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Evaluation of Jobs Growth Wales: Early Leavers Report -Summary



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Ipsos MORI

Views expressed in this report are those of the researcher and not necessarily those of the Welsh Government.

For further information please contact:

Martina Aumeyr

Knowledge and Analytical Services

Welsh Government

Cathays Park

Cardiff

CF10 3NQ

Tel: 02920 80 1125

Email: martina.aumeyr@wales.gsi.gov.uk

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Glossary of acronyms

'Telephone Preference Service' (TPS)

Future Jobs Fund (FJF)

Jobs Growth Wales (JGW)

Managing agent (MA)

Management information (MI)

National Minimum Wage (NMW)

National Qualifications Framework (NQF)

Not in Education, Employment or Training (NEET)

Standard Industrial Classification (SIC)

Standard Occupational Classification (SOC)

Welsh European Funding Office (WEFO)

Welsh Government (WG)

Executive Summary

Background and methods

1. As part of the evaluation of Jobs Growth Wales (JGW), conducted by Ipsos MORI, Wavehill and WISERD, Ipsos MORI was commissioned by the Welsh Government (WG) to undertake further research on the circumstances in which and reasons why some young people leave early from their six-month JGW contracts. JGW was launched on 2 April 2012 and aims to create 4,000 jobs a year between April 2012 and March 2016 for unemployed young people aged 16 to 24. It provides participants with a job opportunity for a six month period paid at, or above, the National Minimum Wage (NMW) for a minimum of 25 hours per week up to a maximum of 40 hours per week. The WG reimburses the employer at the NMW, even if the employer chooses to pay the young person a higher wage.

2. This research had four main aims:

- To assess the characteristics of young people leaving JGW jobs early.
- To explore who had made the decision that the young person should leave and why.
- To explore the destinations of early leavers.
- To understand what further support could be offered to employers and young people to a) prevent young people from leaving jobs early, b) promote the reintegration of early leavers into the programme, or c) help young people to move on to further study, training, or employment (including apprenticeships).
- 3. A range of methods were used to achieve these aims, including telephone in-depth interviews, telephone surveys and case studies. A detailed description of these methods, including the methodological limitations of the research, is outlined in Chapter 1.

Main findings

- 4. It is likely that the early leaver rate from JGW is between 10 per cent and 33 per cent, which is similar to the early leaver rates in the Future Jobs Fund (FJF) programme¹. The wide range can be explained by two different sources of data and two methods of calculating the early leaver rate being used. The true number is likely to lie somewhere in this range. The two data sources are WG official statistics (which only includes data on early leavers from the private sector strand) and the management information (MI) database (which includes all strands but was less up-to-date than the official statistics). One method is to calculate the number of early leavers as a proportion of all those leaving their contracts, which includes those completing their contracts (which tends to overestimate the proportion). The other method is to calculate the number of early leavers as a proportion of all those starting jobs through the programme (this tends to underestimate the proportion). This report refers primarily to the rate which was calculated using both methods and using the data provided by the WG which covers all strands of the programme.
- 5. Early leavers are similar in profile in many respects to young people who completed their contracts, but they are more likely to live in Convergence areas and less likely to live in North Wales. They are also more likely to be better paid, despite working similar hours to those who completed their contracts. Similar to those who completed their contracts, the most common job roles for early leavers are administrative and secretarial.
- 6. The majority of early leavers made the decision to leave themselves, and a large proportion of these individuals decided to leave because they secured gainful employment elsewhere. The evidence suggests that these other jobs are either better paid or more closely related to the field in which

¹ The FJF evaluation reported that 'data obtained from some case study areas indicates that around 32 per cent of those starting a job left it before 26 weeks, although Inclusion's survey of participants in case study areas gives a much lower drop-out rate of 15 per cent.' Source: Tracy Fishwick, Pippa Lane and Laura Gardiner, *Future Jobs Fund: An independent national evaluation* (London: Centre for Economic and Social Inclusion, 2011), accessed online on 30 December 2013 at

http://www.cesi.org.uk/sites/default/files/publications/CESI_future_jobs_fund_evaluation.pdf >: 30.

the young person would like to develop their career. These individuals are also those that are the most likely to report that they would have secured employment without the help of the programme.

- 7. Although the evidence shows that where early leavers are dismissed by employers, this is more often due to poor behaviour (punctuality and attendance) and poor attitudes than their skills levels, there is still a relatively large proportion of employers who reported that the young person they hired was unable to perform the work to the required standard (27 out of 74 employers) and nineteen per cent thought the screening of candidates and matching job roles could be better.
- 8. Of those early leavers who left for reasons other than getting another job or becoming self-employed, 60 out of 99 survey respondents said they would have stayed in their JGW job if their reasons for leaving had been addressed; however, only 22 out of 72 early leavers sought help from their employer, mentor, or both, before making the decision to leave. Additionally, when asked in an unprompted question what kind of support would have helped them finish their six-month contracts, 44 per cent of all survey respondents said there was nothing their employer or mentor could have done to help them stay in their job. The most common suggestions for what might have helped them stay on were changing the behaviour of other staff or the way other staff treated them (10 per cent), followed by resolving issues related to pay (seven per cent), getting more training (six per cent), being guaranteed a permanent position at the end of the temporary contract, improving communication and making the role more interesting (all two per cent). An even greater proportion of employers (71 per cent) thought that no support would have helped their recruit complete their contract, although a small number mentioned motivational support and increasing pay².
- 9. Satisfaction with their job could be a major factor in the young person's likelihood to stay in their temporary job. Only 42 per cent of early leavers believed they were satisfied with their job, compared to 96 per cent of

