2008)
<i>Base: learners interviewed in both waves (4,837)</i>		
In paid work (employee or self-employed)	34%	41%
Learning	10%	12%
<i>Working or learning</i>	44%	53%

- 2.2 Chapter 4 looks in more detail at how increases in employment levels differ by demographic sub-group.

Employment and learning activity since summer 2007

2.3 The previous discussion has looked at changes in employment and learning status between summer 2007 and late 2008. The following table looks at more general employment and learning activity, such as applying for jobs, attending interviews and starting jobs, and starting courses.

Table 2.2: Activities since summer 2007	
<i>Base: learners interviewed in both waves (4,837)</i>	%
Applied for jobs	48
Been to job interviews	40
Started a job	27
Started a new learning or training course	44
<i>Any employment or learning activity</i>	70

2.4 Seven in ten learners (70%) have undertaken some employment or learning activity since summer 2007. Around half (48%) have applied for jobs, two-fifths (40%) have been to job interviews, over a quarter (27%) have started a job and more than two-fifths (44%) have started a new learning or training course.

3 What do learners feel are the main lasting benefits of the course?

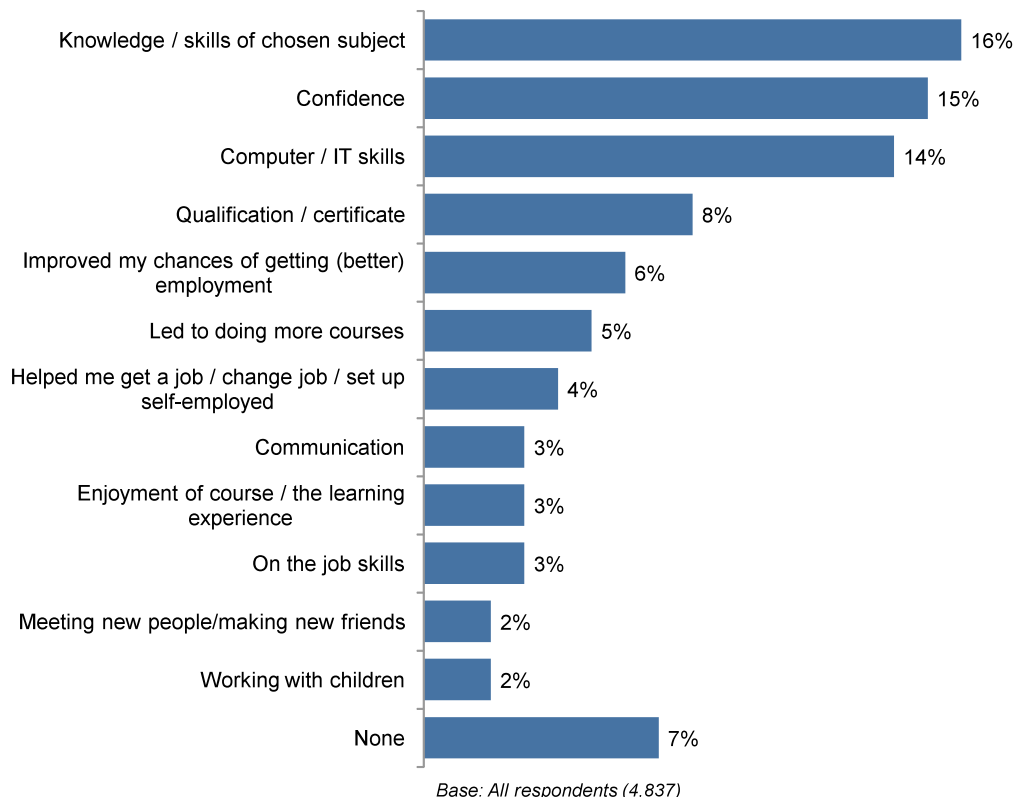
Key messages on the main lasting benefits of the course:

- The vast majority of learners report some lasting benefit – only 7% perceive no lasting benefits
- The most common sustained benefits relate to improved knowledge in the subject, increased confidence, improved computer / IT skills and improved employment prospects

Perceived main lasting benefits of the course

3.1 All learners were asked to consider what with hindsight they consider to be the main lasting benefit gained by doing the course that they completed in 2005/06. Responses to this open question were quite wide-ranging – those given by 2% or more are shown on the following chart. (Other answers not shown, each given by 1% of learners, included: improved numeracy and literacy, improved motivation to learn, an improved CV, and gaining insight into the sector they wish to work in.)

Figure 3.1: Perceived main lasting benefit of the course (spontaneous)



Some quotes illustrating particularly positive perceived lasting benefits of the learning are presented in Annex B.

3.2 Although the answers were quite wide-ranging, the main benefits can be grouped into the following broad themes:

- *Improved knowledge or skills*, particularly: increased knowledge / skills in the chosen subject (16%); computer / IT skills (14%); the actual qualification or certificate (8%); communication skills (3%); on-the-job skills (3%).
- *'Softer' benefits*: increased confidence (15%); enjoyment of the course or the learning experience (3%); meeting new people and making new friends (2%).
- *Progression benefits*: improved chances of getting (better) employment (6%), helping them get a job, change job or set up self-employed (4%), and it leading to doing more courses (5%).

3.3 There were some significant differences by the demographic of the learner in terms of the likelihood of particular benefits being gained. In particular:

- Improved computer and IT skills were particularly likely to be mentioned by older learners (17% of those aged 45-55 and as many as 27% of those aged over 55). In contrast only 8% of those aged under 25 described this as the main lasting benefit of the course.
- Increased knowledge of / skills in the chosen subject were significantly more likely than average to be mentioned by male learners (18%), those aged under 25 (22%), Black / Black British learners (21%) and those with a long term disability or infirmity (18%)
- Increased confidence was significantly more likely to be mentioned by female learners (16%) and those with a long-term disability or infirmity that affects the kind or amount of work or learning that they can do (18%)
- It leading to more learning was much more likely to be mentioned by young learners aged under 25 (9%) or 25-34 (8%) than those aged 45 plus (2%)
- Among those for whom the course had been their first level 2 course, while increased knowledge in the subject remains the most commonly cited benefit (18%), they were more likely than learners overall to value the improved employment prospects (8%) or the fact it had actually helped them get a job or change job (5%), and the qualification itself (10%).

3.4 Clearly it is very encouraging that only 7% of learners felt there were no lasting benefits from their course. This figure varied very little either by the demographic of the learner, their current work status, or the nature of the course (for example the level or whether it was vocational or not).

4 What are the long term impacts of learning on employment?

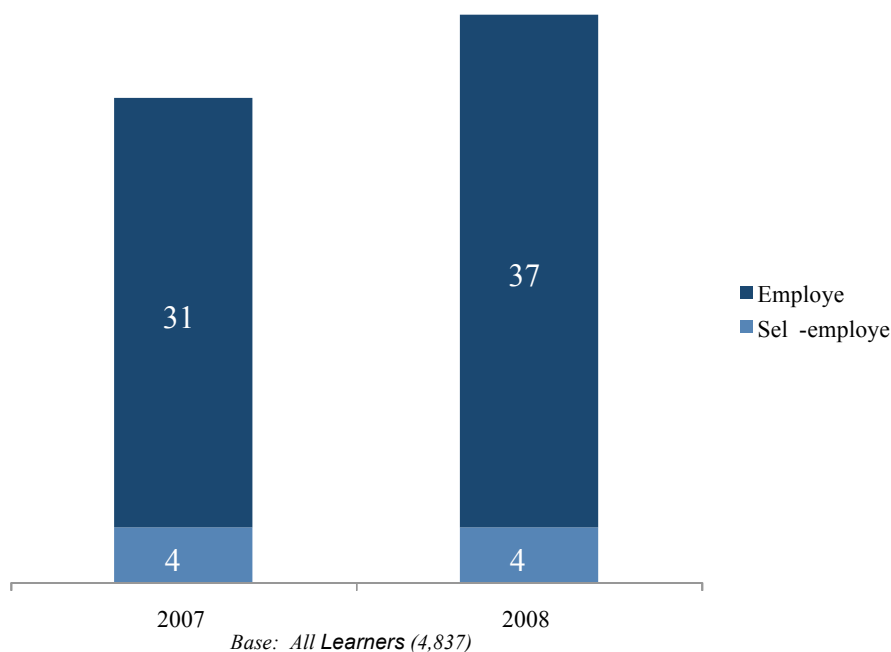
Key messages on the long term impact of learning on employment:

