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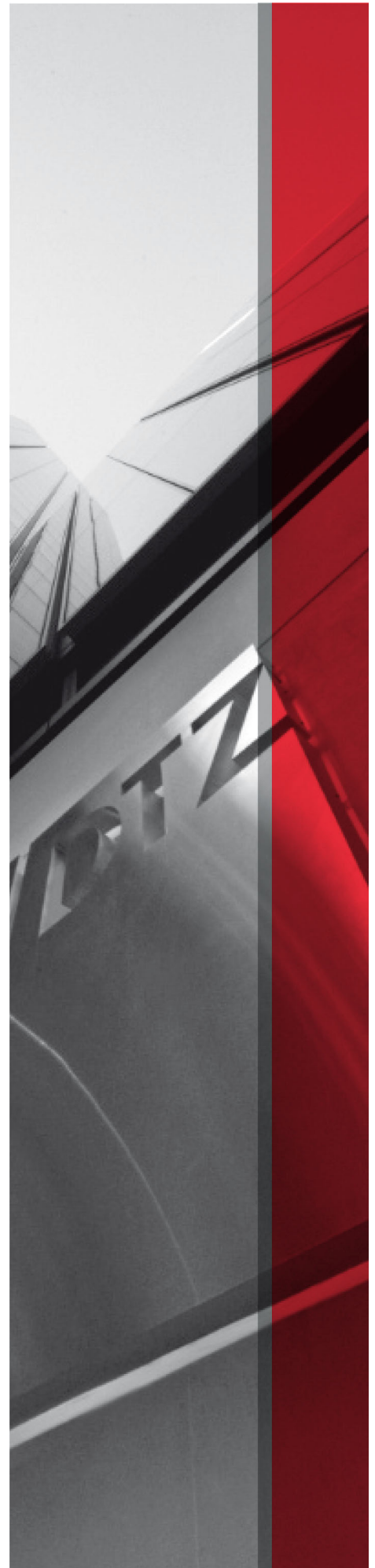
Evaluation of GO Wales Phase 5

HEFCW

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Appendices are contained within two separate volumes.

Executive Summary

Introduction

DTZ was appointed by the Higher Education Funding Council for Wales (hereafter HEFCW) to undertake interim and final evaluations of Phase 5 of the Graduate Opportunities Wales (GO Wales) project. This phase of activity was committed to run over the period January 2009 – December 2011.

The evaluation was structured around five objectives, to:

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

The methodology employed included a substantial review of policy and background documentation, analysis of project monitoring records and participant feedback data, a telephone survey of beneficiaries and a control group, and consultations with project managers, operational staff and external stakeholders.

Project Overview

GO Wales is a long standing project which has developed over time. Phase 5 of GO Wales includes six strands of activity:

1. Work Placements - 10 week¹ 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 (GTD) – 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.

Whilst there is no single and consistent statement of objectives, the following have been identified from project management documentation. These indicate the intention to deliver benefit to both individual students and graduates as well as to the Welsh business community.

- 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.

At the outset of Phase 5 the project budget was agreed at £19.4 million. As at the end December 2011 total expenditure was £14.3 million. During the course of the evaluation period the project was extended to December 2014 which will enable the full budget to be spent.

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

Rationale and Strategic Context

The literature reviewed as part of this evaluation identified a clear need for intervention to improve graduate employability, make graduate recruitment easier and challenge the perceptions of employers, particularly SMEs, as to the value of employing graduates.

Aligned with the evidence, there is a good fit between GO Wales and the policy and strategy documentation. There is also evidence of market failure, which GO Wales is directly addressing, through giving both individuals and businesses the opportunity to tackle information failure by gaining knowledge through experience.

The evaluation considered the fit of GO Wales with other programmes and activities and found a generally good fit, with little evidence of duplication or unwanted competition. Some opportunities to enhance links with other activities were identified, such as business support advice and Job Centre Plus.

Activity and Output Achievement

Analysis of achievement against targets shows variable performance. This includes variation across strand, between the Convergence and non-Convergence geographic areas, and across the eleven Higher Education Institutions that deliver the project.

The work taster strand was ahead of target in both Convergence and non-Convergence areas. The work placement strand was within the accepted 15% tolerance of target in the Convergence area, and slightly below the tolerance level in the non-Convergence area. The two new Academy strands and GTD were all substantially behind target in the Convergence area, but ahead or very close to full target level in the non-Convergence area. This in part reflects lower target levels in the non-Convergence area. In addition, some operational challenges relating to resourcing and commencing activity within GTD, Freelancer Academy and Graduate Academy impacted on performance. The work taster and work placement strands were far more established and understood across both the higher education and business community.

When considering other Convergence project targets there was again variable performance in terms of cross-cutting diversity targets, with targets exceeded for BME and older participants, but missed for disabled participants. The evidence suggests that whilst this data is monitored, targets are not actively managed. The number of business supported has exceeded target, whilst the number of qualifications achieved and volume of individuals supported are both outside accepted tolerance levels.

There is a need to focus on output achievement in the Convergence area in order to achieve target in the extended project period.

Strand Review and Impact Assessment

Work Placements

More than 2,000 work placements have been completed. Feedback form and survey responses indicate very high levels of satisfaction and perceived success from individual and business participants. This aligns with consultation responses that indicated many positive success stories from the placement strand. A range of skills were acquired, with the most prevalent being communication, planning, confidence, time management and IT. Almost three quarters of employers reported a significant positive impact upon participants. There were also positive impacts on individuals' opinions of working in SMEs and evidence of graduate retention in Wales.

The evidence also pointed to a range of positive impacts upon businesses as a result of the high level skills and additional resource that participants contributed. There were also wider attitudinal impacts including increased likelihood to employ graduates and call on the expertise of Welsh universities. This is particularly positive as more than a third of participating businesses had never previously employed a graduate.

Around two thirds of work placements end in a job offer for the participant. After consideration of all relevant factors net additional job creation over the period January 2009 – December 2011 from work placements is estimated at 694 jobs. As a result there is evidence of lower than average unemployment among participants. In addition, evaluation has found evidence of wage uplifts equivalent to £1.48 million to the Welsh economy and a

net increase in participant business turnover of £39.6 million. 50% of participating businesses reported the introduction of new products and processes as a result of the GO Wales intervention.

Work Tasters

More than 1,750 work tasters have been undertaken. Similarly to work placements, there are very positive views on the operation and impact of the scheme.

Whilst the primary driver for business participation is altruism and corporate social responsibility, there is evidence of business impact in terms of more positive attitudes to graduate employment and the likelihood to utilise the resources of Welsh universities.

Participants reported gains across a range of skills and experience, although to a lesser extent than work placements, as would be expected. More than 40% of participants reported that these skills and experiences were a factor in securing subsequent employment and more than 80% believed they would help them secure employment in the future.

Net additional impacts of 105 jobs and £151,000 in wage premiums were identified. The evaluation assessed potential deadweight of around 50% for this strand of activity, higher than the identified benchmark of 40%.

Graduate Training and Development (GTD)

More than 1,250 GTD interventions have been supported. The GTD strand has faced the greatest challenges of all strands as a result of the economic climate. Whilst businesses were fighting to survive and struggling to maintain staffing levels, investment and training fell down the priority list. The evaluation also identified some potential operational challenges and the tight eligibility criteria for Convergence compliant interventions made achieving targets harder than anticipated.

Very high levels of satisfaction were reported by participant businesses and individuals. There is also very positive evidence in terms of reported impacts in terms of the usefulness of skills gained on current and future employment and encouraging further learning as well as helping safeguard employment. Businesses also reported a range of impacts in terms of increased likelihood to train staff in the future and improved understanding of what Welsh universities have to offer. 45% of businesses indicated the introduction of new products and processes, 28% an increase in turnover and 26% an increase in employment as a result of GO Wales intervention.

The assessment of deadweight suggests around 45% of impacts would have accrued without intervention, slightly higher than the benchmark of 40%. Notwithstanding, the impact assessment indicates net impacts of 272 FTE jobs created and 135 jobs safeguarded as well as an additional £2.8 million in business turnover and £773,000 in additional wage premiums.

Graduate Academy

This new strand of activity within GO Wales incorporates a two week residential programme followed by a period of work experience and a two-day conference. The programme is focused around an ILM Level 5 Award in management and is particularly targeted at graduates that are unemployed or under-employed. 182 participants have been through the academy, with many success stories reported. In particular, the participants reported positive impacts on confidence and a range of employability skills including leadership, communication and teamwork. The evidence collected suggests a very high level of additionality due to the innovative design of the programme. Whilst data on impact is limited, the evidence suggests a lower level of unemployment among participants than the national average for graduates and there is some evidence of a wage premium for some of those that participate.

Freelancer Academy

The Freelancer Academy allows participants to explore a career in freelancing and develop appropriate skills relating to self-employment and starting an enterprise. 179 participants have taken part in the Freelancer Academy. Feedback from participants is very positive in terms of operational arrangements and content. A

range of impacts are reported by those who have completed the Academy including developing knowledge and the acquisition of practical and softer skills including business planning, presentation, marketing and confidence. Around 20% of those that have subsequently embarked on a freelancing career did so sooner than they would have otherwise and there is some evidence of an earnings premium as a result of participating in the Academy.

GO Wales Jobs

There are more than 800 registered users, and some 5,500 jobs have been advertised via the site. Evidence collected as part of this evaluation found high levels of satisfaction which are corroborated by repeated use of the facility by users. At least 75% of survey respondents had recruited as a result of adverts posted to the site. Due to the availability of a targeted and free facility, the evidence suggests that Welsh businesses are saving some £420,000 - £580,000 per annum on other advertising costs.

Project Structures and Management

This was considered as part of the interim evaluation (DTZ, 2011).

Conclusions and Recommendations

The evidence collected indicates that all of the identified objectives for the GO Wales project are either being achieved or have been achieved. There is evidence of benefit accruing to both individuals and businesses across Wales as well as changes in attitude which create the potential for further benefits in the future. In particular there are more positive attitudes towards employing graduates, working within SMEs, undertaking further training and development activity and engaging with universities.

The project is designed to tackle identified issues within the Welsh economy and fits well with strategy, policy and other interventions. Feedback from participants and delivery staff in respect of the operation of the project is generally very positive.

Progress against targets for output indicators is mixed. Had the project ended at December 2011 as first intended a number of headline indicators would have been outside accepted tolerance levels. The project extension gives an opportunity for catch-up.

In aggregate, the evaluation has identified net additional impacts of 1,071 jobs created, £2.7 million in wage premiums and £42.4 million of business turnover in Wales over the period January 2009 – December 2011 in addition to an array of qualitative impacts and skills acquisition.

Due to the nature of financial reporting and the variation in outputs and outcomes across strands it is not possible to undertake accurate value for money analysis. Changes to financial reporting mechanisms to enable improved financial and value for money analysis are a recommendation of this evaluation.

The major recommendations emerging from the final evaluation are to:

- Improve the delivery profile in areas lagging behind target;
- Improve communication of value of qualifications incorporated within activities;
- Encourage active management of cross-cutting and diversity related targets;
- Ensure value added is maximised; and
- Consider improved financial reporting to allow value for money analysis.

