

Work-Based Learning for Adults: an evaluation of labour market effects

Commissioned by the Department for Work and Pensions

**Tracy Anderson
Richard Dorsett
Jon Hales
Stephen Lissenburgh
Candice Pires
Deborah Smeaton**

**National Centre for Social Research
Policy Studies Institute**

Disclaimer

The views expressed in this report are the authors' own and do not necessarily reflect those of the Department for Work and Pensions.

Contents

Disclaimer	i
Contents	iii
List of tables	v
List of charts	ix
Acknowledgements	xi
Abbreviations and acronyms	xiii
Executive summary	xv
Chapter 1 Introduction	1
1.1 Background to WBLA	1
1.2 Aim of evaluation	2
1.3 Scope of the evaluation – which participants?	2
1.4 Evaluation approach	3
1.5 Structure of the report	4
Chapter 2 Characteristics of WBLA participants	5
2.1 Introduction	5
2.2 Demographic characteristics	5
2.3 Skills, qualifications and work experience	7
2.4 Attitudes to work	10
2.5 Other personal and social characteristics	12
2.6 Self-identified barriers to employment	15
2.7 Summary	16
Chapter 3 Participation in WBLA	17
3.1 Introduction	17
3.2 Identification of participation in WBLA	17
3.3 Entry onto WBLA	18
3.4 Duration and activities undertaken	19
3.5 Leaving the training early	21
3.6 Usefulness of training	22
3.7 Summary	25
Chapter 4 Paid work undertaken after WBLA	27
4.1 Introduction	27
4.2 Whether worked since WBLA	27
4.3 Occupation and employer characteristics	28
4.4 Applying for the job	30
4.5 Hours, contract type, pay and other compensation	32
4.6 Learning to do the job	35
4.7 Summary	37
Chapter 5 Recent job search	39
5.1 Introduction	39
5.2 Job search techniques and assistance	39
5.3 Job search progress	40
5.4 Barriers to employment	43
5.5 Summary	44

Chapter 6	The approach used to estimate the effects of WBLA	47
	6.1 Overview of the evaluation problem	47
	6.2 Propensity score matching	47
	6.3 Application to this evaluation	48
	6.4 Characteristics associated with participation	53
	6.5 Performance of the match	58
Chapter 7	Estimates of the effects of WBLA	59
	7.1 The effects on employment	59
	7.2 The effects on wages	65
	7.3 The effects on employability	70
Chapter 8	Examining employment effects for particular groups	79
	8.1 Ethnic minority participants	79
	8.2 The effect of BET on clients born overseas	82
	8.3 Participants aged 50 years or more	83
Chapter 9	Summary and conclusion	87
	Bibliography	89
Appendix	Details of the match and other technical details	91
	A.1 Sampling weights and sample representativeness	91
	A.2 Simulating start dates for non-participants	91
	A.3 Performance of the match	92
	A.4 Sensitivity analysis	95
	A.5 Characteristics of participants excluded from the analysis	96
	A.6 Outcomes for participants and matched non-participants	97

List of tables

2.1	Gender and age	5
2.2	Marital status	6
2.3	Length of time in the UK	7
2.4	Region	7
2.5	Language, reading, writing and numeracy problems	8
2.6	IT skills	8
2.7	Level of highest qualification	8
2.8	Level of highest qualification by country of birth	9
2.9	When last in paid work prior to January 2002	9
2.10	Occupation when last employed prior to 2002	10
2.11	Pre-1998 work history	10
2.12	Attitudes to work and success: motivation	11
2.13	Attitudes to work and success: luck	11
2.14	Attitudes of BET participants by country of birth	11
2.15	Accommodation	12
2.16	Financial situation at beginning of January 2002	13
2.17	Parental interest in education	14
2.18	Childhood financial situation and parental employment	14
2.19	Barriers to employment in November/December 2001	15
3.1	Identification of training starting January -April 2002	17
3.2	Identification of training by duration	18
3.3	Degree to which participant wanted to get involved	18
3.4	Who participants discussed WBLA with prior to participation	19
3.5	Reasons for early entry	19
3.6	Duration of training	20
3.7	Desirability of training	20
3.8	Activities undertaken	20
3.9	Whether left training early by desirability of training	21
3.10	Main reasons for leaving training early	21
3.11	Usefulness of training	22
3.12	Usefulness of training by whether completed training	22
3.13	Usefulness of training by whether gained a qualification	22
3.14	Ways in which training was useful	23
3.15	Whether completed training helped participants to get a job	23
3.16	Ways in which the training helped participants to get a job	24
3.17	Usefulness of training and whether helped participants to get a job by participant characteristics	24
3.18	Overall usefulness of training and whether helped participants to get a job	25
4.1	Proportion employed since starting WBLA by participant characteristics	27
4.2	Reasons for job ending	28
4.3	Employment status: most recent post-WBLA employment	28
4.4	Occupation and managerial/supervisory duties	28
4.5	Industry	29
4.6	Number of site and number of employees	29
4.7	How participant heard about job	30
4.8	Whether anyone persuaded the employer to interview/recruit participant	30

4.9	Help received with applying for most recent job	31
4.10	Likelihood of getting same job without help	31
4.11	Whether participant was persuaded to accept job	32
4.12	Hours worked	32
4.13	Contract type	33
4.14	Net hourly pay	34
4.15	Occupational pensions	35
4.16	Relative financial position	35
4.17	Training received	36
4.18	How long it took to learn to do job and why	36
5.1	Job search techniques	39
5.2	Sources of job search assistance	40
5.3	Types of assistance received	40
5.4	Job search progress: furthest stage reached in the last four weeks	41
5.5	Job search progress by participant characteristics	41
5.6	Chances of getting any job in the next four weeks	41
5.7	Self-assessed employment chances by participants characteristics	42
5.8	Type of job sought	43
5.9	Number of barriers to employment	43
5.10	Barriers to employment	44
6.1	The decision to participate (summarised results of weighted probit)	56
7.1	Effects on employment - SJFT	60
7.2	Effects on employment – LOT	62
7.3	Effects on employment – BET	63
7.4	Estimating wage effects (1)	68
7.5	Estimating wage effects (2)	68
7.6	Impact on English, reading, writing and numeracy – matching estimates	71
7.7	Proportion of BET participants who improved their basic skills by participant characteristics	71
7.8	Impact on IT skills – matching estimates	72
7.9	Proportion of participants who improved their IT skills	72
7.10	IT skills at beginning of January 2002 and post-course among those who improved their IT skills	73
7.11	Impact on qualification gains – matching estimates	73
7.12	Proportion of participants who gained a qualification	74
7.13	Highest level of qualification at beginning of January 2002 and the time of interview among those who gained a qualification	74
7.14	Impact on human capital acquisition – matching estimates	75
7.15	Proportion of participants who acquired human capital	75
7.16	Impact on labour market attachment – matching estimates	76
7.17	Labour market attachment by participant characteristics	77
8.1	The employment effects for ethnic minority participants	80
8.2	BET employment effects for overseas clients	82
8.3	Comparing characteristics of those dropped with those not dropped	83
8.4	The employment effects for participants aged 50 years and over	84

Appendix tables:

A.1	Assessing the performance of the match	93
A.2	Effects of changing the caliper	95
A.3	Differences between discarded and retained BET participants	97
A.4	Employment outcomes for SJFT participants and matched non-participants	98
A.5	Employment outcomes for LOT participants and matched non-participants	98
A.6	Employment outcomes for BET participants and matched non-participants	99
A.7	Wages for WBLA participants and matched non-participants (1)	99
A.8	Wage measures for WBLA participants and matched non-participants (2)	99

List of charts

7.1	The evolving employment effect of SJFT	61
7.2	The evolving employment effect of LOT	63
7.3	The evolving employment effect of BET	64
7.4	Duration of training by Opportunity	65
8.1	The evolving employment effect of SJFT for ethnic minority clients	80
8.2	The evolving employment effect of LOT for ethnic minority clients	81
8.3	The evolving employment effect of BET for ethnic minority clients	81
8.4	The evolving employment effect of SJFT for older clients	84
8.5	The evolving employment effect of LOT for older clients	85
Appendix charts:		
A.1	Propensity score distributions for SJFT	94
A.2	Propensity score distributions for LOT	94
A.3	Propensity score distributions for BET	95

Acknowledgements

This report uses data from the Work-Based Learning for Adults database (constructed by the Department for Work and Pensions in collaboration with ORC International) and from a survey jointly designed by DWP, National Centre and the Policy Studies Institute. The authors gratefully acknowledge the contributions of Russ Bentley, Gillian Burgess, Mike Daly, Jane Francis, Jane Hall, Karl Olsen, Peter Weller and colleagues at DWP. The analysis benefited greatly from the input of Professor Michael Lechner (University of St. Gallen) as external advisor. Professors Peter Dolton (University of Newcastle) and Jeff Smith (University of Maryland) also made helpful contributions when the results were presented in a workshop at PSI. Finally, thanks go to the interviewees for taking the time to respond to the survey.

Richard Dorsett (lead researcher) and Stephen Lissenburgh are Principal Research Fellows and Deborah Smeaton is a Research Fellow, all at PSI. Tracy Anderson is Senior Researcher, Jon Hales is Research Group Director and Candice Pires is a researcher, all at the National Centre.

Abbreviations and acronyms

BET	Basic Employability Training
CLAIT	Computer Literacy and Information Technology
DWP	Department for Work and Pensions
ECDL	European Computer Driving Licence
ESOL	English as a second language
EU	European Union
HGV	Heavy Goods Vehicle
JSA	Jobseeker's Allowance
LOT	Longer Occupational Training
NVQ	National Vocational Qualification
SEP	Self-Employment Provision
SJFT	Short Job-Focused Training
TEC	Training and Enterprise Council
WBLA	Work-Based Learning for Adults

Executive summary

Work-Based Learning for Adults (WBLA) is a voluntary training programme in England aimed principally at those aged 25 years and over who have been claiming Jobseeker's Allowance (JSA) for at least six months. It offers four areas of provision or 'Opportunities':

- Short Job-Focused Training (SJFT) offers courses of up to six weeks duration for the most job-ready
- Longer Occupational Training (LOT) is for those with benefit claims of a year or more and provides longer-term training to address more fundamental needs
- Basic Employability Training (BET) targets those with basic skills needs and is expected to last for 26 weeks
- Self-Employment Provision (SEP) offers help and support for those wishing to move into unsupported self-employment.

The Department for Work and Pensions (DWP) has been responsible for WBLA since April 2001, following the abolition of the Training and Enterprise Councils (TECs) in England. This report presents the results of an evaluation of DWP-administered WBLA carried out by the Policy Studies Institute and the National Centre for Social Research. The aim of the evaluation was to assess the extent to which participating in WBLA affected subsequent labour market outcomes.

Methodology

The impact of the WBLA Opportunities was estimated by comparing the outcomes of participants with a sample of non-participants, selected using propensity score matching. Propensity score matching is a means of controlling for important differences in characteristics between participants and non-participants so that any remaining differences in outcomes can be interpreted as the result of participation.

The evaluation was based on survey data collected using questionnaires designed with the express purpose of satisfying the information requirements of a matching estimator. The sampling frame was drawn from JSA clients who entered WBLA in the period January to April 2002. Interviews were carried out between April and mid-June 2003; that is, at least a year after entering WBLA. In the event, it was not possible to consider SEP due to insufficient numbers of participants. Consequently, three WBLA Opportunities were considered: SJFT, LOT and BET. The number of interviews achieved for these Opportunities was 878, 982 and 874 respectively.

Characteristics of WBLA participants

Prior to starting WBLA, many participants had low-level skills and/or no qualifications. Those who participated in BET tended to be the most disadvantaged: 77 per cent had either never used a computer or had only done so a few times, 68 per cent had no qualifications and 75 per cent reported having difficulties with English, reading, writing or numeracy. SJFT and LOT participants were generally more similar to each other, but, even among these groups, there were still sizeable proportions with poor IT skills (40 per cent), poor basic skills (18 and 21 per cent respectively) and no qualifications (25 and 27 per cent). In addition to low-level skills, many participants had no recent work experience prior to starting WBLA. Once again this was more common among BET participants. This group also differed in other respects.

They were more likely to have been born outside the UK and were predominantly living in London.

Outcomes since WBLA

Since participating in WBLA, 58 per cent of SJFT participants and 53 per cent of LOT participants had been in paid employment, as had one third of those who participated in BET. Some participants were asked directly by their employers to apply for their most recent job; this may have resulted from contact made during their participation in WBLA. In addition, a significant proportion had received help with their application from other people, without which they believed that their employment prospects would have been less favourable.

At the time of the interview, 39 per cent of SJFT and LOT participants were unemployed and had been actively looking for work in the previous four weeks, as were 55 per cent of BET participants. Over 70 per cent faced at least one self-identified barrier to employment, with a substantial proportion facing two or more (particularly among BET participants). The majority of participants believed their chances of getting any job in the next four weeks to be very or fairly bad. This was true for all Opportunities.

Where job entry had been achieved, it was most commonly in elementary (unskilled) occupations. The majority received an hourly wage towards the lower end of the pay scale, particularly BET participants of whom over half earned less than £4.50 per hour (net). Up to six per cent of employed SJFT and LOT participants, and 5-13 per cent of BET participants earned less than the minimum wage.

Only around one half of SJFT and BET participants, and just under two-thirds of LOT participants, could recall starting any training between January and April 2002. This makes it difficult to draw conclusions about the views of all participants about their training. However, a minimum of 38 per cent of SJFT participants, 47 per cent of LOT participants and 35 per cent of BET participants thought that their training was useful. Furthermore, at least 17 per cent of SJFT participants, 20 per cent of LOT participants and six per cent of BET participants thought that WBLA had helped them to get a job, often due to increased self-confidence or qualifications gained.

The labour market effects of WBLA

Matching aims to identify a group of non-participants who are similar to participants. Tests showed this had been successfully achieved – there were few differences between participants and their matched counterparts. Furthermore, the development of a bespoke questionnaire helped ensure that the exacting information requirements of a matching estimator were met. However, the results for BET were slightly less positive than for SJFT/LOT. A higher proportion of BET participants than SJFT/LOT participants had to be excluded from the analysis for the reason that there did not exist sufficiently similar individuals among the comparison group. Those dropped tended to speak English as a second language but have a relatively high level of labour market attachment. The consequence of this is that the BET results are less applicable to this particular sub-group, which accounts for 14 per cent of all BET participants.

SJFT appeared to accelerate entry to full-time employment. Participation raised the chances of being employed about five months after enrolling by 5-7 percentage points depending on which definition of employment was used. However, this effect was short-lived and no impact was evident by the ten-month mark. Twelve months after SJFT entry, 42 per cent of

participants were in work, the same level as among the matched comparison group. However, there did appear to be a sustained effect for clients aged 50 years and over. Wages information was used to assess the effect of SJFT on productivity and income. This showed no significant effects. However, there were other effects. Qualifications levels, IT skills and, to a lesser extent, writing skills were all improved. There was also an increase in labour market attachment.

LOT increased the probability of working full-time by about seven percentage points. Furthermore, the effect was sustained; after a year, 29 per cent of participants were working full-time compared to 22 per cent of the matched comparison group. The fact that there was no significant effect on any-hours employment suggests that the main effect was to make people work longer hours. However, the estimated effect on any-hours work appeared to grow with time, suggesting that a positive employment effect could yet emerge. Like SJFT, there was no effect on productivity or income but there was a positive effect on qualifications levels, IT skills and, to a lesser extent, writing skills.

BET had no effect on employment. This is true regardless of which definition of employment was used and which point in time was considered. This remained true when considering just ethnic minority participants. Again, there was no effect on productivity or income. However, participation had a large impact on the improvement of all basic skills and IT skills and also increased labour market attachment.

Summary and conclusion

There were differences in impact across the three Opportunities. Most encouraging was that LOT appeared to increase the likelihood of being in full-time work by a sustained amount of about seven percentage points. However, it is disappointing from a welfare point of view that there was no corresponding impact on income. The other Opportunities were less effective. SJFT served to accelerate entry into work for those who would have found work in any case. With BET, no effect could be detected. Positive effects on employability were found for all three Opportunities.

It is likely that encouraging employment entry may be a lengthy process for BET participants since their lack of basic skills constitutes a significant obstacle. An important dimension to BET was the high proportion of participants who were relatively recent immigrants and for whom English was a second language. Such individuals may not have a basic skills need as such; rather, they have language difficulties. To be effective, basic skills training must be tailored to the particular requirements of the client group.

Finally, it would be interesting to consider longer-term effects of training. For LOT, the estimated effects on non-full-time employment were approaching significance as time passed and it would be revealing to see if this trend continued. For the other Opportunities, longer-term outcomes would help show whether the effects on employability eventually translated into an effect on job entry.

Chapter 1 Introduction

1.1 Background to WBLA

Work-Based Learning for Adults (WBLA) is a training programme aimed principally at those in England aged 25 years and over. Equivalent programmes exist in Scotland and Wales. It is open to those who have been unemployed for at least six months and who are currently in receipt of Jobseeker's Allowance (JSA) or another qualifying benefit.¹ There is provision for certain priority groups² to participate before having accrued six months unemployment, although they account for only a minority of entrants.

In April 2001, the Employment Service was given responsibility for the delivery of WBLA, and it continues to be managed by Jobcentre Plus. Previously, it had been administered in England through the network of Training and Enterprise Councils (TECs). Although the programme has not been subjected to a radical overhaul, some significant changes took place:

- job outcomes became the main priority (as opposed to just obtaining a qualification)
- harder-to-help groups received more consideration
- programme delivery became more consistent across the country.

In addition, WBLA shares the objectives of the New Deals and other Jobcentre Plus provision to help unemployed people develop the skills and disciplines required to move into sustained employment.

Participation is voluntary and the majority of participants are Jobcentre Plus clients, but some people are referred by training providers. All participants, however, must be approved by Jobcentre Plus and entry is always at adviser discretion. All participants receive an allowance-based payment equivalent to their weekly JSA plus £10.

The programme comprises four areas of provision, or 'Opportunities':

- Short Job-Focused Training (SJFT) consists of a mixture of relevant job-focused training, soft skills, job search and work placements, all of which should be tailored to meet the requirements of local employers. Training is full-time³ and lasts for a maximum of six weeks. SJFT is designed to address the labour market disadvantage faced by people who lack the specific work-related skills required by local employers but who are otherwise job-ready. It is individually tailored to enable clients to build upon activities undertaken prior to taking part in SJFT, such as previous work experience or training.
- Longer Occupational Training (LOT) aims to help participants acquire new skills or update existing ones which are required by local employers by providing tailored work-focused training and thus help them to find work. Participants are likely to lack specific occupational and soft skills required by local employers. LOT provides clients with the opportunity to develop new occupational skills, refresh other work-related skills, improve their basic skills, gain relevant qualifications, update their CV, carry out job search and

¹ These are Income Support, Incapacity Benefit, Severe Disablement Allowance and Maternity Benefit.

² These include ex-regulars in HM forces, lone parents, returners to the labour market, people made redundant as part of a Jobcentre Plus-designated large-scale redundancy, refugees, homeless people and residents of designated Foyers, people recovering from drug addiction and people referred by their personal adviser.

³ That is, over 20 hours per week. However a restricted group of participants can attend on a part-time basis (16 or more hours per week).

find work during or soon after the completion of provision. The average duration of training is 14 weeks, although it can last for up to a year. Because of this longer duration, LOT participants are more likely than SJFT participants to be studying for a formal qualification.

- Basic Employability Training (BET) is aimed at those who are assessed as not meeting the Basic Skills Agency Entry Level and who therefore are further removed from the labour market than those in the other WBLA Opportunities. Participation is expected to last for 26 weeks and, while undertaking provision, clients are expected to study to raise their literacy and numeracy levels to at least Basic Skills Agency entry level. As well as addressing basic skills issues, BET includes tailored packages of support to develop key employability and basic occupational skills required by employers.
- Self-Employment Provision (SEP) offers participants the opportunity to move into unsupported self-employment. It also provides support to those clients who decide during their time on the provision that they would rather seek work with an employer than be self-employed. SEP comprises three stages. Stage 1 provides advice and information over a one week period. Stage 2 consists of training with a view to developing a business plan over four weeks. Stage 3 provides the opportunity to test a business idea by trading while still receiving an allowance for a period of up to 26 weeks.

Official figures show that in the operational year 2002/03, there were 72,400 starts to WBLA. This is two-thirds the volume in the last year of TEC control and is due primarily to re-targeting and changes in the eligibility criteria. Specifically, help became more directed towards those who most needed it, increasing in intensity with the length of time unemployed and narrowed access to BET to those with identified basic skills problems. Overall, LOT is the most popular Opportunity, accounting for 29 per cent of all starts since April 2001. A quarter of starts in this same period were to SJFT and a fifth to BET. SEP accounted for 26 per cent of starts.⁴

1.2 Aim of the evaluation

The aim of the evaluation was to better understand the nature of the client group accessing WBLA and to assess the effect that participation has on subsequent labour market outcomes. The analysis was based primarily on survey data. Using information collected on WBLA participants, the report presents a detailed insight into the characteristics of participants served by the different WBLA Opportunities. Their experiences on WBLA are also presented, along with their impressions of how helpful participation has been. Because of the lengthy delay between entering WBLA and being interviewed, it was possible to describe also the nature of their participation in the labour market some months after entering WBLA.

1.3 Scope of the evaluation – which participants?

From the outset, it was necessary to restrict the scope of the evaluation such that not all WBLA participants featured in this analysis. The reason for this is simply that there were insufficient numbers of entrants available under certain categories of WBLA. Specifically, there are two significant exclusions:

- those participants claiming a benefit other than JSA
- those individuals entering the SEP Opportunity.

⁴ This includes starts to stages 1-3 of SEP.

Non-JSA clients are likely to be qualitatively different from JSA clients with regard to their labour market prospects. Consequently, it is preferable to consider them separately. However, since the majority of WBLA participants receive JSA, attempts to do so are frustrated by the small number of such individuals. To illustrate, only about 15 per cent of WBLA participants are non-JSA clients. Of these, the largest group comprises lone parents in receipt of Income Support. Although it was not feasible to estimate impacts separately for non-JSA clients, a descriptive analysis of lone parents was carried out and appears as an accompanying report (Anderson and Pires, 2004).

The problem of small sample size was also the reason for excluding those on the SEP Opportunity. As noted, SEP involves three stages. The policy interest is focused on the effect of the test-trading in the third stage. However, relatively few initial participants survive to this stage. In fact, of the 39,452 starts to SEP between April 2001 and June 2003, only 14 per cent entered the third stage.

In summary, the participants considered in this report are those JSA clients who entered either SJFT, LOT or BET. This was identified using administrative data. To be able to observe a sufficient number of individuals in each case, all those entering one of these Opportunities in the period January to April 2002 were considered. All durations of participation were included, even those of a single day.⁵

1.4 Evaluation approach

Essentially, the evaluation used survey data to describe the characteristics of those participating in WBLA and to estimate the effect that their participation had on subsequent labour market outcomes. In practice, however, there were a number of complications that needed to be addressed. These were of both a practical and a conceptual nature. They are discussed briefly in this section in order to aid interpretability of the eventual results but also in the belief that similar issues may be encountered in other evaluations. By setting out some of the issues here, it may raise awareness of these points and thereby be of practical relevance to researchers considering other studies.

The first issue relates to sampling and fieldwork. Full details of this are provided in Anderson and Taylor (2004). The estimation approach used (propensity score matching) requires information on both participants in WBLA and non-participants. The participants are of obvious interest. The non-participants, on the other hand, are only important to the extent that they permit the WBLA effects to be estimated for participants. Consequently, while there is a desire to achieve representativeness amongst participants, this is not important for non-participants. In fact, what is most desirable for non-participants is that they have similar characteristics to participants. The reason for this is that propensity score matching operates by comparing the outcome of participants with that of similar non-participants. This is explained more fully in Chapter 6 which provides an intuitive overview of propensity score matching, while fuller details are contained in the Appendix.

The requirement for non-participants to be similar to participants shaped the way the sampling was conducted. The participant sample was drawn from WBLA records in a straightforward manner. The non-participant sample was drawn from JSA records but this selection was not random. Rather, propensity score matching was used to identify from the available pool of non-participants those most similar to the sample of participants in terms of

⁵ An example of a single-day course might be a course to achieve a food-hygiene certificate.

the characteristics observed in the administrative data. By this method, a non-participant sample of the required size was identified.

In total, interviews were achieved with 878, 982 and 874 individuals in SJFT, LOT and BET respectively and non-participant interviews numbered 2,233. All interviews were carried out face-to-face. Weights were constructed in order to restore achieved sample representativeness and then the weighted data were used to carry out the descriptive analysis.

As well as being used for the purposes of sample selection, propensity score matching was also the method used to estimate the effects of WBLA. Considerable care was required when carrying out the matching. In particular, to achieve credible estimates, the characteristics associated with WBLA participation had to be captured in the data. Accordingly, it was important to understand the selection process. This was helped by the qualitative evidence on precisely this issue available in Olsen et al. (2003). Furthermore, the survey questionnaire was designed with the end purpose of propensity score matching specifically in mind. This increased the chances of satisfying the demanding information requirements of a matching estimator. It is important to give full consideration to which characteristics are included in the match. To account for the effects of the matching carried out when selecting the sample, those variables from the administrative data included in that first-stage match had to be included in the propensity score matching using survey data. This is a point that has a wider applicability beyond this evaluation.

1.5 Structure of the report

The report is structured as follows. Chapters 2 to 5 describe the participants. The focus in chapter 2 is on the characteristics of WBLA participants prior to participating in WBLA. Chapter 3 considers the activities undertaken under the WBLA programme and participants' views on their training. Chapter 4 examines the types of work undertaken by participants since WBLA and chapter 5 focuses upon the job search activities of those who were actively looking for work at the time of interview. Attention then turns to estimating the effects of WBLA. In chapter 6, the methodology is presented and its appropriateness to this evaluation discussed. In chapter 7, the estimated effects are given. In chapter 8, a similar methodology is used to assess the effects for two sub-groups: ethnic minority clients and those aged 50 years and over. Finally, the results are summarised in chapter 9 which also concludes.

Throughout the report, descriptive statistics are not presented for those groups with an unweighted base of less than 25. For those with an unweighted base of 25 to 50, the statistics are presented within brackets and should be treated with caution.

Chapter 2 Characteristics of WBLA participants

2.1 Introduction

Those who participate in Work Based Learning for Adults are by no means a homogenous group. Their demographic profile, educational levels and work history vary both between and within Opportunity types.

This chapter examines the characteristics of those who started on WBLA between January and April 2002 prior to participating in the programme (as at the beginning of January 2002). It initially examines the demographic profile of participants before looking at more work-related characteristics; namely skills, qualifications and work history. Attention is then turned to other personal and social characteristics which may affect labour market prospects. Finally, the factors that participants themselves identified as barriers to finding work prior to 2002 are presented.

2.2 Demographic characteristics

Gender, age and ethnicity

Across all three Opportunity types, the majority of WBLA participants were male (between 76 per cent and 80 per cent) (Table 2.1).

Table 2.1 Gender and age

	Column percentages		
	SJFT	LOT	BET
Gender			
- Male	80	76	80
- Female	20	24	20
Age			
- Under 30	17	17	21
- 30-34 years	20	16	20
- 35-39 years	15	19	18
- 40-44 years	14	15	16
- 45-49 years	13	13	13
- 50-54 years	11	11	9
- 55 or more	10	9	5
Unweighted Base	861	957	848

Base: All JSA participants starting January-April 2002.

Participants examined in this study were aged between 25 and 65 when they started on WBLA. Those entering BET were on average younger than those entering the other Opportunity types, with an average age of 38 years compared with 40 years for SJFT and LOT. They were more likely to be aged under 30 and less likely to be aged 50 or more compared with those participating in other Opportunity types.

BET participants also differed from other participants in their ethnic background. Just over half of those participating in BET (51 per cent) were from ethnic minority groups, compared with 15 percent of LOT participants and 17 per cent of SJFT participants. Of the BET participants, ten per cent were Bangladeshi, seven per cent Black-African, five per cent Indian

and six per cent other Asian. Those SJFT and LOT participants from minority ethnic groups were predominantly Black-African or Black-Caribbean.

Marital status and parenthood

Table 2.2 shows the marital status of participants as at the beginning of January 2002. A greater proportion of BET participants were married, compared with LOT or SJFT participants, and a smaller proportion single. In addition, a larger proportion of BET participants had one or more dependent children aged under 16 (40 per cent compared with 32 per cent of SJFT participants and 33 per cent of LOT participants).

Table 2.2 Marital status

	Column percentages		
	SJFT	LOT	BET
Marital status			
- Single, never married	41	39	36
- Married	32	35	43
- Living as a couple	8	8	4
- Widowed	2	1	2
- Divorced	13	13	9
- Separated	5	4	6
Unweighted Base	855	941	835

Base: All JSA participants starting January-April 2002.

Health problems and disabilities

Disabilities and other health problems can prevent individuals from undertaking paid work and/or make it difficult for them to look for work. Forty-one per cent of LOT participants had a self-reported health problem or disability which affected the work they could do, as did 35 per cent of BET participants and 29 per cent of SJFT participants. Individuals with such problems are likely to have had greater difficulty finding or maintaining paid employment and, therefore, may have spent a substantial period out of paid employment. LOT is aimed at those who have spent a longer period unemployed compared with the other Opportunities and, therefore, the greater incidence of health problems among these participants is perhaps unsurprising.

