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Research Report

A longitudinal study of Further Education learners receiving out of work benefits – West Midlands City Region

Prepared for
Learning and Skills Council

By
IFF Research

September 2009



Leading learning and skills

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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 nationally, 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 by telephone from 30th October to 10th December 2008 (hence more than 12 months and up to 18 months after the first interview). Nationally, 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, and in total 4,843 of these former learners were re-interviewed for the current survey. **In the West Midlands City Region 520 learners were interviewed.**

- 1.4 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 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, how many have progressed in terms of pay, responsibilities and job role
 - The extent to which learning has helped those that remain unemployed to improve their employment prospects
 - Whether the course has enabled learners to progress into further and higher levels of learning, and whether they have achieved any further qualifications
- 1.5 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 520 learners in the West Midlands City region interviewed in late 2008 with *their* situation in the summer of 2007 (not with the employment situation of all West Midlands City region learners interviewed in 2007).
- 1.6 As a note, the sample profile of the learners interviewed in the West Midlands City region is very similar to that nationally (see table in Annex A). The main differences are that more West Midlands learners are male (36% vs. 30% nationally), and fewer classify themselves as White British (63% v. 73% nationally). Also, fewer West Midlands learners undertook level 2 or 3 courses (48% v. 54% nationally).
- 1.7 *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).*
- 1.8 *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 learning (13%, up from 8% in summer 2007)
- The increase in the proportion in work (41% from 36%) is also notable, but not statistically significant, and is less than the increase found nationally
- Overall seven in ten (70%) have engaged in learning or job-related activity since summer 2007: half have applied for jobs (51%), two-fifths have been to job interviews (41%), and more than two-fifths have started a learning or training course (43%)

Changes in employment and learning status

- 2.1 Among the 520 learners in the West Midlands City region more than half (54%) were engaged in work or learning at the end of 2008. 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, and statistically significant, increase in the proportion in learning (13%, up from 8%). The increase in the proportion in work has been notable (up 41% from 36%) but not statistically significant.

Table 2.1: Work and learning status				
	West Midlands City Region		Nationally	
	Summer 2007	Late 2008	Summer 2007	Late 2008
<i>Base: learners interviewed in both waves (4,837 across England, 520 in the West Midlands City Region)</i>				
In paid work (employee or self-employed)	36%	41%	34%	41%
Learning	8%	13%	10%	12%
<i>Working or learning</i>	<i>44%</i>	<i>54%</i>	<i>44%</i>	<i>53%</i>

- 2.2 The increase in the proportion in work or learning between summer 2007 and late 2008 in the West Midlands City region (10 percentage points) is similar as found nationally (9 percentage points). However, while nationally the increase is mainly the result of an increase in the proportion working, in the West Midlands the overall increase is the result of a more even increase in both measures, i.e. an increase of 5 percentage points of those working and those learning.
- 2.3 Chapter 4 looks in more detail at how increases in employment levels differ by demographic sub-group.

Employment and learning activity since summer 2007

- 2.4 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		
	West Midlands City Region	Nationally
<i>Base: learners interviewed in both waves</i>	520	4,837
	%	%
Applied for jobs	51	48
Been to job interviews	41	40
Started a job	26	27
Started a new learning or training course	43	44
<i>Any employment or learning activity</i>	70	70

- 2.5 Seven in ten of the West Midlands learners (70%) have undertaken some employment or learning activity since summer 2007. About half (51%) have applied for jobs, two-fifths (41%) have been to job interviews, a quarter (26%) have started a job, and more than two-fifths (43%) have started a new learning or training course. Results are very similar as found nationally.

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

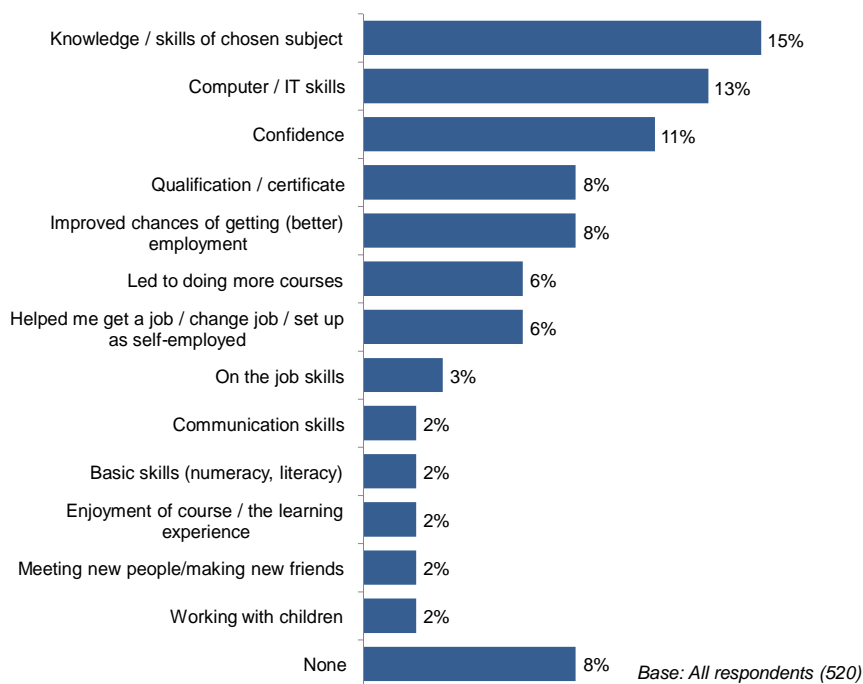
Key messages on the main lasting benefits of the course:

- The vast majority of learners report some lasting benefit of the course – only 8% perceive no such benefits
- The most common sustained benefits relate to improved knowledge in the subject, increased confidence and improved computer / IT skills

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. Results are very familiar to those found nationally.