A number of strategic and operational recommendations were made as part of the interim evaluation. Progress is being made against many of these.

1. Introduction

DTZ was appointed by the Higher Education Funding Council for Wales (hereafter HEFCW) to undertake interim and final evaluations of Phase 5 of the Graduate Opportunities Wales (GO Wales) project. This phase of activity was committed to run over the period January 2009 – December 2011. The interim evaluation took place over the period November 2010 – May 2011.

This report presents the findings of the final evaluation which took place over the period August 2011 – January 2012. This builds on the research and findings of the interim evaluation. The interim evaluation presented a wide range of research on operational aspects of GO Wales Phase 5. This has not all been repeated within the final evaluation report.

During the course of the final evaluation GO Wales received approval to extend the project to December 2014. For the purposes of the evaluation December 2011 remained the cut off period for all analysis. In some instances, the extension of the funding has led to a need to estimate the levels of activity that would have been fully completed by end of December 2011 as the imperative to finalise all intervention paperwork was removed². For financial and output data where this is the case HEFCW has provided best estimates of activity that would have been eligible and confirmed had the project ceased at December 2011.

Whilst GO Wales is an all Wales project it is funded differently in different areas. GO Wales receives funding from the European Social Fund under the West Wales and the Valleys Convergence ESF Programme 2007-13. Match funding comes from a number of sources including HEFCW, HEIs and employers. Outside the West Wales and the Valleys area the project is funded by HEFCW and is much smaller in terms of funding and scale of supported activity.

The nature of the activities undertaken are identical across all Wales, only the scale varies. As a result, the majority of this evaluation considers the all Wales picture, with findings consistent across the Convergence and non-Convergence areas. Where differences are evident these are noted.

The GO Wales Project

GO Wales is Wales' graduate employability and skills project. The project 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 and higher education students 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 project:

1. Work Placements - 10 week³ 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 Appendix 1.

² This estimate is based on interventions listed as undertaken within the GO Wales monitoring database, but where some paperwork may currently be missing, awaiting completion, before the intervention can be fully signed off and claimed as an output under the Convergence 2007-13 Programme. If the project had been due for completion by December 2011 paperwork completion would have been a higher priority within the relevant timeframe, however, as the project was extended organising further interventions continued and the imperative for ensuring all sign off was complete was removed. This work was undertaken by GO Wales monitoring staff.

³ Some placements can be extended up to 24 weeks where there is a link to the Knowledge Transfer Programme (KTP).

This evaluation is focused on Phase 5 of GO Wales, running from January 2009 – December 2011. As the title suggests, there have been four preceding phases. In fact, GO Wales was established in 2003 and before that its predecessor programmes Cymru Prosper Wales and Graduate Wales operated from the mid 1990s. Over the last 15 years there has been an evolution in the nature of activities offered.

Evaluation Objectives

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

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

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

Evaluation Methodology

The final evaluation builds on the research undertaken as part of the interim evaluation. Across both evaluations the following activities have been undertaken:

Policy Review

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

Management Information Review

A substantial review of information from the project 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.

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 evaluation data was captured from 2,503 feedback forms.

Individual Participant Survey

A telephone survey of 1,063 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.

100 beneficiaries surveyed as part of the interim evaluation were interviewed for a second time one year later to provide a picture of longer term impacts.

Business Survey

A telephone survey of 626 participating businesses has been completed. This was designed to supplement available data and test issues around marketing and awareness, and impact of the scheme.

A further e-survey of users of the GO Wales Jobs website was undertaken, with 78 respondents.

Control Survey

A telephone survey of 303 individuals and businesses that had applied but had not received support from GO Wales was undertaken as a control group to test the validity and additionality of results captured from the main beneficiary surveys.

Management and Delivery Consultations

The evaluators consulted with 15 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 Project. A list of consultees is included at Appendix 2 to this report.

External Stakeholder Consultations

The evaluators consulted with nine external stakeholders to gather views on project perception and fit with related activities. A list of consultees is included at Appendix 2 to this report.

Analysis & Reporting

The evidence collected from all sources was pooled and analysed to build a picture of the GO Wales Project and to respond to the evaluation objectives. As part of the interim evaluation, which focused primarily on process, 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. The final evaluation focused primarily on impact analysis and no such workshop was held, although findings were disseminated via the GO Wales Strategy Group.

Report Structure

The remainder of this report is set out as follows:

- **Section 2** provides an overview of GO Wales project including its funding, activities, outputs and outcomes.
- **Section 3** outlines the rationale behind the development of the GO Wales project and its aims and objectives.
- **Section 4** sets out analysis of performance against target for a range of indicators.
- **Section 5** sets out a summary review of evidence by strand alongside a consideration of impact.
- **Section 6** sets out the conclusions of the evaluation and recommendations for consideration by HEFCW.

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

2. Project Overview

This chapter sets out further detail on the GO Wales project in terms of its aims and objectives, target outputs and outcomes as well as budget and expenditure.

Project Objectives

The business plan for the Convergence area project sets out the overall aim of the GO Wales project as 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”⁴

The aim of the project 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.”

It is interesting to note that within the Convergence business plan there is something of an emphasis on the business benefits, as well as the individual participants. In the aim as set out in the brief, the emphasis is firmly with the individual.

In reviewing relevant project documentation we have not found a statement of the overarching set of 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.

These objectives give a clear impression of the desire to have positive impact upon both individuals and businesses.

GO Wales managers may wish to establish a single aim and set of objectives that can be used in all project documentation as required. Whilst to some this may appear as semantics, it would be helpful to avoid misinterpretation and support common purpose across all delivery partners. This was raised as an issue within the interim evaluation and it is understood that since that stage some progress on this has been made.

⁴ Higher Education Funding Council for Wales (2008) GO Wales – Skills for the Knowledge Economy: Business Plan

Outputs, Outcomes and Impacts

Each strand of activity leads to a range of outputs and outcomes which are presented in Table 2.1. In summary the main outputs from the GO Wales project are work placements/tasters completed and qualifications awarded. The economic outcomes from the project 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
- Increased levels of higher skilled and higher wage employment
- Jobs created/safeguarded

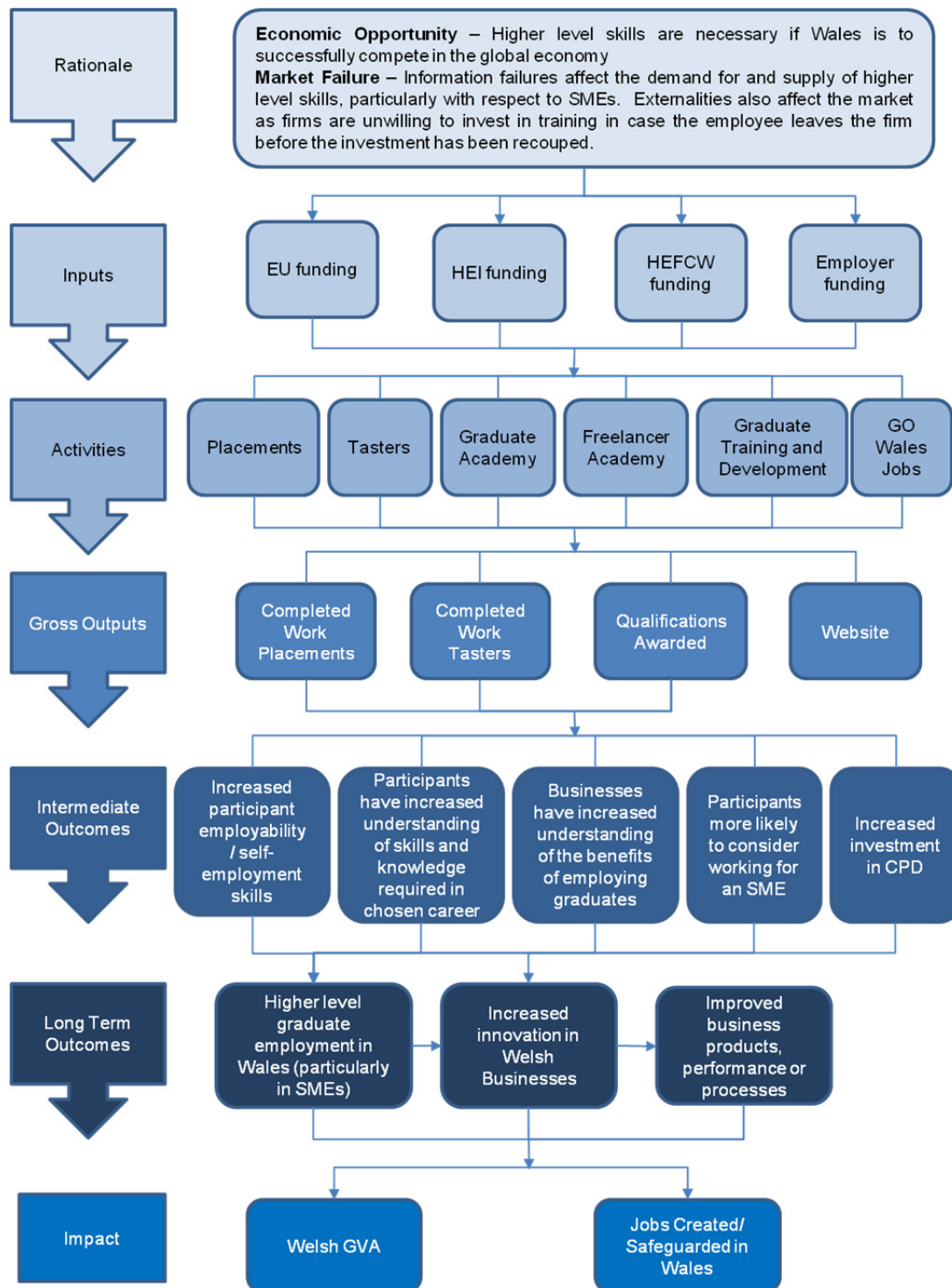
Table 2.1: Outputs and Outcomes Summary Table

Strand	Outputs	Outcomes
Work Placements	<ul style="list-style-type: none"> Completed placements City and Guilds Professional Development Qualifications Awarded 	<ul style="list-style-type: none"> Increased participant employability skills Businesses benefit from new skills, knowledge and ideas Focused resource to improve business products, performance or process Participants more likely to consider working for SMEs Increased awareness/understanding of the benefits of employing a graduate Businesses more likely to employ graduates Higher level of graduate employment in Wales (particularly in SMEs) Increased innovation in Welsh businesses
Work Tasters	<ul style="list-style-type: none"> Completed tasters 	<ul style="list-style-type: none"> Participants have increased understanding of skills and knowledge required in chosen career Employers may benefit from new skills, knowledge and ideas May help to change SME perception on employing a graduate Higher level of graduate employment in Wales (particularly in SMEs) Increased innovation in Welsh businesses Businesses benefit from improved business products, performance or process
Graduate Training and Development	<ul style="list-style-type: none"> Completed training/courses Qualifications awarded 	<ul style="list-style-type: none"> Increased participant employability skills Participants more likely to request CPD training Businesses more likely to invest in CPD Increased retention of graduates in Welsh businesses (particularly in SMEs) Graduates develop new skills and knowledge Businesses benefit from improved business products, performance or process as a result of skills gained or enhanced
Graduate Academy	<ul style="list-style-type: none"> ILM Level 5 Award in Management qualification Completed placement/work experience 	<ul style="list-style-type: none"> Increased skill levels for those that are unemployed or under-employed (student) Increased participant employability skills Many participants more likely to consider working for SMEs Increased awareness/understanding of the benefits of employing a graduate Businesses more likely to employ graduates Higher level of graduate employment in Wales (particularly in SMEs) Increased innovation in Welsh businesses Businesses benefit from improved business products, performance or process
Freelancer Academy	<ul style="list-style-type: none"> ILM Level 3 Award in Starting your own enterprise 	<ul style="list-style-type: none"> Development of skills and knowledge required to work as a freelancer Increased retention and employment (self-employment) of graduates in Wales
GO Wales Jobs	<ul style="list-style-type: none"> Employment website 	<ul style="list-style-type: none"> Students and employers provided with one definitive and cost effective facility to post jobs and search for graduate level vacancies in Wales

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 project, individual logic chains have also been produced for the six strands of activity within the overarching GO Wales project, these can be found in Appendix 3.

