
Higher Education and ESF Objective 3: An Evaluation of Impact

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Preface

Key findings

This evaluation offers an assessment of the social, economic and labour market impacts of a series of projects that were supported by the European Social Fund (ESF) Objective 3 Programme in the period 2001 to 2006. The projects were delivered by Higher Education Institutions across England and were co-ordinated by the Higher Education ESF Unit (HE ESF Unit¹) using grant monies from the national allocation of ESF resources made available from the English Objective 3 Programme. In summary, the projects were found to have contributed to social, economic and labour market developments by:

- increasing the flow of high-level skills entering the UK labour market, particularly to some important growth sectors of the economy
- improving the quality of the flow of high-level skills and the relevance of training to employers' needs
- enhancing the employment chances of postgraduates and improving the operation of the postgraduate labour market
- supporting widening participation of unemployed graduates on high-level degree courses
- supporting 'at risk' unemployed graduates, particularly within areas of high economic and social deprivation, into employment.

The evaluation also revealed wider impacts for the participating HEIs, including:

- enhancing their overall reputation with potential students, other institutions and employers

¹ The HE ESF Unit is a company of Universities UK and GuildHE, established in 1991 to support the involvement of HEIs in the European Social Fund Programmes.

- building overseas student recruitment channels, thereby enhancing the financial viability of the institution
- developing links with employers and employer bodies
- providing the opportunity to test new delivery methods and other innovations
- building internal capacity for both mainstream and third-stream activities.

Executive Summary

Introduction

The Institute for Employment Studies (IES) was commissioned by the Higher Education ESF Unit (HE ESF Unit) to carry out an assessment of the impact of the involvement of Higher Education Institutions (HEIs) in the European Social Fund (ESF) Objective 3 programme in England. In order to make this assessment, IES evaluated a series of projects that had been delivered with the support of ESF grants awarded to the HE sector for national (England) level activity. The aim of the evaluation was to provide a greater understanding of the social, economic and labour market impacts of these projects (HE ESF projects).

The evaluation comprised four main methodological elements:

- desk research phase
- literature review
- secondary data analysis of HE ESF Project closure reports
- case study research – in-depth case studies were carried out with 16 HE ESF projects spanning the three ‘programme’ years (2001/2002, 2003/2004, 2005/2006) and the broader policy themes, to ensure that a good coverage of activities and (likely) impacts was achieved.

This summary presents the findings from the evaluation as a whole.

Background to HE ESF

The HE ESF Unit has been responsible for managing the biennial allocation of resources from the ESF Objective 3 programme at a national level since 2001. The aims of ESF Objective 3 in its entirety are to:

- tackle long-term unemployment
- help young people and those at risk from not being able to find work

- improve training, education and counselling for lifelong learning
- encourage entrepreneurship and adaptability in the workplace
- promote equal opportunities and improve the role of women in the workforce.

The main themes under which projects have been funded by the HE ESF Unit are: high-level skills training, widening participation, HE/Small and Medium Enterprise (SME) links, and research into aspects of labour market discrimination. A total of 270 projects and approximately 80 HEIs have successfully competed for funds totalling some £42.5m. In the main, projects have been funded over two-year periods, under specific headings including: training for unemployed graduates to meet national skill shortages (2001/2002), graduate employability, and SME development activity (2003/2004), and solutions to gender discrimination (2005/2006).

HE ESF Projects

This evaluation concentrates upon the projects delivering high-level skills training and employability skills to unemployed graduates and those projects involved in linking HEIs to SMEs. The range of project activities broadly follows the themes under which HE ESF funding has been made available. These centre on:

- postgraduate level, accredited courses, ie MSc, MA, PG Cert and PG Dip for unemployed graduates
- employability courses, usually non-accredited, for unemployed graduates to assist them into work or self-employment
- support and/or training for individuals employed by, or running, SMEs, which may or may not be accredited
- support and/or training to overcome gender discrimination.

Most of the case study projects reported that they aimed specifically to improve individuals' employability. Some provided technical or vocational skills, others aimed to move graduates into self-employment, or to improve the IT skills of older graduates. All project applications were predicated on the basis of national labour market need. Projects cited reports on national skills shortages from Sector Skills Councils and supporting anecdotal and published evidence from employers in related industries which showed that there was a gap between the skills of undergraduates (and some postgraduates) and the skills required by the industry. HE ESF projects have also been involved in supplying potential employees to employer partners, both as a consequence of industrial placements, and as a project activity itself. Many of the projects and courses, including most of the MSc courses, were designed in partnership with industry.

The beneficiaries from HE ESF fall into two broad camps: individuals and businesses, depending on the theme under which project activity has been funded. Forty-six per cent of all HE ESF individual beneficiaries were women and 54 per cent were men. This is a higher proportion of women than could be expected, given that many of the subject areas supported by HE ESF are ones that have been traditionally dominated by men. Most beneficiaries of HE ESF are older than the student body as a whole, reflecting the emphasis of the programme on the provision of postgraduate level training and high-level/management skills. The employability focused projects attracted a relatively high proportion of beneficiaries with disabilities and from Black and minority ethnic groups.

The majority of beneficiaries of the employability and postgraduate courses had experienced short spells of unemployment prior to starting their HE ESF course (61 per cent of all employability beneficiaries and 83 per cent of postgraduate beneficiaries had been inactive for up to six months).

Beneficiaries on SME projects constituted the largest group of HE ESF beneficiaries (63 per cent of all beneficiaries were on SME projects) and tend to be older than other beneficiaries. A significant proportion of these beneficiaries were employed, or ran businesses, at the time they took part in their HE ESF project.

Impact

The evaluation assessed the impact of the HE ESF projects in the short and longer term. Short-term impacts were considered in terms of:

- labour market impact on supply of beneficiaries' hard and soft skills
- economic impact on sectors and employers
- institutional impact on HEIs and partnerships.

The evaluation also considered the longer-term impact of projects in terms of sustainability and transferability.

Labour market impact on supply of beneficiaries' hard and soft skills

Data from project closure forms reveals that there are more favourable outcomes amongst the beneficiaries compared to ESF Objective 3 beneficiaries as a whole. Sixty-one per cent of postgraduate beneficiaries and 54 per cent of employability project beneficiaries entered full-time employment, with smaller proportions entering part-time employment and self-employment. Amongst ESF Objective 3 beneficiaries as a whole, 44 per cent entered work after their course ended. It should be remembered, however, that as holders of first degrees, the HE ESF beneficiaries had considerable advantages over other ESF Objective 3 beneficiaries when they began their courses.

The postgraduate courses which were included in the case studies for this evaluation revealed a number of key positive outcomes:

- high completion rates
- postgraduate qualifications achieved
- increased supply of high-level skills
- enhanced employability of beneficiaries
- funding provided for courses where no other public funding is available.

These HE ESF-funded postgraduate courses are clearly high in quality and industrial relevance; however, there is a caveat to their positive outcomes. Where courses would exist without HE ESF, and where there is evidence that UK students would still apply for and take up places on them because of their high quality and employment prospects, careful consideration is needed to ensure that ESF funding is targeted on the most deserving cases in order to maximise added value.

The employability projects were more heterogeneous than the postgraduate courses and were more directed at tackling areas of disadvantage. There were two main approaches to enhancing employability; those aimed at enhancing students' technical or generic skills including business skills, and those aimed at improving the ability of the beneficiaries to function in the labour market and 'sell' their skills to employers. Between them they had a range of impacts which varied according to the exact focus of the activity:

- providing sector specific skills, including skills relevant to sectors with strong growth prospects
- providing generic and business skills to students to help them apply their technical knowledge
- increasing the confidence of students in their capabilities and work prospects
- increasing students' job search skills and labour market awareness.

The SME projects had a strong focus on innovation and building partnerships between employers and HE and had the following impacts:

- developing sector specific and generic skills
- providing networking opportunities for students and small businesses leading to better recruitment channels for SMEs
- providing students with the skills to enter self-employment and start their own businesses.

Economic impact on sectors and employers

The SME and postgraduate projects have been positively influencing the supply of skills to particular sectors, some of which could be seen as growth sectors (eg new technology-dependent industries and creative industries). Anecdotal evidence from this evaluation has shown contributions in the following areas:

- high-quality course and training provision
- development and modification of courses and training in response to sectoral needs
- provision of the skills needed by growth sectors and by employers
- entrance of graduate beneficiaries to high-level jobs
- provision of HE ESF funding in the absence of other sources.

The postgraduate courses typically had strong links with industry, ensuring their sectoral relevance and the employability of their postgraduates. They were often provided and delivered with regular employer input to the syllabus, employer visits and employer-delivered modules. Most had industrial placements, and some included employer-led research projects. As a result, these courses produced postgraduates who were highly tailored to the needs of particular employers; hence, in sectors dominated by larger employers, there could be potential for more financial support from industry for this type of activity. Among SME projects, the focus has been on the development of key business skills (eg marketing), improving the functioning of the SME labour market (eg through the creation of Internet-based recruitment services) as well as promoting sector-specific training (through flexible learning methods).

Some of the employability projects addressed the needs of a particular sector, for example, the growing creative and technology-related industries, while others provided generic or business skills which could be applied more widely in employment or self-employment in many sectors. This made it more difficult to determine a sectoral impact, although the individual impact on many of the beneficiaries in terms of their subsequent entry to the labour market was clear, and this would, in turn, impact on the sectors in which they worked. In terms of their economic impact, the employability projects:

- addressed needs of particular sectors
- provided generic and business skills
- improved labour market functioning.

Many of the SME projects had similar impacts, eg on skill development, plus:

- helped the labour market in some sectors to function more effectively
- enhanced self-employment opportunities and prospects.

Institutional impact on HEIs and partnerships

Some HEIs have been awarded significant funds through HE ESF, and this has increased their confidence in bidding for competitive funding, and their skill at writing successful bids. In addition, capacity has been built within HEIs for managing and administering future projects. For those HEIs running HE ESF-funded postgraduate courses, there have been a number of benefits to the courses, departments and HEIs, including:

- course expansion, including recruitment of overseas students
- high-quality courses developed and maintained
- partnerships built and strengthened
- enhanced reputation of courses, departments and HEIs.

For the employability projects, there has been a different set of impacts for HEIs and their partners. Here, HE ESF support has been important in:

- shaping future strategy, provision and delivery
- developing confidence within departments and amongst particular staff to bid for competitive funding and to test ideas and innovative methods
- fostering new and co-operative partnerships, particularly between HEIs
- capacity building within HEIs to bid for and use ESF and other funding streams
- providing lessons for the future.

Additionally, the SME projects have provided HEIs with opportunities to test new delivery methods, develop new sectoral and employer partnerships, and build the capacity of HEIs.

Longer-term impact: sustainability and transferability

Evaluations of previous 'third-stream' programmes have demonstrated that to maximise the impact, the successful elements of projects need to be sustained and disseminated to other areas where the benefits could be realised. From the postgraduate courses, there was evidence of sustainability and/or transferability in the following HE ESF supported areas:

- Courses would continue without ESF support, although without it, places might go to different groups of people (ie not necessarily those most in need of support or training).
- Partnerships would continue after projects had finished.
- Effective and high-quality course models have been developed and refined.

The employability projects tended to be new, designed and executed as a direct result of the HE ESF funding. As such, they had little or no access to core HEI funding or automatic continuation funding from other sources; however, there were a number of impacts with regard to sustainability and transferability:

- continuation funding gained by some – usually at a regional rather than national level
- continuation of new partnerships
- generation of new partnerships and resources.

The impacts of the SME projects were similar, with some projects having a life beyond the immediate ESF funding, and partnerships that had developed being sustained beyond the project.

However, a number of the employability and SME projects had stopped when the funding ended, and of those still running, few had concrete plans for how the projects would continue beyond the life of HE ESF funding or how the lessons learnt would be disseminated to a wider audience. Despite this, there was evidence that project staff had learnt much which could be put to use in the future, and that confidence and capacity had been built in departments to enable them to respond to future opportunities. A potential issue is that innovation tends to stay within the host HEI or even just the particular department, and the good practice and other lessons identified could be shared more widely.

Conclusions

In our conclusions, we outline the impact of the HE national ESF projects in terms of their economic and social contribution and their wider benefits to higher education. We also present some of the resulting lessons for future policy.

Economic and social contribution

The projects included in this case study evaluation have contributed to social, economic and labour market developments by:

- increasing the flow of high-level skills entering the UK labour market, particularly to some important growing sectors of the economy
- improving the quality of the flow of high-level skills and the relevance of training to employers' needs
- enhancing the employment chances of postgraduates and improving the operation of the postgraduate labour market

- supporting widening participation of unemployed graduates on high-level degree courses
- supporting 'at risk' unemployed graduates, particularly within areas of high economic and social deprivation, into employment.

Since 2001 over 1,000 students have been supported at postgraduate level by HE ESF. Although some of these students would have taken up further study without such support, it has nonetheless had a clear effect on widening the pool of postgraduate uptake, with some projects attracting those who would not otherwise have been able to afford to study at a postgraduate level. The funds have financially assisted students not eligible for other forms of funding (eg from Research Councils), and so have filled a gap in the postgraduate funding regime. The funds have also enabled the development of high-quality, industrially relevant courses, providing specific technical skills sets of value to particular science, technology-based or other sectors in the UK. A critical impact has been the assisted flow of employment-ready postgraduates into the labour market. Some projects provided generic skills in addition to technical capabilities, or provided opportunities for entrepreneurship. HE ESF beneficiaries are more likely to gain employment than those involved with other ESF projects.

All of the projects contributed, in some way, to enhancing beneficiaries' employability by developing their technical or generic skills, improving their confidence, increasing their understanding of employment opportunities, assisting them to build networks with potential employers, and demonstrating their credentials through work placements.

HE ESF has also enabled some HEIs to build better links with the small business sector through developing partnerships between employers, business organisations (eg Business Link) and sector-specific organisations. It has helped employees develop business and sector-specific skills, and has encouraged some postgraduates into self-employment and business start-ups.

In addition, HE ESF support has resulted in courses designed to meet skills shortages in particular sectors, including growing sub-sectors in the science and technology and creative industries. However, the contribution of HE ESF to the skill needs of the UK's growth sectors could be more systematic as there may be other areas which could also benefit from further injections of high-level skills.

Wider benefits to higher education

The evaluation has demonstrated that the HE ESF programme has had a number of wider impacts on the participating HEIs, including the following:

- enhancing their overall reputation with potential students, other institutions and employers

- building overseas student recruitment channels, thereby enhancing the financial viability of the institution
- developing links with employers and employer bodies
- testing new delivery methods and other innovations
- building internal capacity for both mainstream and third-stream HE activities, in both specific terms such as project administration and management, and strategic terms by demonstrating the alternative funding streams available. In some cases it has enabled institutions to access other funding streams.

The caveat to these points is that the benefits were not always as wide as they might have been. Partnerships with employers tended to focus on the particular project and were not developed into wider relationships. Similarly, innovation and new delivery methods were not, in many cases, disseminated within or beyond the institutions as fully as they might have been.

Sustainability of activities post-HE ESF

The case study evidence provides some insight into the potential consequences of reducing the support provided by HE ESF to HEIs. While the effects are likely to vary project-by-project, some of the general implications include the following:

- Similar activities will continue – largely unaffected. Some employability projects may continue through internal financing or partnership backing.
- Similar activities will continue but at a regional level – eg through regional funds from Regional Development Agencies. This will reduce the scope for national collaboration.
- Similar activities will continue but with a different student composition – eg greater reliance on overseas students and students funded through other sources.
- The scope to tackle unemployment among graduates may be reduced – as projects will have to become more commercially viable.
- Some activities will cease. A high proportion of projects aimed at employability or third-stream activities will cease.

Lessons for future policy

The evaluation has inevitably had a backward focus; looking to the future the following points were identified which could help to maximise the social and economic impact of ESF support in the years ahead:

- Funds could be more targeted towards beneficiaries with specific needs, or who would not otherwise benefit from a higher degree, to maximise added value and

avoid subsidising students who would find alternative ways of financing postgraduate participation and/or high-level skill acquisition.

- There could be better dissemination of the lessons learnt from the projects, especially postgraduate projects, both within and beyond the individual HEIs.
- Clearer exit strategies should be developed to ensure the knowledge and contacts gained are retained within the institution and the sector.
- Innovation in project design should be emphasised even more strongly, to maximise added value and to avoid any form of dependency on ESF support.
- Better links with sector-based organisations could be created to ensure that courses meet the needs of the overall sector and not the specific requirements of a few employers. Such links also need to be developed to maximise employers' involvement in delivery as well as the design of postgraduate courses and other learning programmes.

Finally, to ensure the maximum added value is gained from HE ESF support for beneficiaries, HEIs and the economy as a whole, programmes should be aligned, where possible, with national skill strategies and in particular, the outcome of the Leitch review of skills.

1 Introduction

The Institute for Employment Studies (IES) was commissioned by the Higher Education ESF Unit (HE ESF Unit) to carry out an assessment of the impact of the involvement of Higher Education Institutions (HEIs) in the European Social Fund (ESF) Objective 3 programme in England. The research began in January 2006 and concluded in October 2006 and this report presents the findings from the evaluation as a whole.

1.1 Aim and objectives of the research

The aim of this research study was to provide a greater understanding of the social, economic and labour market impacts of HE ESF projects. Essentially, the evaluation aimed to:

'produce an evidence source to inform the development of appropriate policy regarding the involvement of HEIs in future Structural Fund programmes.'

This study has assessed the contribution of HEIs in meeting the aims of ESF Objective 3 and has looked closely at the activities and additionality of HE ESF projects since 2001. The specific objectives of the project were the following:

- To evaluate the impact of the HE ESF projects in terms of beneficiary outcomes (qualifications and employment outcomes) using statistical information derived from project closure reports and from further follow-up conducted by/with individual HEIs.
- To identify and evaluate case study examples of the impact of HE ESF projects upon the labour market participation and future employment prospects of ESF beneficiaries.
- To identify and evaluate case study examples of the economic growth impact of the HE projects upon particular growth sectors of the English economy.

2 Higher Education and ESF Objective 3: An Evaluation of Impact

- To report on the success of the HE sector projects in enhancing beneficiary employment prospects and in supporting growth sectors.
- To inform future policy on the delivery of Structural Fund programmes in the UK and, in particular, HEI involvement in those programmes.

Some of the questions and issues that have been addressed by the research include:

- an assessment of the impact of HE ESF projects
- establishing if, and how, HE ESF projects have aided social, economic and labour market development
- ascertaining how beneficiaries and delivery organisations describe the benefits derived from HE ESF projects
- looking at the ways in which HE ESF projects have been influenced or informed by HE strategies towards working with business and the community
- identifying the lessons that can inform future policy on the delivery of structural funds.

The evaluation of HE ESF projects needed to go beyond a review of the immediate support given to the beneficiaries to consider the wider impact of the funding. Some other issues which were considered were:

- **Sustainability:** establishing the degree to which HE ESF projects produced sustainable outcomes; for example, under what circumstances were projects able to continue after ESF funding; what factors contribute to sustainable outcomes for beneficiaries; to what extent has the project led to further activities (eg to widen participation, improve employability or support SMEs)?
- **Replication:** identifying whether the themes or projects led to a replication of their activities or the transferability of skills, knowledge and experience to other contexts.
- **Other institutional or organisational impacts:** exploring the extent to which the projects or themes had a wider impact on the ways that the HEIs themselves conduct their operations, ie whether lessons learnt from projects were transferred into other areas of the HEIs' operations (eg led to the development of good practice in student recruitment, careers support or interactions with businesses and the wider community).

1.2 Methodology

The methodological approach for this study had four main elements:

- desk research phase
- literature review
- secondary data analysis
- case study research.

1.2.1 Desk research phase

At the start of the project, a desk research phase was conducted to understand more fully the activities and likely outcomes of the HE ESF projects. This helped to arrive at a classification of projects more thoroughly in terms of:

- main project themes, eg high-level skills training, employability, SME links, etc.
- project size and the amount of funding received
- beneficiary target groups, eg unemployed graduates, individuals from Black and minority ethnic (BME) groups, women, SMEs, sectors etc.
- anticipated and achieved beneficiary numbers
- outcomes, eg jobs, qualifications, new businesses established, business networks created etc.
- likely impacts.

The desk research phase resulted in a greater appreciation of the range of project activities and led to the selection of the case studies for the primary research element of the study.

1.2.2 Literature review

A literature review was carried out to explore a number of issues and to provide a context for this particular study. The review encompassed an assessment of comparable funds, and searched for evidence of the impacts of other similar types of funding. The literature review also looked at the wider role of HE in the economy, particularly in relation to the impact HE may have on GDP, industrial growth, and individuals themselves.

1.2.3 Secondary data analysis

It was very instructive to look at data from the HE ESF Project Closure Reports as they contained important information on beneficiary numbers and outcomes, eg

employment and qualification outcomes, and the sectors supported. The majority of this analysis was descriptive in nature (as dictated by the data format) and provided:

- a quantitative overview of the types of projects funded by HE ESF
- an analysis of the beneficiaries of the projects and themes and their socio-demographic characteristics
- an assessment of the initial impact of projects and themes on beneficiaries.

1.2.4 Case studies

The final element of the research was the case study phase. When selecting the case studies for this research, it was important to choose projects over the three rounds, and across the different themes. A very real problem with this approach, however, was that some projects had been completed three or more years ago and project managers and staff were likely to have moved on to other jobs, and recall of project activities and outcomes could be poor etc. At the same time though, these earlier projects were the ones that were most likely to have had a greater impact over the longer term.

Ultimately, case study interviews were carried out with 16 HE ESF projects spanning the three 'programme' years (2001/2002, 2003/2004, 2005/2006) and the broader policy themes to ensure that a good coverage of activities and (likely) impacts was achieved. Each case study involved a series of face-to-face and telephone interviews with project managers, tutors, other project staff, partners, beneficiaries and employers to arrive at a 360-degree overview of project activity. A list of the projects selected for the case studies is given in Chapter 3, and Case Study Narratives for each project are provided in Appendix 1.

1.3 Report structure

This report is structured as follows:

- Chapter 2 provides an overview of HE ESF since 2001 and describes the main themes under which projects have received funding. The chapter then goes on to set a wider context for HE ESF and looks at other similar funds before moving on to discuss the wider impact of HE on the economy, individuals and businesses. This chapter draws heavily on the literature review for evidence.
- Chapter 3 assesses HE ESF projects more closely. It gives an overview of project activities, project aims and partners and then examines the beneficiaries of HE ESF in much more detail. The chapter looks at the characteristics of all beneficiaries and then moves on to look at beneficiaries within each of the specific funding themes to identify any key differences. The evidence for this chapter is provided by the case

studies and also secondary analysis of the data contained in the Project Closure Reports.

- Chapter 4 explores the short-term and longer-term impacts of HE ESF Objective 3 in relation to the labour market and particularly the impact on labour supply, the economy, most notably industrial sectors and employers, and the impacts on the HE sector and other partner organisations. This chapter draws heavily on evidence coming from the case studies, and from analysis of the outcomes provided in Project Closure Reports.
- Chapter 5 brings together the evidence from the research and discusses the main conclusions and recommendations arising from the study.

2 Background to HE ESF

The HE ESF Unit has been responsible for managing the biennial allocation of resources from the ESF Objective 3 programme at a national level since 2001. HEIs can also apply for ESF Objective 3 funding at the regional level, although these projects are outside of the scope of this research.

The aims of ESF Objective 3 in its entirety are:

- to tackle long-term unemployment
- to help young people and those at risk from not being able to find work
- to improve training, education and counselling for lifelong learning
- to encourage entrepreneurship and adaptability in the workplace
- to promote equal opportunities and improve the role of women in the workforce.

At two-yearly intervals, the HE sector is invited by the Department for Work and Pensions (DWP)¹ to submit a number of proposals, referred to as themes, under which HEIs might deliver activity that addresses the aims referred to above. Once the proposals have been accepted by DWP, an amount of grant is allocated to the sector, which is then distributed to HEIs through an open competition organised on a biennial basis.

The HE ESF Unit has responsibility for organising competitions for national ESF funding for HEIs, and has acted as a support function for these projects. It has acted as a provider of information, monitored performance and handled the exchange of monies between the DWP and HEIs since 2001.

The total value of HE's involvement in the Structural Funds between 2000 and 2006 was £475.3m, of which the European Social Fund was responsible for £189.8m (Table 2.1). The contribution from the Objective 3 ESF programme awarded to HEIs was

¹ In the UK, the Department of Work and Pensions is responsible for managing ESF programmes.

£134.8m, some 4.7 per cent of the resources available nationally. During this period nearly one-third of Objective 3 ESF funds coming to HE was distributed by the HE ESF Unit to projects that operate at a national level.

Table 2.1: HE Involvement in the Structural Funds 2000-2006

	Obj 1		Obj 2		Obj 3	Total		Grand total
	ERDF Grant	ESF Grant	ERDF Grant	ESF Grant	ESF Grant	ERDF Grant	ESF Grant	
	£m	£m	£m	£m	£m	£m	£m	£m
Eastern	0	0	5.7	0.9	11.9	5.7	12.8	18.5
East Midlands	0	0	13.9	2.9	6.2	13.9	9.1	23.0
London	0	0	8.1	0.7	7.3	8.1	8.0	16.1
North East	0	0	18.5	17.5	16.9	18.5	34.4	52.9
North West	54.1	10.4	52.6	0	18.4	106.7	28.8	135.5
South East	0	0	0	0	8.1	0	8.1	8.1
South West	63.5	7.8	5.2	0.1	5.7	68.7	13.6	82.3
West Midlands	0	0	37.1	14.4	7.5	37.1	21.9	59.0
Yorkshire and the Humber	11.1	0.0	15.7	0.3	10.3	26.8	10.6	37.4
National Projects	0	0	0	0	42.5	0	42.5	42.5
<i>Total</i>	<i>128.7</i>	<i>18.2</i>	<i>156.8</i>	<i>36.8</i>	<i>134.8</i>	<i>285.5</i>	<i>189.8</i>	<i>475.3</i>

Source: IES, 2006

2.1 Funds and themes

The main themes under which national projects from HEIs have been funded are:

- high-level skills training for unemployed graduates
- widening participation
- HE/Small and Medium Enterprise (SME) links
- research into aspects of labour market discrimination.

A total of 270 projects and approximately 80 HEIs have successfully competed for funds totalling some £42.5m. In the main, projects have been funded over two-year periods, under the following (more specific) headings:

2001/2002

- distance learning for SMEs
- widening participation
- training for unemployed graduates to meet national skill shortages.

2003/2004

- graduate employability
- widening participation
- lifelong learning for individuals employed in SMEs
- SME development activity.

2005/2006

- improving the employability of unemployed graduates
- widening participation
- solutions to gender discrimination
- research into gender discrimination.

Themes for each tranche of funding are chosen by the HE sector ESF Management Committee, taking into account policy priorities within the sector and the aims and objectives of the Objective 3 programme. All HEIs in England are then invited to submit project proposals under each of the themes.

When establishing the aims of this research study, the Management Committee was of the opinion that it would be difficult to assess the impact of those projects included in the widening participation themes, given that many of the activities are centred on the general (and often mass) provision of information, advice and guidance which makes tracking individuals particularly problematic. Furthermore, many of the widening participation projects were aimed at young people of compulsory school age and so any post-HE outcomes and impacts will not yet have been achieved. The study has focused instead on the activities that are more likely to have brought about observable outcomes and impacts since they began. As a result, this evaluation has been based upon the 149 projects submitted under the various themes addressing high-level skills, employability skills for unemployed graduates and HE/SME links.

It should be noted that project applicants were required to provide evidence that their projects would develop the skills base needed within 'growth sectors'. These sectors have often proved difficult to define, as current measures by which industries are categorised (ie those based on Standards Industrial Classifications) do not adequately capture the activities of companies within some of the new high-technology industries. Businesses engaged in environmental technology or multimedia activities, for example, often transcend a number of sectoral classifications and are thus poorly recorded within the more generic labour market intelligence that is available.

However, in broad terms the sectoral profiles of the 106 sector-specific projects under investigation appear to fall within growth sectors, ie nearly 80 per cent of sector-specific projects are in sectors identified as growth sectors (see Section 2.3.2) (Table 2.2).

Table 2.2: Sectoral coverage of projects funded by HE ESF

Sector	Projects funded	
	N	%
Environment and energy	15	14
Science, engineering and technology	35	33
Creative industries	15	14
Business management and enterprise	20	19
Other	21	20
<i>Total</i>	<i>106</i>	<i>100</i>

Note: This table excludes projects within the HE ESF themes that are not under review in this evaluation, eg widening participation projects and those which are research based.

Source: HE ESF Unit

Before moving on to look at the research findings, it is important to consider the wider context for HE involvement in the ESF and it is to this that we now turn.

2.2 A context for HE ESF

HE ESF projects are concerned principally with 'third-stream' ventures. These are defined as HE activities in addition to the two traditional university remits of teaching and research. Third-stream activities include:

- technology transfer, eg Higher Education Innovation Fund (HEIF) activities
- wider local and regional interaction with businesses and the community, eg what were the HEROBAC (Higher Education Reach-out to Business and the Community) activities
- programmes concerned with employability and meeting skills needs, eg the Higher Education Employment Development Programme (HEED) and Higher Education Regional Development Fund (HERDF).

These activities often target societal objectives which transcend individual HEIs, and as such have relied on specific public funding initiatives from the outset.

What can HE ESF learn from the experiences of others who have addressed third-stream objectives? The following overview of some recent UK programmes draws out some themes and lessons of general relevance to the sector as a whole, which can be related back to the challenges faced by HEI in utilising ESF support.

2.2.1 HEED

The Higher Education Employment Development Programme (HEED) was available from 1998 to 2000 and was designed to help HEIs to improve graduate employability. The initial phase of HEED funded 55 projects for a combined £7.8m (an average of

£142k per project). A large part of this funding went on Key Skills in HE (21 per cent), work experience (20 per cent) and guidance for graduates (20 per cent). Other projects related to lifelong learning, recording achievement, labour market intelligence, graduate start-ups and curriculum development.

Impact

According to interim findings in 1999, HEED succeeded against several criteria. In terms of outcomes, positive results were achieved. Most participants assessed that the programme would not have been feasible without HEED funding. There was only limited evidence of projects finding alternative sources of finance after unsuccessful HEED bids, which was seen as strengthening the evidence on additionality.¹ Sustainability was a big issue, however, as funding for many projects was available for one year only. Furthermore, most projects experienced a degree of slippage and in many cases this was attributed to post-application negotiations, inappropriately designed programmes requiring alterations and resourcing difficulties around premises and recruitment.

2.2.2 HERDF

The Higher Education Regional Development Fund (HERDF) amounted to £2.72m in 1997-1998 and £3m in 1998-1999. Funds were allocated to Government Offices (GOs) whose responsibility it was to support HEI collaborations with other economic actors to promote regional development by engaging more effectively with issues of economic competitiveness. The key regional issues identified, and addressed differently in each GO region, were:

- developing labour force skills for identified business needs
- helping businesses to benefit from HE
- curriculum development and skills accreditation
- information gathering, R&D
- strategic partnerships and networks.

Partnerships involving stakeholder organisations within an area, such as HEIs, Chambers of Commerce, Business Links and employers, delivered 54 projects. These were supported during 1997-1998 with, on average, £50,990 of HERDF funding per project (typically amounting to 55 per cent of the total).

¹ ECOTEC (1999), *Assessing the impact of the HEEDP (1998-2000)*, Interim Report for DfEE.

Impact

The first wave of HERDF reached 900 individuals (core skills and work experience) and 200 companies (recruitment and training needs).¹ The actual content of the work produced by partnerships included materials for employers and individuals relating to training, skills profiling and accreditation of prior learning along with advisory services and mentoring. In addition, the funds helped to embed new systems and practices in HEIs such as student profiling, project management models and methods to identify business needs. Though small in scale, HERDF was successful in leveraging financial and other contributions from partners.

2.2.3 HEIF

The Higher Education Innovation Fund (HEIF) awards grants to universities' knowledge transfer (KT) projects and activities. The first round of HEIF awards (HEIF 1) was announced in December 2001, with funding spread over periods of up to three years. A subsequent second round of funding (HEIF 2) was made available for the financial years 2004-2005 and 2005-2006 following the Government's 2003 White Paper 'The Future of Higher Education'. The third round of funding (HEIF 3) was announced in August² 2006 for projects running until 2008.

Table 2.3 below summarises the broad financial and operational features of the three stages of HEIF.

Table 2.3: Stages of HEIF

HEIF	Years available	Number of awards	Total value (£m)
HEIF 1	2001-02, 2002-03, 2003-04	89	77
HEIF 2	2004-05, 2005-06	124	187
HEIF 3	2006-07, 2007-08	11 project 133 plan	238

Source: HEFCE, 2006

Impact

Projects were monitored on an annual basis. Final summative reports submitted by HEIs show 14 projects exceeding expectations, 59 projects achieving their proposed goals and a remaining 16 that underperformed. HEFCE's own assessment³ of the programme's operation at the end of HEIF 2 is that the submission, evaluation and

¹ Dewson S, Irving P, Whitting G (1999), *Evaluation of HERDF*, DfEE Research Report number 84.

² <http://www.hefce.ac.uk/reachout/heif/heif3.asp>

³ Higher Education Innovation Fund: Summary evaluation of the first round (2001-05) available at http://www.hefce.ac.uk/pubs/rdreports/2006/rd03_06/

monitoring procedures worked well, although these did prove resource intensive. Many HE institutions, however, had problems delivering on their plans due to an inability to hire appropriately qualified staff in a short space of time.

An external report on HEIF progress to July 2003 by the consultancy group SQW provides an assessment based on detailed analysis of Annual Monitoring Statements (AMSs).¹

In terms of the intended outputs, the initial HEIs conducted a series of projects that could be classified as follows:

Table 2.4: Intended outputs from HEIF

Type of project	Number of HEIs	Output volume	Type of project	Number of HEIs	Output volume
Business networks	9	-	Licensing	12	22
CPD	11	-	Staff placements	6	534
Consultancy/advice	12	-	Student placements	13	1,289
Research	1	-	Access to other funds	21	51
Patenting	7	-	Not specified	13	-
Spin-outs/start-ups	16	56			

Source: DTI (2005)

Although these external outputs were measured, impacts in terms of economic performance were not. However, the programme also has an internal impact in terms of new HEI systems and the reorientation of HEI priorities.

- The design of the bidding process encourages HEIs to adopt a holistic approach, while funding on a longer-term programme basis promotes capacity building and thus, sustainability.
- The scale of funding is of major importance. Even though it is less financially attractive than teaching or research grants, the fund has been sufficient to elicit interest in KT from a wide range of HEIs.

2.2.4 Common ‘third-stream’ themes

The HERDF and HEED programmes have several themes in common with some aspects of the themes pursued by HE ESF. These are HE labour market relationships (and responsiveness of HE to these) and employers’ (especially SMEs’) use of graduate skills.

¹ DTI (2005), Interim evaluation of knowledge transfer programmes funded by the Office of Science and Technology through the science budget. Final report. Main report. SQW report for the DTI.

Specific actions such as facilitating graduates' transitions into work, notably with advice services, are also similar. As in the case of HE ESF projects, HEED aimed to improve the responsiveness of HE to the needs of the labour market and improve the ability of employers, particularly SMEs, to use the skills and knowledge that graduates bring. HEED was a short-lived scheme, however, and the lessons learnt regarding sustainability and mainstreaming can provide insights for the assessment and future direction of HE ESF.

HERDF also shares a number of objectives with HE ESF. While the aim of HERDF is to promote a greater degree of HEI engagement with issues of economic competitiveness, the underlying objectives are to respond to employers' needs, to convince employers to make better use of graduates, to promote lifelong learning and to work on graduate retention and unemployment. The last of these is very similar to HE ESF's priority to target employability of recent graduates to avoid them becoming long-term unemployed. Furthermore, HE ESF support to postgraduates in domains that are assessed to suffer from insufficient skills supply corresponds closely to HERDF's focus on responding to employers' needs.

HEIF addresses issues that are markedly distinct from the objectives of programmes like HERDF and HE ESF. While the common aim in each case is to help the HE sector to make a contribution to the economy, the actual objectives and the means of achieving these differ. While the focus of HERDF and HE ESF is very much on the HE sector as a producer of skilled labour, the emphasis of HEIF is on the knowledge outputs that the HE sector can transfer to the economy. HEIF is consequently aimed more at HEI staff who are conducting research with potential commercial applications, while the other two programmes are more focused on the teaching role of HEIs (activities in which it was often difficult to observe tangible results). Projects which did produce measurable outcomes, however, included those that aimed at developing start-up companies or sector-specific support activities.

Compared to the other programmes, HEIF (and its predecessor HEROBC) is providing substantially greater funding over a longer period of time. In terms of programme design, HEIF offers potentially important lessons such as the ability of funding offered on a programme basis to foster the 'mainstreaming' of 'third-stream' activities.

A typology of third-stream programmes

Two broad, often inter-related, themes can be identified among the various publicly funded 'third-stream' initiatives in the field of higher education:

- The first relates principally to interactions between academia and business, most prominently in relation to knowledge transfer (programmes such as HEIF). The knowledge in question is often at the frontiers of science and technology.
- The second theme is focused on 'employability' of graduates, with a distinct sub-theme relating to diversity and widening participation (programmes such as HEED).

HEI relations with SMEs are a natural area of overlap across the themes, and are about both technology transfer and improving generalist skills within a locality. However, to a large extent, schemes that focus on one theme will be of interest to a distinct subset of HEIs with a particular profile. It has been established that activities related to technology transfer and intellectual property are firmly concentrated within a select elite of 'research universities', whereas schemes related to supplying skills and enhancing employability reach a wider constituency of HEIs aiming to satisfy local demand for education and skills.¹ These two distinct roles are, to some extent, mutually exclusive; survey results appear to show that most HEIs specialise in one or the other but rarely in both.²

Lessons identified

1. Sustainability can only really be assured if learning from experiments and initiatives is mainstreamed. The potential for 'mainstreaming' is inherently limited when initiatives do not support activities for a sufficient length of time³, but it can be enhanced by using programme design to effect internal change within HEIs (the example of HEIF in contrast to HEED).
2. Outcomes may be measured, but the overall economic impact in terms of final outcomes can be very hard to gauge. For small programmes, impact may not be discernible. Using public funds to leverage resources from other partners is one way of scaling up (the example of HERDF).
3. Additionality was noted where the majority of funds are spent on activities that could not be self-funded, eg in the case of HEIF, particularly where SMEs were an important part of the customer base and there would be a significant time lag between investment and any return.
4. Displacement of other staff activities within HEIs is difficult to assess. Where attempts have been made to assess the impact of funds on HE staff activities, the general view has been that there has been little or no displacement. The level of displacement is mitigated if the funds are being used to support additional staff resources.