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



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 (15%); computer / IT skills (13%); the actual qualification or certificate (8%); on-the-job skills (3%); communication skills (2%); and basic skills (2%).
- *'Softer' benefits*: increased confidence (11%); enjoyment of the course or the learning experience (2%); meeting new people and making new friends (2%).
- *Progression benefits*: improved chances of getting (better) employment (8%), helping them get a job, change job or set up on a self-employed basis (6%), and it leading to doing more courses (6%).

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

- Increased confidence was significantly more likely to be mentioned by those who had low qualifications before and after their course (17%), learners who did a level 1 course (15%) and whose course was about basic skills (17%).
- Improved computer and IT skills were significantly more likely to be mentioned by those aged between 44 and 55 years (18%), those looking after the home or with caring responsibilities (20%), and by those who had low qualifications before and after their course (18%).
- Achieving the qualification was significantly more likely to be seen as the main lasting benefit by those learners who did a vocational training course (13%).
- Increased knowledge or skills of chosen subject was slightly more likely to be mentioned by Black learners (18%) and those unemployed and seeking work (19%) but these differences were not significant when compared to the average (15%).

3.4 Clearly it is very encouraging that only 8% of learners felt there were no lasting benefits from their course – this is in line with the proportion found nationally (7%). 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). However, those learners whose course was relatively short, i.e. three months or under in duration, were significantly more likely to report no lasting benefit of their course (17%) than the average.

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

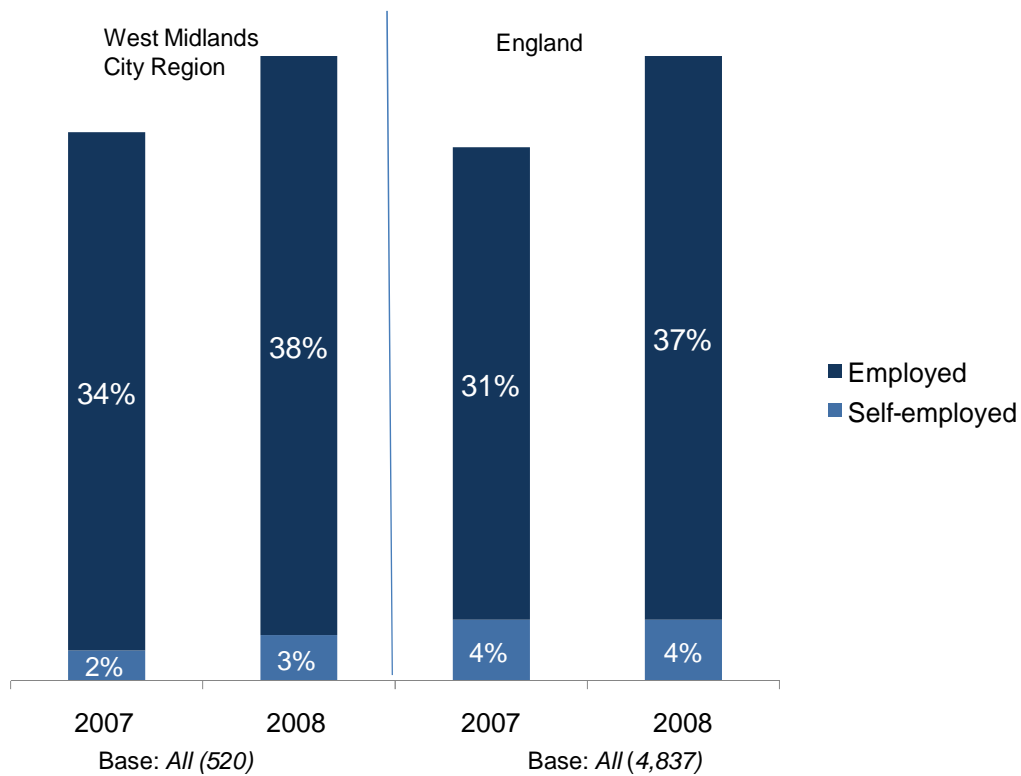
Key messages on the long term impact of learning on employment:

- The proportion in paid employment (including the self-employed) has increased from 36% in summer 2007 to 41% in late 2008
- Overall, 11% of *all* learners are 'new employees' (i.e. in paid employment in late 2008 but were not in summer 2007)
- It is encouraging that a majority of those new to employment or those who had changed jobs felt the 2005 / 06 course was vital (23%) or helpful (37%) 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 (66%), more opportunities to train and improve their skills (64%) and / or increased job satisfaction (62%)
- Most employees have permanent positions (83%), and most see themselves working in the same job in 12 months time (75%)