However, it must be remembered that nothing is known about the nature or degree of these self-reported health problems or disabilities. They may be relatively minor and/or short-term. Indeed, the majority of those who reported having such a problem were not recorded in administrative data as having ever claimed Incapacity Benefit in the period since May 1999 until starting on WBLA (72 per cent of those SJFT participants, 65 per cent of similar LOT participants and 75 per cent of the BET participants).

Country of birth and length of time in the UK

The proportion of participants born in the UK varied widely by WBLA Opportunity. Only 44 per cent of BET participants were born in the UK compared with more than 80 per cent of SJFT and LOT participants (85 per cent and 87 per cent respectively). Of those SJFT and LOT participants born outside the UK, the majority had lived in the country for ten years or more, Table 2.3. Contrastingly, the majority of BET participants born elsewhere had lived in the UK for less than ten years, with 44 per cent having lived in the UK less than five years.

Table 2.3 Length of time in the UK

	Column percentages		
	SJFT	LOT	BET
Less than 5 years	24	9	44
5 – 9 years	16	22	19
10 – 19 years	18	14	16
20 – 29 years	11	19	12
30 years or more	31	36	10
Unweighted Base	124	109	453

Base: All JSA participants starting January-April 2002 born outside the UK.

Region

WBLA participants were located across all regions of England. A large proportion of participants in each Opportunity were located in London. However, there was a greater concentration of BET participants, with just under one half of this group located in the London region (Table 2.4).

Table 2.4 Region

	Column percentages		
	SJFT	LOT	BET
North East	3	5	3
North West	18	19	14
Yorkshire and Humberside	15	12	11
West Midlands	12	13	7
East Midlands	6	8	7
East of England	8	8	4
South East	7	9	7
London	24	19	46
South West	7	6	2
Unweighted Base	861	957	848

Base: All JSA participants starting January-April 2002.

2.3 Skills, qualifications and work history

Work Based Learning for Adults aims to help unemployed individuals back into paid work. Those individuals who participate in WBLA may have experienced difficulty finding employment for a variety of reasons including low levels skills, a lack of qualifications or recent work experience. This section examines the human capital of participants prior to starting in WBLA and provides a baseline description of the characteristics used in assessing the impact of WBLA (Section 7.3).

Basic skills

Given that the focus of BET is on basic skills and that 56 per cent of BET participants were born outside of the UK, it is not surprising that 42 per cent of this group reported having difficulties with English at the beginning of January 2002, compared with only three per cent of LOT participants and four per cent of SJFT participants (Table 2.5). This pattern was also evident for problems with reading, writing and numeracy, with a significantly smaller proportion of SJFT and LOT participants reporting problems, compared with BET

participants. Overall, three-quarters of BET participants had difficulties in one or more of these areas at the beginning of January 2002.

Table 2.5 Language, reading, writing and numeracy problems

	Column percentages		
	SJFT	LOT	BET
Difficulties with English	4	3	42
Difficulties with reading	7	7	30
Difficulties with writing/spelling	11	11	35
Difficulties with numbers	6	9	21
Any of the above	18	21	75
Unweighted Base	854-859	949-957	840-845

Base: All JSA participants starting January-April 2002.

Those who went on to participate in BET also had lesser IT skills compared with other participants (Table 2.6). Over one half of BET participants had never used a computer compared with around one quarter of SJFT and LOT participants, and a smaller proportion classified themselves as having good or advanced computer skills (six per cent of BET participants compared with just over 30 per cent of SJFT and LOT participants).

Table 2.6 IT skills

	Column percentages		
	SJFT	LOT	BET
Never used a computer	25	24	55
Used a computer a few times	15	16	22
Basic computer skills	29	28	17
Good computer skills	20	19	5
Advanced computer skills	12	14	1
Unweighted Base	857	952	845

Base: All JSA participants starting January-April 2002.

Qualifications

In addition to having lower basic and IT skills, BET participants were also less likely to have qualifications than SJFT and LOT participants (Table 2.7).⁶ This was the case for both vocational and academic qualifications. Overall, just over two thirds of BET participants had no qualifications. This was the case for around one quarter of SJFT and LOT participants.

Table 2.7 Level of highest qualification

	Column percentages		
	SJFT	LOT	BET
NVQ level 4 or above	17	17	7
NVQ level 3	15	15	6
NVQ level 2	27	25	7
NVQ level 1	10	12	7
Level unknown	5	5	6
No qualifications	27	25	68
Unweighted Base	854	951	842

Base: All JSA participants starting January-April 2002.

⁶ This includes qualifications gained overseas.

Table 2.7 shows the level of the highest qualification held by WBLA participants as at the beginning of January 2002. Among those who had qualifications, the most common types held were O-levels or GCSEs, City and Guilds Parts 1 or 2, CLAIT qualifications, NVQ levels 1 or 2 and A-levels.

The level of qualifications held differed between those born in the UK and those born elsewhere. While the proportion with no qualifications were similar among these groups, within each Opportunity type a larger proportion of those born outside of the UK had a qualification equivalent to NVQ level 4 or above, Table 2.8. This was due to degree level academic qualifications being more common among those participants born outside the UK.

Table 2.8 Level of highest qualification by country of birth

	Column percentages					
	SJFT		LOT		BET	
	UK	Other	UK	Other	UK	Other
NVQ level 4 or above	15	30	16	28	2	10
NVQ level 3	16	11	16	13	5	7
NVQ level 2	28	18	26	18	9	6
NVQ level 1	10	8	12	6	13	2
Level unknown	5	6	4	12	3	9
No qualifications	27	26	26	23	68	67
Unweighted Base	732	122	841	109	393	449

Base: All JSA participants starting January-April 2002.

Work history

In addition to a lack of skills and qualifications, the absence of recent work experience can also make it difficult for individuals to find work. Once again BET participants were the most disadvantaged in this respect (Table 2.9). Prior to January 2002, 15 per cent of BET participants had never had a job compared with four per cent of both SJFT and LOT participants. Furthermore, a smaller proportion of BET participants had undertaken paid work in the previous 12 months compared with SJFT and LOT participants.

Table 2.9 When last in paid work prior to January 2002

	Column percentages		
	SJFT	LOT	BET
Within the 12 months prior	61	48	37
Within 13-24 months prior	11	12	10
More than 24 months prior	25	36	38
Never had a job	4	4	15
Unweighted Base	852	937	829

Base: All JSA participants starting January-April 2002.

Of those who had been in paid work within the three years prior to 2002⁷, the majority within each Opportunity type had worked for 30 hours or more per week (88 per cent of such SJFT participants, 85 per cent of LOT participants and 71 per cent of BET participants) and were concentrated within elementary (unskilled) occupations, process, plant and machine operatives and skilled trades occupations (Table 2.10). BET participants were particularly concentrated within elementary 'unskilled' occupations; 44 per cent of those who had worked since 1998 had last been employed in such jobs, as had 31 per cent of SJFT participants and 24 per cent of LOT participants. In two thirds of cases (within each Opportunity type) their

⁷ This was the period for which detailed employment history data was collected.

last job had lasted over 12 months; furthermore, in around one half of cases, the job had lasted more than two years.

Table 2.10 Occupation when last employed prior to January 2002

	Column percentages		
	SJFT	LOT	BET
Managers and senior officials	10	7	2
Professional	3	4	1
Associated professional and technical	7	5	2
Administrative and secretarial	7	7	2
Skilled trades	14	19	18
Personal services	3	4	2
Sales and customer services	6	6	6
Process, plant and machine operatives	18	23	24
Elementary (unskilled)	31	24	44
Unweighted base	651	626	436

Base: All JSA participants who had worked in the three years prior to 2002.

Looking at employment patterns prior to this three-year period (i.e before 1999), a large proportion of participants described themselves as spending most of their time in steady jobs, Table 2.11. However, there were differences in the employment patterns of the participants between Opportunity types. BET participants were more likely to describe themselves prior to 1999 as spending ‘more time unemployed than in work’. They were also less likely to have described themselves as spending ‘most of my time in steady jobs’ or being ‘in work or out of work several times over’. Around twelve per cent of the participants in each WBLA Opportunity said that they were mainly doing casual or short-term work.

Table 2.11 Pre-1999 work history (per cent agreeing with statement)

	Column percentages		
	SJFT	LOT	BET
I spent most of my time in steady jobs	57	52	41
I was in work, then out of work, several times over	23	21	15
I spent more time unemployed than in work	14	17	22
I did mainly casual or short-term work	12	11	12
I spent a lot of time looking after the home and family	8	11	10
I was never unemployed	8	7	5
I spent most of my time self-employed	4	4	4
I spent a lot of time out of work due to sickness/injury	3	4	3
Unweighted Base	861	955	847

Base: All JSA participants starting January-April 2002.

2.4 Attitudes to work

Attitudes to work can also be important in finding employment. However, they are difficult to capture, in addition to being impossible to gauge retrospectively. Participants were asked to what degree they agreed with a number of statements relating to work and success⁸:

- ‘Hard work is satisfying’*
- ‘You can do anything if you work hard’*
- ‘You should be the best at what you do’*
- ‘Making money is mostly due to luck’*

⁸ The statements were not presented to respondents in this order.

Characteristics of WBLA participants

'To do well at work you have to be lucky'

'To make a lot of money you have to know the right people'

These questions are believed to capture more constant attitudes to work and success, that is, attitudes that are less likely to change, particularly in the short-term. As such they were used to provide an indication of participants' attitudes prior to WBLA and for matching purposes (although they should equally provide an indication of their attitudes at the time of interview).

The first three statements relate to motivation and, as Table 2.12 shows, between 73 and 83 per cent of participants in each Opportunity type agreed or strongly agreed with each of these statements.

Table 2.12 Attitudes to work and success: motivation (per cent agreeing with statement)

	Column percentages		
	SJFT	LOT	BET
Hard work is satisfying	82	82	83
You can do anything if you work hard	73	74	80
You should be the best at what you do	76	74	81
Unweighted Base	853-856	951	829-835

Base: All JSA participants starting January-April 2002.

The latter three statements relate to the degree to which individuals believe that success is out of their control and due primarily to luck. BET participants were much more likely to agree or strongly agree with these statements, particularly the first two statements, than SJFT or LOT participants (Table 2.13).

Table 2.13 Attitudes to work and success: luck (per cent agreeing with statement)

	Column percentages		
	SJFT	LOT	BET
Making money is mostly due to luck	25	20	45
To do well at work you need to be lucky	22	18	46
To make a lot of money you have to know the right people	46	45	58
Unweighted Base	853-856	950-952	824-828

Base: All JSA participants starting January-April 2002.

This difference may be due to real differences in opinions between BET participants and others, perhaps reflecting their previous lack of success in the labour market. Alternatively, given the number of BET participants who were born outside the UK, it is possible that this reflects cultural differences. Table 2.14 shows the differences between these two groups of BET participants. As can be seen, while this may contribute somewhat towards the differentials seen in Table 2.13, the differences between those born in the UK and those born elsewhere are not large enough to suggest that this is sole factor.

Table 2.14 Attitudes of BET participants by country of birth (per cent agreeing with statement)

	Column percentages	
	UK	Elsewhere
Making money is mostly due to luck	43	46
To do well at work you need to be lucky	43	48
To make a lot of money you have to know the right people	56	60
Unweighted Base	388-391	433-440

Base: All JSA participants starting BET in January-April 2002.

2.5 Other personal and social characteristics

The previous sections have looked at the demographic profile and skills, qualifications and work history of WBLA participants. Attention is now turned to other personal and social characteristics which can help to provide some insight into the circumstances of participants and their labour market prospects prior to participating in WBLA.

Accommodation

Not having a fixed address or living in an institution can make finding work difficult. Fortunately few of those who went on to participate in WBLA were in this position in January 2002. Most commonly, WBLA participants rented accommodation from either the local authority or a housing association (Table 2.15). Owning or buying their home was also common among SJFT and LOT participants (30 and 27 per cent respectively). However, only ten per cent of BET participants fell into this category; they were significantly more likely to be renting or living rent-free. This may be a reflection of the large proportion of BET participants who had been in the UK less than 5 years.

Table 2.15 Accommodation

	Column percentages		
	SJFT	LOT	BET
Owning/buying	30	27	10
Rented – social landlord	37	40	45
Rented – private landlord	14	15	20
Living rent-free/others responsible for rent	10	9	16
Residential institution, hostel, B&B, no fixed address	1	2	4
Other	8	7	6
Unweighted Base	855	951	845

Base: All JSA participants starting January-April 2002.

Access to telephones, transport and financial services

Access to basic goods and services (such as a telephone, a car and a bank account) can be viewed as indicators of social circumstances. A lack of access to these goods and services can suggest disadvantage but can also make finding a job more difficult.

Not having access to a telephone may make it difficult to contact employers about jobs (and for employers to contact the individual). The majority of WBLA participants had access to a telephone to make and receive calls in January 2002. However this was less common among BET participants with only 81 per cent having such access compared with 93 per cent of SJFT participants and 90 per cent of LOT participants.

Similarly a lack of personal transport may limit the geographical area in which individuals can look for work. Only 19 per cent of all BET participants had a driving license and access to a vehicle. A larger proportion of SJFT and LOT participants were in this situation (46 and 43 per cent respectively).

Access to a bank account can be important if employers will only pay wages directly into an account. Once again BET participants had poorer access to these services compared with other participants. While the majority of participants in each WBLA Opportunity had a bank account, this was the case for only 55 per cent of BET participants compared with 83 per cent of those participating in SJFT and 77 per cent of LOT participants.

A lack of access to basic banking services can also make it more difficult to manage personal finances. Those without bank accounts cannot make use of cheaper payment methods such as direct debits and are likely to find it more difficult to secure credit. Prior to starting on WBLA, the majority of participants believed that they were ‘just about getting by’ financially (Table 2.16). However, around one third of participants in each Opportunity felt that they were getting into difficulty. Few felt that they were able to save or spend money on leisure. Overall BET participants were faring less well than participants in other Opportunities, with a smaller proportion being able to save and a larger proportion getting into difficulty.

Table 2.16 Financial situation at beginning of January 2002

	Column percentages		
	SJFT	LOT	BET
Able to save or spend money on leisure	11	10	4
Just about getting by	58	56	59
Getting into difficulty	31	34	37
Unweighted Base	854	950	844

Base: All JSA participants starting January-April 2002.

Criminal convictions

Another source of potential disadvantage in the labour market is having a criminal conviction. If declared, it can deter employers from recruiting an individual. Around one in five SJFT and LOT participants admitted to having been convicted of a crime prior to January 2002 (21 per cent of each) compared with less than one in ten of the BET participants (nine per cent). This lower figure among BET participants appears to be largely due to the high proportion born outside the UK: of those BET participants born in the UK, 19 per cent admitted to having been convicted of a crime compared with only two per cent of those born outside the UK.

It is worth noting that these figures are likely to underestimate the true incidence of criminal convictions among WBLA participants as people can be reluctant to disclose such details.

Childhood experiences: parental interest in education, employment and financial situation

So far the characteristics examined have related to the position of participants just prior to participating in WBLA. However, attitudes to education and work can be influenced by childhood experiences.⁹

In almost three-quarters of cases in each Opportunity type, participants’ parent/guardian(s) had taken a lot or a fair amount of interest in how they were getting on in school when they were young (Table 2.17). Furthermore, for over 50 per cent, their parent/guardian(s) had given them a lot or a fair amount of encouragement to go on with their studies beyond earliest school leaving age. On the other hand, a substantial proportion felt they were given little or no encouragement.

⁹ This data was primarily collected for use in the matching of participants and non-participants rather than to provide a description of childhood experiences.

Table 2.17 Parental interest in education

	Column percentages		
	SJFT	LOT	BET
Interest in how getting on at school			
- A lot	48	46	51
- A fair amount	26	28	21
- A little	15	17	13
- None	8	6	12
- Unsure	1	1	1
Encouragement to continue with education			
- A lot	33	31	36
- A fair amount	20	22	19
- A little	16	15	13
- None	29	28	30
- Unsure	1	1	1
Lived in care institution	2	3	2
Unweighted Base	855	947	840

Base: All JSA participants starting January-April 2002.

Parental employment can have an impact on participants' attitudes to work and differed slightly between Opportunity types. A greater proportion of BET participants had experienced a period when they were aged 11 to 16 when there was no working parent/guardian in the home, compared with SJFT and LOT participants (Table 2.18). There were also differences in maternal employment when the participants were aged 11 to 16. BET participants were most likely to live with mothers that were never in a paid job (56 per cent compared with 35 per cent of SJFT participants and 33 per cent of LOT participants). The higher figure among BET participants can be at least partially explained by the high proportion of individuals born outside the UK within this group. In many cultures, it is not usual for women with children to be in paid employment. Consequently, among BET participants born in the UK, 41 per cent lived with a mother who never worked compared with 68 per cent of those elsewhere.

Table 2.18 Childhood financial situation and parental employment

	Column percentages		
	SJFT	LOT	BET
Parental employment when aged 11-16			
- Always at least one working parent	77	75	71
- Period when no working parent	21	22	28
Lived in a care institution	2	3	2
Unweighted Base	848	936	827
Financial situation when aged 11-16			
- Very difficult	17	21	22
- Quite difficult	28	24	22
- Neither easy nor difficult	27	28	23
- Quite easy	20	18	24
- Very easy	6	6	7
- Unsure	1	1	2
Lived in a care institution	2	3	2
Unweighted Base	854	947	841

Base: All JSA participants starting January-April 2002.

In spite of there being a working adult in most of the family homes of participants, a large proportion of participants in each Opportunity type (around 45 per cent) stated that the financial situation when they were aged 11-16 was very or quite difficult (Table 2.18).

2.6 Self-identified barriers to unemployment

Even if an individual has low or no qualifications, they may not view this as a disadvantage in finding work if the type of work they are seeking does not require any qualifications. So far the focus has been on actual characteristics, this section examines what the participants themselves viewed as their barriers to work prior to participating in WBLA.

While around one in ten participants within each group were in paid work or other activities in November/December 2001, 60 per cent of SJFT participants identified one or more factors which prevented them from looking for/starting work at that time, as did 64 per cent of LOT participants and 74 per cent of BET participants. It was not uncommon for those who went on to participate in WBLA to face multiple barriers to employment: 23 per cent of SJFT participants faced more than one barrier, as did 27 per cent of LOT participants and 33 per cent of those participating in BET. Table 2.19 shows the factors respondents identified as either stopping them or making it difficult for them to look for/start work in November/December 2001 (prior to starting WBLA).

Table 2.19 Barriers to employment in November/December 2001

	Column percentages		
	SJFT	LOT	BET
Lack of skills/experience	19	23	41
- Lack of previous work experience	13	15	16
- Lack of references from previous employers	8	9	10
- Poor literacy	3	3	23
- Poor English	0	1	6
- Lack of qualifications/education	1	2	4
Own illness/disability	13	19	18
No jobs available locally	17	16	18
Lack of transport	15	16	13
Caring related issues	3	5	5
- Illness of other family member	2	3	4
- Lack of childcare	1	1	1
- Do not want to leave children	0	1	1
Other personal problems	9	11	8
- Debt or financial reasons	5	7	4
- No permanent place to live	1	2	2
- Problems with the police/criminal record	2	3	2
- Problems with drugs or alcohol	1	2	1
- Age	1	1	1
- Family or relationship problems	0	0	1
Discrimination	6	6	4
Other	8	8	9
Any barriers	60	64	74
No barriers	30	24	14
Working or doing something else at this time	10	12	12
Unweighted Base	853	952	840

Base: All JSA participants starting January-April 2002.

The most common type of self-identified barrier was a lack of skills/experience. Unsurprisingly, this was more common among the BET participants who were the most disadvantaged in these respect (see Section 2.3). Poor literacy was frequently cited as a barrier among this group; however, a lack of work experience was also a major factor, as it was among SJFT and LOT participant (identified by 13 to 16 per cent). Other self-identified

barriers included a lack of jobs locally (identified by 16 to 18 per cent), the individuals' own illness or disability (identified by 13 to 19 per cent) and a lack of transport (identified by 13 to 16 per cent). Other personal factors were also cited, albeit by relatively few, including having no permanent place to live, problems with the police/a criminal record and problems with drugs or alcohol.

It may be surprising that a substantial proportion of participants reported facing no barriers prior to participating in WBLA, however it must be remembered that respondents were being asked to think back to this period. Consequently it is possible that the barriers reported were subject to recall error. Those who reported having no barriers (and indeed those who reported having barriers) may have been unable to clearly remember their situation at that point in time. As such, the figures in Table 2.19 should be viewed with caution and treated as a guide to the types and incidence of barriers faced prior to WBLA rather than a definitive picture of their prevalence.

2.7 Summary

Those individuals who participated in WBLA (starting between January and April 2002) varied in terms of demographic profile, qualifications, skills and work history. However, in line with the focus of the particular WBLA strands, there were significant differences between those who participated in the different Opportunities. Unsurprisingly, those who went on to participate in BET tended to be the most disadvantaged. Compared with SJFT and LOT participants, a greater proportion had poor basic skills, poor IT skills, no qualifications and no recent work experience. They also fared poorly in terms of access to basic goods and services, and were concentrated in London. SJFT and LOT participants were more similar to each other in terms of their skills, qualifications and circumstances, although the former were more likely to have worked in the 12 months prior to 2002 which supports the notion of them being the most job-ready of all the participant groups.

Chapter 3 Participation in WBLA

3.1 Introduction

Work-Based Learning for Adults offers participants a tailor-made package which can include formal training, employer work placements and/or assistance with job search. Prior to examining the impact of WBLA, it is helpful to have an understanding of what the cohort in question actually did while participating in this programme. It is also interesting to know what they thought about their training and whether they considered it to be useful or not. This chapter examines the ability of participants to recall their training before considering what type of assistance participants received and their views about whether (and how) WBLA helped them.

3.2 Identification of participation in WBLA

According to administrative data, all respondents had participated in WBLA. However, in reality, many were unable to recall participating in any government training including WBLA. Around one half of all BET and SJFT participants, and over one third of LOT participants, did not remember having participated in any government schemes starting between January and April 2002 (Table 3.1). Furthermore, a number of those who did recall participating in training did not identify WBLA as the programme under which they had received this. As the branding of WBLA is relatively low compared with New Deal programmes and many of the courses offered are not run exclusively for WBLA participants, this is perhaps understandable. Consequently, it is reasonable to assume that the training they identified was in fact that which they received under WBLA.

Table 3.1 Identification of training starting January-April 2002

	Column percentages		
	SJFT	LOT	BET
Identified participating in WBLA	37	47	37
Identified participating in other government training	13	16	12
No training identified	50	37	51
Unweighted Base	861	957	848

Base: All JSA participants starting January-April 2002.

There are a number of reasons why a participant may not recall their participation in a training programme. They may not have perceived what they were doing as anything more than looking for work, particularly if the training was focused on job search. Unexpected factors may have prevented them from starting the course, in spite of their intention to do so. Alternatively, they may have forgotten that they did any training, particularly if the duration of their training was short or they left the programme after only a few days. Indeed, as Table 3.2 shows, those individuals who participated for shorter periods of time (according to administrative data) were less likely to identify participation.

Table 3.2 Identification of training by duration

	Cell percentages (<i>Unweighted base</i>)	
	Per cent who identified training	
SJFT		
- One week or less	32	(126)
- Two weeks	31	(108)
- 3-4 weeks	53	(259)
- More than 4 weeks	60	(345)
LOT		
- Six weeks or less	43	(203)
- 7-13 weeks	60	(362)
- More than 13 weeks	76	(374)
BET		
- Six weeks or less	30	(183)
- 7-13 weeks	45	(129)
- More than 13 weeks	57	(514)

Base: All JSA participants starting January-April 2002.

Unfortunately, administrative data does not record details of the training undertaken by participants. Consequently, it is unknown what training was done by those who did not recall their participation, or what they thought of it. Therefore, the majority of this chapter focuses upon those participants who did identify participating in training starting between January and April 2002. As such, it must be remembered that much of the following analysis only provides a partial picture.

3.3 Entry onto WBLA

Overall the majority of participants in each Opportunity type who identified participating in WBLA wanted to get involved (Table 3.3) although BET participants were slightly less enthusiastic.

Table 3.3 Degree to which participants wanted to get involved

	Column percentages		
	SJFT	LOT	BET
Very much	66	65	53
Quite a lot	24	28	29
Not much	7	5	14
Not at all	3	2	4
Unweighted Base	323	455	323

Base: All those who identified participating in WBLA.

Prior to participating, the vast majority of self-identified participants in each Opportunity type discussed the programme with Jobcentre staff (Table 3.4). A much smaller proportion discussed participation with a training provider.

Table 3.4 Who participants discussed WBLA with prior to participating

	Column percentages		
	SJFT	LOT	BET
Jobcentre staff	81	77	87
Training provider	19	23	14
Personal Adviser	9	8	6
Someone I talked to while waiting at a Jobcentre or other office	4	3	6
Friend or relative	3	2	4
Someone at Basic Skills Assessment	1	1	4
Local advisory organisation	0	1	1
Employer	0	0	0
Someone else	3	7	2
Unweighted Base	322	454	321

Base: All those who identified participating in WBLA.

Individuals may be granted early entry onto WBLA for number of reasons (see Chapter 1). A number of those participating in each Opportunity type were unsure whether they had been entitled to early entry (between three and five per cent). However, 20 per cent of SJFT participants, 26 per cent of LOT participants and 14 per cent of BET participants said that they were able to join WBLA early. These figures may under-represent the extent of early entry among this cohort if other participants gained early entry without their knowledge. Olsen et al (2003) found that advisers actively looked for opportunities to grant clients early entry to the programme.

Unsurprisingly, basic skills needs were the most common reasons for early entry among BET participants. Among SJFT and LOT participants, disability or health problems were the most common reasons followed by large scale redundancies (Table 3.5). Given the large proportion of participants who reported having a work limiting health problem in January 2002 (see Chapter 2), this was to be expected. The large proportion who gave another reason (not codeable into any of the ‘early entry’ categories) or did not know the reason for early entry suggest that it was not always clear to the participant why they were entitled to this.

Table 3.5 Reasons for early entry

	Column percentages		
	SJFT	LOT	BET
Disability or health problem	28	44	(11)
Large scale redundancy	21	29	(0)
Basic skills needs	0	3	(69)
Women returner	5	3	(15)
Refugee	2	1	(4)
Ex-offender	2	5	(0)
New Deal for Partners of Unemployed People	2	2	(2)
Recovering from alcohol/drug abuse	0	1	(0)
Other	35	11	(6)
Reason not known	3	3	(2)
Unweighted Base	72	124	(45)

Base: All those who identified participating in WBLA and were able to join early.

3.4 Duration and activities undertaken

The training offered under each Opportunity is expected to be of different lengths. The majority of BET participants undertook training which lasted between 14 and 26 weeks

(Table 3.6). Among LOT participants, training generally lasted between 7 and 26 weeks. SJFT training tended to be shorter with the majority of participants undertaking training for between three and 13 weeks. This is more or less in line with the programme description. However, it does show that training can last longer than anticipated and can be shorter, although the latter may be due to participants leaving the programme prior to completion.

Table 3.6 Duration of training

	Column percentages		
	SJFT	LOT	BET
One week or less	4	1	1
More than 1 week, up to 2 weeks	8	2	2
More than 2 weeks, up to 4 weeks	22	4	3
More than 4 weeks, up to 6 weeks	40	4	4
More than 6 weeks, up to 13 weeks	16	34	12
More than 13 weeks, up to 26 weeks	6	40	70
More than 26 weeks, up to 39 weeks	1	8	3
More than 39 weeks	3	7	5
Unweighted Base	434	603	422

Base: All those who identified participating in training starting Jan-Apr 2002.

The content of the training also differed between Opportunity types. In most cases, the training undertaken by the participants was what they most wanted to do (Table 3.7). However, within each Opportunity, a proportion stated that the training they undertook was something they did not really want to do. This was most common among BET participants.

Table 3.7 Desirability of training

	Column percentages		
	SJFT	LOT	BET
What participant most wanted to do – first choice	68	69	60
What participant wanted to do but not first choice	22	23	21
Something participant did not really want to do	10	8	19
Unweighted Base	438	612	426

Base: All those who identified participating in training starting Jan-Apr 2002.

The most common activity was attending a training course at either an employer's premises, a college or a training provider's (Table 3.8). As a result of attending such courses, some of the participants gained a qualification or credits towards a qualification. Over half of SJFT and LOT participants gained a qualification as a result of their training (56 and 52 per cent respectively), whereas only 27 per cent of BET participants did so.

Table 3.8 Activities undertaken

	Column percentages					
	All *			Completed**		
	SJFT	LOT	BET	SJFT	LOT	BET
A training course	91	89	81	91	90	81
Work at an employers	11	34	16	12	36	17
Job search	20	18	12	20	17	11
Basic skills training	1	1	10	1	1	10
IT training	5	2	7	5	2	7
Home-study	3	4	4	3	4	6
Unweighted Base	440	613	429	372	439	332

Base: *All those who identified participating in training starting Jan-Apr 2002.

** All those who identified participating in training starting Jan-Apr 2002 and stayed until the end.

A relatively small proportion worked at an employer's premises as part of their WBLA training. This was more common among LOT participants and among those participants who spent a longer period of time on the training programme.

Obviously, as we only know the activities undertaken by self-identified participants, the incidence of activities must be viewed with caution. Those who did not identify participation may have been more likely to have undertaken less distinct and memorable activities. For example, their training may have centred around job search activities rather than more formal training. Unfortunately, the data are not available to confirm this.

