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# Interim Evaluation of the GO Wales Programme

*Final Report to*  
Higher Education Funding Council for Wales

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## Executive Summary

DTZ has been appointed by the Higher Education Funding Council for Wales (HEFCW) to undertake interim and final evaluations of Phase 5 of Graduate Opportunities Wales (GO Wales). GO Wales Phase 5 runs from January 2009 – December 2011. This is the summary of the interim evaluation report.

GO Wales is a multi strand graduate employability and skills programme. It is sponsored and managed by HEFCW and delivered by Higher Education Institutions across Wales. Phase 5 is a £19+ million pan Wales programme with a mix of funding from the European Social Fund (Convergence ESF), HEFCW, Higher Education Institutions and employers (public and private sector).

The objectives of GO Wales are to:

- Help graduates develop careers in the Welsh economy where they can use their higher level skills, knowledge and innovative potential.
- Enable students and graduates to experience organisations, make contacts and gain a better understanding of the skills and knowledge required to forge a graduate career in their chosen area(s)
- Aid retention of graduate level skills in SMEs in the Welsh economy
- Up skill participants, building on and enhancing their academic qualifications and ease access to employment.
- Enable SMEs and other organisations to access higher level skills, knowledge and innovative potential.
- Develop a website where employers can advertise posts that are of particular interest to graduates, free of charge, and where graduates who want to work in Wales can search for vacancies.

In order to achieve these objectives the activities of GO Wales are structured around the following strands:

1. Work Placements - 10 week paid placements within Welsh businesses for HE students and graduates.
2. Work Tasters – up to 10 day work tasters in Welsh businesses for HE students and graduates.
3. Graduate Training and Development – offering financial support for training of graduates within Welsh businesses.
4. Graduate Academy – an opportunity for graduates to develop work readiness skills.
5. Freelancer Academy – introductory training for graduates exploring a freelancing career.
6. GO Wales Jobs – job advertisement website.

This interim evaluation focuses on progress to date, programme structures and management and early indications of impact. It is based on a range of evidence including programme management documentation, contemporaneous participant feedback, telephone surveys of student/graduate and employer participants and consultations with GO Wales staff, managers and external stakeholders.

A substantial review of relevant literature, policy and strategy documentation has found evidence of a clear rationale for GO Wales, both before Phase 5 was developed and as HEFCW considers applications for further funding. It is essential that the UK has a highly skilled workforce. This

includes ensuring that those with higher level skills are competent in the work place, and that businesses across the country understand the benefits of employing higher skilled individuals. Research by CBI (2009) identified the need to improve the employability skills of graduates was top of the list of businesses requests to universities. Research by the Small Business Service (2002) also found evidence to suggest SMEs in particular, are doubtful of the value of graduates to their businesses. GO Wales is targeted at both these critical areas. For Wales, the need to be competitive in the global economy is even more pressing than for the UK as a whole. Welsh economic performance lags the UK average and there is a clear need to create more and better jobs. This need is reflected in policy at European, UK and Welsh levels.

In addition to evidence of need, there is also evidence of market failure in both the demand for and supply of higher level skills, particularly within SMEs. These combine to create a lower level of graduate employment than would be the case if the correct information was available and the wider social benefit of graduate employment was taken into account. GO Wales is therefore justified in intervening to tackle these market failures and demonstrating to both students/graduates and employers the benefits of graduate employment within SMEs.

GO Wales sits alongside a range of other interventions including University based careers and employability programmes, the activities of Careers Wales and Job Centre Plus, a range of University-Business interventions, such as Knowledge Transfer Partnerships and a number of more general business support and skills initiatives. Whilst this evaluation has not exhaustively researched the strength of linkages with other programmes, it has found positive links with University careers activities and KTPs. However, the strength of links with Careers Wales, Job Centre Plus and other publicly funded business support activities appears to be weaker than may be ideal.

Phase 5 of GO Wales included the continuation of some strands of activity (work placements, work tasters and GO Wales jobs website), development of another (GTD replacing a former Continuing Professional Development strand) and two new strands of activity (Graduate and Freelancer Academies). Those strands which were continuing already had established operational practices which were well developed. However, the GTD strand incorporated some major changes and along with the new strands of activity, was subject to some delays in establishing operations. As a result, these three strands of activity have lagged pro-rated target profiles.

In general, performance against target (as measured by completed interventions at October 2010) was behind profile for all strands other than work tasters. In addition to start up delays for some strands the other significant challenges related to the recession and weak economic climate. In particular, this was subduing employer recruitment (including work placements) and constraining funding for training (GTD).

Overall, the evidence suggests a coherent programme of complementary activities tackling a range of issues in the sphere of graduate employability. With the exception of some start up related delays, the operational arrangements for GO Wales appear robust and there is general contentment among staff. Most importantly, the experiences of students/graduates and employers are very positive, with very high satisfaction ratings via feedback forms and telephone surveys regarding both the quality of service received, overall administration of the scheme and the ability of the programme to deliver on objectives.

Early assessment of impact is very positive for both students/graduates and employers. Early evidence suggests:

- Low levels of unemployment among participants, compared to UK averages for graduates.
- High levels of employment (circa 60%) within the host organisation for work placement candidates.
- A positive contribution to graduate retention within Wales.
- A positive impact on student/graduate attitudes to working within SMEs.
- A broad range of skills and experiences gained by participants and high expectations of future benefit as a result. In particular, skills acquired are in the areas often quoted as lacking among young people entering the workforce e.g. communication.
- Strongly positive impacts on employer attitudes to graduate recruitment in the future, the likelihood of further engagement with universities and the likelihood of further training of staff in the future.
- High levels of reported benefits to the organisation including the contribution of new ideas and skills, as well as the opportunity to trial a potential new employee and make a positive contribution to society through offering work experience.
- Evidence of real business benefits including higher levels of turnover, employment and the introduction of new products and processes.

Overall the evidence points to a strong and successful programme. In particular the work placement and work taster strands are well respected among external stakeholders and show positive benefits to both the individual participant and the business. Initial feedback and subsequent survey evidence points to very positive experiences from almost all who participate in all strands, with a range of anecdotal success stories easily recalled from all consultees.

The most notable concern at interim evaluation stage is that of progress against target within this funding phase. However, given the economic climate and the establishment of new strands of activities, this progress is not particularly surprising. There is evidence of potential to get substantially closer to target by the end of the programme period (December 2011) which will be subject to testing within the final evaluation.

A number of strategic and operational recommendations and suggestions have emerged on the basis of the evidence collated by the evaluators. These are under consideration by HEFCW and include:

#### **Strategic**

- Ensuring GO Wales is aligned with the changing face of Higher Education in Wales.
- Considering calls to expand the placement programme substantially to put Wales at the forefront of graduate employability.
- Developing a managed exit strategy to ensure sustainable model for delivery without reliance on short term funding.

#### **Operational**

- Raising awareness among business advisors in Wales.
- Increasing effectiveness of marketing activities.
- Developing the extensive project database into a CRM tool.
- Building stronger alliances with Job Centre Plus and Careers Wales.
- Making GTD more responsive and flexible.
- Writing placement opportunities into public sector tender contracts.
- Improving communication arrangements to be more inclusive and allow sharing of best practice.



## 1. Introduction

DTZ has been appointed by the Higher Education Funding Council for Wales (hereafter HEFCW) to undertake interim and final evaluations of the Graduate Opportunities Wales (GO Wales) Programme for the period January 2009 – December 2011. This report presents the findings of the interim evaluation.

### 1.1 The GO Wales Programme

GO Wales is Wales' graduate employability and skills programme. The programme is sponsored and managed by HEFCW and delivered by Higher Education Institutions (HEIs) in Wales. GO Wales offers a suite of products and services to graduates to prepare them for work and to highlight to businesses the benefits of employing workers with graduate level skills. There are six strands of activity within the GO Wales programme:

- 1 Work Placements - 10 week<sup>1</sup> paid placements within Welsh businesses for HE students and graduates.
- 2 Work Tasters – up to 10 day work tasters in Welsh businesses for HE students and graduates.
- 3 Graduate Training and Development – offering financial support for training of graduates within Welsh businesses.
- 4 Graduate Academy – an opportunity for graduates to develop work readiness skills.
- 5 Freelancer Academy – introductory training for graduates exploring a freelancing career.
- 6 GO Wales Jobs – job advertisement website.

The evaluation has considered issues relating to each of these strands of activity. Further information on the strands can be found in section 3.2.

### 1.2 Evaluation Objectives

The evaluations of the GO Wales Programme should allow HEFCW and GO Wales partners and stakeholders to:

- Assess whether the Programme is achieving its aims and objectives
- Assess the design, delivery and management of the Programme
- Assess the effectiveness and impact of the Programme
- Examine value of money
- Make evidence based recommendations

HEFCW is committed to undertaking and learning from the evaluations to enable the GO Wales Programme to be improved and to underpin future bids for funding to extend the life of the Programme.

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<sup>1</sup> Some placements can be extended up to 24 weeks where there is a link to the Knowledge Transfer Programme (KTP).



## **1.3 Evaluation Methodology**

This interim evaluation has been structured to deliver useful evidence to HEFCW on progress to date, programme structures and management, and early indications of impact. As a result, the methodology has been devised to achieve these objectives as well as to collect an array of information that will contribute to the final evaluation, to be completed at a later date. Set out below is a brief summary of the methodology employed in undertaking this interim evaluation.

### **1.3.1 Policy Review**

A range of relevant policy and strategy documents have been reviewed to cross check the strategic fit of the GO Wales programme at time of development and presently.

### **1.3.2 Management Information Review**

A substantial review of information from the programme database as well as monitoring records and other management information has been reviewed as part of this interim evaluation. This has been supplemented with open and free dialogue between the evaluation team and the HEFCW monitoring staff.

### **1.3.3 Participant Feedback Analysis**

Participant feedback has been collected for all strands and interventions. This feedback was collected on paper based forms. As part of the interim evaluation 2,234 feedback forms were scanned to allow electronic analysis of the data. This will be supplemented with a second tranche of feedback forms at final evaluation stage. The sample has been structured to give statistically robust results.

### **1.3.4 Individual Participant Survey**

A telephone survey of 436 participants of this phase of GO Wales has been completed. This was designed to supplement available data and test issues around marketing and awareness, and impact of the scheme.

### **1.3.5 Business Survey**

A telephone survey of 226 participating businesses has been completed. This was designed to supplement available data and test issues around marketing and awareness, and impact of the scheme.

### **1.3.6 Management and Delivery Consultations**

The evaluators consulted with 11 individuals involved in the management and delivery of GO Wales (excluding those managing the evaluation), to gather the views on a range of matters relating to the design and implementation of the Programme.

### 1.3.7 External Stakeholder Consultations

The evaluators consulted with six external stakeholders to gather views on Programme perception and fit with related activities.

### 1.3.8 Analysis & Reporting

The evidence collected from all sources was pooled and analysed to build a picture of the GO Wales Programme and to respond to the evaluation objectives. An emerging findings workshop was held in March 2011 to share early results, validate findings and discuss the potential implications and recommendations to emerge from the interim evaluation. Following this workshop draft and final reports were prepared.

The results of the interim evaluation will be combined with additional fieldwork (consultations, feedback form analysis, and participant and business surveys) to ensure a substantial evidence base on which final evaluation conclusions will be based.

## 1.4 Report Structure

The remainder of this report is set out as follows:

- **Section 2** outlines the rationale behind the development of the GO Wales programme and its aims and objectives.
- **Section 3** provides an overview of GO Wales programme including its funding, activities, outputs and outcomes.
- **Section 4** provides a brief review of a range of similar programmes elsewhere in the UK.
- **Section 5** considers progress to date within this phase of GO Wales activity.
- **Section 6** provides a summary of issues related to programme structures, management and delivery.
- **Section 7** sets out an analysis of emerging impact.
- **Section 8** provides interim evaluation conclusions.
- **Section 9** sets out recommendations for further consideration by HEFCW.

A series of appendices provide further detail and results of the analysis completed.

## 2. Programme Rationale and Objectives

The GO Wales programme is essentially concerned with addressing two issues:

- Ensuring that Welsh graduates have appropriate employability skills
- Encouraging SMEs and other organisations to access higher-level skills

Addressing issues regarding both the supply of and demand for a higher-skilled workforce should lead to gains in economic productivity in the Welsh economy.

### 2.1 Need for Investment in Graduate Employability

Whilst economic growth in the past was driven by natural resources and low labour costs, today, growth is driven by service-led economies and high value-added industry. Skilled workforces have positive impacts on high level economic aims such as GDP and productivity.

The Leitch Review of Skills (2006) was established to consider the UK's long term skills needs in order to maximise productivity, economic growth and social justice. The Review found that fundamental changes in the global economy mean that the future prosperity of advanced economies such as the UK increasingly depends on the quality of their skills bases. Individuals need to be equipped with the skills to be flexible and take advantage of new opportunities as they arise, rather than trying to hold on to jobs in declining industries.