Overview of changes in employment status since summer 2007

- 4.1 There has been an increase in the proportion of learners in paid work (i.e. working as employees or on a self-employed basis) from summer 2007 to the late 2008, from 36% to 41% - this is not statistically significant at the 95% confidence level. The increase is the result of more learners now working as employees, while the proportion working on a self-employed basis has remained relatively stable between 2% and 3%. *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.*
- 4.2 Figure 4.1 summarises these results, and provides a comparison with changes in employment levels found nationally for the survey. Overall, the increase in the employment rate in the West Midlands is similar to that found nationally.

Figure 4.1: Working status in summer 2007 and late 2008



- 4.3 The proportion in paid employment has increased by five percentage points from summer 2007 to late 2008 for men (45% to 50%) and women (31% to 36%) alike, though in both waves men were significantly more likely to be in paid work than women.
- 4.4 Looking at the proportion of former learners in paid work by age the results show that all age groups experienced an increase of at least four percentage points between summer 2007 and late 2008. The increase was most notable among those aged 45 or over where the proportion of learners in paid work increased from 35% in summer 2007 to 43% in late 2008.

Changes in benefit status since 2007

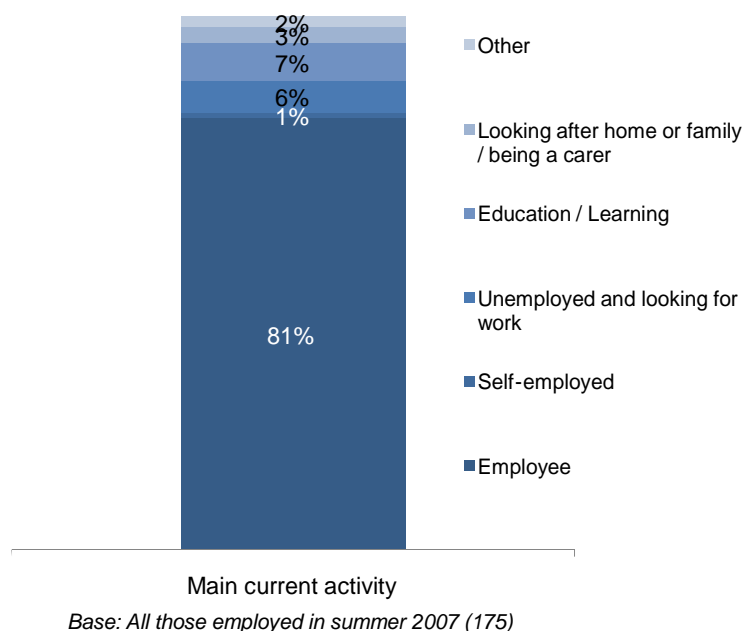
- 4.5 The following table shows the proportion receiving different benefits at the start of their course, in summer 2007 and then in late 2008. The proportion on workless benefits has changed very little from summer 2007 to late 2008.

Table 4.1: Benefits and tax credits received			
<i>Base: learners interviewed in both waves (520)</i>	Immediately before the course	Previous wave (Summer 2007)	Current wave (late 2008)
	%	%	%
Workless benefits:			
Jobseeker's Allowance	37	10	10
Income Support	50	34	34
IB / Employment & Support Allowance	13	10	12
<i>JSA or IB / Employment & Support Allowance or Income Support</i>	88	47	48
Income-related benefits:			
Council Tax benefit	53	34	36
Housing Benefit	48	30	33
Working benefits:			
Child Tax Credit	22	25	33
Working Tax Credit	0.4	9	9
Benefits not related to income or working status:			
Child Benefit	44	35	42
Disability Living Allowance	14	12	16
Carer's Allowance	8	7	8

The current status of those employed in 2007

- 4.6 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 175 learners who were employees in 2007 the vast majority (81%) 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).
- 4.7 A small proportion of those previously employed were now unemployed and looking for work (6%). The remainder tended to be into education or training (7%), or had caring responsibilities (3%).

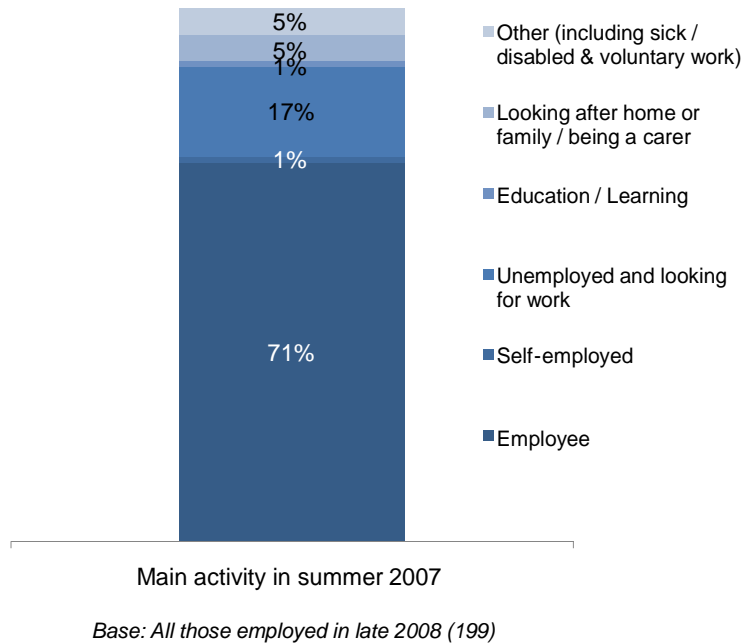
Figure 4.2: Current working status of those working as employees in summer 2007