Figure 2.1 Summary Logic Chain



Budget and Expenditure

Table 2.2 sets out the Phase 5 budget by funding source.

Table 2.2: GO Wales Project 2009 - 2011 Budget by Funding 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
Total						£19,436,617

Source: HEFCW

Due to the extension of the project within the Convergence Programme financial expenditure data across the evaluation period is subject to estimates (Table 2.3). However, expenditure is lower than budget. This in part reflects lower levels of completed activity and contributes to the ability to extend the project. Within the Convergence area expenditure is 72% of original budget. In the non-Convergence area expenditure is 82% of budget.

In West Wales and the Valleys the Project received £6.9 million of ESF funding, with match funding provided by HEFCW, HEIs and employers. In the non-Convergence area there is no ESF funding. In the Convergence area, total public funding equates to 78% of total project costs.

In total, over the evaluation period January 2009 – December 2011 GO Wales was a £14.3 million project. 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 project is therefore in excess of the official reported figure.

Table 2.3: GO Wales Project 2009 - 2011 Final Expenditure by Funding Source

	ESF	HEFCW	HEI	Employers (Public)	Employers (Private)	Total
Convergence Area	£6,909,951	£1,454,982	£783,482	£134,707	£2,528,068	£11,811,190
Non-Convergence Area		£2,498,403			Not monitored	£2,498,403
Total						£14,309,593

Source: HEFCW

3. Rationale and Strategic Context

This chapter sets out the results of a review of relevant research, strategy and policy literature as well as consideration of issues around market failure.

Need for Intervention

The evidence indicates a clear need for intervention. Set out within Appendix 3 to this report is a review of relevant research documents. In summary, the evidence indicates:

- The increasing importance of graduates to the on-going competitiveness of the UK economy;
- The importance placed upon employability skills and relevant work experience by employers;
- The relative lack of satisfaction of employers with the employability skills and relevant experience currently held by many graduates;
- The lower levels of university-business engagement and graduate recruitment among smaller firms, including a lack of appreciation of the value of graduates;
- The call by employers for universities to do more to improve employability skills and to offer more work-based placements;
- The need to improve graduate retention in Wales and to increase the value-added per job which is the primary driver of the GVA gap in Wales.

All these findings highlight the need for a wide ranging intervention to improve graduate employability, make graduate recruitment easier and challenge the perceptions of employers, particularly SMEs, as to the value of graduate employment.

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.

Included within Appendix 3 is a review of 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 project. This shows a strong policy fit between the aims of GO Wales and the current strategic and policy framework.

Market Failure

The HM Treasury Green Book⁵ 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.

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:

⁵ HM Treasury (2003) The Green Book: Appraisal and Evaluation in Central Government

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

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.

Supply of higher-level skills

In terms of the supply of higher-skilled labour, much of the GO Wales project 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. However, the GTD element of GO Wales also deals with supporting the acquisition of specific skills and knowledge to support the development of graduates and the businesses they are employed within. Market failures affecting the supply of higher-level skills are primarily around information failures, including:

- Individuals lacking the information to understand or appreciate the benefits of developing their 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 and graduates believing that they need to work in larger employers to have satisfying and well paid careers and not recognising the benefits of working for smaller employers e.g. opportunities to work across functions and to be more entrepreneurial.
- Students and graduates lacking the information to know how to secure a placement, or what kind of placement would be most appropriate for them.

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.

Table 3.1 GO Wales fit with other Programmes and Activities

	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 as well as directly via course structures and content. A summary of the key activities include:</p> <ul style="list-style-type: none"> • 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 • 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. • 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. <p>A review of activity being delivered at Universities across Wales reveals that the GO Wales project is 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>
	Careers Wales and Job Centre Plus	<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"> • People of all ages requiring careers information and advice. • Employers/businesses requiring help and advice on recruitment, training, employee development, skills and qualifications. <p>A review of Careers Wales carried out in 2009 by Professor Tony Watts on behalf of the Welsh Assembly</p>

	Activities	Relationship and Fit
		<p>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>
Business	KTPs and other University/Business engagement programmes	<p>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.</p>
	Other Business Support Activities	<p>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.</p> <p>GO Wales also offers opportunities for individuals to explore enterprise and fits within the Welsh Government's <i>Youth Enterprise Strategy</i>.</p>

4. Activity and Output Achievement

This chapter reviews activity and outputs across the evaluation period compared to target. This is split into three sections. Firstly activity by strand, secondly activity by institution, and thirdly a review of activity and outputs compared to targets within the approved project within the Convergence project.

All data within this section has been provided by the GO Wales team within HEFCW based on the GO Wales database, monitoring returns to WEFO and profiles submitted by the HEIs. All analysis has been undertaken to give the best possible estimate of activity that would have been complete and eligible should Phase 5 have ended at 31st December 2011⁶.

More detailed tables setting out targets and achievement are presented at Appendix 6.

Activity by Strand

Table 4.1 sets out the targets by strand across the Convergence and Non Convergence areas. Table 4.2 sets out achievement against target within the evaluation period. The results are colour coded as follows:

- Green – achievement ahead of target
- Amber – within accepted 15% tolerance of target
- Red – achievement less than 85% of target

Overall the results are set against a backdrop of a weak economy which has dampened the overall employment and recruitment market as well as leading to substantial cutting back of training activity within businesses⁷.

Table 4.2 shows good performance in the non-Convergence area with three of the six targets exceed, one was within 5% of target level and one (Work Placements) running at 83% of target. Given initial delays with the academy strands and GTD and the economic context, this represents strong performance since the interim evaluation.

In the Convergence area the target levels of activity have proved more challenging. Whilst the Work Taster target was exceeded and the Work Placement target within 10%, the achieved outputs for GTD, Graduate Academy and Freelancer Academy were substantially below target. Consultations indicated that recruitment to the two academy strands proved more challenging in Convergence areas than anticipated, this was exacerbated by delays in establishing these two new strands. The fact that these two elements were brand new also added a level of uncertainty when targets were set, with no historic experience on which to base estimates. The GTD strand has also been subject to operational issues as discussed within the interim evaluation, including a major change from previous phases of GO Wales activity.

When considering the all Wales perspective the Work Taster target was exceeded, Work Placements (89%) was within accepted tolerance limits whilst the Graduate Academy (81%) just missed the . GTD and the Freelancer Academy missed target by more than 20%.

Due to the extension of the project, with revised targets, these results are not the ultimate assessment of achievement. It should also be noted that performance against target should not be used as indication of value for money, as expenditure levels are well below budget, which was initially aligned to the targets. Only GTD is running at lower than 72% of target (the benchmark based on current levels of expenditure vs budget).

⁶ If the project had ended at 31st December 2011 all interventions approaching end would have been actively chased to ensure all paperwork was complete, eligibility confirmed and monies defrayed. Due to the extension to the project in the Convergence area, the imperative for finalising every intervention was removed. GO Wales monitoring staff have assessed all interventions which are close to completion to identify those where evidence suggests they would have been highly likely to complete if the project had ended.

⁷ CIPD, Learning and Development, Annual Survey Report 2009

Table 4.1: 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
Total	4128	1623	5751

Table 4.2: Achievement Against Target by Strand

	Convergence	Non Convergence	Total
Work Placements	91%	83%	89%
Work Tasters	107%	102%	105%
GTD	57%	98%	66%
Graduate Academy	67%	138%	81%
Freelancer Academy	53%	137%	70%
Total	84%	96%	88%

Activity by Institution

Table 4.3 sets out target and outturn for each HEI. This shows variable performance with some institutions achieving well ahead of target and others well behind. As each HEI operates a slightly different delivery model it is not possible to unpick clear causation for this variation. Consultations do not indicate any systematic or obvious contextual reasons for such variable performance. However, it was noted by many consultees that the nature of the geographic areas each HEI focuses upon can play a role in both the necessary design of activity and the ease of securing participants.

Table 4.3: Institutional Targets and Progress (Completed Interventions)

Institution	Target (All Strands*)	Progress Against Target
Aberystwyth	534	69%
Bangor	426	83%
CMU (formerly UWIC)	283	86%
Cardiff	899	109%
Glamorgan	587	89%
Glyndwr	391	84%
IT Wales	162	41%
Newport	407	74%
SMU	324	95%
Swansea University	532	104%
TSD Carmarthen	337	99%
TSD Lampeter	389	81%
Total	5271	89%

* Placements, Tasters and Graduate Training and Development

Convergence Programme Targets

Table 4.4 sets out the results of outputs against Convergence area targets. These targets were devised in line with the full project, which has now been extended. Current expenditure relevant to the analysis period is 72% of total budget. This may be a useful benchmark for progress.

The Individuals Supported indicator is currently at 82% of target. Whilst this is not in line with original expectations this is ahead of the benchmarked expenditure profile. Unsurprisingly the qualifications achieved indicator is also running behind target. Evidence from consultations suggests this is in part a result of lower overall levels of activity, partly a result of challenges in the GTD strand as well as securing participation in relevant qualifications in the Work Placement strand, and partly reflects the lag in achieving qualifications. As a result of the project extension there may be qualifications which will be validated relevant to included participants. The GTD strand

faced particular difficulties due to delays in commencing activity, which led to a 'missing cohort' as recruitment for academic year 2009/2010 was missed. Due to the planned end of the project in 2011 there was no recruitment for academic year 2011/12. The window for recruitment on to many academic courses which run in line with the academic year was limited to two years. As all courses were required to complete before the end of the funding period, there were also constraints on courses commencing in September 2010 as two year courses were not valid.

The Businesses Supported indicator is ahead of target.