The review notes that *“a highly skilled workforce drives innovation, leadership and management, enabling businesses to compete in the global economy.”*<sup>2</sup> There is a need to ensure that higher level skills are of world class quality and relevant to the economy rather than simply focusing on the quantity of people educated to a high level. The Review notes that *“people entering the labour market, whether from full-time education or worklessness, also need a wider set of skills, such as IT, communications and team working. These wider employability skills should be embedded within training and qualifications, as well as being taught separately as appropriate.”*<sup>3</sup>

A report into Competitiveness and the Role of Universities (Brown, 2007) also echo's the messages in the Leitch Review: *“The continued international competitiveness of the UK rests on the continuing supply of high quality graduates and postgraduates who have the knowledge and capabilities that knowledge intensive businesses need”*. However, the Brown report notes that despite the strengths of the UK higher education system, employers have concerns about the perceived weaknesses in some students of adequate communication, and networking skills and understanding on how businesses operate. Employer worries over job readiness of graduates were also noted in the Lambert Review (2003)<sup>4</sup>. These concerns were also identified in the second CBI education and skills survey (2009)<sup>5</sup> which surveyed 581 employers across the UK. Some key findings of the survey were that:

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<sup>2</sup> Leitch Review of Skills (2006) Prosperity for all in the global economy – world class skills. Para 67

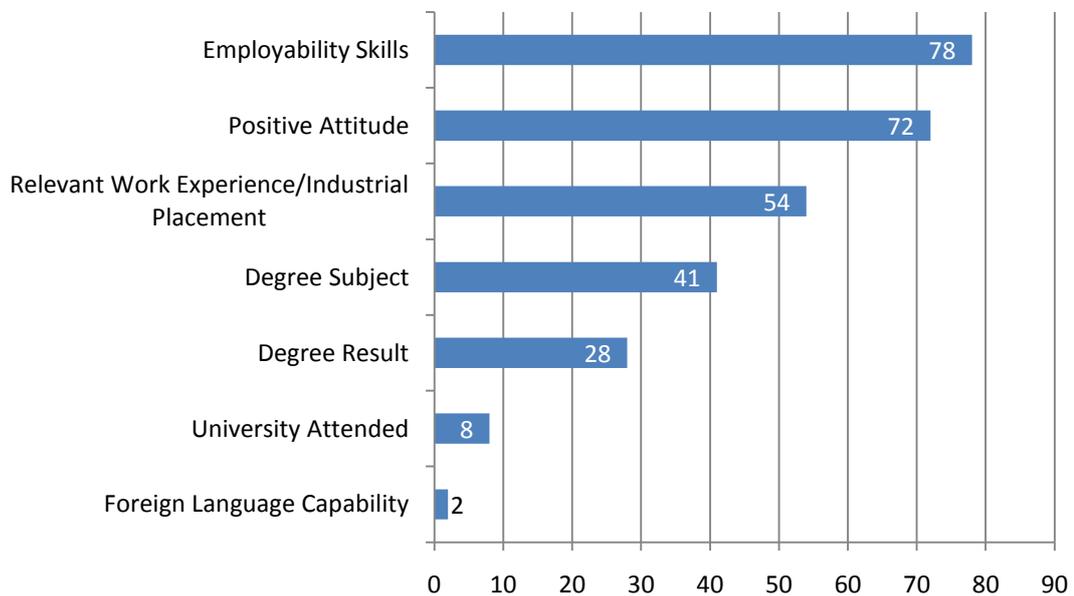
<sup>3</sup> Leitch Review of Skills (2006) Prosperity for all in the global economy – world class skills. Para 3.37

<sup>4</sup> Lambert Review of Business-University Collaboration (2003)

<sup>5</sup> CBI (2009) Emerging Stronger: The Value of Education and Skills in Turbulant Times. Education and Skills Survey 2009

- 84% of larger firms have links with universities
- 74% of companies with university links do so to provide work experience placements for graduates.
- The survey suggested that smaller businesses struggle to link with universities. Only half of businesses with between 50 – 199 employees have university links
- Employability was ranked the most important factor that employers look for in graduates (see chart)

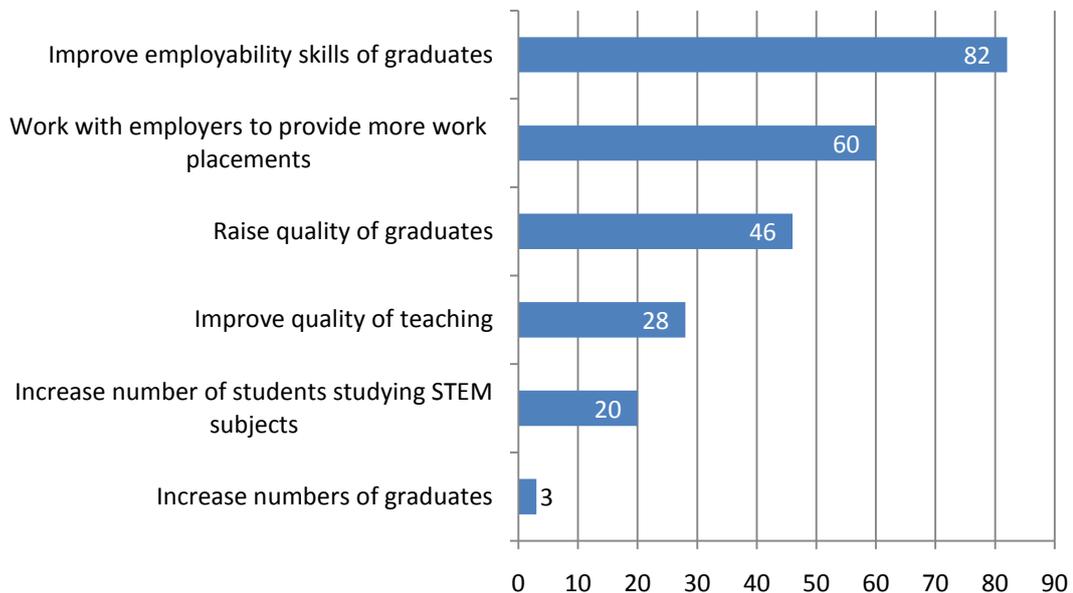
**Figure 2.1: Important factors considered when recruiting graduates (%)**



Source: CBI (2009)

- Businesses think that universities should focus on developing employability skills within the student population as a priority

**Figure 2.2: What should universities prioritise in terms of undergraduates? (%)**



Source: CBI (2009)

- For employers, quality, not quantity, of graduates is the primary concern.
- Graduate employability skills are only satisfactory - only 29% of employers are very satisfied with the ability of graduates to apply numeracy skills, and a similarly low proportion – 31% – are content with the communication and literacy skills of their graduate intake.
- Employers were also concerned about graduates’ broader employability skills. Just 19% reported high levels of satisfaction with graduates’ teamworking skills, and just 8% of firms were very satisfied with university-leavers’ basic understanding of business and customer awareness.

The CBI has produced a report, *Future fit*<sup>6</sup>, which highlights best practice from universities and employers in developing graduates’ employability skills. The research found that where universities set aside specific resources – staff and budgets – to engage with employers and ensure their students have the opportunity to develop employability skills, this brings real benefits in terms of preparing students for fulfilling and sustainable employment. The report also emphasises the benefits of work placements for developing student’s employability skills.

Research commissioned by the Small Business Service<sup>7</sup> in 2002 looked to understand the contribution of graduates to SMEs. The research focused on secondary research and found that the graduate labour market for SMEs was far from transparent, with little understood about its needs and processes. The research found that there is a lack of understanding by ‘gatekeepers to wider graduate supply to the labour market’<sup>8</sup> of the difference between

<sup>6</sup> CBI (2009) *Future Fit: Preparing Graduates for the World of Work*

<sup>7</sup> Holden, R et al (2002) *Making a Difference – The Contribution of Graduates to Small Business Success*. Report to Small Business Service.

<sup>8</sup> For example, careers advisors and work placement co-ordinators

graduate recruitment requirements between SMEs and larger employers which is resulting in a lack of demand for graduates from SMEs. The report also asserts that there is some *“evidence that this has created a legacy of suspicion and doubt between SMEs about the value of new graduates to their business circumstances, and among the graduates themselves about SME opportunities.”*<sup>9</sup> The quality of brokerage between support agencies and SMEs in placing graduates within firms seems to be especially critical in ensuring that graduates can make a positive contribution to SMEs. Other key findings from the research included:

- Many graduates employed in SMEs are under-utilised with weak prospects for development
- The propensity for SMEs to consciously recruit new graduates seems to increase with the size of the firm.
- SMEs may recruit graduates into intermediate level jobs, that a larger firm would not consider a ‘graduate’ job. However, there may be considerable opportunities for graduates to grow such entry level jobs into higher-level skill needs.
- SMEs are often characterised by other barriers stemming mainly from management inexperience (and sometimes suspicions) of harnessing new graduate skills.
- Another barrier is the perceived capability gap among new graduates, with SMEs that recruit new graduates expecting higher levels of early post-entry contribution – applying similar standards as might be expected of other recruits.

There remained criticisms from many SMEs that they still find graduate entrants have serious skills gaps for their needs. SMEs commonly stress the importance of generic and transferable skills in new graduate entrants. Some studies have pointed to an observed lack of initiative, weak inter-personal skills, low levels of business awareness, and poor team working skills. However, there is no evidence to tell us whether this is a supply side issue - graduates commonly lacking these skills and qualities on recruitment, or a demand effect stemming from inappropriate matching of entrants to jobs, ill-framed or unrealistic expectations of managers.

## 2.2 Welsh Context

Wales: A Vibrant Economy (2005) presents data that shows that across the period 2001 – 2003 the GVA per capita in Wales was about 80% of the UK average. Analysis of this gap in GVA per capita attributed:

- 60 – 70% of the total gap in GVA per capita to lower average value-added per job
- 20 - 30% to a relatively low employment rate
- 10% to Wales having an above average share of the population outside the normal working age range.

Given about two thirds of the gap in GVA per capita is attributed to lower average value-added jobs a key priority of the Assembly Government is to raise the quality of jobs so that the average value added per job increases with consequent impacts on wages. Attracting higher value-added jobs to Wales requires the labour force in Wales to have the necessary higher-level skills to meet employer’s needs.

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<sup>9</sup> Holden, R et al (2002) Making a Difference – The Contribution of Graduates to Small Business Success. Report to Small Business Service.

Research carried out by the Institute of Employment Studies<sup>10</sup> investigated the labour market experiences of Welsh graduates. Key findings included:

- Wales is a net exporter of graduates, this mirrors the experience of UK regions – only London is a net importer.
- A relatively low proportion of Welsh-domiciled students studying in Wales leave after graduation. Men, younger people, those with higher degree classifications and post-graduates are more likely to leave.
- Two-thirds of students who live in Wales prior to higher education but who study outside of Wales do not return to Wales for work. Again those with first class degrees and/or postgraduate qualifications are less likely to return.
- About 25% of non-Welsh students who study at a Welsh HEI stay in Wales following graduation, but there is no clear pattern relating to the types of qualifications these individuals possess.
- Graduate expectations can be out of line with the opportunities available in Wales and overly negative.
- Larger employers and those in the public sector are the most likely to offer graduate employment.
- There was little evidence of skill shortages at higher levels: just 20 per cent of employers had hard-to-fill vacancies, and only three per cent had hard-to-fill vacancies requiring graduates.
- 30% of employers had had some form of contact with their local HEI; student work placements and vacancy advertising were the most common examples of contact.
- Less than half (43 per cent) of employers are looking for graduates in specific disciplines, the majority simply using a degree as an indicator of more generic skills
- Employers who currently, or had recently, employed graduate staff were far more positive about their potential benefits, including the positive benefit of graduates adding IT skills and bringing innovative or creative thinking to their workplace.

The Wales Employment and Skills Board (2010) notes that although schools, colleges and universities all give attention to employability skills, they do not give it the level or quality of attention that it needs. They note that the increase in the supply of graduates in recent years has lessened the elite status of a degree, and there is now a need for universities to clearly define what *“being or recruiting a graduate should mean for employers and in relation to the economy – and to ensure that more graduates back up that definition.”*<sup>11</sup> The WESB asserts that being a graduate should imply a minimum level of employability. The Board believes that the development of graduate employability needs to become a core function of Universities

The Board puts forward the following challenge to HEI’s in Wales:  
*“to ask these institutions whether they have a long-term and coherent system in place which ensures that all their students have the basic employability skills which employers expect”*

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<sup>10</sup> Institute of Employment Studies (2005) Welsh Graduates and their Jobs. Cited in Ekos Consulting (2007) GO Wales Evaluation of Phase II.

<sup>11</sup> Wales Employment and Skills Board (2010) *Moving Forward: Foundations for Growth. Volume 3 Employability Skills.* Para 3.

They note that embedding employability in the functions of universities raises a number of challenges – reduced funding will mean that HEI's and HEFCW will need to focus funding on priority areas; institutions will need good information on which to model future demand, understanding where demand for future skills will grow and therefore what the priority areas are. Finally they have to deliver employability alongside their refined or adjusted subject and course offer to students and employers.

They also feel that employers may want to be involved in employability skills development in Universities, but are put off by lack of knowledge, the complexity of funding, and of the lack of a single clear route for engaging with Universities. The Board highlight that the range of initiatives and funding models can be confusing – there are some initiatives funded through national bodies whilst individual institutions also fund their own initiatives, which is further compounded by differing approaches by academic institutions to business.

The Board notes that given the weakened economy, increases in the supply of graduates and students having to fund part of their higher education costs, students are increasingly aware of the need to have a broad portfolio of knowledge, skills, and experience in order to be competitive in the labour market and to get value for money from their undergraduate studies.

## 2.3 Market Failure

The HM Treasury Green Book<sup>12</sup> argues that before any intervention by government it is important to identify a clear need which it is in the national interest for government to address. The rationale for government intervention is usually founded in either market failure or where there are clear government distributional objectives to be met.

There is evidence of market failure affecting the market for higher-level skills.

### 2.3.1 Demand for higher-level skills

In terms of the demand for higher-level skills the Skills and Employment Action Plan (2005) highlighted that there is evidence of market failures that constrain the demand for higher-level skills and therefore hinder effective supply responses. The market failures affecting the demand for higher skilled workers include:

#### Information Failures

Information is needed for a market to operate efficiently. In the market for higher-skilled workers:

- Employers are often unaware of the skills needed in order to improve their business performance
- Although there is evidence to suggest that employers are generally aware of the importance of skills, fewer agree that investment in skills brings benefits to the business

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<sup>12</sup> HM Treasury (2003) The Green Book: Appraisal and Evaluation in Central Government

## Externalities

Externalities occur when a particular activity produces benefits or costs that are not directly priced into the market.

Firms are often concerned that once an employee has benefited from an investment in training, an employee will leave the firm before the firm has recouped its investment. Unless training pays off very quickly, firms are therefore reluctant to provide training to their workers, particularly in terms of transferable skills.

### 2.3.2 Supply of higher-level skills

In terms of the supply of higher-skilled labour, the GO Wales programme is specifically concerned with employability skills i.e. skills, behaviours, attitudes and personal attributes that are necessary for an individual to seek, gain and sustain employment and function effectively in the workplace and are transferable to a variety of contexts. Employability skills prepare individuals for work rather than for a specific occupation. Market failures affecting the supply of higher-level skills include:

#### Information Failures

- Students may lack the information to understand or appreciate the benefits of developing their employability skills. There is however, an argument to suggest that this market failure is diminishing as students face increased competition for jobs and need to ensure that they ‘stand out from the crowd’.
- Students often believe that they need to work in larger employers to have satisfying and well paid careers and do not recognise the benefits of working for smaller employers e.g. opportunities to work across functions and to be more entrepreneurial.
- Another form of information failure is where although the student recognises the benefit of gaining work experience, they lack the information to know how to secure a placement, or what kind of placement would be most appropriate for them.

## 2.4 Strategic Context

In recent years at European, UK and Wales level there has been an increasing awareness of the importance of the Higher and Further Education sectors working closely with the business sector to ensure that learning and training provision provides skilled workers that can meet the needs of business both now and in the future. In addition to ensuring the content of courses are relevant to the needs of employers it is also vital that graduates have the relevant skills and understanding to apply their knowledge in the workplace.

This section summarises the strategic context and underpinning policy rationale to the investment in GO Wales in its current funding round (January 2009 – December 2011). Where appropriate, mention is made of more recent policy and strategy announcements that could affect future phases of the programme. A fuller review of the strategies can be found in Appendix 1.