2.3 Wider role of HE in the economy

In this review, we outline some of the recent theoretical and empirical literature on the contributions of HE to the economy and society, in terms of impacts on GDP, impacts on growth and impacts on individuals. The distinction identified above between two

¹ HEFCE (2001), Higher education-business interaction survey 2000-01.

² For instance, 70 per cent of higher research intensity HEIs were involved in research collaboration, against eight per cent in the lower research university category. Meanwhile, only nine per cent of higher research intensity institutions considered their role to be meeting regional skills needs, with the figure rising to 47 per cent in the lower research intensity institutions.

³ Charles D, Benneworth P (2001), op. cit.

types of programme – cutting-edge technology transfer and employer-tailored skills supply – neatly echoes the two main strands in the literature on the economic impact of HE.

In models based on human capital, so-called ‘production functions’ relating the economy’s output to its inputs – traditionally physical capital and labour – are augmented with a component reflecting the level of investment into the health and education of workers. HE can enter such models as a factor in the production of human capital. Typically, these models predict an impact of human capital on the *level* of GDP, but not on the *growth rate*.

Endogenous growth theories, on the other hand, focus on the role of innovation in stimulating *growth rates*. Numerous formulations have been proposed and it is not appropriate to review them here. Suffice to say that in some, HEIs are explicitly conceived as production units in the innovation sector, while in others, innovation emerges as an unintentional spillover (or ‘externality’) of investment in human capital.

2.3.1 The innovation supply and ‘positive spillovers’

The view that economic performance can be enhanced by innovation and that HEIs have a role to play in this respect is explicitly endorsed by the Independent Expert group on R&D and Innovation appointed following the Hampton Court Summit.¹ Their report stresses the need for a ‘paradigm shift’ if the EU is to become innovative. In the main, this is thought to be attainable only by changing the incentives for firms to conduct R&D and by improving the baseline of fundamental research. In terms of HEI involvement, there are hints that the social role of HE as a mass provider of skills for the workforce may no longer be given budgetary priority. Instead, the Expert Group advocates tripling the proportion of structural funds allocated to research and innovation. They also stress the importance, accentuated in their view by the onset of demographic decline, of channelling talented young people into careers in research.

This view of HE as a driver of innovation finds its theoretical underpinning in the ‘new growth theories’. These have generated a sizable literature in recent years in which a multiplicity of models has been proposed. Many of these lend themselves to the hypothesis that investment in education, particularly in tertiary education, could be a significant policy lever to boost long-term growth rates. For instance, the long-term rate of growth is determined by technological change, which in turn depends on the size and efficiency of a research sector.² Cross-country studies using these models have found that a one percentage point increase in educational enrolment rates can

¹ Independent Expert Group on R&D and Innovation (2006), *Creating an Innovative Europe: report of the Independent Expert Group on R&D and Innovation*, Vienna.

² The seminal article in this field was Romer P, ‘Endogenous Technological Change’, *Journal of Political Economy*, Vol. 98, No. 5.

boost growth by anything between one and six percentage points per annum over the long term, making the economic impact of educational policy potentially enormous. Empirical proof of the validity of these models is not easy to obtain, however, due to severe methodological problems.¹ Nevertheless, both economic researchers and policy makers have shown considerable interest in the potential to harness the innovative outputs of universities for economic gain.

Policy response to promoting innovation and growth

Policy makers put universities, skills and knowledge creation at the centre of economic strategy. The European Union's 'Lisbon Agenda' makes the case very clearly.² It states that the future enjoyment in Europe of high levels of employment and social and environmental protection hinges on the development of a skilled and entrepreneurial workforce. For this reason, the Community intends to support knowledge and innovation in Europe. Both aspects of the contribution of HE are identified: targeted investment in research capacity and innovation on the one hand, and improved education and vocational training on the other. The EU intends to support the HEI sector through help with modernisation, improved co-operation and through the Bologna process.

At the national (and regional) level, the British Government aims at the up-skilling of the workforce, notably with a high-level target of working towards 50 per cent participation in HE. Simultaneously, a number of national initiatives encourage HEIs to improve their research standing and to transfer cutting-edge knowledge to commercial partners to foster innovation-led growth. In terms of the national response to the Lisbon agenda, the UK has been focusing on five drivers of productivity growth: competition, enterprise, science and innovation, investment, and skills. HE policy has a direct role to play in two of these: science and innovation, to underpin the business innovation required to compete in knowledge-driven industries, and skills, to allow workers to move into more innovative, productive sectors of the economy. One particular area of concern is the need to bolster innovation through a strong supply of scientists, engineers and technologists, to be achieved through improvements in the teaching of the so-called STEM (Science, Technology, Engineering and Mathematics) subjects.³

¹ For an excellent summary of these issues, see Sianesi and Van Reesen (2006). In brief, some of the problems are: simultaneity (if growth is spurring education and education is spurring growth simultaneously), use of poor proxies to measure human capital, often confounding stocks and flows, parameter heterogeneity (assuming that effects are the same in all countries), sensitivity of models to the variables employed and problems around imposing a linear relationship between education and growth.

² European Commission (2005), *Common Actions for Growth and Employment: The Community Lisbon Programme*, Brussels, Communication from the Commission to the Council and the European Parliament.

³ HM Treasury (2006), *Lisbon Strategy for Jobs and Growth: UK National Reform Programme (update on progress)*.

The underlying economic arguments are thus twofold: HEIs as a means of increasing capital and HEIs as a means of increasing knowledge and R&D.

2.3.2 Skills for growth

The Leitch review of skills¹ reported in 2005 that poor skills are a contributor to the UK's low productivity performance compared to competitors. The country's overall skills profile is improving, with, for instance, a quarter of the UK workforce holding a degree today, as compared with one-fifth merely a decade ago. Despite this, however, there is evidence to suggest that employers still find it difficult to recruit graduates with the right skills.

The 2002 Graduates in the Eyes of Employers survey² asked employers that had struggled to recruit graduates to list the main barriers they faced. Over 40 per cent of respondents answered that a lack of graduates with suitable skills was a problem. It is not clear, however, that this shortage relates solely to specific degree-related skills rather than, for instance, general business skills, or even basic skills. Meanwhile, over 40 per cent of respondents cited a decline in the quality of applicants as a major difficulty. In addition, 20 per cent reckoned they received *too many* applications from graduates and slightly fewer than 20 per cent felt they were unable to meet graduates' expectations. Such survey responses indicate problems with *quality* in HEIs (and in firms), rather than problems with the *quantities* of skills supplied. In light of such findings, it is unclear that an increase in the quantity of graduates is an effective response to evidence that there are skills shortages. Rather, careful attention to the *employability* of graduates and the types of skills they take from their degrees may be prerequisites to improvements in some shortage areas.

Growth sectors and response from HEIs

The major growth industries, in employment terms, are the finance sector and the public sector, though these are not necessarily where skills shortages relating to graduates will occur. The sectors reporting the most Skills Shortage Vacancies (SSVs) in 2005 were construction and manufacturing related. Professional occupations in the e-skill and care and development sectors were also in short supply.³ Many of the vacancies in the other sectors, however, will call for non-graduate skillsets (eg in personal services etc.) Predictions of skill demand to 2014 for qualifications at level NVQ4 and above (caused by both growth and replacement demand) indicated that the greatest required increase would be for people in associate professional, professional and management occupations.

¹ HM Treasury (2005), *Skills in the UK: The long-term challenge, interim report*.

² Association of Graduate Recruiters (2002), *Graduates in the eyes of employers*.

³ Ibid.

The main growth sectors (in terms of employment and/or GDP) within manufacturing are expected to include the technology-based and research and development end of the manufacturing sector, especially some parts of the chemicals and engineering sub-sectors, while some of the sub-sectors in business services (in particular the information technology sub-sector) are also expected to be among the strongest performers in the UK economy.¹ There is evidence to suggest that HEI engagement with industry through the Sector Skills Councils has focused on those sectors that have some of the greatest demands for high-level skills, as highlighted above. In 2003-2004, for example, over one-half of all UK HEIs had engaged with the Creative and Cultural Skills SSC (which covers creative industries) as part of their institutional strategy. Similarly, over 40 per cent of HEIs had some involvement with the Lifelong Learning SSC (covering post-compulsory education) and e-skills UK (covering the information technology sector), while over 30 per cent had links with the Skills for Health SSC and Skillset, the latter of which is responsible for supporting skills in the media and broadcasting industries.²

Regional growth and HEIs

Regional development policy, which until not long ago focused on attracting inward investment in mobile industries through incentives offered to specific companies, is now moving towards an approach based on knowledge-based endogenous growth in regionally based clusters.³ This has the advantage of tying industries to a locally rooted base of knowledge and expertise. The major weakness of the old model was that inward investment was very cyclical, and plants established with the help of financial incentives were often vulnerable to rationalisation and closure. In recent years the focus has thus been on the role of HEIs in supporting economic regeneration by promoting knowledge transfer both through their graduates as well as through research and development. In more recent, regionally focused inward investments from North America and the Far East, the quality of the local supply of graduates has anecdotally been a factor in companies' location decisions.

To support this evolution in policy focus, Regional Development Agencies (RDA) have been established with a remit that encourages the development of stronger links between regional universities and local industries, working in partnership with the newly developed Sector Skills Councils and their respective Sector Skills Agreements. At the heart of the RDAs' regional economic strategies is the development and promotion of regional industrial clusters, which aim to support business development within key growth sectors. Policy has explicitly tried to use HEIs to promote the emergence of these clusters through the university innovation centres announced in 2001: nanotechnology and microsystems in Newcastle, organic chemicals in

¹ Wilson RA, Homenidou K, Dickerson A (2006), *Working Futures*, SSDA, Wath upon Dearne.

² HEFCE (2006) Higher Education – Business and Community Interaction Survey 2003-4, HEFCE, 2006/25.

³ Charles D, Benneworth P (2001), *op. cit.* (p17).

Manchester, ICT in Bristol, B2B e-commerce in the West Midlands and aerospace manufacturing in Sheffield. The ESRC's 2006 £2.5m initiative to fund research evaluating the impact of HEIs on regional economies is likely to result in a considerable widening of the literature on this topic in the near future.

The regional mission is becoming more important to the HE sector as a whole, with most institutions now referring to local and regional objectives in their strategic plans.¹ The Higher Education – Business and Community Interaction (HE-BCI) survey 2003-2004 indicates that around half of UK HEIs use regeneration funds to develop links with business and community partners, and around one-third also combine these activities with their teaching and research activities. In 2003-2004, the value of regeneration funds to UK HEIs was estimated to be around £216m, around 50 per cent of which came from the European Union while one-third came from Regional Development Agencies.

The regional impact of HE can be measured in terms of traditional multiplier effects. Thus, in a manner similar to that adopted in the nationwide study for Universities UK, Cardiff business school found in the 1990s that the Welsh HE sector's half a billion pounds of expenditure generated a total of over one billion pounds of economic activity in the national region of Wales. There are further roles in terms of the specific knowledge inputs HEIs can provide to regional companies. This can take the form of research and consultancy work (surveys of both businesses and of HEI staff underline the importance of such activity), company-funded research students addressing specific industrial issues, and bigger endeavours such as science parks and incubator units. The shift in emphasis towards lifelong learning is a force that will tend to favour universities' local and regional, rather than national, labour market links.

HEIs and SME development

Higher education interacts with SMEs either directly through knowledge transfer partnerships and business support, or indirectly through graduate employment within those businesses.

SMEs have been important, though problematic, players in the graduate labour market, although there has been some improvement in the take-up of graduates by SMEs in recent years. On the supply side, there may be a need to raise graduate awareness of the potential employment opportunities within SMEs. There is some research evidence in the UK to suggest that graduates give little consideration to working within SMEs² and that graduates may have a poor understanding or negative

¹ NCIHE (1997), *The local and regional role of higher education*, National Committee of Inquiry into Higher Education.

² Mukhtar (1999), 'Utilisation of science and technology graduates by the small and medium-sized enterprise sector.' *Education and Training*, Vol. 14, No.1.

expectations regarding employment within SMEs¹. Other research highlights the relevance of degree discipline to employment patterns within SMEs. In particular, SMEs were seen to be less successful in attracting graduates with degrees in commerce related disciplines, science or engineering than were larger companies.² On the demand side, graduate recruitment in SMEs may itself depend upon a number of factors such as the size of the establishment, the sector of employment, whether the owner-manager is themselves a graduate, and employer perceptions.³

Research for the DTI has evaluated some of the literature on graduates employed in SMEs.⁴ This seems to show SMEs value graduates for their ability to learn. The main graduate contribution to businesses is identified to be within the area of client-orientated activities. Where there is close matching of graduate personality and skills to a task in SMEs, employer satisfaction is generally high. In terms of generic abilities, however, there seems to be evidence of lag effects in employer satisfaction with graduate performance, with at least six months required before graduate skills are fully appreciated. This appears to relate to a widespread dissatisfaction with graduates' 'core skills' and ability to 'hit the ground running'.

The literature includes a number of studies assessing graduates' inputs within SMEs. Although many of the studies on this topic are qualitative in nature, a review of the research evidence suggests that graduates make a positive contribution to the performance of SMEs.⁵ Quantitative measures are less commonly available and usually involve measuring graduates' impact on profitability. These studies tend not to use large samples of firms and their approaches tend not to address the potential for reverse causality. Where larger studies have been conducted, it has often been difficult to differentiate between the role of graduates, other business and human resource-related factors and company performance.

In addition to the role of HEIs in promoting economic regeneration through their traditional HE activities, there has also been a refocusing of activities towards promoting re-skilling and upskilling of the workforce through work-based learning.⁶

¹ Holden J, Jameson S, Parsons D (2002), *Making a Difference: The Contribution of Graduates to Small Business Success*, Report to the Small Business Service, DTI.

² Belfield C (1999), 'The behaviour of graduates in the SME labour market: evidence and perceptions.' *Small Business Economics*, 12 (3), pp.249-259.

³ Williams H and Owen G (1997), *Recruitment and utilisation of graduates by small and medium-sized enterprises*, DfEE Research Report No.29, Department for Employment and Education, Sheffield.

⁴ Holden J, Jameson S, Parsons D (2002), *Making a Difference: The Contribution of Graduates to Small Business Success*, Report to the Small Business Service, DTI.

⁵ Ibid.

⁶ Brennan J and Little B (2006), *Towards a Strategy for Workplace Learning: Report of a study to assist HEFCE in the development of a strategy for workplace learning*. London: Centre for Higher Education Research & Information.

There is evidence to suggest that in recent years the HE sector has become increasingly more responsive to the needs of SMEs. The HE-BCI survey report in 2006 suggests that since 1999 a high proportion of third-stream funding allocation has been targeted towards developing the capacity of HEIs to respond to business needs, and in particular the needs of SMEs. The research identified four key areas in which HEIs have recently expanded their involvement in supporting or developing SMEs, including: the development of SME-responsive infrastructures (eg dedicated enquiry points); activities related to knowledge transfer (eg research contracts with SMEs); intellectual property exploitation (eg developing software licence agreements), and the development of spin-off companies.¹

2.3.3 HE and individuals' labour market outcomes

There is strong evidence to show graduates earn more, work in higher occupational categories and suffer less unemployment than other workers. This conclusion remains even after controlling for numerous intervening factors that may also impinge on labour market outcomes.

Economic returns

Although returns to higher education vary, there is a general consensus that women in the UK gain relatively more from having a degree than men. Controlling for other demographic and work experience-related characteristics, between 1994 and 2004 women with first degrees could expect to obtain hourly earnings that were 101 per cent higher than those obtained by similar women who had no qualifications. Among men the graduate wage premium stood at around 97 per cent.² The returns to postgraduate education were even greater, with women earning 132 per cent more per hour than those who had no qualifications, while men with postgraduate qualifications earned 114 per cent more than their counterparts who had no qualifications. Lifetime estimates of earnings suggest that the graduate wage premium is approximately £400,000, although there is a wide dispersion around this mean.³

There is clear evidence to suggest that graduate wage premiums vary by subject. Compared with those who had arts degrees, male graduates in maths and computing receive the highest returns (32 per cent more than arts graduates), followed by medicine and related (29 per cent more) and engineering and technology (27 per cent more).

¹ HEFCE (2006) op. cit.

² O'Leary N and Sloane P (2005), 'The Return to a University Education in Great Britain.' *National Institute Economic Review*, No. 193 July 2005, pp. 75-89.

³ Dearden L, Fitzsimons E, Goodman A and Kaplan G, (n-d) *The implications of the Higher Education reforms for the incomes of graduates*, Nuffield Foundation, http://www.nuffieldfoundation.org/fileLibrary/doc/Nuffield_Briefing_Paper.doc

Among women, the greatest returns were found in medicine and related (21 per cent more), maths and computing (19 per cent more), education (17 per cent more) and engineering and technology (11 per cent more).¹

Employment outcomes

Unemployment is very low among graduates. Overall, 3.5 per cent of male and 2.8 per cent of female graduates were unemployed in 2003 according to the ILO definition.² This, however, masks a higher rate in the 21 to 25 age range of 9.5 per cent for men and 5.9 per cent for women. While all groups appear to derive financial gain from HE, it appears that those drawn from non-traditional categories of HE students are more likely to experience unemployment and to be economically inactive.³

Other studies of the types of jobs that graduates undertake suggest a significant proportion of new graduates in employment may be under-utilised. A survey from the Institute for Employment Research found that around a half of those who graduated in 1999 and found employment were employed in non-graduate jobs. Although this proportion fell rapidly over time, four years after graduation around 15 per cent remained in such jobs.⁴ There is also evidence that the benefits of HE in terms of opening opportunities to certain types of job are skewed in favour of traditional HE entrants. An analysis of graduates' subjective assessment of job quality shows that those from higher social class backgrounds on average end up in better quality jobs.⁵

2.3.4 Conclusions

Some of the key benefits that HE contributes to the economy are summarised below.

1. HE may be associated with higher levels of GDP: graduates make a contribution to the economy by deploying their skills (indeed, they can be shown to be more productive than non-graduates), and HEIs are important economic actors in their own right, their economic expenditure creating jobs and income throughout the economy.
2. HE may be associated with higher levels of growth: HEIs make a contribution to the knowledge economy through their research, which can foster growth of new companies and technology clusters. Sectors in which there is predicted to be growth in the demand for high-level skills

¹ O'Leary N and Sloane P (2005), *op. cit.*

² PROSPECTS (2003), Graduate employment from the Labour Force Survey, www.prospects.ac.uk.

³ Hogarth T, Maguire M, Pitcher J, Purcell K, Wilson R (1997), *The Participation of Non-Traditional Students in Higher Education: Full Report*, Report to HEFCE.

⁴ Elias P and Purcell K (2005), *The class of '99*: www.dfes.gov.uk/research

⁵ Elias et al. (1999), cited Purcell K, Rowley G, Morley M (2002), *Employers in the New Graduate Labour Market: recruiting from a wider spectrum of graduates*, CIHE.

include the technology-based and research and development end of the manufacturing sector and information technology sub-sectors.

3. HE benefits individuals: historically, graduates and postgraduates have made a good return on their investment, have enjoyed high occupational status and have suffered relatively little from unemployment. However, some graduates benefit more (particularly women and those studying maths and computing or medicine and related disciplines) than others (particularly those traditionally under-represented in HE and those studying humanities). These past experiences, however, may exaggerate the benefits which will accrue to current and future cohorts of students.
4. HE has an integral role in the regional growth and development policy. In partnership with Regional Development Agencies, sector representatives (such as the Sector Skills Councils) and local industry, HEIs have developed innovation centres to promote knowledge transfer in regional growth clusters, eg nanotechnology and microsystems in Newcastle, organic chemicals in Manchester and aerospace in Sheffield.
5. HE is developing its capacity to support business and, in particular, SMEs. This is being achieved through developing a more responsive infrastructure within HEIs (eg through the establishment of business enquiry points), expansion of research contracts with the private sector, intellectual property licensing and the development of spin-off companies and staff or graduate start-up companies.

3 HE ESF Projects

The main aim of this research has been to establish the social, economic and labour market impacts of the HE ESF project and these are discussed at length in this chapter. However, before any fair assessment of impact can be made, it is important to understand the range of activities undertaken by projects receiving funding from HE ESF and to identify the main partners and stakeholders in, and beneficiaries of, the projects. In so doing, some assessment of the additionality of the funds can be arrived at, and any innovations identified. The evidence from this and subsequent chapters is drawn from quantitative analysis of project applications and closure report forms, which provide key data on the beneficiaries of HE ESF funding, and also from the case study element of the research. The case studies provide a rich source of information on the types of activities undertaken, the rationale for these activities, and the importance of HE ESF funding overall.

3.1 Project activities

Not surprisingly, the range of project activities broadly follows the themes under which HE ESF funding has been made available. These centre on:

- postgraduate level, accredited courses, ie MSc, MA, PG Cert and PG Dip for unemployed graduates
- employability courses, usually non-accredited, for unemployed graduates to assist them into work or self-employment
- support and/or training for individuals employed by, or running, SMEs, which may or may not be accredited
- support and/or training to overcome gender discrimination.

Table 3.1 below illustrates the main activities of the projects which were selected to take part in the case studies.

Table 3.1: Case study activities

Case study	MSc projects	Year	Project activity	Institution
1	MSc in Biodiversity Conservation and Use	2001, 2003	MSc in Biodiversity Conservation and Use for unemployed graduates	University of Birmingham
2	MSc in Environmental Sciences	2001, 2003	High-level training to produce entrepreneurial environmentalists with a Masters degree	University of Manchester
3	MSc in Computer-Based Information Systems	2001	MSc in Computer-Based Information Systems	University of Sunderland
4	MSc in Electronic Commerce	2001	MSc in Electronic Commerce	University of Sunderland
5	MSc in Toxicology	2001, 2003, 2005	MSc in Toxicology	University of Birmingham
6	MSc in Analytical Chemistry	2003, 2005	MSc in Analytical Chemistry for unemployed graduates	University of Huddersfield
Case study	Non-Msc employability projects	Year	Project activity	Institution
7	Access to Online Working	2001	Developed learning materials for use in delivering a module in teleworking and wider digital literacy. Also training to enhance employability for unemployed graduates over the age of 50	London Metropolitan University (formerly University of North London)
8	Job search for unemployed graduates	2003	Three-day workshops to unemployed graduates related to job search/CV skills focusing on SME sector	University of Bristol
9	Graduated - what next?	2005	Course to promote employability or business start-up skills with opportunity for work experience	Staffordshire University
10	Career Tactics for the 21st Century	2001	Delivered career management techniques/skills to unemployed graduates	University of Liverpool
Case study	SME projects	Year	Project activity	Institution
11	The Graduate Start-up Scheme	2003	The project was aimed at students who had not undertaken vocational/business-orientated undergraduate degrees. It promoted and developed beneficiaries' entrepreneurial and business skills through helping those who wanted to start up their own business and working with SMEs in the North-West	Manchester Business School

Case study	SME projects	Year	Project activity	Institution
12	Digital Animation Workshops	2001	Delivered multimedia/internet-based flexible learning vocational training package in Animation Skills up to NVQ 4/5	Loughborough University
13	Creative Futures Portal (formerly the Work Bureau for Creative Enterprises project)	2003	Created a single web-based point of access for employers to assess and recruit graduates from Art & Design HEIs in the South	University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester (formerly Surrey Institute of Art and Design, Univ College)
14	eMobile	2003	Offered postgraduate courses to SMEs/freelances engaged in creative industries	City University

Case study	Gender discrimination projects	Year	Project activity	Institution
15	Enterprising Women	2005	Provided accredited and non-accredited training to women looking to start their own businesses or to improve entrepreneurial skills	University of Surrey
16	Women in Media Enterprise	2005	Gave support to female entrepreneurs to start up media businesses and improve employment opportunities, including offer of an MA in media enterprise	University of Central England

Source: IES, 2006

Although the case studies provide only a snapshot of HE ESF activity across the piece, the table above provides an illustration of the breadth of activity undertaken by projects funded by HE ESF. While by no means exhaustive, the case studies were selected to reflect the range of activities in most of the key themes of the HE ESF programme.

The 'MSc projects' often share similar characteristics: the programmes are usually taught in an institutional environment, and incorporate elements of group and individual assessed assignments, lectures, presentations, tutorials and, often, opportunities for work experience. Non-MSc employability projects are, by definition, more diverse. These range from training courses that are delivered using ICT, which in itself may be the aim of the project, ie to improve individuals' digital and IT literacy skills, through to courses to improve graduates' career management and job search abilities. Other projects funded in this theme incorporate vocational skills training but

without formal accreditation and, in many cases, using less formal and traditional teaching and learning methods.

The 'SME projects' that are funded by HE ESF also span different types of activity, some of which is based on formal accredited courses, for example, the MBA in Entrepreneurship and the eMobile project which results in postgraduate certificates and diplomas. Some projects in this theme may also involve job-search skills training for graduates with a much greater emphasis on joining SMEs, or recruitment services for SMEs in particular industrial sectors, again using new technologies. Other SME projects related to knowledge transfer and the development of new skills among existing SME employees. These projects involve new methods of training delivery (eg work-based teaching, e-learning and blended learning) and are often tailored to the needs of the employer and industry. It is not possible within the limitations of the case studies reported here to describe every aspect of the HE ESF supported activities that are aimed at SMEs. However, the case studies selected are illustrative of the types of activities and impacts that were more widely reported by other SME projects within the HE ESF monitoring documents (ie project application and closure reports). Similarly, the Gender Discrimination theme encompasses both accredited, vocational training packages aimed specifically at women and projects to support women into setting up new businesses and/or improving employment prospects.

What is interesting about many of the HE ESF-funded projects is that although they are funded under particular themes, some of the project activities are fairly similar across the themes: an example of this is the Women in Media Enterprise project (Case Study 16) which was funded under the Female Development Theme but which also offered the possibility of studying for a Masters degree.

In addition to similarities between some project activities in different themes, there is also a large degree of commonality across the projects with regard to project aims.

3.2 Project aims

On the supply side, most of the case study projects reported that they aimed specifically to improve individuals' employability. These projects ranged from postgraduate courses which provided technical or vocational skills, such as the MScs in Toxicology, Biodiversity Conservation and Use, or Environmental Science, through to projects which aimed to move graduates into self-employment, or to improve the IT skills of older graduates. Many project applications were predicated on the basis of national labour market demand or were targeted at sectors with the potential for employment growth and a need for high-level skills. Projects cited reports on sectoral skills shortages from a range of labour market intelligence sources, including government agencies, the Learning and Skills Councils, Sector Skills Councils and former National Training Organisations. Supporting anecdotal and published evidence from employers in related industries also showed that there was a gap between the skills of graduates and the skills required by the industry. HE ESF

projects are believed to be bridging this gap by providing industry-specific skills training at an appropriate level. This point was raised time and time again and was the rationale for many of the case study projects. Respondents from MSc projects have said:

'First degrees do not equip [students] with the skills and experience required by employers in the industry.'

'We try and make the course [innovative] but it's really just about making students employable. That's the key.'

The primary emphasis of these projects was on the provision of hard skills. However, many projects were delivering training which offered technical or vocational skills at the same time as working with learners to improve their softer skills, ie their employability and personal skills. Many project managers reported that industry required graduates to have more effective employability and communication skills which were applicable in the working environment. Thus key skills (and job search and career-management skills) were all fairly common features of the learning packages available as part of HE ESF projects. Moreover, the job search element of most MSc projects was particularly targeted towards industry and, often, local employers. Industrial placements were another common feature of the MSc projects. The industry links that were forged as a result of these placements were viewed particularly positively by project managers, employers and students, who often went on to gain permanent employment with their placement provider.

On the demand side, HE ESF projects have been involved in supplying potential employees to employer partners, not only as a consequence of earlier industrial placements, but as a project activity itself. The Creative Futures Portal project, for example, was set up to help SMEs in the creative industries to find and recruit graduates, in addition to providing networking possibilities amongst similar businesses, facilitating access to academics and offering web-based learning opportunities. Moreover, many of the projects and courses, including most of the MSc projects, have been designed in partnership with industrial partners, and many employers sit on projects' Steering Groups. Employers and industry representatives are often involved in the review process and they continue to shape the content and delivery of courses to ensure that their needs for adequately trained staff are met.

Lifelong learning is another common theme for some, albeit a smaller number of, projects. The Enterprising Women project aimed to encourage lifelong learning amongst women in business and to facilitate networking opportunities. The learning that these women may engage in did not necessarily have to be vocational or accredited, but relevant to their own individual circumstances and needs. An explicit aim of the eMobile project was also to bring people back into learning and encourage them to continue doing so as part of their Continuing Professional Development (CPD).

There is no doubt that the projects funded by HE ESF are, in the main, very closely linked to the needs of the labour market. Project activities and learning methods often simulate the work environment, or indeed provide opportunities for placements in a real work situation. One project manager was keen to point out that it was important to ensure that the skills in the labour market met the needs of business; that 'supply and demand were at an equilibrium'.

3.3 Range of beneficiaries

The beneficiaries of HE ESF projects fall into two broad camps: individuals and businesses, depending on the theme under which project activity has been funded. The case studies provide only a snapshot of HE ESF project activity, and therefore only a partial view of the beneficiary groups. The tables below (3.3–3.22) provide a national picture of the characteristics of individuals who have benefited from HE ESF funding.¹ Of course, employers and industry are also beneficiaries of ESF, either as employing organisations or as individual beneficiaries themselves, ie those participating in SME projects. Chapter 4 provides a more detailed overview of the outcomes and impact of HE ESF on these different beneficiary 'groups'.

3.4 Overview of all HE ESF beneficiaries

A summary of the total numbers of beneficiaries across the main HE ESF themes and funding streams under review is reported in Table 3.2.

From the table below, it is possible to see that within the themes investigated in this study, HE ESF has helped almost 5,400 beneficiaries between 2001 and 2004 (projects that have yet to be completed are excluded from this table which includes all 2005/2006 projects and all projects addressing female discrimination). Sixty-three per cent have been assisted by projects involving employees of SMEs. Twenty-two per cent of beneficiaries have been engaged on MSc projects while the remaining 16 per cent of beneficiaries have received funding on employability projects.

The total number of beneficiaries receiving help from HE ESF remained fairly static over the two 'programme' years; however, within those years the distribution of beneficiaries has changed. In 2001/2002, the number of beneficiaries on MSc projects was significantly higher than the number on other employability projects (26 per cent of all beneficiaries were on MSc projects compared to 12 per cent on other employability projects). By 2003/2004, the proportion of beneficiaries on these two types of projects was much more similar, such that 18 per cent of all beneficiaries in 2003/2004 were on MSc projects compared to 19 per cent of beneficiaries who were on

¹ Changes to the method of recording information in the 2005-2006 funding stream and the lack of actual outcomes for 2005-2006 mean that the majority of these tables focus on aggregated data from the 2001-2002 and 2003-2004 streams.

other employability-type projects. The number of beneficiaries on SME projects remained similar over both years.

Table 3.2: Summary of beneficiaries from HE ESF projects 2001-2004

	MSc projects	Non-MSc employability projects	SME projects	Total
2001-2002 Funded projects				
Distance learning for employees of SMEs	-	-	1,665	1,665
Training for unemployed graduates to meet national skill shortages	685	309	-	994
<i>Sub-total</i>	<i>685</i>	<i>309</i>	<i>1,665</i>	<i>2,659</i>
2003-2004 Funded projects				
Improving the employability of unemployed graduates	494	521	-	1,015
Lifelong learning for individuals employed in SMEs	-	-	601	601
SME development activity	-	-	1,089	1,089
<i>Sub-total</i>	<i>494</i>	<i>521</i>	<i>1,690</i>	<i>2,705</i>
<i>Final total</i>	<i>1,179</i>	<i>830</i>	<i>3,355</i>	<i>5,364</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001 to 2004

3.4.1 Gender

Table 3.3 below shows the gender distribution of HE ESF beneficiaries and offers some other figures for comparison purposes.

Table 3.3: Gender profile of all beneficiaries 2001-2004

All	HE ESF	%	Postgraduate students in HEIs in England	Undergraduate students in HEIs in England
Male	2,897	54.0	47.1	41.8
Female	2,467	46.0	52.9	58.2
<i>Total</i>	<i>5,364</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004; Students in HE Institutions 2002/2003 Re-issue, HESA

Although fairly evenly divided, 46 per cent of all HE ESF beneficiaries were women and 54 per cent were men. This is a different distribution to students in postgraduate studies in England generally, which shows that women were more likely to be following postgraduate courses than men (53 per cent of all postgraduates were women while 47 per cent were men). Moreover, women were much more likely to

follow undergraduate courses than men (58 per cent of all undergraduate students were women while 42 per cent were men). The skewed gender distribution of HE ESF beneficiaries is not surprising, given the range of courses supported by the funds. For example, the MSc projects cover many of the disciplines that are traditionally very male dominated (eg engineering and information technology). While we would expect the SME themes to have a more balanced gender representation, male bias within the profile of the workforce more generally would also filter through into the take-up of training. It also should be stressed that beneficiaries from the 2005/2006 programme are excluded from these figures, so the themes that are specifically aimed at addressing gender imbalance and discrimination are omitted from these data.

Overall, the percentage of women beneficiaries engaging in different strands of the UK ESF Objective 3 programme up to 2005 have been as follows: active labour market policies (46 per cent), equal opportunities and social inclusion (42 per cent), lifelong learning (56 per cent), adaptability and entrepreneurship (47 per cent) and gender equality (99 per cent). In relation to gender distribution then, HE ESF is also comparable to some of the other major themes of the Objective 3 programme as a whole and in some cases seems to reach more female beneficiaries than average.¹

3.4.2 Age

In general, beneficiaries of HE ESF are older than the student body as a whole. This is perhaps not surprising given the emphasis of the programme on the provision of postgraduate-level training to unemployed graduates and high-level/management skills to employees of SMEs. Individuals who avail themselves of this type of training will, by definition, be older.

Table 3.4: Age and gender profile of all beneficiaries 2001-2004

All	Actual male		Actual female		Actual all		UK first degree	UK postgraduate
	N	%	N	%	N	%		
Aged 16-24	842	29.1	861	34.9	1,703	31.7	82.1	30.8
Aged 25-49	1,644	56.7	1,345	54.5	2,989	55.7		
Aged 50 or over	411	14.2	261	10.6	672	12.5		
<i>Total</i>	<i>2,897</i>	<i>100.0</i>	<i>2,467</i>	<i>100.0</i>	<i>5,364</i>	<i>100.0</i>		

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2002/2004; Students in HE Institutions 2002/2003 Re-issue, HESA

Table 3.4 shows that over two-thirds (68 per cent) of all HE ESF beneficiaries are aged 25 and over (71 per cent of male beneficiaries fall into this age category and 65 per

¹ ESFD (2006), op. cit.

cent of female beneficiaries). Looking at the (UK) HE student body as a whole (no further disaggregation to country or regional level is available), a similar proportion of postgraduate students are aged 25 or more (69 per cent) while first degree students are (again not surprisingly) much more likely to fall into a younger age group (82 per cent of all first degree students are aged 24 or under).

3.4.3 Ethnicity

Overall, the percentage of Black and minority ethnic (BME) beneficiaries engaged in UK ESF Objective 3 activities up to 2005 was 19 per cent.¹ Figures for HE ESF, as illustrated in Table 3.5, indicate that proportionately fewer people came from BME populations; indeed 15 per cent of all HE ESF beneficiaries between 2001 and 2004 were of BME origin. However, if these figures are compared with the general HE student population (for 2002-2003) a slightly different picture emerges. Focusing solely on students for whom a known ethnicity is held, it seems that the proportion of BME students on HE ESF projects is relatively higher than those on higher research degrees generally (12 per cent of whom are from BME populations), students on other postgraduate courses (ten per cent of whom are from BME groups), and students on undergraduate courses other than first degrees (13 per cent of whom are of BME origin). However, the proportion of HE ESF students from BME populations is slightly lower than the figure for all students on higher taught degrees (17 per cent of whom are from BME populations) and those studying for a first degree (of whom 17 per cent are of BME origin).

Table 3.5: Broad ethnicity and gender profile: all beneficiaries 2001-2002 and 2003-2004

	Male		Female		All	
	N	%	N	%	N	%
White	2,206	84.7	1,989	85.1	4,195	84.9
Mixed	33	1.3	44	1.9	77	1.6
Asian	180	6.9	128	5.5	308	6.2
Black	91	3.5	80	3.4	171	3.5
Chinese	37	1.4	40	1.7	77	1.6
Other	57	2.2	57	2.4	114	2.3
Not known	293		129		422	
Total known	2,604	100.0	2,338	100.0	4,942	100.0
<i>Total</i>	<i>2,897</i>		<i>2,467</i>		<i>5,364</i>	

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

¹ ESFD (2006), op. cit.

3.4.4 Qualifications

Table 3.6 shows clearly that HE ESF beneficiaries are already well qualified when they begin their ESF courses and well over half (66 per cent) of all beneficiaries between 2001 and 2004 were qualified to NVQ Level 4 or higher when they began. Reflecting national patterns more generally, women appear to be more likely to have higher-level qualifications at the beginning of the ESF intervention than men. These findings are not surprising – the guidance for project applications for graduate employability themes clearly states that projects should be limited to postgraduate level provision, so many (if not most) of those beneficiaries engaging in these activities are also likely to be postgraduates when they begin. Similarly, a significant emphasis of the HE ESF programme has been to address high-level skills needs which, by definition, are more likely to be geared towards those who already possess higher-level qualifications.