3.5 Leaving the training early

Within each Opportunity type, some participants left the programme before the end. This was the case for 15 per cent of SJFT participants who identified participating in training, 28 per cent of LOT participants and 22 per cent of BET participants. As SJFT primarily offers shorter courses, it may be that participants were more likely to complete the course even if they were not particularly enjoying it or were having difficulties attending. Those participants who described the training as something they did not really want to do were more likely to leave early than those for whom the training was their first choice (Table 3.9).

Table 3.9 Whether left training early by desirability of training (per cent who left training early)

	Cell Percentages (<i>Unweighted base</i>)					
	SJFT		LOT		BET	
First choice	12	(296)	23	(422)	19	(253)
Wanted to do it but not first choice	19	(94)	37	(138)	21	(89)
Did not want to do it	(31)	(46)	(45)	(49)	36	(82)

Base: All those who identified participating in training starting Jan-Apr 2002.

In most cases it was the participants themselves who decided to leave, rather than the training provider or employer. This was the case for 91 per cent of SJFT and BET participants who left early and 80 per cent of similar LOT participants. There were a number of reasons why participants decided to leave the training. Most often, participants left because they had found a job. However, other common reasons included dissatisfaction with the training and health problems (Table 3.10).

Table 3.10 Main reasons for leaving training early

	Column percentages		
	SJFT	LOT	BET
Found a job	44	35	44
Illness or health problems	17	10	18
Dissatisfaction with training	18	18	11
Other personal reasons	5	5	11
Attendance problems	0	5	3
Level of the training was too low	0	7	1
Unweighted Base	64	166	93

Base: All those who identified participating in training starting Jan-Apr 2002 and who left the training before then end.

3.6 Usefulness of training

The majority of self-identified participants had found the training very or quite useful (Table 3.11) although BET participants were less likely to describe the training as very useful.

Table 3.11 Usefulness of training

	Column percentages		
	SJFT	LOT	BET
Very useful	44	50	38
Quite useful	32	25	33
Not very useful	11	11	13
Not at all useful	13	15	16
Unweighted Base	439	612	428

Base: All those who identified participating in training starting Jan-Apr 2002.

Participants were more likely to have found their training useful if they had stayed on the programme until the end (Table 3.12) or if they had gained a qualification (Table 3.13).

Table 3.12 Usefulness of training by whether completed training

	Column percentages					
Whether completed training	SJFT		LOT		BET	
	Yes	No	Yes	No	Yes	No
Very useful	48	23	54	39	40	32
Quite useful	31	36	26	23	35	27
Not very useful	12	6	9	14	14	9
Not at all useful	9	35	11	24	11	32
Unweighted Base	371	66	439	170	331	95

Base: All those who identified participating in training starting Jan-Apr 2002.

Table 3.13 Usefulness of training by whether gained a qualification

	Column percentages					
Whether gained a qualification	SJFT		LOT		BET	
	Yes	No	Yes	No	Yes	No
Very useful	60	23	62	32	46	35
Quite useful	25	40	23	27	35	32
Not very useful	8	15	8	15	12	14
Not at all useful	7	23	6	25	8	20
Unweighted Base	246	179	323	235	116	289

Base: All those who identified participating in training starting Jan-Apr 2002.

SJFT participants were also significantly more likely to have found their participation very useful if they had undertaken a training course as part of the programme (46 per cent compared with 27 per cent of those SJFT participants who did not do a course). BET participants were significantly more likely to have found their participation very useful if they had worked at an employer's premises or undertaken a training course (51 per cent compared with 36 per cent, and 41 per cent compared with 29 per cent respectively). There were no such significant differences between LOT participants.

The ways in which participants thought their training was useful varied. Among the BET participants the most common reason, cited by over one half, was improved English, reading and writing, followed by increased self confidence, gaining new skills and helping with job search (Table 3.14). SJFT participants were most likely to cite gaining a qualification (24 per

cent) followed by gaining new skills, helping to get a job, improving IT skills and helping with job search. The most common reason among LOT participants was gaining new skills (25 per cent) followed by gaining a qualification, helping to get a job and increased self-confidence.

Table 3.14 Ways in which the training was useful

	Column percentages		
	SJFT	LOT	BET
Gained a qualification	24	19	3
Gained new skills	19	25	14
Improved IT skills	17	13	8
Updated existing skills	6	4	2
Improved English, reading, writing	1	1	53
Increased self-confidence	12	16	15
Met/got to know people	6	6	6
Gave me something to do/got me out of a rut	2	3	3
Helped me with job search	17	13	12
Unweighted Base	365	500	333

Base: All those who identified participating in training starting Jan-Apr 2002 who thought the training was useful.

As the perceived usefulness of training may relate to aspects unconnected with employment, self-identified participants were also asked specifically about whether their training had helped them to get a job. Thirty-four per cent of SJFT participants, 32 per cent of LOT participants and 13 per cent of BET participants had been employed since 2002 and said that their training had helped them to get a job. This accounts for 52 per cent of self-identified SJFT participants who had had a job since participation, 54 per cent of such LOT participants and 36 per cent of BET participants. SJFT and LOT participants who completed their training were more likely to have reported that it had helped them to get a job compared with those who left early (Table 3.15).

Table 3.15 Whether completed training helped participants to get a job

Whether completed training	Column percentages					
	SJFT		LOT		BET	
	Yes	No	Yes	No	Yes	No
Helped to get a job	37	19	35	24	12	17
Did not help to get a job	63	81	65	76	88	83
Unweighted Base	370	65	438	170	332	94

Base: All those who identified participating in training starting Jan-Apr 2002.

The most common way that the training had helped was by increasing self-confidence (Table 3.16). Gaining a qualification was also a common factor among SJFT and LOT participants.

There were slight differences between the views of self-identified participants about their training by their characteristics (Table 3.17). However, it is crucial to remember that this only examines the views of those who identified participating in any training. As such, these differences can only give a possible indication of how training was viewed differently by different groups.

Table 3.16 Ways in which the training helped the participant to get a job

	Column percentages		
	SJFT	LOT	BET
Increased self-confidence	51	42	73
Gained qualification required by employer	45	46	15
Helped to persuade employers to interview you	16	21	22
Helped you to attend job interviews	13	12	26
Employer placement became a job	12	34	11
Gained work experience, employer references	10	29	13
Helped with cost if travelling to interviews	2	4	13
Improved English, reading, writing	2	5	7
Help with looking for, applying for jobs	3	3	5
Improved IT/computer skills	3	1	3
Gained improved other skills	1	0	4
Unweighted Base	143	193	52

Base: All those who identified participating in training starting Jan-Apr 2002 who thought the training had helped them to get a job.

Table 3.17 Usefulness of training and whether helped participant to get a job by participant characteristics

	Cell Percentages (<i>Unweighted base</i>)					
	SJFT		LOT		BET	
	Per cent useful	Per cent helped to get job	Per cent useful	Per cent helped to get job	Per cent useful	Per cent helped to get job
Male	79 (331)	35 (328)	75 (440)	31 (439)	70 (347)	13 (347)
Female	68 (108)	31 (109)	75 (172)	34 (172)	77 (81)	11 (81)
White	77 (376)	34 (375)	74 (547)	32 (546)	71 (218)	14 (218)
Non-white	75 (60)	36 (59)	78 (58)	28 (58)	72 (203)	11 (203)
Under 50	75 (317)	35 (315)	74 (461)	33 (460)	71 (350)	14 (350)
50 or over	82 (122)	31 (122)	76 (151)	27 (151)	73 (78)	8 (78)
Disability, health problem	71 (128)	31 (128)	72 (261)	25 (260)	67 (153)	8 (154)
No disability, health problem	78 (310)	35 (308)	76 (350)	36 (350)	73 (275)	15 (274)
No qualifications	76 (105)	25 (106)	72 (144)	32 (144)	70 (290)	12 (289)
One or more qualifications	77 (332)	37 (329)	75 (467)	32 (466)	74 (138)	14 (138)
In paid work within year prior	76 (286)	38 (283)	74 (322)	38 (321)	71 (157)	16 (158)
Not in paid work in the year prior	78 (151)	27 (152)	75 (283)	26 (283)	71 (262)	11 (261)
ALL	76 (439)	34 (437)	75 (612)	32 (611)	71 (428)	13 (428)

Base: All those who identified participating in training starting Jan-Apr 2002 .

Note: Where the figures are in bold, the difference is significant at 5 per cent level.

Nothing is known about the views of those participants who did not recall participating in any training. It may be that one of the reasons that this group did not identify participation was because they felt that they got little out of it, therefore making it less memorable.

Alternatively the training may have helped them to get a job quickly and, therefore, they spent less time on the programme, thus making it more difficult to recall. Table 3.18 shows the proportion of all participants (whether they identified participating or not) who reported participating in training that they found useful or that helped them to get a job. This can be viewed as a minimum proportion, that is, the situation if none of those who were unable to identify participation felt that the training was useful or that they had been helped to get a job.

Table 3.18 Usefulness of training and whether it helped participants to get a job

	Column percentages		
	SJFT	LOT	BET
Useful or very useful	38	47	35
Not useful	12	16	14
Did not identify training	50	37	51
Unweighted Base	860	956	847
Identified training and helped to get a job	17	20	6
Identified training but did not help	33	43	43
Did not identify training	50	37	51
Unweighted Base	858	955	847

Base: All JSA participants starting January-April 2002.

3.7 Summary

Unfortunately, those individuals who participate in training sometimes cannot recall taking part. A large proportion of WBLA participants could not remember starting any training between January and April 2002 (50 per cent of SJFT participants, 37 per cent of LOT participants and 51 per cent of BET participants). Consequently, we only have a partial view of what the WBLA participants did during their time on the programme and their views on the training received.

Those who were able to recall participating predominantly undertook formal training courses, with many gaining qualifications as a result. The majority found the training to be useful, particularly if they had gained a qualification. A smaller proportion thought that their training had helped them to get a job, often because it had lead to increased self-confidence, a qualification or work experience. Unfortunately, due to the large number of participants who did not remember their spell of training (and therefore could not comment upon it), it is difficult to draw conclusions regarding the views of all participants. However, it can be estimated that, at the minimum, at least one third of all participants in each Opportunity type thought that their training was useful and that at least 17 per cent of SJFT participants, 20 per cent of LOT participants and six per cent of BET participants thought that it had helped them to get a job.

Chapter 4 Paid work undertaken after WBLA

4.1 Introduction

The main priority of Work Based Learning for Adults is to help the unemployed back into work. While Chapter 7 examines the effectiveness of WBLA in this respect, this chapter examines the type of work undertaken by participants since WBLA. It considers the occupation and industry of the most recent jobs of those who have been in paid employment, followed by how the participants found their jobs. Contract type, hours worked, pay and other compensation are then examined before finally looking at the job-related training received by these participants.

4.2 Whether worked since WBLA

Since participating in WBLA, 58 per cent of SJFT participants had entered paid work as had 53 per cent of LOT participants and 33 per cent of BET participants. Unsurprisingly the proportion of participants within each Opportunity type who had been employed since this date differed with their characteristics (Table 4.1).

Across all Opportunity types, a significantly greater proportion of participants without a health problem or disability, and those who had been employed within the 12 months prior to participation, had worked since WBLA. LOT participants were also significantly more likely to have worked since if they were white or had one or more qualifications prior to participation.

Table 4.1 Proportion employed since starting WBLA by participant characteristics

	Cell Percentages (<i>Unweighted base</i>)					
	SJFT		LOT		BET	
Male	59	(691)	52	(710)	34	(683)
Female	57	(170)	56	(247)	27	(165)
White	60	(710)	55	(829)	32	(431)
Non-white	52	(134)	41	(107)	33	(407)
Under 50	59	(658)	49	(223)	33	(722)
50 or over	59	(203)	54	(734)	28	(126)
Disability, health problem	53	(268)	45	(416)	26	(305)
No disability, health problem	61	(587)	58	(535)	36	(540)
No qualifications	57	(232)	46	(244)	31	(577)
One or more qualifications	59	(622)	55	(707)	36	(265)
In paid work within year prior to WBLA	67	(528)	70	(460)	48	(312)
Not in paid work in the year prior to WBLA	46	(324)	38	(477)	24	(517)
ALL	59	(861)	53	(957)	33	(848)

Base: All JSA participants starting January-April 2002.

Not all of those who had entered paid employment since WBLA had remained in these jobs. Only 45 per cent of SJFT participants, 42 per cent of LOT participants and 23 per cent of BET participants were in paid employment at the time of interview. Where the participant's job had ended, this was most often due to the job being temporary or for a fixed period (Table 4.2).

Table 4.2 Reasons for job ending

	Column percentages		
	SJFT	LOT	BET
Job was temporary/for a fixed period	33	32	31
Made redundant/not enough work	15	15	12
Left job of own accord/for personal reasons	15	14	11
Resigned due to ill health	6	20	8
Not working to required standard	3	4	5
Establishment closed down	3	2	11
Job finished at end of trial period	2	1	1
Resigned to start a different job	1	0	3
Other	21	13	19
Unweighted Base	106	104	85

Base: All JSA participants starting January-April 2002 who had been in a job since WBLA that had ended.

The vast majority of those who had been in paid work since WBLA were employees in their most recent job. The remainder of this chapter examines the types of work undertaken by this group. Unfortunately there were too few respondents who were self-employed to examine in detail (Table 4.3).

Table 4.3 Employment status: most recent post-WBLA employment

	Column percentages		
	SJFT	LOT	BET
Employee	53	50	32
Self-employed	5	3	1
No employment since WBLA	42	47	67
Unweighted Base	861	957	848

Base: All JSA participants starting January-April 2002.

4.3 Occupation and employer characteristics

Those participants who had worked since WBLA were predominantly employed as process, plant or machine operatives, in skilled trade occupations or in elementary (unskilled) occupations (Table 4.4).

Table 4.4 Occupation and managerial/supervisory duties

	Column percentages		
	SJFT	LOT	BET
Occupation			
- Managers and senior officials	4	1	2
- Professional	2	3	1
- Associated professional and technical	7	9	2
- Administrative and secretarial	13	13	2
- Skills trades	11	16	15
- Personal services	4	9	4
- Sales and customer services	7	10	6
- Process, plant and machine operatives	25	18	16
- Elementary (unskilled)	26	22	54
Number of staff managed/supervised			
- None	88	90	93
- One to four	5	5	3
- Five or more	7	5	3
Unweighted Base	462	489	266

Base: All JSA participants starting January-April 2002 who have worked since participation.

The majority of BET participants who had recently worked were employed in elementary occupations (54 per cent) commonly as goods handlers, kitchen assistants, labourers, packers, cleaners and shelf fillers, as were around one quarter of SJFT and LOT participants. Unsurprisingly given the occupations entered, the vast majority had most recently been employed in jobs without any managerial or supervisory duties.

Participants had found work within all industrial groups. The most popular industries of employment were manufacturing and wholesale and retail (Table 4.5). Other popular industries were hotels and restaurants among BET participants, real estate and business activities among SJFT participants, and transport, storage and communications among both SJFT and LOT participants.

Table 4.5 Industry

	Column percentages		
	SJFT	LOT	BET
Agriculture, forestry and fishing	2	2	3
Manufacturing	20	16	21
Electricity, gas and water supply	0	2	1
Construction	8	9	5
Wholesale and retail	18	21	20
Hotels and restaurants	5	5	19
Transport, storage and communications	11	11	5
Financial intermediation	3	2	1
Real estate and business activities	13	8	8
Public administration	5	6	4
Education	5	7	3
Health and social work	7	10	5
Other community, social, personal services	4	3	5
Unweighted Base	455	480	262

Base: All JSA participants starting January-April 2002 who have worked since participation.

Most worked for employers with multiple sites and at establishments with fewer than 100 staff (Table 4.6). BET participants were more likely than other participants to have found work in small establishments with fewer than ten employees.

Table 4.6 Number of sites and number of employees

	Column percentages		
	SJFT	LOT	BET
Number of sites			
- single	30	31	43
- multiple	68	66	51
- unsure	3	3	6
Unweighted Base	462	489	267
Number of employees			
- 1 to 9	23	20	36
- 10 to 24	17	19	18
- 25 to 99	27	23	18
- 100 to 499	21	25	20
- 500 or more	13	13	8
Unweighted Base	459	486	259

Base: All JSA participants starting January-April 2002 who have worked since participation.

4.4 Applying for the job

The methods of hearing about jobs differed between participant groups (Table 4.7). Those who participated in BET were most likely to have heard about their most recent job via friends, relatives or neighbours. LOT participants were more likely to have heard about their job via an advert and SJFT participants through an advert or the Jobcentre. Within each group, around one in five had been asked by the employer to apply for the job. This may have been the result of contact with employers while on WBLA or, alternatively, may have been due to other prior contact. Where the participants were asked to apply for their most recent job, the job was often not open to other applicants. This was the case for nine per cent of employed SJFT participants, 11 per cent of LOT participants and eight per cent of BET participants.

Table 4.7 How participant heard about the job

	Column percentages		
	SJFT	LOT	BET
Asked to apply for job by employer	18	21	20
Advert	22	26	11
Private recruitment agency	10	7	3
Jobcentre	23	16	18
Through friends, relatives of neighbours	15	11	32
Through direct contact with the employer	8	14	12
Other	4	6	4
Unweighted Base	461	486	265

Base: All JSA participants starting January-April 2002 who have worked since participation.

In some cases other people persuaded the employer to interview or recruit the participants. Just under one half of BET participants claimed that someone had had an influential role on their recruitment as did around one third of SJFT and LOT participants. This influence was predominantly that of friends, relatives or other employees (Table 4.8).

Table 4.8 Whether anyone persuaded the employer to interview/recruit participant

	Column percentages		
	SJFT	LOT	BET
Someone persuaded	33	37	46
- Someone else at work/another employee	8	8	8
- Placement employer	2	4	2
- Personal adviser	1	3	3
- New Deal staff member	2	2	3
- Someone at Jobcentre	4	4	6
- Someone at employment agency	5	4	2
- Training provider	3	4	4
- Husband, wife or partner	1	2	3
- Relative or friend	9	9	20
- Someone else	1	3	1
No-one	67	63	54
Unweighted Base	460	483	266

Base: All JSA participants starting January-April 2002 who have worked since participation.

Some participants also got help from other people with the application process, most commonly BET participants, many of whom got help from friends and relatives (Table 4.9). Across all groups, help was received from a range of different sources, both formal and informal. The types of help received included help with application forms, getting information about the job and interview preparation.

Table 4.9 Help received with applying for most recent job

	Column percentages		
	SJFT	LOT	BET
Received help	28	34	48
- Someone else at work/another employee	2	4	4
- Placement employer	1	3	1
- Personal adviser	3	3	4
- New Deal staff member	2	3	3
- Someone at Jobcentre	6	4	6
- Someone at employment agency	3	3	2
- Training provider	4	7	5
- Husband, wife or partner	1	3	4
- Relative or friend	6	6	21
- Someone else	1	2	1
Did not receive help	72	66	52
Unweighted Base*	461	488	266
Type of help received			
- Writing out/updating CV	20	29	18
- Completing application form	24	22	35
- Preparing for the interview	19	28	27
- Help with getting to the interview	19	20	21
- Getting information about the job	38	36	37
Unweighted Base**	128	163	125

Base: *All JSA participants starting January-April 2002 who have worked since participation.

**All JSA participants starting January-April 2002 who have worked since participation and who received help with getting their most recent job.

Among those who did get help, a large proportion felt that it had had a positive effect on their employment chances (Table 4.10). Around one half of SJFT and BET participants who had received assistance felt that without the help they would have been not very or not at all likely to have got the job or would definitely not have got the job. This was also the case for 43 per cent of LOT participants.

Table 4.10 Likelihood of getting same job without help

	Column percentages		
	SJFT	LOT	BET
Very likely	19	23	21
Fairly likely	30	34	27
Not very likely	18	18	25
Not at all likely	17	10	14
Definitely would not have got the job	16	15	13
Unweighted Base	125	160	120

Base: All JSA participants starting January-April 2002 who have worked since participation and who received help with getting their most recent job.

In addition to being the source of information and job search assistance, other people can also play a role in the decision to accept a job. However, the majority of participants who had been in employment said that no-one had persuaded them to accept their most recent job (Table 4.11). Among those who were persuaded, partners, friends and relatives were those people who were most commonly involved.

Table 4.11 Whether participant was persuaded to accept job

	Column percentages		
	SJFT	LOT	BET
Someone persuaded participant to accept job	20	21	28
- Someone else at work/another employee	2	4	1
- Placement employer	1	1	2
- Personal adviser	1	1	2
- New Deal staff member	1	1	1
- Someone at Jobcentre	3	1	2
- Someone at employment agency	2	1	1
- Training provider	1	3	1
- Husband, wife or partner	5	7	8
- Relative or friend	5	5	16
- Someone else	0	1	0
No-one persuaded participant	80	79	72
Unweighted Base	461	488	266

Base: All JSA participants starting January-April 2002 who have worked since participation .

Individuals may still feel under pressure to accept a job offer, regardless of external persuasion if, for example, they are in a precarious financial situation. The majority of employed participants did not feel under pressure to accept their most recent job. Only 15 per cent of LOT and BET participants and 18 per cent of SJFT participants felt that they had been.

4.5 Hours, contract type, pay and other compensation

Within each Opportunity type, the majority of participants who had worked since WBLA were contracted to work 30 hours or more per week (i.e. full-time) (Table 4.12). However, this was less common among the employed BET participants (56 per cent compared with 76 per cent of LOT participants and 81 per cent of SJFT participants). This may be the case because this group were more willing to accept part-time hours (i.e. less than 30 hours per week). When asked about their job search activity in November/December 2001, those BET participants who were actively looking for work were more likely to have stated that they would have accepted part-time work compared with those SJFT and LOT participants who had worked since WBLA (53 per cent compared with 44 and 42 per cent respectively). Alternatively it may be that they were unable to find full-time work. Some occupations entered by BET participants, such as cleaning and shelf-filling, are predominantly offered on a part-time basis.

Part-time work was more common among female and non-white SJFT participants (42 per cent of female participants did so compared with 13 per cent of male participants, and 36 per cent of non-white participants compared with 16 per cent of white participants). Among LOT participants a significantly higher proportion of women (47 per cent), those aged 50 or over (40 per cent) and those with health problem/disability (29 per cent) worked part-time, compared respectively with men (15 per cent), those aged under 50 (20 per cent) and those without any health problems/disabilities (20 per cent). Among BET participants, a significantly higher proportion of those from non-white ethnic groups were contracted to work part-time (56 per cent compared with 30 per cent).

Table 4.12 Hours worked

	Column percentages		
	SJFT	LOT	BET
Usual weekly contract hours			
- 15 hours or less	5	6	13
- 16-29 hours	14	17	31
- 30-40 hours	67	62	44
- More than 40 hours	14	14	12
Unweighted Base	454	481	265
Usual weekly paid overtime			
- None	82	83	88
- 5 hours or less	6	6	7
- 6 to 10 hours	6	7	4
- More than 10 hours	6	4	1
Unweighted Base	457	485	262
Usual weekly unpaid overtime			
- None	96	95	98
- 1 or more	4	5	2
Unweighted Base	458	487	264
Usual weekly hours (total)			
- 15 hours or less	5	6	12
- 16 to 29 hours	14	16	32
- 30 to 40 hours	54	51	37
- More than 40 hours	27	27	20
Unweighted base	459	486	267

Base: All JSA participants starting January-April 2002 who have worked since participation.

Working overtime, paid or unpaid, was uncommon among those participants who had worked since WBLA, with over 80 per cent within each Opportunity not working any paid overtime and 95 per cent or more not working any unpaid overtime. Consequently, the number of hours actually worked by participants was often the same as their contracted hours. If they did differ, they were predominantly paid for the additional hours worked.

Most participants were also employed on permanent contracts, with only 27 per cent of employed SJFT participants, 28 per cent of LOT participants and 35 per cent of BET participants being employed temporarily or on a fixed term contract (Table 4.13). A significantly greater proportion of female SJFT participants had permanent contracts (84 per cent compared with 70 per cent of male participants). This was also the case among BET participants, where 80 per cent of employed women had a permanent contract compared with 61 per cent of employed men.

Table 4.13 Contract Type

	Column percentages		
	SJFT	LOT	BET
Permanent	73	72	64
Contract for fixed term/task	10	10	6
Temporary	17	18	29
Unweighted Base	458	484	259

Base: All JSA participants starting January-April 2002 who have worked since participation.

The temporary jobs undertaken were predominantly as process, plant or machine operatives or in elementary (unskilled) occupations. These occupations accounted for 67 per cent of the temporary jobs of SJFT participants, 68 per cent of those of BET participants and 47 per cent of those undertaken by LOT participants.

Unsurprisingly, given the differences in occupational profile, the pay received by recently employed participants also varied between the Opportunity types, with a greater concentration of BET participants in the lower net hourly pay bands (Table 4.14). Fifty-seven per cent of employed BET participants were paid less than £4.50, after tax and other deductions compared with 36 per cent of LOT participants and 30 per cent of SJFT participants.

Table 4.14 Net hourly pay

	Column percentages		
	SJFT	LOT	BET
Up to £4.00	14	18	24
£4.00 to £4.49	16	18	33
£4.50 to £4.99	18	17	17
£5.00 to £5.49	13	15	14
£5.50 to £5.99	11	8	4
£6.00 to £6.49	9	7	3
£6.50 to £6.99	4	5	2
£7.00 to £7.99	6	6	1
£8.00 to £8.99	3	2	1
£9.00 or more	5	5	2
Unweighted Base	433	453	248

Base: All JSA participants starting January-April 2002 who have worked since participation.

Unfortunately, the survey data does not allow us to accurately calculate gross pay rates for all employed participants. However, taking the minimum wage as £4.20 per hour, it can be estimated that 3-6 per cent of SJFT participants, 2-6 per cent of LOT participants, and 5-13 per cent of BET participants were paid below this amount.

In addition to pay, employers can compensate their employees in other ways. Some employers offer assistance with expenses incurred due to work such as travel and childcare. Only a small proportion of recently employed WBLA participants benefited from such an arrangement. Fifteen per cent of SJFT participants received help with expenses from their employers, as did 17 per cent of LOT participants and six per cent of BET participants. This assistance was predominantly for travel, tools, equipment or specialised clothing, or for training or course fees.

Some employers also help their employees to provide for their retirement by offering a pension scheme as part of their employment package. However, the majority of employed participants did not have the option of an employer-provided occupational pension scheme (Table 4.15). This was particularly the case among BET participants which is probably a consequence of their concentration in lower-level occupations where such pension provision is less common. However, even when a pension scheme was provided, most participants (in all Opportunities) did not participate in it. This may be for a number of reasons. The individuals may have chosen not to participate or the employer's pension scheme may not have been open to them because they were on a temporary contract, had not worked with the employer long enough to be eligible or because they were not at a grade within the organisation at which this benefit was offered.

Table 4.15 Occupational pensions

	Column percentages		
	SJFT	LOT	BET
Pension scheme and participates	13	13	6
Pension scheme but does not participate	29	36	14
No pension scheme	58	52	80
Unweighted Base	445	470	250

Base: All JSA participants starting January-April 2002 who have worked since participation.

While examining pay levels and other compensation gives some indication of the rewards received for working, it provides little insight into how undertaking paid work affected participants' financial position. This can depend upon the number of hours worked and the withdrawal of benefits, among other things. The majority of recently employed participants within each Opportunity type thought that they were better off in their most recent job than when they had been claiming benefits. However, a proportion was worse off (Table 4.16).

Table 4.16 Relative financial position

	Column percentages		
	SJFT	LOT	BET
Better off	75	71	62
Worse off	14	15	20
About the same	10	12	17
Previously not receiving benefit	1	2	1
Unweighted Base	462	483	263

Base: All JSA participants starting January-April 2002 who have worked since participation.

Given that BET participants more commonly worked part-time hours and for lower pay, it is of no surprise that they were less likely to believe that they were better off. Within Opportunity types, SJFT and LOT participants who were aged under 50 were more likely to be in a job in which they were in about the same financial position or worse off, compared with older participants (27 per cent compared with 15 per cent, and 30 per cent compared with 19 per cent, respectively). Those individuals without previous qualifications who participated in these Opportunities were also more likely to be in this situation (33 per cent compared with 20 per cent, and 42 per cent compared with 24 per cent). Furthermore, a greater proportion of SJFT participants with a health problem or disability (33 per cent) were financially in the same position or worse off compared with those without such problems (21 per cent). There were no significant differences between BET participants.

4.6 Learning to do the job

For some types of work, employers require their employees to have particular qualifications or certificates. In some cases, such employers will only recruit individuals who already have the qualification required; in other cases the employer may be willing to recruit unqualified individuals with the expectation that they will gain the qualification once they have started (although the training may not be provided by the employer themselves). WBLA participants mostly entered jobs that did not require a qualification. This was particularly true of employed BET participants, 85 per cent of whom were in jobs that did not require a qualification, which probably reflects the occupational profile of the jobs entered by this group. This was also the case for 63 per cent of employed SJFT participants and 62 per cent of LOT participants. Of those who entered a job which did require a qualification, in most cases the participants already had the qualification prior to starting the job. Only six per cent of employed SJFT and BET participants and 13 per cent of LOT participants entered a job without holding the required qualification.

Even when qualifications are not required, many jobs necessitate a new recruit to be trained in order to do the work. Such training can consist of informal training, such as someone showing the new recruit how to do the work for them to copy, or more formal training, such as attending a training course at a college. Fifty per cent or more of recently employed participants within each Opportunity said that they did not receive any training at all, Table 4.17. Of those who did, the majority received training at their employer's premises, had someone showing them how to do the work for them to copy and/or had someone watching them work.