Table 2.1: Summary of Literature Review

Strategy/Policy	Summary	GO Wales Fit
<b>Europe</b>		
European Social Fund	The European Social Fund is concerned with extending employment opportunities and developing a skilled and adaptable workforce	<ul style="list-style-type: none"> <li>- GO Wales is funded in the convergence area through Priority 3, Theme 2</li> <li>- P3, T2 is concerned with raising skills at higher levels (i.e. level 4 and above) in order to support the knowledge economy</li> <li>- The ESF Operational programme includes the following indicative activities:               <ul style="list-style-type: none"> <li>o Targeted measures to improve the retention of graduates and others with higher level qualifications within the region e.g. use of internships with businesses, and enhanced support for career planning and progression.</li> <li>o Support for workforce development by employers, particularly SMEs and those with the potential to increase their contribution to GDP</li> </ul> </li> </ul>
Lisbon Strategy	Launched in 2000 to ensure that the EU improved its productivity and competitiveness in the face of globalisation, technological change and an aging population. Mid-term review in 2005 re-focused the strategy on jobs and growth.	<ul style="list-style-type: none"> <li>- One of the four pillars of the Lisbon strategy was to ensure that Europe had a flexible and highly skilled workforce and to encourage lifelong learning</li> </ul>
Europe 2020	Successor to the Lisbon Strategy, Europe 2020 is the new EU growth strategy. Europe 2020 wants the EU to become a smart, sustainable and inclusive economy with the aim of delivering high levels of employment, productivity and social cohesion.	<ul style="list-style-type: none"> <li>- One of the strands of Europe 2020 is “Smart Growth” this looks to improve the EU’s performance in education, research/innovation and the digital society.</li> <li>- The ‘youth on the move’ initiative is looking to equip young people better for the job market</li> </ul>



Strategy/Policy	Summary	GO Wales Fit
<b>UK<sup>13</sup></b>		
The Leitch Review of Skills (2006)	Considered the UK's long term skills needs in order to maximise productivity, economic growth and social justice. The Review found that fundamental changes in the global economy mean that the future prosperity of advanced economies such as the UK increasingly depends on the quality of their skills bases.	<ul style="list-style-type: none"> <li>- Notes that people entering the labour market, whether from full-time education or worklessness, need a wider set of skills, such as IT, communications and team working. These wider employability skills should be embedded within training and qualifications, as well as being taught separately as appropriate.</li> </ul>
The Lambert Review (2003)	The Lambert Review makes a series of recommendations aimed at smoothing out the path between Britain's strong science base and the business community.	<ul style="list-style-type: none"> <li>- Although focused on university-business collaboration, the review notes that <i>"many employers would like graduates and postgraduates to have a wider set of skills to bring into the workplace. Evidence suggests that a large proportion of the initial skill-deficiencies reported by employers relate to skills and knowledge that are best acquired on the job. So it is important to increase the opportunities for students to gain experience of working in businesses."</i></li> <li>- Highlights that larger companies often have established internship programmes and good links with HE careers services indicating that they are aware of the benefits of work placements. The review recommends that work placement initiatives should be targeted at SMEs that have fewer resources to devote to such schemes.</li> </ul>

<sup>13</sup> Education and skills are a devolved matter and so the literature review has focused on relevant research that is applicable across the UK rather than strategies that will only apply in England.



Strategy/Policy	Summary	GO Wales Fit
<b>Wales</b>		
One Wales (2007)	Coalition agreement for the National Assembly of Wales between Welsh Labour and Plaid Cymru.	<ul style="list-style-type: none"> <li>- Recognises that the people of Wales need to be equipped with the skills they need at all levels to enable them to make the best possible contribution to the economy.</li> <li>- Resolved to providing a further and higher education system that is responsive to the needs of students and employers</li> </ul>
Wales: A Vibrant Economy (2005)	Assembly Governments Strategic Framework for Economic Development (superseded by Economic Renewal)	<ul style="list-style-type: none"> <li>- Notes the importance of raising value-added per job and upgrading the quality of employment opportunities to increase earnings and match aspirations of the highly qualified, who might be natural candidates for emigration.</li> <li>- Identifies that Wales has a lower proportion of the workforce with graduate level qualifications, which it explains by the fact that a <i>“significant proportion of those from Wales with degree qualifications leave Wales because there are not enough sufficiently attractive jobs in Wales”</i></li> </ul>
Economic Renewal (2010)	Assembly Governments approach for Economic Development	<ul style="list-style-type: none"> <li>- One of the priority areas is to broaden and deepen the skills base so that its working population has the education and skills necessary to drive economic growth and prosperity in Wales</li> <li>- Wants to make progress in building a genuine partnership with employers to develop workforce skills at all levels</li> <li>- Encouraging innovation is another priority of the ERP, some of the key activities that the assembly government will focus on include:               <ul style="list-style-type: none"> <li>o Working with academia to build capacity to support the needs of business</li> <li>o Encouraging more collaboration and joint working between business and academia</li> <li>o Raising awareness of the support available to business and academia for collaborative R&amp;D and commercialisation activity.</li> </ul> </li> </ul>



Strategy/Policy	Summary	GO Wales Fit
The Learning Country (2001)	Education and Lifelong Learning Programme for Wales to 2010	<ul style="list-style-type: none"> <li>- Wants Higher Education to make a bigger contribution to the economic, social and cultural regeneration of the country.</li> </ul>
The Learning Country: Vision into Action (2006)	Successor document to The Learning Country	<ul style="list-style-type: none"> <li>- Vision for higher education is to “<i>modernise the collaborative efforts of higher education in Wales, to widen access significantly; improve income generation; lift research activity; and exploit knowledge transfer to the benefit of the economy in Wales</i>”.</li> <li>- One of the expected outcome is to increase the proportion of Welsh domiciled students who study in Wales in order to encourage more graduates to work in Wales</li> <li>- Wants to increase the contribution of HE to the development of the knowledge economy</li> </ul>
Reaching Higher (2002)	Long term strategy for higher education in Wales (superseded by For our Future)	<ul style="list-style-type: none"> <li>- Believes the aim of HE should be to sustain a learning society, with the purpose of this aim including:               <ul style="list-style-type: none"> <li>o increasing knowledge and understanding for their own sake and to foster their application to the benefit of the economy and society;</li> <li>o to serve the needs of an adaptable, sustainable, knowledge based economy at local, regional and national levels;</li> </ul> </li> <li>- Emphasises the need for closer collaboration between business and academia to commercialise knowledge</li> <li>- There should be greater use of research capacity to support business and to reflect its needs. HE should support the development of the knowledge economy, embracing targeted investment in research, in its application, and in knowledge transfer.</li> <li>- Wants to ensure that highly skilled graduates choose to settle in Wales.</li> <li>- Emphasises the need for high quality work experience schemes during the undergraduate period</li> <li>- Will encourage the HE sector to work closely with local business and respond to their needs.</li> </ul>



Strategy/Policy	Summary	GO Wales Fit
For Our Future (2009)	Long term strategy for higher education in Wales	<ul style="list-style-type: none"> <li>- Expects employability to be a key outcome of the education experience</li> <li>- Wants to strengthen of opportunities for graduates to gain work experience and placements in Wales, by building on the GO Wales programme</li> <li>- Will strengthen the contribution of higher education to workforce development</li> <li>- Expects HE to be exploiting their knowledge base effectively through working with businesses and employers in and beyond Wales;</li> <li>- Wants HE to contribute to the future renewal of the Welsh economy by raising the skill level of the Welsh workforce and by supporting businesses to be become increasingly innovative and competitive.</li> <li>- HE should provide a far more central, innovative and transformative role for business development in the regional and national economy. HE should work closely with many more businesses, employers, and employer organisations in Wales and internationally, with both sides benefiting through knowledge exploitation, consultancy, better tailored and targeted workforce development programmes, spinout and other support services. Such exploitation will develop new business and employment opportunities.</li> </ul>
Skills and Employment Action Plan (2005)	Skills and employment strategy and action plan (superseded by Skills that Work for Wales)	<p>Priorities are to:</p> <ul style="list-style-type: none"> <li>- ensure everyone has skills essential to take up employment and maintain their employability within the labour market;</li> <li>- increase the demand for high-level skills amongst employers and increase the supply of people with management, leadership and technical skills critical for success in a fiercely competitive international market.</li> <li>- Includes specific mention of the GO Wales programme</li> </ul>



Strategy/Policy	Summary	GO Wales Fit
Skills that Work for Wales (2008)	Skills and employment strategy and action plan	<ul style="list-style-type: none"> <li>- Wants to create a post-compulsory education and training system that:               <ul style="list-style-type: none"> <li>o provides individuals with the knowledge and skills they need to obtain employment and to achieve personal and career fulfilment and to contribute to community life;</li> <li>o provides businesses in Wales with a skilled workforce, enabling them to be enterprising and profitable;</li> </ul> </li> <li>- Specifically mentions the GO Wales programme as a mechanism to help SMEs access higher-level skills and to help graduates make the best start to their career in Wales.</li> </ul>
Jones Review of Higher Education in Wales	A task and finish group was convened to review the “mission, purpose, role and funding for higher education in Wales”.	<p>Recommendations included</p> <ul style="list-style-type: none"> <li>- action to improve graduate employability, through stronger demonstration of essential generic skills</li> <li>- promoting more actively work placements throughout undergraduate programmes</li> <li>- building on the success of GO Wales</li> <li>- strengthened business-HE relations which inform demand and strengthen supply of applied research and development, as well as training</li> <li>- HE institutions enhance their role as leaders of regional economic regeneration</li> <li>- steps to develop better mutual awareness and communication between business and higher education, and effective and timely programme delivery</li> </ul>

## 2.5 Programme Objectives

In the context of the need, rationale and strategic context, as set out above, the overall aim of the GO Wales programme is to:

*“support the deployment, development and retention of graduates’ high level skills, knowledge and innovative potential in businesses in the Convergence areas of Wales, particularly small and medium-sized businesses”<sup>14</sup>*

The aim of the programme as cited in the brief for this evaluation is:

*“to maximise the employability of graduates and higher education students in Wales, preparing them for work, particularly within the Welsh economy.”*

In reviewing relevant programme documentation we have not found a statement of the overarching set of programme objectives. However, the following have been identified within the relevant literature.

- To help graduates develop careers in the Welsh economy where they can use their higher level skills, knowledge and innovative potential.
- To enable students and graduates to experience organisations, make contacts and gain a better understanding of the skills and knowledge required to forge a graduate career in their chosen area(s)
- To aid retention of graduate level skills in SMEs in the Welsh economy
- To up skill participants, building on and enhancing their academic qualifications and ease access to employment.
- To enable SMEs and other organisations to access higher level skills, knowledge and innovative potential.
- To develop a website where employers can advertise posts that are of particular interest to graduates, free of charge, and where graduates who want to work in Wales can search for vacancies.

GO Wales managers may wish to establish a single aim and set of objectives that can be used in all programme documentation as required.

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<sup>14</sup> Higher Education Funding Council for Wales (2008) GO Wales – Skills for the Knowledge Economy: Business Plan



## 2.6 Fit with other Programmes and Initiatives

GO Wales sits within a range of employability and business support initiatives in Wales. The following table summarises key activities that relate closely with GO Wales and comments on current relationships.

	Activities	Relationship and Fit
Student/Graduate	University Careers and Employability Activities	<p>Universities across Wales provide a variety of services and support through their Student Support or Careers Services. A summary of the key activities include:</p> <ul style="list-style-type: none"> <li>– General careers advice and guidance on a range of topics such as career planning, job search, CV writing, assessment centres etc. Advice tends to be provided through on-line and written materials, one-to-one sessions and group workshops. Universities also provide searchable databases of local and national vacancies</li> <li>– Some Universities offer four-year ‘sandwich’ courses, where the student spends their third year of their degree working in industry related to their degree course. Sandwich courses tend to be offered in subjects such as engineering and human and health sciences.</li> <li>– Cardiff and Swansea Universities have introduced employability programmes. At Cardiff University academic schools are encouraged to run an employability programme (Career Management Skills) for students at departmental level. CMS is made up of a range of workshops – many are focused on job hunting (e.g. CV writing, online applications etc) but others cover softer skills. Depending on the academic school, students may be awarded a certificate for completing 6 modules or completion of the modules can count towards a student’s degree. Swansea University piloted the Employability Skills Award in 2009 which offered students three modules – “Personal Career Development”, “Creativity and Enterprise in the Workplace” and “Enhancing your Employability” and are designed to support and encourage students to gain a greater understanding of ‘career management’, dealing with issues such as choosing a career, recognising the key skills that can be transferred from student life to the job market. Each module is worth 10 credits and the award is obtained once all three modules have been completed. This is in addition to the modules studied as part of degree courses. The award then appears on the student’s degree transcript for prospective employers to see. It is not clear whether Swansea have rolled out this scheme.</li> </ul> <p>A review of activity being delivered at Universities across Wales reveals that the GO Wales programme is</p>



	Activities	Relationship and Fit
	<p>Careers Wales and Job Centre Plus</p>	<p>consistently used across Wales as the mechanism for arranging work placements for students. Other activities vary by institution and course. We have not been able to source any information or research as to the effectiveness of these other activities.</p> <p>Careers Wales is the national careers guidance and information service for young people and adults. Careers Wales provides services for</p> <ul style="list-style-type: none"> <li>- People of all ages requiring careers information and advice.</li> <li>- Employers/businesses requiring help and advice on recruitment, training, employee development, skills and qualifications.</li> </ul> <p>A review of Careers Wales carried out in 2009 by Professor Tony Watts on behalf of the Welsh Assembly Government found that although Careers Wales has an all Wales remit, its activities have tended to be focused on children and young people and in particular working with 14 – 19 networks. The review noted that in the light of the recession and resulting redundancies, increasingly adults are seeking advice and support from Careers Wales.</p> <p>The Report recognises the need for a significant rebalancing of services in favour of adult provision via the adoption of more overt differentiated provision for young people, increased attention to providing support in the workplace, and a greater focus on building the capacity of other organisations to deliver services.</p> <p>The review also questioned whether Careers Wales is an <i>all-ability</i> as well as an <i>all-age</i> service. There is evidence that after the age of 16 there is some tendency for it to be drawn towards lower skill levels. The review notes that the service has looked to develop better partnership working with HEFCW to better develop services for graduates but progress at the time of the review had been limited.</p> <p>Job Centre Plus is an executive agency of the Department for Work and Pensions. It provides services that support people of working age from welfare into work, and helps employers to fill their vacancies. Similar to Careers Wales, there is anecdotal evidence from consultations that JobCentre Plus is generally focused towards lower skill level jobs and that students and graduates can access more tailored advice from their university careers service.</p>



	<b>Activities</b>	<b>Relationship and Fit</b>
Business	KTPs and other University/Business engagement programmes	Knowledge Transfer Partnerships are three-way projects between a graduate, an organisation and a university/research organisation/further education institutions. In a KTP the student/graduate undertakes a project that is core to the development of the organisation's strategy. This allows the graduate to apply their degree as well as develop their own skill base with continued support from both the organisation and an academic supervisor. The purpose of the KTP is to enable knowledge transfer between the organisation and the academic institution. KTP's last between 10 weeks and three years. There is a complementary relationship between GO Wales and the KTP, often GO Wales is the first stage for a business to employ graduates and explore university relationships which allows them to explore the benefits of employing graduates and may encourage businesses to consider other collaborative activity such as a KTP. In some cases the GO Wales placee stays on in the company as a KTP associate.
	Other Business Support Activities	As well as providing graduates with relevant work experience, GO Wales can also be seen as a business support product. As has been discussed above, employing staff with higher level skills can bring productivity and innovation benefits to SMEs. It is therefore important that business support advisors and Welsh Assembly Government Relationship Managers are aware of GO Wales as part of the wider suite of business support initiatives so that businesses get best advice available.