- The proportion in paid employment (including the self-employed) has increased significantly from summer 2007 to late 2008 (34% to 41%)
- Overall, 13% of *all* learners are “new employees” (in paid employment in late 2008 but were not in summer 2007)
- It is encouraging that most ‘new employees’ or those who had changed jobs felt their original course was vital (23%) or helpful (39%) in securing their new employment
- The vast majority who have continued in employment have experienced positive developments in their job since summer 2007, most commonly increased pay (70%), more opportunities to train and improve their skills (63%) and / or increased job satisfaction (62%)
- Most employees have permanent positions (81%), and most see themselves working in the same job in 12 months time (78%)

Overview of changes in employment status since summer 2007

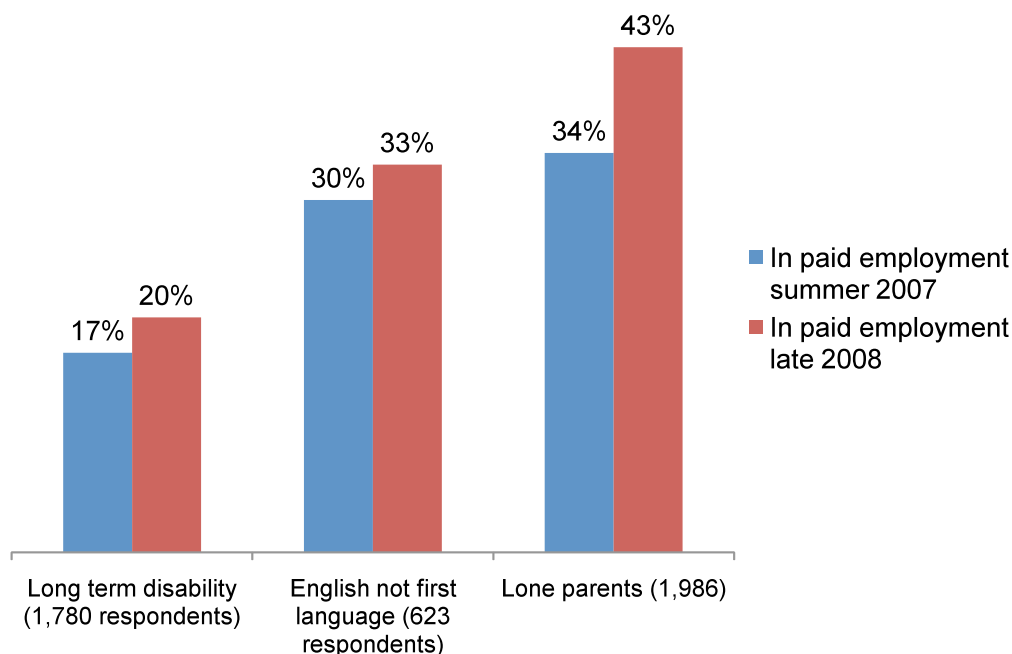
- 4.1 There has been a significant increase in the proportion of learners in paid work (i.e. working as employees or on a self-employed basis) from summer 2007 to late 2008, from 34% to 41%. This is mainly the result of a large increase in the proportion working as employees – the proportion working on a self-employed basis has remained relatively stable at around 4% (3.6% in summer 2007 to 4.2% in late 2008). *It should be borne in mind that part of the increase in employment levels from summer 2007 to winter 2008 may be down to a seasonality effect, whereby employment levels increase in the winter months in the run-up to Christmas. The economic downturn was also impacting on employment in late 2008.*

Figure 4.1: Working status in summer 2007 and late 2008



4.2 Increased employment levels have benefited a wide range of learners, including those facing potential labour market disadvantages such as having a long term disability (20% in paid work either as an employee or self-employed, up from 17%), not having English as a first language (33%, up from 30%) and lone parents (43%, up from 34%).

Figure 4.2: In paid employment: summer 2007 and late 2008



4.3 Increased employment levels have been particularly marked among lone parents (43% up from 34%). Two fifths of all learners (41%) were lone parents; with these learners being more likely to be female and aged 35-44 than the average learner covered in the research. In terms of their employment, they were more likely than average to work in personal service occupations (34% v. 25% among employees in general) and slightly more likely than average to have part time jobs (24% compared with 20% among employees in general).

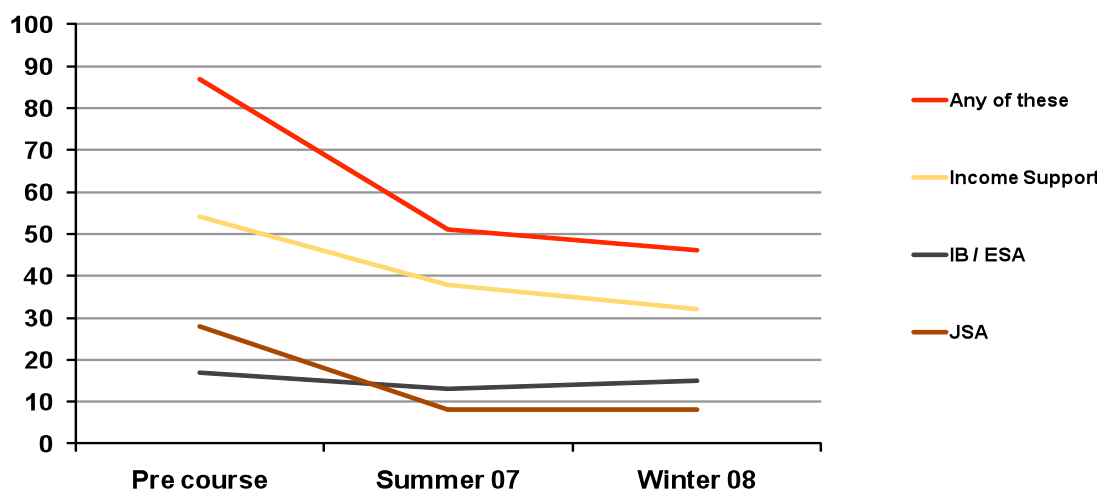
4.4 By gender the increase in employment rates has been fairly even: the proportion of men in paid employment has increased six percentage points from 37% to 43% and among women it has increased by seven percentage points from 33% to 40%. However, by age it was noticeable that the increase in employment rates was higher among those aged 25-55: increases were lower than average among the under 25s (40% from 39%) and the over 55s (31% from 28%).

4.5 By ethnicity employment rates have increased particularly among White, Asian-Indian and Black Caribbean learners (increases of six to eight percentage points). Among Black African learners there was no change in the proportion in paid employment between summer 2007 and late 2008 - however among this group there was a large increase in the proportion in learning between these two dates (20% in summer 2007 to 30% in late 2008), as discussed in chapter 5.