Table 4.17 Training received

	Column percentages (and cell percentages for those receiving training)		
	SJFT	LOT	BET
Any training	39	50	32
- Someone showed you for you to copy	- 31	- 39	- 28
- Someone helped/watched you work	- 32	- 41	- 28
- Did part of the job just for practice	- 14	- 19	- 18
- Training course at the employers premises	- 24	- 31	- 20
- Training course at college or training centre	- 12	- 17	- 6
No training	61	50	68
Unweighted Base	461	488	266

Base: All JSA participants starting January-April 2002 who have worked since participation.

Sometimes the training courses lead to a qualification (or credits toward a qualification). This was the case for 36 per cent of those employed SJFT participants who received training, 40 per cent of such LOT participants and 28 per cent of BET participants.

The vast majority of employed participants within each Opportunity type stated that it had only taken up to one month to learn how to do the job, with a large proportion claiming that it took less than one week (Table 4.18).

Table 4.18 How long it took to learn the job and why

	Column percentages		
	SJFT	LOT	BET
Length of time to learn job			
- Less than 1 week	44	39	56
- Up to 1 month	25	20	19
- 1 to 3 months	18	19	12
- 4 to 6 months	6	11	5
- 6 to 12 months	3	5	2
- Over 12 months	5	6	7
Unweighted Base*	457	483	264
Reasons why it took 3 months or less			
- Job was relatively straightforward	53	50	76
- Had done same type of work before	46	41	34
- Had natural aptitude for the job	40	45	26
- Education prepared you especially well for job	11	17	7
- Some other reasons	4	5	1
Unweighted Base**	393	378	227

Base: *All JSA participants starting January-April 2002 who have worked since participation.

**All JSA participants starting January-April 2002 who have worked since participation and whose job took three months or less to learn.

In line with the occupational profile of the jobs undertaken, the most common reason given for taking less than three months to learn how to do the job was that the work was relatively

straightforward. This was cited by 76 per cent of employed BET participants and around half of the SJFT and LOT participants. Other common reasons included having done the same type of work before or having a natural aptitude for the type of job.

4.7 Summary

Since participating in WBLA, over one half of SJFT and LOT participants had been in paid employment (predominantly as employees), as had one third of BET participants. However, the likelihood of having worked since WBLA was greater among those had been employed in the year prior to their training. Participants with longer spells of unemployment were less successful.

Some participants were asked directly by their employers to apply for their most recent job; this may have resulted from contact made during their participation in WBLA. Others had received help with the application process from other people, such as friends, family, Jobcentre staff and training providers, without which they believed that their employment prospects would have been less favourable.

Participants who had worked since WBLA were most commonly employed in elementary (unskilled) occupations and jobs as process, plant and machine operatives. Generally it took them little time to learn how to do their job and this was predominantly achieved without any training. Unsurprisingly, given this concentration in low-/un-skilled occupations, the majority received an hourly wage towards the lower end of the pay scale, particularly BET participants. A small proportion within each Opportunity earned less than the minimum wage. Furthermore, few benefited from access to occupational pension schemes or received financial assistance with expenses from their employer. Consequently, while the majority of employed participants believed themselves to be financially better off when working compared to when they were claiming benefit, a substantial proportion were in the same financial position or worse off (more often those without qualifications).

Chapter 5 Recent job search

5.1 Introduction

At the time of the interview, 39 per cent of SJFT and LOT participants were unemployed and had been actively looking for work in the previous four weeks, as were 55 per cent of BET participants.¹⁰ Others who classed themselves as unemployed had not been looking for work during this period (three per cent of SJFT participants and five per cent of LOT and BET participants).

While the last chapter focused upon the paid work undertaken by those who had worked since WBLA, this chapter focuses upon the job search activities of those who were unemployed and actively seeking work at the time of the interview. It examines the methods of job search used and any help received, before looking at how far the unemployed participants were progressing with their job search and their self-assessed chances of success. The type of work sought is also discussed.

5.2 Job search techniques and assistance

There are many ways in which an individual can look for work. The more methods that are employed, the greater the individual's awareness of the opportunities available. Those participants who were unemployed and had been actively looking for work in the four weeks prior to interview used, on average, four to five job search methods. BET participants used an average of four whereas, SJFT and LOT on average used five. Table 5.1 shows the techniques used. Looking at adverts in local papers was by far the most common method, followed by looking at vacancies on display at the Jobcentre. Asking Jobcentre staff, friends and relatives were also popular.

Table 5.1 Job search techniques

	Column percentages		
	SJFT	LOT	BET
Looked at adverts in local paper	91	90	82
Looked at adverts in national newspaper/magazine	49	47	34
Looked at Internet/job website	42	45	22
Looked at adverts in shop window/on noticeboard	37	37	31
Looked at adverts in trade/professional journal	19	25	9
Looked at vacancies on display at Jobcentre	78	79	70
Asked staff in Jobcentre about vacancies	48	53	54
Asked Personal Adviser about vacancies	20	23	15
Participated in Programme Centre or Job Club	8	10	6
Asked friends, relatives or neighbours about jobs	59	46	55
Contacted employers directly	41	36	30
Contacted a private recruitment agency	25	23	12
Looked in another way	4	3	6
Unweighted Base	316	357	464

Base: All JSA participants starting January-April 2002 who were actively looking for work in the four weeks prior to interview.

¹⁰ The vast majority of these were claiming JSA at the time of the interview: 87 per cent of SJFT and BET participants, and 85 per cent of LOT participants.

Individuals do not always undertake their job search unsupported. Around three-quarters of participants within each Opportunity type were gaining assistance with their job search, with over 50 per cent receiving help from formal sources (Table 5.2). Jobcentre staff were the most often cited source of formal help. Informal assistance was most often provided by friends.

Table 5.2 Sources of job search assistance

	Column percentages		
	SJFT	LOT	BET
Formal assistance	53	59	59
- Government programme	17	20	16
- Programme centre/job club staff	8	10	6
- Personal adviser	15	18	11
- Jobcentre staff	34	39	44
Informal assistance	45	35	53
- Partner	8	9	11
- Relatives	18	7	20
- Friends	33	24	40
- Others	2	2	1
Any assistance	75	73	77
No assistance	25	27	23
Unweighted Base	316	357	457

Base: All JSA participants starting January-April 2002 who were actively looking for work in the four weeks prior to interview.

The help received was most commonly in the form of assistance with finding vacancies but assistance was also received with completing application forms, writing letters and CVs, among other things (Table 5.3).

Table 5.3 Types of assistance received

	Column percentages		
	SJFT	LOT	BET
Finding vacancies	71	72	75
Completing application forms	19	20	30
Writing CVs	19	21	17
Writing letters	14	14	19
Preparing for interviews	12	14	16
Telephoning employers	26	27	28
Cost of travelling to interviews	10	9	8
Help with other costs associated with looking for a job	6	5	5
Unweighted Base	236	262	359

Base: All JSA participants starting January-April 2002 who were actively looking for work in the four weeks prior to interview who received assistance with job search.

5.3 Job search progress

Of those participants who had been actively looking for work in the four weeks prior to interview, many had been invited to interview or offered a job. However, others had not even found vacancies to apply for. Success differed between Opportunity types with BET participants being least likely to have found vacancies to apply for (Table 5.4).

Table 5.4 Job search progress: furthest stage reached in last four weeks

	Column percentages		
	SJFT	LOT	BET
Offered job	6	4	3
Invited to interview	24	23	18
Submitted application	45	41	29
Found vacancy to apply for	6	9	13
Found no vacancies	20	22	38
Unweighted Base	314	356	462

Base: All JSA participants starting January-April 2002 who were actively looking for work in the four weeks prior to interview.

Within Opportunity types, there were few significant differences in job search progress by participant characteristics (Table 5.5). Those SJFT and BET participants from minority ethnic groups were more likely to have been invited to an interview or offered a job in the four weeks prior to their interview than their white counterparts. However, there were no significant differences among the other groups examined.

Table 5.5 Job search progress by participant characteristics (invited to interview or further)

	Cell Percentages (<i>Unweighted base</i>)					
	SJFT		LOT		BET	
Male	29	(266)	27	(279)	22	(395)
Female	(36)	(48)	30	(77)	18	(67)
White	27	(246)	28	(300)	17	(247)
Non-white	42	(60)	32	(50)	26	(210)
Under 50	31	(261)	28	(288)	22	(395)
50 or over	24	(53)	26	(68)	14	(67)
Disability	25	(94)	28	(159)	21	(154)
No disability	31	(216)	27	(196)	21	(308)
No qualifications	27	(88)	27	(103)	19	(310)
One or more qualifications	31	(221)	28	(253)	26	(149)
In paid work within year prior to WBLA	31	(166)	30	(132)	26	(153)
Not in paid work in the year prior to WBLA	28	(144)	27	(216)	18	(300)
London	33	(80)	27	(71)	25	(188)
Other region	289	(234)	28	(285)	18	(274)
ALL	30	(310)	28	(348)	21	(453)

Base: All JSA participants starting January-April 2002 who were actively looking for work in the four weeks prior to interview.

Note: Where the figures are in bold, the difference is significant at 5 per cent level.

Table 5.6 Chances of getting any job in the next four weeks

	Column percentages		
	SJFT	LOT	BET
Very good	3	5	5
Fairly good	38	26	23
Fairly bad	36	37	34
Very bad	18	28	33
Unsure	4	3	5
Unweighted Base	308	352	456

Base: All JSA participants starting January-April 2002 who were actively looking for work in the four weeks prior to interview.

Participants also varied in their self-assessed chances of finding a job in the four weeks following the interview. As Table 5.6 shows, few thought that their chances were very good.

However, SJFT participants were significantly more likely to have rated their chances as fairly or very good compared with LOT and BET participants.

Once again there were some differences within Opportunity types (Table 5.7). Those participants under 50 were significantly more likely to have rated their employment chances within the next four weeks as very or fairly good. This was true within all Opportunities. Among SJFT and LOT participants, those who had worked in the 12 months prior to participating in WBLA were also significantly more optimistic about their employment chances.

Table 5.7 Self-assessed employment chances by participant characteristics (per cent claiming very or fairly good)

	Cell Percentages (<i>Unweighted base</i>)					
	SJFT		LOT		BET	
Male	42	(263)	32	(278)	30	(390)
Female	38	(45)	30	(74)	21	(66)
White	39	(240)	32	(297)	31	(243)
Non-white	51	(60)	28	(50)	26	(208)
Under 50	44	(257)	34	(285)	31	(390)
50 or over	28	(51)	19	(67)	14	(66)
Disability	40	(92)	27	(156)	24	(151)
No disability	43	(212)	35	(195)	31	(305)
No qualifications	47	(88)	29	(102)	26	(305)
One or more qualifications	40	(215)	32	(250)	34	(148)
In paid work within year prior to WBLA	46	(163)	39	(131)	39	(153)
Not in paid work in the year prior to WBLA	38	(141)	27	(213)	23	(294)
London	46	(81)	30	(69)	30	(186)
Other region	40	(227)	32	(283)	28	(270)
ALL	42	(304)	32	(344)	29	(447)

Base: All JSA participants starting January-April 2002 who were actively looking for work in the four weeks prior to interview.

Note: Where the figures are in bold, the difference is significant at the 5 per cent level.

While it is tempting to use both job search progress and self-assessed employment chances as indicators of job search effectiveness, there are a number of other factors which could be influential including the type of work sought and local labour market conditions. Some participants who were actively seeking employment were more selective about the kind of work they were looking for than others (Table 5.8).

BET participants were generally more likely to want a permanent job and were less likely to want to move or commute more than 30 minutes. This may help to explain why they were finding it more difficult to find jobs to apply for. SJFT participants tended to be more flexible and were least likely to be exclusively seeking a particular or permanent job. They were also more willing to move or travel to work. This may be one of the reasons why they were more confident about their chances of finding work compared with those LOT and BET participants who were actively looking.

Table 5.8 Type of job sought

	Column percentages		
	SJFT	LOT	BET
Type of work			
- Particular	38	44	40
- Range	36	34	23
- Any	26	23	37
Unweighted Base	316	357	465
Hours of work			
- Full-time or part-time only	54	48	50
- Either	41	46	44
- Depends	5	6	6
Unweighted Base	316	357	463
Permanence of work			
- Permanent only	13	16	22
- Temporary acceptable	75	72	63
- Depends	12	13	15
Unweighted Base	316	357	461
Acceptable travel to work time			
- Up to 30 minutes	32	34	50
- 31 to 60 minutes	58	57	44
- More than 60 minutes	10	9	7
Unweighted Base	313	354	457
Willingness to move			
- Not willing to move	58	53	66
- Willing to move	42	47	34
Unweighted Base	313	351	455

Base: All JSA participants starting January-April 2002 who were actively looking for work in the four weeks prior to interview.

5.4 Barriers to employment

An individual's job search success, and the type of work sought, can also be influenced by a number of factors such as their job-readiness, the availability of transport or childcare requirements. The majority of those participants who were actively looking for work faced at least one self-identified barrier to employment, with 43 to 47 per cent facing two or more (Table 5.9).

Table 5.9 Number of barriers to employment

	Column percentages		
	SJFT	LOT	BET
None	28	21	16
One	29	33	37
Two	25	23	24
Three	11	12	13
Four	5	7	6
Five or more	2	4	4
Unweighted Base	310	354	460

Base: All JSA participants starting January-April 2002 who were actively looking for work in the four weeks prior to interview.

BET participants were most likely to face one barrier or more to finding or starting a job. Two-thirds of those BET participants who faced barriers stated that a lack of skills and/or

experience stopped them from getting a job, particularly poor literacy (Table 5.10). Once again, this may help to explain why they were less successful in their job search. Poor literacy can both hinder an individual's ability to apply for jobs (i.e. completing an application form), in addition to preventing them from undertaking certain types of work.

Table 5.10 Barriers to employment

	Column percentages		
	SJFT	LOT	BET
Lack of experience/skills	46	42	66
- Lack of previous work experience	31	30	23
- Lack of references from previous employers	16	19	15
- Poor literacy	9	6	42
- Poor English	1	1	12
- Lack of qualifications	3	1	2
Lack of transport	37	34	22
No jobs available	34	38	32
Own illness/disability	17	25	21
Caring related issues	4	8	6
- Illness of other family member	4	6	5
- Lack of childcare	0	2	2
Other personal problems	21	25	14
- Debt or financial reasons	13	16	8
- Problems with police/criminal record	7	8	3
- No permanent place to live	2	3	3
- Problems with drugs/alcohol	2	1	0
- Family or relationship problems	1	0	1
- Age (too old)	0	2	1
Discrimination	12	14	7
Other barriers	7	7	5
Unweighted Base	228	280	392

Base: All JSA participants starting January-April 2002 who were actively looking for work in the four weeks prior to interview who faced barriers to employment.

A lack of skills and/or experience was also the most common type of barrier among those who participated in the other Opportunities. Other common barriers were a lack of transport, a lack of jobs locally and illness/disability.

5.5 Summary

Thirty-nine per cent of SJFT and LOT participants, and 55 per cent of BET participants, were unemployed and had been actively seeking work in the four weeks prior to interview. These participants were using a wide range of job search techniques although the most common by far was looking at adverts in the local newspaper. Around three-quarters within each Opportunity type were receiving some help with job search, mainly in the form of assistance with finding vacancies. However, their job search progress and self-assessed employment chances differed between the Opportunity types. Just over one quarter of SJFT and LOT participants had been invited to interview (or progressed further) in the four weeks prior to interview. Around one in five within these groups had not found any vacancies to apply for. BET participants, however, were less likely to have progressed as far as being invited to interview and more likely not to have found vacancies to apply for.

In terms of confidence in their ability to find a job in the following four weeks, there were also differences between participant groups. In spite of SJFT and LOT participants being

similar in terms of their recent progress, the former group were more likely to rate their chances as very or fairly good. LOT participants were, in fact, more similar to BET participants in their self-assessed employment chances.

A number of factors can hinder past job search progress and future success. The majority of participants faced at least one self-identified barrier to employment, with a substantial proportion facing two or more. BET participants may have had less job search success because they were more likely to face such barriers, particularly poor literacy and English which are more difficult to overcome in the short term. Furthermore, BET participants were more limited geographically, being less willing to move or commute, so were likely to have had a smaller number of vacancies to choose from. Conversely the greater confidence of SJFT participants in their future employment chances may be connected to their greater flexibility.

Chapter 6 The approach used to estimate the effects of WBLA

6.1 Overview of the evaluation problem

In order to know the effect of a programme on those who participated, it is necessary to know how they would have fared had they not done so. However, for participants, all that is known is the participation outcome while, for non-participants, only non-participation outcomes are observed. This means that the effect cannot be known and must instead be estimated. This in turn requires some estimate of the counterfactual; the non-participation outcome for those who did, in fact, participate. It is not possible simply to use the observed outcomes of non-participants to proxy the counterfactual outcome. To proceed in this manner would be to ignore the likelihood that there are important differences between those who participate and those who do not. These differences are likely to influence outcomes and consequently bias estimates of programme effects. This is the essence evaluation problem and the reason why more sophisticated techniques are required in order to recover plausible estimates of programme effects. In this evaluation, the approach used was propensity score matching.

6.2 Propensity score matching¹¹

What is attempted through matching is to identify a subset of non-participants who are, in some sense, similar to participants. The aim in doing so is to control for any important differences between the two groups so that it becomes plausible to use the outcomes of the comparison group to provide an estimate of the counterfactual outcome for participants. If this holds, the effect of participation can be estimated as the difference in average outcomes across participants and matched non-participants. Seen in this way, matching attempts to emulate the type of control group data that would result from a random assignment experiment.

For this approach to be valid those characteristics that affect both participation and outcomes should be distributed similarly over the participants and the subset of non-participants identified as the comparison group. That is, they should be ‘balanced’ across the two groups. Intuitively, the rationale for only including those variables that affect participation and outcomes is as follows. Variables that affect neither participation nor outcome are clearly irrelevant. However, if a variable influences only participation, there is no need to control for the differences between the treatment and the comparison group since it leaves outcomes unaffected. Conversely, if a variable influences only outcomes, there is no need to control for it since it will not differ significantly between participants and non-participants. This just leaves variables that affect participation and outcomes. Such variables will differ systematically between the treatment and comparison groups, significantly influencing observed outcomes in the two groups. Consequently, these are the variables for which balance is sought.

A practical difficulty that arises when attempting to match individuals is that, as the number of characteristics to be matched increases, the probability of not finding an exact match increases. In other words, the chances of finding a similar person fall as one becomes more specific as to what this person should be like. Rosenbaum and Rubin (1983) show that if non-participants matched on the basis of their characteristics can provide a counterfactual outcome

¹¹ Bryson et al. (2002) gives a fuller discussion of propensity score matching.

for participants, the same holds when matching instead on certain functions of these characteristics. These functions are termed ‘balancing scores’ since they have the aim of achieving balance as outlined above.

The most important balancing score is the propensity score: the probability of participating. This can be estimated conditional on individual characteristics using the results of a parametric binary choice model such as a probit. Propensity score matching involves judging similarity between individuals purely on the basis of their propensity score. Balancing the propensity score across participants and non-participants should achieve balance in those variables which are included in the model used to estimate the propensity score. For this reason, the parameterisation of the propensity score model is of key importance.

However, it is not always clear what variables to include. The results of the propensity score model can show which variables are significantly associated with participation but not which influence outcomes. Ideally, economic theory should provide some guidance in determining which are the important variables. However, such guidance does not extend to the full range of possibly important influences. Because of this, for each variable it is important to think through whether it is likely to have an influence on outcomes. In the discussion that follows, the justification for including specific variables is considered.

As a final comment, it should be clear from the above that a credible matching estimator requires a rich dataset so that all important variables can be observed. This requirement is more likely to be met in the evaluation of WBLA than in many other applications since the data were collected specifically for the evaluation. Since the decision to proceed with a matching methodology was known, careful attention was paid to the design of the questionnaire in order to ensure that it gathered as much background information as possible on participants and non-participants alike. This increases the confidence that all important influences were observed. A description of these variables is given in the sections that follow.

6.3 Application to this evaluation

Propensity score matching offers an attractive means of addressing the evaluation problem. As well as being intuitive, it avoids the restrictions that regression-based approaches introduce. For example, it does not require that a linear relationship exist between characteristics and outcomes. Furthermore, it allows for the possibility that the effect of participation will vary across individuals. However, it does require careful implementation.

In this section, the available matching variables are considered. These are grouped by type and discussion revolves around why it may be that they could have an effect on outcomes. All variables considered here are either constant over time (such as ethnicity), evolve in a way unaffected by participation (such as age) or are measured at a time predating participation (such as qualifications at time of Opportunity start). It is important to avoid balancing any characteristics that change as a result of participation since this could bias the estimated programme effect.

As noted above, economic theory can only provide guidance as to which variables to include in the very broadest sense; for some variables, their inclusion is necessarily conjectural. The tendency in the approach outlined below is to err on the side of inclusion. That is, in the specification of the participation model, if a variable was revealed as significant it was retained in those cases where its precise effect on outcomes was debatable. This reflects the likelihood that the inclusion of a variable that does not affect outcomes creates far less of a problem than the exclusion of a variable that does affect outcomes. With this in mind, the

remainder of this section considers the variables available for inclusion in the participation model.

It should be noted that these are mostly quite standard variables for inclusion in labour market models. There is ample empirical evidence of the relevance of such variables. Recent examples include Bonjour et al. (2001), Bonjour and Dorsett (2002), Lissenburgh (2001) and Payne et al. (1999).

Basic personal and household characteristics

Age

Age is likely to be an important factor in finding work. It is possible that for the generally low level jobs that may result from a programme such as WBLA, employers may be more interested in recruiting younger workers. Conversely, older workers could be appreciated for the experience they can bring to a job.

Gender

Job outcomes typically vary by gender. Also the type of work wanted can vary (e.g. full/part time). Examination of the data reveals differences between men and women. For example, the women in the sample are more likely than the men to be willing to commute for more than 45 minutes each way. They are also likely to have less experience of work. It is straightforward to see that these differences could both influence success in the labour market.

Children

Conventionally, women's labour market behaviour accommodates childcare responsibilities. Since all individuals in the sample are JSA recipients, they should be actively seeking employment. Consequently, the presence of dependent children should not, in principle, act as a total barrier to employment. However, since women are more likely than men to need to balance work and childcare, it may limit the range of jobs they are able to consider. For this reason, the presence and age of dependent children may affect job outcomes. Furthermore, given that this is more likely to be an issue for women than for men, the interaction of gender and children should also be considered.

Disability

Those with a disability may find it difficult to participate in the programme. They are also likely to face more severe barriers to employment. Job outcomes may be affected since where the disability affects the type or amount of work possible, individuals will necessarily be searching from a smaller number of vacancies. A similar issue relates to those with a health problem.

The provenance of these health and disability indicators should be borne in mind. Disability is recorded at the administrative level by personal advisers and indicates whether JSA claimants have a disability that is likely to last at least a year and which puts the person at a significant disadvantage in the labour market. However, the survey also collected information on disability. Respondents were asked whether they had any health problems, conditions or disabilities at the beginning of January 2002 (ie immediately before the cohort of programme entrants considered in this evaluation). For those not looking for work at this time, information was collected on whether this was because of disability or health problems. Those who were searching at this time were asked whether disability or health problems

would make it difficult to find or start work. Using these responses, it was possible to construct an alternative measure of disability.

Ethnicity

Ethnic variations in labour market outcomes were captured by an indicator of whether the respondent was from an ethnic minority. This is a gross simplification of the complex interplay between ethnicity and labour market behaviour (see, for example, Modood et al., 1997) but the sample size precludes consideration of more detailed information on ethnicity. Information was also collected on whether respondents were born overseas. This could affect respondents' labour market prospects. For example, overseas qualifications may not be recognised by employers and overseas experience may not be applicable to potential vacancies. However, the importance of this may diminish the longer the individual remains in the UK. This is also captured in the data. Furthermore, it may be that there is an age effect associated with length of time in the country. Younger individuals may adapt more readily, for example. This can be controlled for by including an interaction between age and length of time in the country.

Accommodation

The survey also collected information on the tenure type of the respondents' accommodation and whether they were financially responsible for this. It may be that this is associated with job search flexibility; those who own their property or who live in social rented accommodation may be less willing to consider relocating to take up work due to the costs associated with moving. There are also benefit implications. This aspect is considered more explicitly under job search below.

Other

Other personal and household characteristics could influence labour market outcomes. Being partnered may affect outcomes if the partner exerts an influence on job search intensity. Having a telephone makes it easier to find out about vacancies and also allows potential employers to get in contact. Being able to drive and having a vehicle are consistently found to have an important association with success in the job market. Finally, having a criminal record may pose a substantial barrier to employment.

Education

Education is an important determinant of labour market success. This is captured by a number of variables in the survey. Respondents were asked to report which qualifications they possessed at the time of participation. This covers a broad range of both academic and vocational qualifications. To make this information manageable, all mainstream qualifications have been converted into their equivalent National Vocational Qualification (NVQ) level. However, for those with non-mainstream qualifications, this is difficult to achieve. This is a particular problem for those with overseas qualifications and suggests that the interaction between qualifications and being from overseas may be of interest. This is especially true since employers may not recognise overseas qualifications. To provide another angle on education, the survey also asked at what age respondents left full-time education. On the basis that this translates fairly readily into level of academic achievement, it may circumvent some of the complications associated with considering qualifications explicitly.

Related to the formal education indicators is the question of skills. These influence the chances of labour market success in a similar way. For some, the distinction between skills and qualifications is blurred. Most significant in this respect is IT skills. Many respondents had undertaken an IT course (Computer Literacy and Information Technology - CLAIT or European Computer Driving Licence – ECDL) and received a certificate on completion. This cannot be directly translated into a NVQ equivalent so it was treated as a separate variable. There are also licences for driving a Heavy Goods Vehicle (HGV) or forklift truck.

More general, but clearly important, are basic skills issues. It should be noted that only those assessed as being below the Basic Skills Entry Level Standard are eligible to participate in BET. Conversely, only those without such a basic skills problem are eligible to participate in SJFT or LOT. To reflect this, there were two groups of non-participants. Using administrative data, it was possible to identify those non-participants who had undergone a basic skills assessment and found to be below entry level. They were used as the comparison group for BET. Those non-participants who did not have a basic skills problem were used as the comparison group for SJFT and LOT.

In addition to these administrative records, respondents provided information that allowed their status at the time of participation to be assessed with regard to reading, writing and numeracy. For literacy, it is appropriate to identify where problems are due to the fact that English is not the first language of the respondent. The questionnaire collected information on this, together with information on whether respondents' English was a problem in finding or keeping work at the time of WBLA entry.

Labour market experience

Prior employment experience is another aspect of human capital that has a bearing on labour market outcomes. There are a number of variables that reflect this, drawn from both administrative records and from survey responses. Administrative data have an advantage in that they are not subject to recall error. This is evident when considering labour market history since, in nine per cent of cases, respondents who participated in WBLA stated that they were in paid work of 16 or more hours per week at the time they began the programme. This clearly contradicts the design of WBLA since participation is contingent on being in receipt of JSA (at least for the sample considered here) and therefore not in full-time employment. For this reason, administrative records are used to summarise respondents' unemployment histories. There are a number of aspects to this, all designed to shed light on experience of claiming JSA in the anticipation that this might provide a clue as to their unemployment prospects post participation. Hence, variables are included to indicate the number of claims since 15 May 1999, the proportion of time in receipt of JSA from that date until participation and the length of the claim live at the time of WBLA entry.¹²

For employment histories, survey data is needed. The responses provided allow the construction of a number of useful summaries: whether they worked at all between 1999-2001, the proportion of time in work during that period and, for those who had not worked during that period, whether they had worked at some earlier point. Furthermore, respondents were asked to sum up their overall employment history since the age of 18 in terms of 'mainly steady jobs', 'mainly casual work', 'in and out of work' etc. and to estimate the proportion of this time accounted for by paid employment. As another potentially important indicator of labour market outcomes, information was collected on the proportion of time between 1999 and 2001 spent on WBLA or a New Deal. It might be felt that previous experience on such a programme may be related to the likely success of a further experience.

¹² For these variables (and others, as appropriate) a pseudo-entry date was constructed for non-participants. Details on the imputation of this date are provided in the Appendix.

Prior job search

Care was taken to ensure that detailed job search information prior to participation was collected. This can provide an indication of individual motivation and the likely effectiveness of later efforts to secure employment. In addition to when the most recent pre-participation job search activity took place, questions to establish the degree of flexibility in looking for work were asked. These covered issues such as whether respondents would have considered:

- a range of jobs (rather than a specific type of job)
- both full-time and part-time jobs
- temporary and permanent jobs
- jobs requiring a commute in excess of 45 minutes (one way)
- jobs requiring a relocation.

Another aspect of flexibility is the minimum acceptable wage. Those with a lower reservation wage have available to them a larger number of jobs and are therefore more likely to find work. It is difficult in a survey to derive a meaningful measure of the reservation wage, particularly a retrospective one. However, to reflect the possibility that the reservation wage may be influenced by previous wages, the hourly wage rate was calculated for all those who had prior experience of paid employment. Balancing this across participants and non-participants is as close as it is possible to get to balancing the reservation wage.

To quantify the intensity of job search, information was collected on the number of job applications made. Lastly, respondents were asked about any further barriers to looking for work or starting work that they faced at the end of 2001.