### 3. Programme Overview

#### 3.1 Funding

The GO Wales programme is funded through a mixture of funding sources. In West Wales and the Valleys the Programme receives £9.66m of ESF funding, with match funding provided by HEFCW, HEIs and employers. In non-convergence areas there is no ESF funding. The following table provides an overview of the programme funding. In the Convergence area, total public funding equates to 78% of total programme costs.

**Table 3.1: GO Wales Programme 2009 - 2011 Funding by Source**

	ESF	HEFCW	HEI	Employers (Public)	Employers (Private)	Total
Convergence Area	£9,663,673	£2,100,000	£851,836	£110,971	£3,652,627	£16,379,107
Non-Convergence Area		£3,057,510			Not monitored	£3,057,510
<b>Total</b>						<b>£19,436,617</b>

In total, Phase 5 is a £19.4m programme. However, it should be noted that due to different funding rules, private sector contributions for the non-convergence area are not monitored. The overall scale of the programme is therefore in excess of the official reported figure.

#### 3.2 Activities

The key activities of this phase of the GO Wales Programme are set out below:

##### 3.2.1 Work Placements

GO Wales provides subsidised and non-subsidised project based placements for students and graduates, normally lasting for a period of 6 to 12 weeks, with all kinds of organisations in Wales, but principally small and medium sized businesses. GO Wales staff based at universities in Wales work with local employers to identify and develop opportunities which are advertised on the GO Wales web site. Applications are forwarded to the host organisation which selects an appropriate placee. The placee is employed by the host organisation for the duration of the placement and undertakes a project or projects / series of defined tasks which are designed to enable them to utilise and further develop their high level skills. Placement progress is monitored by GO Wales staff, and participants are expected to undertake the City and Guilds Professional Development award whilst on placement in order to consolidate their learning. This is a short award at level 4.

##### 3.2.2 Work Tasters

Work tasters are short-term, flexible periods of career related work experience/ work shadowing opportunities, which are a normally a minimum of one day and a maximum of two weeks in length. Work tasters are designed to meet the needs of individual students and



graduates. GO Wales staff based at universities work with participants to identify and develop their requirements, and then approach appropriate organisations to arrange the taster opportunity. Participants are provided with materials to enable them to reflect on their taster and identify their next steps.

### **3.2.3 Graduate Training and Development (GTD)**

This element of GO Wales provides funding (matched by the employer) to support the training and development of graduates employed in SMEs in Wales. The programme supports qualification bearing training and development opportunities at NQF level 4 and above, as well as opportunities which do not lead to a qualification or which lead to a qualification below NQF level 4. SME employers and their graduate staff jointly make an application to GO Wales for funding. If the training and development opportunity is not qualification bearing at NQF level 4 or above it must fit into agreed categories which are business, management and leadership, environmental, IT and computing, science technology and engineering, languages and equality and diversity.

### **3.2.4 Graduate Academy**

The Graduate Academy comprises a two week residential programme followed by a period of work experience and a final two day conference. The programme is built around the Institute of Leadership and Management Level 5 Award in Management, which is undertaken by all participants. Graduates who are not yet in employment or are under-employed apply for a place on a specific Graduate Academy via the GO Wales web site. Applicants are short listed and interviewed before being offered a place. Before the Academy begins they are referred to their local Higher Education Careers Service which will work with them to identify and arrange an appropriate period of work experience, the primary purpose of which is to enable them to complete the ILM Level 5 Award in Management. Participants receive a training allowance whilst undertaking this work experience. Where appropriate, participants are encouraged to apply for GO Wales placements as an alternative to this period of work experience, and those in employment are encouraged and helped to approach their employers to arrange experience which will enable them to complete the ILM award. GO Wales has also developed a part time / non-residential option which was launched in autumn 2010. This aspect of the Programme is co-ordinated by Trinity St Davids (Lampeter).

### **3.2.5 Freelancer Academy**

The Freelancer Academy comprises a period of training built around the ILM Level 3 Award in Starting Your Own Enterprise. Graduates apply for a specific Freelancer Academy via the GO Wales web site and are shortlisted and interviewed before being offered a place. This element of the programme is aimed at graduates who want to explore or take their first steps towards a freelancing career. It is not intended for experienced freelancers. The training element of this programme is delivered by a training provider under contract to HEFCW. General programme support including recruitment of participants is provided by Aberystwyth University.

### **3.2.6 GO Wales Jobs**

This is free vacancy advertising services for graduate level jobs in Wales. The site incorporates jobs advertised at university careers services as well as making direct



approaches to employers to encourage them to advertise suitable vacancies on the GO Wales Jobs pages. This service is managed on behalf of the Programme by Cardiff University.

### **3.3 Outputs, Outcomes and Impacts**

The activities described above lead to a range of outputs and outcomes which are presented in table 3.2. In summary the main outputs from the GO Wales programme are work placements/tasters completed and qualifications awarded. The economic outcomes from the programme are increased employability of Welsh graduates, increased awareness of the benefits of employing individuals with higher level skills in Welsh businesses (particularly SMEs), increased awareness of the benefits of working for SMEs and ultimately the increased retention of graduates in the Welsh economy.

Increasing the retention of graduates in the Welsh economy i.e. increasing the proportion of the labour force with level 4 skills and above should lead to:

- Increased business productivity
- Increased innovation
- Increased Welsh GVA
- Jobs created/safeguarded

**Table 3.2: Outputs and Outcomes Summary Table**

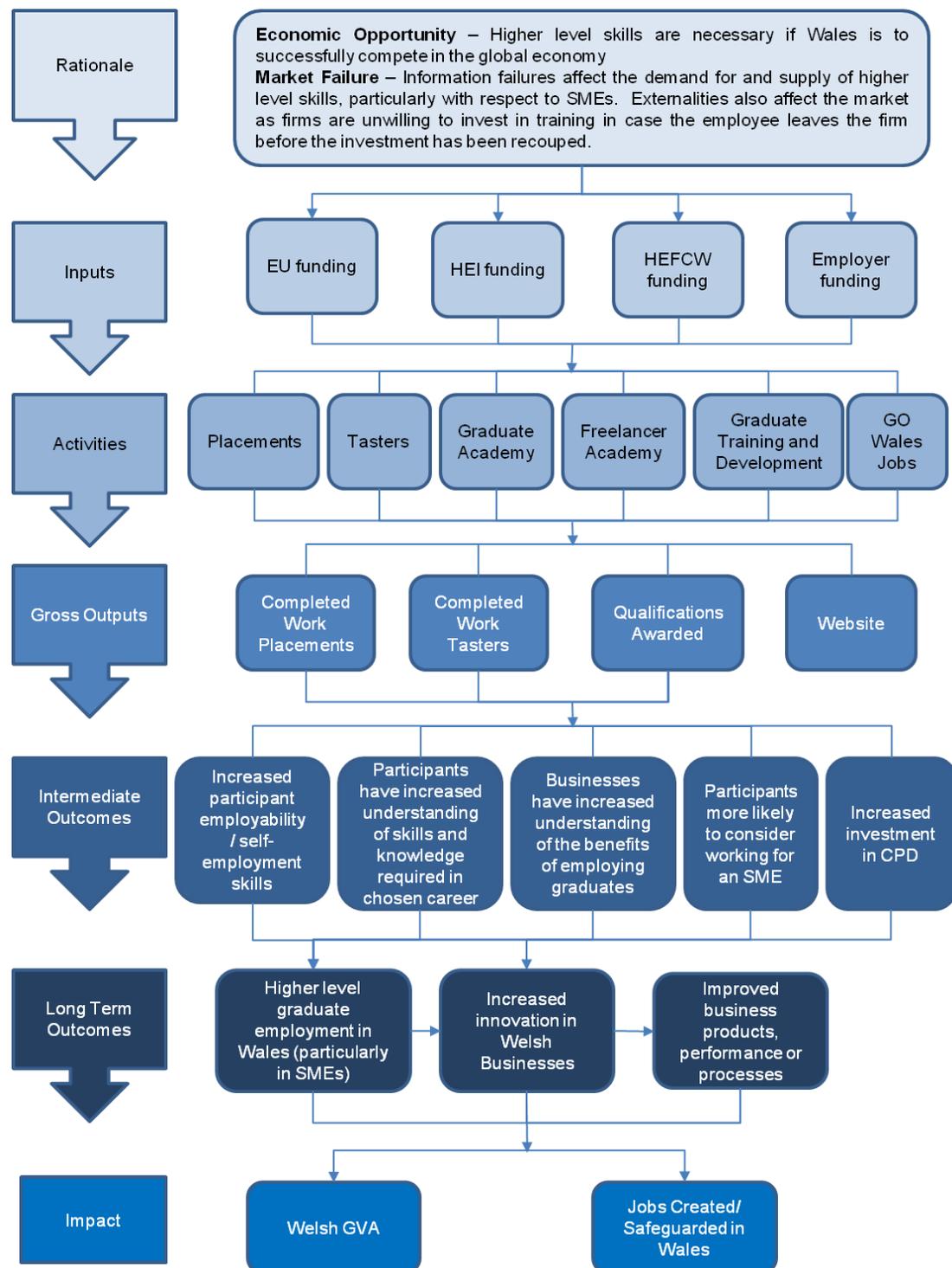
<b>Strand</b>	<b>Outputs</b>	<b>Outcomes</b>
Work Placements	<ul style="list-style-type: none"> <li>- Completed placements</li> <li>- City and Guilds Professional Development Qualifications Awarded</li> </ul>	<ul style="list-style-type: none"> <li>- Increased participant employability skills</li> <li>- Businesses benefit from new skills, knowledge and ideas</li> <li>- Focused resource to improve business products, performance or process</li> <li>- Participants more likely to consider working for SMEs</li> <li>- Increased awareness/understanding of the benefits of employing a graduate</li> <li>- Businesses more likely to employ graduates</li> <li>- Higher level of graduate employment in Wales (particularly in SMEs)</li> <li>- Increased innovation in Welsh businesses</li> </ul>
Work Tasters	<ul style="list-style-type: none"> <li>- Completed tasters</li> </ul>	<ul style="list-style-type: none"> <li>- Participants have increased understanding of skills and knowledge required in chosen career</li> <li>- Employers may benefit from new skills, knowledge and ideas</li> <li>- May help to change SME perception on employing a graduate</li> <li>- Higher level of graduate employment in Wales (particularly in SMEs)</li> <li>- Increased innovation in Welsh businesses</li> <li>- Businesses benefit from improved business products, performance or process</li> </ul>
Graduate Training and Development	<ul style="list-style-type: none"> <li>- Completed placements</li> <li>- Qualifications awarded</li> </ul>	<ul style="list-style-type: none"> <li>- Increased participant employability skills</li> <li>- Participants more likely to request CPD training</li> <li>- Businesses more likely to invest in CPD</li> <li>- Increased retention of graduates in Welsh businesses (particularly in SMEs)</li> <li>- Graduates develop new skills and knowledge</li> <li>- Businesses benefit from improved business products, performance or process</li> </ul>



Strand	Outputs	Outcomes
Graduate Academy	<ul style="list-style-type: none"> <li>- ILM Level 5 Award in Management qualification</li> <li>- Completed placement/work experience</li> </ul>	<ul style="list-style-type: none"> <li>- Increased skill levels for those that are unemployed or under-employed (student)</li> <li>- Increased participant employability skills</li> <li>- Participants more likely to consider working for SMEs</li> <li>- Increased awareness/understanding of the benefits of employing a graduate</li> <li>- Businesses more likely to employ graduates</li> <li>- Higher level of graduate employment in Wales (particularly in SMEs)</li> <li>- Increased innovation in Welsh businesses</li> <li>- Businesses benefit from improved business products, performance or process</li> </ul>
Freelancer Academy	<ul style="list-style-type: none"> <li>- ILM Level 3 Award in Starting your own enterprise</li> </ul>	<ul style="list-style-type: none"> <li>- Development of skills and knowledge required to work as a freelancer</li> <li>- Increased retention and employment (self-employment) of graduates in Wales</li> </ul>
GO Wales Jobs	<ul style="list-style-type: none"> <li>- Employment website</li> </ul>	<ul style="list-style-type: none"> <li>- Students and employers provided with one definitive source to post jobs and search for vacancies in Wales</li> </ul>

### 3.4 Logic Chains

The logic model presented below provides an overview of the route from inputs to impact as has been discussed above. Due to the complexity of the programme, individual logic chains have also been produced for the six strands of activity within the overarching GO Wales programme, these can be found in Appendix 2.



## 4. Benchmarks and Comparators

As part of this evaluation a review has been carried out to identify comparable programmes operating in the UK and highlight some lessons to be learned.

### 4.1 Shell Technology Enterprise Programme (STEP)

The Step programme is a UK wide programme that encourages SMEs and community and social enterprises to offer project based work to undergraduates and recent graduates. The capabilities of the student are matched to the companies applying to host students. The businesses benefit from the new skills without having to pay for the cost of attending a training programme or hiring new employees. Step was devised and launched by Shell UK in 1986. It was led and funded by Shell until 2009, with the support of Government departments and agencies across the UK. Step is now run by Step Enterprise Ltd on behalf of Shell UK, the UK Government, Scottish Executive and Scottish Enterprise and receives funding from the Department for Business Innovation and Skills, the Economic and Social Research Council and the London Development Agency. The Shell Step programme has won numerous awards and accolades, creating a blueprint for placement programme excellence. There are various strands to the programme:

- Step Classic - Summer placement programme for science, technology and engineering students at UK universities. Students undertake project-based work in small businesses for between 8 and 12 weeks. Students are paid £210 per week training allowance (no tax or NI).
- Graduate Step – Placement programme for graduates. Placements are year-round and usually begin as 8-12 week meaningful assignments. Many are extended for up to a year, with plenty of candidates being offered permanent positions. Training allowance of £210 a week (free of tax and NI).
- Step into Industry - Year-long 'sandwich-style' placements as part of university studies. Meaningful work experience in both small and large businesses.

This programme has been in existence for many years which shows its value. This is similar to the GO Wales placement programme. No detailed evaluation of the programme has been sourced. Further investigation will be undertaken as part of the final evaluation.