Table 3.6: Qualification on entry and gender profile of all beneficiaries 2001-2004

	Male		Female		All	
	N	%	N	%	N	%
No qualifications	50	1.8	64	2.6	114	2.2
Below NVQ1	6	0.2	4	0.2	10	0.2
NVQ1	50	1.8	33	1.4	83	1.6
NVQ2	122	4.3	124	5.1	246	4.7
NVQ3	282	10.0	193	8.0	475	9.0
NVQ4	1,396	49.3	1,399	57.7	2,795	53.2
NVQ5	313	11.0	340	14.0	653	12.4
Other	212	7.5	75	3.1	287	5.5
Not known	466	16.4	235	9.7	701	13.3
Total known	2,495	88.1	2,273	93.8	4,768	90.7
<i>Total</i>	<i>2,833</i>	<i>100.0</i>	<i>2,424</i>	<i>100.0</i>	<i>5,257</i>	<i>100.0</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2002/2004

While HE ESF beneficiaries as a whole are more likely to be male, aged 25 or more, come from White ethnic groups, and possess higher-level qualifications when they start their course, these 'headline' figures mask the fact that some HE ESF beneficiary groups are over or under-represented when compared to the HE student body as a whole and/or ESF Objective 3 beneficiaries more widely. The next few sections disaggregate the beneficiary data by theme to ascertain any other differential patterns in HE ESF Objective 3 take-up.

3.5 MSc projects

This section looks specifically at beneficiaries of the MSc projects that were supported between 2001 and 2004 in order to establish any differences between the different beneficiary groups.

3.5.1 Unemployment

One of the key criterion for participating in HE ESF-funded MSc projects during this period was that beneficiaries were unemployed graduates; Table 3.7 below begins by looking at the duration of inactivity amongst the beneficiary group. The majority of MSc beneficiaries were out of work for short durations of up to six months (83 per cent) and many of these beneficiaries are likely to have completed their undergraduate degree in the academic year before their HE ESF course started. Almost one in five MSc beneficiaries, however, had been out of work for six months or more, suggesting that HE ESF is helping a proportion of graduates experiencing long-term unemployment and inactivity.

Table 3.7: Length of time in unemployment: MSc projects 2001-2002 and 2003-2004

	Male		Female		All	
	N	%	N	%	N	%
0-6 months	496	80.9	480	84.8	976	82.8
6-11 months	61	10.0	40	7.1	101	8.6
12-23 months	32	5.2	26	4.6	58	4.9
24-35 months	8	1.3	8	1.4	16	1.4
36 months+	16	2.6	12	2.1	28	2.4
<i>Total</i>	<i>613</i>	<i>100.0</i>	<i>566</i>	<i>100.0</i>	<i>1,179</i>	<i>100.0</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.5.2 Age and gender

The age and gender profile of MSc beneficiaries (Table 3.8) illustrates that the majority of people on these projects (68 per cent) were aged 24 and under, which seems to support the assertion that many have come onto the courses fairly recently after graduating from first degrees. Very few people on HE ESF-funded MSc projects were aged 50 or more. Young women seem to be particularly likely to have participated in MSc projects: 75 per cent of all female MSc beneficiaries were aged 24 or under compared to 61 per cent of male beneficiaries in the same age group. This finding is encouraging if the range of MSc projects is considered. Much of the training that is available from HE ESF in relation to MSc projects is in growth industries and/or sectors that are largely male-dominated, for example, engineering and environmental science. Although HE ESF-funded MSc projects are not required to target women per se, women (and particularly young women) are benefiting from these projects to a greater degree, which may go some way to redress the gender imbalance in these industries.

Table 3.8: Age and gender profile: MSc projects 2001-2002 and 2003-2004

	Actual male		Actual female		Actual all	
	N	%	N	%	N	%
Aged 16-24	375	61.2	426	75.3	801	67.9
Aged 25-49	229	37.4	134	23.7	363	30.8
Aged 50 or over	9	1.5	6	1.1	15	1.3
<i>Total</i>	<i>613</i>	<i>100.0</i>	<i>566</i>	<i>100.0</i>	<i>1,179</i>	<i>100.0</i>

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.5.3 Ethnicity

The ethnicity of MSc beneficiaries is broadly in line with that of all HE ESF beneficiaries. As Table 3.9 shows, 85 per cent of all people who benefited from an MSc project between 2001 and 2004 came from White, non-BME populations.

Table 3.9: Broad ethnicity and gender profile: MSc project 2001-2002 and 2003-2004

	Actual male		Actual female		Actual all	
	N	%	N	%	N	%
White	511	84.3	470	84.8	981	84.6
Mixed	6	1.0	13	2.3	19	1.6
Asian	45	7.4	39	7.0	84	7.2
Black	18	3.0	11	2.0	29	2.5
Chinese	12	2.0	11	2.0	23	2.0
Other	14	2.3	10	1.8	24	2.1
Not known	7		12		19	
Total known	606	100.0	554	100.0	1,160	100.0
<i>Total</i>	<i>613</i>		<i>566</i>		<i>1,179</i>	

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.5.4 Disability

Table 3.10 shows that approximately six per cent of all beneficiaries reported some form of disability on starting their MSc projects, which is broadly similar to that of HE students overall. Just over five per cent of all UK-domiciled students reported a disability in their first year (see Table 3.20). While reflecting disability within the HE student population, this figure is down significantly on the figure for ESF Objective 3 as a whole, 20 per cent of whom are classified as having a disability or long-term health condition (ESFD (2006), op. cit.).

Table 3.10: Reported disability and gender profile: MSc projects 2001-2002 and 2003-2004

	Actual male		Actual female		Actual all	
	N	%	N	%	N	%
With disability	29	5.4	36	7.6	65	6.4
Without disability	508	94.6	437	92.4	945	93.6
Not known	76		93		169	
Total	613		566		1,179	
<i>Total known</i>	<i>537</i>	<i>100.0</i>	<i>473</i>	<i>100.0</i>	<i>1,010</i>	<i>100.0</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.5.5 Qualifications

Not surprisingly, almost all HE ESF beneficiaries on MScs were already qualified to at least NVQ Level 4 when they started their course (see Table 3.11 below). Again, as all training within the relevant themes is required to be of a postgraduate standard, this is to be expected.

Table 3.11: Qualifications on entry and gender profile: MSc projects 2001-2002 and 2003-2004

	Actual male		Actual female		Actual all	
	N	%	N	%	N	%
NVQ4	473	85.7	414	79.2	887	82.5
NVQ5	71	12.9	101	19.3	172	16.0
Other	8	1.4	8	1.5	16	1.5
Not known	61		42		103	
Total known	552	100.0	523	100.0	1,075	100.0
<i>Total</i>	<i>613</i>		<i>565</i>		<i>1,178</i>	

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.6 Non-MSc employability projects

3.6.1 Unemployment

Turning now to the non-MSc employability projects, it is clear again that the majority of beneficiaries receiving assistance under this theme had experienced short spells of unemployment prior to starting their HE ESF course (61 per cent of all non-MSc beneficiaries had been inactive for up to six months – see Table 3.12). Having said this, the proportion of beneficiaries falling within this group was smaller than that for MSc

beneficiaries (83 per cent of whom had experienced short-term unemployment). The non-MSc beneficiary group were more likely to have been out of work for longer periods of time than their MSc counterparts, with almost 40 per cent reporting unemployment of six months or more prior to starting their ESF projects.

Table 3.12: Length of time in unemployment: non-MSc employability projects 2001-2002 and 2003-2004

	Actual male		Actual female		Actual all	
	N	%	N	%	N	%
0-6 months	273	65.3	231	56.1	504	60.7
6-11 months	60	14.4	87	21.1	147	17.7
12-23 months	19	4.5	30	7.3	49	5.9
24-35 months	29	6.9	19	4.6	48	5.8
36 months+	37	8.9	45	10.9	82	9.9
<i>Total</i>	<i>418</i>	<i>100.0</i>	<i>412</i>	<i>100.0</i>	<i>830</i>	<i>100.0</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.6.2 Age and gender

The age distribution of beneficiaries on non-MSc employability projects is slightly different to those on MSc projects (Table 3.13) and just over half of all non-MSc beneficiaries were aged 16 to 24 (56 per cent compared to 68 per cent of MSc beneficiaries). While similar proportions of non-MSc and MSc beneficiaries were aged 25 to 49 (around the 30 per cent mark), the non-MSc projects seem to have attracted a greater number of older beneficiaries. Twelve per cent of all non-MSc beneficiaries were 50 or over, compared to just one per cent of MSc beneficiaries in the same age category. These age differences may go some way to explain the longer durations of unemployment amongst the non-MSc beneficiary group. Few differences were observed in relation to age for men and women participating in non-MSc projects.

Table 3.13: Age and gender profile: non-MSc employability projects 2001-2002 and 2003-2004

	Male		Female		All	
	N	%	N	%	N	%
Aged 16-24	238	56.9	229	55.6	467	56.3
Aged 25-49	133	31.8	129	31.3	262	31.6
Aged 50 or over	47	11.2	54	13.1	101	12.2
<i>Total</i>	<i>418</i>	<i>100.0</i>	<i>412</i>	<i>100.0</i>	<i>830</i>	<i>100.0</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.6.3 Ethnicity

The non-MSc projects are also attracting higher numbers of beneficiaries from BME groups than their MSc counterparts. Table 3.14 shows that almost 30 per cent of all beneficiaries on non-MSc projects were of BME origin, which is nearly twice as many as those on MSc projects (15 per cent of whom were from BME populations). This figure is much higher than those quoted earlier for HE as a whole, and also much higher than the 19 per cent given for all ESF Objective 3 beneficiaries. It is possible that these figures are slightly skewed by a small number of projects that have targeted BME populations specifically, or by the existence of non-MSc projects in areas where BME populations are significant. However, given the differences observed in unemployment and age (and possibly disability – see below), it appears that non-MSc projects are reaching a much more diverse beneficiary group and arguably one in greater need of support.

Table 3.14: Broad ethnicity profile: non-MSc employability projects 2001-2002 and 2003-2004

	Actual Male		Actual Female		Actual All	
	N	%	N	%	N	%
White	285	70.5	296	72.4	581	71.5
Mixed	11	2.7	6	1.5	17	2.1
Asian	62	15.3	47	11.5	109	13.4
Black	23	5.7	35	8.6	58	7.1
Chinese	11	2.7	12	2.9	23	2.8
Other	12	3.0	13	3.2	25	3.1
Not known	14		3		17	
Total known	404	100.0	409	100.0	813	100.0
<i>Total</i>	<i>418</i>		<i>412</i>		<i>830</i>	

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.6.4 Disability

Table 3.15 confirms the different nature of the non-MSc beneficiary group. The table shows that over 14 per cent of all non-MSc beneficiaries between 2001 and 2004 had some sort of disability, which is significantly higher than the level of disability reported for MSc beneficiaries (six per cent) and amongst students in HE generally (five per cent). These figures may be slightly skewed as at least one project, which offered IT Training for the visually impaired in 2003-2004, specifically targeted disabled people and had 43 beneficiaries. Also, other projects not included in these figures include one that targeted visually impaired learners and another that supported deaf learners in developing IT skills; both these projects were funded in 2005.

Table 3.15: Disability profile: non-MSc employability courses 2001-2002 and 2003-2004

	Male		Female		All	
	N	%	N	%	N	%
With disability	53	14.6	49	13.8	102	14.2
Without disability	311	85.4	307	86.2	618	85.8
Not known	54		56		110	
Total known	364	100.0	356	100.0	720	100.0
<i>Total</i>	<i>418</i>		<i>412</i>		<i>830</i>	

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.6.5 Qualifications

In common with the MSc projects, all beneficiaries who were on non-MSc projects were required to be unemployed graduates (Table 3.16) with very few holding low-level qualifications (94 per cent of non-MSc beneficiaries were qualified to NVQ Level 4 and above).

Table 3.16: Qualifications on entry: non-MSc employability projects 2001-2002 and 2003-2004

	Male		Female		Actual	
	N	%	N	%	N	%
No qualifications	1	0.2	0	0.0	1	0.1
Below NVQ1	2	0.5	0	0.0	2	0.2
NVQ1	0	0.0	0	0.0	0	0.0
NVQ2	0	0.0	5	1.2	5	0.6
NVQ3	0	0.0	3	0.7	3	0.4
NVQ4	339	81.7	336	81.6	675	81.6
NVQ5	48	11.6	53	12.9	101	12.2
Other	25	6.0	15	3.6	40	4.8
Not known	3		0		3	
Total	418		412		830	
<i>Total known</i>	<i>415</i>	<i>100.0</i>	<i>412</i>	<i>100.0</i>	<i>827</i>	<i>100.0</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.7 SME employed beneficiaries

3.7.1 Industrial sector

As discussed earlier, employed beneficiaries on SME projects constitute the largest group of HE ESF beneficiaries (63 per cent of all beneficiaries were on SME projects). A significant proportion of these beneficiaries were employed, or ran businesses, at the time they took part in their HE ESF project, and Table 3.17 provides an overview of the industrial sectors in which these beneficiaries were engaged. From this table, it is possible to see that the six main sectors are:

- engineering
- other manufacturing
- health and education services
- professional services
- banking and business
- other services.

In addition to these sectors, almost 20 per cent of all beneficiaries who were in employment when they began their HE ESF projects were working in other sectors; these are likely to include many of the newer industrial sectors, for example, the creative industries.

Table 3.17: Actual beneficiaries on SME projects by industrial sector 2001-2004

<u>Actual</u>	<u>N</u>	<u>%</u>
Agriculture	27	1.4
Mining etc.	1	0.1
Utilities	7	0.4
Food, drink & related	12	0.6
Textiles & clothing	25	1.3
Chemicals	11	0.6
Metals & Mineral	5	0.3
Engineering	164	8.6
Other manuf	266	13.9
Construction	24	1.3
Distrb/hotels etc.	20	1.0
`Transport & Comm	35	1.8
Banking/Business	114	6.0
Prof Services	220	11.5
Other Services	192	10.1
Health & Educ Serv	349	18.3

Actual	N	%
Public Admin & defence	56	2.9
Other	379	19.9
<i>Total</i>	<i>1,907</i>	<i>100.0</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.7.2 Age and gender

The age profile of SME beneficiaries (Table 3.18) differs again from those who have followed MSc and non-MSc projects. Whereas over half of all other beneficiaries were aged 24 and under, the majority of SME beneficiaries were 25 and over. Between 2001 and 2004, just over 70 per cent of all SME beneficiaries were aged 25 to 49, and a further 17 per cent were 50 and over. The SME cohort is a much older group.

Men were more likely to have taken part in SME projects than women over the time period concerned – just over half of all beneficiaries were male (56 per cent). There are a few differences in the age profile of men and women: male SME beneficiaries appear to be slightly older than their female counterparts. Nineteen per cent of male beneficiaries on SME projects were aged 50 and over compared to around 14 per cent of female beneficiaries.

Table 3.18: Age and gender profile of all beneficiaries on SME projects 2001-2004

	Actual male		Actual female		Actual all	
	N	%	N	%	N	%
Aged 16-24	229	12.3	206	13.8	435	13.0
Aged 25-49	1,282	68.7	1,082	72.7	2,364	70.5
Aged 50 or over	355	19.0	201	13.5	556	16.6
<i>Total</i>	<i>1,866</i>	<i>100.0</i>	<i>1,489</i>	<i>100.0</i>	<i>3,355</i>	<i>100.0</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

3.7.3 Ethnicity

The majority of SME beneficiaries – over 88 per cent – are from White ethnic groups. However, among the projects supported by HE ESF (Table 3.19), the SME group of projects has the highest density of non-BME beneficiaries (Table 3.19). Having said this, the table also shows that the proportion of White employees in SMEs in England (in 2003) as a whole stood at almost 93 per cent. If this is taken as a benchmark, it appears that SME projects funded by HE ESF are likely to benefit relatively more people from BME populations than are represented in the SME workforce per se.

Table 3.19: Beneficiaries on SME-based projects by gender and broad ethnic group 2001-2004

	Male		Female		All		England*
	N	%	N	%	N	%	%
White	1,410	88.5	1,223	88.9	2,633	88.7	92.8
Mixed	16	1.0	25	1.8	41	1.4	0.6
Asian	73	4.6	42	3.1	115	3.9	3.4
Black	50	3.1	34	2.5	84	2.8	1.9
Chinese	14	0.9	17	1.2	31	1.0	0.4
Other	31	1.9	34	2.5	65	2.2	0.8
Not known	272		114		386		
Total known	1,594	100.0	1,375	100.0	2,969	100.0	100.0
<i>Total</i>	<i>1,866</i>		<i>1,489</i>		<i>3,355</i>		

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004; *Employees in SMEs taken from Annual Labour Force Survey, 2003

3.7.4 Disability

Beneficiaries on SME projects are the least likely to have a disability compared to beneficiaries on MSc and non-MSc projects. Table 3.20 shows that just over four per cent of all SME beneficiaries between 2001 and 2004 had a disability. This figure is also lower than the level of disability observed amongst first-year students (undergraduates and postgraduates) in the UK, which stood at just over five per cent in 2003. It is also much lower than the proportion of SME employees reporting a disability in the Labour Force Survey (almost 13 per cent in 2003). This latter figure may be higher because of the definition of disability that was used (the broad Disability Discrimination Act definition).

Table 3.20: Beneficiaries on SME projects by gender and reported disability 2001-2004

	Actual male		Actual female		Actual all		First-year UK domiciled students	SME Employees in England
	N	%	N	%	N	%	%	%
With disability	53	3.7	58	4.7	111	4.1	5.3	12.6**
Without disability	1,386	96.3	1,179	95.3	2,565	95.9	94.7*	87.4
Not known	427	-	252	-	679	-		
Total known	1,439	100.0	1,237	100.0	2,676	100.0		
Total	1,866		1,489		3,355		100.0	100.0

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004; HESA 2003 (Table 11b); Annual LFS 2003

3.7.5 Qualifications and occupation

Not surprisingly, SME beneficiaries were also generally well qualified before they commenced their HE ESF course, as illustrated in Table 3.21. Over half of all people taking part in SME projects (58 per cent) were qualified to NVQ Level 4 and above, with female beneficiaries more likely to hold higher-level qualifications than male beneficiaries (64 per cent compared to 53 per cent). However, these qualification figures are significantly lower for the SME group of beneficiaries than for those on MSc and non-MSc projects (beneficiaries on these courses held qualifications at Level 4 and above in 98 per cent and 94 per cent of cases respectively). Arguably, the SME programme has the potential to have a greater impact in relation to upskilling its beneficiaries and (in some cases) providing them with higher-level qualifications than some of the other courses.

On a related note, Table 3.22 below shows the occupational groups to which SME beneficiaries belonged prior to starting their projects. Three groups stand out most notably: beneficiaries in management and administration, in professional occupations, and in associated professions and technical occupations. Once again, this finding suggests that HE ESF is assisting people already in higher-level occupations, particularly those at management level. Although it is difficult to say which particular projects these beneficiaries have participated in, it is fair to assume that (some at least) have received management skills training, which is a widely recognised skill shortage area in the UK.

Table 3.21: Beneficiaries on SME projects by gender and qualification on entry 2001-2004

	Actual male		Actual female		Actual all	
	N	%	N	%	N	%
No qualifications	49	3.3	63	4.9	112	4.1
Below NVQ1	4	0.3	4	0.3	8	0.3
NVQ1	50	3.4	33	2.5	83	3.0
NVQ2	122	8.3	119	9.2	241	8.7
NVQ3	282	19.3	190	14.7	472	17.1
NVQ4	584	39.9	649	50.1	1,233	44.7
NVQ5	194	13.3	186	14.4	380	13.8
Other	179	12.2	52	4.0	231	8.4
Not known	402	-	193	-	595	-
Total known	1,464	100.0	1,296	100.0	2,760	100.0
<i>Total</i>	<i>1,866</i>		<i>1,489</i>		<i>3,355</i>	

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

Table 3.22: Beneficiaries on SME projects by gender and higher occupational group 2001-2004

	Male		Female		All		England*
	N	%	N	%	N	%	%
Managers & Admin	496	26.6	426	28.6	922	27.5	15.9
Professional	382	20.5	118	7.9	500	14.9	11.4
Assoc Prof & Tech	135	7.2	207	13.9	342	10.2	11.2
Clerical/Secretarial	4	0.2	36	2.4	40	1.2	13.5
Craft & related	31	1.7	19	1.3	50	1.5	10.0
Personal/Protective	12	0.6	34	2.3	46	1.4	8.8
Sales	14	0.8	16	1.1	30	0.9	9.1
Plant/Machine Ops	0	0.0	0	0.0	0	0.0	7.2
Other	792	42.4	633	42.5	1,425	42.5	12.9
<i>Total</i>	<i>1,866</i>	<i>100.0</i>	<i>1,489</i>	<i>100.0</i>	<i>3,355</i>	<i>100.0</i>	<i>100.0</i>

Note: This table excludes projects supported since 2004 and projects covering other HE ESF themes not under review (eg Widening Participation).

Source: *HE ESF project application and closure reports 2001/2002 to 2003/2004*; **Annual Labour Force Survey 2003*

3.8 Means testing

The majority of individuals receiving help from ESF to undertake MSc courses are young, unemployed graduates. During the case studies, we found some evidence that students only received funding where there was a clear indication that they would not be able to do the Masters course without it. However, it is not clear that beneficiaries are systematically means-tested as part of the application process to ascertain need per se. Indeed, many project managers said that all students on the MSc course received some HE ESF funding (except of course those from overseas, or who receive funding from elsewhere, eg research council funding, or employer sponsorship) which covered their course fees and a bursary for living costs. Similarly, many beneficiaries on the non-MSc projects received funding, regardless of their personal financial circumstances. Having said this, many of these projects were aimed at people with particular disadvantages, or who faced particular barriers to employment, for example, unemployed graduate job seekers, older graduates (50 plus), and people from Black and minority ethnic (BME) populations. Of course, some of the funds benefited people in employment and employers per se, ie the SME projects, which essentially illustrates the policy intent of that particular ESF theme. Although HE ESF is bound by fairly strict criteria about who receives funding, and there is no indication that these have not been met, some of these criteria stand up to scrutiny better than others. This does, however, raise the issue more generally about how funds are targeted, ie who does and does not receive the scarce HE ESF resources, and how this fits with the bigger policy aims and intent.

3.9 Range of partners

Many different partners are involved in HE ESF projects. Partners include employers, sector organisations, other HEIs, government departments and Business Links etc. Partners have been used differentially by HE ESF projects, and the case studies have provided some examples of a range of partnership activities. In the main, these activities can be grouped as follows:

- to influence and design projects and courses
- to steer projects
- to assist in delivering projects.

Many projects have used partners, and particularly employers and sector organisations, to design and develop their activities. A very high proportion of these projects involve this sort of up-front partnership input; for example, the MSc in Analytical Chemistry at Huddersfield University was designed in conjunction with a panel of representatives of four local chemical companies. In other cases, such as the project by City University to support eMobile workers and SMEs, partnerships were formed with professional organisations (eg the Teleworking Association) and sector representatives (eg Metier – Sector Training Organisation for the Arts and Media), in order to inform the design and development of content.

Employers are also invited to review the course content, discuss their skill needs, and identify ways in which these needs may be addressed by courses in the future. The MScs in Toxicology and Biodiversity Conservation and Use are highly relevant to employers who are routinely involved in designing the courses at the University of Birmingham and developing the content over time. The employability project, Access to Online Working, at London Metropolitan University, was designed in partnership with a dotcom business, while the Digital Animation Workshops, at Loughborough University, worked with a sectoral body and animation businesses to identify the needs of the industry in order to inform the course design.

Many partners went on to influence courses to some extent by steering the projects during the delivery phase. Again, the MSc in Biodiversity Conservation and Use provided an example of a project which met regularly with key partners to inform the shape and content of the course, and to ensure its ongoing relevance to industry. A project aimed at providing an Internet portal for SMEs in the creative industries, Creative Futures Portal, at the University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester, offers another example of how employers, HEIs and the Careers Service worked together to design the course and then meet regularly to steer the project throughout its lifetime.

In addition to more formal partnership arrangements, many employers have also been involved in the delivery of projects, for example, as tutors on courses (eg the MSc in Toxicology), or as providers of work experience. Many of the courses funded

by HE ESF have had an element of industrial placement or real project (research) activity which has brought beneficiaries in direct contact with employers. Networks across HEIs, and often incorporating employers, have also been established as part of projects, which provides another illustration of how organisations have worked in partnership to deliver and steer HE ESF activities. In some instances, there were some clear symbiotic benefits associated with the relationships that were fostered between employers and graduate beneficiaries. For example, as part of the Graduate Start-up project, developed by the Manchester Business School, graduate beneficiaries worked with SMEs in the North West to develop entry strategies for overseas development.

3.10 Additionality of HE ESF

A key issue for the research has been to establish how important or central HE ESF funding has been to HEIs. The case studies have asked whether projects were new or whether they were continuing from previous years (either with or without ESF funding), and whether or not they would have run without HE ESF monies. Essentially, the research has sought to establish how additional HE ESF funding has been. In so doing, the research has touched on the issue of innovatory practice, and although innovation is not a pre-requisite to receiving HE ESF funds (as it is for some other European funding streams), it is interesting to look at the role the funding has played in those institutions receiving it.

Based on the evidence from the case studies, it is fairly clear that the majority of MSc courses supported are running as continuations of earlier courses, although the HE ESF project itself may have been aimed at bringing in new types of students. Most of the non-MSc employability projects, funded via the non-MSc themes, are or were new projects, facilitated by HE ESF funding.

The MSc courses in Toxicology, Biodiversity and Use, Analytical Chemistry, and Environmental Sciences, for example, have all received HE ESF funding for some years and most, if not all, of these courses were running prior to the start of HE ESF funding. Thus, HE ESF funding has allowed for a continuation of these pre-existing postgraduate courses; the funds in this instance have not generated significant new course provision, but have allowed unemployed graduates who may not otherwise have been able to fund their study to do so. One clear rationale amongst project managers for running MSc courses using HE ESF monies has been the increasing costs of postgraduate study which come on top of accrued debts from undergraduate courses. Project managers believe that student loans and rising student debts make it increasingly unlikely that students will be able and willing to fund postgraduate courses themselves so soon after completing a first degree. Many students on the Toxicology course, for example, said that they would not have undertaken the course without the funding which had been a 'weight off their mind'. Students reported that they did not have to worry about fees and living costs, paving the way for them to concentrate on their studies. Having said this, other beneficiaries who were

interviewed as part of the research said that they had applied for their MSc course before they found out about HE ESF funding, although they were (retrospectively) not sure how they would have paid their course fees and ensuing maintenance if they had not received ESF funding.

An important consideration for many project managers was the viability of their MSc courses, and HE ESF has been able to provide a critical mass of students which enabled their courses to continue. There is some concern that if home students are put off further study because of the associated costs, the numbers on many of these MSc courses will reduce dramatically, and in some cases result in the MSc being withdrawn. Only overseas students and those who are able to pay (or whose parents are able to pay) would be able to participate. One project manager reported that without the funding:

'Some programmes might close but most programmes would run largely on overseas students and UK students who either have rich families or will take the risk of funding themselves.'

There are also fears that many employers who are engaged as lecturers or placement hosts may be less interested in taking part in postgraduate courses if there are fewer potentially recruitable (domestic) students taking part. A smaller pool of home students would provide a much smaller pool of recruits. Another project manager thought that:

'Loss of HE ESF funding, and hence, many of the UK students, may mean that the course would need to become more market orientated, and more focused on the needs of overseas students.... [The course] would be less able to provide the skills and experience needed by the industry in the UK.'

At least one MSc project manager felt that HE ESF funding also attracted better quality students. They believed that high-quality students were attracted to courses which themselves attracted funding and thus, a loss of funding would result in a concomitant loss of quality students. In this case, HE ESF seems to be being used to bring in students who already have a potential labour market advantage, which seems at odds with the aims of the Objective 3 programme overall.

In the non-MSc employability projects, HE ESF resources had been used as seed-funding for new projects and many of these had some fairly innovative elements. Some projects were building on previous activity but there was a definite step-change in the use of the funds from the MSc projects. Many of the non-MSc projects were pilots; essentially, they seem to be trying out new ideas. Some examples of projects that used HE ESF for seed funding include the following:

- The Enterprising Women project, at the University of Surrey, was using HE ESF funding to buy training for business women to encourage lifelong learning and improve skills such as marketing and financial expertise. This project did not deliver the training itself but provided the resources to do so externally according

to individual need. The project also facilitated networking opportunities and an exchange of information and ideas amongst its beneficiaries as a key element of the project.

- The Animation project at Loughborough University was aimed at meeting the needs of SMEs and freelancers within the creative industries sector by training people to use traditional technical (animation) techniques. This type of skills training was not available as part of mainstream undergraduate courses but the skills were required by the industry. The course was delivered by e-learning to students across the country; whereas MSc courses need a critical mass, this course was delivered via e-learning and CD-ROM precisely because they could not achieve a critical mass of students.
- Another example of fairly innovatory practice was the employability project, *Access to Online Working*. This project targeted ex-graduates who were 50 years and over in order to improve their ICT skills. A shortfall in these skills amongst this group acted as a barrier to employment and the project aimed to overcome this using web-based technology. The project was also envisaged as a test bed to see if there was a demand amongst older graduates for ICT when delivered within a postgraduate curriculum and environment, and to look at the effectiveness of online delivery methods in addressing that demand.
- The *Career Tactics for the 21st century* project, led by Liverpool University, used HE ESF funds to train Careers Advisors and other tutors to train unemployed graduates in employability skills, ie training the trainers. They used the funding to disseminate a careers management book and toolkit (that had been designed prior to receiving HE ESF) to colleagues in other universities across the country.
- The *Job Search for Unemployed Graduates* project at Bristol University allowed the Careers Service to help all unemployed graduates living in the area regardless of which university they had originally attended. The (free) course provided these graduates with the opportunity to identify any barriers to employment, research the labour market and improve their job search skills. The courses were fairly short and intense and provided a service that was not previously available.

Another common factor amongst many of the non-MSc employability projects was the use of different and non-traditional course delivery methods. Many of the seed-funded projects were trialling and delivering courses and training via web-based, distance-learning. Learning communities and networks were also being established as part of many of the projects.

4 Assessment of Impact

This chapter assesses the impact of the HE ESF projects, both in the short and longer term. The chapter firstly considers the short-term impact of HE ESF, looking in turn at:

- labour market impact on supply and beneficiaries' hard and soft skills
- economic impact on sectors and employers
- institutional impact on HEIs and partnerships.

The chapter then turns to the longer-term impact of the HE ESF activities, in the form of:

- sustainability and transferability.

Within each section, we look in turn at MSc projects, and then non-MSc employability projects, before turning to SME projects.

4.1 Labour market impact on supply and beneficiaries' hard and soft skills

This section begins by outlining some of the key data available on beneficiary outcomes, from evaluations of ESF Objective 3 beneficiaries as a whole, and from the data on HE ESF beneficiaries which have been gleaned from project closure forms. It then turns to qualitative data from the case studies forming this evaluation to assess the nature of impact on beneficiaries from MSc projects and other types of HE ESF-funded activities.

4.1.1 Context

The ESF 2000-2006 Objective 3 Annual Implementation Report 2005 was concerned with all ESF Objective 3 beneficiaries, including those funded through HE ESF (Table 4.1). It highlighted that the numbers of beneficiaries leaving the programme and

going into work was higher than predicted, at 44 per cent compared to the 41 per cent forecast, but the proportion gaining qualifications (41 per cent) was lower than the forecast of 45 per cent. Likewise, the proportions of positive outcomes overall (beneficiaries entering employment, self-employment, education, training or voluntary work) was lower than anticipated, at 68 per cent compared to the 80 per cent forecast.

Table 4.1: ESF Objective 3 overall targets and performance

	Forecast 2000-2008 %	Achievement to end Dec 2005 %
Those in work on leaving	41	44
Gaining a positive outcome on leaving	80	68
Young people employed less than six months	62	55
Adults unemployed less than 12 months	36	49
Beneficiaries completing their courses	75	86
Those gaining a qualification	45	41

Source: ESF 2000-2006 Objective 3 Annual Implementation Report 2005

Data from the HE ESF project closure forms on MSc projects and non-MSc employability projects provides some interesting comparisons with the outcomes data from the larger ESF Objective 3 beneficiary population.

Table 4.2: HE ESF MSc projects outcomes 2001-2002 and 2003-2004

	2001/02	2003/04	All	% of known completers
Total beneficiaries	685	511	1,196	
No. of beneficiaries who completed	518	317	835	
No. of beneficiaries who continued	167	194	361	
No. of completers who entered:				
F/T employment	263	135	398	61.1
P/T employment	1	2	3	0.5
Self-employment	0	11	11	1.7
Voluntary work	0	7	7	1.1
FE training	49	47	96	14.7
Unemployment	24	35	59	9.1
Other	53	24	77	11.8
Not known	128	56	184	
Total	518	317	835	
<i>Total known</i>	<i>390</i>	<i>261</i>	<i>651</i>	<i>100.0</i>

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

Table 4.3: HE ESF Objective 3 funded non-MSc employability projects outcomes 2001-2002 and 2003-2004

	2001/02	2003/04	Total	% of known completers
Total beneficiaries	309	533	842	
No. of beneficiaries who completed	309	501	810	
No. of beneficiaries who continued	0	32	32	
No. of completers who entered:				
F/T employment	84	209	293	53.7
P/T employment	15	50	65	11.9
Self-employment	8	10	18	3.3
Voluntary work	4	11	15	2.8
FE training	63	32	95	17.4
Unemployment	14	39	53	9.7
Other	0	7	7	1.3
Not known	121	143	264	
Total	309	501	810	
<i>Total known</i>			546	100.0

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

The data from HE ESF project closure forms (Tables 4.2 and 4.3) indicate that higher proportions of beneficiaries from both the HE ESF MSc and non-MSc projects entered full-time employment, compared to ESF Objective 3 beneficiaries as a whole (Table 4.1). This was especially the case amongst beneficiaries of MSc projects (61 per cent compared to 54 per cent of those on employability projects). More than one-tenth of those from employability projects entered part-time employment, and three per cent became self-employed. Further education was a significant outcome for both groups, with nearly 15 per cent of those from MSc projects entering this route, while 17 per cent of those on employability projects continued in education after their HE ESF activity had ended.

Compared to the ESF Objective 3 beneficiaries as a whole, the HE ESF beneficiaries had more positive outcomes, with fewer than ten per cent reporting unemployment. However, there are some necessary caveats to this. Firstly, these percentages are based on beneficiaries with known destinations only; those whose destinations are not known may be less positive. Secondly, it must be remembered that these beneficiaries already had first degrees, and therefore entered the programmes with considerable advantages over ESF beneficiaries as a whole. They had higher qualifications, and in all likelihood, high levels of generic and subject-specific skills, giving them a considerable head start over the wider population of ESF beneficiaries.

Table 4.4: Economic activities outcomes by gender: MSc projects 2001-2002 and 2003-2004

	Male		Female		All	
	N	%	N	%	N	%
F/T employment	190	40.9	176	41.6	366	41.3
P/T employment	1	0.2	1	0.2	2	0.2
Self-employment	1	0.2	1	0.2	2	0.2
Voluntary work	1	0.2	1	0.2	2	0.2
FE training	191	41.2	208	49.2	399	45.0
Unemployment	39	8.4	15	3.5	54	6.1
Other	41	8.8	21	5.0	62	7.0
Not known	114		106		220	
Total	578		529		1,107	
<i>Total known</i>	<i>464</i>	<i>100.0</i>	<i>423</i>	<i>100.0</i>	<i>887</i>	<i>100.0</i>

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

Outcome data by gender indicates that there are few differences between men and women in terms of the proportions entering full-time employment after an HE ESF MSc project (Table 4.4), each at just over 40 per cent. Higher proportions of women than men went on to further education or training (49.2 per cent compared to 41.2 per cent) with lower proportions of women than men experiencing unemployment (3.5 per cent compared to 8.4 per cent). Again, these data do not include unknown destinations, which account for around one-fifth of the beneficiaries from rounds 2001-2002 and 2003-2004, and so caution must be used when drawing any conclusions.

Table 4.5: Economic activity outcomes: non-MSc employability projects 2001-2002 and 2003-2004

	Male		Female		Actual	
	N	%	N	%	N	%
F/T employment	138	47.9	156	52.2	294	50.1
P/T employment	27	9.4	38	12.7	65	11.1
Self-employment	11	3.8	17	5.7	28	4.8
Voluntary work	9	3.1	11	3.7	20	3.4
FE training	58	20.1	42	14.0	100	17.0
Unemployment	34	11.8	24	8.0	58	9.9
Other	11	3.8	11	3.7	22	3.7
Not known	130		113		243	
Total	418		412		830	
<i>Total known</i>	<i>288</i>	<i>100.0</i>	<i>299</i>	<i>100.0</i>	<i>587</i>	<i>100.0</i>

Source: HE ESF project application and closure reports 2001/2002 to 2003/2004

There were slightly different outcomes by gender amongst those from non-MSc employability activities (Table 4.5). Full-time employment outcomes were higher for women than men (52.2 per cent and 47.9 per cent respectively), but both men and women were more likely to obtain part-time employment than was the case amongst those from MSc projects, with the figure being highest for women. Compared to MSc projects beneficiaries, much smaller proportions entered further education or training, with this figure being lower for women (14 per cent) than men (20.1 per cent). Unemployment was higher too, at 11.8 per cent amongst men and eight per cent amongst women. Again, these data do not account for one-fifth of beneficiaries whose destinations were not known and so caution must be used in their interpretation.

Since the SME projects were not always aimed at individual beneficiaries but at SME organisations too, it is not appropriate to present outcome data in terms of destination. Instead, some data from the SME projects on qualifications obtained is given in Table 4.6. It shows that a range of qualifications and credits were obtained as a result of these projects, most commonly at NVQ Level 4.

Table 4.6: Actual beneficiaries on SME based projects by qualifications obtained 2001-2003

	Achieved	Credits	Awaiting
Below NVQ1	3	0	0
NVQ1	0	0	14
NVQ2	0	4	13
NVQ3	17	0	0
NVQ4	63	318	112
NVQ5	20	27	0
Other	154	287	2

Source: HE ESF project application and closure reports 2001/2002 to 2002/2004

4.1.2 MSc projects

The postgraduate projects visited as case studies in this evaluation were mainly MScs, although there was a newly funded MA course. This section looks first at the MSc courses and then turns to the MA. In general, there were a number of key positive outcomes from these activities:

- high completion rates
- postgraduate qualifications achieved
- increased supply of high-level skills
- enhanced employability of beneficiaries
- funding provided for courses where no other public funding is available.