Other personal background variables

A number of additional background questions were asked in an attempt to capture the effect of potentially important attitudes. Attitudes can change over time and it is important to consider as matching variables only those which are unlikely to be affected by participation. Specifically, what is required is to observe attitudes as they existed at the time of entering WBLA. The questions focused on childhood experiences that may have shaped perception of the labour market. There is some reason to believe that the attitudes revealed by these questions are fixed among adults. However, there is no way of knowing whether this is really the case. Included were whether:

- parents/guardian took an interest in the respondent's education
- parents/guardian encouraged the respondent to enter further education
- the childhood household of the respondent experienced financial difficulties
- all adults in the childhood household were ever unemployed

In addition, questions were included to capture whether the respondent was in financial difficulties at the time of WBLA entry and whether they had a bank account at this time. Both of these could conceivably be relevant to labour market success; the first might be associated with greater motivation to find work while the second might be indicative of greater personal and financial stability.

Area variables

Regional identifiers are included in order to capture geographic variations in the labour market. However, such variations are much more complex than can be captured through variables of this nature. To focus more precisely on area effects, the data were augmented with additional external data. One such additional variable was the rate of unemployment at the local (travel-to-work-area) level. This was averaged over the four-month cohort period in order to reflect variations across the country in the tightness of the labour market. Other data were linked at the local authority level from the recently-available 2001 Census.¹³ With explicit regard to the labour market, long-term unemployment as a proportion of total unemployment is recorded at the local authority level. Similarly, data on the employment rate of the local authority was also available.

Potentially important is the ethnic composition of an area. It is plausible that the labour market outcomes of ethnic minority groups are subject to employer discrimination, at least to some degree. Such attitudes may vary according to the local population of an area. Consequently, using Census data on the percentage of the local population accounted for by ethnic minorities could be informative. By similar logic, the proportion of the population born in a non-EU country may also be of interest. In both cases, it would be interesting to consider whether these effects are particularly important for respondents from an ethnic minority.

Another factor that may influence employment prospects is the remoteness of the local area. The Census provides data on population density which is useful in this regard. While this is linked to the concept of remoteness, it is not identical. Ideally, there would be available some measure of how well the local area is served by public transport. This is not available but there are Census variables that can capture this, at least partially. These include the local level of car ownership and the level of deprivation. The reasoning behind including these variables is as follows. The level of car ownership is likely to be higher in more affluent areas, other things being equal. Similarly, there may be a tendency for the level of car ownership to be higher in more remote areas. If the income effect can be controlled, the level of car ownership can therefore be taken as a measure of remoteness. The approach taken in this evaluation is to use the deprivation index to control for local variations in affluence and thereby regard the car ownership variable as capturing the extent to which an area is well-served by public transport. It is worth noting that the deprivation index is a useful variable to include in its own right. Finally, the Census can be used to calculate the proportion of people in each local authority who choose to commute despite having a car. This could also be viewed as an indicator of how well an area is served by public transport.

In short, the evaluation is based on extremely rich data and this makes it more likely that the identifying assumption on which matching relies will be satisfied. However, whether the assumption is in fact satisfied is ultimately untestable – all that can be done is to assess its plausibility using available theory and relevant institutional and procedural knowledge.¹⁴

6.4 Characteristics associated with participation

In this section, those characteristics associated with participation in one of the Opportunities are presented. This differs from the descriptive analysis of participants in two important regards. First, rather than comparing characteristics of participants in one Opportunity with

¹³ The Census is accurate as at 2001. While there will be some imprecision when considering the later period of January-April 2002, this is of less concern since it is being used to capture differences between areas (which are assumed to remain broadly constant) rather than over time.

¹⁴ It is worth remembering that omitted variables will bias regression-based approaches.

those in another, the comparison is between participants in an Opportunity and eligible non-participants. Second, the statistical significance of the associations that are presented can be given since they are the result of estimating the probability of participating using a binary choice model.¹⁵ An advantage of presenting the results in this way is that multiple associations can be considered simultaneously.

It should also be noted that the results presented in Table 6.1 are only intended to provide an additional insight into the participation decision for WBLA.¹⁶ They are not used any further in the matching methodology. The reasons for this are technical in nature but, briefly, stem from the complex sampling design for this evaluation as detailed in the accompanying technical report (Anderson and Taylor, 2004) available on request from DWP. In fact, the models that were used to generate the propensity scores for matching contained identical variables to those in Table 6.1 but differed in that they did not make use of sampling weights. Because of this, they cannot be interpreted substantively since the non-participants are non-random. Rather they simply operate to generate a balancing score. More details are given in the Appendix.

The results summarised in Table 6.1 show the extent to which each characteristic is associated with participation in a given WBLA Opportunity. The sample over which these associations were estimated can be regarded as the pool of individuals who were eligible to participate at that time. Appreciating this can resolve seeming contradictions with the results of the descriptive analysis. For example, while the descriptive analysis shows that most WBLA participants were male, Table 6.1 reveals no association between gender and participation in WBLA. The reason for this is that, although male-dominated, the gender composition of WBLA participants does not differ substantially from that of eligible JSA claimants as a whole, after conditioning for other characteristics.

As noted above, the eligible BET non-participants differ from eligible SJFT/LOT non-participants and this should also be borne in mind when interpreting the results. Positive and negative associations are indicated accordingly in the table.

With this in mind, the main points evident from Table 6.1 are summarised below:

- There was no association with age for any Opportunity.
- Disabled people were less likely to participate in SJFT but this association was less evident for BET. LOT participants were less likely than non-participants to report a disability but were more likely to be recorded by the adviser as having a disability.
- Those from a minority ethnic group may have been more likely to participate in SJFT, but the statistical significance of this was marginal.
- Those born overseas were more likely to participate in LOT. Those born overseas were less likely to participate in BET the longer they had been living in the UK, although this was less true for older individuals.
- It was only among women in SJFT/LOT that there was any association between participation and dependent children; those with very young children may have been less likely to participate than those without children, while those with older children were more likely.
- Those who owned their accommodation were less likely to participate in BET than those with other accommodation tenure types.
- The main associations with qualifications arose for those who lived overseas until at least the age of 16 years. Such individuals without any qualifications were less likely to enter

¹⁵ A probit was used.. However, an alternative model (such as a logit) could equally-well have been used.

¹⁶ To this extent they complement the analysis carried out by Olsen et al. (2003).

LOT than those with some qualifications. The pattern across qualifications for participation in BET was more mixed for these individuals; those with low-level qualifications were less likely to enter BET than those with no qualifications and those with NVQ3 equivalents may have been more likely to enter BET.

- With regard to other certificates and skills, having a driver's licence was associated with non-participation in BET. Having some IT skills was associated with entering SJFT/LOT. For LOT, there was also a positive association with having a forklift licence.
- Those with basic skills problems were more likely to enter BET. However, individuals for whom literacy problems arose from English being a second language were less likely to participate. Those eligible for LOT who reported literacy problems were less likely to participate.
- Those who had spent more of their working life in employment appeared more likely to participate in SJFT. For BET, those who had spent all their working life in employment were more likely to participate.
- Participants in SJFT were more likely to have participated in the New Deal between 1999 and 2001. For both LOT and BET, participants were more likely than non-participants to have had previous experience of WBLA.
- Previous JSA history was important for all Opportunities. Mostly, those with longer unemployment spells were less likely to participate than those with up to three months of unemployment. Evidence suggests that a number of individuals were entering WBLA before having accrued the standard 6 months of JSA claim (or 12 months for LOT). Olsen et al. (2003) found that personal advisers often went out of their way to find early entry criteria for clients. The pattern for SJFT was more mixed. LOT participation was associated with having spent a lower proportion of time on JSA since 1999.
- It is only among LOT participants that previous job search appears significant. Those engaged in job search towards the end of 2001 were more likely to participate than those who had last sought work earlier in that year. Those who had never sought work were also likely to participate.
- Different Opportunities were characterised by different perceived barriers to work. For SJFT, having no permanent place to live was a barrier for some. For LOT, a lack of childcare was identified. For BET, poor reading and writing skills represented a barrier.
- With regard to job search flexibility, SJFT participants were more likely to consider a commute to work in excess of 45 minutes. LOT participants were more likely to have earned lower wages when last in work than non-participants. This might signal a lower reservation wage in subsequent job search. However, they were less likely to consider both part-time and full-time jobs.
- Other background variables: those who had a criminal record were less likely to participate in BET, those who received educational encouragement as a child were less likely to enter SJFT/LOT and having a bank account was associated with SJFT participation.
- There was little regional variation for LOT or BET. For SJFT, those in London were more likely to participate.
- There was some variation across local authority areas. Participating in SJFT was associated with living in a locality with a predominantly white population. BET participants were less likely to live in remote areas or in areas with a high proportion of whites. They also appeared less likely to live in areas of high population density.

Table 6.1 The decision to participate (summarised results of weighted probit)

	SJFT	LOT	BET
Female	ns	ns	ns
Age:			
- <30	ns	ns	ns
- 40-49	ns	ns	ns
- 50+	ns	ns	ns
Disabled (recorded by personal advisor)	---	+++	-
Disability affected work/job search end-2001	--	-	
ethnic minority	+		
born overseas		+++	ns
age * years in UK			++
Years living in UK			--
English not first language			ns
Child characteristics of female clients:			
- youngest child age 0-1	-	ns	
- youngest child age 2-5	ns	ns	
- youngest child age 6-11	ns	++	
- youngest child age 12-15	+++	+++	
Tenure type:			
- owner-occupier	ns	ns	--
- private rent	ns	ns	ns
- Other	ns	ns	ns
- Missing			---
Qualifications (NVQ equivalents):			
- NVQ1 or lower	ns		
- NVQ2	++		
- NVQ3	ns		
- NVQ4-5	ns		
Qualifications for those living overseas until age 16+:			
- None		---	
- NVQ1 or lower			--
- NVQ2			ns
- NVQ3			+
- NVQ4+			ns
Other certificates/skills:			
drivers licence (car or motorbike)			---
HGV licence	+	+++	
forklift licence	+		
IT: CLAIT or ECDL	+++	+++	
IT skills: basic	+++	+++	
IT skills: good	ns	++	
Basic skills problems:			
- literacy		---	+++
- literacy and ESOL			--
- arithmetic		Ns	+++
% time in work 1999-2001	ns	Ns	
Age * % time in work 1999-2001	ns	--	
Employment from age 18 to 1999:			
- 26-50%	ns		
- 51-75%	+++		
- 76-90%	++		
- 91-99%	ns		
- 100%	+		++

Table 6.1 The decision to participate (continued)

	SJFT	LOT	BET
Previous programme experience			
New Deal 1999-2001	+++	+	
WBLA 1999-2001		++	+++
Length of qualifying JSA spell:			
- 3-6 months	---	---	---
- 6-9 months	++	---	---
- 9-12 months	--	---	---
- >12 months	---	---	---
Number of JSA claims since May 1999:			
- 2	ns	ns	ns
- 3+	ns	ns	ns
Claiming JSA, 15 may 1999 – WBLA entry:			
- <20%	ns	++	ns
- 20-<40%	ns	ns	--
- 40-<80%	ns	ns	ns
When last seeking work (before 2002):			
- jul-oct 2001		---	
- jan-jun 2001		ns	
- before 2001		ns	
- never		++	
Stated barriers to working as at end 2001:			
- No jobs near here	ns	--	
- lack of childcare	-	---	
- debt or money problems	ns		
- no permanent place to live	--		
- lack of previous work experience		ns	
- poor reading and writing skills			++
Job search flexibility:			
Real hourly pay when last employed (pre-2002)		---	
Would commute for >45 minutes)	++		
Would consider ft and pt jobs	-	--	
Other background characteristics:			
criminal record pre-WBLA	ns		---
parents encouraged FE as child	-	--	
bank account	++		
Jobcentre Plus region:			
- north east	---	ns	ns
- north west	---	ns	ns
- Yorkshire & Humberside	-	ns	ns
- west midlands	--	ns	ns
- east midlands	--	ns	ns
- east of England	ns	ns	ns
- south east	---	ns	-
- south west	-	-	ns
Local Authority characteristics (2001 Census):			
% with car who use pub transport for commute			--
people per hectare (census)		+	--
Long-term unemp (since 1999) as % of total unemp		---	ns
% white	+++	+	---
% from non-EU country * client born overseas		-	
index of deprivation	ns	ns	

ns - not significant; +/- - significant at 10%; +/-- - significant at 5%; +++/--- significant at 1%. Blank cells indicate that the variable was omitted from participation model for the relevant Opportunity.

6.5 Performance of the match

The assumption underpinning matching is that, if all those characteristics that influence outcomes can be balanced across participants and non-participants, the observed outcomes for non-participants provide an unbiased estimate to the outcome that would have applied to participants had they not participated. As already noted this assumption is untestable and relies on very informative data. In view of the richness of the data collected for this evaluation, the identifying assumption appears credible. Given this, the extent to which the match process was successful in balancing characteristics across the participant and non-participant groups can be investigated. It is worth emphasising that such indicators of the performance of the match say nothing about the validity of the identifying assumption. To see this, note that even if a comparison group can be identified with identical distributions of observed characteristics to those of participants, this does not help in estimating the effect of participation unless the observed characteristics include all those factors that are likely to influence outcomes. The importance of examining the performance of the match is that, if the identifying assumption holds (ie all influential differences can be observed), the effects of participation can only be estimated so long as balance can be achieved (and hence the differences can be controlled).

In this section, therefore, assessing the performance of the match amounts to examining how well a sub-sample of non-participants with characteristics similar to those of participants can be constructed. The diagnostics that provide an insight into this are quite technical in nature and are therefore presented in the Appendix. As a broad summary, however, the results of these tests give some reassurance regarding the performance of the match in this evaluation. This is particularly true for SJFT and LOT. BET participants were more difficult to match. The reason for this is likely to be two-fold. First, there were fewer non-participants available to provide a match for BET participants. Second, BET participants were less similar to JSA claimants as a whole (for example, they were much more likely to be from a minority ethnic group or to be born overseas) so even among the available comparators the chance of finding close matches was reduced.

It is worth making one final comment on the performance of the match. It is only possible to estimate effects for those participants who can be matched to a non-participant. In the case of BET, nearly 14 per cent of participants could not be matched and were therefore excluded from the analysis. While there are examples in the literature of higher proportions of participants being excluded (for example, Frölich et al. (2004) discard 27 per cent), such sample depletion inevitably reduces the representativeness of the results. To address this, sensitivity analysis was carried out in order to assess the robustness of the results, and the characteristics of the discarded participants were examined to see what type of individual was being excluded by this process. These results (which are presented in the Appendix) show that the BET clients excluded in this way were more likely to be those with a relatively high level of labour market attachment who speak English as a second language (ESOL). Intuitively, it seems plausible that, had it been possible to include them in the estimation of effects, it would have made little difference; Winterbotham et al. (2002) suggest that ESOL clients may be particularly hard to help and cite concerns about the duration of BET being inadequate to address their needs. It may have been more of a worry had BET shown a significant positive effect.

Chapter 7 Estimates of the effects of WBLA

This chapter contains the estimates of the labour market effects of participating in WBLA. These are presented under three broad headings: employment, wages and employability. All estimates were based on the matching methodology outlined in the previous chapter. However, precise details of the approach used are covered in the appropriate section.

7.1 The effects on employment

The employment effects of WBLA are of central interest to this evaluation, particularly in view of the increased emphasis on achieving such outcomes through participating in WBLA. Using information collected in the survey, it was possible to observe the labour market status of all individuals up until the point of interview. Since the average delay between WBLA entry and survey interview was in excess of a year, this allowed outcomes over a relatively long period of time to be observed. Consequently, a number of employment outcomes are considered in this section.

SJFT

The estimated effects of participating in SJFT are shown in Table 7.1. Since the employment effects for the other Opportunities will be presented in the same way, some consideration of the format is justified before considering the estimates themselves. The results are collected under three pairs of columns, each corresponding to a different definition of work. The first definition is labelled 'any hours' and this regards an individual as being employed if they undertook any paid work, regardless of the number of hours per week. The second definition only regards weekly employment of 16 hours or more as constituting work; those working below this level are regarded as not being in employment. Finally, the third definition considers full-time employment; that is, 30 or more hours per week.

For each definition of work, there are two columns. The first of these gives the estimated effect. This shows the percentage point difference between the proportion of participants in employment and the proportion who would have been in employment had they not participated. It is the estimate of the effect of participation on those who participated. The second column provides a measure of the statistical significance of the effect. Effects that are significant at conventional levels will have a t-statistic of 1.96 or greater. However, this cut-off point is essentially arbitrary. The overall rule is that the higher the t-statistic, the more statistically significant the result. Similarly, t-statistics that fall slightly short of 1.96 cannot justifiably be regarded as containing no useful information; they are perhaps best viewed as being merely suggestive of a non-zero effect.

The labels in the left hand column indicate which outcome is being considered. First, employment status at the time of interview is considered. This represents the longest-term outcome available. However, it is also of interest to consider other outcomes at different points in time. With this in mind, the second outcome considered is whether the individual had worked at all since the time of entering WBLA. Similarly, the proportion of time in employment since time of entry is also considered. Again, this is useful in summarising outcomes over a period. The remaining rows consider explicitly the evolution of the effect. This is done by considering employment status at consecutive months post-entry. In this way, it is possible to gain an insight into the dynamics of the employment effect.

Table 7.1: Effects on employment - SJFT

Type of work:	any hours		16+ hours		30+ hours	
	effect	t-stat	effect	t-stat	effect	t-stat
at interview	0	0.08	0	0.14	5	1.48
since entry	0	0.03	1	0.18	4	1.25
% since entry	1	0.51	2	0.68	4	1.74
1 month post entry	<i>-4</i>	1.75	<i>-3</i>	1.30	<i>-1</i>	0.50
2 months post entry	1	0.26	1	0.51	4	1.46
3 months post entry	1	0.39	1	0.52	3	1.02
4 months post entry	3	0.87	3	0.86	3	1.20
5 months post entry	7	2.09	6	2.12	7	2.46
6 months post entry	4	1.38	5	1.69	7	2.25
7 months post entry	3	0.96	4	1.10	6	1.94
8 months post entry	2	0.59	2	0.62	5	1.79
9 months post entry	3	1.03	4	1.34	7	2.34
10 months post entry	2	0.45	2	0.71	5	1.66
11 months post entry	1	0.16	1	0.33	4	1.25
12 months post entry	0	0.02	<i>-1</i>	0.16	2	0.81

Effects significant at the 10 per cent level are given in italics and those significant at the 5 per cent level are given in bold.

Substantively, the results in Table 7.1 suggest that SJFT had little effect on employment outcomes by the time of interview, whichever definition of employment was used. Similarly, no effects on the chances of having a job since entry or on the proportion of time spent in employment since entry were evident. However, this masks some effects that appeared roughly five months after Opportunity entry but which later disappeared. These are evident when examining the month-on-month effects, and particularly when considering full-time work. Twelve months after SJFT entry, 42 per cent of participants were in work and 32 per cent were working 30 or more hours per week.

More convenient than examining Table 7.1 is to graph the results. In Figure 7.1, the effects of participating in SJFT for up to 12 months post-entry are charted.¹⁷ Two panels feature; the upper panel relates to ‘any hours’ work and the lower panel to full-time (ie 30 plus hours) work. The intermediate outcome of ‘16+ hours’ work is excluded in order to aid clarity. In both panels, a line connects estimates of the SJFT effects over time. The vertical line at each of these estimates defines a confidence interval for that estimate. Where these confidence intervals cross the x-axis, the estimated effect cannot be regarded as being significantly different from zero at conventional levels.

Inspecting Figure 7.1, it is clear that there was a dynamic in the effect. Five months after entering SJFT, a positive effect was found for both definitions of work. This effect did not persist, however. On the ‘any hours’ definition of employment, the effect had been lost by the six month point, not to return in the remainder of the observation period. When considering full-time employment, the effect had greater longevity. In fact, it endured for about five months. However, 10 months post-entry, there was no detectable effect of SJFT participation on employment, however defined.

Taking these findings together, it appears that SJFT does not have a long-term effect on employment outcomes but operates in the shorter-run to encourage individuals to work longer hours. The size of this effect is in the region of 5-7 percentage points. The results when

¹⁷ Note that a month is defined as a four-week period in the results that follow.

considering ‘16+ hours’ work are similar to those for ‘any hours’ work, suggesting that the main effect has been to encourage work of 30 hours or more per week.

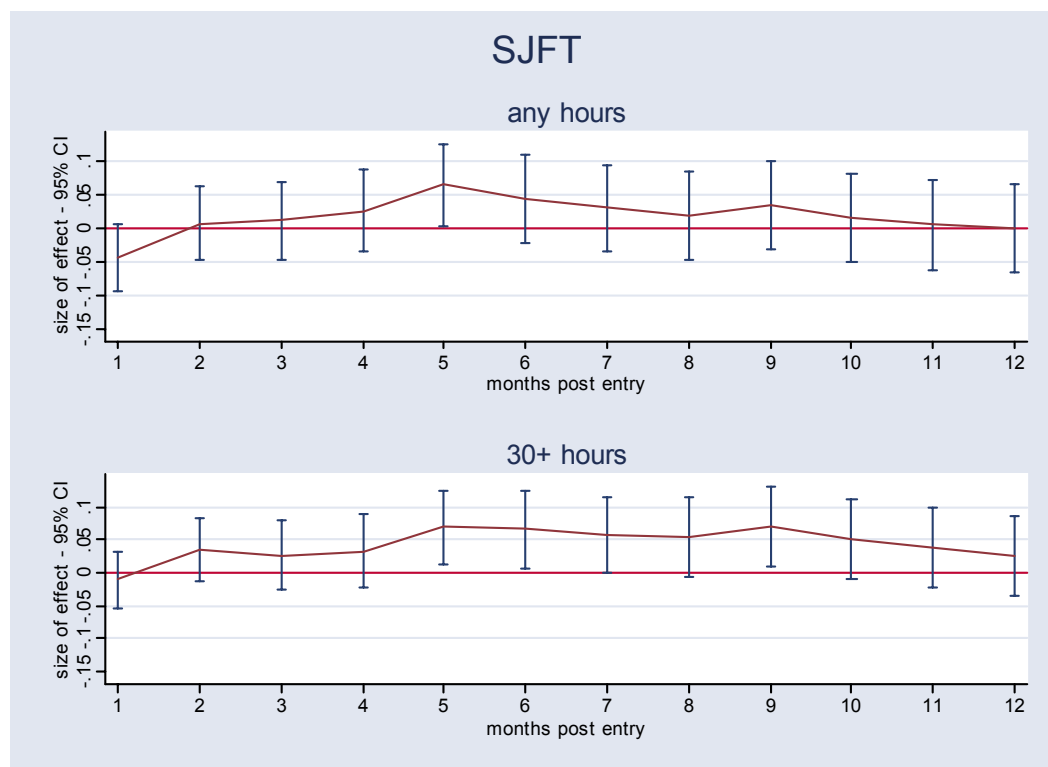


Figure 7.1: The effect of SJFT on employment chances – trends over time

LOT

The results for LOT are presented in a similar way to those for SJFT. As with SJFT, there was no effect on ‘any hours’ employment at the time of interview. However, the effect on ‘16+ hours’ employment at this time approached statistical significance while the effect on full-time employment was comfortably significant. This points to a sustained effect on full-time employment and a possible effect on the chances of working 16 hours or more per week. However, turning to summary measures of the period since LOT entry (the second and third rows of results in Table 7.2), it is only when considering full-time work that significant results are found.

Table 7.2: Effects on employment - LOT

Type of work:	Any hours		16+ hours		30+ hours	
	effect	t-stat	effect	t-stat	effect	t-stat
at interview	3	0.88	6	1.78	7	2.30
since entry	1	0.30	3	0.80	7	2.24
% since entry	2	0.86	2	1.69	2	2.07
1 month post entry	-2	1.09	-1	0.67	-1	0.65
2 months post entry	-1	0.27	0	0.22	0	0.24
3 months post entry	0	0.14	1	0.47	1	0.58
4 months post entry	1	0.32	2	0.87	1	0.41
5 months post entry	1	0.45	3	1.04	2	0.71
6 months post entry	3	1.03	5	1.77	3	1.28
7 months post entry	3	0.91	5	1.74	4	1.65
8 months post entry	1	0.43	3	1.15	3	1.26
9 months post entry	2	0.71	4	1.38	7	2.38
10 months post entry	2	0.68	4	1.19	6	2.19
11 months post entry	3	1.09	5	1.52	7	2.38
12 months post entry	5	1.50	6	1.83	7	2.45

Effects significant at the 10 per cent level are given in italics and those significant at the 5 per cent level are given in bold.

Figure 7.2 charts the evolution of the effect. The upper panel shows that, throughout the observation period, there was at no point a significant effect of LOT on employment entry when employment is taken to mean paid work of at least one hour a week. However, the lower panel, which relates to work in excess of 30 or more hours per week, displays a trend in the effect that achieves statistical significance at the nine-month mark. Prior to this, the trend had been upwards, and beyond this point the effect remained stable at about seven percentage points. Since this is the same size of effect as when considering employment status at the time of interview, it suggests a stability in impact beyond the period covered in the chart. By the twelve month mark, 29 per cent of LOT participants were in work compared to 22 per cent of their matched counterparts.

It appears, therefore, that participating in LOT results in individuals working longer hours than they would do otherwise but that it does not necessarily result in people working who otherwise would not have worked. As with SJFT, the effect appears to operate through LOT participants moving in to full-time work. This is evidenced by the finding that there is no significant effect on employment of 16 hours or more per week. However, the effect on '16+ hours' work appears to be evolving such that by the end of the observation period (and at the time of interview) it is just shy of statistical significance at conventional levels. Similarly, when considering 'any hours' work, there is an overall upward trend (although it dips by the time of interview). It would be extremely revealing to observe longer-term outcomes in order to see whether the apparent trends attain statistical significance over time and whether LOT operates to move people into jobs which they would not have secured otherwise.

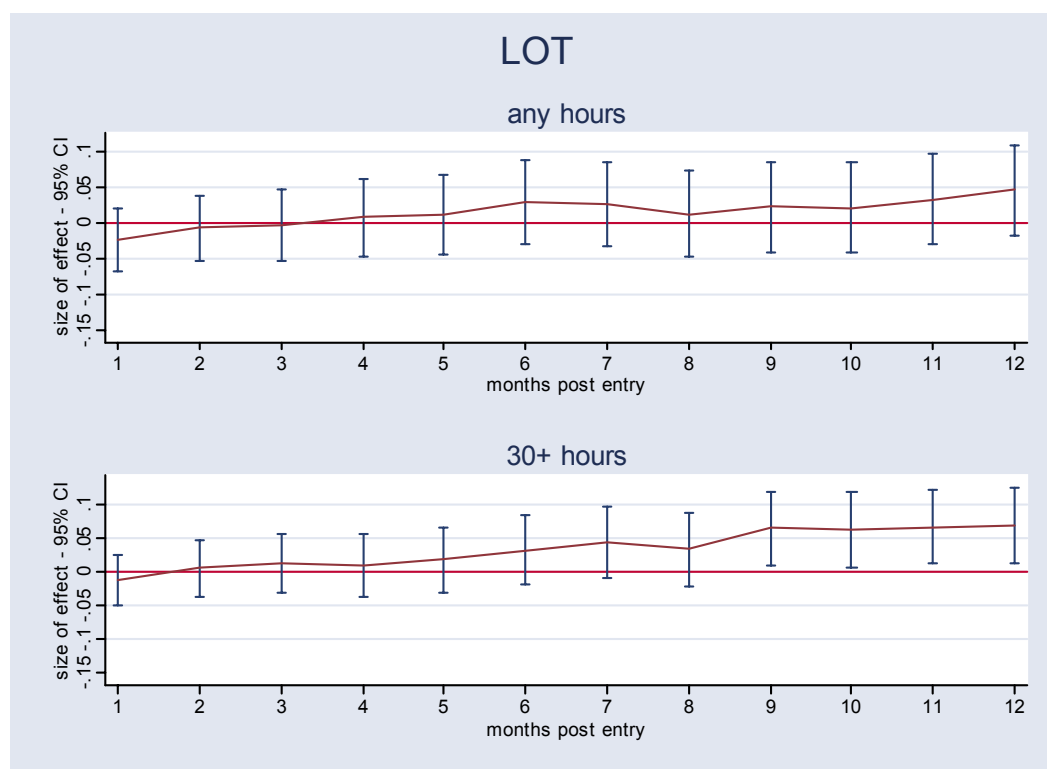


Figure 7.2: The effect of LOT on employment chances – trends over time

BET

Table 7.3 presents the results for BET. Inspection of these results shows clearly that BET has no discernible employment effect on participants. This is true regardless of which definition of employment is used and which point in time is considered. Twelve months after BET entry, 21 per cent of participants were in work.

Table 7.3: Effects on employment - BET

Type of work:	Any hours		16+ hours		30+ hours	
	effect	t-stat	effect	t-stat	effect	t-stat
at interview	2	0.40	3	0.81	4	1.47
since entry	2	0.51	4	0.85	1	0.19
% since entry	0	0.08	3	0.46	2	0.06
1 month post entry	0	0.16	0	0.13	-2	0.84
2 months post entry	1	0.19	1	0.23	-1	0.55
3 months post entry	-1	0.29	-1	0.24	-3	1.02
4 months post entry	1	0.24	2	0.47	-1	0.50
5 months post entry	0	0.03	1	0.20	-2	0.72
6 months post entry	-1	0.27	0	0.09	-1	0.37
7 months post entry	-1	0.27	0	0.10	-1	0.29
8 months post entry	0	0.05	1	0.23	1	0.18
9 months post entry	2	0.51	2	0.59	2	0.75
10 months post entry	4	0.98	3	1.01	3	1.02
11 months post entry	2	0.44	4	1.17	3	0.98
12 months post entry	0	0.07	2	0.70	2	0.53

Effects significant at the 10 per cent level are given in italics and those significant at the 5 per cent level are given in bold.