### 4.2 University of Surrey

The University of Surrey places employability at the heart of its activities. 70% of Surrey's undergraduates participate in 'professional training' which is a work placement undertaken as the third year of a four-year course. In some cases the training is a compulsory part of the degree.

Placements are arranged by each department's senior professional training tutor (a member of academic staff) and professional training administrator.

The results of Surrey's success at embedding employability skills can be seen in HESA's destination statistics which show that the University has the most consistent graduate

employment record in the country: the university is always within the top three for its students getting employment or further study within six-months of completing their degree.

This activity is on a very different basis to GO Wales, as it resides within a single institution. What it demonstrates clearly is the value of work experience in delivering successful employment outcomes for graduates.

### 4.3 Graduate Talent Pool

Graduate Talent Pool is a partnership between Government and employers, designed to help new and recent graduates gain real work experience. Through <http://graduatetalentpool.direct.gov.uk/> graduates can search and apply for internship vacancies posted by employers. The service is only available in England and refers Welsh students to GO Wales for internship opportunities in Wales.

The Graduate Talent Pool was launched in July 2009 to improve the long-term employability of recent UK graduates from higher education by offering graduates access to internship vacancies available from UK employers across a range of employment sectors. The service is primarily a website where employers can post paid and unpaid internship opportunities

An evaluation<sup>15</sup> of the Graduate Talent Pool was conducted to evaluate graduates' experiences of the programme and how the programme developed their employability skills and helped them to move into long term employment

Key findings were that:

- Approximately 1,440 internships were undertaken by graduates who registered in the first six months of the GTP Scheme
- Just under two-fifths of respondents applied to internships but were not successful. Participants believed that this was due to strong competition for internships.
- A further two fifths of respondents had registered with the scheme but did not apply for any internship vacancies through it. They had either not found vacancies to match their needs or had obtained work in other ways, as most were using multiple channels to apply for long-term work or internships.
- The vast majority of respondents who undertook an internship through the scheme had a very positive experience and believed that they had gained substantially from it in terms of employability and skill development. In-depth interviews revealed that many felt exceptionally positive after their internships, reporting dramatic rises in self-confidence and outlook.
- 40% of those who completed an internship obtained long-term employment directly or rapidly after the internship. Roughly a third of those gained long-term employment with their internship employer, and not only those who had been in paid posts;
- Over 90% of interns felt more employable
- Over 80% of interns (whether paid or unpaid) would recommend the experience and scheme to others; fewer than 10% reported negative experiences.

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<sup>15</sup> Department for Business Innovation and Skills (2011) Evaluation of the Graduate Talent Pool Internships Scheme. BIS Research Paper Number 28.

- There was consistent feedback that the GTP scheme offered a better range of vacancies than any other internship website or scheme, and represented certain sectors (including the arts, cultural and creative posts, and the public sector) better than any other multi-sector scheme.

The evaluators made the following recommendations for the scheme:

- In order to extend the potential benefit to graduates more widely, a greater spread and balance of internship vacancies geographically would be beneficial
- continued widening of the scheme in terms of employment sectors and employer types would be beneficial to maximise opportunities for graduates.
- It was recommended that more applicant support material was provided on the website in order to help students make stronger applications.

## 4.4 Graduates for Business

Graduates for Business<sup>16</sup> was a Scottish Enterprise product designed to help businesses improve their efficiency and competitiveness by accessing the skills of graduates from Scotland's universities. It replaced, in 2005, a number of graduate placement programmes that had been delivered across the Scottish Enterprise network since the 1990s. A market review undertaken in 2004 identified that supporting graduate placement schemes was no longer consistent with Scottish Enterprise's focus of assisting businesses to grow. The Graduates for Business programme is therefore focused on achieving business development outcomes, but will clearly deliver benefits to graduates as a positive externality. The programme was scrapped in late 2009 and replaced by Graduate Talent Pool Scotland.

The graduates helped to facilitate improvements or growth by working on structured and managed business development projects. These projects were expected to include:

- New product design and development
- Engineering/manufacturing process development and implementation
- Strategic marketing
- Software development
- Development of HR policies
- Quality assurance and
- Environmental management

The projects had specific and measurable impacts on business performance. The GFB programme had a good fit with many Scottish strategies to improve business performance. In addition, the following market failures were identified by Ekos (2008):

### SMEs

- Risk Aversion
  - Unsure of the benefits of recruiting graduates
  - Perceived costs of recruiting graduates (salaries and training) to be too high compared to perceived returns
- Scale and institutional barriers

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<sup>16</sup> EKOS Limited (2008) Graduates for Business Review

- Few spare resources to dedicate to graduate recruitment and training
- Lack of expertise to assist in career development and progression that graduates would expect
- Externalities
  - Concern that if the company trains a graduate the graduate may then leave the company and the returns on the training investment will not be realised
- Information
  - SMEs lack knowledge on how to recruit graduates

#### Graduates

- Risk aversion
  - Perceive SMEs to be unable to pay salary or training costs or there is a lack career progression opportunities.
- Scale and institutional barriers
  - Perception that SME sector lacks the expertise to develop/train graduates
- Information
  - Perception that the SME sector does not have the career development and progression opportunities

The GFB programme was co-ordinated nationally but delivered locally. The programme had a centralised database of graduates which was then accessed by local delivery agents. The local agents liaised with business account managers; assisted businesses with project development, monitoring and mentoring; pre-interviewing graduates; short-listing/matching graduates; and reporting on progress and activities.

Key targets for the GFB programme were to:

- Recruit 150 businesses each year to the programme with each engaging at least one graduate to deliver a business development project
- The projects, on an annual basis, were expected to realise additional sales of £4m, create 110 direct FTE jobs and 66 net FTE jobs. The net cost per job should be around £3,500 each.

**Table 4.1: Graduates for Business Targets and Performance 2005-07**

Performance Target	Target	Actual	Variance	% of target
No. Participating Businesses	450	544	94	21%
Increased turnover in participating businesses	£11.25m	£5.1m	-£6.1m	-55%
Private Sector Leverage	£2.93m		£2.93m	-100%
No. graduates participating	450	544	94	21%
Gross Direct Jobs Created	330	280	-50	-15%
Of which fully additional (50%)	165	140	-25	-15%
Partially additional jobs (25%) x0.5FTE	39	35	-4	-10%
Total net jobs created	204	175	-29	-14%
Total budget	£0.721m	£0.99m	£0.273	38%
Cost per job (gross)	£2,184	£3,552	£1,368	63%
Cost per job (net)	£3,533	£5,683	£2,150	61%



The data suggests that whilst the GFB achieved activity targets the impact of the programme was below target. However, consultations carried out as part of the Ekos (2008) review told a different story. Ekos suggested that as impact data was collected at the end of the project, the full impact of the project may yet to be realised. There is often a lag before impacts are seen; therefore the project management data may be underestimating impact.

It is interesting to note that having been shaped towards a business focused programme that its replacement is a return to a more graduate employability focused scheme.

## **5. Progress to Date**

This section sets out an interim assessment of whether the GO Wales programme is achieving its aims and objectives. This has been split into two sections, firstly a brief consideration of programme establishment and secondly, a review of progress against target. More detailed consideration of delivery arrangements and issues which affect progress is presented in the following section.

### **5.1 Establishment of Programme**

This evaluation is focused on Phase 5 of the GO Wales programme, which runs from January 2009 to December 2011. However, GO Wales (since 2003) and its predecessor programmes, Cymru Prosper Wales and Graduate Wales Project, has been in operation since the mid 1990s. As a result, whilst there has been an evolution in the content of GO Wales, the largest of the programme's strands are well established.

Nevertheless, the GTD strand incorporated a major change from earlier phases and the Graduate and Freelancer Academy strands were new ventures within the programme and required establishment.

In each case the evidence collected from consultations indicates there were some delays in getting to a stage where these three strands could be fully established, including staff recruitment, supplier recruitment and detailed strand design activities. As can be seen below, these delays have led to difficulties in achieving the anticipated target profile by Autumn 2010.

### **5.2 Progress Against Target**

This section of the report summarises progress against target for this phase of GO Wales activity. This is based on data provided to DTZ by the GO Wales monitoring team at HEFCW. Targets are a combination of those agreed as part of the Convergence funding bid and approval and those agreed with individual delivery partners for levels of activity.

Progress against target for Convergence indicators is as at end of September 2010 and is drawn from monitoring returns to WEFO. The reported progress is based on interventions started.

Progress against the other targets is as at end of October 2010, based on completed interventions (with all paperwork finalised) as recorded within the GO Wales database. The fact that this data includes only completed interventions is particularly relevant for the GTD strand of activity where many of the supported interventions require the completion of a higher level qualification. In many cases this may take some months or years to complete and as a result, some additional back loading of completions may be expected, particularly given some of the delays in commencing this strand as noted above. It is also of relevance for the Graduate and Freelancer Academies which had much longer lead in times and hence have relatively low volumes of completed interventions.

Detailed tables of targets and progress against targets are presented at Appendix 3 to this report. The tables below relate to summary targets. This data is a snapshot in time of progress.

## 5.2.1 Headline Strand Targets

Table 5.1 presents the targets for the number of interventions by strand. Table 5.2 sets out progress against target. Table 5.2 is colour coded where green indicates progress broadly aligned to expected profile (>45% achieved), amber indicates some degree of shortfall behind target (>30% achieved) and red indicates progress well below target (≤30% achieved).

Whilst there are significant areas shaded red and amber, discussions with HEFCW monitoring and programme managers suggest there is sufficient activity in place to make substantial catch up in the second half of this funding phase. In particular, sufficient Graduate and Freelancer Academies are scheduled<sup>17</sup> in the remainder of the programme period to achieve target. GTD and Placement strands may fail to hit overall targets in some areas, however, the degree of shortfall is anticipated to be modest at the current time.

A range of credible reasons for target shortfall have been expressed through the consultation programme, not least of which is the impact of the economic downturn which has dampened the overall employment and recruitment market as well as led to significant cutting back of training activity within businesses<sup>18</sup>. Nevertheless, there are some operational issues which have hindered progress. As noted earlier in this section, there were delays in launching the GTD and Academy strands in some locations which has led to a lower intervention completion profile.

**Table 5.1: Overall Targets by Strand**

	Convergence	Non Convergence	Total
Work Placements	1695	632	2327
Work Tasters	1050	627	1677
GTD	999	268	1267
Graduate Academy	180	45	225
Freelancer Academy	204	51	255
<b>Total</b>	<b>4128</b>	<b>1623</b>	<b>5751</b>

**Table 5.2: Progress Against Overall Strand Targets (Completed Interventions)**

	Convergence	Non Convergence	Total
Work Placements	34%	31%	33%
Work Tasters	58%	51%	56%
GTD	14%	36%	19%
Graduate Academy	16%	0%	13%
Freelancer Academy	6%	10%	7%
<b>Total</b>	<b>33%</b>	<b>38%</b>	<b>34%</b>

<sup>17</sup> Success will also be reliant on sufficient recruitment onto the scheduled academies.

<sup>18</sup> CIPD, Learning and Development, Annual Survey Report 2009

## 5.2.2 Institutional Targets

Table 5.3 presents total targets for each institution and the progress against this target. Tables detailing the breakdown of targets by institution and strand are presented at Appendix 3. Three institutions are broadly on track with a further three institutions a little behind target. Six institutions are well behind target.

**Table 5.3: Institutional Targets and Progress (Completed Interventions)**

Institution	Target (All Strands*)	Progress Against Target
Aberystwyth	534	30%
Bangor	426	27%
Cardiff	899	49%
Glamorgan	587	37%
Glyndŵr	391	24%
IT Wales	162	18%
Newport	407	30%
Swansea	532	47%
Swansea Metropolitan University	324	37%
TSD Carmarthen	337	58%
TSD Lampeter	389	33%
UWIC	283	19%
<b>Total</b>	<b>5271</b>	<b>37%</b>

\* Placements, Tasters and Graduate Training and Development

## 5.2.3 Convergence Targets

As part of the Convergence Funding agreement a series of targets were agreed and are subject to quarterly monitoring returns. Table 5.4 sets out targets by indicator and progress to date (based on September 2010 return). The same colour coding system is used. The number of businesses supported is ahead of target and the number of individuals supported is broadly on target. There are some concerns with regard to equalities strands with lower levels of BME and Disabled participants that would be expected. However, the progress towards the target for older participants is well ahead of target. The greatest area of concern is with the number of qualifications achieved. However, as noted already, in many cases the qualifications are awarded at the end of a lengthy period of learning and there will be considerable back loading of achievement against this indicator.

**Table 5.4: Convergence Targets and Progress (Started Interventions)**

Indicator	Target (All Strands)	Progress Against Target
Individuals Supported	3,600	50%
Businesses Supported	866	89%
Qualifications Achieved	1,608	11%
BME Participants	432	20%
Older Participants	43	83%
Disabled Participants	216	23%

## 6. Programme Structures and Management

This section of the report discusses issues in respect of the programme design, delivery and management. This draws on results of consultations, participant feedback forms and surveys.

### 6.1 Programme Design

GO Wales has evolved over time. It now has five major intervention strands (as summarised in section 3 of this report). These sit around a common theme and there is no evidence of discomfort from any quarter as to the content of the GO Wales programme at a strategic level. However, the evidence from external stakeholders indicates that the programme is perceived primarily as a placement and work experience programme, with relatively little understanding of the other strands of activity.

The placement and taster strands are long standing, and as a result, both the design and operational arrangements for these strands are strong and work effectively. In relation to programme design, there are key strengths of the placement strand resulting from the GO Wales organisers focus on ensuring a high quality experience for both employer and placee.

The GTD strand is an evolution of a previous CPD strand of activity. This is the strand of activity that attracted the most comment from consultees and the programme managers recognise there are issues with the design and delivery of this strand of activity. In particular the following issues were highlighted in respect of programme design:

- **Competition** – there were various reports of competition and confusion with other skills funding interventions on offer from the public sector. Whilst GTD has a clear emphasis on higher level qualifications for graduates, it was suggested that this was not always easy to articulate to potential clients. It was contended that other schemes (e.g. ProAct) could often fund the same activity with a higher intervention rate and as a result, organisers expressed significant challenges to achieve targets. The evaluators understand (via stakeholder consultations) that some other skills funding programmes are also facing challenges to achieve targets. In all cases, skills programmes are struggling with the effects of the recession whereby employers are cutting discretionary spending and are loath to fund training for staff when laying others off. The issue of challenges to achieve target is therefore not unique to GO Wales. However, the issue of articulating the offer and ensuring minimal duplication of public sector effort are noteworthy.
- **Clarification** – the rules governing what qualifications and training can be funded and recorded as ‘higher level’ were clarified mid way through the funding round. This included a directive to only classify as ‘higher level’ those qualifications that map to the National Qualifications Framework/Ofqual Register. This was seen to restrict the number of qualifications that could be categorised as higher level and made achievement of targets for higher level qualifications more challenging than first thought.
- **Narrow Focus** – GTD is clearly targeted at funding higher level qualifications for graduates, with limited flexibility to fund some lower level qualifications where appropriate. A number of challenges stemming from this focus have been expressed. Firstly, it was stated by some consultees that there is insufficient flexibility to meet employer needs. With the move to an even tighter set of eligibility criteria within the funding round this flexibility was further reduced. Examples were cited where the skills required to allow a graduate to

better use their higher level skills were not always requiring a higher level qualification. The evaluators believe that the focus of this strand is necessary to avoid duplication as identified above and there is some flexibility to support qualifications that are not classified as higher level. Secondly, it was indicated that the narrow focus and eligibility also leads to a range of eligible qualifications that often involve a lengthy period of study or learning. With a relatively short funding phase (three years) of which a proportion was lost to establishing the strand, there is a relatively short window to recruit for interventions to the programme in order to allow sufficient time to complete before the close of the funding period. The evaluators recognise that this is an operational challenge given the focus of the GTD strand on higher level qualifications.