Changes in benefit status since 2007

- 4.6 At the time of undertaking their course in 2005/06 all the learners were not working or working less than 16 hours per week, with the majority (87%) in receipt of Jobseeker's Allowance (JSA) or income-based workless benefits. The following chart and tables show how the proportion on particular benefits has changed from immediately before the course, to summer 2007, to the current interview in winter 2008.
- 4.7 The proportion receiving Income Support has continued to fall (32% from 38% in summer 2007), while the proportion receiving JSA and Incapacity Benefit / Employment and Support Allowance (IB/ESA) has remained relatively unchanged compared with summer 2007, though lower than found immediately before the course. Overall, 46% were receiving at least one of these benefits compared with 51% in summer 2007.

Figure 4.3: Proportion receiving Income Support, Incapacity Benefit / Employment and Support Allowance & JSA



Base: All learners (4,837)

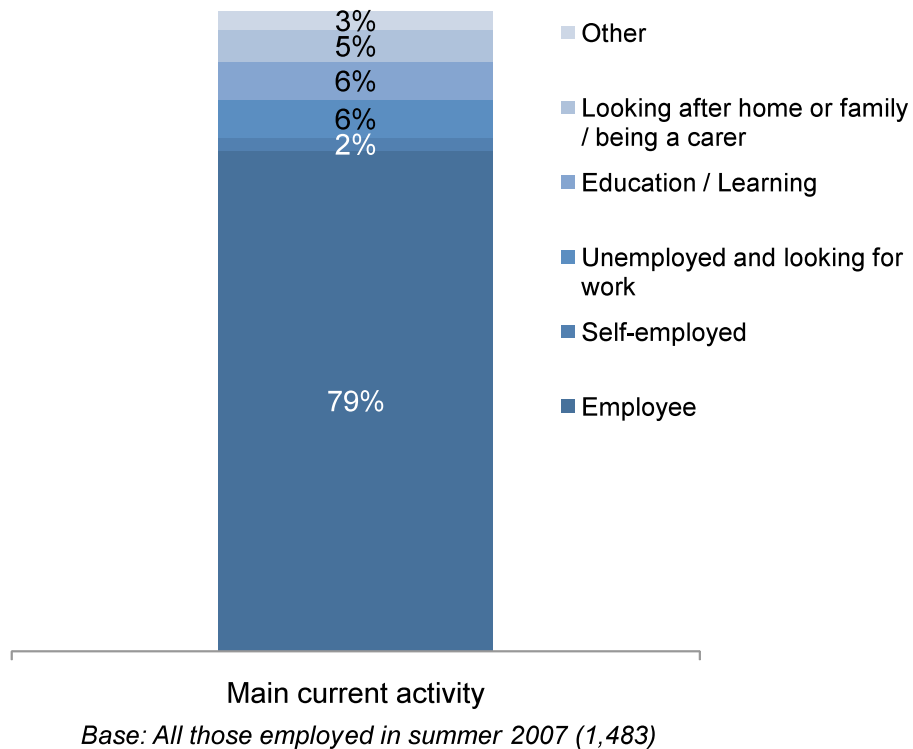
4.8 As shown on Table 4.1, the proportion receiving various other benefits has changed relatively little compared with summer 2007, except for increases in the proportion receiving Child Tax Credit (36% from 29% in summer 2007) and Child Benefit (47% from 40% in summer 2007).

Table 4.1: Benefits and tax credits received			
<i>Base: learners interviewed in both waves (4,837)</i>	Immediately before the course	Previous wave (Summer 2007)	Current wave (late 2008)
	%	%	%
<i>Workless benefits:</i>			
Jobseeker's Allowance	28	8	8
Income Support	54	38	32
IB / Employment & Support Allowance	17	13	15
<i>JSA or IB / Employment & Support Allowance or Income Support</i>	87	51	46
<i>Income-related benefits:</i>			
Council Tax benefit	59	40	42
Housing Benefit	55	38	39
<i>Working benefits:</i>			
Child Tax Credit	25	29	36
Working Tax Credit	1	13	13
<i>Benefits not related to income or working status:</i>			
Child Benefit	48	40	47
Disability Living Allowance	18	16	19
Carer's Allowance	8	7	8

The current status of those employed in 2007

- 4.9 The analysis to date has compared the employment status of individuals at two points in time. Results can also be examined in terms of the flows in and out of employment. Among the 1,483 learners who were employees in 2007 the vast majority (79%) were still employees in late 2008, indicating the sustained nature of the employment outcomes achieved (though we look later at the extent to which people were still working for the same employer, in the same industry etc). In addition 2% of former employees were self-employed in late 2008.
- 4.10 A small proportion of those previously employed were now unemployed and looking for work (6%). The remainder tended to be into education or training (6%), or had caring responsibilities (5%).

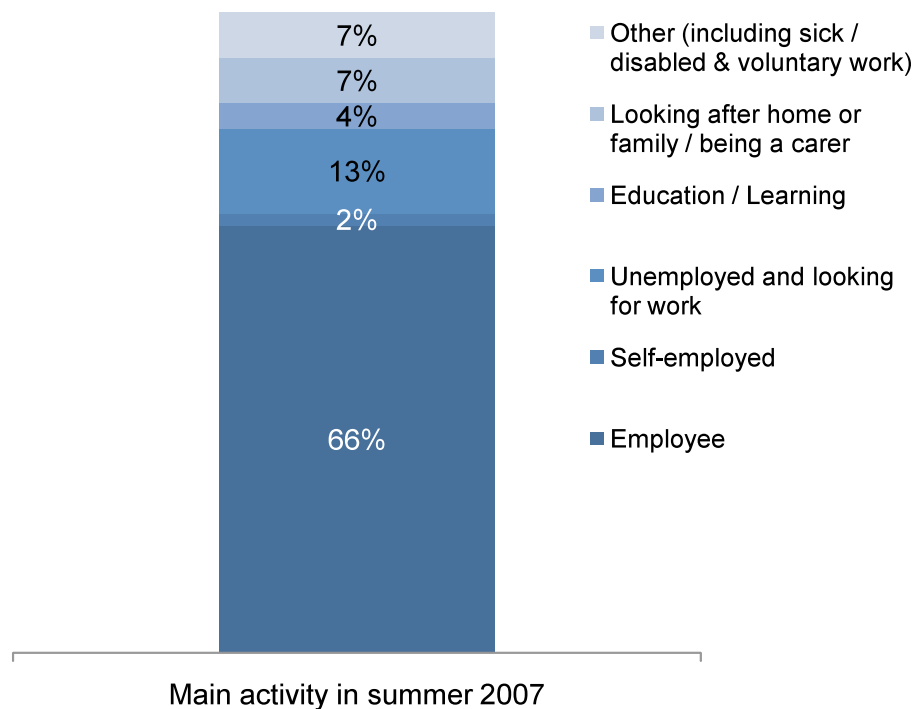
Figure 4.4: Current working status of those working as employees in summer 2007



Current employees in 2008 and the routes to employment

- 4.11 Analysis of the survey results can also be used to show what proportion of learners have moved into employment since summer 2007, and the types of learner more likely than average to have been successful in this regard.
- 4.12 Most of the 1,782 respondents who were working as employees in late 2008 had been employees when interviewed in 2007 (66%). This still indicates a significant flow into employment between the summer of 2007 and the last quarter of 2008. As a note, those working as employees in both waves of research need not be working for the same employer, indeed quite a large proportion of this group (19%) had changed employer – we look later in the chapter at the extent to which these individuals had moved into ‘higher level’ or better jobs.
- 4.13 Figure 4.5 shows the working status in summer 2007 of those that were employed in late 2008.

Figure 4.5: Working status in summer 2007 of those working as employees in late 2008



Base: All those working as employees in late 2008 (1,782)

4.14 Overall, 13% of all learners in the sample can be classified as “**new employees**”, i.e. as being in paid employment in late 2008 but not previously in summer 2007. Differences were relatively slight by demographic sub-group or by course type though the following were significantly more likely than other learners to be ‘new employees’ (the difference from the average figure is low, but is statistically significant because of large base sizes):

- Those aged under 35 (14%)
- Lone parents (14%)
- Those who had studied a level 2 course (14%)
- Those doing a vocational course (15%).