Current employees in 2008 and the routes to employment

- 4.8 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.
- 4.9 Most of the 199 respondents who were working as employees in late 2008 had been employees when interviewed in 2007 (71%). 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 (15%) had changed employer – we look later in the chapter at the extent to which these individuals had moved into ‘higher level’ or better jobs.
- 4.10 Figure 4.3 shows the working status in summer 2007 of those that were employed in late 2008. It is clearly encouraging to see that one in six current employees (17%) had been unemployed and looking for work in the summer 2007.

Figure 4.3: Working status in summer 2007 of those working as employees in late 2008

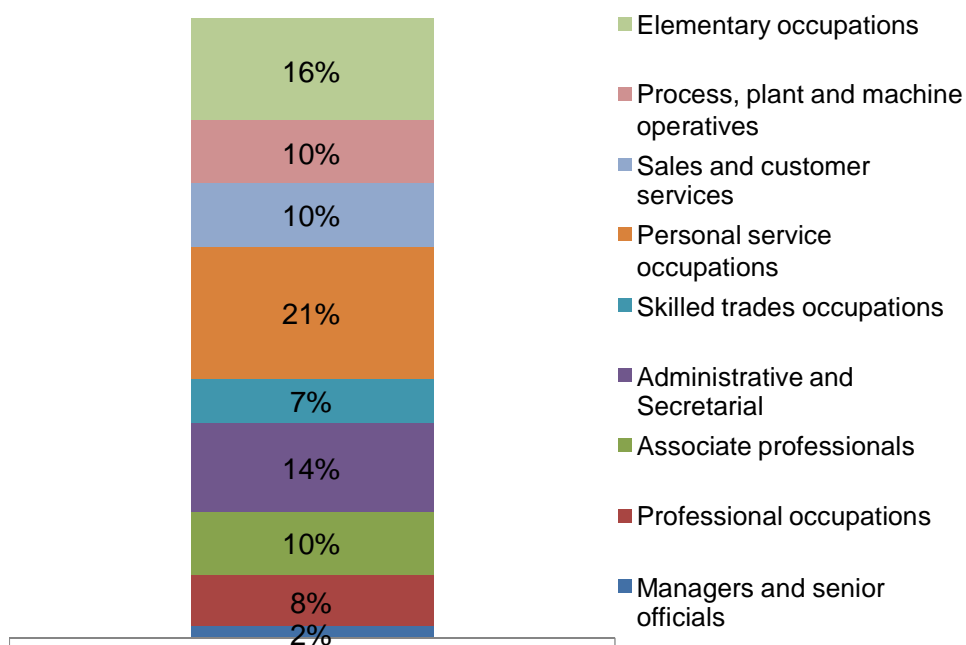


4.11 Overall, 11% of all learners in the sample can be classified as ‘**new employees**’, i.e. as employees in late 2008 but not previously in summer 2007. This is slightly lower than found nationally (13%). Differences were relatively slight by demographic sub-group or by course type, though those aged 25-34 (14%) and 44-55 (13%) were slightly more likely than other learners to be ‘new employees’, and those who completed a vocational course in 2005/06 were significantly more likely (20%). On the other hand, those learners with a long term disability or infirmity were significantly less likely (6%) to be ‘new employees’.

The types of jobs and industries in which learners work

- 4.12 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.
- 4.13 By sector almost half of employees work in Public administration, Education or Health (45%). In the private sector, the most common sectors are Wholesale and Retail (14% of all employees), Manufacturing and Construction (13%), Financial and Business Services (11%), and Transport, Storage and Communications (9%). Results here are similar to those found nationally, where Public admin, Education and Health was also by far the largest sector (48% of employees worked in this sector).
- 4.14 The occupational profile of current employees is shown on Figure 4.4 (this adds to a little under 100% as some not answering this question in sufficient detail have not been shown). Although there is a spread across occupational groups, there is a something of a concentration in personal services (21%), elementary occupations (16%), and admin and secretarial positions (14%).
- 4.15 New employees were more likely than employees in general to be working in sales and customer service roles (17% vs. 10% on average) suggesting that this may be a focus of recent job creation for these learners in the West Midlands City Region.