The evolution of the effect is shown in Figure 7.3. The effects are consistently insignificant. When considering full-time employment (lower panel of Figure 7.3) there is a suggestion of an overall upward trend. While it would be interesting to investigate this using a longer run of data, the low levels of statistical significance attached to the estimated effects on the available outcomes do little to instil confidence that a significant employment effect will eventually be detected.

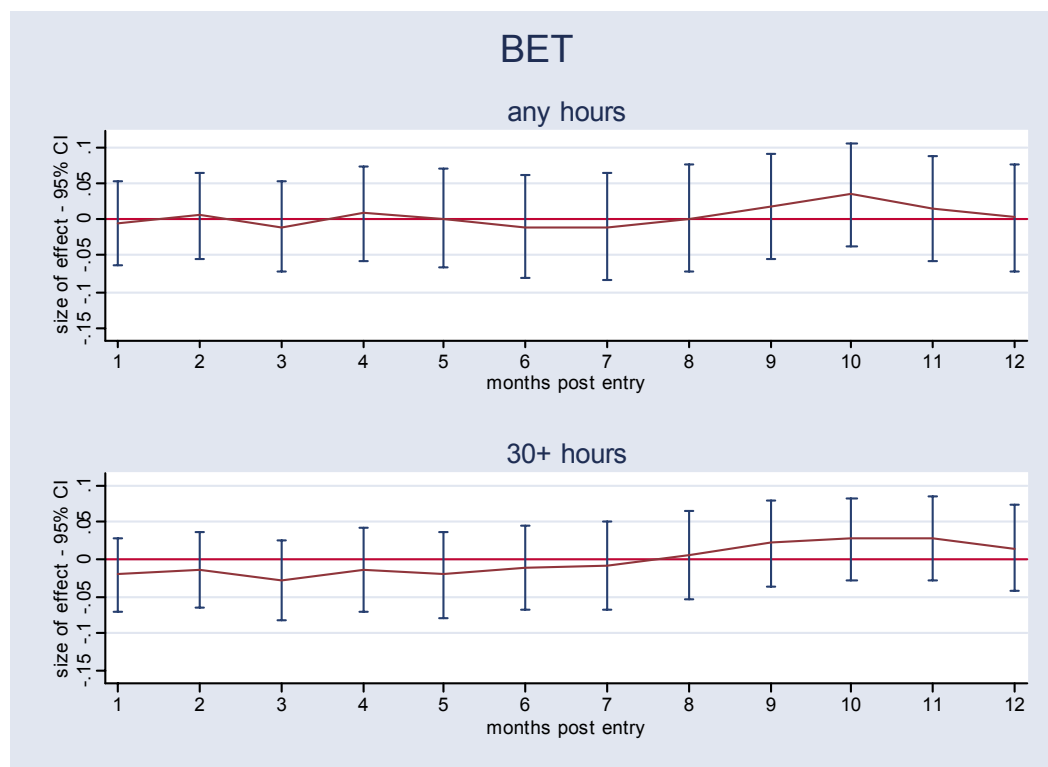


Figure 7.3: The effect of BET on employment chances – trends over time

Duration of training

It is informative to compare the evolution of effects with duration of training. Figure 7.4 shows the proportion of WBLA participants who remain on their course at successive months post entry. This is shown for all three Opportunities. The design of the programme is evident. Hardly any SJFT participants received more than two months training. In fact, they received an average of three and a half weeks of training. At the other extreme, the longest durations of training were observed among LOT participants. However, the distributions are perhaps surprising. Most notably, BET courses were very concentrated around six (calendar) months duration such that the average length of BET training was longer than for LOT (17 compared to 15 weeks).

More interesting in the context of interpreting the impacts of WBLA on employment outcomes is to attempt to relate the duration of training to the pattern seen in effects. This cannot be done directly since duration of training is likely to be influenced, at least in part, by success in finding work. Figure 7.4 takes no account of those who may have exited training before completing their course. However, it is of some interest to compare observed trends. Doing so, it can be seen that by the time the significant LOT effect emerges (some 9 months after WBLA entry) almost all LOT participants had finished their training. In fact, fewer than ten per cent of LOT participants remained on their course for more than seven months.

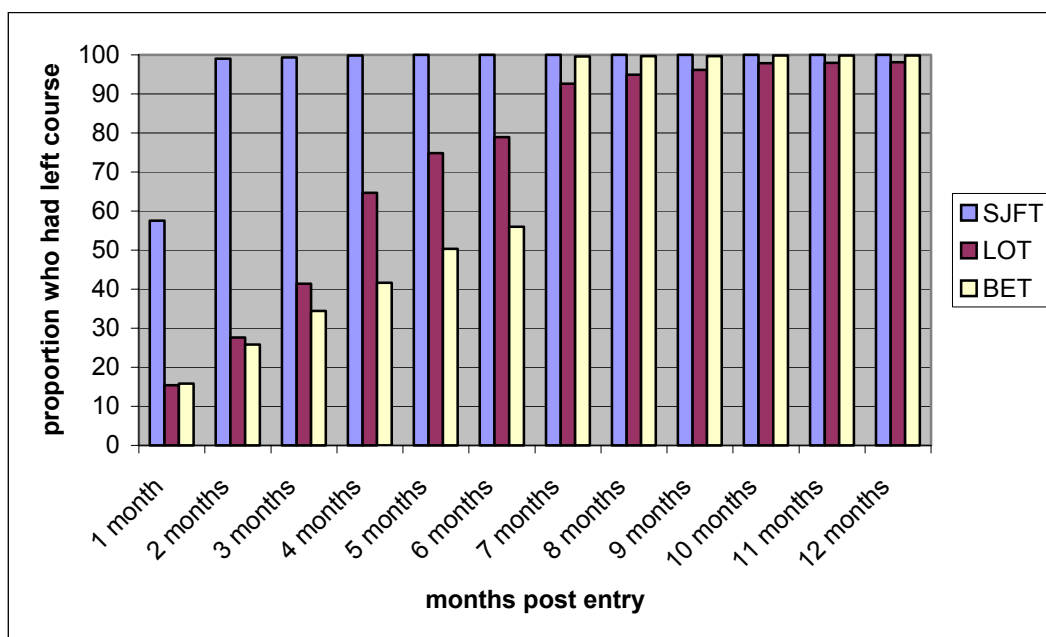


Figure 7.4: Duration of training by Opportunity

7.2 The effect on wages

Introduction

The previous section analysed the impact of participation in WBLA Opportunities on the probability of gaining employment. In this section, attention is shifted to the characteristics of jobs obtained by WBLA participants, as compared to those obtained by non-participants. The principal dimension of comparison is wages. Although the movement of WBLA participants into higher paid jobs (either in relation to their own past experiences or in relation to non-participants) is not an explicit objective of the programme, a positive effect of WBLA Opportunities on wages could be taken as evidence of increased productivity, which would indicate that the programme had a wider economic impact than that implied by the analysis only of employment entry probabilities (Payne et al., 1996). In addition, any positive impact of WBLA Opportunities on wages would almost certainly raise the income of WBLA participants, thus boosting economic welfare in this way.

The method and results are given below. However, to summarise, no significant wages effects were found.

Method

The approach that was used to evaluate the effect of WBLA Opportunities on wages was not as straightforward as that used when considering employment outcomes, since the analysis of wages involves a further selection effect. Matching controls for differences between participants and non-participants and thereby addresses the effect of selection into the programme. However, those participants who find work are likely to be a non-random subgroup of all participants. To put it another way, when estimating the effect on job entry, the correct conditioning variables are those that influence participation and job entry. However, there may conceivably be additional variables that influence wages but not participation.

Hence, when looking at the effect on wages two selection effects should be considered: selection into treatment and selection into work.

There is no obvious way to address this issue. In this section, we proceeded by re-defining the wages outcome in two ways and then considered it using a matching approach similar to that used for the estimation of employment effects.

- First, wages were given a value of zero for all those not in work. Estimating the effect of the treatment in this situation gives the average gain in ‘productivity’ due to a WBLA Opportunity. This is called the ‘productivity method’.
- Second, they were set to the value of the JSA payment for those not working. Doing this provides an estimate of the average income gain due to each Opportunity. This is called the ‘income method’.

Data

It was, of course, only possible to collect wage data relating to the period after WBLA participation for those individuals who entered work during this period. For these individuals, details of net hourly pay were collected for each job they reported, up to and including any job held at the time of the survey. A small number of respondents who gained employment in the period after WBLA participation were not able or willing to provide information on their earnings, while others provided information that seemed likely to be incorrect, as it suggested wage levels that were either improbably high or low given the individuals’ labour market background and experience. It was decided that reported net hourly wage levels of below £2.50 or above £50 were likely to be incorrect and were treated as ‘missing values’. Two different approaches to dealing with this ‘missing value’ problem were taken.

- First, all respondents who obtained work in the period after WBLA participation but who did not provide reliable wage information for any job held during this period were excluded from the analysis. The participation decision for each WBLA Opportunity was re-modelled using all individuals who obtained a job in the period after WBLA participation and who provided reliable wage information and those individuals who did not gain a job in the period after WBLA participation. Information from this propensity score model was then used to match participants in each WBLA Opportunity with their closest match from within the sample of non-participants.
- Second, no members of the sample were dropped from the wages analysis and, instead, various approaches were taken to deal with the ‘missing value’ problem. These involved assigning wage information to those individuals who had worked in the period after WBLA participation but had not provided reliable wage information.¹⁸ One advantage of this approach was that it made it possible to use the same matching information that was used for the analysis of employment effects presented in section 7.1.

Results

Tables 7.4 and 7.5 contain the results of the analyses of wage effects for each WBLA Opportunity.¹⁹ The results are organised according to the approach taken to the treatment of

¹⁸ Both mean imputation and imputation from a regression model were tried.

¹⁹ The Annex contains the levels for participants and non-participants in each of the Opportunities.

missing values, as outlined above. In Table 7.4, results are presented for the approach where all respondents were excluded from the analysis if they obtained work in the period after WBLA participation but did not provide reliable wage information for any job held during this period. Table 7.5 shows the results where no members of the sample were dropped from the wages analysis and, instead, various approaches were taken to deal with the ‘missing value’ problem.

The results in Table 7.4 show the wage premium associated with participation in each of the WBLA Opportunities: SJFT, LOT and BET. Specifically, they show the average amount by which participation in each WBLA Opportunity raised, or lowered, net hourly pay. The precise way in which each effect was obtained varies with each row in the table.

1. In row one, wage effects are shown for respondents who provided wage information from either a job held at the time of interview (a ‘current job’) or, where they did not have a current job, from a job gained in the period after WBLA participation (a ‘previous job’). Respondents who did not obtain a job in the period after WBLA participation were assigned a wage value of zero for these analyses, in the way described for the ‘productivity method’. It can be seen that, with this method, SJFT raises net hourly pay by £0.24, whereas LOT reduces it by £0.13 and BET reduces it by £0.04. None of these results are statistically significant, however, which means that according to this method, WBLA Opportunities have no effect on wages.
2. The second row in Table 7.4 also shows wage effects for respondents who provided wage information for a current or previous job, but in this case respondents who did not obtain a job in the period after WBLA participation were assigned a wage value of £1.36 for these analyses, this being the weekly value for JSA divided by 40. This is the ‘income method’. The estimated effects for SJFT, LOT and BET, at £0.19, -£0.16 and -£0.03 respectively, are again small and non-significant, indicating no effect of WBLA Opportunities on wages according to the ‘income method’.
3. Row three is a variant of the ‘productivity method’ where wage values are only taken for respondents with a current job and those with only a previous job have a value set to zero, along with non-employees. The reason for giving greater importance to current jobs in this way is that, whereas it is known that a ‘previous’ job has ended in a relatively short period of time, ‘current’ jobs at least have the potential to continue for a considerable period of time after the survey. Altering the emphasis of the analysis in this way has little effect on the results however. The effect for SJFT is smaller than in row one and the effect for LOT becomes positive, whereas it was negative in row one, but neither of these effects is statistically significant. The small negative effect for BET is virtually unchanged from row one and remains non-significant.
4. Following the approach shown in row three, the effects in row four are from a variant of the ‘income method’ where wage values are only taken for respondents with a current job and those with only a previous job have a value set to £1.36 (the implicit hourly JSA rate, as explained above) along with non-employees. The pattern shown in row three is repeated, with the positive effect for SJFT being smaller than for the equivalent figure from row two and the LOT effect becoming positive whereas it was negative in row two, but with both of these effects being non-significant. The BET effect again remains negative and non-significant.

The t-statistics given in Table 7.4 are consistently much lower than 1.96 which is associated with significance at the conventional level. Consequently, the results suggest unambiguously that there is no evidence of an impact of WBLA Opportunities upon wages.

Table 7.4 Estimating wage effects (1)

Type of work:	SJFT		LOT		BET	
	effect	t-stat	effect	t-stat	effect	t-stat
<i>Currently employed & previously employed</i>						
1. productivity	0.24	0.23	-0.13	0.23	-0.04	0.20
2. income	0.19	0.20	-0.16	0.19	-0.03	0.15
<i>Currently employed</i>						
3. productivity	0.09	0.22	0.11	0.21	-0.06	0.18
4. income	0.07	0.18	0.05	0.18	-0.05	0.13

1. Employees with missing wage values are excluded from weighting structure and analyses.
2. Previously employed refers to respondents who gained a job subsequent to the period of WBLA participation but were no longer employed at the time of interview.

Table 7.5 Estimating wage effects (2)²⁰

Currently employed & previously employed:	SJFT		LOT		BET	
	effect	t-stat	effect	t-stat	effect	t-stat
1. productivity (employed missing=0)	0.18	0.24	0.16	0.23	0.05	0.20
2. income (employed missing=0)	0.13	0.20	-0.10	0.19	0.02	0.15
3. productivity (employed missing regression imputed)	0.20	0.23	-0.16	0.23	-0.01	0.20
4. income (employed missing regression imputed)	0.16	0.20	-0.18	0.19	-0.01	0.15
5. productivity (employed missing mean substitution)	0.22	0.23	-0.15	0.23	0.01	0.20
6. income (employed missing mean substitution)	0.17	0.20	-0.17	0.19	0.00	0.15

1. Missing values apply to the non-employed and the employed with missing wage data.
2. Employees with missing wage data have mean earnings figures imposed which are Opportunity and participant status specific. Within the SJFT sample, for example, employed SJFT participants with missing earnings have their wage set to the mean of all SJFT participant earnings. Employed SJFT non-participants with missing earnings have their wage set to the average for all SJFT non-participants.

Table 7.5 shows the wage effects where no members of the sample were dropped from the analysis and, instead, various approaches were taken to deal with the problem of missing values. This table has a similar structure to Table 7.4. Again, the results show the average amount by which participation in each WBLA Opportunity raised, or lowered, net hourly pay. The results presented in each of the rows of Table 7.5 vary according to the method used to deal with missing values. Three methods were employed:

1. Those with missing values had a value set to zero in the case of the ‘productivity method’ and £1.36 in the case of the ‘income method’, in the same way as for the non-employed. The drawback of this method is that the value it provides for respondents with missing values on wages is almost certainly lower than their actual value. The results using this method are shown in row one and two of Table 7.5.
2. Those with missing values had their value wage value imputed from a predictive model that contained a range of explanatory factors that were able, to some degree, to account for wage variation. This is a relatively sophisticated method of dealing with missing values but suffers from the drawback that programme participation cannot be included in the predictive model, which reduces the scope for a programme effect for those having their wage imputed. The results using this method are shown in rows three and four of Table 7.5.
3. Those with missing values were given the average wage value for their subsample and Opportunity type. Thus, SJFT participants with a missing value were given the

²⁰ For the analyses reported in Table 7.5, wage information was taken from current jobs or, where the respondent was not in work at the time of interview but had worked in the period after WBLA participation, from the last job held before the time of the interview.

average wage for SJFT participants, the SJFT comparison sample were given the average wage for the SJFT comparison sample, and so on. The drawback of this method is that it is rather crude, with respondents being given the mean value when their characteristics might suggest that they have relatively high or low earning power. The results using this method are shown in rows five and six of Table 7.5.

Before describing in detail the results in Table 7.5, it should be stated that the differing methods of dealing with missing values make little difference to the results and that the overall position remains one where there is no effect of WBLA Opportunities on wages.

1. The results in row one are for the approach where missing values had a value set to zero in the case of the 'productivity method'. SJFT is estimated to increase net hourly pay by £0.18, LOT by £0.16 and BET by £0.05, but none of these effects is statistically significant.
2. Row two shows the results when the same approach to missing values was taken as in row one but in relation to the 'income method'. The SJFT and BET effects are positive and non-significant in a similar way to row one, but the LOT effect becomes negative. Again, however, it is non-significant.
3. The results in row three are for the approach where those respondents with a missing value on the wage variable have their net hourly pay imputed from a predictive model. In the case of the 'productivity method', the pattern of results is the same as for row two, with SJFT and BET having positive but non-significant effects and LOT having negative but non-significant effects.
4. Row four shows the results for the imputation approach in the context of the 'income method'. The same pattern of results is again repeated, with SJFT and BET registering positive but non-significant effects and LOT negative but non-significant.
5. The results in row five are for the approach where those with missing values on the wage variable receive the mean net hourly pay figure specific to their participant and Opportunity status. In the case of the 'productivity method', this produces the same pattern of non-significant effects revealed by the results in rows two to four.
6. Finally, row six shows the results for the mean imputation approach in the context of the 'income method'. The SJFT and LOT effects are similar to those reported in rows two to five but those for BET become non-significant. Once again, however, all the effects are non-significant.

Summary

The analyses in this section have explored the impact of WBLA Opportunities on wages. Various approaches have been taken to deal with the problem that not all respondents are observed in work during the period following WBLA participation and that, even where respondents were observed in work, they sometimes failed to produce reliable information on net hourly pay. Regardless of the approach, the analyses suggest unambiguously that there is no evidence of an effect of WBLA Opportunities on wages.

7.3 The effects on employability

While moving participants into employment is the ultimate goal of WBLA, focussing on this alone does not provide an understanding of how this was achieved nor does it allow us to assess the impact of WBLA participation on those who have not yet found employment. Even among those who had not found work by the time of interview, WBLA may have had a positive effect in terms of preparing them for paid work, i.e. improving their employability.

By examining the impact of WBLA on employability, its effect on all participants can be assessed. However, employability is multi-faceted and difficult to capture. Employers look for numerous characteristics in an employee, some generic and others job-specific. The broadest elements that are required in the majority of jobs (such as punctuality, personal hygiene, social skills) cannot be easily measured within a survey. Other elements of human capital, such as skills and knowledge, are easier to assess, using indicators such as qualifications and self-assessed skill levels. In addition to an individual's human capital, employability is also dependent upon effective job search. Individuals will only gain employment if they are active in the labour market. This can be examined using indicators such as labour market attachment (defined as either being in or actively seeking employment).

This section considers the impact of WBLA on some of these factors, namely:

- self-reported improvements in basic skills via participation in courses
- self-reported improvements in IT skills via participation in courses
- the acquisition of qualifications
- labour market attachment

The effects of participation in WBLA on these human capital indicators may be direct or indirect. They may be, for example, the skills/qualifications gained from the training undertaken as part of the programme. Alternatively, the skills/qualifications gained may be the result of training undertaken alongside or after WBLA participation; training which participants would not have sought or been offered without participating in WBLA. In such cases, it may be that their WBLA training gave the participants the confidence to seek other opportunities to develop skills and gain qualifications or allowed them better access to information about other opportunities.

As in the previous sections, the estimated effect of participation shows the difference between the proportion of participants who have, for example, improved their basic skills via participation on courses, and the proportion who would have done so had they not participated. The estimated effects are accompanied by the t-statistic and are subject to the same guidelines for interpretation as earlier sections.

In addition to the impact analysis, this section includes some descriptive analysis showing the incidence of the outcomes examined among different groups of participants. Significant differences between groups are highlighted but these should not be interpreted as showing differential programme effects. Such conclusions would require further sub-group analysis. Unfortunately due to small sub-group sizes, the capacity to do this is limited.

Effects on human capital

Improvements in basic skills

Whereas SJFT and LOT participants rarely had difficulties with English, reading, writing or numeracy, these problems were much more common among BET participants. BET explicitly

aims to help participants with these difficulties. Therefore, it is of no surprise that participation in BET had a significant positive impact upon self-reported English, reading, writing or numeracy skills via the attendance of formal training (Table 7.6). In other words, a significantly higher proportion of BET participants reported improving their English, reading, writing or numeracy by attending a course than would have done had they not participated in WBLA. SJFT participation also had a small overall impact on basic skills via a small impact on writing skills. LOT participation also appeared to have a small significant impact on writing skills via participation in formal training.

Table 7.6 Impact on self-reported English, reading, writing and numeracy skills – matching estimates

Measure	SJFT		LOT		BET	
	effect	t-stat	effect	t-stat	effect	t-stat
English	0.00	0.97	-0.00	-0.95	0.08	3.38
Reading	0.01	1.38	0.01	1.61	0.10	6.27
Writing	0.01	1.98	0.01	2.30	0.11	7.04
Ability with numbers	0.00	0.86	0.00	0.66	0.06	4.45
Any of these	0.02	2.45	0.01	1.43	0.20	7.03

Overall, 34 per cent of BET participants reported having improved their basic skills by attending a course. Table 7.7 shows how this differed between groups. The only significant difference was between those aged under 50 compared with those aged 50 or above. This is likely to be a reflection of the larger proportion of the former group reporting difficulties with English prior to participation.

Table 7.7 Proportion of BET participants who improved their basic skills
Cell percentages (*Unweighted base*)

	Basic skills improved	
Male	35	(683)
Female	33	(165)
White	32	(431)
Non-white	37	(407)
Under 50	36	(722)
50 or over	23	(126)
Disability	31	(305)
No disability	36	(540)
No qualifications	35	(577)
One or more qualifications	33	(265)
In paid work within year prior to WBLA	31	(312)
Not in paid work in the year prior to WBLA	36	(517)
London	34	(366)
Other region	35	(482)
ALL	34	(848)

Base: All BET participants starting January-April 2002.

Note: Where the figures are in bold, the difference is significant at 5 per cent level.

Improvements in IT skills

While participation in SJFT and LOT had little impact on basic skills, participation in any of the Opportunities had a significant positive impact on self-reported IT skills. Participants were more likely to have improved their IT skills (via formal training) than they would have if they had not participated (Table 7.8).

Table 7.8 Impact on self-reported IT skills – matching estimates

Measure	SJFT		LOT		BET	
	effect	t-stat	effect	t-stat	effect	t-stat
IT skills	0.08	3.80	0.14	6.79	0.10	4.22

Overall, 17 per cent of SJFT participants, 21 per cent of LOT participants and 16 per cent of BET participants reported improving their IT skills via attendance on courses. However, there were some significant differences between different types of participants (Table 7.9). Among SJFT participants, a greater proportion of female participants went on a course that improved their skills. Similarly, among LOT participants, female participants were also more likely to have been on a course which they felt had improved their skills, as were those aged 50 or over, those with a disability and those outside London. Among BET participants only those outside London were significantly more likely to have done this, compared with those in London.

Those who improved their computer skills by undertaking some formal training had predominantly never used a computer before. With the help of the course, the majority thought that they had progressed to having basic skills or higher. However, a proportion did not feel that they reached this level (Table 7.10).

Table 7.9 Proportion of participants who improved their IT skills

	Cell Percentages (<i>Unweighted base</i>)					
	SJFT		LOT		BET	
Male	16	(691)	19	(710)	16	(683)
Female	23	(170)	28	(247)	15	(165)
White	19	(710)	22	(829)	18	(431)
Non-white	12	(134)	19	(107)	13	(407)
Under 50	16	(658)	19	(734)	15	(722)
50 or over	22	(203)	30	(223)	18	(126)
Disability	16	(268)	27	(416)	15	(305)
No disability	18	(587)	18	(535)	16	(540)
No qualifications	19	(232)	26	(244)	15	(577)
One or more qualifications	17	(622)	20	(707)	18	(265)
In paid work within year prior	18	(528)	22	(460)	15	(312)
Not in paid work in the year prior	16	(324)	21	(477)	16	(517)
London	15	(181)	15	(146)	12	(366)
Other region	18	(680)	23	(811)	19	(482)
ALL	17	(861)	21	(957)	16	(848)

Base: All JSA participants starting January–April 2002.

Note: Where the figures are in bold, the difference is significant at 5 per cent level.

Table 7.10 IT skills as at beginning of January 2002 and post-course among those who improved their computer skills

	Column percentages					
	SJFT		LOT		BET	
	2002	Post course	2002	Post course	2002	Post course
Never used a computer before	46	0	47	0	73	0
Used a computer a few times	25	8	17	11	15	23
Basic computer skills	24	43	29	35	12	44
Good computer skills	6	36	7	40	1	28
Advanced computer skills	0	13	0	15	0	5
Unweighted Base	150	150	219	219	133	133

Base: All JSA participants who improved their IT skills (via formal training) since beginning of January 2002

Qualifications gained

In addition to the impact on IT skills, participating in SJFT and LOT had a significant impact on qualification gains (Table 7.11). By participating in these Opportunities, individuals were significantly more likely to have gained a vocational qualification since January 2002. While BET participation had a small positive impact on gaining vocational qualifications, this was largely counterbalanced by the reduced likelihood of gaining an academic qualification in this period.

Table 7.11 Impact on qualification gains – matching estimates

	SJFT		LOT		BET	
	effect	t-stat	effect	t-stat	effect	t-stat
Academic qualifications	0.00	0.06	-0.00	-0.16	-0.02	-1.19
Vocational qualifications	0.11	5.47	0.18	9.19	0.04	2.02
Any qualifications	0.11	4.97	0.17	8.32	0.02	0.92

Overall, 19 per cent of SJFT participants had gained a qualification since January 2002, as had 23 per cent of LOT participants and ten per cent of BET participants. Once again there were differences between participant groups (Table 7.12). Within each Opportunity type, participants who had no prior qualifications were more likely to have gained one since January 2002 than those with existing qualifications. Furthermore, a greater proportion of SJFT participants aged 50 or over had gained a qualification compared with those aged under 50. Among LOT participants, those who were female or white were more likely to have done so, as were BET participants without any health problems.

Table 7.12 Proportion of participants who gained a qualification

	Cell Percentages (<i>Unweighted base</i>)					
	SJFT		LOT		BET	
Male	19	(691)	21	(710)	10	(683)
Female	20	(170)	30	(247)	11	(165)
White	20	(710)	25	(829)	11	(431)
Non-white	13	(134)	13	(107)	10	(407)
Under 50	17	(658)	23	(734)	10	(722)
50 or over	25	(203)	26	(223)	11	(126)
Disability	17	(268)	23	(416)	7	(305)
No disability	20	(587)	24	(535)	12	(540)
No qualifications	26	(232)	29	(244)	12	(577)
One or more qualifications	16	(622)	22	(707)	6	(265)
In paid work within year prior	21	(528)	25	(460)	10	(312)
Not in paid work in the year prior	16	(324)	22	(477)	11	(517)
London	16	(181)	19	(146)	11	(366)
Other region	20	(680)	25	(811)	10	(482)
ALL	19	(861)	23	(957)	10	(848)

Base: All JSA participants starting January–April 2002.

Note: Where the figures are in bold, the difference is significant at 5 per cent level.

Overall, 46 per cent of SJFT participants who gained a qualification gained either their first qualification or a qualification of a level higher than any of those already held, as did 40 per cent of those LOT participants who gained a qualification and 85 per cent of BET participants. This includes many who previously had no qualifications (Table 7.13).

Table 7.13 Highest level of qualification as at beginning of January 2002 and at interview among those who gained a qualification

	Column percentages					
	SJFT		LOT		BET	
	2002	2003	2002	2003	2002	2003
NVQ level 4 or above	10	15	17	18	6	21
NVQ level 3	9	14	14	18	3	14
NVQ level 2	30	34	23	32	4	14
NVQ level 1	11	17	11	16	2	31
Level unknown	3	21	4	16	4	20
No qualifications	37		31		80	
Unweighted Base	163	163	235	235	85	85

Base: All JSA participants who had gained a qualification since beginning of January 2002

Combined acquisition of human capital

Of course it may be that while some, more able, WBLA participants work towards gaining a qualification, those who have basic skills needs concentrate upon improving these skills. Consequently some participants may be improving their human capital in one way while others are developing theirs' in another. To examine the overall impact of WBLA participation upon human capital, both improvements in skill levels and qualifications are considered together. Table 7.14 shows that participating in SJFT, LOT or BET had a significant impact on human capital acquisition (as measured by skill improvements resulting from formal training and/or qualification gains).

Table 7.14 Impact on human capital acquisition – matching estimates

	SJFT		LOT		BET	
	effect	t-stat	effect	t-stat	effect	t-stat
Human capital acquisition	0.15	5.33	0.25	9.73	0.22	5.94

There were some significant differences in this measure of human capital acquisition by participant characteristics, particularly among LOT participants, Table 7.15. Among this group, female participants, those from white ethnic groups, those aged 50 or over, those with no previous qualifications and those outside London were significantly more likely to have acquired some human capital (in the form of increased skills via courses/training or new qualifications). Among SJFT participants those who had no previous qualifications were more likely to have benefited in this way.