Those significantly less likely to be new employees were learners aged 55 plus (4%) and those with a long term disability or infirmity (7%).

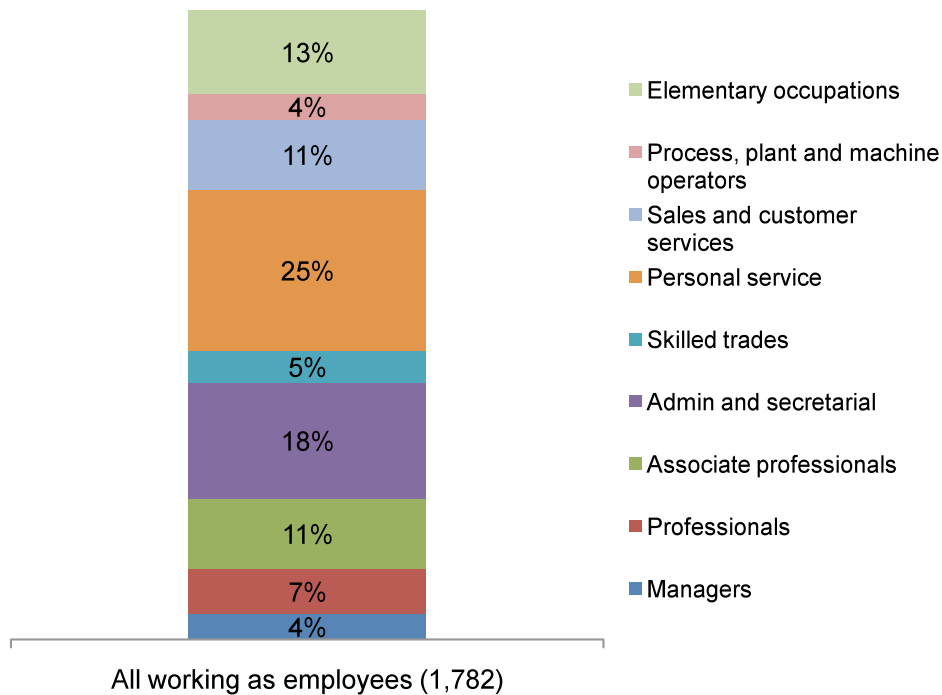
The types of jobs and industries in which learners work

4.15 Although clearly movement into employment is a positive outcome in itself, it is also of key interest from a policy perspective the type of employment that has been gained (for example is it permanent, full time work, and is training offered?). We look first at the sector and occupations in which employees work.

4.16 By sector almost half of employees work in Public administration, Education or Health (48%). In the private sector, the most common sectors are Wholesale and Retail (13% of all employees), Financial and Business Services (11%) and in the Transport, Storage and Communications sector (10%), Manufacturing and Construction (9%) and Hotels and Restaurants (5%).

4.17 The occupational profile of current employees is shown on Figure 4.6. Although there is a spread across occupational groups, there is a something of a concentration in personal services (25%, this includes such occupations as care assistants, nursery nurses / childminders, sport and leisure assistants, hairdressers and beauticians) and admin and secretarial positions (18%). The occupational profile is broadly similar to that found in summer 2007 among all employees (not just those re-interviewed in late 2008), although more in 2008 are employed in personal services (25% v. 13% in 2007) and fewer in elementary occupations (13% v. 21% in 2007).

Figure 4.6: Occupational profile



4.18 Most employees work in micro establishments with fewer than 10 staff (20%) or small establishments with 10 to 50 employees (38%). One in five of those currently employed work in organisations with 51-249 staff (20%) and the remaining 17% work for large organisations with 250 or more staff. Although the questions were only able to ask individuals of the size of the establishment where they work, not the organisation as a whole, the findings suggest the importance of SMEs.

4.19 Most employees have a permanent job (81%) and work more than 16 hours per week (80%), indicating the sustainable nature of most employment. Results compare favourably to the situation of those employees in summer 2007, when around three quarters had a permanent job (76%) or worked more than 16 hours per week (73%). As a note, during the academic year 2005/06 no learner worked more than 16 hours per week, since one of the selection criteria for the original sample was for learners to be working no more than 16 hours per week (in addition to having their fees remitted and receiving JSA).

The role of the course in helping learners get new jobs

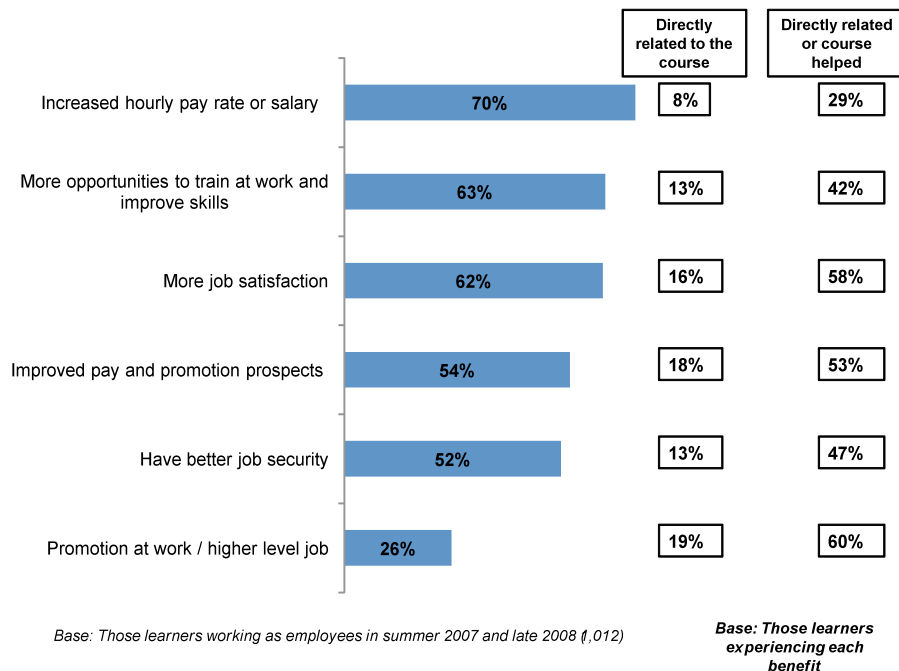
4.20 Employees that had not been working in summer 2007 or who had changed job since then (a base of 781 respondents) were asked how important the course was in securing their current job. It is encouraging that most felt the course was vital (23%) or helpful (39%) in securing their new employment.

4.21 Those aged 35-44 (68%) were significantly more likely than average to feel the course helped them get their new job. This was also true of those who had undertaken their first level 2 qualification in 2005 / 06 (76%), those with no qualifications at level 2 before the course (67%), and those for whom the course was higher than any previous qualification (73%). Those with dependent children in new jobs were significantly more likely than average to say the course was *vital* for them obtaining their new job (26%), although no more likely overall to say it was at least helpful.

Progression within employment

4.22 Those working as employees both in summer 2007 and in late 2008 (whether in the same job or working for a new employer) were asked about the progress they had made in their job role and the extent to which they thought the course has helped bring about any changes. These were prompted questions, with the potential developments read out to respondents. Figure 4.7 summarises the findings. Results for those working with the same employer have been combined with those who have changed employer – most of those working as employees at both interviews were working for the same employer (80%) hence results are largely driven by this group of respondents.

Figure 4.7: Benefits experienced and the role of the course



4.23 The vast majority of those continuing as employees had experienced one of these positive developments in their job since summer 2007 (93%). Seven in ten had seen their pay rates increase (70% - it should be noted, however, that we do not know if the increase is above inflation, hence whether individuals are 'better off'), and just over three fifths feel they have more opportunities to train at work and improve their skills (63%) and / or have more job satisfaction (62%).