Figure 4.4: Occupational profile



Base: All working as employees (199)

- 4.16 Just over half of employees work in micro establishments with fewer than 10 staff (13%) or small establishments with 10 to 50 employees (38%). A quarter of those currently employed work in organisations with 51-249 staff (26%) and the remaining 19% 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.
- 4.17 Most employees have a permanent job (83%) with most of the remainder either in temporary / casual jobs (10%) or working on a fixed term contract basis (6%). The figures are close to the national average (where 81% of employees were in permanent positions), and indicate the sustainable nature of most employment. Also, a similar proportion (80%) worked more than 16 hours per week, which is a slight increase compared to summer 2007 (78%). 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).

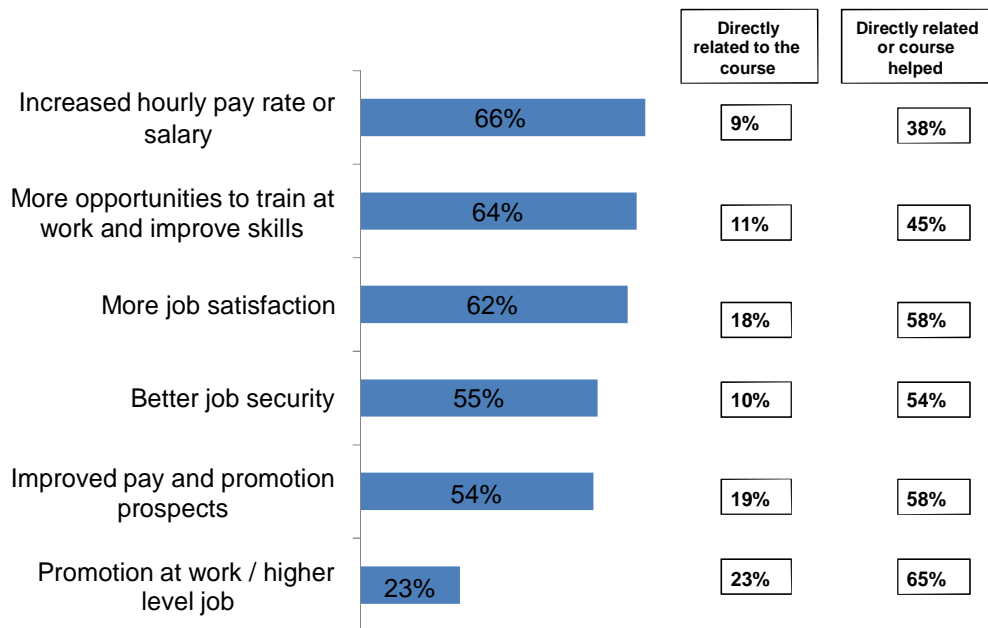
The role of the course in helping learners get new jobs

- 4.18 Overall 87 respondents in the West Midlands City Region had changed job since summer 2007 or were working as employees in late 2008 but had not been in summer 2007. It is encouraging that most felt the course was vital (23%) or helpful (37%) in securing their new employment.

Progression within employment

4.19 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 4.5 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 (85%) hence results are largely driven by this group of respondents.

Figure 4.5: Benefits experienced and the role of the course



Base: Those learners working as employees in summer 2007 and late 2008 (115)

Base: Those learners experiencing each benefit

4.20 Nearly all those working as employees in both 2007 and 2008 had experienced positive developments in their job since summer 2007 (93%). Two thirds have seen their pay rates increase (66% - it should be noted, however, that we do not know if the increase is above inflation, hence whether individuals are 'better off') and feel they have more opportunities to train at work and improve their skills (64%), and three in five report more job satisfaction (62%). Just over half reported better job security (55%) and improved pay and promotion prospects (54%). Just under a quarter had gained a promotion at work or found a higher level job (23%).

4.21 As shown in Figure 4.5, for four of the six developments at work discussed with respondents, at least half that had benefitted felt the course had helped achieve this outcome: this was highest in relation learners who had a promotion at work or whose new job is at a higher level, where two-thirds (65%) experiencing this improvement felt the course helped them achieve this. Although increased pay rates compared with summer 2007 was the most frequently cited development (mentioned by 66%), this was the least likely to be seen to be the result of the course. Still almost two-fifths (38%) of those experiencing increased pay felt their attending the course had helped them achieve this outcome.

- 4.22 Overall three-fifths (60%) of the 115 respondents working as employees in summer 2007 and late 2008 had gained some benefit at work which the course helped them achieve – and a quarter (23%) had experienced a benefit which they felt was *directly* attributable to the course.

Assessing the quality and sustainability of learner's employment

- 4.23 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. Nearly half of all those working as employees in late 2008 had received training in their job (46%), slightly lower than the proportion found nationally (49%). It was significantly higher (at 59%), as found nationally, among those working in Public administration, Education or Health.
- 4.24 Although quite large proportions of those trained have received Health and safety training (60%) and / or induction training (52%), 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 (57%).
- 4.25 It is also encouraging that most employees (75%) regard their current job as one they see themselves doing in 12 months time. However, this level is slightly lower than found nationally (78%).