Participation by Black and Minority Ethnic and Older persons are both ahead of target, however, activity with disabled⁸ participants is well behind target. No evidence as to why this may be the case has been identified. However, consultations with HEIs would suggest that there is little active targeting of particular groups, rather the profile of participants is something that is captured as part of the monitoring process. As a result, achievement of the target group profiles is not actively managed.

Table 4.4: Convergence Targets and Progress (Interventions Started)

Indicator	Target (All Strands)	Progress Against Target
Individuals Supported	3,600	82%
BME Participants*	140	107%
Older Participants	43	288%
Disabled Participants ⁷	216	33%
Businesses Supported	866	131%
Qualifications Achieved	1,608	51%

Source: GO Wales Monitoring Records as at 31/12/2011

*Note that the target for BME participants has changed since the interim evaluation as a result of re-profiling following clarification of eligibility rules for international students.

Further Indicators

In addition to the data presented above a further set of monitoring data were provided to allow analysis of further indicators. The following statistics relate to all interventions completed by 1st January 2012 in the Convergence area. These data do not perfectly align with those presented earlier in this chapter.

Qualifications

Table 4.5 shows the spread of qualifications gained by level as set out within the National Qualifications Framework (NQF). This shows the vast majority (83%) of activity is at levels 4-6. This is primarily driven by those completing the Professional Development Award as part of the Work Placement strand. It should be noted that this data only relates to qualifications which are listed on the Ofqual register or are academic qualifications delivered by HEIs and are therefore valid within the Convergence Programme. GO Wales has also supported training leading to qualifications which do not fulfil these criteria including professional qualifications such as PRINCE 2 and modules related to other professional bodies.

Table 4.5: Level of Full and Part Qualifications Gained

Level of Qualifications (NQF)	Qualifications Gained	Part Qualification Gained
2	1	
3	115	1
4-6	667	42
7-8	18	35
Total	782	78

Source: GO Wales Monitoring Records as at 1/1/2012

⁸ Based on self reported disability or work limiting health problem.

Diversity

The data also indicate the following profile of participants:

- 45% of participants are male and 55% female.
- 254 female participants working part time⁹ were supported
- 95 (3.6%) participants were identified as lone parents
- 152 participants were listed as EU migrants. A further 40 as non EU migrants. In total a little over 7% of total participants are identified as migrants.

⁹ Part time work defined as less than 35 hours per week

5. Strand Review & Impact Assessment

This chapter presents a summary of results by strand based on the findings of consultations, management information, beneficiary feedback and the survey work undertaken as part of the evaluation research. Further details on the surveys and feedback form analysis are presented within appendices to the main report.

Work Placements

Work Placements consist of project based placements normally lasting 6-12 weeks, although there is provision for extension up to 6 months where a shorter Knowledge Transfer Partnership (KTP) is being explored. This element of GO Wales is tried and tested and consultations indicate a strong delivery structure is in place with no particular associated problems. The strand is well known among businesses, with many repeat customers. In fact both internal and external consultees provided overwhelming positive support for the work placement strand.

Throughout the analysis period 2,072 placements have been undertaken, 89% of target. This shows that despite the weak economic situation, take up has been strong. Whilst for individuals the reasons for participation are largely as would be expected e.g.: wanting to gain experience or improve CV, for employers the key attractors include a wage incentive (52%), testing out a potential new employee (40%) and resourcing a particular project (39%) were the primary drivers. 33% participated out of a desire to give a student or graduate an opportunity to gain experience.

Data from both feedback forms for employers and individuals, as well as the telephone survey responses indicate very high levels of satisfaction with scheme administration, support received from GO Wales organiser and information provided. High ratings are also achieved for success, effectiveness of learning and in developing and enhancing skills within feedback forms. The survey also indicates a very high degree of reported success in achieving the objectives of participants. This is also aligned with consultation responses that indicated many positive success stories from both employers and individual participants

Employers gave a very high rating of the quality of work (95% good or very good) carried out by the employee and 96% rated placements successful or very successful. This is reflected in the fact that almost two thirds¹⁰ of placement participants are offered employment with their host company at the end of the placement. In some instances the employer was operating a 'try before you buy' arrangement with a plan in place to recruit before commencing the placement, however, 42% of employers that offered a placement indicated that they had no intention of making an offer before the placement started. The primary reason for the change in mind was the quality of the employee. A quantitative assessment of employment impact is presented below.

Feedback forms indicated participants acquired a range of skills relevant to the workplace – the top five were Communication (83%), Planning (73%), Confidence (71%), Time Management (70%) and IT Skills (65%). Whilst the question was asked in a slightly different way¹¹, reported acquisition of skills was much lower within the telephone survey responses. In addition to the alternative phrasing of the question this may be an indication of initial overestimation of benefit, the effect of passing time on recollection, the respondent assessing taking a more rounded view of the experience with hindsight or a desire to report positively within the feedback forms, as well as other factors. The table below sets out the results. Regardless of the lower levels of reporting, the data suggest the placements make a positive contribution to the employability skills and experience base of participants.

Interestingly, employers that hosted placements were also asked about the skills acquired by the individual participants. 71% of employers reported that there was a significant positive impact on the participant, and some impact on a further 24%. For many of the skills, employers reported a higher level of skills acquisition than individuals during the telephone survey.

Whilst the survey has found that many participants believe they would have acquired many of the reported skills and experiences at some point, participation in a GO Wales placement has expedited this process. The skills and experiences are also reported to have a real impact on achieving employment, with 90% of employed participants

¹⁰ Individual participant feedback forms - 55% employed by the host immediately following placement. Individual survey responses - 62% offered a job by the host. Employer survey - 60% offered the place a job at the end of the placement.

¹¹ During the survey respondents were asked which were the main skills acquired. Within the immediate post placement feedback respondents were asked which skills were acquired.

indicating that the skills and experiences gained had been a factor in their gaining employment. For 60% this was a significant factor.

Table 5.1: Percentage of respondents indicating skills acquisition through Work Placements

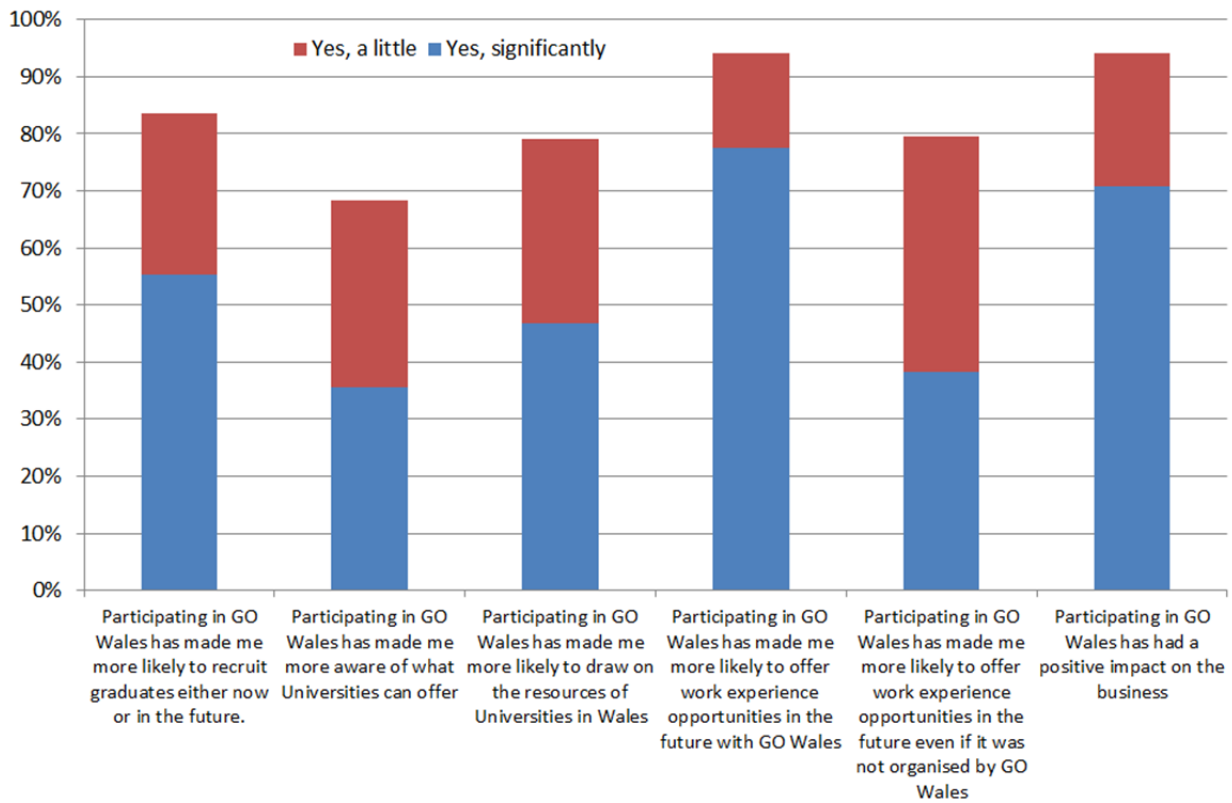
Category	Feedback		
	Forms (Individuals)	Survey (Individuals)	Survey (Employers)
Communication	83%	31%	29%
Planning	73%	4%	9%
Confidence	71%	19%	23%
Time Management	70%	12%	18%
IT/Computer	65%	17%	11%
Job Specific/Technical	63%	34%	21%
Teamwork	56%	12%	17%
Project Management	47%	9%	11%
Interpersonal	47%	7%	15%
Assertiveness	39%	3%	7%
Presentation	33%	5%	9%
Leadership	17%	8%	5%
Understanding the working environment	n/a	30%	60%
Understanding of an industry	n/a	24%	31%
Industry Contacts	n/a	5%	n/a

Further key findings from the survey of individuals include that around two thirds of the 70% of participants that undertook the Professional Development Award as part of the placement reported that it enhanced the placement experience. In addition, according to the feedback forms 54% of participants within SMEs are now more interested in working in an SME than before taking place in the placement strand. This aligns with outcome data from the telephone survey whereby 66% of those employed or self-employed are working within an SME. This compares to 22% within the control group.

The employer survey also highlighted a number of key issues:

- Placement led to a range of positive impacts upon businesses – these included the opportunity to try out a graduate or student (75%), Freeing up owner/manager time to focus on other areas of the business (72%) and contributing new ideas and skills (69%)
- 37% of businesses that hosted a placement had never previously employed a graduate.
- Participation in the placement strand had a number of positive impacts on employer attitudes as summarised in the table below. In addition 17% of businesses reported that they would invest in a Knowledge Transfer Partnership (KTP) as a result of GO Wales. Of these, 42% had already done so.
- 50% of businesses reported that new products and processes had been developed and introduced as a result of the GO Wales placement. 33% reported a positive impact on business turnover and 27% reported a positive impact on employment.

Figure 5.1: Impacts on Employer Attitudes



The evaluation data allow the calculation of a number of impact indicators relevant to the reported placement impacts upon the participating individuals and businesses. In particular:

- Jobs Created
- Wage Uplift
- Business Turnover

The impact assessment takes full account of additionality. This ensures impacts that would have occurred without GO Wales are discounted, and the wider knock on impacts of activity are also considered.