4.24 In addition around half feel their pay and promotion prospects have improved compared with summer 2007 (54%) and / or feel they have better job security (52%). A quarter had gained a promotion at work or found a higher level job (26%).

4.25 Those changing employer were generally more likely than those staying with the same employer to have experienced these benefits, particularly achieving a promotion or working in a higher level job (experienced by 57% of those changing employer but only 18% of those that had stayed put). The one exception was increased pay which was more likely to have been experienced by those remaining with the same employer (72%) than those that had made a change (61%).

- 4.26 As shown in Figure 4.7, for three of these developments at work a majority of respondents felt the course had at least helped achieve this outcome: increased job satisfaction (58%), where a promotion or a higher level job had been gained (60%) and increased pay and promotion prospects (53%). For these three measures approaching a fifth (16% - 19%) that had experienced them felt that the progress had been a direct result of the course they completed in 2005/06.
- 4.27 Although increased pay rates compared with summer 2007 was the most frequently cited development, this was by far the least likely to be seen to be the result of the course. Only three in ten (29%) of those experiencing increased pay felt their attending the course had helped them achieve this outcome.
- 4.28 The results presented have combined those working for the same employer with those that have changed job. Those that had changed employer were much more likely than those continuing in the same job to say the new position was a higher level job than the one undertaken in summer 2007 (57% v 18% respectively), and that it offered more job satisfaction (77% v 59%) and / or job security (63% v. 50%). They were also much more likely to attribute the improvement directly to their having undertaken the course in 2005/06, particularly in regard to achieving a higher level job and their increased pay levels.

Assessing the quality and sustainability of learner's employment

- 4.29 One indicator of the quality and sustainability of the jobs held by learners in late 2008 is the extent to which training is offered by their employers. Half of all those new to employment since summer 2007 or who are working for a new employer had undertaken any training as part of their new job (49%). Exactly the same proportion of those still working for the same employer as in summer 2007 had undertaken any training since their last interview.
- 4.30 Differences in the likelihood of having undertaken recent training were minimal by demographic factors. However, it varied in predictable ways by the size and sector of the employer, and the occupation of the respondent, as follows:
- Those employed in large establishments are more likely to have undertaken recent training, with 54% of those working in establishments with more than 250 staff reporting any training compared to only 41% of those working in organisations with less than 10 staff.
 - Employees working in the Public sector were much more likely than average to have been trained recently (61%). It was much lower among those working in Primary, Utilities and Manufacturing (34%), Wholesale and Retail (33%) and in the Hotels and Restaurants (23%) sectors.
 - Learners employed as Professionals (70%), in Personal Service occupations (67%), and in Associate Professional and Technical occupations (60%) are more likely to have trained at work since 2007 than learners working in Sales and Customer Service (34%), Elementary occupations (32%) and Process, Plant and Machinery Operatives (27%).
- 4.31 Although quite large proportions of those trained have received Health and safety training (63%) and / or induction training (54%), it is encouraging that most have received training which has aimed to develop job-specific skills needed to perform their roles (86%) and / or training in transferable skills such as communication, team working or problem solving skills (61%).

- 4.32 It is also encouraging that most employees (78%) regard their current job as one they see themselves doing in 12 months time. Those who had not been in paid employment in summer 2007 and hence who were in a new job when interviewed in late 2008 were only a little less likely than average to see themselves in the same job in 12 months time (77%), indicating that the jobs that have been taken since the course are rarely seen as temporary positions. Even among those working in casual, seasonal or temporary positions (159 respondents), the majority (58%) see themselves being in that job in 12 months time.
- 4.33 Those working in elementary occupations (65%), process, plant or machine operators (70%) or in sales occupations (72%) were less confident than average that they would be doing their job in 12 months time, though still clearly the vast majority think it likely.

Barriers to progressing at work

- 4.34 Employees were read a list of potential barriers to progression at work, and asked which applied to them in their current job. Just over half (55%) identified some barriers, most commonly the current economic climate (28%, something particularly hampering those working in manufacturing and construction), a lack of experience (19%, higher at 28% among the under 25s for whom this is seen as the main barrier), their lacking qualifications (16%, significantly higher at 21% among those with a long term disability or infirmity) and lacking work-related skills such as communication, IT, problem-solving or team working skills (14%). Clearly despite having completed a course in 2005 / 06 there is quite widespread recognition of the need for further learning and training in order to progress.

5 What are the long term impacts of learning for progression into further learning?

Key messages on progression into further learning:

- More than two-fifths of learners have undertaken further learning since summer 2007 – this usually a higher level course - and a quarter have achieved a further qualification
- Around three quarters of learners (73%) state they are likely to undertake further learning in the next two years

Learner engagement with further study since summer 2007

- 5.1 Overall, one in eight respondents (12%) described their main activity in late 2008 as being in full or part-time learning or on a government scheme for employment training. Those aged under 25 (28%), Black African respondents (30%), Pakistani respondents (24%), women (13%), lone parents (14%) and those that had done a level 3 course in 2007 (22%) were all more likely than average to describe their main status as being in learning in late 2008.
- 5.2 Many more respondents (44%) had started a new learning or training course since summer 2007. Women learners (45%) were more likely than average to have started a new course, as were black learners (52%) and lone parents (47%).
- 5.3 Learners whose course in 2005 / 06 was below level 2 and who did not have level 2 qualifications before the course were less likely to have undertaken further study since summer 2007 (42%). In comparison, learners who undertook their first level 2 course in 2005 / 2006 are more likely to have progressed on to further study (46%).
- 5.4 Most of those undertaking further learning or training since summer 2007 had undertaken one or two courses (58% and 23% respectively), though 93 respondents, equivalent to 4% of those undertaking any new learning, had undertaken five or more new (hence clearly very short) courses since summer 2007.
- 5.5 Three in five new learners felt the 2005 / 06 course was vital (26%) or helpful (32%) in assisting them get on their (most recent) new course, and reflecting this, just under three in five respondents that had started a new course since summer 2007 said their (most recent) new course was at a higher level than the one in 2005 / 06 (57%). Those starting new courses aged under 35, and particularly those aged under 25, were significantly more likely than average to have started a higher level course (61% and 63% respectively).
- 5.6 While most of those starting new courses have progressed to higher level courses, still a fifth said their most recent course was the same level as the original one in 2005 / 06 (21%) and around one in seven were undertaking a lower level course (15%).