Table 7.15 Proportion of participants who acquired human capital

	Cell Percentages (<i>Unweighted base</i>)					
	SJFT		LOT		BET	
Male	30	(691)	36	(710)	45	(683)
Female	36	(170)	43	(247)	49	(165)
White	32	(710)	40	(829)	45	(431)
Non-white	25	(134)	29	(107)	47	(407)
Under 50	29	(658)	36	(734)	47	(722)
50 or over	36	(203)	46	(223)	40	(126)
Disability	29	(268)	40	(416)	43	(305)
No disability	31	(587)	36	(535)	48	(540)
No qualifications	39	(232)	45	(244)	46	(577)
One or more qualifications	28	(622)	35	(707)	47	(265)
In paid work within year prior	32	(528)	41	(460)	43	(312)
Not in paid work in the year prior	28	(324)	35	(477)	47	(517)
London	28	(181)	28	(146)	45	(366)
Other region	31	(680)	40	(811)	47	(482)
ALL	31	(861)	38	(957)	46	(848)

Base: All JSA participants starting January–April 2002.

Note: Where the figures are in bold, the difference is significant at 5 per cent level.

Interpreting changes in skills and qualifications

Care must be taken when trying to interpret these changes in skills and qualifications in relation to employability. Improvements in basic skills, if they occur to the level required by an employer, may directly lead to increased chances of employment. More indirectly they may lead to increased self-confidence which can also improve employability. However, a small improvement may be insufficient to have either effect. Similarly improvements in IT skills may have direct or indirect effects, particularly in increasingly computerised workplaces.

Gained qualifications must also be viewed with care. Not all qualifications improve employment chances. This depends upon the needs of employers and whether the qualifications gained are those which employers require (or even recognise). Unfortunately the desirability of the qualifications gained (or the levels of skills attained) from the employers' perspective is unknown.

Consequently, to assume that all human capital acquisition improves employability is misleading and is likely to result in employability being overestimated.

Labour market attachment

While individuals are still participating in the programme, one may expect WBLA to have a negative effect on labour market attachment if participants do not simultaneously actively seeking work. However, in the longer term, a positive effect would be expected as, hopefully, participation in WBLA will either lead to participants getting a job or at least encourage them to continue to actively seek work by increasing their confidence and/or skill levels. (If, on the other hand, WBLA participation encourages some participants to go on to do further training/education, this will reduce the overall impact on labour market attachment).

Unfortunately, the labour market attachment of participants (and non-participants) prior to the date of interview is not known.²¹ Consequently, we are limited to examining labour market attachment at the time of interview (i.e. at some point between April and June 2003).

As can be seen in Table 7.16, participation in SJFT and BET were found to have a significant effect upon attachment to the labour market. In other words, a significantly higher proportion of these participants were either in paid work or actively looking for work at the time of interview than would have been had they not participated. The small positive effect of participating in LOT was not significant.

Table 7.16 Impact on labour market attachment – matching estimates

	SJFT		LOT		BET	
	effect	t-stat	effect	t-stat	effect	t-stat
Labour market attachment	0.07	2.38	0.03	0.96	0.09	2.15

It should be noted that the requirement to be ‘actively seeking work’ in order to claim benefits may encourage some individuals to maintain the appearance of labour market attachment when they have been discouraged from continuing with their job search due to poor employment chances. If non-participation in WBLA increases the likelihood of individuals doing this, the estimated effects on labour market attachment may be underestimated .

Over three-quarters of WBLA participants within each Opportunity type were attached to the labour market at the time of interview. Unsurprisingly, labour market attachment differed by participant characteristics (Table 7.17). Female participants, those aged 50 or over, those with a disability and those who had not worked in the 12 months prior to starting WBLA were less likely to be attached to the labour market – often significantly so. As already noted, these figures should not be interpreted as an indicator of employability without caution as it is likely that some participants may continue to actively seek work even though they do not feel fully prepared for employment (i.e. ‘employable’).

²¹ While periods of employment and unemployment can be identified, no information is available as to whether individuals were actively seeking work while unemployed at previous points in time.

Table 7.17 Labour market attachment by participant characteristics

	Cell Percentages (<i>Unweighted base</i>)					
	SJFT		LOT		BET	
Male	86	(691)	83	(710)	83	(683)
Female	81	(170)	77	(247)	65	(165)
White	85	(710)	82	(829)	80	(431)
Non-white	85	(134)	81	(107)	79	(407)
Under 50	87	(658)	83	(734)	80	(722)
50 or over	77	(203)	74	(223)	74	(126)
Disability	76	(268)	74	(416)	69	(305)
No disability	88	(587)	87	(535)	85	(540)
No qualifications	82	(232)	81	(244)	79	(577)
One or more qualifications	85	(622)	82	(707)	80	(265)
In paid work within year prior	87	(528)	87	(460)	86	(312)
Not in paid work in the year prior	82	(324)	77	(477)	76	(517)
London	82	(181)	78	(146)	78	(366)
Other region	85	(680)	82	(811)	80	(482)
ALL	85	(861)	81	(957)	79	(848)

Base: All JSA participants starting January–April 2002.

Note: Where the figures are in bold, the difference is significant at 5 per cent level.

Summary

Employability is a complex concept which is difficult to capture. This section focused upon a number of elements which contribute towards employability: improvements in basic skills via participation in courses, improvements in IT skills via participation in courses, the acquisition of qualifications and attachment to the labour market.

Participation in SJFT, LOT and BET had an overall positive impact on human capital acquisition. Participation in LOT had a large impact on the acquisition of qualifications and the improvement of IT skills. Participation in SJFT also had a significant impact on these outcomes. Both of these Opportunities (SJFT and LOT) also had a small positive impact on improvements in writing skills. Participating in BET, on the other hand, had a large impact on the improvement of all IT and basic skills. However, as the desirability of these newly acquired qualifications and skill levels from an employer's perspective is unknown, a certain amount of caution must be exercised in interpreting these outcomes as improvements in employability.

While participation in any of the three Opportunities considered had a significant impact on human capital, only participation in SJFT and BET had a significant impact on attachment to the labour market. Once again, these outcomes must be viewed with caution in relation to employability if individuals claim to be actively seeking work when, in fact, they are not doing so.

Chapter 8 Examining employment effects for particular groups

The results presented so far relate to all participants in a given WBLA Opportunity. Clearly, there is no reason why the effect of participating should be the same for all participants or groups of participants. In this chapter, such heterogeneity in effects is explored. Two important client groups are considered: ethnic minority participants and those aged 50 years or more. In both cases, the matching process was carried out again using just those individuals within the particular sub-group.

While these two groups are of clear interest, attempts to investigate them separately are made difficult by the problem of small sample size that is encountered once attention turns to a more narrowly-defined group of participants. For ethnic minority participants, it was only possible to consider non-whites as a whole. This did not overcome the problem of small sample size, however. Similarly, when considering older participants, the numbers available for analysis were small.

The consequence of this is that the results must be interpreted with caution. Specifically, it becomes more difficult to detect effects even where they exist. A corollary to this is that those effects that are detected despite small sample size are likely to be relatively strong. With these comments in mind, the results for the two sub-groups are presented below.

8.1 Ethnic minority participants

Table 8.1 presents the estimated effects for ethnic minority participants in each of the three Opportunities. From this it is clear that it has not been possible to identify a significant effect on employment by the time of interview for any of the three definitions of work. However, as noted above, this may be due to insufficient observations on which to base the estimates. To illustrate, the figures in Table 8.1 are based on 96, 67 and 249 ethnic minority participants in SJFT, LOT and BET respectively.

Only a proportion of the ethnic minority participants in each Opportunity were included in the analysis. This was due to the fact that it is only possible to estimate effects for those participants who can be sufficiently closely matched to non-participants. This raises further questions about the representativeness of these particular results; 29, 35 and 36 per cent of SJFT, LOT and BET ethnic minority participants respectively were excluded from the analysis due to no sufficiently close match being found.²²

²² Furthermore, diagnostics showed the match performed less well on sub-groups than when considering all participants. After matching, there was a mean standardised bias of 9.1, 9.9 and 6.5 for SJFT, LOT and BET respectively (see Appendix for an interpretation of the mean standardised bias).

Table 8.1: The employment effects for ethnic minority participants

	SJFT		LOT		BET	
	effect	t-stat	effect	t-stat	effect	t-stat
working (any hours):						
at interview	0.09	0.96	0.12	0.99	-0.03	-0.46
since entry	0.08	0.88	0.12	0.91	-0.03	-0.44
% since entry	0.06	0.87	0.05	0.57	-0.02	-0.52
Working (16+ hours):						
at interview	0.07	0.76	0.11	0.94	-0.01	-0.11
since entry	0.05	0.53	0.07	0.59	0.00	0.00
% since entry	0.04	0.68	0.04	0.60	-0.01	-0.21
Working (30+ hours):						
at interview	-0.02	-0.29	0.07	0.64	0.05	1.33
since entry	-0.03	-0.29	0.13	1.12	-0.01	-0.09
% since entry	0.01	0.15	0.05	0.71	0.01	0.20

The evolution of the effects for participation in each of the Opportunities is shown in Figures 8.1 to 8.3. As an overall summary, it can be seen that at no point after entering WBLA is a significant effect on employment detected. This is true for all Opportunities.

Figure 8.1 shows that, as with SJFT participants as a whole, there was something of a peak in the captured effect five months after entering the Opportunity, particularly when considering the ‘any hours’ definition of work.

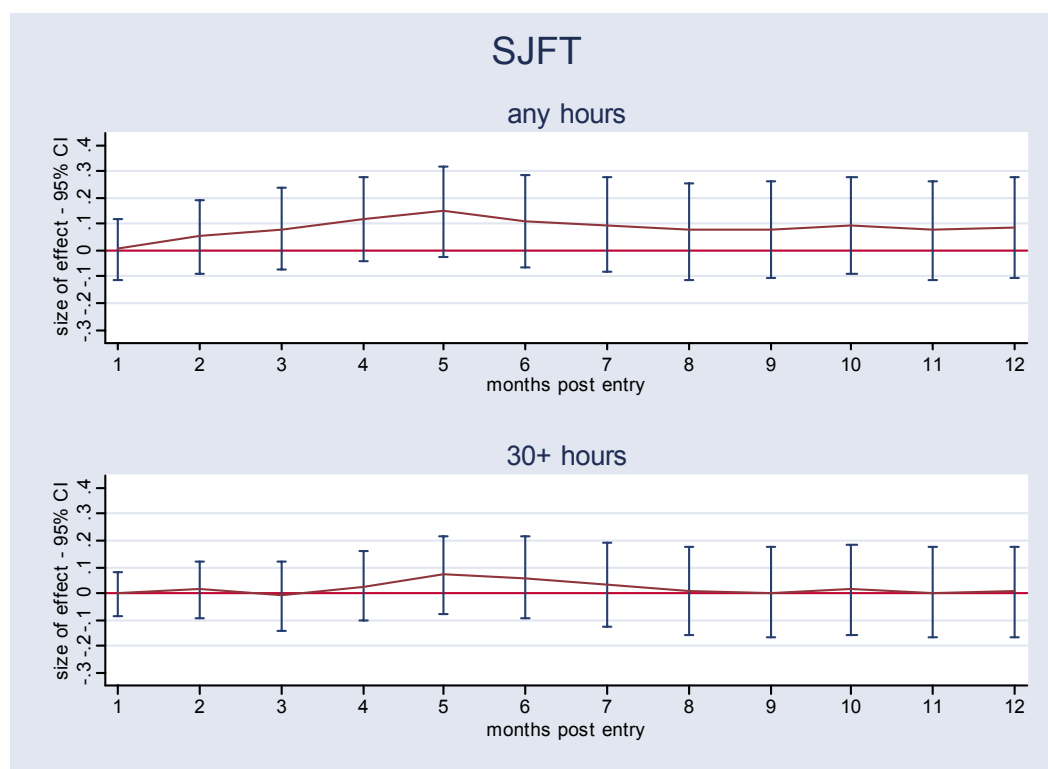


Figure 8.1: The evolving employment effect of SJFT for ethnic minority clients

For those in LOT, there was no indication of the sustained effect on full-time work that was evident when considering all entrants to this Opportunity. In fact, the effect drops quite markedly after month nine. This might suggest that the employment effects of LOT were evident mainly among white participants.

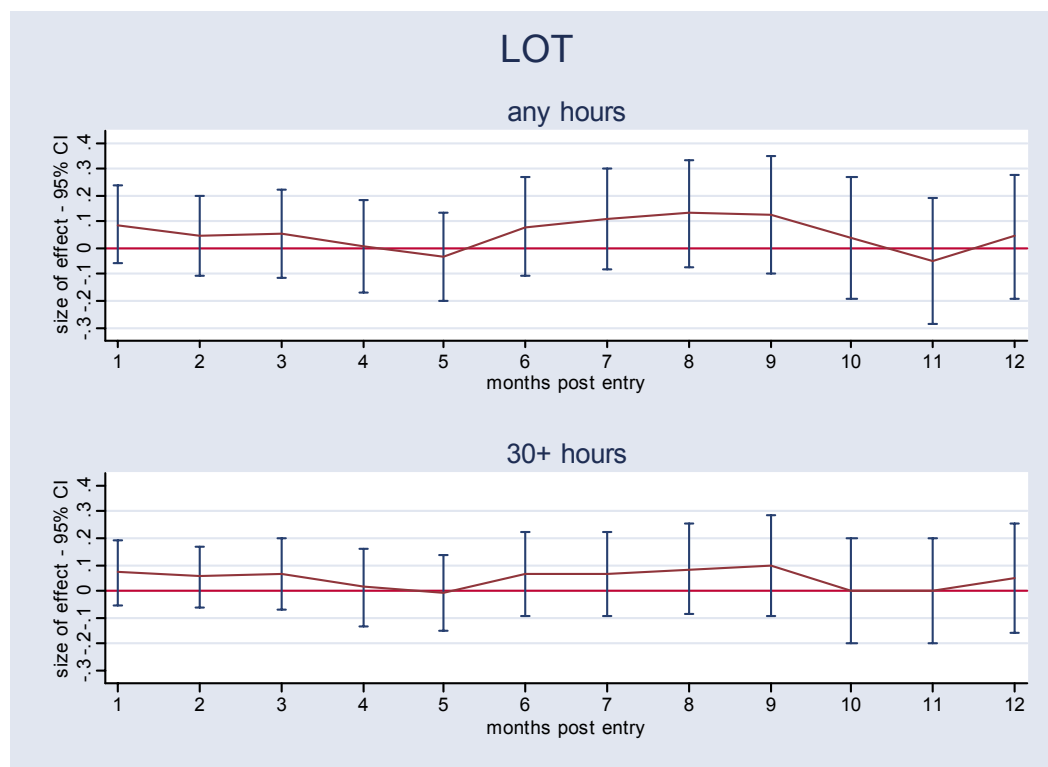


Figure 8.2: The evolving employment effect of LOT for ethnic minority clients

As noted above, BET is the Opportunity with the highest number of participants who are from an ethnic minority. In view of this, the results, while still based on a small number of observations, are likely to be more robust than those for SJFT or LOT.

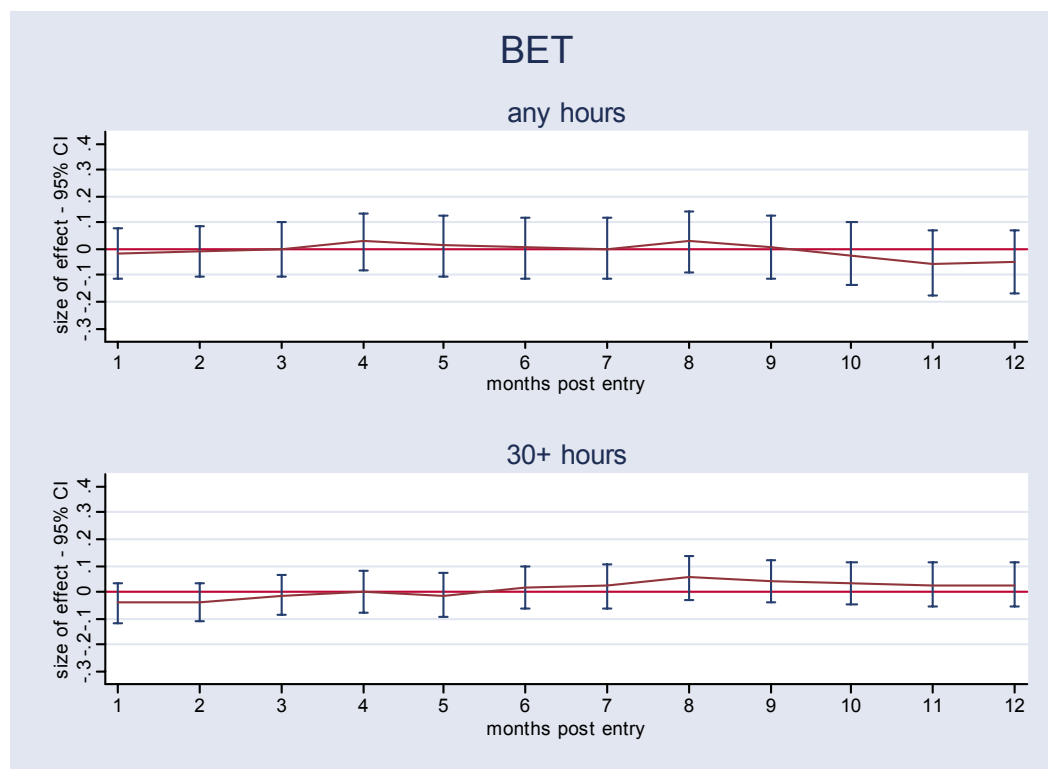


Figure 8.3: The evolving employment effect of BET for ethnic minority clients

Figure 8.3 shows that, again, the estimated effects are insignificant throughout. However, the confidence intervals for these estimates are considerably narrower than for SJFT and LOT. Whereas it is arguable that important effects were not being captured for these other Opportunities simply because of the small sample size, it seems more likely that, as with BET participants as a whole, ethnic minority participants were no more likely to have found work as a result of entering BET.

8.2 The effect of BET on clients born overseas

BET is a particularly relevant Opportunity for clients born overseas. Of the 848 BET participants, 453 were born overseas. Furthermore, all but 24 spoke English as a second language. In view of this, attention is confined in this section to ESOL clients since the nature of the training for this group is distinct from the more general basic skills training. By restricting the focus to ESOL clients, the degree of variance in the sample can be reduced. This is useful given the small sample size; estimated effects are based on a sample of 429 BET participants and 229 non-participants.

The large size of the participant sample relative to the non-participant sample raises concerns about the extent to which close matches can be found. This is evident when inspecting the distribution of the propensity score. For the participants, the distribution is skewed towards the upper end of the (0,1) range. For non-participants, the main concentration is much further down the distribution. Ideally, there would be non-participants over the full range for which there are participants. In fact, 32 per cent of participants were dropped for reasons of non-support. This is a high level of rejections and raises questions about the representativeness of the results in this instance.

With this strong proviso in mind, the estimated effects for that sub-sample of BET participants who were not discarded are shown in Table 8.2. Inspecting the t-statistics shows no significant effects.

Table 8.2: BET employment effects for overseas ESOL clients

Type of work:	Any hours		16+ hours		30+ hours	
	effect	t-stat	effect	t-stat	effect	t-stat
at interview	-0.01	-0.21	-0.01	-0.13	0.01	0.15
since entry	-0.02	-0.27	-0.01	-0.08	-0.01	-0.16
% since entry	0.00	-0.03	0.01	0.13	0.02	0.54
1 month post entry	0.00	0.08	0.00	0.02	-0.01	-0.28
2 months post entry	0.03	0.72	0.03	0.66	0.01	0.34
3 months post entry	0.02	0.49	0.02	0.38	0.01	0.22
4 months post entry	0.03	0.66	0.04	0.85	0.02	0.62
5 months post entry	0.03	0.53	0.04	0.75	0.02	0.68
6 months post entry	0.01	0.15	0.02	0.38	0.04	1.21
7 months post entry	0.00	-0.09	-0.01	-0.13	0.03	0.94
8 months post entry	0.00	0.08	0.00	0.05	0.04	1.09
9 months post entry	0.02	0.31	0.01	0.14	0.04	1.18
10 months post entry	0.01	0.24	0.00	-0.09	0.03	0.96
11 months post entry	-0.04	-0.64	-0.01	-0.15	0.01	0.38
12 months post entry	-0.02	-0.39	-0.01	-0.09	0.01	0.34

It seems that, if BET is to have an effect, it must operate through those for whom the estimates presented above do not apply (ie the discarded third of BET participants). It is not possible to derive an estimate for this group but it is of interest to know who they are. Table

8.3 compares the characteristics of those dropped with those who are not dropped (where these differ significantly).

Table 8.3: Comparing characteristics of those dropped with those not dropped

	Not dropped	Dropped
ethnic minority (%)	80	86
tenure type: owner-occupier (%)	16	9
tenure type: other (%)	18	21
basic skills problem: arithmetic (%)	6	17
JSA - % time claiming: <20 (%)	36	64
JSA - % time claiming: 20-<40 (%)	23	17
JSA - % time claiming: 40-<80 (%)	24	11
qualifying JSA spell 3-6 months (%)	23	22
qualifying JSA spell 6-9 months (%)	26	11
qualifying JSA spell 9-12 months (%)	10	3
qualifying JSA spell >12 months (%)	21	10
% time employed, since age 18: 100 (%)	14	41
Jobcentre Plus region: London (%)	72	80
people per hectare (census)	62	51
Local people with car who commute on public transport (%)	22	23
years living in UK (mean)	12	9

Relative to those not excluded, those dropped were likely to have less experience of benefits and to have spent a higher proportion of their time in work. It is worth noting that, although those dropped were likely to have lived in the UK for a shorter period of time than those not dropped, the average was nine years – not what would normally be regarded as a recent arrival.²³ Hence, the estimated effect of BET is less relevant for such individuals. However, comparing the outcomes of those discarded with those not discarded reveals no significant differences. In other words, there is no significant tendency for those discarded to fare differently from those not discarded.

8.3 Participants aged 50 years or more

As with ethnic minority clients, the analysis was repeated for those aged 50 years and over. Similar caveats relating to small sample size apply.

Table 8.4 presents the estimated effects. Differences across the Opportunities are apparent. For SJFT, there were significant (or nearly significant) positive effects of participation for each of the three definitions of work. These effects were approximately equal in size regardless of the hours criterion. Furthermore, they were large, increasing the probability of being in work at the time of interview by approximately 17-18 per cent. While it is prudent to view the precise magnitude of these effects with some caution, the existence of a positive effect is apparent. This is in contrast to the results for SJFT participants as a whole for whom no such effects were detected.

Significant effects of LOT were also evident. While this accords with the results for LOT participants as a whole, for older clients there also appears to be an increased likelihood of working shorter-hour jobs. The effects for ‘any hours’ jobs and for 16+ hours jobs are both of a similar size although, again, it is important not to place too much credence in the exact quantity. Comparing these results to those for full-time jobs, it appears that participating in

²³ These results are similar to those given in the Appendix for BET participants as a whole.

LOT may encourage older participants into work but not necessarily make them work longer hours.

To provide an insight into the reliability of these results, it should be noted that the SJFT results are based on 171 participants and those for LOT on 195 participants. The proportions of eligible older participants excluded in each case were 18 and 13 per cent respectively. The estimates for BET are not included since they are based on too few cases to be reliable. Specifically, 66 older BET participants remained after excluding 48 per cent of those eligible (due to being unable to find a sufficiently close match).²⁴

Table 8.4: The employment effects for participants aged 50 years and over

	SJFT		LOT		BET	
	effect	t-stat	effect	t-stat	effect	t-stat
working (any hours):						
at interview	0.17	2.88	0.09	1.81	0.06	0.77
since entry	0.11	1.80	0.10	1.87	0.14	1.69
% since entry	0.11	1.80	0.10	1.87	0.14	1.69
Working (16+ hours):						
at interview	0.18	3.13	0.11	2.20	0.06	0.94
since entry	0.12	2.03	0.11	2.23	0.13	1.61
% since entry	0.12	2.03	0.11	2.23	0.13	1.61
Working (30+ hours):						
at interview	0.18	3.39	0.07	1.56	0.06	0.97
since entry	0.12	2.11	0.09	1.82	0.10	1.31
% since entry	0.12	2.11	0.09	1.82	0.10	1.31

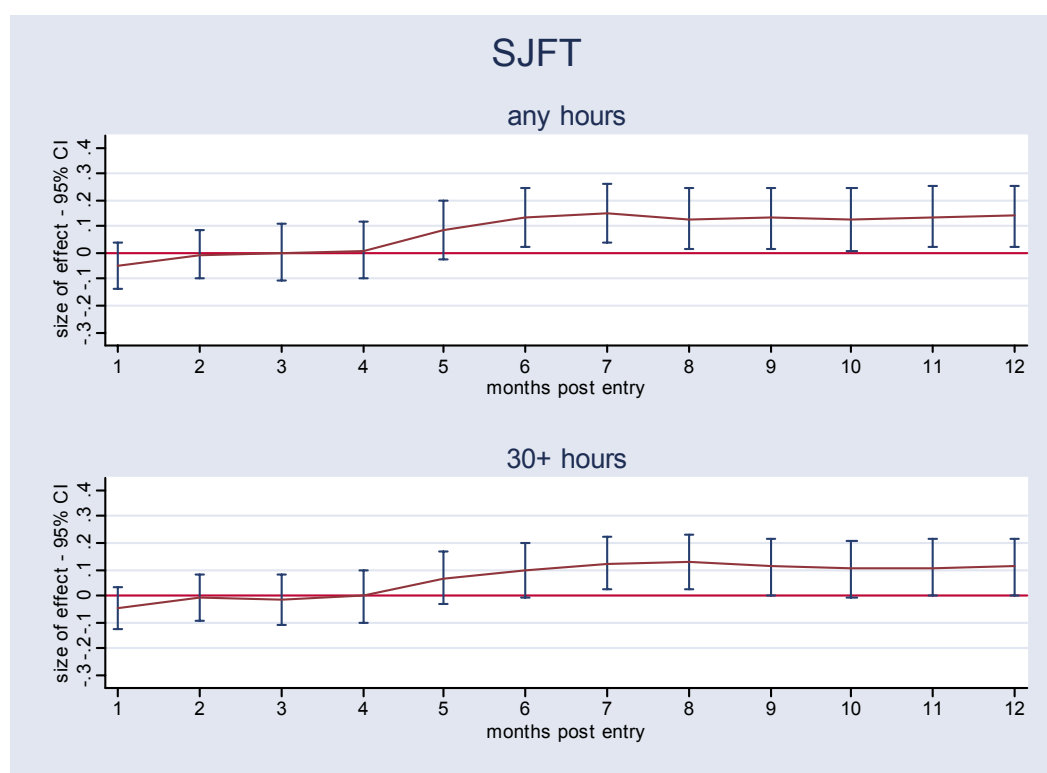


Figure 8.4: The evolving employment effect of SJFT for older clients

²⁴ After matching, there was a mean standardised bias of 7.8, 6.6 and 15.3 for SJFT, LOT and BET respectively. This shows further the poor performance of the match for older BET clients.

Figure 8.4 shows how SJFT affects employment outcomes at successive months after entering the Opportunity. A very definite pattern is evident, with a significant positive effect of participation being evident six months after entering the programme when considering ‘any hours’ employment and seven months when considering full-time employment. These effects remain stable for the remainder of the observation period, suggesting that SJFT may have a sustained effect on employment for this older age group. The effect appears more marked when considering ‘any hours’ employment.

Figure 8.5 shows a less clear picture. Although the consistently positive effect can be seen, this fails to achieve statistical significance at conventional levels. However, given that the estimate effect is of a roughly similar size to that found for LOT participants as a whole, it appears plausible that LOT has a similar effect for older clients, but the small sample size prevents it being observed.

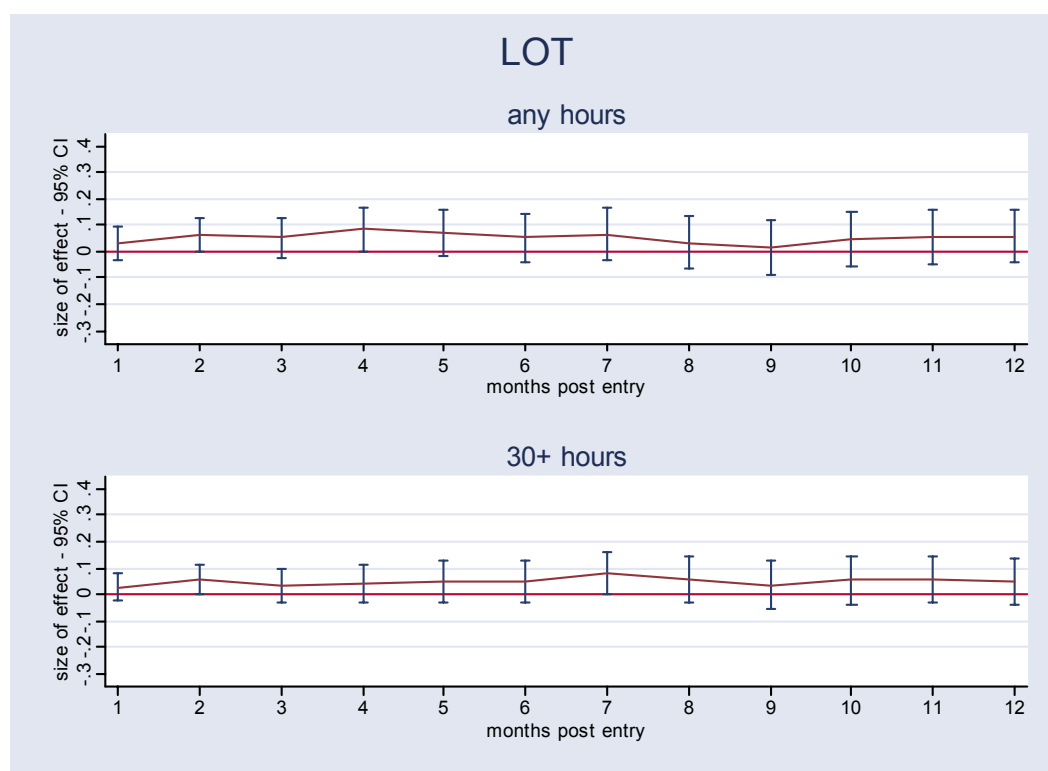


Figure 8.5: The evolving employment effect of LOT for older clients

Chapter 9 Summary and conclusion

The results presented in the preceding chapters provide a detailed insight into the experiences and impacts of WBLA. In this chapter, an attempt is made to draw together the main points from the evaluation into an overall statement about the effectiveness of WBLA.