Jobs Created

Employment impacts arise through a number of routes. Of greatest importance is the direct employment of participants by the host organisation. In addition, the experiences of employing a graduate as a result of the placement have reportedly led to further employment which is attributable to GO Wales. There are also wider multiplier impacts within the wider economy as a result of the additional employment.

55%¹² of placements lead to a job offer. This equates to 1,140 jobs, based on the 2,072 placements completed within this phase of GO Wales. This compares with 16% (five of 31 relevant placements) of the control group that undertook work experience of 12-52 weeks duration, a much lower incidence. The reasons for this lower reported rate may vary but are likely to include the knowledge within the business community that GO Wales is an established potential route to try out an employee before fully committing as well as the design of the GO Wales project to give a focused well designed project which allows the participant to add value to the business.

¹² Based on the lowest reported level for prudence.

The data suggests some 30%¹³ of placement type activity would have taken place without GO Wales (deadweight). This employment should be discounted. In addition, 58%¹⁴ of those offering jobs indicated that they expected to make a job offer prior to the placement (as noted above). Whilst the placement is likely to have been very helpful to the business in evaluating a potential employee, for the purposes of this assessment, these should also be discounted as deadweight. These two factors are applied sequentially, rather than added, as they are separate issues which may have some overlap. The net result is 335 additional jobs.

Leakage is assessed to be zero, as all interventions are in Wales, as are all participants. Displacement is assessed to be very low (12.5%)¹⁵. Standard 'average' regional multipliers are assumed (1.5) leading to a net additional impact of 440 jobs as a result of host employment.

Through the telephone survey, the data indicate a further net additional impact of 255¹⁶ jobs as a result of wider employment impacts attributable to GO Wales placement experiences by businesses.

In total the Placement strand has led to a net additional 694 jobs created in Phase 5, January 2009 – December 2011, based on conservative assessment of the data.

In addition to the job creation, survey responses indicate 9% of respondents are unemployed. This compares with ONS estimates of recent graduate unemployment in the region of 20%. If those reporting 'studying' as the current activity are removed (as some placement participants were undergraduates), the level of unemployment increases slightly to 11%, but still substantially below UK averages.

Wage Uplift

Individual respondents were asked a series of questions to ascertain the potential scale of impact upon their annual earnings as a result of participating in GO Wales. 36% of employed respondents indicated that the placement had an impact on their salary. For those that were able to provide data on both their current salary, and the estimated uplift, the uplift equated to around 20% of salary.

The data across both the beneficiary and control group samples indicates that those who had not undertaken any work experience had lower average salaries than those with experience, suggesting a return is paid to those with relevant experience and the skills gained through undertaking such a period of work experience. The level of uplift from the control group (11%) between those with some work experience and those without, is a little lower with the main survey findings¹⁷.

The key point, is that a significant proportion of the experience undertaken through GO Wales would not take place without GO Wales intervention, so equally, a proportion of these salary uplifts are attributable to GO Wales.

Where there is complete survey data, the average reported salary uplift is £3,575 per individual. 36.5% of employed individuals reported an uplift. This data is based on individuals of which 1,899 participated in the placement strand over the relevant period. The survey data indicates 65% are either employed or self employed (the cohort that was invited to report on salary and uplift). The gross uplift in salaries across participants is estimated at a little over £1.6 million per annum. After accounting for deadweight¹⁸, displacement¹⁹ and multipliers²⁰, the net additional impact is estimated at £1.48 million. The longevity of this impact is uncertain, as similar experiences to those garnered through GO Wales may be anticipated to be achieved within the first year of employment resulting in the potential for such an initial wage effect to be dissipated. As a result, this impact is assumed to accrue for one year post employment and the £1.48 million figure is assessed as a one off impact to the Welsh economy as a result of wage premiums resulting from the GO Wales placement strand.

¹³ This is a conservative assumption based on triangulated data from the participant and control group surveys for the number of placements that would have taken place without GO Wales. However, no discount has been applied to capture the potential lower level of intensity or value gained from placements arranged outside GO Wales. For example, within the control group only 16% of those undertaking experience gained a job offer, around 25% of the level reported within the GO Wales surveys. Whilst in reality this may lead to a lower level of deadweight, the headline figure has been retained to avoid overstating benefit.

¹⁴ Employer survey

¹⁵ Assumptions for displacement and multipliers taken from *Additionality Guide (Third Edition)*, English Partnerships, October 2008

¹⁶ Based on 0.6 further jobs per employer (Employer Survey) and same additionality assumptions as per direct placement employment.

¹⁷ This analysis has not controlled for other factors and should be viewed as indicative.

¹⁸ Assumed at 30% based on experience that would have happened in any case. Additional experience premium would be payable to those who were recruited regardless of employer expectations.

¹⁹ Assumed as very low, 12.5% in line with employment assumptions.

²⁰ Assumed at 1.5 in line with employment assumptions.

Business Turnover

Around one third of businesses reported a positive impact on turnover as a result of GO Wales. Of those that provided sufficient data to calculate the impact, the average was £70,600, compared to average annual turnover of £1.4 million. Whilst in percentage terms this impact is modest, for many businesses this could be a considerable uplift in turnover and demonstrates that businesses believe there is an attributable impact. In gross terms this equates to more than £43 million in additional turnover. After accounting for deadweight, displacement and multipliers, the estimated additional turnover to the Welsh businesses is £39.6 million. The turnover impact could be felt in more than one year, as businesses report a range of new products and processes which impact on business performance as a result of GO Wales placements. However, for the purposes of this assessment it is assessed as a one off impact as there is insufficient data to test whether the impact is lasting.

Work Tasters

Work tasters offer short term work experience opportunities of between one day and two weeks. As with the work placement strand, this strand of activity is long standing, tried and tested. No significant issues were raised throughout the consultation programme, with consultees highlighting the positive success of the strand.

Within Phase 5, January 2009 – December 2011, 1,768 tasters were undertaken, 105% of target. This strand of GO Wales stands out from the others in terms of its appeal to undergraduate students. Across the 313 work taster participants interviewed as part of the telephone survey, 73% were undergraduates at the time of first participating in GO Wales. This compares to 29% of work placement participants and less than 10% of participants in GTD and the Academy strands.

In many ways the impacts of the work tasters are of a similar nature to the work placements, but to a much lower scale, in keeping with the shorter periods of experience undertaken. However, the data did throw up some interesting findings, particularly in terms of the level of business benefits achieved. For the majority of businesses, the reasons for participation are altruistic, with 655 wanting to provide a graduate or student with work experience. Unlike the work placements, these short periods of largely work shadowing were understood to be largely for the benefit of the individual. However, there are examples of hosts (around 7-8%) recruiting directly from the taster, as well as reporting wider business benefits as discussed in more detail below.

Initial feedback from businesses and individuals reports very high levels of satisfaction with scheme administration, support received from GO Wales organisers and information provided. In addition high ratings for success, effectiveness of learning and in developing and enhancing skills are also reported by individuals. Employers gave a very high rating of the quality of work (96% good or very good) carried out by the employee and 97% rated taster successful or very successful

Participants acquired a range of skills relevant to the workplace – although to a lesser extent than the Work Placement strand as would be expected, given the shorter duration. As with the work placements, the levels of reported skills and experience acquisition are lower within the telephone survey than within initial feedback forms and higher among employers, commenting on participants, than the participants themselves. Whilst the question is asked slightly differently in the survey, asking for the main skills and experiences acquired, the level of drop off is noteworthy.

Table 5.2: Percentage of respondents indicating skills acquisition through Work Tasters

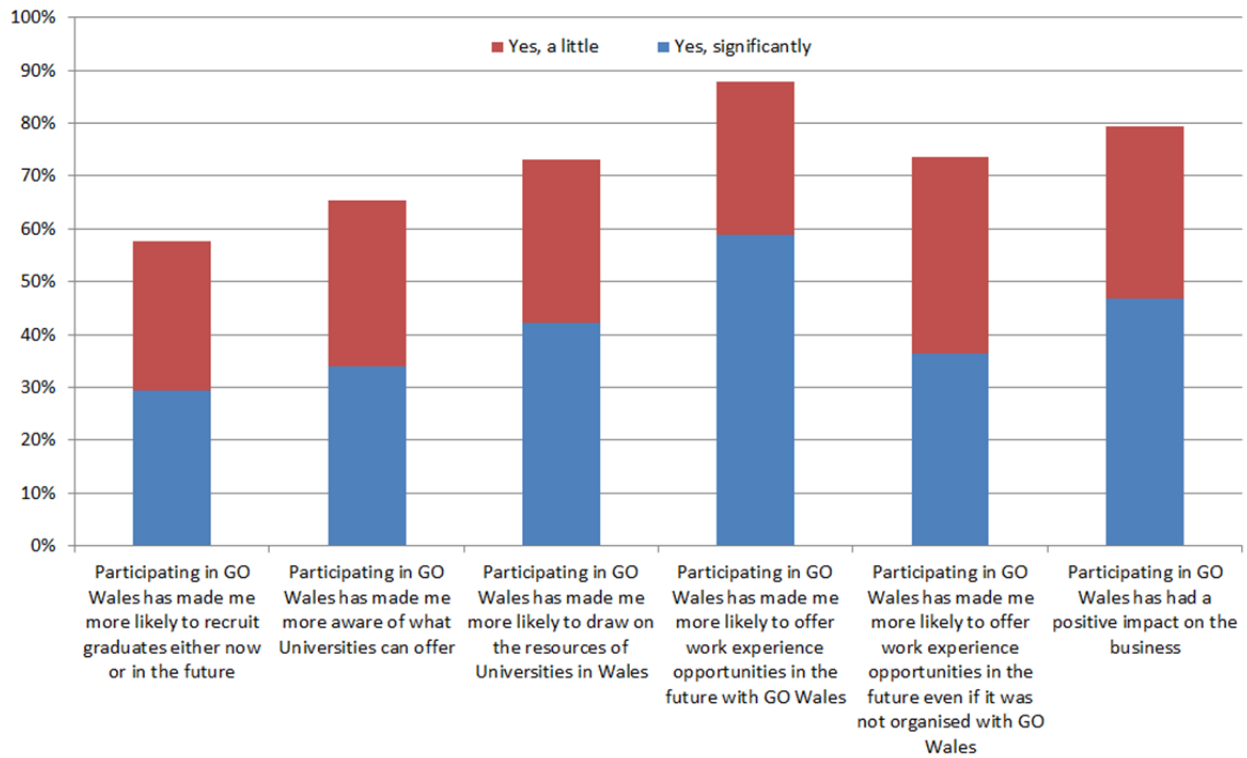
Category	Feedback Forms (Individuals)	Survey (Individuals)	Survey (Employers)
Assertiveness	39%	1%	4%
Communication	83%	17%	21%
Confidence	71%	13%	27%
Interpersonal Skills	47%	6%	9%
IT User Skills	65%	7%	10%
Job Specific Technical Skills	63%	14%	26%
Leadership	17%	1%	3%
Planning	73%	3%	8%
Presentation	33%	3%	6%
Project Management	47%	1%	8%
Teamwork	56%	9%	18%
Time Management	70%	3%	11%
Understanding of an industry	n/a	24%	34%
Understanding the working environment	n/a	24%	54%
Industry Contacts	n/a	4%	6%

Whilst the survey has found that some participants believe they would have acquired many of the reported skills and experiences at some point, participation in a GO Wales placement has expedited this process. The skills and experiences are also reported to have a real impact on achieving employment, with 41% of employed participants indicating that the skills and experiences gained had been a factor in their gaining employment. 84% believed the skills and experiences gained would help them gain employment in the future.