Barriers to progressing at work

- 4.26 Employees were read a list of potential barriers to progression at work, and asked which applied to them in their current job. The aim here was to see if a lack of qualifications or skills are seen as barriers to progression. Three in five (59 %) identified some barriers, most commonly the current economic climate (30%), a lack of experience (20%), their lacking qualifications (17%) and lacking work-related skills such as communication, IT, problem-solving or team working skills (14%). Hence 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 or training since summer 2007 – this usually a higher level course - and a quarter have achieved a further qualification
- Three quarters say they are likely to undertake further learning in the next two years

Learner engagement with further study since summer 2007

- 5.1 Overall, almost one in eight respondents (13%) described their main activity in late 2008 as being in full or part-time learning or on a government scheme for employment training. This is slightly higher than found nationally (12%). Those aged under 25 (41%, though on a low base of 27 respondents), Black respondents (28%, on a base of 61), those born outside the UK (22% on a base of 95 respondents) and whose first language is not English (21% based on 75 respondents) were all more likely than average to describe their main status as being in learning in late 2008.
- 5.2 Many more respondents had undertaken some learning since summer 2007, and just over two in five (43%) had started a *new* course since summer 2007, again similar to the figure found nationally (44%). Women (45%) were slightly more likely than averaged to have started a new course, as were Black respondents (57%) and those aged under 25 (63% on a low base of 27 respondents).
- 5.3 More than half of new learners felt the 2005 / 06 course was vital (26%) or helpful (29%) in assisting them get on their (most recent) new course, and reflecting this, 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 (63%). While most of those starting new courses have progressed to higher level courses, still a sixth said their most recent course was the same level as the original one in 2005 / 06 (17%) and around one in eight were undertaking a lower level course (13%) – as a note seven percent were unsure how the more recent course compared in terms of level to the one completed in 2005 / 06.

Qualifications gained since summer 2007

- 5.4 Over a quarter of learners (28%) have gained further qualifications since their course finished in 2005 / 06, exactly the proportion found nationally. Those learners aged 35 to 44 years were significantly more likely than average to have gained further qualifications (34%), as were those who undertook a Level 2 course in 2005/06 (35%). Where details were provided which enabled an assessment of the level of this subsequent course (69 learners), it was most often at level 2 (62%), with more at level 3 or higher (41%) than below level 2 (23%). (It is worth noting that learners could have achieved more than one qualification since the original course – hence the percentages add to more than 100)

Likelihood of undertaking further learning in the next two years

- 5.5 We have seen that more than two in five learners had undertaken some learning or training since summer 2007, and that a similar proportion of respondents in the West Midlands City Region were in learning or training in late 2008 than found nationally, both results 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 (28%) likely that they will undertake further learning in the next two years. This is very much in line with the level of interest in learning recorded nationally (44% and 29% respectively).
- 5.6 Women were significantly more likely than men to anticipate further learning in the next two years (76% v. 63%), indeed approaching half of women thought it *very* likely. Those aged 25 to 34 and Black learners were also both more likely than average to anticipate further learning in the next two years (81% and 85% respectively).

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 four percentage points between summer 2007 and late 2008, from 17% to 13%
- Among those unemployed and seeking work in summer 2007 it is encouraging that two in five were in paid employment in late 2008, equivalent to 7% of the overall cohort that have moved out of unemployment into paid work since summer 2007
- Two thirds of those not working thought that the course had increased their chances of finding a job, with a quarter thinking that the course had *significantly* increased their job prospects

Overview of changes in unemployment

- 6.1 There has been a fall from summer 2007 to late 2008 in the proportion of West Midlands City Region learners describing their current status as unemployed (i.e. unemployed and looking for work), from 17% to 13%. The change is not statistically significant at the 95% confidence level. *The difference in the timing of the surveys in 2007 and 2008 (as pointed out in paragraph 4.1) needs to be noted and may have contributed to the fall in unemployment.* Despite this fall in unemployment, the proportion claiming JSA in late 2008 has remained unchanged compared with summer 2007 (10%).
- 6.2 The level of unemployment was much higher among men (18%) and also among those aged 25-34 (20%). This is shown in table 6.1 together with the change from summer 2007 to late 2008. This shows that the 2005/06 course has had greatest impact on reducing unemployment for those aged 35-44 and among those learners who took their first Level 2 course in 2005/06: among these groups the proportion unemployed has fallen by seven percentage points.

Table 6.1: Unemployment rates			
	Summer 2007	Late 2008	<i>Change</i>
<i>Base: learners interviewed in both waves</i>	%	%	
All learners (520)	17	13	-4%
Male (188)	21	18	-3%
Female (332)	14	11	-3%
Under 35 (159)	17	18	+1%
35-44 (189)	18	11	-7%
45 plus (171)	16	12	-4%
Born outside the UK (95)	16	11	-5%
First level 2 course (76)	16	9	-7%
Lone parents (195)	12	13	+1%

6.3 *Base sizes are relatively small and hence some caution is needed in interpreting results*, but results show that of the 88 learners describing their status as unemployed in summer 2007, it is encouraging that two in five were in paid employment in late 2008, equivalent to 7% of the overall cohort that have moved out of unemployment into paid work. About a third remain in unemployment, and the remainder of those previously unemployed are now in education or training, or looking after the family or being a carer.