Postgraduate qualifications

According to the academic staff who took part in the evaluation, the outcomes for MSc course beneficiaries tended to be very good, with high completion rates and most beneficiaries progressing to highly relevant employment or further study, which would have been difficult without an MSc. Several of the MSc courses had fairly high proportions of beneficiaries progressing to PhD study, and they appeared to prepare students well for this, both in terms of providing the necessary academic background and practical skills, and also in terms of the prestige particular courses and HEIs could bring to a PhD application, enabling students to secure funded PhDs at a number of prestigious universities. Beneficiaries taking part in the evaluation who had or were planning to progress to a PhD felt that the MSc had been critical in creating the opportunity for them to do this, and to secure appropriate research council funding and/or support from industry. In doing industrially and sectorally relevant PhDs they would be carrying out valuable research and development with the capacity to contribute to the national economy. However, many of the beneficiaries were able to obtain relevant employment immediately following completion of their Masters course. These postgraduate qualifications had enabled many beneficiaries to enter careers which in the past would have been open to first degree graduates, but now have a pre-requisite of an MSc as an entry requirement, as a result of the increasingly high skill requirements of these sectors.

High-level skills and enhanced employability

The MSc courses visited as part of this evaluation were high-quality courses both in terms of their academic staff and industrial input and sectoral relevance. This was at least in part as a result of the influx of HE ESF beneficiaries over a number of years. Most courses pre-dated the HE ESF funding, but HE ESF had allowed them to expand their student numbers, and this had given them the resources to ensure relatively high staff to student ratios and ongoing responsiveness to the needs of industry.

In some of the projects visited, all of the UK students have received HE ESF funding in recent years. Typically, HE ESF students had all course fees paid and received a monthly stipend of £375. Course staff reported that HE ESF funding, and the student numbers it had brought to the course and departments, had enabled them to run the course with high staff to student ratios, and to continually update the course, which had in turn contributed to the reputation of the course and its sectoral relevance. In terms of innovation, there tended to be very good links and partnerships with industry on a number of these MSc projects. Many partners were also past and prospective employers of successful beneficiaries.

Most of the MScs included industrial placements, and some had direct employer input to the syllabus or employer-designed and employer-delivered course modules. As a result, the courses were highly relevant to industry and it was felt that they were seen as having a good reputation by employers, academics and students alike. Several

sectoral stakeholders viewed such courses as being an indicator of employability and quality; that having achieved the MSc, beneficiaries of projects would have the practical skills and academic understanding required to be ready to work in the sector with little further training. There were a number of examples given where students gained employment at organisations where they did their industrial placements. Hence, these courses were, for many, providing access to high-level skills and, as a result, high-level jobs which would not have been open to them with first degrees. An added benefit is that the students were often also felt to have acquired skills in continuing and independent learning, and had a far greater awareness of the labour market opportunities open to them as a result of their postgraduate training.

Case study: MSc in Toxicology, University of Birmingham

Of the 72 ESF-funded beneficiaries from the Toxicology MSc whose first destinations are known, 65 per cent had gone to work in industry, 29 per cent had continued on to further study, primarily PhDs, and six per cent worked in other sectors. In the short term the course helped students to decide which area they wanted to specialise in. The employer visits and other elements of employer involvement seemed to be particularly valuable in this regard:

'It was a wonderful introduction to the world of commerce, to see how a large scale multi-million pound business is run. It helped me to gain an understanding of the many areas of work into which I could build my career.'

(beneficiary now working as a public health information officer)

In the medium to long term, the course and qualification had enabled many of the students to secure work in the industry or to progress to further learning.

'If I'd not done my MSc I wouldn't be doing what I am now and I couldn't get the job I wanted without an MSc. The undergraduate degree didn't give me enough lab experience.'

(beneficiary now working towards a PhD)

'I feel the MSc has made me considerably more employable, and the employment opportunities I have had have largely come about because of the extra depth of knowledge gained, which is of great use in such a competitive field.'

(beneficiary now working in a drugs information company)

'Career-wise the MRes degree was a "launch-pad" for my career. I was offered a job at the company where I did my industrial placement.'

(beneficiary now working in toxicology)

Funding issues

Public funding for Masters courses in the UK is relatively scarce and piecemeal. A number of these case study Masters courses fell between the remits of the Research Councils and there is an absence of alternative publicly available funding sources. HE ESF has become a valuable source of funding for beneficiaries on courses, and for the departments which run them. Hence, the HE ESF has impacted at an individual level,

enabling beneficiaries to gain qualifications and skills, and within HEIs, with increased student intakes leading to high-quality courses. Course directors and HEI staff involved in the delivery of HE ESF-funded MSc programmes invariably felt that the ESF funding allowed relatively large numbers of students to access their courses and reap their benefits when they would not have otherwise been able to do so. They spoke of increasing student debt being a significant barrier to accessing postgraduate study, and how HE ESF funding enabled students to focus on their MSc instead of having to work to support themselves.

Similarly, beneficiaries who contributed to this evaluation reported that the HE ESF support had been highly beneficial for them, although it may not always have been a pivotal factor in their decision to do their course. Many had been unemployed for just a few months over the summer between finishing their first degree and starting their MSc, or had been in temporary employment, and some had not considered finding degree-relevant work after graduating, as they had already decided to study for a Masters degree or try to secure a funded PhD. A fair number of beneficiaries who took part in this evaluation had already applied to their courses before they were aware of the funding on offer, although they had not thought about how they would fund themselves if they were offered a place. It was interest in the course which attracted them. In retrospect, some said they would not have been able to do the course without funding or admitted that, while the HE ESF funds had helped them financially, they had made little difference to their career decisions:

'ESF funding wouldn't have made a difference at the time because as a student you're just adding it to other debt which is in the background, but it certainly made a difference when I was paying off my loan.'

Beneficiaries were clearly reaping the financial benefits of not having to self-fund their postgraduate study, together with the enhanced career opportunities and financial returns of holding a postgraduate qualification.

The MSc courses had clearly resulted in highly positive outcomes for many of the beneficiaries, in terms of their career outcomes and their personal finances. This was particularly so where Msc-level qualifications appeared to have been adopted as an entry requirement to particular sectors, and this was seen in several of the case study MScs. Despite the high quality of many of these HE ESF-funded MScs, and their positive outcomes, it is inevitable that HE ESF support for these provisions will result in some deadweight, ie students taking up courses who would have done so without such finance. The majority of these MSc courses are providing access for many students to high-level skills. However, where courses pre-date HE ESF funding (as most of our case study MScs did) this could be happening to some degree in its absence. Courses that would exist without HE ESF, and where there is evidence that UK students would still apply for and take up places on them because of their high quality and employment prospects, need careful consideration to ensure that they are fully deserving of ESF funding.

Case study: Women in Media Enterprise, University of Central England

A different type of Masters-level provision was funded by the 2005-2006 HE ESF funding round. The funding has resulted in the development of an entirely new MA in media enterprise with HE ESF funding available for women, although the course itself was also open to men. The MA had its first intake in September 2006, and a range of other related activities, including short courses and a conference, had been provided prior to this, and more were planned. The activities appeared to be highly innovative and HE ESF funding had been critical in their conception, planning and delivery.

Recruitment to the MA was going well at the time of the case study visit (in July 2006). There had been 81 enquiries about the MA, 51 of which were from women. There had been 16 applications, and 11 offers had been made, ten of these to women. The people they initially envisaged would input into the teaching of the MA actually applied to do the course: they were highly skilled people working in the field, such as managers of incubation projects in the creative industries.

Fifty-seven women had been on the MA taster courses already run. The bonding between the students on the taster courses was reportedly very good. One of the women had been working in a public sector media centre for seven years and had heard about the new MA course through her business contacts. She had not studied for 13 years but felt that it would be highly beneficial and help her to develop her entrepreneurship, so she applied straight away and was offered a place on the MA and on one of the tasters. She felt that this had helped to prepare her for the MA:

'It helped to build my confidence in doing an MA, and it made me think about what I already knew. I also set myself some goals and thought about a vision for the future... In terms of doing my job, the workshop helped me to prioritise more and worry less.'

A beneficiary of the Insight Out course (a five-week training programme developed by NESTA (National Endowment of Science, Technology and the Arts) to help individuals set up creative businesses, commented that it had been 'a really good programme' and that the group of people on the course had got on well and had kept in touch since. As a result, a website had been set up to assist their future networking. She had also found the presentation skills part of the course, particularly the mapping of progression from start to finish, very useful and felt that there had been a good utilisation of local people and organisations in delivering the course.

The anticipated impact of the MA includes assisting beneficiaries to start their own businesses or work in a more enterprising way in their jobs, and encouraging women in particular to become more enterprising. It also aims to foster self-development, help strategic thinking and time management, and to build networks and supportive relationships with others working in, or aiming to work, in the field. One of the women who will be starting the MA said of her hopes for the course:

'In my job I don't get time to think - and I am supposed to be a development officer, but there's no structure for me to think. I feel like the course will be an opportunity to compartmentalise myself a bit more. I'll be able to sit on my own and read the books I need to read anyway... And I can bring (my organisation's) experiences to it, so it's a profile thing for us too.'

All of the project activities are being evaluated using a cross-faculty approach by a researcher with an arts background who is located within the University of Central England business school. The evaluation will include regular interviews with beneficiaries and will independently document the journey and distance travelled by the beneficiaries. It will provide the Business School itself with information about the effectiveness of a postgraduate course focused on fostering enterprise, which can then be used widely across the university. So far the evaluation has revealed that beneficiaries are at a higher level than anticipated; it was thought that they would be recent graduates, but many have been working in the field for several years, and now want to increase their professionalism and academic rigour.

4.1.3 Non-MSc employability projects

The employability projects providing courses and activities in a non-MSc form were more heterogeneous than the majority of MSc projects, and were more directed at tackling areas of disadvantage. They were, usually by their very nature, testing out new ideas, trying to fill known skills gaps in new ways, often using new methods of delivery. There were, in general, two approaches to enhancing employability:

- enhancing students' technical or generic, including business skills
- improving the ability of the students to function in the labour market and 'sell' their skills to employers.

Being more heterogeneous than the MSc programmes, these projects had a wider variety of impacts, although not all impacts described applied to all of the activities. However, most of the employability projects appeared to have had a very positive impact on the beneficiaries in terms of providing them with varying combinations of:

- technical and generic, including business, skills, and sector-specific skills
- confidence
- increased awareness of labour market opportunities
- career management skills.

These projects also had an impact in tackling disadvantage.

Developing technical, generic and sector-specific skills

As noted above, there were two main approaches adopted by the employability projects, the first of which was to develop technical or generic skills. These projects appeared to have been successful in two ways. They either provided beneficiaries with skills they needed to enhance their careers and career prospects in a particular sector, or they provided them with the more generic skills beneficiaries needed to seek out and obtain employment, to give them confidence to decide what to do next,

whether that was to look for work, enter further education or training, or move into self-employment.

A few of the projects provided both technical and generic skills. For example, one of the projects enabled beneficiaries to access training courses in a broad range of areas, including interior design, plumbing and marketing, which allowed them to develop skills needed for their own businesses. One beneficiary learnt how to draw, by hand, room plans and how to present these to prospective clients:

'The course was about the basic principles of interior design...I could use these skills tomorrow; it was very very relevant.'

Case study: Digital Animation Workshops project, Loughborough University

Learners reported that being able to contact individuals working in the animation industry was a key benefit of the course and helped them to open doors and to make inroads into employment in the industry. Others reported that the skills they had learnt had been transferable to employment. For example, one learner reported that:

'The skills I have developed during the course...have helped me land a small number of freelance jobs and have got me to the interview stage of many full-time employment positions but have yet to help me find a job.'

One student who was studying illustration at Loughborough University when she enrolled on the course reported that the animation skills she learnt from the Digital Animation Workshops meant that she was able to successfully apply for a grant to make an animation film. Since winning the grant she has become employed in the animation industry working as a runner on a children's cartoon. She felt that undertaking the Digital Animation Workshops course gave her a good grounding in animation, opened doors and helped her to move into the industry.

It was also reported by HEI staff that the industry had been very positive about the project.

Confidence

Several of the projects mentioned beneficiaries' increased confidence as a key outcome, both as a result of increasing their skills, and in providing opportunities to network and make friends with like-minded individuals. One beneficiary said:

'The skills I have developed are more confidence and not to worry about mistakes, just move on.'

Case study: Access to Online Working, London Metropolitan University¹

Beneficiaries were all past graduates of the university, and all were aged over 50. Letters were written to all past graduates aged over 50 (a total of around 1,000), inviting them to take one of the Access to Online Working courses. They received a one in ten response, and there was a place provided for all who wanted one. There was no interview, as the number of applicants for the course was a close match for the number of places on the course over the eight times it ran. However, the course director felt that should a similar project be run in the future, an interview could be useful in assessing beneficiaries' starting points, which would inform the level at which a course should be pitched.

Some of these beneficiaries had significant barriers to engaging with the project including money - there was a high uptake of travel costs- possible mental illness - or not being able to function comfortably in a social group, and alcohol problems, which made it difficult for some individuals to fully engage with the course. Despite these difficulties, some of which these short courses did not have the scope or resources to address, attendance on the courses was excellent, and participation from the beneficiaries was very active, particularly during the week of short-term intensive teaching.

Seventy-seven beneficiaries took part in the project. Of these, 70 completed their course and 36 achieved a qualification. After the course, the beneficiaries went into a range of activities that included employment, voluntary work, self-employment and further education and training, while a few were unemployed. Around ten beneficiaries went on to start their own business, including a dog-walking business, a hand-painted tarot card business and a disability consultancy. A number completed a PGCert or went on to other basic IT skills courses. Others went into employment, for example, clerical work across different sectors. The course director felt that all of the beneficiaries gained something from the course, including:

- an awareness of online technology
- a set of introductory ICT and office skills
- access to postgraduate study and accreditation
- assistance with SME development
- confidence, networking and friendships.

A key message from the project was that there is a real need for ICT and business skills for older graduates, proved by the ease with which they were able to find and recruit 77 graduates over the life of the project. HE ESF Objective 3 funding was seen as crucial in providing opportunities to do work of this nature, and to provide graduates with relevant training at a postgraduate level, which cannot be funded through other European funding routes. If a similar project ran in the future, the course director felt that it should have a higher unit cost to target people with particular disadvantages. It would also be beneficial to enlist the assistance of a number of partner organisations on board with specialisms, eg alcoholism and other issues. It was felt that there is a real need to differentiate programmes like these according to beneficiaries and their range of needs.

¹ Formerly the University of North London.

Increased awareness of employment opportunities

A number of these projects which focused on increasing labour market functioning had good links with employers and industry. Consequently, a key benefit for beneficiaries was the chance not only to gain relevant skills but to be able to make contact with potential employers. Projects which provided work experience opportunities enabling beneficiaries to interact with employers and increase their employability were good examples of this. Some of the projects provided careers management guidance and gave beneficiaries additional skills to help them seek out labour market opportunities. Hence, one of the positive outcomes for beneficiaries on these types of project was their development of a greater awareness of the range of opportunities available to them and the kinds of employers operating in their sector of interest.

Case study: Graduated: what next?, Staffordshire University

The project which began in 2005 offers graduate-level employability support to unemployed graduates in the Staffordshire area. It aims to assist unemployed graduates into graduate-level employment, self-employment or relevant postgraduate education. The programme is delivered on an ongoing basis to beneficiaries over a time period of between two and six weeks. The impacts on beneficiaries are anticipated to be the acquisition of career management skills, including job-related skills, lifelong career management and personal development skills. In addition, the provision includes soft skills development: communication, project planning, Internet research and team working. There is accreditation for the beneficiaries, although this is not the main driver for participation in the project. In providing this range of activity, it is hoped that the confidence and aspirations of the beneficiaries will also be raised.

Tackling disadvantage

It is important to note here the impact of the non-MSc employability projects in particular on tackling disadvantage. Many of the employability projects appeared to have attracted beneficiaries who faced particular disadvantage, especially when compared to the beneficiaries on the MSc projects. This was not as a result of different selection methods as, like the MSc projects, these projects rarely applied any systematic selection criteria to determine who should be beneficiaries. Rather, HE ESF funding was available to all project participants, and it was the nature of the provision itself which attracted beneficiaries who would probably not otherwise have had access to such opportunities. For example, on one of the projects, Access to Online Working, it was found that beneficiaries had multiple barriers to study and employment, which the HE ESF provision could partly address, although it did not have the scope to address them all for all beneficiaries. However, it appeared to have been an important springboard for many of the beneficiaries who would otherwise have been unlikely to access postgraduate activities due to lack of both funding and confidence.

4.1.4 SME projects

The SME projects covered a range of different activities, some which were operating in a particular sector, and others which fostered more generic skill development, with particular regard to the requirements of SMEs. There was a strong focus on innovation and partnerships in the SME projects, including, for example, new methods of linking individuals with the right skills to small employers in a particular sector, or delivering skills to SMEs using new and previously untested methods. The impacts of these projects included:

- development of sector-specific and generic skills
- linking up SMEs recruits with the right skills
- providing networking opportunities
- self-employment assistance.

Developing sector-specific and generic skills

As was seen in the employability projects above, the SME projects were also geared towards assisting beneficiaries to develop sector specific and generic skills. For example, eMobile at City University developed a flexible framework to deliver Continuing Professional Development (CPD) to e-workers in SMEs in the creative industries. Other projects provided broader employability, entrepreneurship and business skills, for example, the Graduate Start-up scheme at Manchester Business School.

Case study: eMobile, City University

The eMobile project provided flexible professional development for e-workers in the creative and cultural industries. It aimed to establish a Negotiated Work-Based Learning (NWBL) framework which would provide accreditation at postgraduate level. Although the focus of the project was on workers in the creative and cultural industries, it was also designed to have a wider application to other sectors. The project originated out of a concern that CPD in this growth sector tended to be fragmented and patchy, so the project was designed to try to fill some of the gaps in provision.

The beneficiaries for the project were both the individuals engaged in learning, and their SMEs. Although the numbers of beneficiaries was lower than anticipated, those who participated commented that they had regained enthusiasm for their business ideas and gained a greater focus. They also reported that as a result of the course they had developed a number of generic skills which would assist them in the future, particularly ICT and digital technologies. They had also been encouraged to learn about the theory behind running a business, and to reflect on their own learning. Beneficiaries had appreciated the opportunity to step outside their own work environment for a time, although some had found the reflective learning aspect quite challenging, perhaps as a result of the length of time they had been away from formal education.

Networking, and linking SMEs with the right skills

The activities of some of the SME projects centred around linking up like-minded individuals working in particular sectors in order to foster co-operation and entrepreneurship, or to help SMEs to locate and recruit the skilled labour they needed in order to operate innovatively and competitively.

The Creative Futures Portal project at the University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester¹ which provided a web-based employer interface, or portal, was evaluated independently in 2005.² The evaluation report noted that the project was *'an important tool in widening the opportunities for students by linking them to businesses with recruitment needs'*. It also noted that the project helped students to network with each other as well as with businesses which could enable movement between fields within creative industries. It was felt that many beneficiaries will have successfully gained work experience or employment from their involvement in the project. However, it was not possible to track these kinds of outcomes/impacts through the portal. As the project manager noted, this kind of support is very much like that offered by recruitment consultants and this tends to be very resource intensive:

'Originally we had not designed the site to pick up the stories, to follow up cases, but it would have been good to have been able to do so.'

Case study: Enterprising Women, University of Surrey

This project aimed to improve confidence and innovation amongst women to help them start their own businesses. It provided regular updates and information about relevant events in the sector, including seminars and business breakfasts. Beneficiaries varied in the degree to which they took up these opportunities and participated in these events, but for some this was an important aspect of the provision, and had helped them to network and feel active and connected in their sector. One beneficiary said:

'I go to the majority of business breakfasts... being involved in the project is a launch pad to other things.'

Another beneficiary commented how important just having been part of the project had been to her business; she felt that having been involved in the Enterprising Women project at the University of Surrey added 'kudos' to her business:

'The name "Enterprising Women" sets you apart.'

Another beneficiary was a sole trader running a business called CanDoCanBe. Being involved in the project had enabled her to consolidate her business and establish her reputation, and to link up

¹ Formerly known as the Surrey Institute of Art and Design, University College.

² The Creative Futures Portal evaluation was carried out by Ancer Spa, Development, Regeneration and Planning Consultants.

with other organisations, including the Universities of Bath and Surrey. The project and development manager commented that the project had had a positive impact on the way the beneficiaries had been operating in the labour market:

'The course is enabling and makes participants more proactive... they become a more able part of the workforce.'

Launching self-employment and enhancing career prospects

Some of the projects included skills which could be used to move into self-employment, and the case studies included a small number of projects which focused on providing beneficiaries with the skills and support they needed to set up their own business. A number of beneficiaries did move into self-employment following their HE ESF activity. For others who had already started their own business, the impact was in helping them to become fully established and operational.

Case study: Graduate Start-up Scheme, Manchester Business School

The project aimed to provide business skills to those who had not undertaken business/vocational-oriented degrees, particularly those from an arts or humanities background, as they tended to be more disadvantaged in the business arena, and were often under-employed. The project worked in partnership with SMEs and focused on assisting graduates to start up their own businesses. Those who participated gained a postgraduate certificate in European Business or Entrepreneurship management.

Sixty-six beneficiaries participated during 2003-2004, and ten went on to set up their own businesses, all of which were still running successfully at the time of the evaluation. The businesses included a student services internet business, a small chain of bakeries, an internet business enabling students to look for lodgings, and a skier's travel agency.

Other beneficiaries felt that their lack of business skills had held them back in the past, and used the skills they had gained to find suitable employment:

'When I graduated I knew I wanted to work in business... I hadn't applied to jobs during my final years due to having too much time pressure, so my plan had been to look for a job when I came out of university, but I found it quite difficult because I didn't have any business skills.'

'I was given lots of encouragement to read the FT and pull out articles on companies I was applying for ... perhaps without the support I would have given up on the application form for my current job and not got the job.'

4.2 Economic impact on sectors and employers

The literature review in Chapter 2 indicated the need for higher skill levels amongst many graduates and employment sectors. This section considers the extent to which the HE ESF projects have had a positive economic impact, including on particular sectors, and on employers within them by having an impact on skills supply.

4.2.1 MSc projects

The HE ESF MSc projects have been positively influencing sectoral skills supply, although the extent of their contribution varies, and the evidence is largely qualitative and anecdotal.

They have been contributing in the following areas:

- high-quality course provision
- development and modification of courses in response to sectoral needs
- provision of the skills needed by growth sectors and employers
- entrance of beneficiaries to high-level jobs
- provision of HE ESF funding in absence of other sources.

High-quality, sectorally relevant courses

The Masters courses involved in the case study research were of a very high quality, providing beneficiaries with high-level academic and applied skills, and knowledge which was directly relevant to the sectors in which beneficiaries typically sought employment. There was some variation in the extent to which the MSc projects linked with industry, but several had very good cross-links, which had enabled them over the years to develop and fine-tune their courses to provide the kinds of prospective employees required by the sector. This was typically achieved through a combination of:

- regular course revisions with employer input to the syllabus
- employer visits
- employers delivering course modules
- strong links between academics and industry leaders
- industrial placements
- employer-led research projects.

The provision of HE ESF funding over a number of years had led to increased student numbers, which had clearly enabled courses to sustain high-quality academic provision and consistent input from industry. In the absence of HE ESF, course directors felt that fewer student numbers providing fewer financial resources for the course and department would inevitably lead to a loss of course quality. Close contact with employers and industrial sectors was one of the key contributors to the quality of these courses, but this level of industrial integration demanded a high staff to student ratio and was relatively costly. With smaller numbers of students, the courses would need to be run more cheaply, and economies would need to be made by cutting back on the most expensive activities and delivery methods, in favour of less innovative teaching methods. This would ultimately adversely affect the extent to which these courses were able to be responsive to the needs of their sectors.

Case study: MSc in Biodiversity, University of Birmingham

This course had extensive employer involvement in course design and delivery, which ensured its relevance and responsiveness to industry needs. An MRes had been developed recently as a result of HE ESF funding, in response to requests from industry for a more research-based option. There were a number of reported benefits of this MSc for employers. They had access to a pool of newly qualified graduates in a specialised field, and the fact that they had achieved this particular Masters qualification signalled to employers that they would have the necessary skills for working in the sector. Hence, employers often contacted the department when vacancies in their companies arose, and these vacancies were then circulated to students. Employers were also able to present the benefits of working in their company to beneficiaries, by being part of the courses' employer visits

According to the Biodiversity course staff, activity in this sector in the UK has increased in recent years, and the sector would be in a worse position without this course. The course was seen to be unique both in the UK and internationally, and the senior figures in many of the partner organisations are past graduates; hence, the course has a very strong reputation for quality and relevance in the industry. At present, its mix of UK and overseas students means that the course can be broad, addressing a range of climates, species and seasonal variations. Loss of HE ESF Objective 3 funding, and hence, many of the UK students, may mean that the course would need to become more market-orientated, and more focused on the needs of the overseas students; failing this it may not be viable to continue running the course. As a result, it would be less able to provide the skills and experience needed by the industry in the UK.

There is a skills shortage in the sector amongst those already working in it, but there is currently no funding route to support mature students working in industry to study part time, and employers are unwilling to fund this, preferring to recruit new staff. In the absence of UK postgraduates from the MSc course, it is likely that they would look to the international market to recruit the skills needed in the UK.

High-level skills provision

MSc course staff, employers and sectoral stakeholders frequently commented that in general, first degree graduates did not have the level and breadth of skills and knowledge which employers required for new recruits to hit the ground running, and MSc postgraduates were more suitable. There was a sense that the relative supply of, and demand for, high-level skills had pushed up the entry requirements for graduates and postgraduates in some sectors, including technical and growth sectors such as ICT, Environmental and Bio-science. Technological progress, together with expansion in these sectors, has led to employers requiring increasingly highly skilled labour in order for their successful growth to continue. In addition, first degree graduates have become more numerous in recent years, and employers have been able to demand higher skills and qualifications from their recruits as an entry requirement. In the creative industries there are slightly different issues, where the key needs are for high-level business skills and entrepreneurship (see below for more detail).

In the sectors covered by the case studies (ICT, Environmental and Bio-science, and the creative industries), these Masters courses were playing a part in producing beneficiaries with the high-level skills required. One of the course directors of an Environmental Science Masters programme said that he had been told by one of the sector's key employers that the Masters courses provided them with 'work-ready' graduates:

'The project to me, he said, is the equivalent to work experience.'

However, this raises the question of whether employers should also be contributing to funding some of this work-readiness. In the absence of HE ESF, some of the students would find it difficult to self-fund, but perhaps there is potential for some to be funded by industry.

HE ESF applications for Masters course funding had frequently outlined and referenced evidence of national skills shortages which the courses would address. The quality of postgraduates being produced by HE ESF Masters courses is clearly very high and this is of considerable benefit to the relevant sectors which are provided with a pool of highly skilled and specialised labour.

Course development in response to the needs of the creative industries sector

As was noted earlier in this section, in the creative industries, which include the high-growth sector of digital media, there are some key emerging skills issues. There are increasing requirements for high-level business skills and entrepreneurship to enhance the professionalism of the sector and allow the creative industries to operate effectively, and to grow and compete at a regional, national and international level.

Skillset, the Sector Skills Council (SSC) for the Audio Visual Industries in the UK, found that nearly two-thirds of those working in these industries report training

needs, and employees are much more likely to receive training than their freelance peers; indeed, freelancers are more likely to experience barriers to training. The council recognises the need to support freelancers – both new entrants to the sector and those already working in it – in skills development. There appears to be a general need for post-entry training, but this becomes difficult to support when the vast majority of the workforce are operating as freelancers.

The SSC for advertising, crafts, design, visual, performing and literary arts, cultural heritage and music – the Creative and Culture Skills – believes that a big challenge for the sector is a lack of management and leadership capacity. It cites that approximately one-fifth (17 per cent) of companies suffer from skills shortages, and that these are most acute in the areas of management and business skills. Management skills are felt to be important to the sector as companies face greater competition from more diverse and demanding markets. Given the unique nature of the sector, management skills need to be tailored to its requirements, so that managers have an understanding of how creative businesses work. The council is currently undertaking work to understand the further talent requirements of the industry through a skills audit and workforce survey. The council notes that few firms have the resources or stability to invest in training.

There was a particular example where HE ESF funds had been used to develop an entirely new Masters course. The MA in Media Enterprise at the University of Central England Birmingham had been developed in response to a clear sectoral need, and had the potential to be sustainable in the longer term.

Case study: MA Media Enterprise, University of Central England Birmingham

This MA in Media Enterprise course would not exist without HE ESF funds, which are directed towards women working in cultural industries. The course was conceived and developed as a direct result of the HE ESF funding and once the funding ends the course will continue to run using funds from other sources and through beneficiaries financing themselves. In addition, the funds have also provided a number of related short courses and a networking conference.

The project manager of creative industries at the Birmingham Chamber of Commerce felt that the creative industries sector had been an area of significant growth in the West Midlands over the past five years. There has been a changing mind shift in the sector, with the focus moving away from micro-economies towards the development of the market. One of the key challenges for the sector was to provide people with the leadership and management skills to underpin that growth, and to enable people working in the creative industries to be competitive in their markets. The MA Media Enterprise was felt to be a significant step in working towards this, and contributing to the professionalisation of the whole sector, by providing a rounded package with a creative and business focus to up-skill the beneficiaries. The fact that it will provide a postgraduate qualification was felt to be very important, as it combines academic rigour with more practical aspects. The project manager also felt that the University of Central England as an HEI was good at working in partnership with, rather than in isolation from, the local economy, and the MA Media Enterprise was an example of this, providing both vocational and academic aspects.

Traditionally, people working in the creative industries could be characterised as ‘flaky’ and ‘arty’, but this new course should help beneficiaries to be taken more seriously, as it will give them a market value. This in turn will contribute to the sector, and the local economy, as a whole.

4.2.2 Non-MSc employability projects

The employability projects ranged from short courses covering basic IT and business management elements to projects which developed beneficiaries’ awareness of the range of career opportunities open to them. Some of the courses addressed needs of a particular sector, for example, the creative industries, but others were providing generic or business skills which could be used more widely in employment and self-employment. This made it somewhat more difficult to determine a sectoral impact. However, there was felt to have been an impact at an individual level for many of the beneficiaries in terms of their subsequent entry to employment, self-employment and further education or training, which would in turn positively impact on the skills supply to, and participation in, the labour market more generally. As such, these case studied employability projects, between them, had an impact by:

- providing generic and business skills
- addressing needs of particular sectors
- improving labour market functioning.

Generic and business skills

A number of the case study projects focused their activities on providing generic skills, including career management skills and business skills, which were applicable in a range of sectors and employment situations. For example, the Job search workshops for unemployed graduates at the University of Bristol provided courses which included psychometric testing, one-to-one help to encourage unemployed graduates to focus on strengths and interests, CV preparation, interview techniques, confidence building and motivation, information on the local labour market and employers, and job search facilities. This project was delivered intensively over a three-day period, while others were less intensive and were delivered over a longer period of time. A common thread running through a number of the non-MSc employability projects was the extent to which they encouraged beneficiaries to develop the business skills, awareness and career management skills to consider and exploit the full range of career opportunities available to them. This included, for example, smaller employers who are consistently missed out by the traditional milk-round and recruitment fair activities hosted by many universities.

Addressing sectoral needs

A small number of employability projects focused on a particular sector and arose from the apparent need for skills deficits within it. The Digital Animation project at Loughborough University was an example of this type of provision. It arose from labour market evidence gathered in conjunction with Skillset (the Sector Skills Council for the creative industries). The information reported a dearth of training across the animation industry, and identified a gap between the skills of graduates and the skills required by industry, particularly with regard to traditional animation techniques, which meant that individuals could not enhance their computer work by drawing upon knowledge of traditional animation techniques. The HE ESF project set out to address this skills shortfall, taking into account the rapidly changing structure of the industry. Industry feedback on the project had been largely positive; employers had liked the way the course had broken the delivery norm by responding to industry needs, rather than being based on a more academic model.

Improved labour market functioning

The employability projects were usually available to a wider range of beneficiaries than was the case for the Masters provision, being open to those from a broad spectrum of first degrees. This was the case for the Access to Online Working project at London Metropolitan University (then University of North London), which invited graduates of all its courses, the only pre-requisite being that they were now aged over 50. Some beneficiaries used the HE ESF activities to increase their chances of finding employment, others used them as a springboard for making choices about their career path, such as undertaking further study in a more focused, vocational area. Some went on to set up their own businesses, and although this was always a minority of the beneficiaries as a whole, this was a very positive outcome. In addition to teaching generic and business skills, these courses also seemed to have been very effective in boosting the confidence of the beneficiaries, enabling them to network with each other and, in some cases, with the local business community more widely.

Case study: Job search for unemployed graduates - University of Bristol

The project which received funding in 2003-2004 provided a series of three-day workshops to help beneficiaries improve their job-search skills and enter suitable employment. They worked with careers advisers to complete a personal Action Plan, and were offered full access to the university careers service for a year following completion of the workshop, which was found to be particularly beneficial. There were 167 beneficiaries in total, and over 80 per cent had moved into work three months after taking part. Beneficiaries who took part in the evaluation said how useful they had found the course. One beneficiary had worried that she was the only graduate not to know what she wanted to do after she had obtained her degree. Taking part in the project had made her feel much less isolated and more keenly aware of where her strengths and interests lay:

'The course gave me new confidence in my own ability and career prospects.'

4.2.3 SME projects

The SME projects covered a diverse range of activities, including web-based portals to link employers with skilled labour, and projects which fostered the development of business skills and entrepreneurship to enhance self-employment prospects. In terms of their impact at an economic and sectoral level, the areas in which they impacted was similar to the non-MSc employability projects, including:

- helping sectors to function effectively
- providing generic, including business, skills
- enhancing self-employment opportunities and prospects.

As was the case amongst the employability projects, the precise impacts varied from project to project depending on their focus and activities.

Helping sectors to function effectively

Some of the SME projects included aspects which improved labour market functioning within a particular sector. This was done in two ways: firstly, some of the projects delivered relevant skills to beneficiaries working within SMEs; secondly, other projects linked up individuals and businesses, as illustrated by the example below.

Case study: Creative Futures Portal¹, University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester²

The project was successful in bringing together employers and graduates and postgraduates. By the end of the funding period, 128 small employers in the creative industries were identified as having benefited from the support provided (against a target of 130). This group had either participated in networking events in London, Tonbridge and Bournemouth or had registered with the site, posting profiles and/or opportunities. Many more employers, however, took part in the events and used (and continue to use) the portal, although they do not fit the strict criteria to be counted as a project beneficiary. Indeed, statistics collected by the project team show that at the end of the funding period there were 247 employer profiles on the site, and that 279 opportunities had been advertised (projects, placements, jobs).

In the last month of funding, the site was achieving almost 6,000 hits per week. By August 2006 (time of the case study) the cumulative figures were 837 and 1,098 respectively. The benefits of the project to employers are regarded as having free access to information, free marketing, and access to other employers through the site or through networking events. Employers have also been able to access free learning resources (though this has largely been focused on computing/IT

¹ The project was originally called Work Bureau for Creative Enterprises.

² Formerly known as the Surrey Institute of Art and Design, University College.

skills, eg web design). However, the key benefit to employers is the handling of vacancies and supporting recruitment - employers have the opportunity to publicise their vacancies and placements and gain access to suitable recruits. Indeed, the evaluation report noted:

'Ninety per cent of businesses consulted see it [the Creative Futures Portal] as a free, targeted, one-stop shop service which saves time and which facilitates recruitment...Nearly all would recommend the service to others and, overall, it has received a very positive response by the employers who have used it' (p5). The main benefits perceived have been the speed of response by students and the level of response.'

Some employers will have recruited graduates or beneficiaries as a result of their participation in the project. The project did not have the capacity for any robust tracking of recruitment outcomes; however, there has been considerable anecdotal feedback from employers and more robust feedback from recent market research undertaken to assist with the further development of the site.

Providing generic and business skills

Several of the projects were based on the finding that in order to operate more competitively, individuals setting up a business required a more extensive portfolio of sector-specific and business skills. An example of this was the eMobile project, where provision was targeted at the creative industries, and aimed at developing the skills necessary for working effectively within an SME-based environment. Labour market intelligence had suggested that creative workers were often highly qualified in their area of expertise when they started their businesses. However, they often lacked business and management skills, and it was these skills which would be necessary for the success of their businesses. Other projects focused on developing entrepreneurship and business skills in a range of sectors, focusing on, for example, women, or those with first degrees which typically lacked business skills elements, including arts and humanities degrees.

Self-employment opportunities and prospects

The SME projects assisted some beneficiaries into self-employment directly (see, for example, the Graduate Start-up case study at Manchester Business School, where a number of beneficiaries progressed from the project to starting their own business). Looking more widely across all projects supported by HE ESF, some funded under the employability theme – for example, the Graduate Futures programme at Staffordshire University – also aimed to encourage graduate start-up businesses as a viable labour market option among unemployed graduates. Some of the projects also enhanced the prospects of existing SMEs by providing flexible and appropriate Continuing Professional Development (CPD) in ways which were suitable for the SME sector and the particular industry. There were also projects which helped to put beneficiaries in touch with the next preparatory step towards becoming self-employed in their area of expertise. For example, the Enterprising Women project at the

University of Surrey assisted two beneficiaries who were interested in setting up their own interior design business to find suitable courses which would help them progress, and provided funding for them to study on the courses.

4.3 Institutional impact on HEIs and partnerships

Some HEIs have been awarded significant funds through HE ESF, and this has increased both their confidence in bidding for competitive funding and their skills at writing successful bids. Some of the HEIs had been successful in securing funding for the same projects, often Masters courses, for a number of years. There were, in some cases, specific departments and professional staff to assist academics with the bid-writing process, which clearly had been of considerable benefit to individual HEIs in increasing the quality of their bids and their funding application 'hit rate'. In this way, HE ESF had contributed to building up a critical mass of producing competitive tenders, and managing externally-funded projects.