In addition, 6% of those working in Wales indicated that the taster had an impact on their decision to remain in the country.

From the business perspective, participation in the work taster strand had positive impacts upon a range of attitudes and opinions. As shown in the figure below, these include an increased likelihood of businesses to recruit graduates, increased awareness of what Universities in Wales can offer and the likelihood of drawing on these resources, increased likelihood of offering further work experience opportunities and high levels of reported impacts on the business.

Figure 5.2: Impacts on Employer Attitudes



The evaluation data allow the calculation of a number of impact indicators relevant to the reported placement impacts upon the participating individuals and businesses. In particular:

- Jobs Created
- Wage Uplift

Jobs Created

7% of employers indicated a job offer arising at the end of the taster. 8% of individuals reported the same which corroborates the position. This is largely consistent with around 1 in 10 being offered a job at the end of a short one or two week period of work experience in the control group (albeit a small sample of 20 relevant persons).

This would suggest the scale of impact per taster is no different to may be expected without GO Wales involvement, which given the work shadowing nature of many tasters is not surprising. However, the scale of GO Wales tasters leads to activity that would not be expected to take place in the absence of the strand, due to the added value of the administration function.

Within the telephone survey self-reported deadweight (i.e. those who believe they would have undertaken experience without GO Wales) is estimated at 60%²¹. However, from the control sample, only around 40% of unsuccessful GO Wales applicants have undertaken any work experience. For the basis of this assessment, deadweight is assumed to be 50%.

In addition, 69% of those that offered a job at the end of the taster were not expecting to do so at the outset. The remaining 31% are discounted as deadweight. Leakage is assessed as zero, displacement as very low (12.5%) and multipliers effects as average (1.5).

²¹ This is calculated by applying a weighting factor to respondents self assessed likelihood of undertaking a similar work experience activity in the absence of GO Wales. Those who indicated they would definitely undertake a similar experience are entirely discounted (a factor of 0% is applied), a factor of 25% is applied to those indicating they would probably undertake some experience, 75% to those would probably not, and 100% to those who would definitely not.

Combining all the relevant data, the gross job creation of 133 translates to a net additional job creation of 87 jobs.

There is some evidence of further recruitment as a result of participation in GO Wales, although modest. 28% of businesses in the work taster scheme had recruited further graduates. 9% of businesses that had recruited indicated that GO Wales was a significant factor in this decision. This is the only portion of impact which is included within the impact assessment. Average recruitment per business was 2.8 FTE. Net additional job creation as a result of work tasters is estimated at 28 jobs.

In combination, the work taster strand is estimated to have created 105 net additional jobs in Wales. In addition 37% of employers indicated that they had found a potential recruit for the future.

Wage Premium

Some 20% of taster participants who are now employed (30%) reported a wage impact as a result of the work taster experience. Combined this gives a relevant population of 6% of participants. The average salary uplift is calculated as £2,630. Deadweight as a result of activity that would have taken place in the absence of GO Wales is assessed as 50% as with the job creation assessment. Assumptions on leakage, displacement and multipliers are also assumed in line with the job creation assessment. The overall wage premium across this Phase of GO Wales is assessed as £151,000.

Graduate Training and Development (GTD)

The GTD strand supports training and development of graduates within SMEs in Wales through part funding training courses. Over the period January 2009 – December 2011 835 GTD interventions were supported, 66% of target.

As discussed in more detail within the interim report, the GTD strand of GO Wales faced the greatest challenges of all strands within the Phase 5 project, largely as a result of the economic climate. In many cases businesses were fighting to survive and maintain staffing levels. Investment in training and development was therefore a lower priority than in more buoyant economic times. In addition, the list of authorised training courses that could be funded was narrower than within previous phases of GO Wales, and this impacted upon the ability to achieve targets.

Nevertheless, for those businesses and individuals that did engage with GTD activity very high levels of satisfaction were achieved from participants through feedback forms in respect of scheme administration, support received from GO Wales organiser and information provided.

For the individuals benefiting directly from the training there have been a range of impacts. More than 90% indicated that the skills gained will help them in both their current job and future roles. More than 60% indicated that the skills gained will also help them in areas of their life outside the workplace. More than 80% report being more likely to undertake further training and more than 50% indicate that the GTD training has played a role in them retaining/safeguarding their current job.

Businesses that received funding through the GTD strand reported a range of positive business impacts and changes to attitudes. 81% indicated that they were more likely to train staff in the future. 49% significantly so. It also raised awareness of what Universities in Wales could offer and the likelihood of businesses drawing on these resources. As a result of the training undertaken 45% of businesses reported the introduction of new products and/or processes, 28% indicated an improvement in turnover and 26% a positive impact on employment levels. Although samples are small in some cases, the following impacts have been quantified.

Deadweight is a potential issue with funding for any activity, where the business may have been in a position to go ahead in any event. Consultations indicated processes in place to ascertain that wherever possible Based on survey responses of participating businesses deadweight is assessed at 45%²². This is broadly in line with the control group where 41% of failed applicants indicated that they had gone ahead with the same training without GO Wales funding support (this could potentially include applicants to GTD that were refused for this very reason). For the purposes of the impact assessment 45% is used as the measure of deadweight.

²² The following weighting factors were applied in order to assess the level of additional (non deadweight activity). 100% of those reporting they would definitely not have gone ahead without support. 75% of those indicating they would 'probably not' go ahead. 50% to those who may have gone ahead but undertook more or better quality training. 25% of those who indicated they would probably go ahead and 0% of those who would definitely have gone ahead.

Job Creation

26% of businesses reported an employment impact (similar to the control group). Where complete data was provided by businesses, the average impact attributable to GO Wales funded training was 2.5 FTEs per business, this equated to a 15% increase in staffing levels (no control group comparator). The gross job creation impact is therefore 377 FTE jobs. After allowing for deadweight, leakage (zero), displacement (very low – 12.5%) and multipliers (average – 1.5) the net additional job creation is estimated at 272 FTE jobs for the GTD strand.

Jobs Safeguarded

33% of individuals surveyed indicated that participating in GTD significantly contributed to them retaining their job. A further 23% indicated that GTD played some part in retaining their job. On the basis of the 33% that suggested GTD played a significant role, and discounting deadweight, it is estimated that 135 jobs have been safeguarded as a result of GTD activity.

Turnover

Where data was available, businesses reported a £23,500 increase in annual business turnover. This equated to a 17% uplift based on turnover for the last year of trading. Applying this figure to the 28% of all participating businesses leads to a gross turnover impact of £3.8 million. After discounting deadweight and making allowance for leakage (zero), displacement (very low – 12.5%) and multipliers (average – 1.5) the net additional turnover impact is assessed as £2.8 million to the Welsh economy. This impact may well be repeated over a number of years as the returns to the increase in skills continue. For the purposes of this assessment they are assumed to occur in a single year, so as not to overstate impact.

Wage Premium

36% of individual participants indicated a wage premium as a result of participating in GTD. The average stated wage premium was £4,000, equating to 15% of salary. On this basis the gross wage premium across the entire GTD strand is estimated at £1.1 million. After allowing for deadweight, leakage, displacement and multipliers the net additional wage premium is estimated at £773,000.

Graduate Academy

The Graduate Academy offers a 2 week residential programme followed by a period of work experience and a final 2 day conference focused around ILM Level 5 award in management. The work experience element of the graduate academy is considered within the Work Taster strand reported above.

Within Phase 5 of GO Wales, subject to this evaluation, 182 people participated in the Graduate Academy strand, 81% of target. The primary cause of under achievement of target was the delays between approval for the project and the first Academy in July 2009. Consultations highlighted many success stories resulting from the Graduate Academy, particularly around softer skills development such as confidence. This is corroborated by evidence gathered through the telephone survey of 81 participants. 37% highlighted confidence as one of the main skills and experiences gained. A range of other employability skills such as leadership (31%), communication (26%) and teamwork (22%) were also reported (see table 5.3).

Whilst the majority indicated that they would have acquired some or all of the skills and experiences without participating in the Graduate Academy, the vast majority of these indicated that it would have taken longer – 56% indicating a lot longer. When considering the small control group survey (41 respondents), only one had undertaken any kind of similar training and only 20% had undertaken any form of work experience, which suggests a high proportion of the Graduate Academy activity is additional.

Table 5.3 What do you believe are the main skills and experiences gained?

	Proportion of Total
Confidence	37%
Leadership	31%
Communication	26%
Teamwork	22%
Understanding the working environment	22%
Presentation	21%
Understanding of an industry	21%
Project Management	17%
Job Specific/Technical	16%
Interpersonal	12%
Time Management	12%
Support Network	11%
Increased focus on job search	7%
Renewed enthusiasm for job search	7%
Assertiveness	6%
Industry Contacts	6%
Planning	6%
IT/Computer	1%

62% of participants indicated that they are currently employed. 12% with the host of the work experience element of the Academy. Of those employed one third indicated that the Graduate Academy was a significant factor in gaining employment and a further third indicating it had some impact. When considering the likely contribution of the Graduate Academy to achieving future employment 42% indicated a significant impact and 44% some impact.

When considering outcomes, 14% of participants indicate that they are unemployed, which is lower than the estimated average for all recent graduates in the UK. This is particularly striking given the targeting of the Graduate Academy at graduates that have struggled to gain appropriate employment.

Wage Premium

For those employed, 29% indicated a wage premium attributable to the Graduate Academy. The average uplift was estimated at £3,300, although this was based on a small sample size. The gross impact across the whole strand is estimated at £108,000. In this instance deadweight is difficult to ascertain, for the purposes of this assessment it is estimated at 10%. This is based on half the proportion of those undertaking work experience within the control group. The reduction from 20% is an allowance to capture in part the added value of the two week residential element of the academy, which appears to have very little deadweight on the basis of the control group. This is potentially a conservative estimate of the impact of the residential element. After allowing for deadweight, leakage, displacement and multipliers the net additional impact is estimated at £127,600.

Freelancer Academy

The Freelancer Academy includes a period of training built around the ILM Level 3 qualification 'Starting your own enterprise'. Over the period January 2009 – December 2011 179 participants have taken part in the Freelancer Academies across Wales, this equates to 70% of target. The primary cause for undershooting target was the lead time taken to procure the training providers and develop the final academy product.

The training is led by Awbery Management, with all administration undertaken in-house by GO Wales.

The Freelancer Academy strand has attracted a range of participants. A small number were already freelancing, 20% were certain they would freelance and around three quarters who were exploring a freelancing career option.