Those unemployed and looking for work in late 2008

6.4 A total of 70 respondents (13% of the cohort) described their main working status in late 2008 as unemployed and looking for work. A large proportion of the current unemployed were also unemployed in summer 2007 (44%), but 10% had been in paid employment in summer 2007. This is equivalent to 2% of the overall sample moving from paid employment in 2007 to unemployment in late 2008.

6.5 The discussion to date has looked at those classifying themselves as unemployed, 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, 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 19% 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.

The perceived benefits of learning among those currently unemployed

- 6.6 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, acquiring the qualification or certificate, and improved employment prospects, and that very few learners said there had been no lasting benefits of the course.
- 6.7 Results among those classifying themselves as unemployed and seeking work were broadly similar to the results among all learners. The most common benefit among both groups was seen to be increased knowledge (19%), followed by achieving a qualification (14%), increased confidence (13%), and improved IT skills (13%). Overall 11% of those currently unemployed thought there had been no lasting benefits, which is slightly higher than the proportion found among all learners (8%).

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

- 6.8 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, two thirds (65%) thought that the course had helped increase their chances of finding a job, with a quarter (25%) thinking that the course had *significantly* increased their job prospects. These figures are very similar to those found nationally, where 64% of those not working felt their chances of finding a job had improved because of the course.
- 6.9 Those not working in late 2008 that were currently in learning or training were much more likely than average to feel the course had improved their job prospects (84%), as were learners with previous low qualifications for whom the original 2000/06 course was a step up (74%).

How motivated those currently unemployed are to find work and the barriers they face

- 6.10 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 more than two thirds (67%) were motivated (a score of 6 or more), and half (53%) could be described as particularly motivated (a score of 8 or more). The mean score was 6.8 out of ten.
- 6.11 Predictably results vary by the exact status of the individual. Those 'unemployed and seeking work' were the most highly motivated (a mean score of 8.7), while those permanently sick or disabled were relatively the least motivated (a mean of 4.5).
- 6.12 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 (59%), and many also felt a lack of qualifications (42%) and lack of skills (39%) was an impediment.
- 6.13 Health issues (38%) and age (29%) are felt to be quite common barriers to employment, both particular affecting those aged 45 plus (61% and 56% respectively). As many as 6% mentioned literacy skills and English, and 5% prior criminal convictions as barriers to work.

6.14 In addition to these personal limitations, respondents also mentioned a number of barriers to work that stem from adverse external conditions. Three in five brought up the current economic climate (58%), half of those not currently employed (50%) 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 (36%, much higher among women than men – 48% v. 11%). Difficulties with arranging childcare were a barrier felt by a quarter of those not working (24%, again this particularly affects women – 33% v. 4% 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 has increased only slightly by one percentage point (3% up from 2%)
- There have been notable movements in and out of self-employment: overall 2% of the total sample have become self-employed since summer 2007
- Interest in setting up on a self-employed basis is high, and one in ten of the total sample indicated that they had ambitions to work on a freelance basis or set up their own business in the next 12 months. Difficulties raising finance / capital is the most common barrier.

Overview of changes in self-employment

- 7.1 The level of self-employment has increased only very slightly, from 12 learners (2% of the sample) in summer 2007 to 15 learners (3%) reporting being self-employed or running their own business in late 2008.
- 7.2 However, the longitudinal analysis reveals some notable movements in an out of self-employment during this time, for example of the 12 respondents self-employed in summer 2007, only 7 were still self-employed in late 2008. Put another way, of the 15 respondents self-employed in late 2008 most (8) had become self-employed since summer 2007: overall 2% of all West Midlands City region learners were the 'newly self-employed'.

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

- 7.3 Among the seven respondents continuing in self employment between summer 2007 and late 2008, all except one had progressed in terms of greater job satisfaction, increased job security or long term earning potential, and / or increased earnings. Among the 6 learners experiencing these benefits five learners felt that these improvements were a direct result of the course. Similarly it is also encouraging to see that more than half (4) of those becoming self-employed since summer 2007 (7 respondents) say that the course that they completed in 2005 / 06 was vital or helped in enabling them to set up on a self-employed or freelance basis.

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

- 7.4 As many as 10% of those not working self-employed indicated that they had ambitions to work on a freelance basis or set up their own business in the next 12 months (this is a total of 54 learners). This is slightly lower than the national figure (12%). The West Midlands figure was significantly higher among men (16% vs. 7% among women), and also higher among those aged 25-34 (14%) and Black learners (15%), indicating particular groups with above average interest in setting up on a self-employed basis.
- 7.5 Among these respondents the biggest perceived challenge, mentioned by half (50%), 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 (24%), writing a business plan (11%), securing a client base (9%), overcoming health or disability related challenges (9%), and finding the time (7%).