One of the case study HEIs had a funding office which provided assistance including help with developing project ideas, assisting with funding applications, help in finding match funding, providing technical support to projects, advising on partnerships, contractual issues and financial reports etc. It also acted as a repository for project information in order to share knowledge, innovation and expertise across the HEI. This unit was also very keen to ensure that projects are strategic and innovative.

4.3.1 MSc projects

HE ESF has brought a number of benefits to the courses, departments and HEIs which have been awarded these funds for postgraduate projects. Some HEIs have been awarded significant funds through HE ESF over a number of funding rounds, and this has had a number of positive impacts:

- course expansion, which in turn has led to increased recruitment of overseas students (not funded through HE ESF)
- high-quality courses developed and maintained
- partnerships built and strengthened
- reputation of course, department and HEI enhanced.

Course expansion

HE ESF has enabled viable provision and expansion of a number of high-quality Masters courses in particular HEIs across the country. For example, at the University of Manchester, HE ESF funding has enabled its Environmental Science department to increase the number of postgraduate students to its MSc/MA, which is part of the 2015

vision for the University. It has also impacted on other departments within the University of Manchester, such as the Manchester Science Enterprise Centre, and so has facilitated closer working relationships between people in different departments.

An increased intake of UK students as a result of HE ESF funds has enabled HEIs to build on the quality and reputation of these Masters courses and, in turn, increase their recruitment of overseas students, which has been a lucrative income source for some.

Case study: MSc Toxicology, University of Birmingham

The HE ESF funding has helped to increase the number, and according to the course director and tutors, the quality of students on the Masters course. They are drawn from a range of disciplines, and the department is in competition for graduates, not only with other universities offering Toxicology courses, but also with those offering other science-based courses. The department fears that without the ESF funding, high-quality students might be attracted by funding elsewhere. The ESF funding has provided a lot of financial support for the department, and through funding beneficiaries on Masters courses, which are an intermediary between the primarily taught undergraduate courses and largely research-based PhDs. Through the Masters courses, students can start to develop their research skills and independent working which can lead to PhDs. It is felt to be important that this link and continuity of learning exists within the department. A number of students do their research projects within the department and this has benefits for the university. There are often publications and findings of importance and these increase the status of the department and its body of work, and could lead to grant applications.

Therefore, HE ESF funding has made a significant financial contribution to a number of departments around the country where several Masters programmes have received HE ESF funds over a number of funding rounds. This has enabled them to be nationally and internationally competitive in their bids for students, and in the academic records and reputations of their key academic staff. These outcomes are, of course, very positive. However, it should be highlighted that they do not necessarily fit squarely within the aims and objectives of the HE ESF funds; and the funds may not always be reaching those for whom they were intended.

High-quality and sustained partnerships

Expansion has meant that courses and departments have had more money to ensure that courses are continually updated, responsive to needs of industry, and contributed to by relevant employers in the sector, with some modules being taught by employers either within the HEI or on-site. The partnerships and close involvement of industry which are utilised (very productively) on a number of these courses appear to pre-date the ESF funding, and certainly pre-date the three most recent rounds. However, maintaining and using industrial partnerships is time-consuming and costly, so these partnerships have certainly been strengthened and used more effectively and innovatively as a result of the HE ESF funds.

Case study: MSc in Computer-Based Information Systems (CBIS) and MSc in Electronic Commerce (E-Commerce), Sunderland University

For the university, each of the projects has produced a viable course in computing. In terms of additionality, the projects have added value by increasing the number of students from a mere handful (about five) to well over 40. And although the wider benefits to the university are yet to be tested, there is some evidence that the ESF projects have spawned new courses: for example, MSc in Multi-media Systems, MSc in Intelligence Systems, and MSc in IT Applications Development. As a result of industry contacts made through national ESF funding, local employers have asked the university to develop specialist courses in areas such as E-Technology for Business, and Security for Business. These are all courses that make greater use of the links with industry and so have built up a worldwide reputation. It is hoped these will benefit Sunderland University further by attracting more students from overseas.

The HE ESF funding has resulted in high-quality course provision, enhanced academic and departmental reputations, and a greater level of partnerships between courses and industry than may otherwise have been possible. However, as the EU has a strict requirement that the resources are distributed through open competition, there is a question around the extent to which HE ESF funding of Masters courses fosters co-operation between HEIs. While the HE sector has actively encouraged HEIs to work collaboratively on projects or to submit consortia bids (and there was evidence of this in the non-MSc employability courses that were funded) the evidence from most of the Masters-level case studies suggests that the funding promoted competition rather than co-operation.

4.3.2 Non-MSc employability projects

The employability projects had a range of benefits for the HEIs involved, and for their partnerships, including:

- shaping future provision and delivery
- developing confidence within departments and amongst particular staff to bid for competitive funding and to test ideas and innovatory methods
- fostering new and co-operative partnerships, particularly between HEIs
- building capacity
- providing lessons for the future.

Not all were apparent within all projects; as was noted earlier, the employability projects were, on the whole, more heterogeneous in their conception and operation than were the MSc projects. Some of the impacts were greater than others and had the potential to transfer more widely across the HEI; other impacts remained within departments.

Shaping future strategy

The Digital Animation Workshops project at Loughborough University played a significant part in shaping the university's e-learning strategy. It also contributed to the development of a research node in the School of Art and Design which looks at the potential for including animation in future research projects. A new member of staff was recruited as a result of the project, and the HEI is currently considering adapting some of the project material for use on an existing BA course. It also highlighted a lesson for the future, which was the importance of providing accreditation. It had not led to any accreditation or qualification and some of the beneficiaries commented that this would have improved its impact:

'It would have been better if there was a recognised qualification or some sort of accreditation at the end as it just finished and some people might not have finished what they set out to do.'

Partnerships

The case studies provided a number of examples of new partnerships having been created as a direct result of the employability projects. Some of the projects also fostered stronger links between departments within the host HEIs, joining up the complementary provision of, for example, university careers services and academic departments.

Case Study: Graduated: What next?, Staffordshire University

This project which began in 2005 (and was still running at the time of writing) is offering employability support to unemployed UK graduates in the Staffordshire area. As the project evolved it became clear that take-up in that area was not as high as anticipated, so the project started to look at ways to expand the provision into the Tamworth, Birmingham and Wolverhampton areas.

The project has been particularly beneficial in developing and strengthening partnerships working within and outside the university. Within the university, reciprocal relationships have developed between the project and other student guidance tuition, and lessons learnt have also been filtered back into undergraduate teaching. Partnerships outside the University have also been created; there are now improved links between the university's careers service, Connexions and the Jobcentre, who now refer graduates back to the university for graduate-level careers support.

The project has also developed synergies with HE Full Circle; a project which promotes innovation and enterprise amongst companies and graduate business start-ups, and with Staffordshire Graduate Link, an organisation which promotes the employment of graduates in Staffordshire through a service which matches employers and suitable graduates.

Capacity building, confidence and lessons for the future

Some of the projects contributed to HEIs' confidence in bidding for funds and running externally funded projects, and helped them to build capacity for the future. The more experimental and innovative projects funded by HE ESF also provided important information on what does and does not work, which will be key in informing future strategy and practice at a departmental HEI and partnership level. Several of the projects engaged in research and dissemination activities, in line with the requirements of the funding award. In the future, there could be more emphasis on ensuring these activities are carried out, in order to maximise both the short- and longer-term impact of the funds.

Case study: Access to Online Working, London Metropolitan University¹

The project director met the research and dissemination component of the funding by delivering papers on the project and lessons learnt from it, for example, at a conference in Maastricht. The success of the project helped to generate a lot of confidence in the department, both within the department itself and in the wider university. This allowed some of the department's programmes to double in size, creating many more opportunities for students and staff as a result.

The project helped the university to build capacity in this area, alongside other projects developing the use of new funding streams to complement HEFCE-funded work. The department also learnt a lot about working in partnership with a private sector company such as SmarterWork.com, which would influence how they would approach this in the future. One of the lessons learnt was the need to get formal agreements between the lead and other partners, putting in outputs and timescales, and having proper contracts produced. This has been carried forward by the university's Development Funding Office, which supports academic and professional service areas in putting together bids and managing projects.

Case study: Career Tactics for the 21st Century, University of Liverpool

This project aimed to enhance national capacity to deliver career management skills to a high volume of unemployed graduates. There were two main strands to the work: supporting unemployed graduates who were part of the project, and transferring best practice to other HEI career manager practitioners.

The principle resource used as part of the project was a careers management book and toolkit called 'The Art of Building Windmills', which could be used either as a workbook for individuals to use themselves or as a trainer's resource as part of a wider training session.

¹ Formerly the University of North London.

The project had little difficulty in attracting other HEIs, although this was harder amongst more traditional and red brick universities, where there tended to be less conviction that developing wider employability skills was part of their remit. A total of 145 trainers from six universities participated in the workshops, which was more than the 130 that had been anticipated. Key benefits were felt to have been the Art of Building Windmills pack, together with a set of modules with support mechanisms, which had been well received by careers management practitioners:

‘Not only is it one-stop shopping, everything is there, but the material is also presented in an imaginative and interactive way.’

The project has supported an increased brand awareness of the Art of Building Windmills materials, and HEIs that were part of the project have free access to these. They are also available for other HEIs to purchase from the Internet.

4.3.3 SME projects

There were a number of benefits apparent from the case study SME projects, including the:

- testing of new delivery methods
- development of partnerships
- raising of the HEI profile
- building of capacity.

Testing new delivery methods

The case studies demonstrated that offering support to SMEs usually provided HEIs with challenges that went beyond those experienced when providing more traditional courses. As well as different demands being placed on course content (in particular, an emphasis on more generic and vocational skills), there is also a need for greater flexibility in delivery (eg use of e-learning, blended-learning and short courses). For these reasons, working with SMEs often constituted a new area of work for HEIs that can only be expanded through the funding and development of new delivery methods. Some of the SME projects acted as a test bed for new delivery methods, which have in turn had wider benefits for the HEI and the SME community. For example, the eMobile project at City University provided the opportunity to trial new assessment processes and structures which have a much broader applicability in other subject areas and across other industrial sectors and institutions:

‘The experience of eMobile provides a valuable insight into the design and delivery of learning which will be used to inform provision across a broad range of courses and projects.’

(Project closure report)

Partnerships and profile

As was seen in the employability projects, these SME projects worked with a range of partners, within and outside their institutions. Many of these were created as a result of, and for the purposes of, the HE ESF activity. However, it was usually felt that having been established, they could be capitalised on in the future. In addition, the creation of successful partnerships in these projects demonstrated how effective partnerships between HEIs could be in ensuring objectives were met.

In a similar vein, some of the HEIs reported that their profile had been raised as a result of working with SMEs and the community. This included a closer working relationship with, and a higher profile amongst, the relevant sector skills councils and local skills organisations. There were also potentially positive effects of beneficiaries obtaining work or setting up their own businesses as a direct result of participating in the projects, which would cast the HEI in a positive light.

The external evaluation¹ of the Creative Futures Portal², at the University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester³ highlighted both partnerships and profile as two of the key impacts of the project:

'The generation of valuable experience of how collaborative working between institutions can add value to students, graduates and businesses... (and) the promotion and increased profile created for each institution.'

The project enabled organisations, that may have previously worked in isolation, to come together, take elements of best practice and make them accessible to all partners.

Case Study: The Graduate start-up scheme, Manchester Business School

The Graduate Start-up scheme at Manchester Business School had fostered links between Manchester Business School and the University of Manchester, and with local SMEs. It was envisaged that future collaborations would be possible. In particular, research partnerships with local businesses will now be more likely as a result of the relationships built between the Business School and local SMEs through the project. It was also felt that the reputation of the Manchester Business School would be enhanced amongst the business community as a result of high-quality students from the project setting up their own small businesses.

¹ The 'Evaluation of the CADISE ESF Work Bureau for Creative Enterprises Project' was carried out by Ancer Spa, Development, Regeneration and Planning Consultants.

² The project was originally called Work Bureau for Creative Enterprises.

³ Formerly known as the Surrey Institute of Art and Design, University College.

Capacity building

The SME projects funded by HE ESF gave departments experience in bidding for competitive funds and managing externally funded projects, and partner relationships. In some cases, the HEIs were building on past third-stream activities funded through external and competitive routes, but some of these projects were important in forging new ways of working, and in building the confidence of individuals and departments to do this. Hence, the HE ESF funds had created enthusiasm for working in more innovative ways, and had assisted in the development of the skills required to seek out and obtain appropriate funds. The projects had also helped to improve project managers' project and partner management skills for the future. Finally, the HEIs had learnt lessons about what worked and what would need to be changed if similar projects ran in the future. The projects had been important in developing a critical mass of knowledge within institutions which would inform the shape of future bids and activities, and ultimately improve future delivery and outcomes.

4.4 Longer-term impact: sustainability and transferability

Evaluations of previous 'third-stream' programmes have demonstrated that to maximise the impact, the successful elements of projects need to be sustained and disseminated to other areas where the benefits could be realised (see Chapter 2). This final section considers the longer-term impact of the HE ESF projects, particularly in terms of sustainability and transferability.

4.4.1 MSc projects

There was evidence of sustainability and/or transferability in the following areas:

- courses would continue without ESF
- partnerships would continue
- effective and high-quality course models have been developed and refined
- an entirely new MA course has been developed.

Course and partnership continuation

Most of the MSc projects' staff generally felt that the courses would continue in the absence of HE ESF, although if student numbers reduced, as they would expect them to, the courses would need to be pared down and delivered more cheaply. This would ultimately impact on the quality of the courses they offered, as ensuring high industrial and employer input, and student placements, tended to be expensive. Course staff felt that the staff to student ratio would need to reduce in order to keep costs down and make the courses viable to run.

Many courses and departments had come to depend, at least in part, upon HE ESF funding to attract and secure most, if not all, of their UK student intake. They felt that student loans and rising student debts make it increasingly unlikely that UK students would be able and willing to fund MSc courses themselves soon after completing a first degree. They felt that a lack of HE ESF funding would ultimately lead to a reduction in the number of UK postgraduates each year, which could lead to vacancies in all areas of the sector. These vacancies would need to be filled by people trained abroad, and their skills may not be as relevant to UK industry. Course staff also reported that in the event of a reduction of UK students, there would be a greater reliance on overseas students whose high course fees would ultimately subsidise the courses and departments. A negative effect of this could be that the courses would be less able to be responsive to the needs of UK industry, and need to be more responsive to global requirements, which would ultimately impact on the availability of skilled labour tailored to the needs of the UK.

Case study: MSc Analytical Chemistry, University of Huddersfield

Other possible sources of funding for students hoping to study on this type of course are limited. For example, according to our respondents, the department has had only two research council funded places in the past; and the university has not applied for funding from this source in recent years. The Biological and Biotechnology Research Councils (BBRC) provide only 140 places nationally, with HEIs considered mainly or solely on their Research Assessment Exercise (REA) rating. Huddersfield is primarily a teaching university and cannot compete against the top research universities for this source of funding. In relative terms, therefore, ESF funding is very important for the University of Huddersfield's ability to continue to provide the course in analytical chemistry. Course staff commented on the hypothetical situation of ESF withdrawal:

'If ESF funding is withdrawn, then very few of this group of unemployed graduates we have taken would come on the course. The course will probably continue because we can continue to recruit overseas students and we can recruit part-time students who would be funded by their employers.'

'The studentships offered by the government research councils, such as EPSRC and EBSRC, they are generally funding graduates who are first class, in fact graduates who get first class honours. If you get a 2:1 which is a perfectly good degree, these people would have to fund themselves. ESF funding has allowed students with 2:1s and 2:2s to come on this course, and enhance their skills and help industry, which needs graduates.'

Nevertheless, the University of Huddersfield would still endeavour to run the courses, even in the absence of ESF funding.

Case study: MSc in Computer-Based Information Systems (CBIS) and MSc in Electronic Commerce (E-Commerce), Sunderland University

There is some evidence that the project would continue after this round of ESF funding, or at least for the time being. Following the initial funding from the national ESF pot, Sunderland University has been successful in accessing funding from the regional ESF pot to continue the courses. However, it is not certain whether this would continue indefinitely. There is a real danger that without the continued support of ESF funding, the courses would revert to the situation where there are only small numbers of students again. There are implications for widening participation here. Without ESF funding the university would have nowhere near the number of students participating in the MSc courses. And while the university benefits from the funding, the bulk of the ESF money is used directly to support the beneficiaries.

High-quality course models

Most of the staff concerned said that they would try to find ways of making the MSc courses viable even in the absence of HE ESF. The HE ESF funds had enabled them to develop, over a number of years, high-quality and successful course models which they would endeavour to sustain. The international reputations of some of these courses, staff and departments meant that they would at least be able to look to overseas student demand for their Masters courses, but as noted above, it would not be ideal to rely on overseas students in terms of skills supply for the UK. With lower student numbers overall, course staff also felt that it would be more difficult to provide a high-quality course with high staff to student ratios and significant industrial input.

Development of a new MA

The MA Media Enterprise at the University of Central England had been developed through HE ESF funds awarded as part of the Women in Media Enterprise project. The HE ESF had been used to fund the up-front development activities necessary to design and implement the Masters course, and the course was planned to be self-financing once the HE ESF funding ended. An additional aim was that its existence should help to integrate enterprise into many other courses run within the Birmingham Institute of Art and Design. Without the HE ESF Objective 3 funds, none of these activities would have been designed or provided, and the new MA would not exist. It is expected that one of the key wider benefits of the MA will be that beneficiaries will have a greater understanding of business, which will help the sustainability of creative industries SMEs in the West Midlands.

4.4.2 Non-MSc employability projects

The employability and SME projects tended to be new, developed and executed as a direct result of the HE ESF funding. As such, they had little or no access to core HEI funding or automatic continuation funding from other sources. However, there were a number of impacts with regard to sustainability and transferability:

- continuation of activities on the basis of further funding gained by some
- continuation of new partnerships
- generation of products and resources
- innovation and lessons learnt.

Continuation of activities, funds and partnerships

Some of the projects involved in the case studies had gained funding from other sources, enabling the projects to continue running in the same or in an adapted form after the HE ESF funds ended. Similarly, the partnerships have remained active, and in some cases this has happened even though project activities have ended. The Career Tactics for the 21st Century project at Liverpool University has gained funding to take the learning and materials from the project forward to meet the changing demands of the graduate careers management marketplace. The unit delivering the project from within Liverpool University is now working with other sources of funding including ESF Objective 3, and continues to support the partners in the HE ESF project.

Generation of products and resources

While projects did not always continue beyond the life of the HE ESF funding, there were several examples among the case studies where products or resources had been developed which had been used within the host HEI, and in some cases, more widely since the project had ended. For example, the Jobsearch for unemployed graduates project at the University of Bristol did not continue after the HE ESF funding stopped, but materials and learning from the project have been disseminated widely to other universities, particularly in the South West region.

Case study: Career Tactics for the 21st Century, University of Liverpool

Although the project ran 2001-2002, the HEI still gets requests for the Art of Building Windmills materials. The HEI partnerships established through the HE ESF project remain; for example, the delivery unit developed a long-term relationship with Yorkshire universities, including supporting them in the development of an interactive careers website aimed at supporting graduate employability (2003-2004). At the time of the evaluation visit, they were working with them again to update the website and to develop online modules. The delivery unit now has a presence in one way or another with every UK university, as well as links with Ireland and the USA, although there were no figures available on the numbers going on training courses.

It has been helpful to be able to cite the HE ESF project and project management experiences when bidding for funds since. In subsequent Objective 3 projects, the unit has worked with different institutions and has maintained their relationship with those who took part in the original HE ESF project.

Since the Career Tactics project, the unit has developed a standalone resource on job search - 'JOB' - which was published in 2004. This is now used on Objective 3 practitioner training alongside the original book and toolkit 'The Art of Building Windmills'. They currently have another Objective 3 project, with a remit to disseminate to practitioners to enhance employability of unemployed or under-employed (under 26 hrs a week) graduates across six HEIs. This links together the Art of Building Windmills materials, and the more recently developed JOB resources. It is being delivered in the form of a one-day session and a two-day self-study workshop.

Lack of continuation

Some of the employability projects had stopped at the time the funding ended. Some of the projects which were still running also reported that the HE ESF-funded activities would not continue if HE ESF funds were stopped, and few had concrete plans for exactly how activities would continue beyond the life of the funding. The Animation Workshop at Loughborough University did not continue after HE ESF funding ended, although elements of the project and some of the lessons learnt as a result of having run the project have since been used by the university. It is hoped that it will inform future content of undergraduate courses so that they contain an element of traditional animation skills, which has hitherto been missing. The purpose would be to provide the industry with more highly skilled and well rounded graduates and postgraduates. They are also considering producing a standalone CD-ROM, which could be used by students of any university, and are looking at ways to embed the provision developed through HE ESF funding within professional animation training.

Unforeseen events such as mergers and key staff leaving or becoming unavailable through illness can be critical in whether projects have the chance to continue beyond the availability of HE ESF funds. Despite such difficulties, there was evidence to

suggest that staff and departments involved in setting up and running employability projects had learnt lessons which could be put to use in the future if they got the chance. In addition, projects of this nature have tended to increase the confidence of individual staff members and departments in projects of an innovatory nature, and have built capacity across departments to enable them to respond to future opportunities, including funding opportunities, more effectively in the future.

Case study: Access to Online Working, London Metropolitan University¹

The merger of the University of North London to become part of London Metropolitan University, which took place during the life of the project, created difficulties in terms of sustaining this project beyond its original HE ESF-funded life, and in maintaining the partnership with the private sector organisation SmartWorks. However, the department and course director are now in a position to revisit this work and area. The reduction or withdrawal of HE ESF Objective 3 generally is viewed as being very serious by the department and by the university's Development Funding Office. Conversely, more of this type of funding would enable a revisit of the Access to Online Working project, and enable much more of this type of work. Staff felt that it would also bring opportunities to work more strategically with other departments across the university to deliver generic skills of this nature to postgraduates.

Ensuring innovation and transferability

A potential issue for some of the employability projects is that innovation can stay within the host HEI (or department) rather than being transferred more widely across the sector. HEIs are under pressure to make their innovations pay once the funding has run out. For example, the Digital Animation Workshops project run by Loughborough University had a request from Skillset, the Sector Skills Council (SSC) for the creative industries to put the contents of the course on the SSC website, but opted not to do this as they would be less likely to be able to use the materials for future projects. It seems that ways to ensure true transferability and co-operative working need to be found to ensure that good practice and lessons learnt can be shared widely.

4.4.3 SME projects

There were a number of sustainable impacts demonstrated by the case study SME projects, including:

- strengthened ability to self-fund or gain alternative funding
- development of new partnerships.

¹ Formerly the University of North London.

Strengthened ability to self-fund or gain alternative funding

While some of the case study projects reported that without additional rounds of HE ESF funding they would not be able to continue in their current form, there was evidence that having HE ESF initially had helped them to make a strong case for being awarded funds from other areas in future competitive tenders.

There were some examples where projects had secured funds from other areas, which allowed them to continue in a similar vein once HE ESF funding had ended. For example, the Graduate Start-up scheme at Manchester Business School did not gain funding for the following HE ESF round in 2005-2006, and sustainability was an issue if it were to continue to run in the form in which it was designed. In the medium-term, however, they plan to run a similar project, but with a regional focus, through funding provided by Government Office North West. The experience of the HE ESF-funded work contributed to their success in obtaining this additional funding. Other projects had been successful in building on their experience gained through HE ESF projects to secure funds from other areas, including continued support from employers and other HEIs. One of the other SME projects which was still operating using HE ESF funds felt that they would be able to use the success of the HE ESF project to secure alternative funding to enable them to continue. In addition, the expertise gained by project staff in the bidding and project management process had undoubtedly equipped them to do this more profitably and successfully in the future.

Case study: Creative Futures Portal¹, University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester²

'It enabled us to create a good platform, which we have continued to build on.'

The HE ESF funding was provided in 2003-2004, but the portal continues today under the Creative Futures name, despite many changes in the HE arts and design landscape. It is a key part of the work of the Knowledge Transfer Office team at the newly formed University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester. It is funded by six of the former partner institutions (until 2007) and is therefore evidence of continued partnership working. The main focus of the work is placed on the 'recruitment' aspect of the portal, offering business to business and business to student/graduate networking opportunities, as this is the element most valued by employers as well as the students and graduates. The project team are looking to extend the service to cover the students and graduates of other institutions and from earlier cohorts, and are currently researching the demand for this. They will also need to explore alternative funding, including making some charge for the service.

¹ The project was originally called Work Bureau for Creative Enterprises.

² Formerly known as the Surrey Institute of Art and Design, University College.

Development of new partnerships

Some of the sustainability from these projects was hoped to be as a result of new partnerships formed which could be built on in future projects, and as a result of the networking opportunities which had enabled beneficiaries to become part of their sectoral and professional communities.

There was evidence from the case study projects that the partnerships formed were continuing productively well beyond the life of the HE ESF funding, providing benefits to individuals and businesses. In this way, HE ESF SME projects have been important in providing cohesion for graduates and SMEs in growth sectors, such as the creative industries, which are typically fragmented and benefit from interventions to assist with tackling the isolation that can often occur amongst those working within them.

Case study: Enterprising Women, University of Surrey

The project provides funding for specific courses and provides networking opportunities, and is funded until 2007. The strong networking aspect of the project has the potential to provide sustainable benefits, with beneficiaries able to plug into networks and make contacts which should serve them, and their sector as a result, well beyond the life of the project itself. For example, one beneficiary commented:

'I go to the majority of business breakfasts...being involved in the project is a launch pad to get into other things.'

It was built on the success of past projects involving women in business, and it is hoped that this project will also give rise to additional projects in the future.

5 Conclusions

In this final chapter we review the evidence we have collected about the impact of the HE national ESF projects and draw an overall assessment of their contribution to social, economic and labour market development. We also examine the impacts of the programme on the strategies adopted by higher education towards working with employers and the wider community. Finally, we identify some of the lessons for future policy on the delivery of structural funds that have emerged from the evaluation.

5.1 Economic and social contribution

The projects we have examined have contributed to social, economic and labour market development by:

- increasing the flow of high-level skills entering the UK labour market
- improving the quality of the flow and its relevance to employers' needs
- enhancing the employment chances of postgraduates and improving the operation of the postgraduate labour market
- contributing to growth sectors.

Below we look at each of these points in more detail.

5.1.1 Increasing the quantity of high-level skills

Getting more learners involved

A number of the projects we examined provided funding and support to graduates to undertake postgraduate courses. Over 5,000 learners have been supported by HE ESF since 2001 and nearly two-thirds of these learners (63 per cent) were employees within small businesses, while over 1,000 unemployed graduates had undertaken postgraduate courses. The SME support was widely seen as having offered a high

level of additionality, ie it had offered high-level training to new beneficiaries who would not otherwise have undertaken training without HE ESF funding. The picture for MSc beneficiaries was more mixed, as some of the beneficiaries on the MSc courses had suggested that they would still have studied in the absence of HE ESF support. These projects, however, have undoubtedly contributed to a net increase in the flow of people with high-level skills onto the labour market.

Widening participation in learning

The support has some effect on widening the pool of postgraduate intake, eg by encouraging women to take up courses generally populated by men, and the SME and employability projects had a particularly high take-up for people with disabilities and people from a Black or minority ethnic community. While we have not been able to examine beneficiaries' social and economic background, the anecdotal evidence from the projects themselves is that they have attracted beneficiaries who would not otherwise have afforded to undertake a postgraduate degree. In this way the funding may have provided a vehicle for beneficiaries from poorer backgrounds to gain high-level skills. However, there appeared to be more scope in some institutions to target students who would not otherwise get the opportunity to benefit from postgraduate study.

Facilitating the development of training or courses

Certainly the funds have been used to support people on postgraduate-level courses and training within SMEs who would not have been eligible for other forms of funding (eg from Research Councils). To this extent, the funds have filled gaps in the postgraduate and third-stream funding regimes. While the SME projects were made possible by HE ESF support, a number of the MSc projects were based on courses that had a life that pre-dated or succeeded such support. The funding, however, enabled these courses to be developed, and achieve an important critical mass of participants. This meant, for example, that employers were more likely to become involved in delivery etc. and that they were less reliant on overseas students. Many of these projects enabled participants to develop specific technical skill sets of value to particular science, technology-based or other sectors. Overseas students would be less likely to work in the UK for such employers and therefore less likely to meet UK skill needs.

High-level skills pipeline

Perhaps one of the most critical impacts of the programme is that it has not only facilitated the development of high-level skills but also helped pipe the flow directly into the labour market by improving students' employability and helping them get jobs, a point we return to below. HE ESF beneficiaries are more likely to gain employment after their participation than those involved with other ESF projects.

5.1.2 Improving the quality of high-level skills

The programme has been important not only because it has increased the quantity of high-level skills among graduates and the amount of training delivered to SMEs, but also because it has had an important impact on the quality of skills in two main respects: it has maximised their industry relevance and has helped beneficiaries develop wider generic or business skills.

Developing sector-specific technical skills

Employers and employer organisations (eg professional bodies and those established to support SMEs) had been involved in the design of the MSc and SME projects and also in the delivery. Such involvement helps ensure that the skills and knowledge that participants gain is up-to-date and will meet the needs of the particular sector. However, it can be difficult to match skill supply and demand exactly and we encountered concerns from some sectoral stakeholders about over-supply in some instances.

With regard to the MSc projects, accreditation also helped distinguish postgraduates from the growing supply of first-degree graduates by signalling to employers that the holder possesses a higher level of knowledge. A number of course directors also felt that their work-related delivery was also attractive to employers and, as it became more widely known, accentuated the value of the accreditation.

Generic and business skills development

A number of the projects not only helped beneficiaries develop technical capabilities but also provided opportunities for more generic skill development, eg in the areas of management skills (particularly within SMEs) or entrepreneurship. In one case, for example, beneficiaries on a postgraduate course related to business start-up were combined with work placements within SMEs, and in return the graduates supported these companies in developing overseas business strategies.

5.1.3 Enhancing postgraduates' employment chances

The ability of an individual to gain and retain suitable employment is a combination of the skills and capabilities they have to offer a potential employer and their ability to demonstrate those skills and find employers interested in hiring them.

While some of the projects had a specific orientation towards enhancing students' employability, all contributed in some way to improving the chances of gaining employment, not just by developing their technical and generic skill set but also by helping beneficiaries:

- develop their confidence in their own skills and abilities

- improve their understanding of types of employers and jobs available in their chosen sector
- build networks with potential employers
- demonstrate their credentials through work experience placements.

Some of the projects had a specific role in facilitating a more efficient postgraduate labour market, for example, by connecting potential employees and employers. Furthermore, others helped beneficiaries develop their capability to become self-employed or start up new businesses.

5.1.4 Contribution to growth sectors

One of the aims of the programme was to enhance higher education's contribution to the 'growth sectors' of the economy. This proved difficult to quantify because current measures by which industries are categorised fail to capture the high-technology activities that are often broadly defined as forming the 'growth sectors'. However, what can be deduced from the case studies is that it is clear that, for example, the content of the MSc projects has been designed to meet identified skills shortages, particularly in science, technology, and engineering sectors, as well as cultural and media sectors – areas of the economy identified in Chapter 2 as having significant GDP and employment growth. Indeed, around 80 per cent of projects that were targeted at specific industries were supporting sectors or activities in which a potential growth or skills needs had been more widely identified in the literature. The case studies also demonstrated that the ESF projects contributed to developing high-level skills of relevance to these sectors and facilitating postgraduate entry to employment, and that a very high proportion of the MSc beneficiaries did find employment after graduation. Although quantitative data on where beneficiaries found employment post-graduation was not universally collected, where evidence does exist, it suggests that the majority of these graduates do find employment within the growth sectors for which they trained. Employment levels were also enhanced through the number of beneficiaries who served work experience in these sectors during the course of their study.

While many of the MSc projects have clearly benefited from continued funding via HE ESF, there may also be other growth areas (eg particularly in business services but also perhaps in other arts and leisure sectors) which could also benefit from further injections of high-level skills. If one of the aims of the programme is to more directly contribute to the development of growth sectors, there may be scope for a continual review of which sectors most need support in developing their supply of high-level skills.

5.2 Wider benefits to higher education

In addition to the specific impacts on skills supply and employability, the evaluation has demonstrated that the HE ESF programme has had a number of wider impacts on the higher education institutions involved, including:

- **enhancing their overall reputation** with potential students, other institutions and employers
- **building overseas student recruitment channels** and thereby enhancing the financial viability of the institution
- **developing links with employers** and employer bodies, although most of these have tended to focus on the particular project and were not developed into a wider relationship
- **testing new delivery methods** and other innovations, although such developments have, in some cases, not been disseminated within or beyond the institutions as much as they could have been
- **building internal capacity** for both mainstream and third-stream HE activities, eg by giving people project management and project administrative experience, which in some cases has enabled the institution to access other funding streams.

5.3 Sustainability of activities post-HE ESF

A final set of issues that the report addresses relates to the importance of the funds to the continuation of projects, ie the extent to which projects are sustainable post funding. The report highlights how public funding for both postgraduate courses and third-stream activities in the UK is often scarce and piecemeal. In some cases, MSc courses fell between the remits of the Research Councils and there was an absence of alternative publicly available funding sources. Similarly, non-MSc employability projects and those supporting SMEs were often developed by HEIs in the absence of any other appropriate national funding. Lack of funds was seen as a particular issue by institutions that focused on teaching but were not among the top-rated research universities. The experiences of HEIs that were funded in earlier years of HE ESF, as well as the views among currently funded HEIs regarding their future funding options, provide some insight into the potential consequences of reducing this particular funding stream. These include the following:

- **Similar activities continue, largely unaffected.** A few non-MSc projects may continue with the support of internal HEI financing, funding from the original partners or other Structural Funds. One HEI reported how it was able to continue its activities through finding additional finance internally and via its original partners.

- **Similar activities continue but at a regional level.** The availability of some regional funds (eg from RDAs) means that some activities may continue in their current form but will need to change their focus – eg concentrate on regional development rather than national need. This would reduce the scope to develop partnerships or disseminate good practice at a national level.
- **Similar activities continue but with a different student composition.** Some projects will still attract overseas students, students funded through other sources (including industry) and students who are self-financing. However, not all students would be able to do this after completing their first degree and there is a possibility that those who do use savings are more likely to be mature students.
- **The scope to tackle unemployment among graduates may be reduced.** Some projects will continue but will have to become more commercially viable. This could affect their overall accessibility to unemployed or under-employed groups.
- **Some activities will cease.** A high proportion of non-MSc projects aimed at employability or third-stream activities will cease. Many of these projects are completely dependent upon external funding and without HE ESF support, or alternative sources of finance, these projects are unlikely to continue.

5.4 Lessons to learn

In the course of the evaluation we identified a number of points which could help inform how HEIs could better engage with any future Structural Fund programmes and the social and economic impact maximised. These include:

- **More targeting** of funds towards beneficiaries with specific needs and who would not otherwise benefit from a higher degree, eg ineligible for other forms of funding with a clear demonstration of economic need – to maximise additionality and avoid subsidising students who would find alternative ways of financing postgraduate participation.
- **Better dissemination** of the lessons learnt from the projects, especially Masters projects, both within and beyond the HEIs. Some institutions, or even departments, sought competitive advantage by exclusively retaining the knowledge and contacts gained in developing new courses at the expense of dissemination and knowledge sharing. However, other departments and institutions could benefit from learning about, for example, the model of close collaboration with industry and the practices that emanate from such involvement.
- **Developing clearer exit strategies** to ensure the knowledge and contacts gained are retained within the institution and the sector. One way forward is to require each project to develop and implement a simple ‘mainstreaming’ strategy before closing.

- **Placing an even greater emphasis on innovation** in project design; again to maximise added value and to avoid any form of dependency on ESF support.
- **Creating better links with sector-based organisations** to ensure that courses meet the needs of the overall sector and not the specific requirements of a few employers. There may be opportunities in some circumstances to formalise the 'skills pipeline' and identify employer funding for the development of particular courses or participants.
- **Ensuring that, where possible, programmes align with national skill strategies** and, for instance, the emphasis on further skill development and sectors emanating from the Leitch Review of Skills.

Appendix 1: Case Study Write-ups

This appendix presents brief write-ups of the 16 case studies¹ conducted as part of the evaluation.

Enterprising Women - University of Surrey

Year

The project 'Enterprising Women' started in January 2005 and finishes December 2007.

Main partners

UniSdirect (the business arm of the University of Surrey) runs the project with input from a wide range of partners which includes the University of Bath and CanDoCanBe. The University of Bath, CanDoCanBe, Arts & Business Programme, Everywoman Programme and Women's Wisdom Programme provide training courses for the beneficiaries.

Description of activity

This project aims to improve confidence amongst women and encourage them to be innovative, and in some cases start up new businesses. The main theme is encouraging entrepreneurial skills amongst women both in their employment and in starting up new businesses.

The project is headed by UniSdirect, who are the business arm of the University of Surrey. They provide funding up to £390 per head for specific programmes or courses; women have found that this will help them to become more enterprising within their business or when starting up a new business.

¹ We conducted two case studies at the University of Sunderland. The projects are written up together.

Two beneficiaries interviewed were interested in setting up their own interior design businesses. They both found different interior design courses which would help them progress and were funded to go on them by ESF money, which was channelled through UniSdirect as part of this project. One beneficiary undertook an interior design course at The Chelsea College of Art and Design, which taught her how to draw room plans by hand and how to present these plans to a client. This course was part-funded by the project and she also received money for travel expenses. One other beneficiary undertook a week-long course at KLC School of Design, learning about the finishing touches to add when designing interiors; this course was fully paid for by the ESF money.

As well as supporting individuals' courses, the funding for this project has also been used to support specific programmes such as ones put on by the University of Bath and CanDoCanBe. The CanDoCanBe programme was a three-month programme which included workshops on drawing up a business plan, confidence building and an element of signposting to other services where needed. The University of Bath's programme ran for 15 weeks. The first five weeks focused on personal development activities such as confidence building, and the remaining ten weeks looked into marketing the business, including how to assess the market.

Outside of the training courses, UniSdirect provides support and guidance if the woman requires it, access to other women in business-orientated day courses, or networking opportunities such as 'business breakfasts'. Once a woman is part of the project they receive emails concerning other events they may be interested in. There is also a Continuing Professional Development (CPD) element to the project.