Some 50% of participants are looking to freelance in the creative industries, the remainder are split across other sectors. This in part reflects the nature of the creative industries. The Academy does not include any sectoral

specialisation or focus, however, consultees indicated that each Academy is tailored to the needs of the particular group enrolled.

Post Academy feedback forms record very high levels of satisfaction with scheme administration, the support received from GO Wales organisers and the information provided. There were also high ratings for success, effectiveness of learning and in developing and enhancing skills.

Participants reported a range of positive impacts which suggest substantial value is derived from the Freelancer Academy by those taking part. The table below sets out the results of the telephone survey.

Table 5.4: Participating in the Freelancer Academy.....

	Yes, significantly	Yes, A little	No	Don't Know
Added to my knowledge and understanding of a freelance career	63%	33%	2%	1%
Gave me practical skills to develop a freelancing career	59%	37%	3%	1%
Gave me skills and knowledge to pursue a freelance career	73%	24%	2%	0%
Has provided me with contacts and networks	32%	51%	11%	6%

Feedback forms indicated participants acquired a range of skills relevant to the workplace/freelancing, the top five were Business Planning (85%), Planning (75%), Presentation (71%) and Marketing (71%) and Confidence (68%). In a similar vein to other strands, the reported acquisition of skills from the telephone survey is much lower²³.

Table 5.5: Percentage of respondents indicating skills acquisition from Freelancer Academy

	Feedback Forms (Individuals)	Survey (Individuals)
Assertiveness	37%	9%
Communication	58%	18%
Confidence	68%	24%
Interpersonal Skills	41%	11%
IT User Skills	n/a	3%
Job Specific Technical Skills	n/a	9%
Leadership	21%	7%
Planning	75%	18%
Presentation	71%	20%
Project Management	34%	10%
Teamwork	43%	10%
Time Management	41%	13%
Business Planning	85%	n/a
Marketing	71%	n/a
Market Research	57%	n/a
Networking	57%	n/a
Understanding of an industry	n/a	16%
Understanding the working environment	n/a	17%

Whilst the majority of participants indicated that they would have acquired some or all of the skills without the Freelancer Academy, 92% indicated that acquisition of these skills would have taken longer, 44% indicating a lot longer.

²³ The questions were asked in slightly different ways, with the feedback forms asking which skills were acquired and the survey asking which were the main skills acquired. However, in both instances a very similar list of skills was presented and respondents could select as many options as were relevant.

When asked about current activity 29% of survey respondents indicated that they are freelancing, with a further 8% combining freelancing with employment. 36% are employed and 13% report being unemployed (lower than the national average for recent graduates). Almost 20% of those freelancing stated that they had commenced a freelancing career significantly sooner than they would have done without the Academy, with a further 28% a little sooner. In addition, more than a third of respondents indicated that they have been significantly more successful as a freelancer than they would have been without the Academy, and a further third a little more successful.

Of those that are not freelancing, around one in ten has decided that freelancing is not the correct career option for them as a result of the Academy. This is potentially an equally positive outcome as those that decide to embark on freelancing.

Earnings Premium

24% of those either freelancing or employed (73% of all participants) felt that the freelance academy had an impact on their earnings, the average uplift was £3,400, equivalent to 16% of total earnings. This equates to a gross additional earnings premium of £106,600. Based on the control survey around 20% stated that they had undertaken some form of training to help them explore freelancing. After considering the courses undertaken, only half are similar in nature to the freelancer academy, and none will be identical. On this basis, deadweight is assessed at 10%. Leakage, displacement and multipliers are assumed to be in line with other strands. The net additional wage premium is therefore assessed at £126,000.

GO Wales Jobs

GO Wales Jobs offers a web based job advertising service specific to graduate recruitment for Welsh based businesses. Within the period January 2009 – December 2011 there were 809 valid registered users, who posted 5,500 job advertisements. The spread of registered businesses is slightly skewed towards south east and south west Wales relative to the total business population. Consequently, there is some under representation in north and mid Wales. This is an issue that the management team of GO Wales Jobs are aware of and seeking to tackle.

An e-survey of registered users was undertaken with 78 valid responses received. Appendix 12 contains full analysis of the results with the key points highlighted here.

Management information indicates a pattern of multiple use by a range of businesses. This aligns to survey responses with 86% indicating they would use the site again and 82% indicating their overall level of satisfaction with the site as good or excellent. However, response to vacancies posted on the site was mixed, with 36% indicating a lot of interest and 51% only a little. The level of analysis does not allow consideration of whether this is a factor driven by the nature of the opportunity or to the awareness of the site among the graduate population.

At least 75% of respondents had recruited as a result of the adverts placed via GO Wales Jobs. Due to this success and the repeat use, it is estimated that Welsh based businesses are now saving in the region of £420,000 – £580,000 per annum on other advertising costs.

Project Structures and Management

The interim evaluation (DTZ, 2011) set out a more detailed discussion on project structures and management. Process and operational issues have not been revisited as part of the final evaluation. Consultations as part of the final evaluation did not uncover any issues not identified within the interim evaluation.

6. Conclusions and Recommendations

This chapter draws together the analysis set out in the preceding chapters to provide a set of conclusions and recommendations for HEFCW and its partners to consider.

The introduction sets out five questions around which the evaluation has been structured. Each of these is considered in turn, with answers based on the evidence gathered as part of the evaluation.

Assess whether the project is achieving its aims and objectives

As noted within chapter two of this report, there is no single aim and set of objectives for the project. Notwithstanding, the available documentation allows one to determine a set of objectives which are commonly understood by the project management team and delivery partners. Overall the evaluation has found evidence that each objective is being achieved. Each objective is considered below:

To help graduates develop careers in the Welsh economy where they can use their higher level skills, knowledge and innovative potential.

This objective is being achieved. The evidence gathered has shown a range of positive impacts upon participants across a broad spectrum of employability and skills areas. In conjunction the strands of GO Wales fit neatly into a single project that potentially allow someone to be supported from undergraduate to senior management. This could include a first taste of work experience in a chosen career area (Work Taster), a more substantial project based placement (Work Placement), a facility to identify employment opportunities (GO Wales Jobs), and a route to support on-going professional development (GTD). For those taking a different route the Academy strands offer a route to explore freelancing or additional support to enter the workforce.

In addition, the evidence suggests that the support provided by GO Wales is then effective in achieving its strategic aims. Respondents report personal reward through an ability to gain employment, many with a host organisation, and wage premiums and there is evidence of business reward through increased turnover and new products and processes developed and implemented.

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)

This objective is being achieved. The largest strands, by volume, of GO Wales are designed to deliver on this objective. These two complementary strands offer different experiences, either a short period of predominantly work shadowing that enables the individual to gain some insight into a potential career area or a placement over a period of 10 weeks (or in some instances more) to gain a more detailed understanding of a career area.

The survey evidence shows very positive responses in respect of succeeding in gaining experience, understanding and networks, where these were the aims of the participant (figures 2 and 8 within appendix 8 to this report). Unsurprisingly, the level of reported impact was greater within the placement strand than the taster strand.

To aid retention of graduate level skills in SMEs in the Welsh economy

This objective is being achieved. There is evidence of GO Wales making a contribution to graduate retention in Wales. 20% of those surveyed following a work placement indicated that they would be unlikely to be in Wales had it not been for GO Wales. This equates to around 380 individuals or more than 125 per annum.

In addition, within the GTD strand it is estimated that 135 jobs have been safeguarded as a result of training activity undertaken.

Of more significance is perhaps the level of recruitment of graduate labour into SMEs. The vast majority of employer participants in the project are SMEs, reporting a range of impacts, including recruitment of graduates, either directly following a placement or taster, or further recruitment as a result of positive experiences. Further consideration of SME impacts are set out below.

To up-skill participants, building on and enhancing their academic qualifications and ease access to employment.

This objective is being achieved. With the exception of GO Wales Jobs, all strands have a skills and/or qualifications element. However, the nature of the qualifications varies across and within strands.

Within the Work Placement strand, in addition to the impacts gained directly from the work experience 70% of participants participated in the Professional Development Award. Two thirds of these participants indicated that undertaking the award enhanced their placement experience.

The GTD strand is focused on delivering skills and qualifications to enhance the existing skills base of participants. More than 90% of participants indicated that the skills gained will help them in both their current and future employment roles.

Interestingly, there were wide variations in the reported levels of skills acquisition within feedback forms, completed immediately post intervention, and via the telephone survey. The reasons for this variance are uncertain and further investigation of this issue may be of interest to the GO Wales management.

To enable SMEs and other organisations to access higher level skills, knowledge and innovative potential.

This objective is being achieved via a number of routes. Firstly, it is impacting on the perception of working in SMEs among the graduate population. 54% of placement participants report being more interested in working in an SME as a result of participation in GO Wales. In addition, 66% of those employed are working in an SME, compared to only 22% in the control group.

The majority of business participants are SMEs and more than a third of participant businesses had never employed a graduate prior to engagement in GO Wales. Not only have many now employed at least one graduate, others have been able to retain graduate staff through accessing training. The evidence from the survey shows a substantial impact upon employer attitudes as well, as can be seen from the table below which combines the responses from the different strands.

Table 6.1 Business Impact

	Yes, Significantly	Yes, A little	Total
Participation has made my business more likely to employ graduates in the future	547	500	1,047
Participation has made my business more aware of what universities in Wales can offer	748	732	1,480
Participation has made my business more likely to draw on the resources of universities in Wales	953	743	1,696
Participation has made my business more likely to offer work experience opportunities in the future through GO Wales	1,195	363	1,558
Participation has made my business more likely to offer work experience opportunities without GO Wales	442	676	1,118
Participation in GO Wales has had a positive impact on my business	1,007	626	1,634
Participating in GO Wales has made me more likely to train my staff in the future	199	186	385

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.

This objective has been achieved. GO Wales Jobs is operational and has 809 registered users that have advertised more than 5,500 job advertisements within the analysis period. Based on the evidence gathered this service has delivered a range of benefits to businesses, as well as providing a resource to graduates looking for work. Businesses report success in being able to source applicants and recruit (at least 75% had recruited at least once) from the site, to the extent that it has allowed businesses to make cost savings by not advertising through other media.

Assess the design, delivery and management of the Project

This was largely considered as part of the interim evaluation, and for a full discussion of this the interim evaluation report should be referenced. Overall the messages are very positive, in summary:

- The project tackles and delivers on the fundamental concerns identified from the literature review. It fits with policy and strategy and addresses the identified market failures, providing practical experience and demonstrations to challenge information failures, as well as enabling activity on a scale and quality that could not happen otherwise.
- Consultation evidence suggests that staff, at all levels within the GO Wales structure, are aware of the aims and objectives of the project 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 research. In large part this flows from the long standing nature of the placement and taster strands. The Graduate and Freelancer Academy strands are relatively new additions and no major issues have been identified. Whilst there were delays in starting both Academy strands due to the lead in times to set up the activities, there have been no substantive operational concerns.
- There are very positive responses from individual and employer participants about their experiences of engaging with GO Wales, in terms of administration and support received.
- The issues that were raised related to the level of paperwork (which is not uncommon with EU Structural Funded projects) and communication within some HEIs.
- The only notable exception to the general positive nature of comments related to the GTD strand, where some frustrations with the 'narrow' qualification criteria for supporting activity. The GO Wales management team were well aware of the issues ahead of the evaluation and there has been on-going effort to manage this issue and adapt future business planning.