The early comments on the design of the freelancer and graduate academy strands are very positive. Due to the limited activity under these strands more detailed comment is reserved for the final evaluation.

Overall, the evidence points to a coherent and well designed programme. The one area for consideration is clearly the GTD strand.

## 6.2 Operational Arrangements

The delivery model for GO Wales includes a central management and monitoring function within HEFCW, central marketing and IT functions based at Swansea University and a series of delivery agreements with the Higher Education Institutions of Wales and some other third party suppliers (external providers of the freelance academy). The approach adopted allows for institutions to develop their own delivery structures and arrangements to meet contracted targets within agreed budgets. This differs from a franchise based approach whereby a blueprint for delivery models is provided from the centre.

Overall this operational model received positive feedback from consultees, drawn from a range of institutions and roles. In particular it was thought to allow sufficient flexibility to respond to local market and institutional contexts. However, clearly this approach leads to some variations in structures, custom and practice across institutions. In the main this did not appear to present any major problems. The one exception, where some frustrations were expressed, related to differing approaches to communications (particularly within institutions)<sup>19</sup>. Examples were cited by consultees in relation to target setting, where in some institutions there was general buy-in to the targets set, and in others there was more concern as to how targets had been set due to less participation and information<sup>20</sup>. There was also some concern as to how best practice could be shared and implemented. Whilst successful approaches may not always translate from one setting to another, the level of institutional autonomy could preclude best practice from being implemented in some situations, although no significant evidence of this was found.

Despite the concerns of some in relation to communications, it was clear that staff at all levels had a clear understanding of the overall aims and objectives of the programme and how each

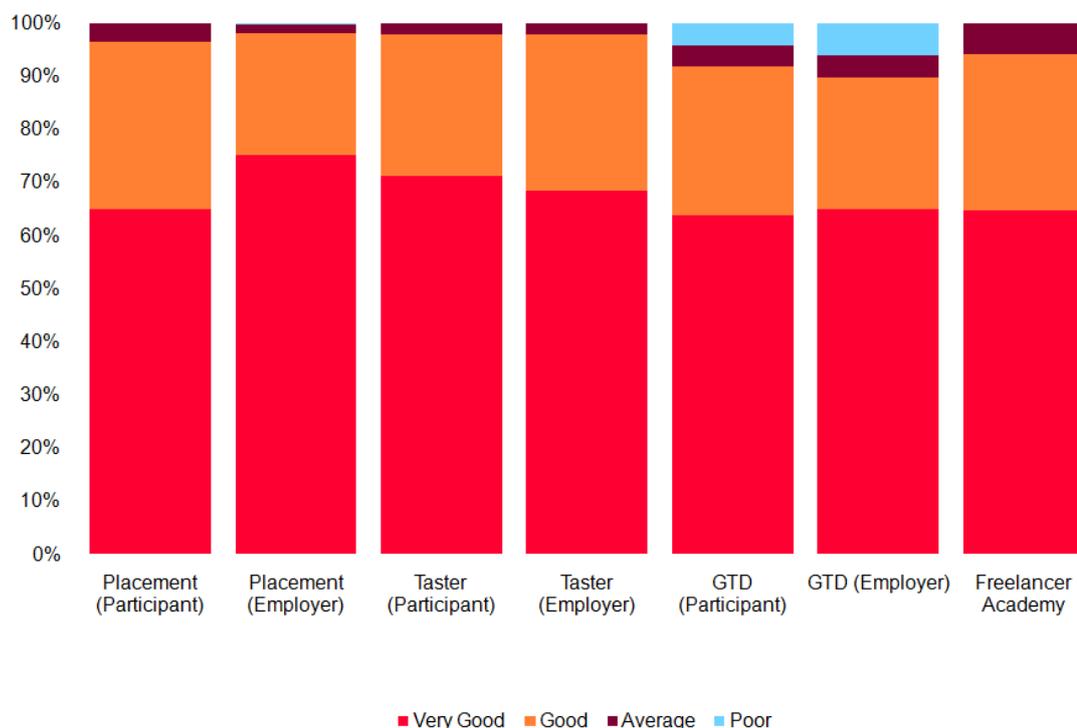
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<sup>19</sup> The evaluators understand that this is a result of varying approaches adopted by managers within the delivery institutions.

<sup>20</sup> This may also have been a reflection of the fact that some staff came to post after the targets had been agreed.

strand fitted into the whole. In addition, the feedback of both students/graduates and business participants in the scheme was overwhelmingly positive in terms of the administration. This was consistent across feedback collected immediately post intervention and through the surveys undertaken independently as part of this evaluation. The chart below illustrates the views of respondents when asked about the quality of scheme administration. Further analysis of feedback forms is attached at Appendix 4.

**Figure 6.1: Views on Scheme Administration**



Two other operational issues were recurrent within consultations. Firstly, the volume of paperwork that is generally associated with European funded grant programmes was noted as a challenge to both GO Wales staff and to participants. However, the majority of staff with experience of similar programmes accept that this is not a unique challenge. Secondly, a number of consultees commented on a desire to have a ‘go to’ person to check eligibility of proposals where the decision is not clear cut. The evidence presented to the evaluators suggests that without someone to check such matters with, the default position will be towards a more risk averse position to avoid funding an intervention which may later be deemed ineligible.

### 6.3 Marketing & Awareness

Marketing and awareness of the programme was a specific area of investigation through consultations and beneficiary surveys. The general view of consultees was positive towards the activities of the central marketing team, although there was a desire expressed from some quarters to improve communication and to have a wider involvement in shaping marketing strategy, to allow institutions to plan and build on the activities of the central marketing team.

The evidence collected through the beneficiary surveys indicates that the role of staff within the delivery institutions is very important in generating demand and take up of the scheme. The degree of detail within this evaluation does not allow for a fine grain marketing impact assessment to determine the overall balance and contribution of different activities to take up of the scheme. However, the evidence suggests proactivity and engagement at the local level is essential to generate interest and that some more passive marketing activities have a more limited impact.

The figure below presents data gathered from students/graduates who have participated in this phase of GO Wales, asking them how they first became aware of the programme. The most prominent source was university talk or careers fair and similar. More passive marketing activities such as email, facebook, twitter and leaflets, flyers and posters, which are often managed through the central marketing team, account for around 12% of respondents. Direct marketing activities were more important among the business community, which may relate to a telemarketing campaign undertaken by central marketing within this funding phase.

**Figure 6.2: How did participants become aware of GO Wales?**

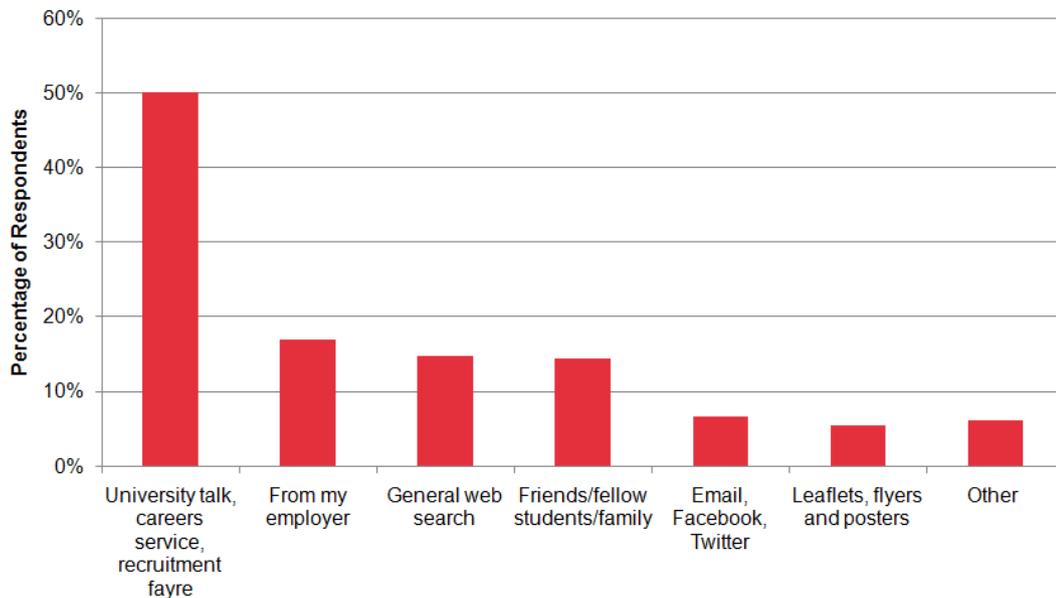
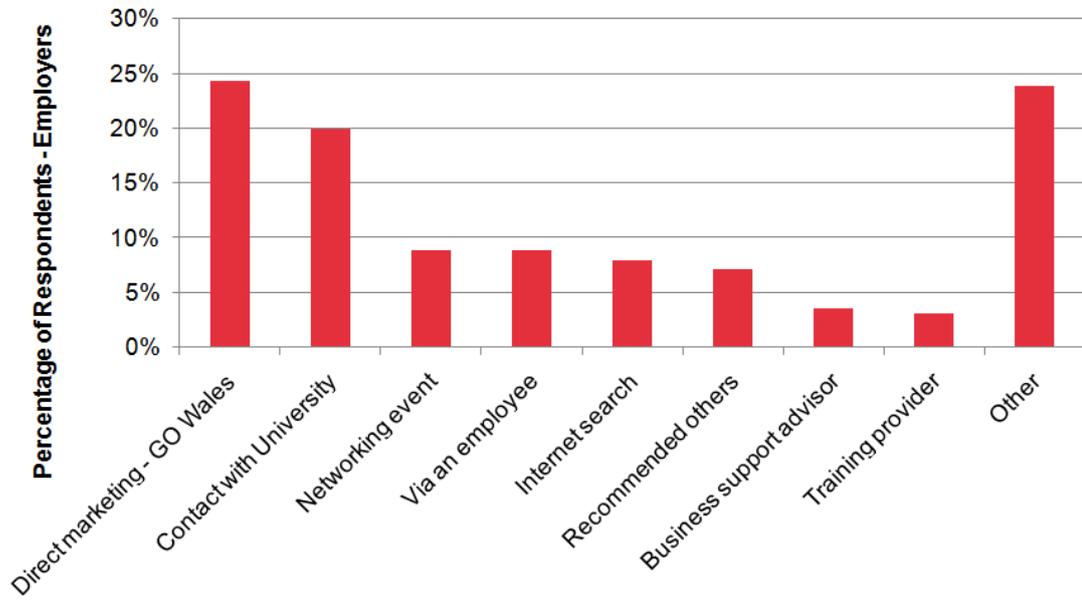


Figure 6.3: How did business become aware of GO Wales?



## 7. Indications of Impact

A full impact assessment and consideration of value for money will be undertaken at the final evaluation stage. However, as part of the interim evaluation data has been collected to provide an indication of impact. The results of feedback form analysis and beneficiary surveys have also been supplemented with anecdotal evidence from consultees.

In general terms, there are very positive signs of impact from the evidence. This correlates with the views of consultees who were readily able to recall positive anecdotes. Very few negative views were received from either students/graduates or businesses to any line of questioning.

Full analyses of the survey and feedback form data are presented at Appendices 4 – 8.

### 7.1 Student/Graduate Impacts

#### 7.1.1 Low levels of participant unemployment

The most positive impact upon student and graduate participants is the level of post intervention employment. There are distinct differences between the strands of activity in terms of the type of individual likely to participate, however, the results are encouraging. The table below sets out the responses to questioning on current activity.

**Table 7.1: Participant Current Activity**

	Placement	Taster	Freelance Academy	Graduate Academy
Employed by host	33%	9%	-	15%
Employed elsewhere	21%	16%	36%	30%
Studying	19%	52%	-	20%
Employed by another SME	11%	8%	-	5%
<b>Unemployed</b>	<b>7%</b>	<b>7%</b>	<b>21%</b>	<b>20%</b>
Self Employed	7%	-	36%	-
Voluntary	-	3%	-	5%
Other	2%	4%	7%	5%

The average level of graduate unemployment<sup>21</sup> in the UK is currently reported at 20%. As can be seen from the table, the levels of unemployment for placements and tasters are very low in comparison. The data in the table includes all survey participants, when students are excluded from the analysis the levels of unemployment rise slightly to 9% for placements and 14% for tasters, however, these are still well below the UK average. Whilst all of this benefit may not be attributable to GO Wales, it provides a positive indication.

When considering the academy strands, it must be remembered that there are relatively few completers at this stage and the results are based on a very small sample. In addition, the graduate academy in particular is largely focused at previous graduates who require

<sup>21</sup> ONS Labour Force Survey

additional support to aid job search and employability. As a result, the early results of outcomes broadly in line with the UK average are very encouraging.

### 7.1.2 High levels of host organisation employment after work placements

The data suggest a high proportion of work placement participants secure ongoing employment with their host employer. There is some evidence of this occurring with work tasters, to a lower level, which is to be expected given the lighter touch of this intervention.

The table below sets out data relating to host organisation employment among placement participants. The data give slightly different results which in the most part can be explained by sampling error. The outlier is the result of the participant survey. However, the question asked in this survey related to the point in time at which the survey was undertaken, not immediately post placement. As a result, those participants who may have taken a job with the host organisation and have since moved on would not have responded positively.

Overall, the data suggest around 60% of placement participants secure further employment with the host organisation, which is a very encouraging finding.