Beneficiaries are required to come up with an action plan at the start of their involvement in the project, and support and guidance is available throughout. This can help foster lifelong learning that also helps women become more enterprising.

Rationale for project

There is a lot of evidence on the issue of women in self-employment. It was shown by a DTI report 'Cross cutting Review of Government services for small business' (2002) that the number of women starting their own business in the UK is lower than in other countries. Other reports were used to further support this finding.¹ Connected to this was evidence from SEEDA (South East England Development Agency) and SWRDA (South West Regional Development Agency) that women need to be better supported in their workplace as they tend to participate in training less and face difficulties of progression. As a result, this project provides funding for courses to

¹ The Federation of Small Business report: Carter S, Mason C and Tagg S (2004), 'Lifting the Barriers to Growth in UK Small Businesses'. The Industrial Society report: (2001) Britain's Business Women – the under funded minority.

enable women to be more successful in their current job or to aid them in setting up their business.

This project was also appropriate for UniSdirect to undertake as they have previous experience in running projects around helping women to progress, and projects focused on SMEs. They also put on 'business breakfasts' which involve mainly new micro-sized businesses, coming together in the morning to network informally and listen to a speaker talk about relevant issues such as business models. Therefore, they could build on the expertise and the activities already in place and enable women to be more entrepreneurial.

Outcomes and impacts

The beneficiaries are women mainly from micro-sized businesses (one to nine employees) and sole traders; approximately 90 to 95 per cent of beneficiaries are in this group. Their backgrounds are mainly White British, aged between 25 and 49 years, and there are approximately four beneficiaries with a disability. The beneficiaries are from across the South of England.

They had more beneficiaries than planned; they expected 200 beneficiaries which went up to 300 and then to 370. They had to tell the HE ESF Unit about this as there was a 'significant change' in the numbers. However, they did not need more money since funds from categories where there was low take-up, for instance childcare and travel, was used to fund more beneficiaries.

As a result of the funding, beneficiaries are able to access training courses in a broad range of areas, including interior design, plumbing and marketing, which allow them to develop skills needed for their businesses. One beneficiary learnt how to draw, by hand, room plans and how to present these to prospective clients:

'The course was about the basic principles of interior design...I could use these skills tomorrow; it was very very relevant.'

(beneficiary)

Participation in the project can increase beneficiaries' confidence, either through increasing their skills or due to the confidence-building units which the training run by CanDoCanBe and the University of Bath incorporate.

One beneficiary said:

'The skills I have developed are more confidence and not to worry about mistakes, just move on.'

(beneficiary)

Views from other partners:

'The biggest thing that came out was confidence, a lot of these women knew what they needed to do but they just didn't have the confidence to 'phone up and ask for it.'

(CanDoCanBe – programme manager)

'After taking part they had a lot more confidence that they could actually do it.'

(programme manager, University of Bath)

Beneficiaries involved with this project are also sent emails regarding other events UniSdirect are involved with that might benefit them, such as the business breakfasts.

Beneficiaries differ in the degree to which they have accessed networking or workshop opportunities through UniSdirect. One beneficiary interviewed did not have much contact with UniSdirect, although she did attend one half-day seminar on 'Being Your Own Boss'. However, another beneficiary interviewed was very involved with this aspect of the project:

'I go to the majority of business breakfasts...being involved in the project is a launch pad to get into other things.'

(beneficiary)

Just being part of the project was very important to one of the beneficiaries interviewed. She stated that being able to say on her website that she has been involved with the 'Enterprising Women' project ran by UniSdirect adds 'kudos' to her business:

'The name Enterprising Women sets you apart.'

(beneficiary)

Organisations such as CanDoCanBe and the University of Bath have improved their profiles as a result of their involvement with the project. In particular, CanDoCanBe is run by a female sole trader; therefore, this project has enabled her, as well as the women participating, to establish herself and her reputation. For the University of Bath this project allowed them to improve links with the local community, which is of particular importance as the campus in Swindon, where the programme is run, is relatively new.

The University of Surrey has also benefited from a raised profile as a result of the 'Enterprising Women' project. The university has extended their contacts throughout the South West through their partnership with the University of Bath, as well as establishing contacts with other women's organisations such as CanDoCanBe.

UniSdirect is using lessons learnt from these types of programmes to advise other departments in the University of Surrey when they are setting up courses for mature students. For example, they advise on what types of resources and templates will be

appropriate for those coming from the workplace in comparison to those from full-time education.

The project and development manager felt there will be benefits to the economy as a result of this course. Managers of small businesses will be better trained as a result of participation in the project and it may enable more small businesses to flourish:

'The course is enabling and makes participants more proactive...they become a more able part of the workforce.'

(development manager)

The future

The project is still on-going and finishes in December 2007.

It has built on previous women in business projects, which in turn have built on similar projects before; therefore, it seems likely there will be another one following this one, albeit conditional on securing funding.

MSc/MA in Environmental Science - University of Manchester

Year

There have been various Environmental Science projects, such as 'Interdisciplinary Environmental Skills Training Leading to a Masters Degree', which have received ESF funding every year since 2001-2002. There is currently one such project about to begin in 2006-2007. Each year the projects are essentially a variation on a theme with students accessing similar Masters courses and undertaking extra units applicable to the theme that year. In 2001-2002 the project name was 'Interdisciplinary Environmental Skills Training Leading to a Masters Degree'. In 2003-2004 the project name was 'High-Level Training to Produce Entrepreneurial Environmentalists with a Masters Degree'.

Main partners

The projects are run with input from the programme managers in the Environmental Science Department (programme managers are those responsible for the specific Masters courses students choose to access through this project), and tutors which teach these courses. Outside of the university, broader partners identified include employers such as environmental consultancy firms (both local and national ones), past students who have become prospective employers, and the Environment Agency.

Description of activity

Since 2001-2002 there has been an ESF-funded project running such as the 2001-2002 'Interdisciplinary Environmental Skills Training Leading to a Masters Degree'. These project titles are umbrella headings under which students can participate in a number of MSc/MAs in Environmental Science according to their needs and interests. One such Masters course is the MA in Environmental Impact Assessment.

On each specific Masters course some students will be ESF-funded, whereas others will not. Those who are ESF funded, regardless of which Masters course they are undertaking, come under the ESF-funded project title running that year. In the years 2001 to 2004 there was also some extra business development training provided, by the project manager, for ESF-funded beneficiaries, although other students could also access it. This training was an intensive one-week course which was primarily focused on improving employability through the consolidation of soft skills such as presentation skills. It also used role play to enable beneficiaries to experience different aspects of environmental consultancy.

The project enables students from broad Environmental Science degrees to specialise in a particular aspect of Environmental Science. One Masters they can access is the MA in Environmental Impact Assessment. This is a one-year Masters which

incorporates a number of modules based around an EIA (Environmental Impact Assessment) theme, including conducting a mock EIA as a group, and finally a 15,000 word dissertation.

Stakeholders feed into the design of the different Masters courses' content; for example, employers suggest areas they would like researched, and a student will research it for their dissertation. Also, employers and outside agencies such as the Environment Agency quite often act as external lecturers on the Masters courses. The involvement of employers in the design and delivery of the Masters courses is largely informal.

Rationale for the project

Graduates with general Environmental Science degrees were finding it difficult to get jobs in the Environmental Science field. This was compounded by the fact that most employers require a Masters qualification, as most undergraduate Environmental Science degrees were felt to be too broad. This was an opinion shared by those interviewed for the evaluation.

It was highlighted by research that the UK environmental sector had skill deficiencies.¹ These Masters could help to address these skill deficiencies. Research conducted by the Environment team at Manchester University (which the project manager is a part of) identified the skill needs of the environmental sector which these projects focus on meeting.

Another factor mentioned is the financial burden undergraduate students have that prevents them accessing postgraduate education. The University of Manchester has conducted research into this area and identified how a lack of finance prevents undergraduates studying for further degrees. Therefore, the project manager stated ESF funding was needed to enable these students to access these courses which would benefit the skill needs of the environmental sector while helping their employability. The project manager said:

'Increasingly with loans, first-degree students are finding it increasingly hard to do a Masters degree and then finding it hard to get employment.'

(project manager)

Outcomes and impacts

The beneficiaries of these projects have included mature students, women returners and undergraduates. The largest group tends to be undergraduates from both the

¹ In research commissioned by the National Environment Research Council. This included Connor H and Dench S (2000), *An update on the Masters market*, IES report; and Court G et al. (1995), *Skill requirements and priorities in the environmental sciences*, IES.

University of Manchester and other universities. The criteria for ESF-funded students are that they have to be from the UK and have a 2:1, although for mature students they tend to be more flexible, and individuals have to display a keen interest in the field of Environmental Science.

Having the Masters qualification itself was a benefit of taking part in the project. One past beneficiary felt this qualification is an entrance requirement for environmental consultancy and so has enabled them to get their job. The programme manager also stated there are job outcomes for most students as a result of having an MA in Environmental Impact Assessment.

The Masters helps consolidate and extend soft skills such as teamwork and communication, as well as increasing maturity. As part of the MA in Environmental Impact Assessment, students undertake a team project which involves them in conducting a mock EIA. One past beneficiary's view of this project is:

'From a professional point of view, while the academic side and legislative side is very important and you do need that to be able to do EIA in practice but at the end of the day you could learn that from a text book if you needed to, but I think it's the interaction, actually carrying out projects is the thing that really sets you up for going into a job.'

(past beneficiary)

Feedback that the programme manager of the MA in Environmental Impact Assessment has received from environmental consultants is very positive about the team project element of the Masters:

'The project to me, he said, is the equivalent to work experience.'

(programme manager, MA in Environmental Impact Assessment)

It was felt that the ESF funding allows some students to access these Masters courses and therefore reap their benefits, who otherwise may not have been able to. It prevents debt that undergraduates already have being such a barrier to accessing the course. The funding also enables students to focus more on their Masters instead of having to work to support themselves. One past beneficiary interviewed felt the ESF funding did not seem to make a difference when studying; however, post-studying it has:

'ESF funding wouldn't have made a difference at the time because as a student you're just adding it to other debt which is in the background, but it certainly made a difference when I was paying off my loan.'

(past beneficiary)

From employers' perspectives, the project, and the Masters programmes included under it, are helping to meet some of the skill shortages highlighted by research, such as increasing the numbers of individuals with Masters in the Environmental Science field. The use of employers as external lecturers and consultants, in some cases

guiding students' dissertation topics, enables students to find out more about prospective employers and employers to meet potential employees. One past beneficiary's view of the use of external lecturers is:

'It was really useful as the academic side of things is often quite different from the implementation of it...it was very interesting to get feedback from their [environmental consultancy] point of view.'

(past beneficiary)

ESF funding enables the Environmental Science Department to increase the number of postgraduate students, which is part of the 2015 vision for the University of Manchester, as well as enabling them to compete with other universities which also have funding. It has also impacted on other departments within the University of Manchester, such as the Manchester Science Enterprise Centre, as well as facilitating closer working relationships between people in different departments.

In 2003-2004, the Manchester Science Enterprise Centre was involved with the project entitled 'High-Level Training to Produce Entrepreneurial Environmentalists with a Masters Degree'. One student funded by ESF under this project undertook a Masters which combined enterprise and Environmental Science; therefore, they were taught by both departments. This was the first time the Enterprise Centre had a student who received ESF funding. The following year the Manchester Science Enterprise Centre and MMU (Manchester Metropolitan University) successfully jointly applied for ESF funding.

The future

There is another ESF-funded project beginning 2006-2007 which is financing students to go on Environmental Science Masters. It is not known whether beyond that the Environment Team at the University of Manchester will continue to apply for ESF funding.

Without ESF funding it is likely the Masters courses will continue as some students will still be able to pay the fees, or will take the risk and borrow the money to undertake it. However, some individuals will not be able to access the Masters courses and it is likely that others will save for it, which will increase, on average, the age on the course.

The Graduate Start-up Scheme - Manchester Business School

Year

The Graduate Start-up Scheme course ran at Manchester Business School (MBS) in 2003-2004. The qualification gained as a result of participation was a Postgraduate certificate in European Business or Entrepreneurship Management.

Main partners

Manchester Business School (MBS) is a part of the University of Manchester. It ran this programme in partnership with SMEs, across the sectors, as well as with the inclusion of all staff at MBS.

Description of activity

The course was aimed at providing business skills to those who had not undertaken vocational/business orientated undergraduate degrees. It was directed at graduates from a Humanities or Arts background as they were likely to have a lack of business skills and, therefore, were more disadvantaged in the business arena. These individuals were particularly targeted as they tended to end up being under-employed following graduation.

The Graduate Start-up Scheme was focused on the SME sector through the live project element and helped some of these beneficiaries to set up their own businesses. As part of the course, beneficiaries undertook units specifically aimed at business skills such as accounting, finance and marketing. Also, as part of the course, SMEs in the North West were recruited who were not currently doing business overseas. The beneficiaries on the course, as part of their live project, prepared an entry strategy for these SMEs; they identified countries abroad they could move into and prepared research on the best entry strategy for the SME.

For those beneficiaries who wanted to start up their own businesses, instead of participating in the live project, they undertook an entrepreneurial project. As part of this project they devised a business plan for their business which included market analysis and financial planning. Those who set up their own business were provided with grants from MBS to fund tasks such as discussions with solicitors when registering their company, as well as on-going support following the course's end. Around ten out of the 66 beneficiaries pursued the self-employment route.

Rationale for project

The project had two main themes. Firstly, it was aimed at under-employed or unemployed graduates without business management skills. It aimed to enhance these types of individuals' employability via improving their business, management

and soft skills. It also aimed to focus these skills towards the SME sector and aid some individuals without such business skills, who needed them to set up their own business.

There is statistical evidence that people who graduate without vocational skills or work experience are unable to find work which uses their skills and they end up in jobs not fulfilling their potential – are under-employed.¹ These types of graduates also often end up in jobs where the staff turnover is high, such as call centres. However, it was stated in the project application that call centres, which often employ Arts and Humanities graduates, are moving abroad, which highlights future unemployment problems for this group of undergraduates. Therefore, this project aimed to improve the employability of unemployed and under-employed graduates.

Manchester Business School's labour market analysis also showed that there was a strong demand for this type of project; projects focused on enhancing the employability of undergraduates possessing few vocational or technical skills.

The other key theme throughout the project was SMEs. This project helped SMEs through the live project to come up with an entry strategy into a European country. Often SMEs are unable to pay for a consultant to do this for them and may not possess the skills to do it themselves. Therefore, this project gave beneficiaries the skills to be able to do this and then provided this service to SMEs free of charge.

Also, within the SME theme, one of the reasons why start-up businesses do not survive is a lack of skills and support. Therefore, this course provided individuals who wanted to start up their own business with these skills, as well as the support of MBS.

Outcomes and impacts

This project was aimed at graduates with a lack of vocational and technical skills, which often acts as an obstacle to them finding employment. Often such individuals end up unemployed or under-employed. The priority for the course was those with a lack of business and soft skills. It also sought to help these beneficiaries to set up their own business by giving them the support and skills to do so.

One past beneficiary interviewed mentioned a lack of business skills as an issue:

'When I graduated I knew I wanted to work in business...I hadn't applied to jobs during my final years due to having too much time pressure so my plan had been to look for a job when I came out of university, but I found it quite difficult because I didn't have any business skills.'

(past beneficiary)

¹ Research undertaken by Manchester Business School.

This course aimed to solve this issue and allowed these beneficiaries to access the business skills they needed to get jobs. It did this through taught units such as marketing, through the live project and through general support offered to beneficiaries to encourage them and help them with applications. One of the tutors said the project aided beneficiaries as:

'Many of them come onto the programme with very very limited and almost zero business skills/business knowledge and I think at the end of the programme they have a very very thorough grounding in business and most of the students are very employable after they've finished the course.'

(tutor)

One past beneficiary mentioned the encouragement and help with applications as a particular benefit:

'I was given lots of encouragement to read the FT and just pull out articles on companies I was applying for...perhaps without the support I would have given up on the application form for my current job and not got the job.'

(past beneficiary)

Out of the 66 beneficiaries on the course, ten went on to set up their own businesses. These businesses included:

- student services Internet business
- small chain of bakeries
- Internet business enabling students to look for lodgings
- skiers' travel agency.

All of the businesses above are still successfully on-going. The project manager and tutor interviewed felt the course had led to positive job outcomes for the remaining 56 beneficiaries who had not set up their own businesses. This was based on their knowledge of job outcomes for students, informal feedback they had received and also on requests for references.

The live project part of the course, which those not starting up their own business undertook, was seen as an integral and innovative element. This enabled beneficiaries to demonstrate their practical skills, which aided them when applying for jobs (and in future jobs) and provided useful skills and resources to local SMEs. The project manager and a past beneficiary stated:

'Most business degrees use case studies...but real-life projects, like the live project on this course, which are defined by the company...I think is very innovative, I'm not sure others do this...I'm sure it's very rare.'

(project manager)

'The live project helped with my current job...in the strategy team I used the skills learnt from it.'

(past beneficiary)

The course has enabled SMEs to expand and increase their trade into European markets. It has offered them the skills and resources needed for free in order for them to successfully enter a European market. The course has also supported ten new start-up businesses.

The course benefited Manchester Business School, and so the University of Manchester, through increasing contacts with local SMEs. It is hoped that future collaborations between such businesses and MBS may happen as a result of these closer contacts. This course may also enhance the strategy and reputation of MBS and the University of Manchester if students from it are seen to be good and if students talk about it in a positive light to prospective students.

The future

The project manager applied for funding for 2005-2006, but was not successful. Nonetheless, they have received ESF funding via the Government Office North West for a similar project. However, because of the funding they have received, the focus is regional rather than national.

Sustainability is an issue for the project/course. Without outside funding it will be difficult for the project/course to continue because the university has only limited resources, and the target group – unemployed/ under-employed graduates – will not be able to afford it.

MSc in Toxicology - Birmingham University

Year

The MSc/MRes Toxicology course at Birmingham University received ESF funding in 2001-2002, 2003-2004, and 2005-2006.

Main partners

The Biosciences Department at the University of Birmingham run the course with input from a wide range of partners, including employers in the industry such as AstraZeneca.

Description of activity

Toxicology is the study of environmental pollutants and chemical safety. The MSc course in Toxicology at Birmingham has run for many years and existed prior to obtaining ESF funding in 2001. Beneficiaries are unemployed graduates who come from a range of scientific disciplines. The course aims to help these graduates to obtain appropriate employment by providing specialist training alongside developing their personal and employability skills.

The content of the course has been adapted over time in response to scientific advances and the needs of industry. The course involves employers in the design and the delivery of its content. Employers take lectures and provide industrial placements for the students. The proportion of students on the courses who receive ESF money varies from between one-third to a half.

The course is regularly reviewed. One aim of this process is to ensure that it is best meeting the needs of employers and beneficiaries, to ensure it remains current and includes new developments in the industry. As a result of these reviews and informal feedback, the course content has evolved over the period of time it has been supported by ESF. For example, in response to industry demand, the environmental and ecological aspects of the course have been increased in recent years.

The ESF funding has also enabled the Biosciences Department to develop an MRes course in Toxicology in response to industry needs, and through the department's increased industry profile and resources to develop and run a Continuing Professional Development (CPD) programme for industry.

Rationale for project

There is an expanding need for individuals with specialist toxicology skills. This is being driven by the increasing awareness and concern of society and government about chemical safety. There are an increasing number of national and European

policies which mean that chemicals need testing for safety. For example, Registration, Evaluation and Authorisation of Chemicals (REACH), which came into force in 2006 places the onus on business to show that the chemicals it uses are safe. The legislation is also meant to encourage the replacement of hazardous chemicals with safer ones and to spur the chemicals sector into researching and developing more new products. This, amongst other legislation, is likely to increase the demand for toxicologists.

In addition, the UK Chemicals Strategy aims to *'avoid harm to the environment or to human health through environmental exposure to chemicals'* and establishes a basic duty of care on manufacturers and users of chemicals to provide information. Qualified toxicologists are required to undertake this work.

A recent report by the Association of the British Pharmaceutical Industry¹ detailed the industry's current and future skills needs and priorities. One skills gap was the lack of practical experience and industrial experience among graduates in the toxicology field. This is addressed by the course. In addition, toxicology, particularly in vivo toxicology, was also identified as a very high priority.

Outcomes and impacts

Employer involvement in the design and delivery of the course helps it to meet the needs of industry. Specifically, employer delivery of course content, industrial placements and company visits facilitate the success and benefits of the course for students, employers and the university.

The lectures from employers help to build links between the students and industry. One ex-student who is currently studying for a PhD described how the invited industry speakers gave students ideas about careers options and enabled them to make industry contacts.

All students have the opportunity to undertake a placement and research project. For the MSc students this is a three-month placement, and for the MRes students it lasts six months. The industrial placements can facilitate the benefits of the projects both for students, who can see what it is like to work in industry, and for employers who can screen a potential employee.

One student said that the industrial placement was:

'An opportunity to apply knowledge gained to solve real problems in the industrial setting. Having to have responsibility for oneself and self-discipline in working, eg planning experiments, ordering material and analysis of results, was brilliant for me.'

(ex-student, now working in toxicology)

¹ ABPI (2005), *Sustaining the Skills Pipeline in the Pharmaceutical and Biopharmaceutical Industries*, ABPI.

The visits to employers throughout the year were also seen to be valuable and an important aspect of the project's success:

'The Clinical Toxicology module was taught entirely at the Clinical Toxicology unit in Birmingham. This allowed us to see how our knowledge could be applied. We also visited Huntingdon Life Sciences, AstraZeneca, Sequani and a sewage works. This also illustrated where we could use our expertise.'

(ex student, currently studying for a PhD)

The project is well-known within the industry and employers approach the department to circulate job opportunities to students. This increases the benefits both to employers, who have access to suitably qualified individuals, and to students as they are aided with their job search.

Students have their fees paid by the ESF money and receive a monthly allowance of approximately £390. Many students said that they would not have undertaken the course without the funding; although a minority (five out of 17) said they probably would have. Students reported that they did not have to worry about paying fees and living costs and could therefore concentrate on their studies, and felt this to be a considerable benefit of the ESF funding.

Of the 72 funded ESF students whose first destinations are known, 65 per cent have gone on to work in the industry in roles such as Poisons Information Officer, Clinical Scientist and Environmental Monitoring, 29 per cent continued onto further study, such as a PhD, and six per cent went to work in other industries.

In the short term, the course helps students to decide which area they want to specialise in. The employer visits and other elements of employer involvement seem to be particularly valuable in this regard:

'You get to see the people you want to work with, you get to see what the deal is and whether you like the company, what their interests are and what you would be doing if you worked for them.'

(current student)

'It was a wonderful introduction to the world of commerce, to see how a large scale multi-million pound business is run. It helped me to gain an understanding of the many areas of work into which I could build my career.'

(ex student, currently working as a public health information officer)

In the medium to long term, the course and qualification has enabled students to secure work in the industry or to progress to further learning.

'If I'd not done my MSc I wouldn't be doing what I am now and I couldn't get the job I wanted without an MSc. The undergraduate degree didn't give me enough lab experience.'

(ex-student, currently working towards a PhD)

'I feel the MSc has made me considerably more employable, and the employment opportunities I have had have largely come about because of the extra depth of knowledge gained, which is of great use in such a competitive field.'

(ex-student, currently working in a drugs information company)

'I gained employment within six months of graduating from the course and am certain that was because of my qualification.'

(ex-student currently studying for PhD)

'Career-wise the MRes degree was a "launch-pad" for my career. I was offered a job at the company where I did my industrial placement.'

(ex-student now working in toxicology)

'The ESF fund essentially allowed me to gain further academic achievements and to provide myself with a greater chance of getting a job with career prospects which I otherwise would not have obtained.'

(ex student currently working as a public health information officer)

Employers are very involved with the course and this would not be likely if they did not benefit from their involvement. There were a number of reported benefits for employers to the MSc Toxicology course. Employers have access to a pool of newly qualified graduates in a specialised field. Employers contact the department when vacancies in their companies arise which are then circulated to students. This highlights that employers are interested in employing the students from the course.

Employers are also able to present the benefits of working in their company to potential employees by being part of the course's employer visits. One employer who takes MSc students round their research facilities reported that the open days are a good advert for the company and directly increase the number of applications from graduates to the company. This employer currently had six ex-students working in toxicology within the company and other ex-students were employed in other departments.

Employers who provide placements are able to assess the suitability of the student to their work environment while they are on their placement. In many instances students are offered work with the companies that they did their placements with.

The ESF funding helps to increase not only the number but, according to the course director and tutors, also the quality of students on the Masters' courses. High-quality students reportedly tend to look for funding for further study. The Masters students are drawn from a range of disciplines and the department is in competition for graduates not only with other universities offering Toxicology courses, but also with those offering other science-based courses. The department fears that without the ESF funding, high-quality students might be attracted by funding elsewhere.

In addition, ESF increases the numbers of students on the course. Employers are heavily involved in the design and delivery of the course, and without a certain level or critical mass of students and potential employees, they may not think that their involvement is worthwhile. When there are more good-quality students they are likely to feel more committed to the course.

The ESF funding has also had specific benefits for the university. It has helped to support the Masters courses which are an intermediary between primarily taught undergraduate courses and largely research-based PhDs. Through the Masters courses, students can start to develop their research skills and independent working, which can lead to a PhD. It is felt to be important that this link and continuity of learning exists within the department.

A number of students do their research projects within the department and this has benefits for the university. There are often publications and findings of importance and these increase the status of the department and its body of work, and could lead to grant applications.

The MRes course has recently been developed in response to the needs of industry and would not have been developed without ESF funding because a lot of development work was needed. One company, which does a lot of teaching on the course, made it known that there was a need for research-based training for toxicologists. The MRes course has fewer taught elements and involves more practical and research work than the MSc. The company which initiated the development of the MRes pay a proportion of the course tutor's salary.

The course director is involved in a Continuing Professional Development (CPD) programme for industry. Employers in the industry ask for specific content to be covered by the programme, which is delivered in the workplace. Such involvement enhances the department's understanding of the needs of employers in the industry. The CPD programme has been assisted by the existence of ESF funding for the Masters programmes as it has increased the department's resources and industry reputation.

The future

The project was already established prior to being supported by ESF funding. It is likely that if ESF funding is withdrawn, the course will continue, although the number of students would probably decrease unless another source of funding to support students can be found. There may be potential for a small number of students to be funded by industry.

Digital Animation Workshops - Loughborough University

Year

Digital Animation Workshops was funded between January 2001 and December 2002.

Main partners

Digital Animation Workshops was run by Loughborough University in partnership with employers in the animation industry who provided animation studios and cells.

Description of activity

The Digital Animation Workshops project was developed by the School of Art and Design at Loughborough University in partnership with practising animators. The project used distance learning, blended physical and online resources and developed an online support community in order to meet the requirements of learners in the animation sector. The majority of the funding period was used to develop the materials. The live component of the project, with the website and tutor support, ran over six months. Once the project finished, the website was not maintained.

The course was delivered via a CD-ROM and supported by online tutors and an online community of forums and notice boards. The beneficiaries included people working in industry, undergraduate students and amateurs.

Learners received instructions for the course, a peg bar (a piece of animation equipment), registered animators' paper and a pencil, and a CD-ROM which contained the exercises. The exercises included drawing a bouncing ball to practise capturing and representing the physics of movement and creating images which captured the movement of different weights, for example lifting a cannon ball. For each exercise, learners could make up to three submissions. There was no time limit or deadline by which to complete assignments; the limit was the time of the project's life.

The exercises that learners completed formed part of the online forum and notice board. When a student was working on an exercise they were able to see, via the website, whether anyone else had worked on it, the questions they had raised with tutors and difficulties they had. As more learners took part, there was a growing body of postings.

Rationale for project

The animation sector in the UK consists of approximately 300 companies and 3,000 animators. The sector has a non-traditional structure, with a high proportion of freelancers and a prevalence of short-term and temporary employment contracts. There are some large companies in industry terms, but they may only have ten

employees. The small size of most companies combined with the high number of freelancers in the sector means that it is difficult to get a critical mass of learners to support training. Hence, e-learning was the chosen delivery method for Digital Animation Workshops.

The project developers worked with Skillset (the Sector Skills Council for the Creative Industries) to gather labour market information to evidence the training needs of the sector. They drew on the findings of the Skillset survey *'The Animation Industry'*, which reported that 38 per cent of animators had received no training, and 44 per cent of companies rated pre-entry training as 'not good'. In addition, 41 per cent of animators expressed a preference for self-teaching or distance learning.

There was anecdotal evidence from employers in the industry that there was a gap between the skills of graduates and the skills that were required by the industry. Degree courses were not teaching an industrial model of animation which included traditional animation techniques. This meant that individuals could not enhance their computer work by drawing upon knowledge of traditional animation techniques. This gap had traditionally been filled by short residential courses, but the learners they were aimed at often experienced barriers to undertaking this training, such as cost and time out of work.

Technology has changed the structure of the animation industry. Many more junior roles have been out-sourced overseas. These junior roles used to give new or inexperienced animators the opportunity to acquire skills and experience techniques. Via out-sourcing, some of the knowledge and disciplines of the studio have been lost, as has a route for training the next generation of home-grown animators. This project intended to meet this need by helping learners to acquire more traditional animation skills and experience.

Outcomes and impacts

The majority of the learners on the Digital Animation Workshops course were either working full-time or in full-time learning. The e-learning model made the course accessible to these groups as it could fit around other work and learning commitments.

Comments from learners about their experiences of the online forums and notice boards were mixed. The online forums and notice boards facilitated the exchange of information between learners and between learners and tutors and helped learners to feel part of a group. However, while some learners made good use of the notice board, others reported that there was a lack of feedback, and that the feedback was not critical enough to be developmental.

'I like the notice board and made good use of the information posted on it...I also liked that you could see other students' work and the marks they got – so you've got something to measure yourself against.'

'The online community was a good way to get feedback from other students at a similar stage and from tutors. It was also nice to be able to comment and see what other students had done. It helped you to feel part of a class rather than stuck on your own in a room in front of a computer.'

'The main problem was the number of students at a time. Since there was only a handful there was never much feedback, and the feedback was always good, no one ever gave any strong comments helping each other to improve.'

'The potential of the online community was vast and largely unrealised...it highlights the problem of not having the staff to keep such as enterprise dynamic and current.'

Information, advice and guidance was available informally through the tutor support system and the online community. Generally, learners felt that it was useful to be able to speak with or email tutors about their experiences of the industry. However, some learners reported that a more formal way of delivering this information might have been useful.

The main benefit for learners was that the course was practical and used moving materials and images rather than text-book based material, which is typically the way that undergraduate courses are taught. In addition, it was run by people working in the industry. One learner who was in full-time employment at the time of studying on the course said that the flexibility enabled him to select exercises which were of most interest and to work on those. He commented that *'online is the ideal way of delivery for this target group'*. Being able to submit work over the Internet and gain feedback quickly before starting work on other exercises was also felt to be positive.

Learners reported that being able to contact individuals working in the animation industry was a key benefit of the course and helped them to open doors and to make inroads into employment in the industry. Others reported that the skills they had learnt had been transferable to employment. For example, one learner reported that:

'The skills I have developed during the course...have helped me land a small number of freelance jobs and have got me to the interview stage of many full-time employment positions but have yet to help me find a job.'

One student who was studying illustration at Loughborough University when she enrolled on the course reported that the animation skills she learnt from Digital Animation Workshops meant that she was able to successfully apply for a grant to make an animation film. Since winning the grant she has become employed in the animation industry working as a runner on the children's cartoon Charlie and Lola. She felt that undertaking the Digital Animation Workshops course gave her a good grounding in animation, opened doors and helped her to move into the industry.

It was reported that the industry had been very positive about the project, although we did not interview any employers for this case study. The former project officer reported that employers liked the project because it broke the norm with delivery and was a model that met industry needs rather than one which was academic.

The project was standalone within the university. There is no degree in animation although there is a specialisation within the illustration degree which allows illustrators to conduct some animation work. There is now a research node which is part of the School of Art and Design and looks at animation as a potential for research projects. A professor was recruited on the back of the Digital Animation Workshops project and there have been requests to adapt the material for a BA (Hons) course.

The project had a wider impact within the university and has informed the university's strategy towards e-learning. Since the project, the university has withdrawn from e-learning except in instances where it enhances traditional students' experiences. This is largely due to the amount of time tutors on the programme had to spend supporting the programmes. Tutoring via email and the online community proved to be very time-consuming.

Two learners thought that an accredited qualification or series of qualifications for modules would have increased the sense of purpose and the focus of the course, and might also have increased the subsequent benefits from taking part. A qualification or certificate would have helped learners to demonstrate aspects of the course they had completed and would have given them an industry-relevant qualification.

'It would have been better if there was a recognised qualification or some sort of accreditation at the end as it just finished and some people might not have finished what they set out to.'

Although the project was flexible and learners could work through the exercises at their own pace, some learners commented that they were not aware of the project's timescale or its end date. This made it difficult for learners to plan their work and in other instances meant that work was left uncompleted when the project came to an end. It was suggested by learners that knowing the project's end date would have increased the impact the course had.

'I was very shocked when all the website stuff was cleared and I was suddenly told the trial was over...I never really had any idea of what was happening next and it's good as a student to be able to map the course out ahead of you before you start.'

'It ended quite suddenly and was withdrawn and many people did not know this was going to happen so I might have paced my work at a different rate.'

The future

The project team and animation centre reported that there is great potential to develop and build on what the project has achieved thus far. There are currently several potential ways forward being discussed and future plans are yet to be firmly decided upon.

There is potential for the project to inform the content of undergraduate courses so that they contain a component of traditional animation skills. This in turn would be

likely to lead to better-quality postgraduate students with the combination of traditional and high-tech skills that the industry is looking for. The project team are considering this either as a module for part of a degree from Loughborough or as a standalone CD-ROM. A CD-ROM would have the benefit of being able to be used by students at any university. However, it would not have the network of online forums and e-based support unless funding is found.

There are also other options to embed the content of the course in training provision. The team have had discussions with a studio to deliver the basis of the project as one component of existing animation training courses. There is a choice to be made in the near future about how the project is developed, which target audience (industry or student) and which way forward. Three of the learners interviewed for the evaluation noted that there is now a similar American website and course available called Animation Mentor. The chosen future source(s) of funding will ultimately depend on the direction in which the project team decide to take the project.

MSc in Computer-Based Information Systems and MSc in Electronic Commerce - University of Sunderland

Year

Both projects started on 2 January 2001 and finished on 31 December 2002.

Main partners

No other organisation was contracted to deliver the projects, although they were both developed in collaboration with partners on an advisory level. Both the E-Commerce and CBIS courses were developed in close collaboration with the Centre for Electronic Commerce and Digital Media Network. It was expected that representatives of the organisations would have a formal input to the projects through an advisory panel, and their members would be asked to contribute to the delivery and evaluation of the projects.

Description of activity

The ESF support enabled the university to offer fee remission and bursary support to eligible beneficiaries on the two courses.

The E-Commerce course provided full-time vocational training for unemployed graduates in (this) nationally recognised skill shortage area. ESF support thus, indirectly, prompted wider access and increased the availability of suitably qualified people to meet the increasing demand in e-commerce expertise. The training concentrated on the core computing/electronic aspect of the discipline rather than the business and commercial aspects. Beneficiaries received 45 weeks of specialist training, and were expected to complete real-world project work in collaboration with industrial clients.¹

The CBIS course enabled unemployed graduates to undertake further training at postgraduate level. This was a conversion course, which had the specific aim of providing much-needed technical computing skills to graduates from non-technical backgrounds. This served to improve the job prospects of the beneficiaries, while at the same time helping meet the demand from employers for advanced IT skills. The high-level training provided beneficiaries with *'in-depth understanding of the processes and techniques, as well as the knowledge and technical skills needed to specify, design, implement, document and support an effective computer-based information system while working in a team'*. The specific taught modules included Application Building, Information Systems Analysis, Hardware and Software for Distributed Systems Software Construction, and Database Systems. In addition, beneficiaries were offered

¹ University of Sunderland, ESF National Projects: Project Closure Report, Ref: 3038, 2003/04.

integrated job-enhancement support, including individual needs assessment, work experience, job search support and key skills support.¹

Rationale for project

The two courses were provided under the theme of 'training for unemployed graduates to meet national skill shortages'.

Identifying a need for the project

The University of Sunderland considered a number of potential projects for HE ESF support, but was guided in choosing the MSc courses in Computing principally by political and economic considerations. The choice was also informed by bidding criteria which stipulated that 'applications need to reflect national needs'. On evidence from labour market research, Computing appeared to be the most appropriate course, particularly because of the shortage of people with advanced IT and software skills in the UK as a whole, and the North East in particular.

Indeed, in the North East itself, the shortage of IT skills had prompted sectoral and employer organisations to persuade the Regional Development Agency (RDA) and the local government office to support a 'digital media cluster', Codeworks, to foster closer collaboration between SMEs and sector organisations to address the issue. Sunderland University was able to tap into this concern, and was advised by Professor Gilbert Cockton, director of the Centre of Excellence in the North East, in the development of courses aimed at meeting the skills shortage in this area.

The university was also aware that course costs were providing a real barrier to those from less affluent backgrounds, and that this was limiting numbers of applicants, and restricting the flow of highly skilled graduates to the computing and related sectors.

Main beneficiaries

The beneficiaries ranged in ages between 24 and 50. There were more men than women on both courses (ratio of about 3:1). The overwhelming majority were of White British origin. As might be expected, all the beneficiaries were unemployed, with varying duration of unemployment. The beneficiaries were selected through an application and interview process. The courses were advertised in the university prospectus, alumni magazines, local and national newspapers, and professional journals.

The beneficiaries were all described as individuals who would not have applied to the course because of costs. It is estimated that without ESF funding, the cost to each

¹ University of Sunderland, HE ESF national Projects, Project Closure Report, Ref 3036, 2003/04.

student participant on either of the courses would have been about £2,500, plus living expenses. Prior to the university securing ESF support, recruitment was limited to those able to self-finance the costs of the training and provide for their own subsistence, thus significantly restricting access.