Qualifications gained since summer 2007

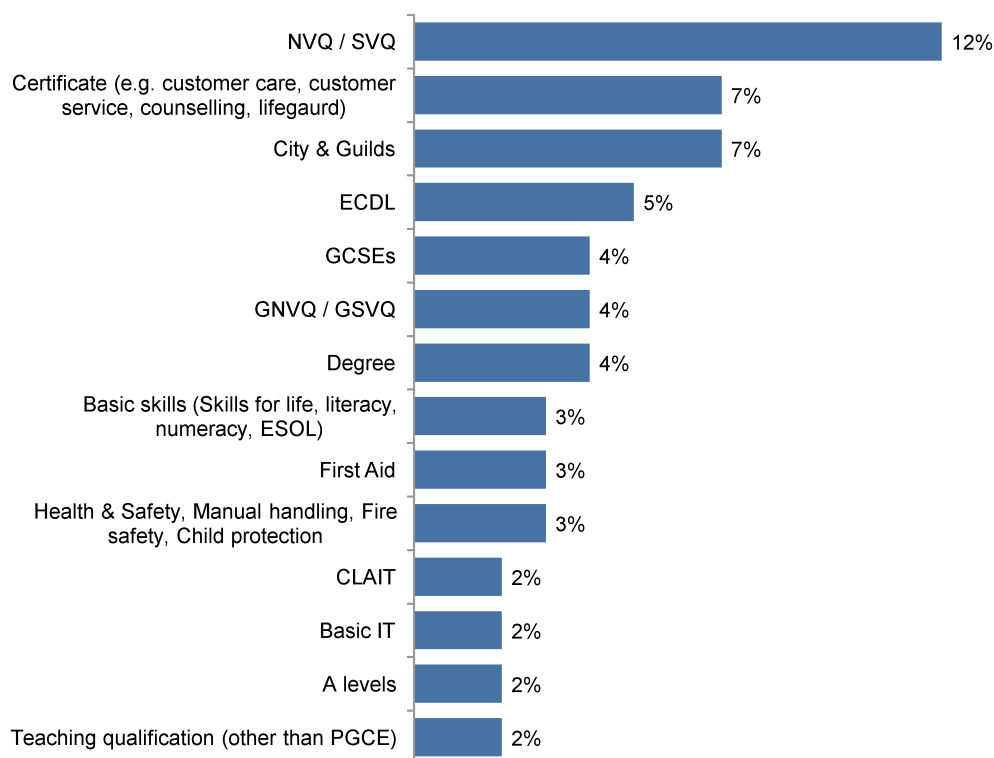
- 5.7 Over a quarter of learners (26%) have gained further qualifications since their course finished in 2005 / 06. This is significantly higher among women (27% v. 24% among men), those aged 35-44 (29%; among those aged 55 plus only 17% had acquired further qualifications) and lone parents (29%).

- 5.8 Because the level of the course in relation to the learner's previous qualifications influences their likelihood to have undertaken further learning it is no surprise that this factor also influences the likelihood that individuals had gained further qualifications. Those for whom the 2005 / 6 course was their first level 2 course are more likely to have gained a further qualification (30%), whereas those that were doing a course below level 2 and who had no prior qualifications at that level were significantly less likely than average to have acquired any qualifications since the 2005 / 06 course (22%).
- 5.9 Learners with a long-term disability or infirmity are significantly less likely to have gained any further qualifications since their course finished (21%). Because such learners are no less likely than average to have engaged in further study since summer 2007 it would seem that these learners are therefore less likely to undertake courses intended to lead to a qualification.

Type of further qualifications gained

- 5.10 A wide range of qualifications have been gained by learners since their course finished – around 50 different types of qualification were mentioned between learners. The most commonly achieved (those mentioned by at least 2% of these learners) are shown below in Figure 5.1. In those instances where the details provided about the qualification enabled an assessment of its level (695 of the 1,258 cases), this was most often a level 2 qualification (45%), with the remainder more likely to have gained a level 3 or higher qualification (34%) than one below level 2 (21%).

Figure 5.1: Further qualifications gained



Base: All that have gained further qualifications since the course finished (1,258)

Likelihood of undertaking further learning in the next two years

- 5.11 We have seen that almost half of learners had undertaken some learning since summer 2007, a result which shows high levels of continued interest in further learning. This is confirmed when respondents were asked about the future: almost three quarters of learners think it very (44%) or quite (29%) likely that they will undertake further learning in the next two years.
- 5.12 The groups more likely to have already undertaken learning since the course were also those thinking it more likely that they would undertake more learning in the next two years. This includes women (74% think further learning likely), younger learners, lone parents (78%) Black learners (83%) and Asian learners (75%) and those that undertook a level 3 course (78%). Confirming the connection between already having undertaken further learning and interest in more learning in the near future, learners who have undertaken new courses since summer 2007 are particularly likely to undertake further learning: 85% of this cohort state they are likely to do so compared with 64% of learners that have not undertaken further learning since their course finished.
- 5.13 Learners with a long-term disability or infirmity are amongst the least likely to anticipate undertaking further learning in the next two years (68%), though clearly the level of interest is still high.

6 What have been the long term benefits of learning for the unemployed?

Key messages on the long term benefits for the unemployed:

- Unemployment (i.e. the proportion unemployed and seeking work) has decreased by five percentage points between summer 2007 and late 2008. The decrease was particularly marked for the under 25s
- Among those unemployed in summer 2007 a third remained unemployed and seeking work in late 2008, but encouragingly more than a third were now working as employees (32%) or were self-employed / running their own business (4%). This represents 5% of the overall cohort that have moved out of unemployment into paid work
- Almost two thirds of those not working thought that the course had increased their chances of finding a job, with more than a quarter thinking that the course had *significantly* increased their job prospects

Overview of changes in unemployment

- 6.1 Matching the significant increase in the proportion in work between summer 2007 and late 2008 (discussed in chapter 4), there has been a statistically significant decrease in the proportion of learners unemployed and looking for work, from 15% to 10%. Despite this fall in unemployment, the proportion claiming JSA in late 2008 was unchanged compared with summer 2007 (8%).
- 6.2 The level of unemployment varies quite widely by demographic group - it is higher for example among men (16%) and those aged under 25 (14%). However, as shown in table 6.1, it is among the youngest learners where there has been the largest fall in unemployment (14% from 24%).

Table 6.1: Unemployment rates			
	Summer 2007	Late 2008	Change
<i>Base: learners interviewed in both waves</i>	%	%	
All learners (4,837)	15	10	-5%
Male (1,428)	22	16	-6%
Female (3,409)	12	8	-4%
Under 25 (243)	24	14	-10%
25-34 (1,152)	14	11	-3%
35-44 (1,766)	14	10	-4%
45-55 (1,373)	15	10	-5%
Over 55 (292)	15	12	-3%
First level 2 course (626)	17	13	-4%

- 6.3 In total, 731 learners were unemployed and seeking work in summer 2007. Around a third (31%) remained unemployed and seeking work in late 2008, but encouragingly more than a third were now working as employees (32%) or were self-employed / running their own business (4%). This represents 5% of the overall cohort that have moved out of unemployment into paid work.
- 6.4 The other main outcomes of those previously unemployed were being in learning or training (11%), having caring responsibilities (9%) or being temporarily or permanently disabled (6%).

Those unemployed and seeking work in late 2008

- 6.5 A total of 507 respondents (10% of the cohort) described their main working status in late 2008 as unemployed and looking for work. Most of the current unemployed were unemployed in 2007 (45%), had caring responsibilities (12%) or were permanently / temporarily sick or disabled (7%). However, around one in six (17%) had been employees in 2007 and 3% had been working on a self-employed basis. This is equivalent to 2% of the overall sample moving from paid employment in 2007 to unemployment in late 2008.

- 6.6 The discussion to date has looked at those classifying themselves as unemployed and looking for work, either in 2007 or 2008, or both. Quite a large number of those not working classify their working status / activity as something other than unemployed and looking for work, for example as caring for family or relatives, being in learning or training, or as sick or disabled. Using this wider, 'not in paid work' definition, overall 20% of those who had been in paid employment in summer 2007 were no longer in paid employment in late 2008, equivalent to 7% of all those interviewed.
- 6.7 Those learners who were no longer working as employees or on a self-employed basis in 2008 were asked for the reasons why their employment circumstances had changed from summer 2007. Results are summarised in Table 6.2.