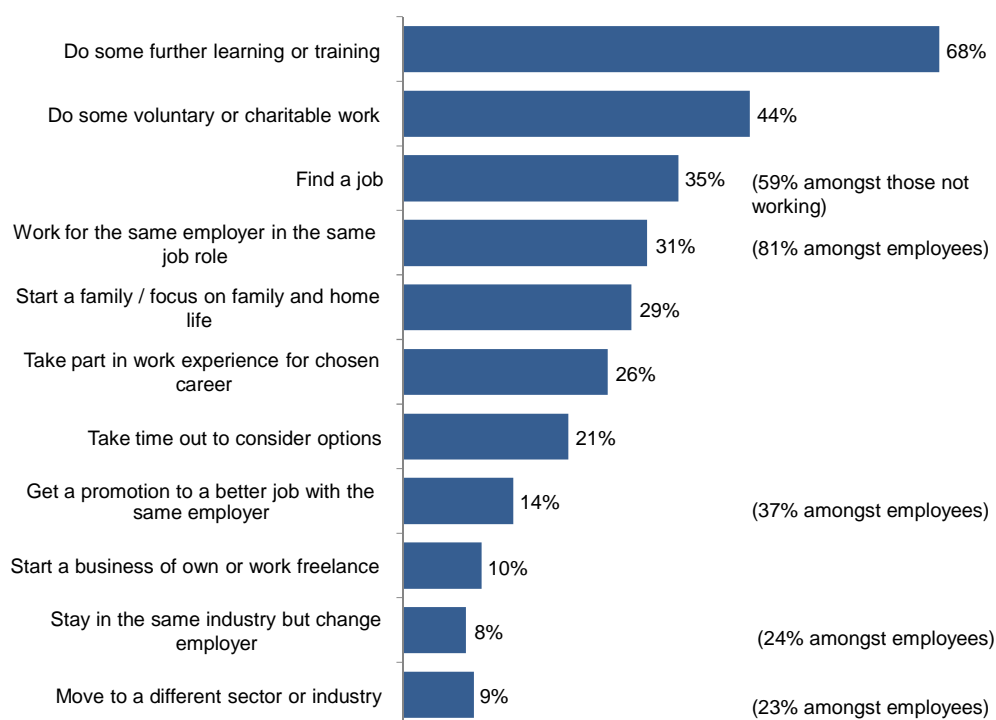
8 What are learner ambitions for the future?

Key messages regarding ambitions for the future:

- There is high level of interest in undertaking further learning or training in the next 12 months – more than two thirds plan this for the next 12 months
- Three in five of those not working plan to find a job in the next 12 months

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)



Base: All respondents (520)

8.2 Clearly there is high interest in undertaking more learning or training (68%, the same as the national level), particularly so among female learners (70% v. 64% among men), those aged under 35 (74%), and Black learners (82%).

8.3 Three-fifths of those not working plan to find a job (59%). Among those specifically who are unemployed and seeking work (a base of 70 respondents) nearly all (94%) plan to find a job in the next 12 months, with many also planning on further learning (70%) and / or taking part in work experience (59%).

8.4 Among the 67 respondents currently engaged in learning or training, most plan to do continue learning or training (79%), though three in five plan to find a job in the coming year (61%) and a similar proportion (57%) plan to take part in work experience for their chosen career.

8.5 Results on ambitions for the future among learners in the West Midlands City region closely match the national picture.

Annex A: Sample profile of learners

Demographics / Profile of Learners

	Nationally (sample = 4,837)		West Midlands City Region (sample = 520)	
	Number	%	Number	%
GENDER				
Male	1,428	30	188	36
Female	3,409	70	332	64
AGE				
Under 25	243	5	27	5
25-34	1,152	24	132	25
35-44	1,766	37	189	36
45-55	1,373	28	135	26
55+	292	6	36	7
Refused	11	1	1	*
ETHNICITY				
White - British	3,554	73	330	63
White - Irish	49	1	3	1
White - Other	142	3	6	1
Black or Black British - Caribbean	236	5	42	8
Black or Black British - African	246	5	15	3
Black or Black British – Other	31	1	4	1
Asian or Asian British - Indian	134	3	40	8
Asian or Asian British - Pakistani	115	2	35	7
Asian or Asian British - Bangladeshi	43	1	11	2
Asian or Asian British - Other	56	1	8	2
Chinese	15	*	1	*
Other ethnic background	99	3	11	2
Mixed	79	1	9	2
Refused	38	1	5	1

	Nationally (sample = 4,837)		West Midlands Region (sample = 520)	
LIVING WITH DEPENDENT CHILDREN				
	Number	%	Number	%
Yes	2,551	53	264	51
No	2,286	47	256	49
LONE PARENTS				
Yes	1,986	41	195	38
No	2,851	59	325	63
COURSE LEVEL				
Not available	96	2	8	2
Level 0	280	6	40	8
Level 1	1,765	36	221	43
Level 2	1,580	33	168	32
Level 3	1,039	21	80	15
Level 4	77	2	3	1
GUIDED LEARNING HOURS				
Not permitted or no	96	2	8	2
30 hours and under	1,361	28	150	29
30.1 - 60 hours	1,099	23	122	23
60.1 - 135 hours	1,083	22	129	25
135.1 hours and over	1,198	25	111	21