Assess the effectiveness and impact of the Project

The evidence suggests a range of impacts arising as a result of GO Wales supported interventions. Some of these are able to be quantified, based on gathered evidence, others are more qualitative in nature.

The consultation programme undertaken as part of the evaluation provided very positive feedback on almost all elements of GO Wales, both internally and externally. The positive external perceptions, particularly of the placement and taster strands speak volumes of the effective nature of these GO Wales products.

Chapter four of this report considered progress against targets for the project. This found a very mixed picture in terms of achievement across indicators, strands and institutions. Had the project closed at the end of December 2011 a number of targets would have been outside the accepted 15% tolerance, including headline achievement levels in the Convergence area for GTD and the two academy strands as well as the target for qualifications achieved. However, other indicators are ahead of target or within the accepted tolerance levels, particularly in the non-Convergence area.

Chapter five of this report set out a strand by strand analysis of GO Wales and assessed the impact. Table 6.2 below brings the results of the headline quantitative indicators into one place. This shows estimated net impacts of more than 1,000 jobs, £2.66 million in wage premiums and more than £42 million in additional business

turnover. In addition, GTD activity has contributed to the safeguarding of 135 jobs and many businesses reported an impact on new products and processes. **Table 6.2: Summary Net Additional Impacts²⁴**

Indicator	Work Placement	Work Taster	GTD	Graduate Academy	Freelancer Academy	Total
Job Creation	694	105	272	n/a	n/a	1,071
Wage Premium	£1.48m	£0.15m	£0.77m	£0.13m	£0.13m	£2.66m
Business Turnover	£39.6m	n/a	£2.8m	n/a	n/a	£42.4m

Qualitative impacts include changed attitudes of employers and individuals to a range of factors as set out earlier in this chapter.

Within chapter five a series of tables presented the strand by strand reporting of soft skills acquisition. Accurate quantification of this is challenging given the variance in reported levels from different sources. However, both employers and individuals reported the development of new skills and experiences through participation in GO Wales and more importantly, high proportions indicated that these skills had either already been helpful in securing employment, or would be helpful in the future.

When considering impact, all figures presented above are 'net'. As part of this calculation all activity that would have taken place in the absence of the GO Wales project (deadweight) is discounted. The assessment of deadweight is based on evidence from the surveys of individual participants, business participants and a control group of applicants to GO Wales that were unsuccessful. Table 6.3 sets out the levels of deadweight assessed for each strand. This shows that for the two Academy strands there are very low levels of reported deadweight. For the other three strands the levels of deadweight are higher.

It should be noted, that in all cases the assessment of deadweight is cautious, so as not to overstate impact. This is particularly the case for the work placement strand, where although there is evidence that around 30% of participants may have undertaken some other form of work experience, the quality, and hence resulting impact upon both the individual and the business, may well have been lower. As a result, the stated levels should be seen as an upper limit. Nevertheless, the levels of deadweight for the work taster and GTD strand are worthy of further consideration.

Within the work taster strand the levels of deadweight are unsurprising, in that short work shadowing opportunities are perhaps the easiest of the GO Wales activities to organise either by oneself or with the ad hoc support of other organisations. However, there are some questions as to whether the scale of this activity, with the level of wider systems and support in place would take place without GO Wales.

Within the GTD strand the key question is whether the employer would proceed with training if the grant funding was not available. The responses from the control group suggest that in some cases they would do. However, this lack of 'additionality' may be the reason that the application for GO Wales support was unsuccessful in the first instance.

So in summary, a number of wider issues which may lead to assessed deadweight being overstated include:

- Optimism bias amongst respondents, believing they would organise activity of a similar nature, even in the absence of GO Wales. Whilst the use of a control group has sought to test this effect, the scale of GO Wales activity is such that should the project not exist at all there would be serious questions as to whether the level of assessed deadweight would remain at the levels stated.
- Quality and scale of impact, as noted with the work placements, there is reason to believe that the credibility and focus of the GO Wales brand and its activities lead to activity taking place that may otherwise not take place.

²⁴ As part of this assessment the internal consistency of reported impacts has been considered. Within the GTD strand business reported a broadly similar percentage uplift in both employment and turnover. Within the placement strand there was some divergence, with around an 8% increase in employment and less than 1% uplift in turnover. The reasons for this discrepancy are uncertain and could include: the impact of different businesses answering the respective questions on turnover and employment; new products and processes implemented which have led to other cost savings that allow employment to take place; under-stating turnover impact or over-stating employment impact.

- Level of SME participation. GO Wales is very effective in targeting activities to SMEs. The control groups do not indicate such a high level of SME engagement, and linked to the first point, the scale of SME activity would be unlikely to take place in the absence of GO Wales. Therefore, whilst absolute additionality may be close to the reported levels in some instances, GO Wales is likely to have had a redistributive effect away from larger employers towards a target group of SMEs.

The Department for Business Innovation and Skills (BIS) published its Occasional Paper No. 1 in October 2009 titled: *Research to Improve the Assessment of Additionality*. This research paper considered more than 363 evaluations to identify benchmarks for deadweight assessment. 72 of the evaluations were specific to the area of 'people and skills' interventions and the research indicated a mean level of deadweight of 39.4% with a range up to 97.5% identified in some evaluations. This is helpful to set the results of this evaluation in context, particularly given that the figures in table 6.3 are upside estimates. The level of deadweight for work placements is below the mean. For work tasters and GTD the assessed levels of deadweight are slightly above the mean, but not substantially so.

Table 6.3 Assessed Deadweight

Indicator	Work Placement	Work Taster	GTD	Graduate Academy	Freelancer Academy
Deadweight	30%	50%	45%	10%	10%

Examine value of money

Financial data is set out at chapter two of this report. The financial management and reporting structures of GO Wales do not allow for funds to be split across the individual strands of activity. Funding is linked to each institution and reported across a range of cost headings, but not by strand. Due to the varied nature of the different strands of activity, and the lack of strand level financial reporting there are no consistent output measures against which output or outcome value for money calculations can be generated.

The GO Wales management team should consider whether financial reporting by strand could be implemented as a way of measuring performance and informing the future balance of activities to deliver best value for money.

Whilst it is not possible to calculate value for money by output and outcome indicator, the available information suggests value for money against original budget, as approved, for Phase 5 of GO Wales is good.

In the non-Convergence area as at end of December 2011, 82% of budget has been spent, with all strands showing activity above 82% of target.

Expenditure in the Convergence area was running at 72% of original budget. Activity indicators were showing Work Placements and Work Tasters well ahead of this level, whilst GTD, Graduate Academy and Freelancer Academy strands were all below 72%. When measured against official Convergence project indicators three are in excess of 72% of original target (participants, businesses supported, BME participants and older participants) and two are behind (disabled participants and qualifications achieved).

Make evidence based recommendations

A number of strategic and operational recommendations were made as part of the interim evaluation report. A brief summary of progress to date is set out below.

Strategic

- The need for a clear set of SMART objectives. This is being considered by GO Wales management as part of the on-going development of the project.
- Consider expanding scale of activity within placement and taster strands. The current Convergence project has been extended, rather than wholesale redesign, so large scale expansion not incorporated within this. Financial constraints within this extension limit the scope for major revision to the scale and nature of these strands. However, strategic relationships with Ectarc and Jobs Growth Wales have broadened the range of opportunities for placement activity via a GO Wales entry point. There is also a desire to increase the volume of unsubsidised placements offered, in order to increase scale without a requirement for substantial additional financial resources.
- Consider an exit strategy. It is increasingly likely that a further round of EU Structural Funds will be available which may provide an opportunity for on-going funding. However, GO Wales managers are actively considering other routes to ensure the sustainability of the project, including alignment with the HEFCW Skills and Employability Framework

Operational

- Raising awareness among business advisors. This has been made a priority of the marketing team.
- Consider routes to increase effectiveness of marketing. This is being considered through an improved marketing plan and through improved sharing of information on marketing activity with delivery staff.
- Develop database into CRM tool and improve functionality. This has been accepted as a priority, however, reduced staffing resource within the IT team has limited capacity to address this issue to date. It is intended that this will be introduced when capacity allows.
- Build stronger alliances with Job Centre Plus and Careers Wales. This work has moved forward, including the signing of an informal agreement with JCP. GO Wales is incorporated within JCP adviser toolkits, ensuring information is readily available to advisers when dealing with clients. Further opportunities for joint working are actively being explored in order to reach unemployed graduates. Following reorganisation within Careers Wales, HEFCW is working with it on an agreement which will incorporate GO Wales.
- Make GTD more responsive and flexible. Whilst there are strict criteria in respect of eligible qualifications within the Convergence funded project GO Wales has secured agreement with WEFO that other qualifications which are supported (e.g. Prince 2), but that cannot be counted as outputs, should be reflected within the end of project evaluation. In addition, the delivery structures for GTD have been substantially revised, with a move to three regional hubs rather than via 10 HEIs. More significant, underlying issues relating to the design of GTD remain under consideration.
- Consider the potential to write placements into public sector contracts. After consideration this action is not presently being taken forward.
- Improve communication arrangements to be more inclusive and allow sharing of best practice. Regional meetings have been identified as the appropriate route to disseminate information and share best practice.

On the basis of the final evaluation evidence fewer substantive recommendations have been identified. However, the GO Wales management team may wish to consider the following:

- Improve delivery profile in lagging areas. Had the project ended at the end of 2011 there would have been a number of indicators behind target. In the short term there is a need to focus on achievement of target, within the Convergence area in particular, in order to deliver on agreed targets.
- Improved communication of value of qualifications e.g. PDA. The evidence collected within the evaluation indicated the level of value achieved by participants from the qualifications offered within strands. However, these are not always taken up, which has contributed to the qualifications achieved target running behind profile. Further consideration should be given to utilising evidence from this evaluation to support promotional activity of qualifications, particularly the PDA within the placement strand.

- Need for more active management of cross cutting targets. Whilst achievement of cross cutting and diversity targets is variable, the consultation evidence indicates achievement of these targets is not actively managed by delivery partners. There may be opportunities to take a more proactive approach, such as tailoring marketing activity and establishing links or promoting the project with societies and representative groups within HEIs.
- Ensure value added is maximised. Whilst levels of deadweight are not substantially above benchmark, there may be opportunities to increase value added through GO Wales interventions. This should remain a focus for the GO Wales management. As an example of the on-going desire to improve the project and add value the current extension to the project has included a redesign to GTD delivery arrangements, enhancements to work placement application processes and tweaks to the structure of work tasters to increase minimum length, in order that greater impacts are achieved.
- Financial level reporting. For the purposes of both evaluation and wider monitoring and management of performance it would be helpful to investigate the viability of strand level financial reporting.