Project outcomes

Both the E-Commerce and CBIS courses were over-subscribed. The predicted number of beneficiaries for the E-Commerce course was 48. The actual number of beneficiaries was 70. The predicted number of beneficiaries for the CBIS course was 40; but the actual number of beneficiaries was 78. In both cases, the extension of the funding period enabled additional recruitment of beneficiaries. The availability of ESF funding enabled Sunderland University to waive the fees and to provide bursaries for the eligible students/beneficiaries.

Project evaluation

Although there was no external, independent evaluation of the project, systems were developed to capture the necessary ESF information in relation to beneficiary completion rates and employment destinations. Furthermore, as accredited courses, all course activity was subject to nationally recognised quality approval procedures, including formal course reviews, external examiners' reports and student and employer feedback.

Project benefits and impact

There are several benefits from the two projects: for the university, the beneficiaries themselves, and to the IT sector as a whole.

The university

For the university, each of the projects has produced a viable course in computing. In terms of additionality, the projects have added value by increasing the number of students from a mere handful (about five) to well over 40. There is some evidence that the ESF projects have spawned new courses: for example, MSc in Multi-media Systems; MSc in Intelligence Systems; and MSc in IT Applications Development. As a result of industry contacts made through national ESF funding, local employers have asked the university to develop specialist courses in areas such as E-Technology for Business, and Security for Business. These are all courses that make greater use of the links with industry, and so have built up a worldwide reputation. It is hoped these will benefit Sunderland University further, by building on its reputation for HE/industry collaboration, and enabling it to attract more students from overseas.

Individuals/beneficiaries

The individuals themselves have been provided with the high-level skills that are valued and in demand from employers. The fact is that the industry and employers are less interested in first-level IT qualifications. The industry distinguishes between people with a computing qualification at undergraduate level and those with a Masters degree in the discipline. It is at this latter level, for example, that students acquire experience from working in companies during the course, and so are able to embark on high-level careers in the computing sector. Employers are more interested in qualifications and allied skills that are achieved at this level, because they are nationally recognised and are also transferable. The courses have provided the beneficiaries with both the skills and confidence which will enable them to participate in the wider labour market.

Industry/sector

The sector as a whole has benefited from the flow of graduates, something it would not have without the two projects. There is evidence that these graduates are injecting new ideas and skills into the sector.

The future/sustainability

There is some evidence that the projects will continue after this round of ESF funding, or at least for the time being. Following the initial funding from the national ESF pot, Sunderland University has been successful in accessing funding from the regional ESF pot, to continue the courses. However, it is not certain whether this will continue indefinitely. There is a real danger that without the continued support of ESF funding, the courses will revert to the situation where there are only small numbers of students again.

Key lessons

- **For the university:** It is always useful to build momentum, or develop critical mass, in a particular area. This creates a 'buzz' that helps to attract good-quality staff and students. Focusing the funding on the particular area of computing – new, exciting and growing – generates its own momentum and new ideas too. New areas of activity are also created when the strengths of the university are aligned with the needs of external stakeholders.
- **For students:** Accreditation (of the course) is important for students. ESF funding ensures that students are more likely to make a career in computing after completing the MSc programme. In particular, this is training that has links with industry, and so provides students with the experience employers look for when recruiting.

- It is important to bear in mind that there are implications for **widening participation here**. Without ESF funding, the university would have nowhere near the number of students participating in the MSc courses. And while the university benefits from the funding, the bulk of the ESF money is used directly to support the students.

The projects have enabled the University to enhance its reputation for delivery in this field, to build greater links with employers and the sector generally, and to develop and market-test new training and delivery methods. However, it remains to be seen whether these developments will be sufficient to secure the long-term viability of the training, post ESF. There is a real danger that only small numbers of people will be able to afford the full costs of training, and that the flow of highly skilled graduates, much needed by the sector, may decline significantly.

MSc in Biodiversity Conservation and Use/MSc in Applied Genetics - School of Biosciences, University of Birmingham

Years

HE ESF Objective 3 funding rounds 2001-2002 and 2003-2004.

These courses have received ESF funding for many years, and this has funded most of the UK students on these courses (all UK students in more recent years). The courses have been running since 1969, but have changed greatly since then, being virtually unrecognisable from their original form. The courses change year by year, partly in response to evaluation and consultation from the industrial partners.

Rationale for project

These Masters courses aim to provide vocational training for unemployed graduates who lack professional qualifications, vocational experience and industry relevant skills, and seek a career in conservation and biodiversity. First degrees do not equip them with the skills and experience required by employers in the industry.

At a DEFRA conference hosted by the University of Birmingham in 2002, Michael Meacher the (then) Minister for the Environment, highlighted that 'the benefit to the national economy of conserving and improving the sustainable utilisation of our native biodiversity is substantial and critical, but there is a requirement for highly skilled personnel which are currently in short supply'. This sentiment has been echoed by other government initiatives. A report commissioned externally and written in 2004 by one of the School's academic staff, also clearly stated the need for MSc training at this level and in this subject area.

The University of Birmingham has provided these Masters courses for many years and is recognised internationally in this field. Its graduate employment record is high, with 92 per cent of its graduates gaining jobs within the sector and the other eight per cent gaining jobs in other fields. The School of Bioscience also commissioned an independent evaluation of its programmes in 2004, carried out by an external academic, Susanna Thorpe. One of the purposes of this evaluation was to bring a fresh eye to the School, and ensure that its provision was in line with its aims. The resulting report confirmed that the programmes, including these Mscs, were highly relevant to the skill requirements of the sector.

The HE ESF-funded activity

The HE ESF funds go to UK students on the full-time, 12 month MScs in Plant Conservation and Use or Applied Genetics, in the School of Biosciences. They have been running for many years, but are constantly evolving. The MScs are a combination of lectures, practicals, seminars, tutorials, visits and a field course. The final four months of

the courses are in the form of an industrial placement where students carry out an applied research project. Many students do this placement with an industrial partner, for example, English Nature or the Royal Botanic Gardens, although some students opt to undertake a more lab-based project at the University of Birmingham. In the last two years, an MRes course has also been developed and added alongside the existing provision. This was designed to meet a demand for a longer industrial placement (seven months, compared to four months on the MScs) and to give students the opportunity to do an applied research project of greater depth.

The course staff feel that their provision is more innovative than many other Masters courses, particularly as a result of the close links with industry. The applied research project ideas mainly come from the industrial partners; students often have a broad idea of the kind of project they would like to do, and then course staff suggest specific projects, based on the suggestions from the partners. Hence, the students' research is highly tailored to the requirements of industry, which enhances their employment prospects and benefits the sector as a whole.

Main partners

The main partner is the Royal Botanic Gardens at Kew, and also the smaller site at Haywards Heath, the home of the Millennium Seed Bank Project, where a number of students have done industrial placements and projects in the past. Three former students (who were ESF beneficiaries) are now employed there.

Other partners include:

- John Innes Research Centre in Norwich
- Horticultural Research Institute (HRI)
- Institute of Grassland and Environmental Research (IGER) in Aberystwyth
- Garden Organic (formerly the Henry Doubleday Research Association)
- English Nature.

Students visit these partners as part of the course, and the partners also provide projects and placements for students in the last four months of the course.

There are regular meetings between the course directors and the main partners which inform the shape and content of the course in subsequent years, ensuring it is relevant to industry and will provide the skills required.

The department and course staff have had very close links with these partners for many years, although a closer link with English Nature has developed more recently, as the importance of management at a genetic level, alongside their more well-known work on ecosystem conservation, has been recognised.

Evaluation

The courses are evaluated in several ways:

- appraisal of teaching forms for each course
- detailed computer-readable questionnaires for each module
- timetabled feedback sessions with students for each module
- the tutorial system
- external evaluation through regular meetings between course directors and industrial partners
- evaluation by the university, including external assessors, every three years
- one-off evaluative reports, eg Thorpe (2004).

Main beneficiaries, outcomes and impact

Beneficiaries

Around half of the students on the MSc courses are from the UK and half are from overseas. In recent years, all of the UK students have received HE ESF Objective 3 funding. HE ESF students had all course fees paid and received a monthly stipend of £375. In the last three years, 12 UK students have been on the course each year. Thirty-five of the total of 36 achieved the full MSc qualification; one dropped out after gaining a PGDip.

The ESF beneficiaries tend to be unemployed recent graduates with first degrees in Biology and related disciplines. Some are from the University of Birmingham but many are from other UK universities. Some who do the course immediately following their first degree; a smaller number of others start the course a year or more after graduation. Some applied to the MSc when they were unable to secure funded PhD places. Beneficiaries who have been unemployed for long periods are in the minority.

High proportions of the beneficiaries gain employment in industry following the completion of the MSc, with others doing PhDs first. A Masters degree is necessary in order to gain employment in this field, as a first degree does not on its own provide the level of skills and experience required by employers in the sector. The MScs appear to prepare students well for PhDs, both in terms of providing the necessary academic background and practical skills, and also in terms of the prestige they bring to a PhD application, enabling students to secure funded PhDs at universities including the University of Birmingham. Those who wish to work in industry are assisted by very close links with a number of partners who are also past and prospective employers of graduates from these Masters courses. Students often gain employment at the organisation where they did their four-month placement and

carried out their applied research project. In the past, students have gained employment straight after their MSc at English Nature, the Royal Botanic Gardens, or the Royal Horticultural Institute. Beneficiaries gaining these MScs do not appear to have any difficulty in finding suitable work within the industry, with the vast majority (who do not progress to PhDs) entering highly relevant employment. Hence, recent unemployed graduates are, through the MSc, given the appropriate skills to gain employment in the sector.

Those from overseas (who are not HE ESF-funded) often have some industrial experience in their home countries, and their employers sponsor them to do the course in the UK, in order that they bring new skills back on their return. Hence, the UK and overseas students have quite different backgrounds and reasons for doing the course.

Sectoral impact

Activity in this sector in the UK has increased in recent years, and the sector would be in a worse position without this course, and without the ESF funding to enable home students to gain the skills that industry needs. The courses are unique both in the UK and internationally, particularly in terms of the Applied Genetics, which focuses on natural variation at DNA level and is increasingly critical to the sector. The senior figures in many of the partner organisations are past graduates of the MSc course at the University of Birmingham; hence, the course has a very strong reputation for quality and relevance in the industry. At present, the mix of UK and overseas students means that the course can be broad, addressing a range of climates, species and seasonal variations. Loss of HE ESF Objective 3 funding and, therefore, many of the UK students, might mean that the course would need to become more market orientated, and more focused on the needs of the overseas students; failing this it might not be viable to continue running the course. As a result, it would be less able to provide the skills and experience needed by the industry in the UK.

There is a skills shortage in the sector amongst those already working in it, and therefore there is a particular need for new entrants to the sector to have postgraduate skills and qualifications. The difficulty is in getting enough people through the course to serve the needs of industry. There is a particular gap amongst those already working in the sector but requiring postgraduate qualifications; there is currently no funding route to support mature students working in industry to study part-time, and employers are unwilling to fund this, preferring to recruit new staff. In the absence of UK graduates from the course, it is likely that they would look to the international market to recruit the skills needed in the UK.

The applied research projects are written up as reports for the partners. Some appear on the DEFRA website, demonstrating the relevance of the course to meeting the government's strategic objectives.

Impact on the university and department

The HE ESF funding brings financial benefits to the university in providing places for students. The course directors are all international experts in their fields, and all the teaching is based on their own research. This has been carried out in the past partly as a result of having been able to run these MScs. The teaching staff often produce joint publications with students.

The future

HE ESF Objective 3 funding has allowed the MSc courses to run with a mixture of UK and overseas students for a number of years. A potential withdrawal of the HE ESF funds is of great concern to the department, and potentially to the sector, as the course is unique.

It is unlikely that the course would be able to run in its current form without HE ESF funding. Half of the students, ie those from the UK who are given HE ESF Objective 3 funding, might not be able to take up places on the course, so the course intake would be much smaller and have a far greater reliance on overseas students. The university would need to take a view on whether these MSc courses were still viable as a result. In the past, without the HE ESF funding of the UK students, the university would not have allowed the course to continue to run due to a lack of demand. However, in the past two years, university policy has changed, with a focus on expanding its postgraduate provision across the board. This is in an effort to balance out the downturn in undergraduate admissions (as a result of course fees and the deterrent of student debt). However, in order to keep this course running in the absence of HE ESF funding, at the very least, economies would need to be made, particularly in terms of staff input. The current staff input is very high, far higher than on an undergraduate course due to the advanced techniques taught to the students.

Student loans and rising student debts make it increasingly unlikely that students would be able and willing to fund Masters courses themselves soon after completing a first degree. These MScs have no other UK funding streams, as they are not within the remit of any of the Research Councils. The Ministry of Agriculture used to provide some funding, but this is no longer the case. Some of the beneficiaries interviewed as part of the evaluation reported that they had applied to the MSc before they knew about the HE ESF funding, although they were not sure how they would have paid their course fees and funded themselves had they not received the funding.

For the sector, without the ESF funding producing a number of UK postgraduates each year, there could be a lot more vacancies in all areas of the sector. These vacancies would need to be filled by people trained abroad, and their skills would not be as relevant to UK industry.

Women in Media Enterprise - University of Central England

Years

ESF funding rounds 2005-2006. (Solutions to gender discrimination theme.)

Rationale for project

Sara Harris, the director at Screen Media Lab, was formerly a senior lecturer in Digital Media at UCE. Through her academic role, she was aware that students on these and other courses in related areas felt that they lacked creative enterprise, and that students were left without some of the crucial skills they needed to forge careers in the creative industries after they had graduated. She felt that combining academic and business-driven elements into an MA course would address the current gap. She attended an HE ESF workshop and through this was able to prepare a bid with matched funds from the University of Central England and from the National Endowment of Science, Technology and the Arts (NESTA).

The HE ESF-funded activity

MA in Media Enterprise

The main funded activity has been the development of the MA in Media Enterprise course, a completely new area of provision as a direct result of the HE ESF funds, which will be run for the first time in September 2006. The course can be taken full-time in one year, or part-time over two years. It is open to men and women but only women can apply for the HE ESF funds, although there are other bursaries available for some students. The course will be run from Screen Media Lab, which is a purpose-built centre for enterprise and innovation in screen media and visual design, located within the Media Department of the Birmingham Institute of Art and Design (BIAD), which is part of the University of Central England (UCE).

The course itself is completely new and although there is a course in a similar area at Warwick University, the focus is entirely different, the Warwick course being more theoretical, while the University of Central England course is purposely very applied and practical. The MA Media Enterprise is also more focused on the individual and their personal and professional development. The project manager and course director liaise with the Warwick course director, and the two courses are seen as being complementary rather than competitive. There are plans to bring the students from both courses together on a shared activity.

The course will be delivered by the course director who has been employed specifically for this purpose, together with other Screen Media Lab and the University of Central England colleagues, and some guest lecturers. The beneficiaries have a

range of different reasons for taking the course, and so it will involve a lot of tutorials in addition to lectures, seminars and assignments.

Other activities

Prior to the start of the MA course, there have been additional innovative activities already funded as a result of the HE ESF Objective 3 funds:

- The Creative Futures Portal event –run originally to publicise the MA Media Enterprise, and Screen Media Lab itself. It had a strong widening participation focus: how best to support women and ethnic minorities into self-employment. While the event was originally envisaged to be small, with around 30 people attending, it actually attracted 100 delegates. Links were created with many other institutions, including some in Scotland and Ireland, in addition to links with more local HEIs and partners being strengthened.
- Taster for the MA – run twice and lasting four days. It was externally run and focused on personal and professional development. There were credits for the assignments which could be taken forward to the MA.
- Insight Out – an ‘off the shelf’ five-week training programme developed by NESTA to help individuals set up creative businesses. The programme was open to all those who had graduated from a higher education course in the creative industries and planned to develop an original business. Insight Out is divided into four phases, and offers a unique approach to business and professional development through a series of workshops and one-to-one meetings led by key experts in the fields of finance, law and business. It was run using £55K of NESTA funds which were matched through the ESF, and will be run again in November 2006, with feedback from the first delivery taken into account, including a new trainer from the region.
- A short course, ‘Introduction to Broadcast Media’, run in partnership with the University of Central England and the Birmingham Afro-Caribbean Centre. It was run as a pilot during summer 2006, and was aimed at helping ethnic minority women into non-traditional careers. The course will be run again in September 2006.
- Additional short courses for women are planned, including courses delivered in partnership with businesses in the region.

Main partners

Annette Naudin was recruited specifically to be the course director of the MA Media Enterprise. A former BIAD graduate, her professional background spanned academia, consultancy, and self-employment in the textiles field, and as a result, she has a wide network of contacts, many of whom will be brought in as partners on the MA and the

other short courses, providing input to the course design, and delivering course modules or guest lectures.

Although part of UCE, Screen Media Lab itself is located at the Custard Factory, Birmingham's arts and media quarter, which houses over 500 artists and small creative enterprises in studio workshops, together with cafés, antiques shops, meetings rooms, a bar and a nightclub. As a result, Screen Media Lab has always been well connected to the creative community which houses it. In addition, there are strong links between Screen Media Lab and regional organisations such as Creative Launchpad, a free service for people in the creative industries in the West Midlands, which provides free, expert help and advice, and Business Link Birmingham, which the MA Media Enterprise will benefit from.

Evaluation

All of the Screen Media Lab activities are being evaluated using a cross-faculty approach. Charlotte Carey, a researcher with an arts background who is located within the University of Central England Business School, is seconded for one day a week to the project, working in partnership with Screen Media Lab to monitor all project activities and their impact on beneficiaries and more widely. The evaluation will include regular interviews with beneficiaries and with staff for triangulation purposes. This partnership with the University of Central England Business School provides a way to independently document the journey and distance travelled by the beneficiaries. It also provides the business school itself with information about the effectiveness of a postgraduate course focused on fostering enterprise, which can then be used more in the business school and more widely across the university. So far the evaluation has revealed that beneficiaries are at a higher level than anticipated; it was thought that they would be recent graduates, but many have been working in the field for several years and now want to increase their professionalism and academic rigour.

Charlotte has also been conducting a literature review to provide an academic anchor for the activities funded by HE ESF, and has co-authored a paper which is pending publication in the journal *Education and Training*. She has also submitted a number of abstracts for other conferences.

Main beneficiaries, outcomes and impact

Beneficiaries

Recruitment to the MA was going well at the time of the case study visit (in July 2006). There had been 81 enquiries about the MA, 51 of these from women. There had been 16 applications, and 11 offers had been made, ten of these to women. The people they initially envisaged would input into the teaching of the MA actually applied to do the

course, highly skilled people working in the field, for example, managers of incubation projects in the creative industries.

The beneficiaries on the Introduction to Broadcast Media short course, which was run in partnership with the Afro Caribbean Centre, was aimed at encouraging non-traditional students, particularly Black and ethnic minority women, to set up as freelancers in the media. The pilot course ran with eight women and one man, and covered production and technical elements of radio broadcasting. At the time of the course, some of the beneficiaries were working full or part time, and others were unemployed or looking after their family.

Impact of activities already run

Fifty-seven women had been on the MA taster courses already run. The bonding between the students on the taster courses was reportedly very good. One of the women had been working in a public sector media centre for seven years and had heard about the new MA course through her business contacts. She had not studied for 13 years but felt that it would be highly beneficial and help her to develop her entrepreneurship, so she applied straight away and was offered a place on the MA and on one of the tasters. She felt that this had helped to prepare her for the MA:

'It helped to build my confidence in doing an MA, and it made me think about what I already knew. I also set myself some goals and thought about a vision for the future... In terms of doing my job, the workshop helped me to prioritise more and worry less.'

A beneficiary of the Insight Out course commented that it had been 'a really good programme' and that the group of people on the course had got on well and had kept in touch since. As a result, a website had been set up to assist their future networking. She had also found the presentation skills part of the course, particularly the mapping of progression from start to finish, very useful and felt that there had been a good utilisation of local people and organisations in delivering the course.

One beneficiary on the Introduction to Broadcast Media short course was currently a social worker, but after the course was hoping to move into working in radio. She felt that the course gave her an appreciation of the spectrum of work and techniques that broadcast media encompassed. It had also given her a portfolio of work that she would be able to use in the future. Of the impact of the course on her she said:

'Without the course I would still be just a radio listener, but now I can prepare my own shows, write scripts, interview serious people.'

Another beneficiary was currently looking after her children at home, but the course had given her an opportunity to explore another career option. For this beneficiary, the confidence-boosting element of the course was also very important.

She said:

'It gave me insight into what broadcast journalism is about, how to create news items, the technical side, how to use the decks. The staff were really welcoming, which was important as I've not been in work for a couple of years.'

Anticipated impact of the MA Media Enterprise

The aims of the course include assisting beneficiaries to start their own businesses, work in a more enterprising way in their jobs, and to encourage women in particular to become more enterprising. It also aims to foster self-development, help strategic thinking and time management, and to build networks and supportive relationships with others working in, or aiming to work, in the field. One of the women who will be starting the MA said of her hopes for the course:

'In my job I don't get time to think – and I am supposed to be a development officer, but there's no structure for me to think. I feel like the course will be an opportunity to compartmentalise myself a bit more. I'll be able to sit on my own and read the books I need to read anyway... And I can bring (my organisation's) experiences to it, so it's a profile thing for us too.'

Sectoral impact

The project manager of creative industries at the Birmingham Chamber of Commerce felt that the creative industries sector had been an area of significant growth in the West Midlands over the last five years. There has been a changing mind shift in the sector, with a focus moving away from micro-economies towards the development of the market. She felt that one of the key challenges for the sector was to provide people with the leadership and management skills to underpin that growth, and to enable people working in the creative industries to be competitive in their markets. The MA Media Enterprise was felt to be a significant step in working towards this, and contributing to the professionalisation of the whole sector, by providing a rounded package with a creative and a business focus to upskill the beneficiaries. The fact that it will provide a postgraduate qualification was felt to be very important, as it was putting academic rigour together with more practical aspects. She also felt that the University of Central England as an HEI was good at working in partnership with, rather than in isolation from, the local economy, and that the MA in Media Enterprise was an example of this, providing both vocational and academic aspects. Traditionally, people working in the creative industries could be characterised as 'flaky' and 'arty', but this new course should help beneficiaries to be taken more seriously, as it will give them a market value, and this in turn will contribute to the sector, and the local economy, as a whole.

The future

Having designed the MA course as a direct result of the HE ESF funding, the future aim is that it will continue to run as a paid course. An additional aim is that its existence should help to integrate enterprise into many other courses run within the Birmingham Institute of Art and Design.

Without the HE ESF Objective 3 funds, none of these activities would have been designed or provided, and the new MA would not exist. It is expected that one of the key wider benefits of the MA will be that beneficiaries will have a greater understanding of business which will help the sustainability of creative industries SMEs in the West Midlands.

Creative Futures Portal - University College for the Creative Arts at University College at Canterbury, Epsom, Farnham, Maidstone and Rochester

Year

The project, originally titled the Work Bureau for Creative Industries, was funded between January 2003 and December 2004.

Main partners

This project was led by University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester (formerly the Surrey Institute of Art and Design, University College) on behalf of the Consortium of Art and Design Institutions in Southern England (CADISE).

Description of activity

The project involved setting up a web-based employer interface or portal – Creative Futures Portal – to support small- and medium-sized enterprises (SMES) in the creative industries. Essentially, the project provided a one-stop shop for employers across the wide range of activities that come under the umbrella of the creative industries. It enabled employers to:

- access the student and graduate talent of the partner HEIs by being able to see CVs and examples of work, and being able to contact these individuals
- promote their own activities and raise the visibility of their company by submitting their company profiles on the site
- access/approach and network with other employers through making contact using details provided on the site, or through formal networking events held at various locations during the project period
- access tailored web-based learning/development solutions (part funded by the HE ESF money)
- access academic specialists within HE HEIs by providing them with appropriate contact pathways/details.

The funding allowed for dedicated staff to resource the setting up of the work bureau and to market its services to employers in the creative industries across England. Dedicated staff roles included project co-ordinators, a web developer, an administrator and project manager. The funding ensured that the eight partners could come together to develop the portal, all contributing to the project design and delivery to ensure the variety of interests and outlooks were included. This was a complex and

lengthy process largely due to the number of individuals involved in, or consulted during, the process. The funding also allowed the partners to try out a whole range of support activities and mechanisms with employers to see what were most used and most valued, essentially enabling the partners to refine their offer to employers.

Rationale for project

The creative industries are of increasing importance to the country's economy, both as a generator of income and of employment – eight per cent of UK GVA and 1.8 million jobs. Yet this sector faces somewhat unique challenges as the vast majority of organisations in the creative industries are micro businesses or freelance professionals and they are operating within a highly competitive and evolving business environment that is largely concentrated in the South East. These businesses need support with their business development, particularly in accessing skills. SMEs are much less likely to have regular experience of recruitment (eg recruitment cycles or milk rounds) and less likely to have dedicated recruitment resources such as HR departments. In addition, SMEs within the sector tend to expand and contract depending on the work they secure, and so recruitment and business development tends to be much more ad hoc and informal than in other industries, often centring around networking. Thus, support, and particularly support tailored to the 'real business' of the creative industries, is crucial.

The project was developed in response to this need for tailored support as little was available at the time, but also, out of work, the partner institutions were already undertaking to support students and graduates with careers advice. The new work with employers was seen as a way to provide 'the missing part of the jigsaw' – linking students and graduates, employers and institutions together to allow for easier transfer of knowledge and skills.

Outcomes and impacts

At the end of the funding period, the project was evaluated by an external independent evaluator. The evaluator assessed the project against its targets; compared the project with the approach of the University of Arts, London; and consulted with participant SMEs, institution representatives involved in the project, and industry stakeholders. The evaluation reported in January 2005 and was very positive. However, as noted by the evaluator and the project manager, due to the extensive development period, the portal only became fully operational in July 2004 and so the evaluation could not capture the full impact of the project. The case study visit and beneficiary interviews undertaken through this HE ESF evaluation have updated the position in terms of outcomes and impacts.

Three distinct groups of beneficiaries can be identified: employers, students and graduates, and institutions.

Employer beneficiaries

By the end of the funding period, 128 small employers in the creative industries were identified as having benefited from the support provided (against a target of 130). This group had either participated in networking events in London, Tonbridge and Bournemouth or had registered with the site, posting profiles and/or opportunities. Many more employers, however, took part in the events and used (and continue to use) the portal, although they do not fit the strict criteria to be counted as a project beneficiary. Indeed, statistics collected by the project team show that at the end of the funding period there were 247 employer profiles on the site, and that 279 opportunities had been advertised (projects, placements, jobs). In the last month of funding, the site was achieving almost 6,000 hits per week. By August 2006 (time of the case study) the cumulative figures were 837 and 1,098 respectively.

The benefits of the project to employers are regarded as having free access to information, free marketing, and access to other employers through the site or through networking events. Employers have also been able to access free learning resources (though this has largely been focused on computing/IT skills, eg web design). However, the key benefit to employers is the handling of vacancies and supporting recruitment – employers have the opportunity to publicise their vacancies and placements and gain access to suitable recruits. Indeed, the evaluation report noted:

'Ninety per cent of businesses consulted see it [Creative Futures Portal] as a free, targeted, one-stop shop service which saves time and which facilitates recruitment...Nearly all would recommend the service to others and, overall, it has received a very positive response by the employers who have used it' (p5).

'The main benefits perceived have been the speed of response by students and the level of response' (p27).

Some employers will have recruited graduates or students as a result of their participation in the project. Unfortunately, the project did not have the capacity for any robust tracking of recruitment outcomes, but there has been considerable anecdotal feedback from employers and more robust feedback from recent market research undertaken to assist with the further development of the site.

Students and graduates

Students and graduates of the partner institutions also benefited from the project. They were able to increase their visibility to employers through placing CVs and examples of their work on the site. They also gained access to employment and work experience opportunities (including project opportunities such as helping out at a fashion show), enabling them to interact with employers and increase their employability. Indeed, the independent evaluation report noted that the project was 'an important tool in widening the opportunities for students by linking them to

businesses with recruitment needs'. It also noted that the project helped students to network with each other as well as with businesses which could enable movement between fields within creative industries.

Yet another benefit of the project to students and graduates was developing greater awareness. In using the site, students and graduates become more aware of the kinds of opportunities available to them and the kinds of employers operating in the sector. The importance of this potential benefit was recognised by the project team, and now a weekly newsletter is sent to all registered students and graduates which provides users with the latest news in the creative industries, details of upcoming events and also lists new opportunities. This newsletter is very popular.

As with employers, some graduates and students will have successfully gained work experience or employment from their involvement in the project; however, it was not possible to track these kinds of outcomes/impacts through the portal. As the project manager noted, this kind of support is very much like that offered by recruitment consultants and this tends to be very resource intensive: *'Originally we had not designed the site to pick up the stories, to follow up cases but it would have been good to have been able to do so.'*

However, recent market research undertaken to assist in the further development of the site has provided feedback from students and graduates as to the positive benefits of the site.

At the end of the funding period for the project, there were 1,165 student profiles on the site and 94 CVs/portfolios had been posted. By August 2006 (time of the case study) the cumulative figures were 4,193 and 368 respectively. It is interesting to note that the number of students/graduates using the site over time has increased, although the number who would be eligible to use it has decreased (as it is now only available to the students and alumni of six rather than eight HEIs), which would indicate a greater penetration for the site.

Higher education institutions

The partner institutions benefited from the project through working closely together and working with employers. A few of the partner institutions of CADISE had some provision for supporting employers, yet many (particularly the smaller institutions) had limited interaction with employers and a much less developed external interface. The project enabled the partners to come together, take elements of best practice and make this accessible to all the partners. In working closely together to share ideas and practice, the project was also innovative as it brought together the experience of practitioners and employers across a wide range of disciplines or areas of the creative industries.

The future

'It enabled us to create a good platform, which we have continued to build on.'

The portal continues today under the Creative Futures name, despite many changes in the HE arts and design landscape. It is a key part of the work of the Knowledge Transfer Office team at the newly formed University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester. It is funded by six of the former partner institutions (until 2007) and is therefore evidence of continued partnership working. The main focus of the work is on the 'recruitment' aspect of the portal, offering business-to-business and business-to-student/graduate networking opportunities, as this is the element most valued by employers as well as the students and graduates. The project team are looking to extend the service to cover the students and graduates of other institutions and from earlier cohorts, and are currently researching the demand for this. They will also need to explore alternative funding, including making some charge for the service.

eMobile: Flexible Professional Development for e-Workers in the Creative and Cultural Industries - City University

Year

HE ESF Objective 3 Funding Round 2003-2004.

Main partners

The delivery organisation was City University, London. The project was developed in association with the Telework Association and Metier (the sector body), who assisted with the design and development of the project, and Camden Council, who helped with the design of the programme and provided some technical expertise and steerage.

Description of activity

The project aimed to establish a Negotiated Work-Based Learning (NWBL) framework which would provide accreditation in Professional Development at Postgraduate Certificate and Postgraduate Diploma level. NWBL allows practitioner-learners to create individual programmes based on work activities and projects, and have them approved for the award of a university qualification¹ (Lester, 2001). A key feature of the project was the flexibility afforded by the learning package to take into account, and be responsive to, the needs of the individual. Learning content, resources and support measures could be tailored to individual needs.

The focus of the eMobile project was e-workers in the creative industries; however, the delivery model was designed in such a way as to allow it to have a broader application to other sectors. The project was borne of concern that e-workers did not have easy access, and the resources available (time and money), to participate in learning. Opportunities for Continuing Professional Development (CPD) were felt to be 'fragmented' at the time the project was formulated, and eMobile was designed to test ways in which these learning gaps could be plugged. Evidence also suggested that creative workers were often highly qualified at the outset when they started their businesses but that they often lacked business-related skills. eMobile was designed to address weaknesses in relation to SMEs and business skills, and also to encourage workers in the sector to engage more routinely in CPD.

Learning on the eMobile project was delivered virtually, using a number of online activities, and also during face-to-face workshops. There was a heavier reliance on e-learning methods to deliver the training because of the geographically dispersed

¹ Lester S (2001), Paper for the UACE Work-Based Learning Network Conference, UMIST 22-23 November 2001.

nature of the learner group but also because of the time involved and the need for learning to be delivered flexibly to fit in with learners' working lives. Assumptions are often made about e-learning, and it is often seen as a way to improve the take-up of learning opportunities. However, e-workers may already work in isolated environments and the project felt it was *'important to acknowledge that this could be exacerbated by standard remote learning models'* (Project Application Form). As a result, the course did involve some face-to-face sessions which were viewed positively by tutors and beneficiaries alike. Four one-day workshops were held as part of the certificate and a further four one-day workshops as part of the diploma.

The NWBL framework had a core set of generic modules around managing learning, managing collaboration and research, with subject-specific modules, which were focused on business planning and marketing, within the sectoral context of the creative industries.

The main elements of the learning package were:

- face-to-face teaching (one- to two-day workshops)
- online learning
- action learning (online and face-to-face), and
- work-based learning.

The action learning phase incorporated learners defining what they wanted to achieve, what skills they wanted to gain, developing a learning plan, identifying what resources they would need, what resources were provided by the course and what resources they would need to source etc. At the same time, learners were also working on their business plans (the work-based learning phase), the idea being that the business plan and the learning plan would inform each other. Early face-to-face sessions involved business planning and learning planning and then the following sessions were reviewing what beneficiaries had learnt, how they had changed, and what evidence of competence or achievement they had identified. Online sessions backed up these activities, addressing issues such as what goes into a business plan and how to plan, and getting people to submit reflections on their own businesses and what they had done themselves in these businesses. Essentially, the project allowed people to accredit their experience of work: eMobile provided the opportunity for individuals to accredit their experience of doing business.

A key difficulty with the project was moving people on from the certificate to the diploma. Originally, the project planned to use the certificate phase as a precursor to the diploma. eMobile intended to provide a progression route: the certificate was very much about devising and developing a business plan, while for the diploma – the expected progression – the intention was to look in much more detail at a marketing strategy, depending on where they were in the business cycle, and taking the business forward. Given that learners on the eMobile project were already in work, one of the

tensions was that beneficiaries who were following the certificate and whose businesses had not yet started had a lot of time (to plan) but not a lot of experience. However, once their business took off (and they were ready to move on to the diploma phase) they had all the experience but none of the time. Essentially, getting people from a certificate to a diploma was quite difficult. In many ways, the timeframes for both the certificate and the diploma (bound by the HE ESF regulations) were a little ambitious. Other universities give learners up to three years for a postgraduate certificate and five years for a diploma, whereas eMobile was giving a year and two years respectively. In many ways, learners needed the flexibility and support to engage, disengage and re-engage, which was not part of the eMobile model (with only a two-year duration).

Rationale for project

The funding provided the opportunity for City University to develop a distance learning package which would have a much wider application to other subjects and schools. The funding received via HE ESF Objective 3 was absolutely vital, allowing the university to develop new, innovative and flexible programmes which would not have been developed without it.

Main beneficiaries and outcomes/impacts

The main target groups for the eMobile project were e-workers in the creative industries, and those working in SMEs. The main beneficiaries from this project have been individuals, ie those engaged in the learning, but also indirectly, their businesses or employers. Beneficiaries came from across the country although there was a greater number of students from the South East, particularly those who were attracted by the face-to-face elements of the learning programme.

Beneficiaries have gained business planning skills and ICT skills and have been encouraged to adopt the principles of lifelong learning. In relation to hard outcomes, beneficiaries gained either postgraduate certificates and/or diplomas, although the total number of beneficiaries was lower than anticipated. The number of people starting the courses was lower than originally planned, and the number completing the certificates or diplomas was also lower than had been hoped. This was due to a number of factors that were closely related to the business cycle: people had time to start the certificate but then became busy with business ideas and were less interested in finishing the course, whereas, those people who started the diploma and were looking to develop their business had little time to complete the course work.

Beneficiaries remarked that they had regained enthusiasm for their business ideas and gained a greater business focus. They felt that the course provided an opportunity to think about the theory behind the practice of running a business and some reported that they had enjoyed stepping outside of the work environment for a short time. Other benefits from taking part in the course included becoming more familiar with

ICT and digital technologies, meeting other e-workers and businesses, networking opportunities, and having access to academics and teaching staff/expertise. Some beneficiaries had difficulties with some of the newer learning methods, for example, reflective learning, and this is likely to be partly due to the length of time they have been away from education. Some beneficiaries also stated that they would have liked more face-to-face tutoring.

The future/sustainability

The eMobile project did not continue once ESF Objective 3 funding had finished. However, the project was a test bed for new delivery methods and as a result, the university has been able to test and refine a complete framework for professional development. The eMobile project provided the opportunity to trial new assessment processes and structures which have a much broader applicability in other subject areas and across other industrial sectors and institutions.

'The experience of eMobile provides a valuable insight into the design and delivery of learning which will be used to inform provision across a broad range of courses and projects.'

(Project Closure Report)

The withdrawal of HE ESF funding would inhibit the university from doing a lot of new and innovative work and eMobile provides an excellent example of this type of pilot activity.

The project has generated a lot of learning, not only for beneficiaries but also the university itself. In relation to working with entrepreneurs and small businesses, the university has a much better understanding of needs and how the existing qualifications structure needs to adapt: at a certificate level, business start-up is probably more aligned with undergraduate level studies, whereas the diploma involving business development and more established and mature businesses is much better suited to postgraduate-level studies. Given the project time again, eMobile would have split these two activities more overtly and not anticipated progression between the two over such a short time period.

With regard to sectoral impacts, and as a result of the dissemination process, the university has developed good working links with Creative and Cultural Skills, Sector Skills Council. The university has also undertaken an online survey of people's learning and skills requirements and this helped the development of subsequent programmes.

Job Search for Unemployed Graduates - University of Bristol

Year

HE ESF Objective 3 Funding Round 2003-2004.

Main partners

The University of Bristol was the main project delivery organisation. There were no direct partners on this project, although employers were consulted in the early design phases.

Description of activity

The Job Search for Unemployed Graduates project provided a series of three-day workshops to help individuals to improve their job search skills and enter suitable employment.

The courses included:

- psychometric testing
- one-to-one help to encourage graduates to focus on strengths and interests
- CV preparation
- interview techniques
- confidence-building and motivation
- information on the local labour market and local employers
- job search facilities.

Graduates worked with careers advisers to complete an Action Plan for use after the end of the course. Participants were also offered full access to the university careers service for one year following completion of the course, which was found to be particularly beneficial. Careers staff were able to encourage unemployed graduates and help them to remain positive and motivated while job seeking. Fifteen courses were run in total.