Table 6.2: Reasons why no longer working	
<i>Base: in paid employment in summer 2007 but not in late 2008, and answering (151)</i>	%
Made redundant or took voluntary redundancy	20
It was a temporary job	14
Childcare / maternity / family commitments	12
Resigned	10
Entered full time education	10
Medical / health reasons	10
Wanted to change job / career / unhappy with the job	9
Some other form of dismissal	5
Business closed down	3
Other	13

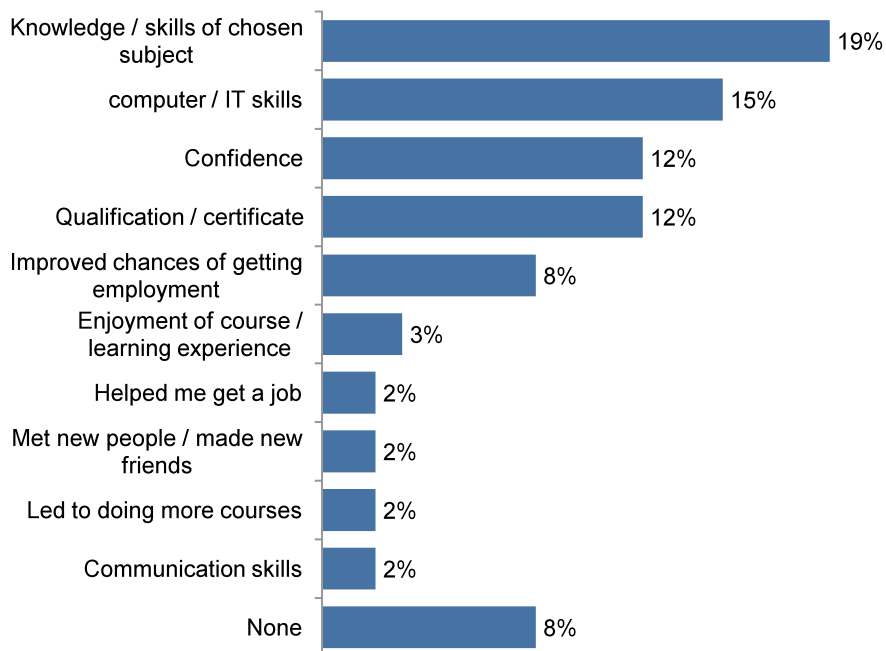
- 6.8 A wide range of reasons were given for having left paid employment. On a positive note, ten per cent had left to enter full-time education or learning. Among the remainder there was a mix of the decision being made by the employer (being made redundant or dismissed), the respondent choosing (resigning or wanting to change job or career), and it being dictated by circumstances (the job being temporary and coming to an end, childcare responsibilities or other family commitments, or ill health).
- 6.9 Base sizes are relatively small, but results suggest that male respondents were more likely than women to have left paid employment because of having a temporary job, while women were more likely to leave because of family commitments or their resigning.

6.10 Although we have seen that some left because the job was temporary, most had been in the job for over a year (64%), indeed nine in ten (89%) had been in the job for more than six months and almost all (96%) had worked in that job for more than three months. This indicates that the jobs that the learners had gained after their course were in nearly all cases substantial ones offering sustained employment, rather than being very short term posts.

The perceived benefits of learning among those currently unemployed and seeking work

6.11 In chapter 3 results on the perceived main lasting benefits of the course were presented. This showed that increased knowledge of the subject was the main lasting benefit, followed by such factors as increased confidence, improved IT skills, improved employment prospects, and acquiring the qualification or certificate. Very few learners said there had been no lasting benefits of the course. Results among those classifying themselves as unemployed and looking for work were generally very similar to the results among all learners (within 3%). One in ten said that with hindsight the main benefit of the course was either it improving their chances of getting a job (8%) or it actually helping them get work even though they were no longer employed (2%).

Figure 6.1 Main perceived lasting benefits of the course amongst the unemployed



Base: All unemployed and looking for work in late 2008 (507)

The extent to which those not working feel the course has improved their job prospects

6.12 When those not working were asked explicitly if they felt that because of the course they had significantly more chance of finding work, slightly more chance or whether it had made no difference, almost two thirds (64%) thought that the course had helped increase their chances of finding a job, with more than a quarter (28%) thinking that the course had *significantly* increased their job prospects.

6.13 Those not working in late 2008 that were female, aged 24 or under, black, lone parents, those not having English as their first language and those born outside the UK were all more likely than average to feel the course had significantly improved their job prospects (each 31% - 35%).

- 6.14 Specifically among those classifying their status at the end of 2008 as 'unemployed and seeking work', as with all those not working, just under two in three (64%) felt the course had improved their job prospects, with a quarter thinking it has significantly helped their chances of finding work (25%).

How motivated those currently not in paid work are to find work and the barriers they face

- 6.15 Those not working were asked how motivated they felt to move into employment, using a scale of 1 to 10, where 1 meant not at all motivated and 10 highly motivated. Overall over three fifths (62%) were motivated (a score of 6 or more), and half (49%) could be described as particularly motivated (a score of 8 or more). The mean score was 6.5 out of ten.
- 6.16 Predictably results vary by the exact status of the individual. Those 'unemployed and seeking work' were the most highly motivated (a mean score of 8.6), those permanently sick or disabled (a mean of 4.5) and those unemployed and not seeking work (a mean of 4.8) were relatively the least motivated.
- 6.17 Even though motivation to find work is generally high, those not working feel they face a wide range of barriers to employment. Lacking experience was the barrier most frequently mentioned (55%, rising to 65% among those aged under 25), and many also felt a lack of skills (33%) and lack of qualifications (39%) was an impediment.
- 6.18 Health issues (39%) and age (31%) are felt to be quite common barriers to employment, both particular affecting those aged 45 plus (54% and 57% respectively). Among those aged 55 plus not in employment (a base of 201 respondents), age was by far the most commonly cited barrier (69%).
- 6.19 In addition to these personal limitations, respondents also mentioned a number of barriers to work that stem from adverse external conditions. More than half brought up the current economic climate (51%) approaching half (45%) felt that there is a lack of jobs where they live, and a third found that wanting to work part-time acts as a barrier (34%, much higher among women than men – 41% v. 18%). Difficulties with arranging childcare were a barrier felt by a quarter of those not working (23%, again this particularly affects women – 30% v. 5% among men).

7 What have been the long term impacts of learning on self-employment and entrepreneurship?

Key messages:

- The proportion working on a self-employed / freelance basis remains unchanged (4%), though this disguises a large flow in and out of self-employment
- Most of those becoming self-employed since summer 2007 felt the course was vital (24%) or helped (47%) them achieve this outcome
- Around three quarters of those continuing in self-employment had experienced any benefits such as improved satisfaction, security or pay in their work, and the same proportion felt these improvements occurred at least in part as a result of the 2005 / 06 course

Overview of changes in self-employment

7.1 The level of self-employment has stayed relatively stable between summer 2007 and late 2008, with 4% of learners reporting being self-employed or running their own business during both research waves (3.6% in summer 2007 to 4.2% in late 2008).

7.2 However, the longitudinal analysis reveals quite a significant flow in and out of self-employment during this time:

- Of the 174 respondents self-employed in summer 2007, only just over half (56%) were still self-employed in late 2008. A relatively large proportion (22%) had switched to working as employees, and 5% were in learning. Overall 8% were now unemployed and seeking work. Other outcomes include 3% having caring responsibilities and the same proportion sick or disabled.
- Of the 202 respondents self-employed in late 2008, just over half (52%) had not been self-employed in summer 2007 and hence are 'the new self-employed' – 2% of the total sample fall into this category. Those new to self-employment had come from a range of situations, including unemployment (15% of those self-employed in late 2008 were unemployed and seeking work in summer 2007), working as an employee (13%) and from caring responsibilities (7%).

The longer term impact of the course for the self-employed

7.3 Among the 97 learners who had continued in self employment between summer 2007 and late 2008, it is encouraging both that most (75%) had progressed in terms of greater job satisfaction (65%), increased job security and long term earning potential (51%) and / or increased earnings (40%), but also that around three quarters felt that these improvements were a direct result of the course (30%) or that the course had helped (42%).