**Table 7.2: Percentage of work placements employed by host**

Feedback forms – employers	70%
Employers survey	60%
Feedback forms – participants	55%
Participants survey	33%

### 7.1.3 Positive contribution to graduate retention and on attitudes to SMEs

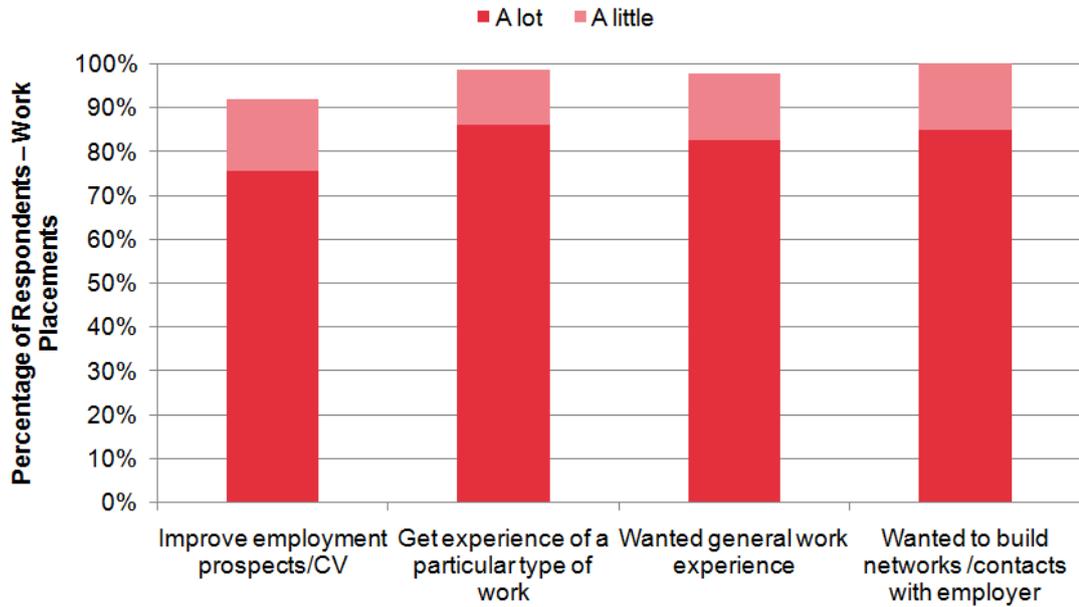
The data suggest that there has been a positive effect on graduate retention in Wales, with a number of participants indicating that they would not be working in Wales if it were not for the experiences gained through GO Wales. Early data suggests around 17% of participants now in employment in Wales would not be in the country if it had not been for GO Wales.

There is also evidence of more positive attitudes towards working within SMEs. 386 placement participants had been within an SME environment. Of these, 54% indicated that they were now more interested in working in an SME, a further 43% had not changed their opinion.

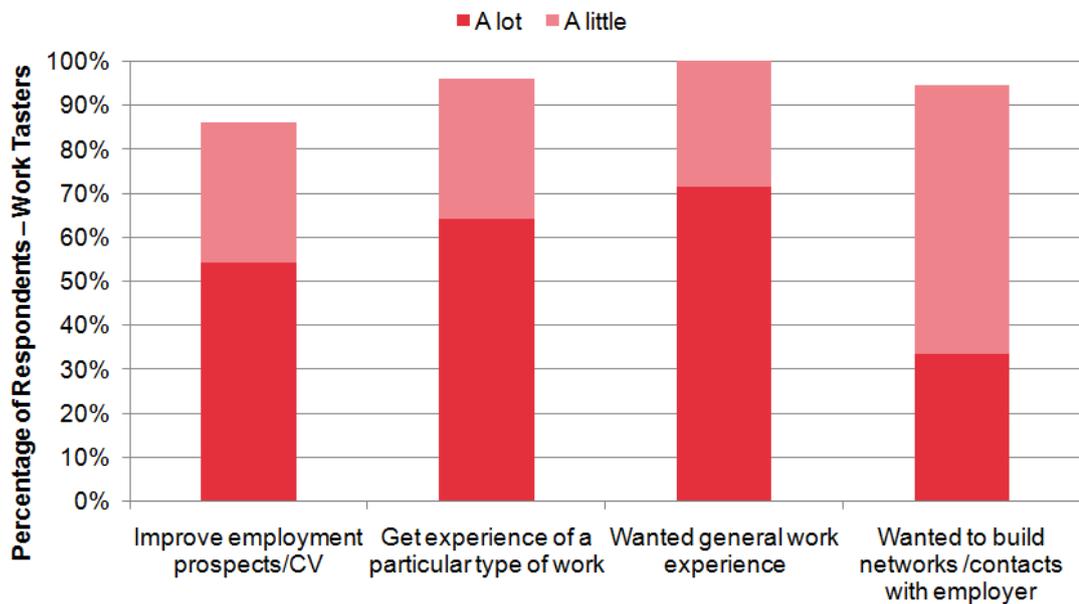
### 7.1.4 High levels of reported softer impacts

Participants were asked whether they had achieved their aims through participation in the programme. These secured a high proportion of positive responses, particularly for the placement strand as can be seen from the following two charts.

**Figure 7.1: Placement Participant Achievement of Objectives**



**Figure 7.2: Taster Participant Achievement of Objectives**



The data also suggest the acquisition of a range of skills and experiences through participating in the placement and taster strands.

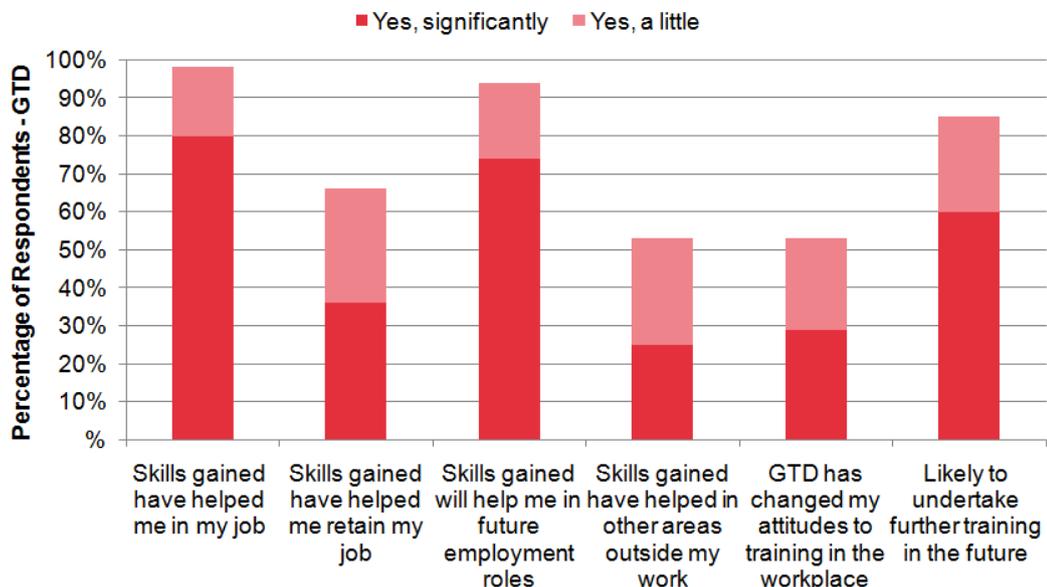
**Table 7.3: Skills and Attributes Developed (Feedback Forms)**

	Work Placement	Work Taster	Freelancer Academy
Assertiveness	39%	25%	71%
Communication	83%	73%	59%
Confidence	71%	64%	76%
Interpersonal Skills	47%	42%	41%
IT User Skills	65%	25%	n/a
Job Specific Technical Skills	63%	39%	n/a
Leadership	17%	11%	24%
Planning	73%	38%	59%
Presentation	33%	22%	59%
Project Management	47%	15%	18%
Teamwork	56%	37%	53%
Time Management	70%	36%	41%
Business Planning	n/a	n/a	88%
Marketing	n/a	n/a	59%
Market Research	n/a	n/a	41%
Networking	n/a	n/a	71%

For those now in employment, after participation in the placement and taster strands, there is early evidence of a positive wage impact based on survey responses. There is also a strong belief that the skills and experiences gained will have a positive impact on participants' future career.

GTD participants were asked a range of different questions related to the nature of the strand. The responses were generally very positive in terms of impacting on their current job and more widely. Early evidence also points to some modest wage impacts as a result of participating in the training.

**Figure 7.4: GTD Participants Reported Impacts**



## 7.2 Employer Impacts

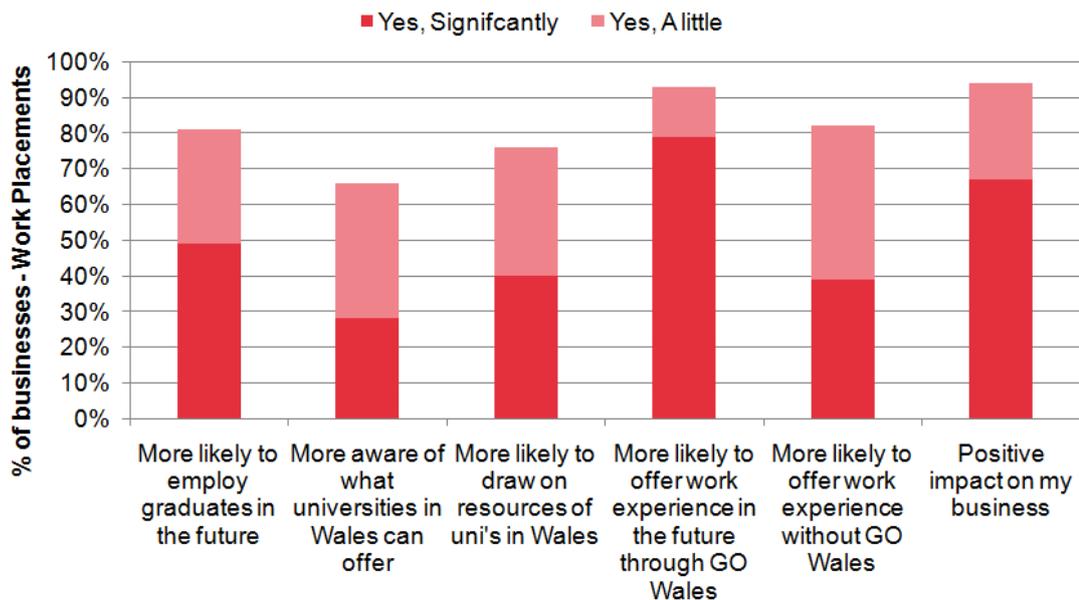
The current focus of GO Wales is largely on the individual participants, but there is evidence of positive impacts upon the businesses which participate. Whilst further testing will be undertaken at final evaluation stage, there is some suggestion that the scale of impact on businesses is such that it should perhaps be reflected more appropriately in the overall aims and objectives for the programme.

### 7.2.1 Positive impacts on employer attitudes

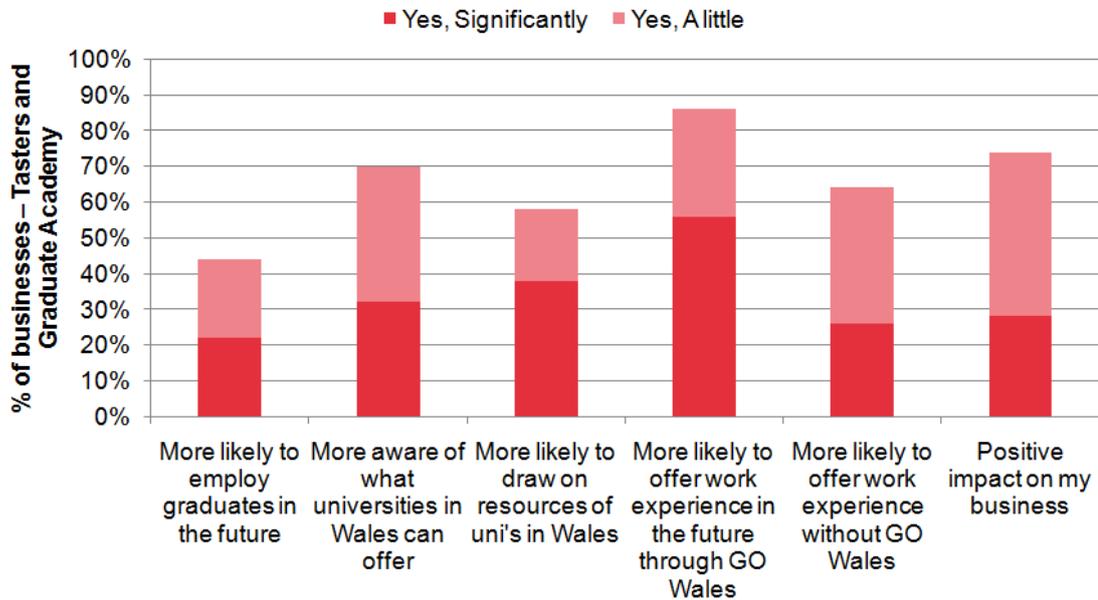
As noted at 7.1.2 above, around two thirds of placement participants secure further employment with their host organisation. This is particularly encouraging given that 40% of participating businesses have not employed graduates before. In addition, 58% of businesses offering a job indicated that they didn't think that they would be offering jobs as a result of the work placement before it commenced. This demonstrates the positive impact that the work placements had on businesses understanding of the value of graduates.

In some cases the businesses who weren't expecting to employ a graduate gave comments to explain the reason why they changed their mind. In over 80% of cases it was because the candidate had proved their worth to the company through the quality of their work. The figures below illustrate the responses to a series of questions relating to employer attitudes. These show positive impact. As would be expected, the scale of positive response is increased for the placement strand which includes a longer and more intensive experience.

**Figure 7.4: Placement Employer Reported Impact**



**Figure 7.5: Taster Employer Reported Impact**



As evidence of the improved attitudes to engaging with universities in Wales, 13% of placement businesses stated that they would invest in a KTP as a result of GO Wales. Around a third of these have already set up a KTP.

Within the feedback analysis, employers reported a series of positive impacts upon the business as set out in the tables below.