Participation in the course was purely voluntary and graduates from all universities were able to attend. This was a departure from normal practice as usually only home students and graduates can take advantage of the university careers service.

One of the drawbacks of the project was that it was unable to help underemployed graduates, which is regarded as another key problem in the area. Their needs remain unmet.

Rationale for project

The project was designed in response to a belief that unemployed graduates received little structured help to assist them in finding work. Jobcentre Plus was not geared up to helping graduates to gain suitable employment and neither were local Careers Services or Connexions. This situation was exacerbated if graduates had moved away from university and no longer had recourse to their own graduate Careers Service. A further issue for (some) graduates is their lack of understanding of the SME business sector, and how to go about securing employment within it. The traditional milk-round/ recruitment fairs emphasise employment within large companies and graduates often do not consider smaller employers, or know nothing about them. HE ESF Objective 3 provided seed funding to offer targeted and graduate-specific help to highly qualified job seekers to enable them to move into employment, and particularly employment within the SME sector.

Main beneficiaries and outcomes/impacts

The main beneficiaries from the project were graduates (167 in total), who have said how useful they found the course. One beneficiary had worried that she was the only graduate to not know what she wanted to do. Following the course made her feel much less isolated, and much more keenly aware of where her strengths and interests lay.

'The course gave me new confidence in my own ability and career prospects.'

Over 80 per cent of all course participants had moved into work some three months after taking part.

In addition to individual outcomes, the university has forged greater links with some new employers in the local area.

The future/sustainability

The project received funding from only one round of HE ESF, although there is still a need for this type of service and the project team would welcome further additional funds to take this work forward. While the funding allowed a much more outward-facing job search service, which was open to all unemployed graduates, the careers service has now reverted back to focusing solely on their own graduates, for which it receives core funding from the university.

Materials and learning from the project have been disseminated widely to other universities, particularly in the South West region.

Access to Online Working - University of North London¹

Years

HE ESF Objective 3 Funding Round 2001-2002.

Rationale for project

- Labour market trends show that older workers who lose their jobs through redundancy, find it particularly difficult to find new work and are disproportionately likely to remain unemployed for long periods of time compared to younger workers with equivalent qualifications.
- Many graduates are underemployed in London, and require new skills to enable them to move into more suitable and relevant employment.
- Finally, London has a skills gap, being particularly short of high-level skills which can only be delivered by HE.

The vision for this project was to provide short courses addressing some of the skills needs of graduates over the age of 50, which also capitalised on the (then) web-based business boom. It was felt that older graduates could be lacking generic skills, such as ICT and business skills, and that this was a significant barrier to their gaining suitable employment in degree-relevant fields. The aim of the project was to provide them with opportunities to develop their ICT and teleworking skills, and in doing so build their confidence and help them to use their professional skills more effectively. It was felt that for graduates, programmes of a postgraduate level were the most suitable way to provide this, rather than to expect graduates to learn ICT as part of a more generic, low-level basic skills package.

In the past it had been found that a one-week programme was not enough to equip people with the skills and the confidence they needed to take the necessary subsequent steps. It was hoped that introducing a significant component of private study to allow later delivery of an assignment would increase beneficiaries' confidence to seek out what they needed to do next to gain employment or improve their skills and increase their employability. The project was also envisaged as a test-bed to see if there was a demand amongst older graduates for ICT when delivered within a postgraduate curriculum and environment, and to look at the effectiveness of online delivery methods in addressing that demand.

The catchment of the university includes a high ethnic minority population, and the university has a widening participation mission, including ethnic minorities, and mature and other non-traditional students. This area of work fitted well within the

¹ This case study is yet to be cleared by the project manager and so is not for wider circulation.

strategic aims of the university, and there was already a track record of gaining funding in this area.

Main partners

SmarterWork.com was the key partner. At the time of the bid and the project they were the European market leader in web-based teleworking, and had a very high profile across London, being widely advertised on tubes and buses. The partnership was new and initiated by the course director, solely for the purposes of this project.

The dotcom bubble burst during the life of the project itself, and this was a difficulty which the project had to overcome. For example, at the time the partnership was formed, SmarterWork.Com had a staff of 50, but after the crash this went down to a staff of just one. However, the project was adapted during its life for this and other reasons, and what could have been a considerable setback does not appear to have greatly affected the overall success or outcomes of the project.

Activity

The HE ESF funds were used to provide short courses within the Department of Applied Social Sciences (formerly the Faculty of Environmental and Social Studies).

The project provided online and teleworking experience to deliver ICT skills at postgraduate level. It targeted older graduates facing barriers to entry in the conventional employment market. Provision included one week of 36 hours of direct, intensive taught delivery, comprising lectures and workshops, together with a further 120 hours of private study. In order to get accreditation for one module, beneficiaries had to complete both the taught element and the private study element over the course of a further month, for which tutorial support was also provided. There were a number of flexible options from which students could choose; they could opt for:

- one week of intensive delivery only
- the week above plus one month of private study to achieve accreditation for one module
- the module plus a further two modules from an MA in digital media (web design, and introduction to digital media), giving them a PGCert qualification
- the mainstream MA/PGCert course, becoming registered, rather than associate, students of the university.

The course ran separately for eight cohorts over the year, and was adjusted over the life of the project as the needs of the beneficiaries became clearer. Initially, the course had a strong teleworking remit, with SmarterWork.com being more heavily involved than was the case in later versions of the course. SmarterWork.com provided the beneficiaries with a clone of a real-world 'online marketplace', where they could learn

to search for jobs in an online environment. Since the marketplace was a 'sandbox' clone, it allowed beneficiaries the freedom to learn in a no-risk environment with, for example, beneficiaries acting as clients for one another. Unfortunately, the dotcom crash was unforeseen and initially quite damaging for the project, particularly in terms of the beneficiaries' confidence and willingness to engage with this kind of learning. It became clear after the course had run a couple of times that the beneficiaries did not like using the SmarterWork marketplace, for a combination of reasons including their low confidence in using ICT generally, their difficulties in trusting ICT and the fact that the software itself was sometimes hard to use.

The beneficiaries also generally had a lower level of ICT confidence and skills than had originally been anticipated. It was found that beneficiaries' greatest needs were for basic Word and Excel skills, pitched for use in a freelance business environment. The courses were adapted to reflect this, and by the end of the project, the short courses were focusing less on the SmarterWorks elements of the course and more on providing lower-level ICT skills and freelance business skills, for example, how to do a mail merge or balance sheet. There were a small number of more advanced students, who were quickly differentiated from the others, and were given more advanced projects to complete as part of the module.

The project was evaluated using standard student evaluation forms, together with detailed questionnaires asking students about their experiences on the course, and how they saw teleworking and its role in their future.

Beneficiaries, outcomes and impacts

Beneficiaries

Beneficiaries were all past graduates of the university. Letters were written to all past graduates aged over 50 (a total of around 1,000), inviting them to take one of the Access to Online Working courses. They received a 1 in 10 response, demonstrating that there was a high demand for courses of this nature amongst older graduates of the university, many of whom still lived within the university catchment area.

Beneficiaries were selected by an application form, and some were referred to the course director prior to the course, so that any questions they had could be answered. There was no interview, as the number of applicants for the course was a close match for the number of places on the course over the eight times it ran. However, the course director felt that should a similar project be run, an interview could be useful in assessing beneficiaries' starting points, which would inform the level at which a course should be pitched.

Some of these beneficiaries had significant barriers to engaging with the project, including:

- money – there was a high uptake of travel costs

- possible mental illness – or not being able to function comfortably in a social group
- alcohol problems, which made it difficult for some individuals to fully engage with the course.

Despite these difficulties, some of which these short courses did not have the scope or resources to address, attendance on the courses was excellent, and participation from the beneficiaries was very active, particularly during the week of short-term intensive teaching.

Seventy-seven beneficiaries took part in the project. Of these, 70 completed their course and 36 achieved a qualification. After the course, the beneficiaries went into a range of activities that included employment, voluntary work, self-employment and further education and training, while a few were unemployed. Around ten beneficiaries went on to start their own business, including a dog-walking business, a hand-painted tarot card business, and a disability consultancy. A number completed the PGCert or went on to other basic IT skills courses. Others went into employment, for example, clerical work across different sectors.

The course director felt that all of the beneficiaries gained something from the course, including:

- an awareness of this particular technology
- a set of introductory ICT and office skills
- access to postgraduate study and accreditation
- assistance with SME development
- confidence, networking and friendships.

Feedback from the beneficiaries was largely positive, but beneficiaries' satisfaction with the course increased as the cohorts went along, ie the courses required tailoring the first few times they were run to be fully suitable for the beneficiaries.

Benefits to the institution and department

The project director met the requirement for research and dissemination by delivering papers on the project and lessons learnt from it, for example, at a conference in Maastricht. The success of the project helped to generate a lot of confidence in the department, both within the department itself and in the wider university. This allowed some of the department's programmes to double in size, creating many more opportunities for students and staff as a result.

The project helped the university to build capacity in this area, alongside other projects developing the use of new funding streams to complement HEFCE-funded work. A small amount of the HE ESF money went on buying new equipment which

was then available for use in the department. The department also learnt a lot about working in partnership with a private sector company such as SmarterWork.com, which would influence how they would approach this in the future. One of the lessons learnt was the need to get formal agreements between the lead and other partners, putting in outputs and timescales, and having proper contracts produced. This has been carried forward by the university's Development Funding Office, which supports academic and professional service areas in putting together bids and managing projects.

The future/sustainability

The merger of the University of North London to become part of London Metropolitan University, which took place during the life of the project, created difficulties in terms of sustaining this project beyond its original HE ESF-funded life, and in maintaining the partnership with the private sector organisation SmartWorks. However, the department and course director are now in a position to revisit this work and area. A key message from the project was that there is a real need for ICT and business skills for older graduates, proved by the ease with which they were able to find and recruit 77 graduates over the life of the project. HE ESF funding was seen as crucial in providing opportunities to do work of this nature, and to provide graduates with relevant training at a postgraduate level, which cannot be funded through other European funding routes. The reduction or withdrawal of HE ESF is viewed as being very serious by the department and by the university's Development Funding Office. Conversely, more of this type of funding would enable a revisit of the Access to Online Working project, and enable much more of this type of work. It would also bring opportunities to work more strategically with other departments across the university to deliver generic skills of this nature to postgraduates.

Attitudes to competitive funding had changed greatly in terms of being seen as ways to develop new products and contribute to expertise. The department has received funding from other sources, including a one-off donation from the Anita Roddick Foundation, and funding from the HE Innovation Fund – however, this was thought to be becoming increasingly inaccessible. The Arts Council and Galleries had given some money for a technology-related arts project, and other funding had been received from ESF Objective 2. However, none of these were seen as being a substitute for the HE ESF funding in terms of the remit they afforded.

Careers Tactics for the 21st Century - Liverpool University

Year

2001/2002.

Main partners

None.

Description of activity

The project aimed to develop national capacity in careers management skills, particularly among unemployed and under-employed graduates, through using the tools and processes developed by the Graduate Into Employment Unit (GIEU) within Liverpool University.

The principle resource used by the unit in the *Careers Tactics for the 21st Century* project was a careers management book and toolkit, *The Art of Building Windmills*. The book itself was developed before the project, as a tool that was used to support careers management training within Liverpool University, either as a workbook for individual study or as part of a wider training session. A *trainer's resource pack* was developed in conjunction to *The Art of Building Windmills* to support the HE ESF project.

The format, approach to content and delivery were influenced by the GIEU's previous experience with other ESF Objective 1 projects aimed at supporting graduates in Liverpool. The originality *The Art of Building Windmills*, in that it both offered a range of support material in one pack and provided scope for a 'pick and mixing' customisation approach to learning, was regarded as its main selling point.

Rationale for project

The GIEU was established in 1994 with funds from ESF Objective 1 and with the remit of addressing the issue of graduate retention in Merseyside. Early programmes had the aim of trying to encourage the SME sector to utilise graduate skills, and to persuade graduates to consider SMEs. Subsequent projects supported by the GIEU have developed from those earlier objectives.

Careers Tactics for the 21st Century was developed under the recognition that it was no longer sufficient to simply provide a student with a degree qualification but it was equally important to support them in getting a job at the end of their study, or to raise their awareness of employability skills. GIEU's work had included delivery of a training course aimed at improving graduate self-reliance, interview skills training, CVs advice, and help with other aspects of careers development. This had been

accompanied by work in SMEs in trying to improve demand for graduates. The unit wanted to transfer the lessons that they had learnt in the early days to other HEIs and that was the genesis of the HE ESF project.

Assessment of demand

There were always groups of HEI career services that had communicated with each other and shared good practice. Within these institutions there may have been pockets of good practice but there is little evidence regarding the overall extent to which that good practice was being disseminated more widely, or evidence of any initiative similar to the *Careers Tactics for the 21st Century* project being undertaken before or since.

The GIEU had little difficulty in attracting other HEIs to the project, suggesting that there had previously been a strong latent demand for graduate careers management training among careers staff within those HEIs. The demand among HEI careers advisors for graduate careers training support had been identified by the project coordinator, through personal contact and informal networking with other careers office managers. While the project was under development, there were discussions with other HEIs to customise the content of the course.

Role of funding

Without the HE ESF support, the project and dissemination activities would not have been undertaken, and the ability of the GIEU to promote best practice and pass on expertise to a wider graduate careers services audience would have been limited. The unit would still have had their contacts and informal relationships, but other HEIs, on a fixed budget and with fixed obligations, would have less scope to engage in staff training.

Link between HE ESF and other sources of funding

The GIEU is self-financed and so relies on project funding to develop material and disseminate. The unit had had some funding from ESF Objective 1 for local graduate development work. The HE ESF funding was seen as the critical component for disseminating material developed out of self-financing and other ESF Objective 1 projects. The HE ESF was the most appropriate vehicle for working with HEIs on a national basis as most HEIs had limited budgets for careers management, and are tied into the courses they have to deliver via HEFCE funding. From their perspective, it has allowed them to have access that they would not otherwise have had.

Main beneficiaries and outcomes/impacts

Beneficiaries

There were two main strands to the project:

- Transfer of best practice to other HEI careers manager and practitioners through seven workshops held across England. The project attracted 145 attendees (rather than the 130 originally anticipated) from 45 HEIs. In addition to the basic training, 20 key trainers were supported in providing the training across the seven workshops.
- Delivery of careers management support for 100 unemployed graduates who were part of the project. Data collected in 2003 suggested that at least 55 out of the 100 individuals supported had gained full-time employment, while a further two graduates continued their education. It was not possible to obtain a complete picture of graduate outcomes as trainees, especially where those trainees had moved address after completing the course, were often un-contactable.

The future/sustainability

Dissemination activities

- The project was followed up by wider dissemination activities. Over 1,000 policy documents, *The Windmill Principle*, were circulated to policy makers and practitioners to draw attention to the link between careers management, employability development and regional economic development.

Future partnership working

- Partnerships established in earlier years remain. The GIEU developed a long-term relationship with the Yorkshire universities, including supporting them in the development of an interactive careers website aimed at supporting graduate employability (2003-2004). The collaboration continues with a further project to update and develop online modules.
- In other ESF Objective 3 projects the unit has maintained its relationship with those who took part in the original HE ESF project.
- *Careers Tactics for the 21st Century* has improved the unit's dissemination access to other HEIs.

Continued use of The Art of Building Windmills

- HEIs previously engaged in the training programme still have access to, and make use of, *The Art of Building Windmills* materials. The material is still available for purchase through the Internet by the wider HEI audience.
- Since the *Careers Tactics for the 21st Century* project was completed, the unit has developed a standalone resource on job search – JOB (published in 2004). This has been used on other ESF Objective 3 projects along with *The Art of Building Windmills*.
- In terms of the training itself, the marketplace for this project has developed over the years. While in the original project the focus was on graduates who were unemployed, there is a growing need for support among the under-employed, as there is a large graduate population formed of people who were working part-time while studying and continue in those jobs after graduation.

Project developing since Careers Tactics for the 21st Century

- The GIEU has recently supported Leeds University in a Yorkshire Forward project to develop an interactive careers website.
- The unit is also currently involved in an ESF Objective 3 project with a remit to disseminate good practice to careers practitioners, and enhance the employability of unemployed or under-employed (under 26 hrs a week) graduates across six HEIs. In other ESF Objective 3 applications it was possible to cite the *Careers Tactics for the 21st Century* project and project management experiences when bidding for funds.

Graduated - What Next? - Staffordshire University

Year

2005/2006.

Main partners

Internal partners within Staffordshire University include:

- **Staffordshire University Careers and Employability Service** – This service provides information, advice and guidance to current Staffordshire University students and graduates. It is also responsible for developing graduate links with employers. It works with other partners in the university to embed employability skills across Staffordshire University faculties. The service is the lead partner in promoting *Graduated - What Next?*
- **HE Full Circle** – A project that promotes innovation and enterprise and supports graduates in starting up their own businesses. It organises short courses to promote self-employment awareness to graduates, and also provides support to those who wish to enter self-employment, eg in writing business plans.
- **Research and Enterprise** – The service supports employer links with the university's skills base. The Enterprise Fellowship Scheme, which provides a support to help participants to start their own business, is promoted through the HE ESF project.
- **Sponte** – This initiative is co-organised by the university and the students' union. The initiative aims to provide the opportunity to volunteer in the local community and supports *Graduated - What Next?*
- **Workbank** – a recruitment agency within Staffordshire University that offers both part-time work for students and graduate vacancies information.

Partners external to Staffordshire University are:

- **Staffordshire Graduate Advantage** – this organisation promotes the employment of graduates in Staffordshire by offering a matching service between graduates and employers.

Description of activity

Aims of the project

Graduated - What Next? was established to offer graduate-level employability support to unemployed UK graduates who could travel to the Staffordshire area. It was initially designed as a six-week course that aimed to:

- significantly increase chances for unemployed graduates to find graduate-level employment, self-employment or relevant postgraduate education
- enable participants to enhance their ability to enter the labour market, eg through promoting business start-up, supporting work in the voluntary sector or through employment in small- and medium-sized enterprises (SMEs)
- promote inward investment of graduates into this area by bringing in graduates from outside the region and by encouraging more graduates to stay and take up graduate work in Staffordshire, thus developing the local skills base.

Course developments

Courses ran on an ongoing basis with a week's gap between them and averaging about 20 students per course. Originally organised over six weeks, the first courses operated from July 2005. Initial feedback from those early courses suggested that the programme could be undertaken in a shorter time span and that this would promote retention (one of the reasons was that unemployed graduates were often gaining low-level employment over the six-week training period, and hence were no longer eligible to complete the course).

As the project evolved, it also became quickly apparent that it was difficult to draw unemployed graduates into Stoke and Stafford from wider areas, and consequently the project is now looking at the option of delivering in the Tamworth, Wolverhampton and Birmingham areas. In addition:

- The length of the courses has also been shortened to two and four weeks following feedback from earlier courses.
- Marketing had to be increased as there was a higher need than originally anticipated. The initial two six-week courses were organised in the summer (at the time graduates were leaving). However, the autumn term did not have the same immediate audience for the course, and therefore there was a greater need for greater marketing in order to capture people who were unemployed but had not just graduated from the university.
- The content of the course itself has evolved through feedback from students.

Rationale for project

Labour market for graduates in Staffordshire

Staffordshire is an area in which there have traditionally been restricted opportunities for graduate employment and the aim of *Graduated - What Next?* was therefore to help graduates from Staffordshire University and other HEIs gain employment in the local area.

At the time of project development (2002-2003), around seven per cent of full-time first degree holders from Staffordshire University (12,900 graduates) were unemployed six months after graduating (HESA, 2003). Similarly, looking at the wider labour market, the West Midlands had the second lowest proportion of graduates in the UK (12.7 per cent) compared to 24.7 per cent in London, the region with the highest proportion of graduates (ONS, 2003).

Role of the project/project funding

Graduated - What Next? represented the first systematic attempt to support unemployed graduates by Staffordshire University. The careers services had previously supported graduates on a one-to-one basis but this could now be conducted in a way that provided more comprehensive support with more one-to-one provision.

The university was not aware of other funding available to conduct this type of work. Funding was not available from the Regional Development Agency (Advantage West Midlands) to support the continuation of this project. Plans to disseminate the results of the project nationally (via a CD-ROM that can be regionally customised) are being organised.

Main beneficiaries and outcomes/impacts

Participant outcomes

As the project is ongoing, it is only possible to produce expected figures:

- expected completion rates – up to 280
- expected number of qualifications to be awarded – up to 280
- number of beneficiaries expected to secure relevant employment – up to 280.

Other dissemination activities

- A CD-Rom is being produced covering the course content and training materials.
- The course is being disseminated through a national launch conference in the autumn of 2006. This will promote and disseminate the lessons learnt and good practice.

Benefits

Graduate benefits

- Accreditation – although some students gain accreditation this is not the main driver for the project.
- Careers management skills acquisition – job search-related skills, lifelong career management and personal development skills.
- Soft skills development - communication, project planning, Internet research and team-working skills.
- Confidence and aspiration building.

Local economy benefits

- Improved engagement with employers to promote graduate employment and to encourage employers to use graduates at a graduate level.
- Project has acted as a focal point for discussions with employers.

Internal HEI benefits

- Improved links between the university's careers service, Connexions and the Jobcentre, who now refer graduates back to the university for graduate-level careers support.
- Synergies have developed through combination with HE Full Circle and Graduate Advantage.
- Reciprocal learning relationships have developed between the project and other student guidance tuition. The course was initially informed by similar courses for undergraduates but now the lessons learnt from *Graduated - What Next?* have been filtered back into those other undergraduates courses.
- Careers staff development – a lot of lessons have been gained through the relationships that careers staff have developed with graduates. Running the course has improved staff understanding of the issues and difficulties faced by unemployed graduates, and this has filtered back into the support that staff are able to deliver more widely.
- Improved relationship and awareness between the careers service and marketing team.
- Development of project management skills – the project team has gained further experience in project management and has learnt how to integrate projects into the mainstream careers service activities.

The future/sustainability

As the project is still ongoing, it is too early to assess future sustainability. However, there has been wider interest in the model that has been developed. A Graduate Futures Show Case Event has been organised for 5 December to share the good practice with other University Careers Services and promote the project within the university.

Msc in Analytical Chemistry - University of Huddersfield

Year

The project ran from 1 January 2003 to 31 December 2004. The course itself and other associated activities have been running with some form of ESF funding since 1993. The aim of the project was to give advanced (postgraduate) training to chemists, particularly those with a more general chemistry degree in analytical chemistry and analytical science.

Main partners

Huddersfield University was the only organisation involved in carrying out the project. The course itself was located at the university's department of Chemical and Biological Sciences, in the School of Applied Sciences. The course content was designed in conjunction with a panel made up of representatives of four local companies. The university's industrial liaison committee, which involves local companies, meets regularly to review the course and obtain up-to-date feedback from industry about their needs, and how courses might meet them. Thus minor changes to the course over the years have been the result of both academic changes in the subject and feedback from companies. For example, the inclusion of Analytical Bio-science was undertaken following an approach by a large company, Covance (a toxicology lab). The list of companies involved in the development of the course, reflects the ways in which the project has been informed by Huddersfield University's strategy towards working with business in the community (Astra Zeneca, Yorkshire Water, Allied Colloids, Ciba Specialities).

Description of activity

The project delivers a Masters-level academic course involving a period of work experience. All students are placed within industry to undertake a project; thus they obtain work experience for which they gain accreditation while achieving an academic qualification from the research project. For example, the course hosts a seminar day at which students are addressed by industrialists, and the students in turn show their work to a wider practitioner audience.

The project was developed with innovation in mind. The university did not want the course to be just a continuation of an undergraduate degree; instead the university thought it important, as part of lifelong learning, that students develop the skill of independent learning. Thus, there is greater emphasis on individual assignments, with students given feedback at various stages of the assignment, creating more of a one-to-one learning process. In essence, the course instruction falls somewhere in-between an undergraduate taught course and research students getting one-to-one tuition and assistance with their work. In this way the individuals are given

individual practical experience and develop project skills, and the ability to work on their own.

Rationale for project

The reason for starting the course in the first place was recognition that while in the early 1990s there were jobs in the area of analytical science, many science graduates were failing to get those jobs because they did not have sufficient training to be immediately attractive to employers in the sector.

However, the need for the project must also be seen in a wider national context. Forecasts suggest that growth will be fastest in professional and associated professional and technical occupations¹; the UK chemical industry is a growing, highly-skilled, innovative, technology-based, and R&D-intensive sector, and of considerable importance to the UK economy as a whole; and there are significant skill needs in the area of R&D, with a large demand for professional technical skills.²

The course was introduced to provide this training for graduates, who were recruited from among the university's own graduates and also more widely from all around the UK. In the early days many were graduates who had been unemployed for between six months and a year.

Main beneficiaries and outcomes/impacts

The current project follows that rationale - of targeting unemployed graduates, from within the Objective 3 regions of England. Indeed, Huddersfield University's application indicated that the project would target 30 unemployed graduates. Based on previous intakes, it was envisaged that 18 trainees would be aged under 25, with nine unemployed for more than six months; and 12 would be aged over 25, of whom three will be unemployed for more than a year. It was expected that 12 would be of ethnic minority origin. All of these faced barriers in securing employment, such as a period of unemployment, financial constraints and a lack of up-to-date work experience. The project aimed to overcome these barriers.³

Project outcomes

Strictly speaking, the project did not run to plan, as the actual number of beneficiaries was less than originally planned. Only around half of the planned number of beneficiaries actually participated in the course. Of the 14 trainees, five had completed

¹ National Skills Task Force, *Skills for All*, Research Report, 2000.

² Cited in Project Application submitted to ESF by University of Huddersfield, 2003/04.

³ Ibid.

their training and had been awarded their Masters degree, at the time of the Closure Report. All five had also gone into full-time employment. Of the rest, one had left the course early, and the remaining eight were continuing.¹

It is interesting that in the early years, and particularly when the course started, the department was able to fill all the places without difficulty. The period from the end of the 1990s and since, however, has seen a significant reduction in the number of beneficiaries taking up places, the lowest point being 2001 when only three beneficiaries took up the awarded places. However, there is evidence of an increase in take-up by beneficiaries over the last two years or so.

It is not totally clear why there was a reduced number of beneficiaries, or what actions Huddersfield took to address this problem, which was attributed partly to the national trend of reduced numbers of students studying chemistry in UK universities. It is also thought, that industry was recruiting directly and training more chemistry graduates with a first-degree qualification, rather than recruiting more highly qualified postgraduates. However, it is also acknowledged that the university had problems judging demand, which is difficult to predict, especially in the complex labour market for science graduates. Where employers are desperate to recruit BSc graduates immediately, this is likely to have an effect on the number of students applying to MSc courses. Taken as a whole, over the 14 years or so, the course has been a very successful one for Huddersfield.

Wider benefits

Individuals/beneficiaries

Huddersfield University believes there are very real benefits from the project. This is particularly true of the beneficiaries themselves, who acquire skills that make them highly employable. An added benefit is that the students also acquire skills in continuing and independent learning, practical experience and skills in industry, and receive an introduction to the labour market in analytical science.

Employers/industry

For industry, the project is equipping people with advanced skills, for which there is an acknowledged shortage nationally. For employers, therefore, the benefits include applicants who can go straight into jobs, arising from the practical experience and data analysis skills. There are strong links between the university and local companies. There is a symbiotic relationship, whereby the university takes students from companies and places undergraduates with companies; the university sends qualified graduates into full-time employment with companies, thus addressing their

¹ Project Closure Report, 2003/2004.

skill shortages; and experts from industry share their expertise with students through seminars and talks.

The university

The benefits to the university itself are not considered to be great. The funding from ESF is not considered to be good when compared with courses that are funded through fees. Nevertheless, the course enables the university to raise its profile in analytical science and to support its fee-paying, part-time course, as well as the overseas fee-paying students who are attracted to the course because of its high profile. In monetary terms, though, it is believed the university now makes a loss on the ESF courses, so that there are now fewer ESF-funded courses than in the past.

The future/sustainability

There is evidence of sustainability, at least to the extent that the course has been in existence for almost 14 years now. Nevertheless, the university is anxious to stress the importance and significance of ESF funding. As one of our respondent project managers put it:

'Without ESF funding there are quite a number of the unemployed graduates who we would not get, because without the funding they would not be willing to pay; they would need to get a career development loan. And I suspect most would not want to burden themselves with so much additional cost.'

It must be said that the other possible sources of funding for this type of course are very limited indeed. For example, according to our respondents, the department has had only two research council-funded places in the past, and the university has not applied for funding from this source in recent years. In any case, the Biological and Biotechnology Research Councils (BBRC) provide only 140 places nationally, with HEIs considered mainly or solely on their REA rating. Huddersfield is primarily a teaching university and cannot compete against the top research universities for this source of funding. In relative terms, therefore, ESF funding is very important for the University of Huddersfield's ability to continue to provide the course in analytical chemistry.

Our respondents addressed the hypothetical situation of ESF withdrawal:

'If ESF funding is withdrawn, then very few of this group of unemployed graduates we have taken would come on the course. The course will probably continue because we can continue to recruit overseas students and we can recruit part-time students who would be funded by their employers.'

'The studentships offered by the government research councils, such as EPSRC and EBSRC, they are generally funding graduates who are first class, in fact graduates who get first class honours. If you get a 2:1 which is a perfectly good degree, these people would

have to fund themselves. ESF funding has allowed students with 2:1s and 2:2s to come on this course, and enhance their skills and help industry, which needs graduates.'

Nevertheless, the University of Huddersfield would still endeavour to run the courses, even in the absence of ESF funding. The university is looking to diversify into areas such as pharmaceutical sciences in the future. The School of Applied Sciences is constantly introducing new modules which reflect what industry wants, and where the new job opportunities are. To attract students, the university needs to convince people about the benefits of doing the course. More recently it has attracted students from NHS quality-control labs, and it is making changes to the course to attract students from other quality-control labs.

Widening participation

ESF funding has allowed the university to increase the number of participants who are unemployed and who are from varied backgrounds. In some years, for example, there have been significant numbers of people from ethnic minority groups. The university has also recruited older people onto the course; some over the age of 50, for example, who have been made redundant from their jobs, and are looking to re-train in a different career. The following examples, cited by our respondents, demonstrate the impact of ESF funding in helping unemployed graduates back into work.

'We've also had in years gone by participants over the age of 50. We had someone who had been a teacher, who had a nervous breakdown and he couldn't teach anymore. He was about 54, and I didn't think he'd get a job because of his age. But he had a job at the end of it. He went to [named chemical company]. We also had someone who seemed to have drifted around, and had looked after his son for 20 years, until his son went to university. And he came on the course, and he did all right as well.'

Appendix 2: HE ESF Projects

Table A2.1: List of employability themed projects supported by HE ESF, 2001-2002

Institution	Project
University of Nottingham	Oncology Training (MSc)
University of Birmingham	MSc in Water Resources Technology & Management
University of Manchester	Interdisciplinary Environmental Skills Training Leading to a Masters Degree
University of Nottingham	National Molecular Microbiology Training - MSc Degree
University of Bristol	MSc in Meat Science & Technology
University of Liverpool	Career Tactics for the 21st Century
University of Birmingham	MSc in Toxicology
University of Huddersfield	High-Level Skills in Engineering
University of Birmingham	MSc in Biodiversity Conservation and Use/MSc in Applied Genetics
Anglia Ruskin University (formerly Anglia Polytechnic University)	Creditable - MSc in Computer Science
Loughborough University	Sport, Leisure and Recreation Management
Manchester Metropolitan University	MSc in Clothing & Related Studies
University of Southampton	Vocational Advanced Mathematics (MScs in Operational Research & Statistics with Applications in Medicine)
University of Bradford	Advanced Vocational Training in Environmental Management & Technology
University of Sunderland	MSc in Computer-Based Information Systems (CBIS)
University of Sunderland	MSc in Electronic Commerce
Middlesex University (formerly Higher Education for Capability)	The Capability Programme in Entrepreneurship
London Metropolitan University	Access to Online Working

Source: IES, 2006

Table A2.2: List of SME themed projects supported by HE ESF, 2001-2002

Institution	Project
University for the Arts London, The London College of Communication	CREDIP - Creative Design for the Digital Press
University of Northampton (formerly University College Northampton)	Foundation Degree in Lift Engineering
University of Northampton (formerly University College Northampton)	BSc in Electronic and Computer Engineering
University of Huddersfield	Supply Chain Management for Music e-Commerce
Kings College London	Distance Learning in Healthcare SMEs
Anglia Ruskin University (formerly Anglia Polytechnic University)	MILO
Staffordshire University	SMILE - SME Micro Learning
University of Birmingham	AUTONET 2
University of Northumbria at Newcastle	Arcade National
Loughborough University	Digital Animation Workshops
UMIST	e-Learning for Enterprise (eLfE)
University of Manchester	Enabling SME Training Provision with web wizards
Manchester Metropolitan University	Towards a Healthy High Street
Canterbury Christ Church University (formerly Canterbury Christ Church University College)	Business Skills Online
University of Salford	Business Culture in Latin America (BUCLA)
University of Bedfordshire (formerly University of Luton)	ATLAS Business Language Training for SMEs
Gloucestershire University Business School	MBA in Family Business Management
Middlesex University	Superior Stella

Source: IES, 2006

Table A2.3: List of employability themed projects supported by HE ESF, 2003-2004

Institution	Project
University for the Arts London, The London College of Communication	Getting into the Media
University of Huddersfield	HLS in Engineering
University of Huddersfield	MSc in Analytical Chemistry
University of Birmingham	MSc in Biodiversity Conservation and Use/MSc in Applied Genetics
University of Liverpool	Unemployed Graduate Employability Programme
University of Bristol	Into Employment for Disabled Graduates
University of Bristol	Job Search for Unemployed Graduates
University of Bristol	MSc in Meat Science & Technology
University of Nottingham	Biosciences training to meet national skills shortages
University of Nottingham	High-level training in hi-tech navigation systems, surveying and infrastructure
Manchester Business School	The Graduate Start-up Scheme
University of Salford	IT Training for Visually Impaired Graduates
University of Birmingham	MSc in Water Resources Technology & Management
University of Birmingham	MSc in Air Pollution Management & Control
University of Bedfordshire (formerly University of Luton)	Postgraduate Learn and Earn Awards: PLEA
University of Birmingham	MSc in Toxicology
University of Manchester	High-Level Training to Produce Entrepreneurial Environmentalists with a Masters Degree
University of Southampton	Marine/Environmental Skills for Industry
University of Nottingham	Oncology Training (MSc)
University of Chester (formerly Chester College of H.E.).	Positive Experience

Source: IES, 2006

Table A2.4: List of SME themed projects supported by HE ESF, 2003-2004

Institution	Project
University of Huddersfield	LLL in ICT for SME Employees
University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester (formerly Surrey Institute of Art & Design, Univ. College)	Creative Futures Portal
University of Northampton (formerly University College Northampton)	Post Graduate Qualification in Internet Computing
University of Bedfordshire (formerly University of Luton)	Enterprise Development for SME Managers
University of Northumbria at Newcastle	Addressing the under-employment of recent graduates
Manchester Business School	The Graduate Start-up Scheme
Loughborough University	Multiskills for Advanced Engineering
University of Derby	Developing LLL for Salon Management
City University	eMobile: Flexible Professional Development for e-Workers in the Creative and Cultural Industries
University of Chester (formerly Chester College of H.E.)	TransITion
University College for the Creative Arts at Canterbury, Epsom, Farnham, Maidstone and Rochester (formerly Surrey Institute of Art & Design, Univ. College)	Masters of their Medium

Source: IES, 2006

Table A2.5: List of employability themed projects supported by HE ESF, 2005-2006

Institution	Project
University of Birmingham	MSc in Water Resources Technology and Management
University of Nottingham	MSc in Environmental Management, Environmental Science and GIS
University of Nottingham	MSc in Oncology
Nottingham Trent University	ICT and Research Skills for Unemployed Graduates in the Virtual Institute
University of Bedfordshire (formerly University of Luton)	MSc Psychological Approaches to Health and Management
Staffordshire University	Graduated - What Next?
University of Bristol	MSc Meat Science and Technology
Leeds Metropolitan University	Graduate Employability Programme
University of Birmingham	MSc in Air Pollution Management & Control
University of Birmingham	MSc/M Res in Biodiversity Conservation and Use / MSc in Applied Genetics
Loughborough University	Employment in Renewable Energy (EiRE)
University of Bolton	Designing Futures
University of Birmingham	Msc in Toxicology
University of Liverpool	National Graduate Employability Coaching Programme
University of Manchester	MEnterprise
University of Manchester	TEAM (The Environment At Manchester)
University of Huddersfield	HLS in Engineering
University of Huddersfield	MSc in Analytical Sciences
University of Hull	SEED (Software Engineering Experience Development)
University of Central Lancashire	Higher Skills for ICT New Media
University of Teesside	Higher-Level Digital Skills
University of Central Lancashire	Unemployed Graduates into Customer Management
University of Bristol	Into Employment for Deaf Graduates
University of Bristol	Employment Scene: Employability for Visually Impaired and Other Disabled Graduates

Source: IES, 2006

Table A2.6: List of female discrimination themed projects supported by HE ESF, 2005-2006

Institution	Project
Oxford Brookes University	Action for the Career Development of Academic Women in the HE Sector
University of Central England	Women in Media Enterprise (WME)
University of Salford	DISCSOLS
University of Salford	W:ISE Women Investing in Skills and Entrepreneurship
University of Salford	Gender & Digitisation
University of Nottingham	Women into High-Skill Training for SET
London Metropolitan University	Fifty Forward
University of Bedfordshire (formerly University of Luton)	The Centre for Women's Enterprise
University of Northampton (formerly University College Northampton)	Supporting Women into Enterprise
Liverpool John Moores University	Work-life balance training for women's progression in the labour market
University of Central Lancashire	Women in Creative Enterprise
University of Bedfordshire (formerly University of Luton)	Flying High: Take the Next Step
City University	The Women's Cultural Leadership Programme
University of Exeter	Company Direction Programme: Leading Diversity in the Boardroom
University of Surrey	Enterprising Women
Loughborough University	Equalize

Source: IES, 2006