The role of learning in encouraging self-employment

- 7.4 Around 100 respondents became self-employed or started running their own business between summer 2007 and late 2008. Again, a large proportion (71%) felt the course had contributed substantially to their move into self-employment: one quarter felt that the course was vital (24%) and approaching half thought the course had helped (47%). Those aged under 45 that moved into self-employment were significantly more likely than older learners to say the course had played a positive role in helping them become self-employed or start up their own business.
- 7.5 A range of specific aspects of the learning experience were deemed useful in setting up a business or working on a self-employed basis. This was most often skill-related: one third of the newly self employed felt that the course had been most useful in providing them with the particular skills they needed (34%), one in five mentioned job-specific skills (20%) and one in twelve considered improvements in their IT skills had been the most useful aspect of the course (8%). Others though mentioned non-skill related areas, particularly gaining confidence (24%).

Main challenges to setting up own business or as self-employed

- 7.6 As many as 12% of respondents (a total of 580 learners) indicated that they had ambitions to work on a freelance basis or set up their own business in the next 12 months. Among these respondents the biggest perceived challenge, mentioned by just over half (53%) is raising the capital or money required. Other perceived challenges to becoming self-employed or setting up their own business are:
- Finding suitable help or support – 16%
 - Writing a business plan – 8%
 - Finding the time – 7%
 - Overcoming the risk or giving up the security of paid employment – 7%
 - Securing a client base, contracts and work – 7%.

8 What are learner ambitions for the future?

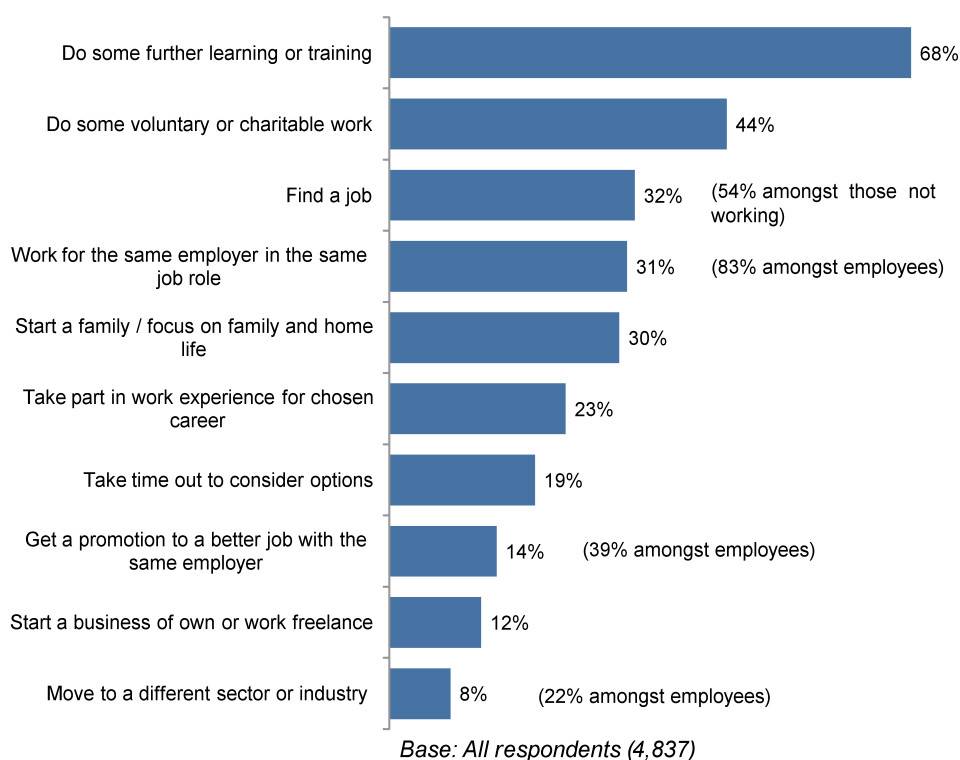
Key messages regarding ambitions for the future:

- There is high level of interest in undertaking further learning or training in the next 12 months
- Just over half of those not working plan to find a job in the next 12 months

Plans and ambitions for the coming year

8.1 All learners were asked whether they planned to do any of things listed in Figure 8.1 in the next twelve months. Responses are shown based on all respondents, though some statements were only asked of those in work (in these cases results are also shown, as text, among employees).

Figure 8.1: Plans for the next twelve months (prompted)



8.2 Clearly there is high interest in undertaking more learning or training. Interest is particularly high among female learners (69% v. 64% among men), and among Black, Pakistani and Bangladeshi learners (76%, 72% and 70% respectively).

8.3 Those who are currently unemployed and seeking work nearly all plan to find a job in the next 12 months (96%), though many also plan on further learning (68%) and / or taking part in work experience (51%).

- 8.4 Amongst learners currently looking after the home or caring for relatives, whilst more than half perceive that they will continue in this vein in the next twelve months (57%), significant numbers of this cohort plan to take steps to get back in to work or learning: 47% plan to find a job, 33% plan to take part in work experience for their chosen career and 71% plan on doing some further learning or training.
- 8.5 Those currently engaged in learning or training are the most likely to plan to do some further learning or training (77%). Still the majority of current learners plan to find a job in the coming year (57%) and the same proportion plan to take part in work experience for their chosen career.

Annex A: Sample profile of learners

Demographics / Profile of Learners

	Longitudinal survey (unweighted N = 4,837)		Initial survey unweighted (N = 10,000)	Initial survey weighted
	Number	%	%	%
GENDER				
Male	1,428	30	29	34
Female	3,409	70	71	66
AGE				
Under 25	243	5	9	12
25-34	1,152	24	27	32
35-44	1,766	37	36	33
45-55	1,373	28	24	20
55+	292	6	3	3
Refused	11	1	1	1
ETHNICITY				
White - British	3,554	73	68	64
White - Irish	49	1	1	1
White - Other	142	3	4	4
Black or Black British - Caribbean	236	5	5	6
Black or Black British - African	246	5	6	7
Black or Black British – Other	31	1	1	1
Asian or Asian British - Indian	134	3	3	3
Asian or Asian British - Pakistani	115	2	3	3
Asian or Asian British - Bangladeshi	43	1	1	1
Asian or Asian British - Other	56	1	0	0
Chinese	15	*	*	1
Other ethnic background	99	3	4	4
Mixed	79	1	2	2
Refused	38	1	1	1

	Longitudinal survey (unweighted N = 4,837)		Initial survey unweighted (N = 10,000)	Initial survey weighted
LIVING WITH DEPENDENT CHILDREN				
	Number	%	%	%
Yes	2,551	53	53	51
No	2,286	47	47	49
LONE PARENT				
	Number	%	%	%
Yes	1,986	41	N/A	N/A
No	2,851	59	N/A	N/A
COURSE LEVEL				
Level 0	280	6	6	8
Level 1	1,765	36	35	39
Level 2	1,580	33	29	26
Level 3	1,039	21	19	15
Level 4	77	2	1	1
GUIDED LEARNING HOURS				
Not permitted or no information	96	2	10	11
30 hours and under	1,361	28	25	27
30.1 - 60 hours	1,099	23	21	21
60.1 - 135 hours	1,083	22	20	19
135.1 hours and over	1,198	25	23	23

Annex B: Example statements illustrating the perceived benefits of learning

Following are some examples of positive statements given by survey respondents to the open ended question *“Looking back with hindsight on your course, what would you say has been the main, lasting benefit you gained by doing this course?”*

“It’s given me a career and given me a profession.”

“It got me in to work; it’s changed everything.”

“The fact that I got a job out of it; without the course I wouldn’t have the job.”

“I was able to go on to university to further my career.”

“The main benefit was the GCSEs I gained - without them I wouldn’t have got on to my university course, so it’s had a huge impact; a lasting impact.”

“I was able to set up my own business and I couldn’t have done that without doing the course.”

“It enabled me to come completely off benefits and gain a career.”

“It changed my life, it changed my status. I’ve got a qualification - since I got that qualification it changes everything.”

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