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² This question was unprompted.

those who completed their contracts. The discussions with early leavers also found that boredom at work caused dissatisfaction, as well as disparate expectations of what the role would entail compared to what it actually involved.

- 10. Some early leavers indicated they were dismissed by their employer or agreed with their employer to leave for reasons beyond their control, including the company ceasing trading or the company not being able to pay them (five of 41 respondents) and the employer not being able to maintain their post any longer (six out of 41 respondents). However, when some of these were followed up through case studies, employers cited other reasons for the dismissal.
- 11. Employers had more suggestions as to what the WG could do to ensure more recruits completed their six month contracts³. One in five (22 per cent) suggested that additional training for young people prior to entering the workforce might be helpful to prepare them for the expectations and requirements of working life, and 17 per cent said that young people needed to be taught discipline and work ethic. A further 19 per cent thought that the screening of candidates and matching to job roles could be better, and 13 per cent said that the needs of both young people and employers need to be closely monitored.
- 12.A very high proportion of early leavers (72 per cent) had been in employment at least once since leaving JGW⁴, but those who are dismissed by their employer are much less likely to be in work consistently than those who chose to leave (only 14 out of 37 early leavers who were dismissed were working at the time of the survey compared to 29 out of 55 who chose to leave).
- 13. Although aggregate management information (MI) was available, the management information (MI) at individual level was incomplete for a very high proportion of records on the reasons for leaving and the destination of

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³ This question was unprompted.

⁴ Base: All 121 early leavers surveyed, including those who left early to go to another job and those who left for other reasons.

early leavers at the time this research was conducted. It was found that the 'Reason for leaving' was either missing or unknown for 38 per cent of early leaver records and their immediate destination was missing for four out of ten (42 per cent) of early leavers. This makes it difficult to understand from the MI what the reasons were for the young person leaving and what they have done since leaving JGW.

14. The frequency and depth of the mentoring provided to the young people was quite limited. The qualitative interviews found that instead of having monthly face-to-face meetings with the young person, the catch ups often consists of a phone call, which may not be followed up if the young person does not answer the first time. Therefore some early leavers did not recall having a mentor, particularly if they did not stay long in their position. From the discussions with the mentors it was found that they often had very large caseloads covering a large geographical area and found it difficult to get in contact with the JGW recruits. Likewise, exit interviews which were meant to happen with young people when they left their JGW job, often did not happen, in some cases because mentors were not made aware by the young person or employer that the young person was leaving. The names and telephone numbers of assigned mentors are not collected and recorded as part of the MI information which means that individual mentors cannot be matched to participant records to identify patterns in performance.

Recommendations

- 15. It is recommended that certain fields related specifically to early leavers be made mandatory in the project MI and be standardised, a process that the WG has begun. Mandatory fields in the routinely collected MI should include 'Reason for leaving' and responses should be selected from a drop-down menu to ensure they are standardised, with guidance provided to managing agents (MAs) about how to select the correct reason.
- 16.It is recommended that mentors' names and telephone numbers are included in the database, and made mandatory, for each participant

record. Being able to monitor individual mentor's performance in terms of following up with individuals would enable the WG to hold them to account for failing to provide the information. It would also make future evaluations that involve speaking to mentors easier, as evaluators would not need to go through the main MA contact to find out who the mentors were and how to contact them.

- 17. It is recommended that consideration should be given to how checks on potential employers can be improved to ensure they are financially stable.
- 18. To improve how well job descriptions reflect the work that a young person will be undertaking on a day-to-day basis, it is recommended that MAs quality assure the job descriptions for content as well as word count.
- 19.It is recommended that MAs and employers work together to screen candidates effectively to ensure young people have the right attitude towards work and are interested in and have the basic level of skills required for the job.
- 20. It is recommended that every effort be made to encourage young people and their employers to contact the mentor if the young person will be leaving early, to ensure that an exit interview can take place.
- 21.It is recommended that the WG examine the role of the mentor and give consideration to expanding it to provide support to the employer and more frequent support to the young person where this is needed, and assess how effectively the current remit and a possible extended one can be fulfilled given how heavy mentors' caseloads are. However, a greater extension of a mentor's role would potentially have cost implications.
- 22. It is recommended that reintegration efforts should target those dismissed by their employers. In particular where behavioural and attitudinal problems are raised by employers at exit interviews, young people should be referred to appropriate work-readiness provision.
- 23.It is recommended that those who left the programme voluntarily not be targeted as few are in need of help to gain employment.