**Table 7.4: Placement Benefits to Organisation**

Gave us the opportunity to try out a graduate or student	75%
Gave us the opportunity to support the development of a student or graduate	73%
Helped us free up owner/manager time to focus on other aspects of the business	72%
Contributed to new ideas	69%
Brought additional skills to the organisation	68%
Gave us an opportunity to talent spot	53%
Brought new skills to the organisation	45%
Helped us expand or consolidate the business	38%
Helped us develop new products or markets	38%

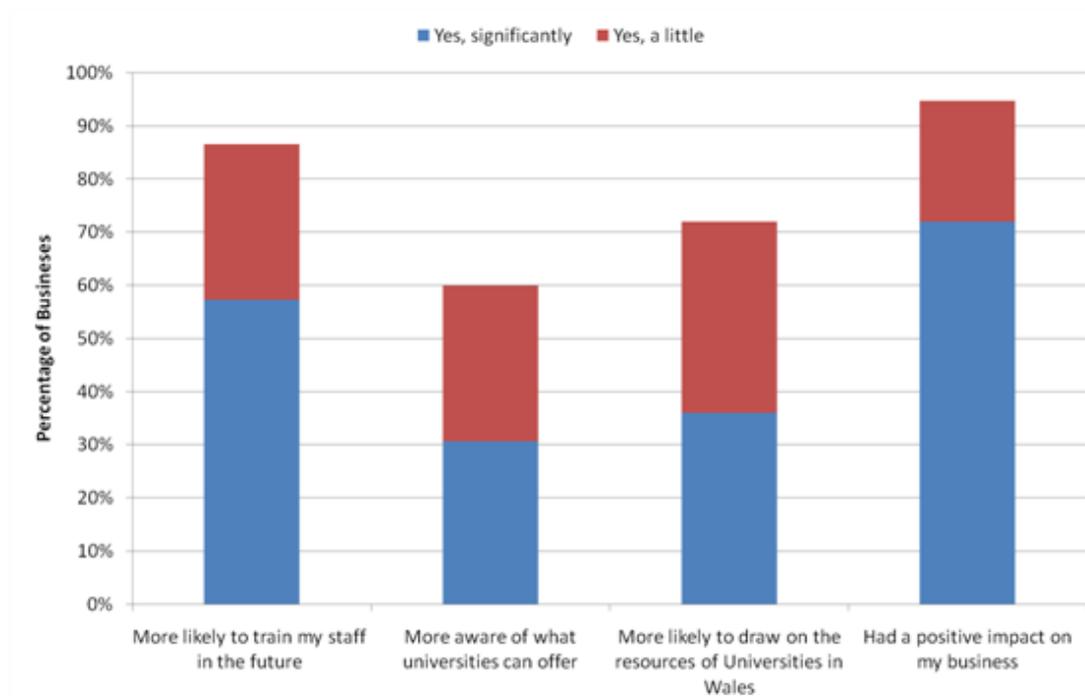
**Table 7.5: Taster Benefits to Organisation**

Offering the Participant the opportunity to learn about my organisation	89%
Helping the Participant to make an informed career choice	82%
Promotion of my profession or area of work	62%
New knowledge and skills	50%
Valuable short project completed	43%
Finding a potential recruit for the future	37%

Placement employers were asked a series of specific questions in respect of impact on attitudes and employment. 84% indicated that they were more encouraged to undertake graduate recruitment.

GTD employers were also asked a series of questions, which showed a positive impact on business attitudes as illustrated in the figure below.

**Figure 7.6: GTD Employer Reported Impact**



### 7.2.2 Evidence of real business benefits

Detailed impact analysis will be undertaken at the final evaluation stage, however, there are early indications of quantitative impacts on employment and turnover, in addition to softer attitudinal changes. Around 30% of businesses that participated in the placement strand indicated a positive impact on turnover and employment levels, and in excess of 50% reported the introduction of new products or processes as a result of participation in the GO Wales programme.

## **8. Conclusions**

This interim evaluation of Phase 5 of GO Wales has found overwhelmingly positive views of the programme internally and externally. The experience of both students/graduates and employers has been almost exclusively positive. Whilst this stage of work has not included a full impact assessment, the evidence collated points to positive impacts on both individuals and employers. Even those activities that were not expected to have significant business side impacts (e.g. Work Tasters) are reported to have delivered positive benefit to many participating employers. In addition to the direct impact, there is evidence of wider strategic added value through changing perceptions of participants, with a significant proportion of students/graduates more favourably disposed to working with SMEs and many businesses far more encouraged to employ graduates and to engage with the university sector.

Notwithstanding, achievement of programme targets within this phase has been very challenging. There are a range of reasons for this, not least the impact of the recession which has reduced employers' ability to recruit and train staff. There have also been some operational issues, particularly related to the GTD strand of activity. Set out below are very short summaries of key sections of the report.

### **8.1 Rationale & Strategic Fit**

This evaluation has found that GO Wales is addressing an evidence based need and market failure. This is the first test of any public intervention. GO Wales has a strong fit with the existing and emerging policy and strategic context. As a result, GO Wales has established a long track record of securing funding to deliver against its objectives in Wales.

### **8.2 Fit with Other Programmes**

GO Wales sits within a suite of employability and business support based interventions. However, there are opportunities for improving its integration with Job Centre Plus, Careers Wales and General Business Support. Relationships with programmes which are much more closely aligned with higher education, such as Knowledge Transfer Partnerships and University Careers activities are well established and there is evidence of good working relationships.

### **8.3 Best Practice**

There are schemes elsewhere in the UK which replicate some elements of GO Wales, most notably the placement strand. This is also the strand that is most readily understood by external stakeholders. The presence of such schemes, some with very long histories such as GO Wales, shows the need for this type of activity. There do not appear to be any schemes which offer such a broad range of support activities under a single programme.

The experience of Graduates for Business in Scotland is very interesting as this recognised the importance of placement activities on business, almost as a mini KTP type activity. However, whilst there was some success, the programme has since been cut.

## **8.4 Progress against Target**

At the point when data was collected, progress against target for completed interventions has been mixed in this phase of funding. This is due to a range of factors. Some indicators are broadly on track, but a number are either slightly behind or significantly behind expected profiles.

However, planned activity which is already in place, suggests by end of programme, performance will be closer to target profile for the majority of strands and indicators.

The performance picture does vary across institution although no immediate causation factor for this is evident from the evaluation research to date.

## **8.5 Structures and Delivery Arrangements**

Evidence suggests staff at all levels, within the GO Wales structure, are aware of the overall aims and objectives of the programme and are committed to achieving these. There is general contentment with the structures and delivery arrangements and no serious concerns with operations were raised within the evaluation. There were occasional gripes from staff and some issues relating to communication were raised from a number of quarters.

The most significant issues relate to the GTD strand of the programme. The programme management team are aware of these challenges and are actively looking to address identified issues.

## **8.6 Indications of Impact**

Whilst no full impact assessment has been undertaken, the evidence collected and collated suggests high levels of satisfaction, positive experiences and positive impacts from the programme on all participants. This includes a range of soft and hard benefits to students/graduates and employers. Most notable are low levels of unemployment among beneficiaries, and around two thirds of placement participants securing employment with the host organisation after the completion of the placement. A range of other skill and attitudinal impacts are evident. For employers there is some evidence of turnover and employment impact, as well as a range of improved attitudes to graduate employment, training and university engagement.

## **8.7 Overall**

Overall, the findings of this evaluation are broadly consistent with the 2007 evaluation of Phase 2 of GO Wales. The majority of findings are positive, and areas for development generally stem from elements of the programme which are new or in development and have not yet bedded down. The following section of the report sets out some recommendations for consideration.

## 9. Recommendations

Recommendations for changes and improvements to the GO Wales programme are based on the evidence collected and reviewed as part of this interim evaluation. This includes the views of consultees, survey interviewees and the evaluators taking into account all the available information. In many cases, recommendations will need detailed consideration by the GO Wales management team.

The recommendations have been split into two categories: strategic and operational. The strategic recommendations are unlikely to relate to the immediate delivery of GO Wales, but warrant consideration at an early juncture to ensure the programme is well positioned in light of a changing strategy, policy and economic context. The operational issues are in many cases much easier to implement and some or all could be acted upon in the short term.

The emerging operational recommendations were discussed at a workshop with a range of stakeholders in March 2011. Within the workshop, attendees were asked to indicate the priority actions, in their opinion. This was not intended to be a scientific analysis, but to provide an indication of potential priority areas. The results of this exercise are presented within this section.

### 9.1 Strategic Recommendations

The Welsh higher education landscape is changing substantially, with a move to regionalisation and a reduction in the number of institutions in Wales. GO Wales must adapt to this significant change in strategic direction and policy. The evaluators are aware that investigations to this end are already underway and these have not formed part of the evaluation research. However, it would be remiss to make no comment on this critical strategic issue within any evaluation report.

There was suggestion from a number of stakeholders, particularly external stakeholders, that the programme be expanded. In particular, these calls related to the placement and taster strands of activity which are most commonly understood as the backbone of GO Wales. The clear appreciation of the success and quality of the programme was an underlying justification for such a recommendation. There are opportunities and challenges related to this recommendation. The high degree of positive feedback and indications of positive impact suggest the programme is successful and benefits both individuals and businesses. As such, an expansion would appear desirable, to increase the scale of benefits. In addition, with the advent of higher undergraduate fees, it was suggested that the need for universities to 'up their game' in terms of employability is ever increasing and as such there is a real need to expand the programme to position Welsh universities at the forefront of graduate employability. GO Wales may be well placed to offer a high quality, efficient and consistent programme of placements and tasters to support the delivery of this, particularly given its expertise in delivering high quality work experience to date. However, there are potential challenges. Firstly, there are already challenges to hit targets with the current programme. Whilst there are always more businesses that can be targeted, it is reasonable to assume that the law of diminishing returns will apply and it will become harder to engage some businesses in the programme. Whether there is a limit on the scale of the programme is not something that has been tested but may warrant further consideration. Secondly, there would be a resource implication in terms of both administration and organisation and the subsidy cost.

Whilst there may be opportunities to explore lower subsidy rates or even some subsidy free placements, there would undoubtedly be a resource implication to deliver a larger scale programme to the same level of quality. In fact, whether the quality of the programme could be maintained is a critical issue to be grappled with. A further issue may be the need to change the nature of the programme, with repeat placements within businesses and a need to draw in more large businesses in order to support such an expansion.

A further strategic issue that warrants consideration is a managed exit strategy. The nature of GO Wales interventions, servicing a constantly refreshed cohort of students/graduates and the churn of the business population suggests that it is not a task and finish based intervention, but meeting an ongoing need. However, there is a need to map out a route to a sustainable structure for GO Wales (or the objectives which is seeking to deliver) given the constrained core funding environment across the UK public sector at present, and the expectation that there will be no further substantive EU structural funds programmes in Wales. In the short term there is an opportunity to pursue an extension to EU Structural Funding within the 2007-13 Convergence round. For the medium term the business plan sets out an indicative continuation strategy which includes HEFCW core funding to operate a basic programme. However, where this has been the predominant funding route in the past there has been a pared back service with more limited scale and impact. Since the drafting of the business plan the core funding environment for HEFCW is likely to have changed substantially. The evaluators have not made any assessment of a potential exit strategy, but in conjunction with the two preceding strategic recommendations, there is a package of issues which could be considered together to shape a medium – long term plan for the future of GO Wales. Options that could be considered could include a streamlining of activities towards greatest impact, a reduction in the level of grant or consideration of unsubsidised placements (particularly for larger businesses) and an investigation of routes to fund activities via University budgets as part of their own employability agenda.

## 9.2 Operational Recommendations

A number of credible recommendations for operational improvements emerged from the research. As noted above, these were given an indicative prioritisation by stakeholders at the emerging findings workshop. The table below sets out the recommendations and scoring received. Three recommendations emerged clearly as high priorities, with all seven options receiving some level of support.

Recommendation	Priority Scoring
<p><i>Raise awareness among business advisors</i></p> <p>The evidence suggests relatively few businesses hear about GO Wales from business support advisors. Anecdotal evidence from consultations supports this fact, with the suggestion that business advisors are not well versed with the programme and the opportunities it presents to business. Given the range of programmes that business advisors are required to understand and signpost, it is not surprising that some fall through the net, however, a national network of business advisors are a potential free sales force for GO Wales. They are working with companies facing issues, where the interventions offered by GO Wales may be part of the required solution. This recommendation received the highest priority from the workshop attendees.</p>	<p>11</p>

Recommendation	Priority Scoring
<p><i>Consider routes to increase effectiveness of marketing</i></p> <p>This evaluation has not included a detailed review of marketing activities and impacts, but is highlighting a potential issue for investigation. The evidence points to mixed views on the marketing of GO Wales. There was general support for a central marketing function which supports the more localised activities of individual delivery partners. However, the evidence from the surveys suggested that the importance of central marketing activities were lower than may have been anticipated, particularly among the student population. It is therefore recommended that there is a consideration of how to increase the impact of marketing activities and ensure assigned budgets are spent effectively. This issue received a substantial amount of support from the workshop attendees.</p>	10
<p><i>Develop database into CRM tool and improve functionality</i></p> <p>A number of delivery partners indicated a desire to see the extensive and well regarded GO Wales database being enhanced to provide additional functionality. In particular, opportunities were identified to use the database as a Client Relationship Management (CRM) tool to ensure a better service to clients was offered. In particular, at present, the database is only used to record information once an intervention is being explored or progressed. However, there is often substantial business engagement prior to this stage, through marketing activities and other direct contact. With this contact not being tracked there have been examples of businesses receiving multiple approaches from different institutions. A relatively minor extension to the functionality of the database could allow for a more comprehensive set of data to be collected which could avoid embarrassing situations and allow more comprehensive management of client relationships. This recommendation received a good level of support from workshop attendees.</p>	8
<p><i>Build stronger alliances with Job Centre Plus and Careers Wales</i></p> <p>Akin to raising awareness with business advisors on the business side, there are a range of advisory organisations dealing with potential participants on the individual side. Most notably Careers Wales and Job Centre Plus. The evaluators understand that there have been some discussions with these organisations with a view to establishing Memoranda of Understanding. However, nothing is currently in place. With relatively high levels of graduate unemployment, and past graduates re-entering the job market via redundancy or other reasons there is a pool of potential participants with higher level skills that may benefit from GO Wales interventions. It is recommended that alliances with these two key brokerage bodies are enhanced to ensure a good understanding of the GO Wales programme is had by advisors in both organisations.</p>	4

Recommendation	Priority Scoring
<p><i>Make GTD more responsive and flexible</i></p> <p>The GTD strand of the programme is acknowledged to face the most significant challenges at the current time. The reasons for current below target performance are varied. However, there is a need to recognise these challenges and ensure the programme adapts to the circumstances it faces. Particular challenges are outlined in earlier sections of this report. Whilst there are constraints on what can be done as a result of funding requirements, there is a need to consider the positioning of the strand alongside other skills funding interventions and the operational issues that can hamper take up of the scheme.</p>	4
<p><i>Write placements into public sector contracts</i></p> <p>It was suggested in the fieldwork that placements and tasters be included within public sector procurement contracts as a means of increasing the number of placements available and using the lever of public funds to upskill the population. This is an option that the management of GO Wales may want to consider.</p>	4
<p><i>Improve communication arrangements to be more inclusive and allow sharing of best practice</i></p> <p>There were mixed views on communication and sharing best practice from delivery partners. The evidence suggests that different institutions have very different custom and practice with regard to sharing information across teams. There are varied consequences of this, ranging from a failure to communicate best practice effectively to some staff in some institutions feeling excluded from information that team members in similar roles in other institutions are party to. The model in place for GO Wales allows some degree of institutional autonomy and therefore some variation in custom and practice is to be expected. However, it is important that the structures allow effective sharing of best practice and lead to motivated staff operating with appropriate knowledge and understanding. One potential route is to use all staff communications to share information, as well as establishing effective routes to share best practice across strands.</p>	3

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