As a precursor, it should be noted that, while there is a clear distinction between the descriptive results and the more formal estimates of the impact of participating in WBLA, the two aspects of the report are complementary. In particular, the impact estimates have a broad focus and, for the most part, consider participants in an Opportunity as a whole. This is dictated by practicalities; there are too few observations to allow separate analyses of sub-groups of the population with the same degree of robustness. Yet the limited sub-group analysis presented does suggest that some people are more likely to benefit than others. The descriptive analysis does not help in identifying the extent to which effects vary with characteristics. However, it does allow a detailed understanding of who precisely is being affected by each of these separate ‘average’ impacts.

Of the non-BET Opportunities, there is some indication that SJFT participants were more job-ready than those in LOT. This is to be expected given the design of WBLA and the fact that the longer duration of LOT was expressly intended to target those with more fundamental obstacles to employment than faced by SJFT participants. Seen in this light, the effect of SJFT is perhaps unsurprising. The results show that it served to move individuals into work more quickly. It appears likely that those so helped would have found work in any case but, by participating in SJFT, their job entry was accelerated. Given the short-term nature of SJFT participation, it is to be expected that its effect would not be substantial. However, there is some indication that there is a more lasting effect on the employment of older individuals. As with the other Opportunities, effects on employability were evident. Consequently, further employment effects may yet manifest themselves.

Clearly, the most concrete effects relate to LOT. A sustained impact on full-time employment was evident. Furthermore, the trends when considering other hours definitions of work were moving towards significance, suggesting once again that longer-term observation of outcomes would be very interesting in order to see whether the effect of participation on actually entering work eventually transpires. This is slightly different from the possible conversion of employability outcomes to employment outcomes. Specifically, the trend towards a significant effect on all definitions of employment is already apparent for LOT in a way that it is not for the other Opportunities; the interest would be in observing if, over a longer spell, it could achieve that significance. It seems plausible that the more significant positive effects of LOT reflect the more substantial training it provides.

Considering BET participants, it is clear that, compared to WBLA participants as a whole, they appear particularly disadvantaged. In addition to having lower skill levels than those on SJFT/LOT, they were also disadvantaged with regard to a number of other characteristics. Of particular relevance, they were likely to have had less experience of employment, both recently and more generally. However, more broadly, it seems that they faced more severe barriers to work than those in the SJFT/LOT Opportunities.

Given that the BET participants had the poorest labour market prospects among all WBLA participants, it is perhaps unsurprising that they appeared to benefit least from their training. No significant impacts on employment could be detected. Moreover, when asked directly about whether WBLA had helped them find work, the proportion of BET participants answering in the affirmative was a third that of SJFT/LOT. These are not isolated findings. Peters et al. (2003) found that those participating in basic skills training were no more likely

to have entered work than those who were referred to such training but never enrolled. This is a reflection of the fact that BET participants constitute a hard-to-help group. Consequently, encouraging employment entry may be a lengthy process. It is therefore to the consideration of employability that attention turns in order to seek any positive effect of such training.

This provides more encouraging results. BET acts to alleviate basic skills problems, raise IT skills and help acquire vocational qualifications. It is possible that, over time, such increased employability will translate into actual job entry. However, this is by no means certain. Equally plausible is the possibility that the enhancements to human capital are of insufficient magnitude to have any wider eventual effect. Probably the best way of making more concrete statements about whether the effect of BET eventually helps participants to find work is to observe outcomes in the longer-run.

An important dimension to BET is the high proportion of participants born overseas. In stark contrast to SJFT/LOT, such individuals accounted for more than half of the BET group. Furthermore, they had mostly arrived in the UK much more recently than those in the other two Opportunities. This is reflected in the sizeable proportion of BET participants who had a basic skills problem only to the extent that English was not their first language. To be effective, basic skills training must be tailored to these particular requirements.

On the whole, the three Opportunities considered in this evaluation differ in the effect they have. To the extent that there is merit in working rather than claiming benefit, LOT appears the most effective for those who enter it. However, there is cause for concern from the perspective that there was no effect on income to accompany the employment effect. This is disappointing from a welfare point of view and highlights the fact that LOT jobs were generally low-paid. In fact, more than a third of LOT participants who found work earned less than £4.50 per hour. However, it is important to remember that the income effect was estimated by calculating the hourly rate of JSA benefit on the basis of a 40-hour week. Comparing hourly rates of (net) pay with hourly JSA rates ignores the fact that overall earnings can be increased by working longer hours. This may go part of the way towards explaining the finding that the most important effect detected in this evaluation is the increased number of hours worked for LOT participants. Furthermore, it should also be noted that the approach used to estimate the effect on income ignores tax credits, the inclusion of which could alter the results.

As a final comment, it is perhaps useful to mention that the results pertain to a specific cohort of WBLA participants observed over a specific period of time. As such, the results should be seen within the wider context of prevailing labour market conditions and policies. In particular, this cohort of WBLA entrants undertook their period of training at the time when unemployment was at record low levels. Under less favourable conditions, the characteristics of participants may be very different. Furthermore, the availability of suitable employment on completion of training may be reduced. Under these circumstances it is not necessarily appropriate to extrapolate from the results of this (or any other) evaluation.

Bibliography

Anderson, T. and Taylor, R. (2004) *Evaluation of Work Based Learning for Adults: Technical Report* DWP report

Anderson, T. and Pires, C. (2004) *Lone parents and Work Based Learning for Adults* DWP report

Bonjour, D., Dorsett, R., Knight, G., Lissenburgh, S., Mukherjee, A., Payne, J., Range, M., Urwin, P., White, M. (2001) *New Deal for Young People: national survey of participants: stage 2* Employment Service Report ESR67.

Bonjour, D. and Dorsett, R. (2002) *New Deal for Partners: characteristics and labour market transitions of eligible couples* Working Age Evaluation Report 134.

Bryson, A., Dorsett, R. and Purdon, S. (2002) *The use of propensity score matching in the evaluation of active labour market policies* Department for Work and Pensions Working Paper No.4

Frölich, M., Heshmati, A. and Lechner, M. (2004) *A microeconomic evaluation of long-term sickness in Sweden* Journal of Applied Econometrics.

Lissenburgh, S. (2001) *New Deal for the Long Term Unemployed Pilots: quantitative evaluation using stage 2 survey.* Employment Service Research Report ESR81.

Modood, T., Berthoud, R., Lakey, J., Nazroo, J., Smith, P., Virdee, S. and Beishon, S. *Ethnic minorities in Britain* London: PSI.

Olsen, K., Francis, J. and Beattie, Z. (2003) *Work Based Learning for Adult: the selection process* DWP report WAE 141

Payne, J., Lissenburgh, S., White, M. and Payne, C. (1996) *Employment Training and Employment Action: An evaluation by the matched comparison method* DfEE Research Series No. 74.

Payne, J., Payne, C., Lissenburgh, S. and Range, M. (1999) *Work-based training and job prospects for the unemployed: an evaluation of Training for Work.* DfEE Research Report RR96.

Peters, M., Rousseau, N. and Lynam-Smith, C (2003) *Evaluation of literacy and numeracy pilots: quantitative report* DfES report.

Rosenbaum, P. and Rubin, D (1983) *The central role of the propensity score in observational studies for causal effects* Biometrika 70: 41-50.

Winterbotham, M., Adams, L., and Kuechel, A. (2002) *Evaluation of Work Based Learning for Adults – action research qualitative interviews with Employment Service staff, providers and employers* DWP report WAE 128.

Appendix – Details of the match and other technical details

In this Appendix, technical details relating to the match are presented in order to provide an insight into how well the matching worked. However, before doing so, two other technical points are described. These relate to sampling weights (and sample representativeness) and the simulation of start dates for non-participants.

A.1 Sampling weights and sample representativeness

The accompanying technical report (Anderson and Taylor, 2004) sets out the details of the sample design. As reported there, the intention was to achieve nationally representative samples of participants in each of the three Opportunities. As with all surveys, there was some nonresponse and this is adjusted for by the application of sampling weights. These were estimated separately for the three Opportunities in view of variations in their response rates.

The situation with non-participants was different. In this case, a preliminary matching exercise was carried out in order to identify from the original sampling frame those non-participating individuals who were most likely to provide close matches to the participants on those variables available in the administrative data. This approach was adopted to maximise the usefulness of the non-participant group but has the consequence that the resulting sample is not representative of non-participants as a whole. For the purpose of estimating effects of participation, the non-representativeness of non-participants is not important since the only role of these individuals is to provide a match to the participants rather than form the focus for an analysis in their own right.

However, this has an implication for the model used to generate the balancing score in that it is plausible that the first stage matching will have balanced some characteristics across the participant and non-participant groups to the extent that there no longer appears to be a significant difference across the two groups. This could mean that some variables that are actually important influences on participation do not appear as such in the results that follow. For this reason, it is not valid to consider the model used to generate the balancing score as having a substantive interpretation as a model of participation in any given Opportunity. Rather, it has the more pragmatic function of generating a score to facilitate matching.

For this reason, the results of this estimation are not presented here. However, to aid interpretability, the model was re-estimated (using the same regressors) incorporating weights that restore sample representativeness. The results of this estimation did not contribute at all to the subsequent matching but are useful since they can validly be interpreted as providing an insight into those characteristics that are associated with participation. It is the results of this estimation that are summarised in Chapter 5.

A.2 Simulating start dates for non-participants

A number of the matching variables and several of the outcome variables were defined relative to the date of entering WBLA. This creates a problem when considering non-participants who had no such date. To get around this problem, pseudo-start dates were generated for non-participants. This was done by matching non-participants to participants and setting the start date of the non-participant to that of the relevant participant. Intuitively, this amounts to a purposive sample from the distribution of participants' start dates. That is,

rather than sampling randomly from the distribution of participants, start dates of participants who were similar to non-participants were disproportionately chosen. Those non-participants who were no longer unemployed at the time of their simulated start date were excluded from subsequent analysis (ie prior to matching).

A.3 Performance of the match

In broad terms, the approach was to use single nearest neighbour matching with replacement. This operates by finding, for each participant, that non-participant with the most similar propensity score; ‘with replacement’ refers to the fact that each non-participant may be matched to more than one participant. Since the data on participants is weighted, this has to be incorporated into the impact estimates. This is done by ascribing the sampling weight of an individual participant to its match. The eventual matching weight for any given non-participant is then the sum of the sampling weights of those participants for whom the non-participant provides a match (Frölich et al., 2004).

Table A.1 presents some diagnostic statistics on the performance of the match. The first two rows show the number of participants and available non-participants for each of the Opportunities. Two things are worth noting. First, SJFT and LOT both have available to them the same pool of non-participants. This is for the reason noted in the report that for these two Opportunities, participants should not have a basic skills problem (unlike BET). Second, the pool of non-participants for BET is much smaller than that for SJFT/LOT. In fact, there are fewer non-participants for BET than there are participants. This makes it more difficult to find a suitable match for those in BET.

The next two rows provide an indication of the representativeness of the results. No effects can be calculated for those participants for whom no non-participant with a sufficiently similar match can be found. Such participants were dropped from the analysis. The method used to enforce this ‘support requirement’ was to exclude participants whose propensity score lay outside the range spanned by participants and to also exclude those whose score differed from that of the most similar non-participant by more than 0.05. This cut-off point (‘caliper’) was chosen by inspecting the distribution of differences between participants and their matches; the sensitivity to its precise level is examined later. The results show that 4.5, 6.1 and 13.9 per cent of SJFT, LOT and BET participants respectively were dropped for reasons of non-support. While it is clear that lower levels are preferable, these levels are not exceptional among empirical applications and do not give particular cause for alarm. It is informative, however, to investigate the characteristics of those who are excluded through this support requirement and this is returned to below.

The advantage of single-nearest neighbour matching is that this minimises the bias of the resulting estimates. However, this comes at the price of increased variance since the estimates are based on fewer observations. Table A.1 shows how many times each non-participant is used as a match. The average weights for SJFT, LOT and BET are 1.7, 1.8 and 2.4 respectively. Lower weights are preferable since this means that the estimated effects will be based on more observations and will consequently have smaller standard errors. Another insight into the distribution of weights is provided by considering concentration – the percentage of participants matched to the decile of non-participants with the largest weights. Again, BET fares least well. This is true also when the sampling weights are accounted for.

The final two rows present the mean standardised bias for the variables included in the balancing score model. The standardised bias for a variable is calculated as the mean difference between participants and non-participants, divided by the square-root of the sum of the variances for participants and non-participants. It allows the bias for variables with

different variances to be compared on an equal basis. The mean standardised bias is simply the average across all variables. From these two rows it is clear that the level of bias fell due to matching, but that it remains higher for BET than for the other Opportunities. However, overall these levels of bias are not dissimilar to other studies. Furthermore, formal tests showed differences between participants and matched non-participants in each of the variables included in the balancing score models to be insignificant in almost all cases for all three Opportunities.

Table A.1: Assessing the performance of the match

	SJFT	LOT	BET
number of participants	861	957	848
number of non-participants	1389	1389	671
participants dropped due to support (number)	39	58	118
participants dropped due to support (%)	4.5	6.1	13.9
number of participants used for impact analysis	822	899	730
number of times each non-participant used:			
1	289	296	151
2	94	133	63
3	43	48	37
4	24	10	14
5	11	11	12
6	3	2	9
7	4	6	5
8		1	4
9	1	1	4
10	1		1
11			
12			
13		1	
14		1	2
15			1
16			1
number of non-participants used	470	510	304
average weight	1.7	1.8	2.4
concentration (% in top non-participant decile)	27.4	27.5	33.0
concentration (with sampling weights)	28.0	28.1	34.8
largest weight (with sampling weights)	10.9	14.1	16.7
mean standardised bias pre-matching	9.7	9.3	12.4
mean standardised bias post-matching	3.3	3.8	5.9

Hence, the overall impression from Table A.1 is one of satisfactory performance of the match. Although the results for BET were slightly inferior, this is not of such a level as to undermine the validity of the results.

Another useful check on the performance of the match is to examine the distribution of the balancing score. Figure A.1 does this for SJFT. Despite its immediate appearance, three lines are shown; a fact disguised by the third line being almost exactly the same as the first. One line shows the distribution of the balancing score for SJFT participants. The second line shows the same for the pool of non-participants. This is concentrated lower down the [0,1] range than that for participants, indicating a lower overall tendency for this group to participate. The third line does the same thing for matched non-participants. It is striking that the distribution for this group matches very closely that of the participants, indicating the success of the match.

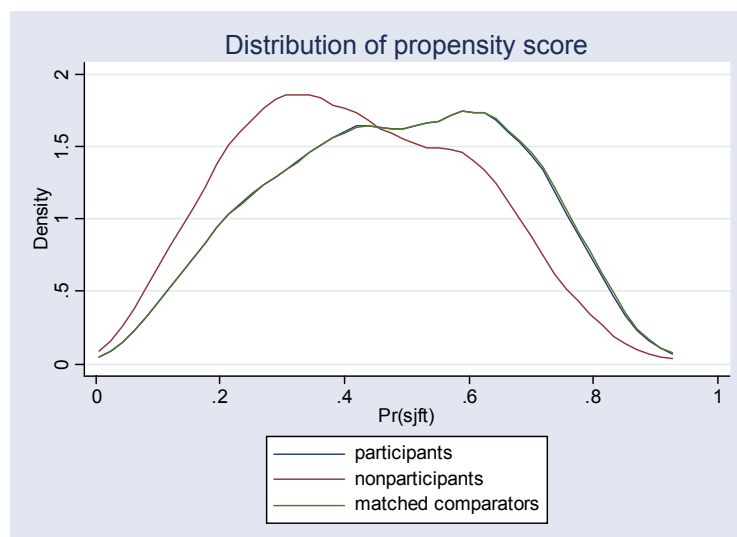


Figure A.1: Propensity score distributions for SJFT

Figures A.2 and A.3 present analogous results for LOT and BET respectively. Again, it is apparent that the matched non-participants have distributions similar to those of their respective participants; in both cases, the two lines are virtually identical.

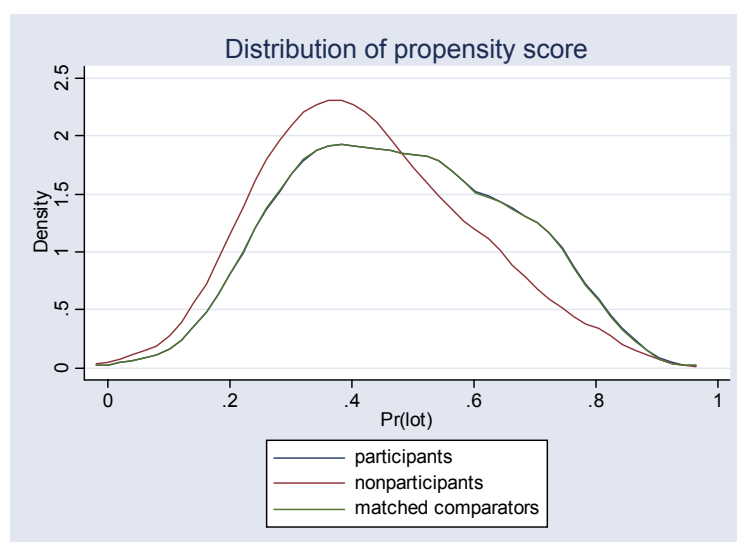


Figure A.2: Propensity score distributions for LOT

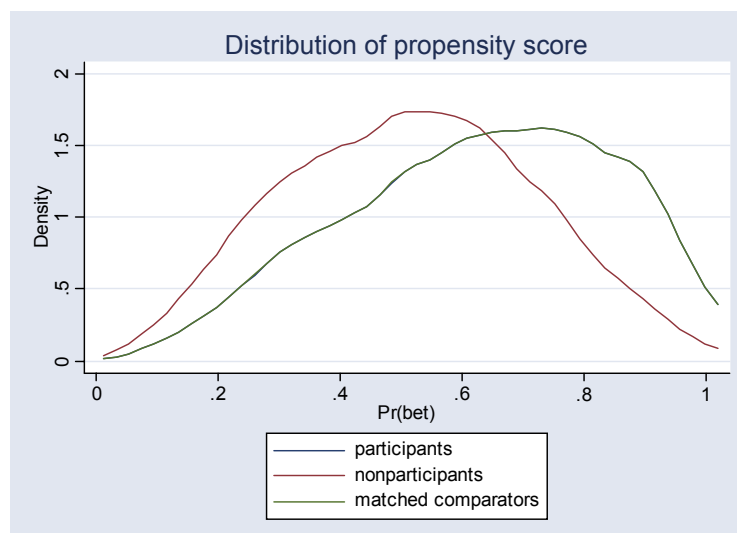


Figure A.3: Propensity score distributions for BET

A.4 Sensitivity analysis

It is of interest to assess the robustness of the results to different ways of enforcing the support requirement (that effects be estimated using only those participants for whom ‘similar’ non-participants can be found). To address this, results were calculated without imposing support through a caliper and then by setting the caliper to 0.01, rather than 0.05 as used in the main results. The results are presented in Table A.2. For each Opportunity there are three columns of results. The first column reproduces the results already presented based on a caliper of 0.05. The second column presents the results without a caliper and the third column with a caliper of 0.01.

Table A.2: Effects of changing the caliper

	SJFT		LOT		BET				
Caliper width:	0.05	none	0.01	0.05	none	0.01	0.05	none	0.01
working (30+ hours):									
at interview			0.07	0.07	0.06	0.06			
since entry			0.07						
1 month post entry									
2 months post entry									
3 months post entry									
4 months post entry									
5 months post entry	0.07	0.06	0.07						
6 months post entry	0.07		0.07						
7 months post entry			0.06						
8 months post entry			0.06						
9 months post entry	0.07	0.07	0.08	0.07	0.07	0.06			
10 months post entry			0.06	0.06	0.07				
11 months post entry				0.07	0.06	0.06			
12 months post entry				0.07	0.08	0.06			
% since entry			0.05	0.02	0.04				
% dropped	4.5	0.0	18.2	6.1	0.0	17.7	13.9	11.7	43.9
Bias	3.3	3.7	3.3	3.8	3.9	3.5	5.9	5.6	4.7

As a summary comment, the results appear robust to variations in how the support requirement is enforced. In Table A.2, only those effects that were significant at the 5 per cent level are presented. On the whole, it is clear that not using a caliper yields quite similar results to those presented in all cases. This is interesting since it greatly reduces the proportion of SJFT and LOT cases that are dropped, providing reassurance as to the generalisability of the results presented. For BET, although all effects remain insignificant, the change in the number dropped is relatively minor, so the possibility remains that those discarded may differ in how they are affected by participation. Considering the caliper of 0.01 results in more significant effects being found for SJFT. However, these are broadly in keeping with the main results already presented since the effects at months seven and eight were only marginally short of significance when estimated using a 0.05 caliper. Similarly, the results for LOT are relatively unchanged. It is worth noting that in both cases the proportion dropped rises to about 18 per cent. For BET, the stricter support requirement still results in insignificant effects. However, it causes nearly 44 per cent of participants to be discarded so it is difficult to view the results as representative.

A.5 Characteristics of participants excluded from the analysis

As noted, effects can only be estimated for those participants for whom a similar non-participant exists. The results presented above show that only a small proportion of participants in SJFT and LOT were excluded because of this. Furthermore, the sensitivity analysis suggests that not applying a caliper (and thereby including all participants whose propensity score falls within the bounds defined by non-participants) does little to alter the estimated effects. Since this excludes very few participants, the results may be viewed as applying more generally.

For BET, the number of participants discarded was higher. Furthermore, this number was only marginally reduced when the caliper is removed (so that gaps in the support are tolerated). While this is not at such a level as to be regarded as problematic, it is interesting to examine how the characteristics of the discarded group differ from those for whom the effect is estimated.

Table A.3 presents those characteristics included in the balancing score model for BET which differ significantly between those BET participants dropped for support reasons and those not dropped. The entry in the column labelled 'difference' is the mean difference between those discarded and those retained. A negative entry shows that the characteristic in question was less common among the dropped participants than it was for those who were not dropped. Conversely, a positive entry shows that a characteristic was more common. From this, the discarded BET participants appear particularly distinct in terms of their JSA history. Whereas 90 per cent of them had a qualifying JSA spell of less than three months, the proportion among the other BET participants was just 12 per cent. The corresponding proportions for a spell of more than a year were one per cent and 32 per cent respectively. A similar pattern is evident when considering the proportion of time between May 1999 and WBLA entry spent claiming JSA. This was less than twenty per cent for two-thirds of those discarded but only one-fifth of those retained. Hence, it appears that the discarded group had less experience of JSA. This tallies with the finding that they were more likely to report having spent 100 per cent of their time employed before becoming unemployed. Other notable differences are that those discarded were considerably more likely to speak English as a second language and to live in areas with a higher population density and a higher proportion of ethnic minority residents. They were also more likely to have been born overseas. Although it is not shown in this table, they were significantly more likely to be from an ethnic minority.

Table A.3: Differences between discarded and retained BET participants

	difference	t-stat
age: 40-49	-0.11	2.74
tenure type: private rent	0.12	2.52
tenure type: other	0.10	2.23
tenure type: missing	-0.03	3.84
drivers licence (car or motorbike)	-0.15	4.12
criminal record	-0.10	6.19
qualifications for those living overseas until age 16+: nvq2	0.07	2.65
English not first language	0.20	4.54
JSA - % time claiming: <20	0.46	10.16
JSA - % time claiming: 20-<40	-0.07	2.12
JSA - % time claiming: 40-<80	-0.17	5.82
qualifying JSA spell 3-6 months	-0.17	8.17
qualifying JSA spell 6-9 months	-0.22	8.41
qualifying JSA spell 9-12 months	-0.09	6.38
qualifying JSA spell >12 months	-0.31	15.49
JSA - num claims: 3+	-0.06	1.99
% time employed, since age 18: 100	0.10	2.20
JC+ region: west midlands	-0.07	4.05
JC+ region: east midlands	-0.04	2.14
% white (census)	-0.11	4.81
people per hectare (census)	7.86	2.42
% with car who use pub transport for commute (census)	0.04	4.02
born overseas	0.20	4.65

It is not possible to use knowledge of these differences to assert what the effect of BET would be for those who were discarded from this analysis. However, it does suggest that the estimated BET effect may be less relevant for ESOL clients with a relatively high level of labour market attachment and lengthy experience of low-skilled employment.

A.6 Outcomes for participants and matched non-participants

In this section, the outcomes for participants and matched non-participants are presented. The difference between outcomes gives the estimated effects considered in Chapter 7. The tables are presented as a reference for that chapter and are without commentary. The outcomes considered are employment and wages.

Table A.4: Employment outcomes for SJFT participants and matched non-participants

Type of work:	Any hours		16+ hours		30+ hours	
	participant	Non-participant	participant	Non-participant	participant	Non-participant
at interview	45	45	42	42	35	31
since entry	63	63	60	59	51	47
% since entry	37	35	34	33	29	25
1 month post entry	15	20	14	17	12	13
2 months post entry	23	22	21	20	18	15
3 months post entry	29	28	27	25	23	20
4 months post entry	33	30	30	27	25	22
5 months post entry	38	31	35	29	29	22
6 months post entry	40	36	38	33	32	26
7 months post entry	41	38	38	35	32	27
8 months post entry	42	40	39	37	33	28
9 months post entry	44	40	41	37	35	28
10 months post entry	43	42	40	38	34	29
11 months post entry	43	42	40	39	34	30
12 months post entry	42	42	39	40	32	30

Table A.5: Employment outcomes for LOT participants and matched non-participants

Type of work:	Any hours		16+ hours		30+ hours	
	participant	Non-participant	participant	Non-participant	participant	Non-participant
at interview	42	39	39	34	31	24
since entry	56	55	53	51	44	37
% since entry	29	27	28	24	22	18
1 month post entry	11	13	10	11	9	10
2 months post entry	14	14	13	12	12	11
3 months post entry	17	17	16	15	14	13
4 months post entry	21	20	20	17	15	14
5 months post entry	24	22	23	20	18	16
6 months post entry	28	25	27	22	21	18
7 months post entry	31	28	29	24	23	18
8 months post entry	33	32	32	28	25	22
9 months post entry	36	34	35	30	27	21
10 months post entry	38	35	36	32	28	22
11 months post entry	39	35	37	32	29	22
12 months post entry	39	35	37	32	29	22

Table A.6: Employment outcomes for BET participants and matched non-participants

Type of work:	Any hours		16+ hours		30+ hours	
	participant	Non-participant	Non-participant	Participant	Non-participant	
at interview	23	21	20	17	13	9
since entry	38	35	34	31	22	21
% since entry	18	18	17	15	10	10
1 month post entry	11	11	10	10	6	8
2 months post entry	12	12	12	11	7	8
3 months post entry	13	14	13	13	7	10
4 months post entry	15	14	15	13	8	10
5 months post entry	16	16	15	15	8	11
6 months post entry	18	19	17	17	10	11
7 months post entry	19	20	18	19	11	12
8 months post entry	21	20	19	18	12	12
9 months post entry	21	19	19	17	12	10
10 months post entry	20	17	18	15	11	9
11 months post entry	21	19	18	14	11	8
12 months post entry	21	21	19	16	11	10

Table A.7: Wages for WBLA participants and matched non-participants (1)

Type of work:	SJFT		LOT		BET	
	Non-participant	part participant	Non-participant	part participant	Non-participant	part participant
<i>Currently employed & previously employed</i>						
1. productivity	3.12	2.88	2.58	2.71	1.48	1.52
2. income	3.72	3.53	3.27	3.43	2.39	2.42
<i>Currently employed</i>						
3. productivity	2.30	2.21	2.00	1.89	0.95	1.00
4. income	3.10	3.03	2.84	2.79	2.00	2.05

Table A.8: Wage measures for WBLA participants and matched non-participants (2)

	SJFT		LOT		BET	
	Non-part participant	part participant	Non-part participant	part participant	Non-part participant	part participant
Currently employed & previously employed:						
1. productivity (employed missing=0)	2.91	2.73	2.57	2.41	1.47	1.42
2. income (employed missing=0)	3.55	3.42	3.17	3.27	2.38	2.36
3. productivity (employed missing regression imputed)	3.72	3.52	2.59	2.74	1.52	1.53
4. income (employed missing regression imputed)	3.73	3.56	3.27	3.45	2.42	2.43
5. productivity (employed missing mean substitution)	3.14	2.92	2.59	2.74	1.52	1.51
6. income (employed missing mean substitution)	3.72	3.55	3.27	3.44	2.41	2.41