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# Evaluation of the Enhancing Leadership and Management Skills in Wales (ELMS) Programme: Final Report

## Executive Summary

### 1. Background

1.1 Enhancing Leadership and Management Skills (ELMS) was a flagship programme funded by the Welsh Government and the European Social Fund (ESF), through the Convergence and Regional Competitiveness and Employment (RCE) Programmes, which involved:

‘An agenda of related projects, programmes and schemes in the general field of leadership and management, each contributing towards strategic improvement and support for development skills and capacity in the Welsh economy and within Welsh businesses and organisations’.

1.2 ELMS consisted of:

- the Centre for Excellence for Leadership and Management: Leadership Management Wales (LMW) – which had the objective of driving up demand for leadership and management skills particularly in Small and Medium Sized Enterprises (SMEs) and providing enhanced information and signposting services to businesses across Wales
- a series of open access workshops delivered across Wales through a network of 12 contracted providers
- a Discretionary Funding element, which was made available via the Welsh Government’s Workforce Development Programme (WDP). This was open to all private sector employers (with a 50 per cent subsidy rate) and was used to support leadership and management training
- the Sector Leadership Fund (SLF) which supported the Welsh Government’s sector based approach and was ring fenced to Sector Skills Councils (SSCs)

- a pilot to train mentors and coaches, providing opportunities for individuals to gain skills and achieve a relevant qualification
  - a Welsh language diagnostic tool that provided an on-line tool enabling employers to analyse which Welsh language skills are required by their workforce. This intervention also enabled employers to analyse the Welsh language skills and capabilities of their staff and to identify specific aspects which need improvement.
- 1.3 The ELMS Convergence and RCE projects were approved in April 2009. Delivery started on 1st October 2009 and was due to run until December 2015 but a policy decision was taken to halt delivery in December 2014 albeit that the projects themselves did not end until 31st March 2015.
  - 1.4 The Welsh Government commissioned Old Bell 3 Ltd. with IFF Research Ltd. and York Consulting LLP in May 2012 to undertake a long-term evaluation of the ELMS programme.
  - 1.5 The overall aim of the evaluation of ELMS is to evaluate the delivery and effectiveness of the ELMS Convergence and Competitiveness Fund projects including the Leadership & Management Wales (LMW) Centre for Excellence.
  - 1.6 The objective of this report is to provide a final, summative evaluation of ELMS, focusing principally on the workshops, discretionary fund and coaching and mentoring elements.
  - 1.7 Two separate reports dealing with LMW have been published as part of this long term evaluation programme. The first was published in July 2013 and the second, a final evaluation was published alongside this report in 2016.
  - 1.8 A separate report has been prepared which evaluates the 'Welsh in the Workplace' Welsh Language Diagnostic Tool element of ELMS which was published alongside this report in 2016.
  - 1.9 The work programme for this final evaluation involved a literature review of relevant policy and strategy documents, analysing claims data (for the period 1 July 2014 to 31 December 2014), analysing database records (for companies joining ELMS after 1st August 2013), updating research instruments, undertaking telephone surveys and qualitative fieldwork including follow-up visits to assisted companies.

## **2. Key findings**

### **Performance**

- 2.1 The evaluation found that ELMS was an ambitious programme which aimed to deliver Welsh Government policy priorities in relation to raising leadership and management skills in Wales by training 43,000 participants across 16,000 companies in Wales.

- 2.2 In practice however, ELMS never quite managed to deliver on this scale – in the end training just over 20,500 people and supporting over 4,000 companies having spent some £20 million of the original £65 million budget.
- 2.3 Taken in isolation, this is clearly a significant achievement but set against the scale of its targets, ELMS under-spent and under-delivered in both the Convergence and RCE areas. This leads to the conclusion that while the logic for ELMS was sound, its scale was overly-ambitious in the context of demand.
- 2.4 Key factors that contributed to ELMS' under-performance included:
- a lack of visibility (by companies) of the ELMS discretionary fund which was made available via the Workforce Development Programme and there being other ESF and Welsh Government funding schemes that provided companies with alternative (and sometimes more generous) options to access the same or similar training. Companies that received support via the discretionary fund route gave positive feedback about its bespoke and flexible nature and as such it is disappointing that further use was not made of it
  - commissioning delays which meant that the coaching and mentoring strand (which ultimately performed well) was restricted in its scale by a condensed delivery timeframe
  - significant issues with the development of the Sector Leadership Fund strand which could have been commissioned more efficiently via either ELMS workshops or the discretionary fund and did not require the complexity associated with a suite of sub-projects
  - some early, operational challenges (which were later resolved) in relation to defining what training was available via the ELMS open access workshops. In this context, the evaluation concludes that the Welsh Government could have drawn more extensively on the expertise available to it via Leadership and Management Wales to help shape this element of the programme
  - a lack of evidence to substantiate outputs and performance in relation to the cross-cutting themes of environmental sustainability and equal opportunities. There was also a lack of emphasis on the cross cutting themes within the actual delivery of ELMS.

### **Promotion, Awareness and Participation**

- 2.5 The evaluation found that most of the companies that participated in ELMS had specific reasons for doing so and most expected to see an improvement in the skills of their senior managers as a result. The fact that ELMS provision was either free of charge or subsidised was also a very attractive feature to companies.

- 2.6 Most companies got to know about ELMS and were encouraged to participate by the provider that eventually delivered the training to them. The evaluation found that feedback about the quality and relevance of the training (across the workshop, discretionary fund and coaching and mentoring strands) from participating companies has been consistently good and in the vast majority of cases (93 percent) has met the expectations of participating companies which is a very positive achievement.
- 2.7 Workforce Development Advisers also played an important role in promoting awareness of ELMS, particularly the discretionary funding strand, and feedback from supported companies on the added value of their work has been positive.

### **Effects and Impacts**

- 2.8 The evaluation found that ELMS has delivered some positive outcomes, particularly for SMEs with strong evidence of skills utilisation in the vast majority of participating companies particularly by those having trained staff via the open access workshops and discretionary funded training.
- 2.9 The impacts from both the open access workshops and the discretionary funded training have been greater in terms of overall behaviours and interpersonal skills than in terms of the acquisition or improvement of more specific skills.
- 2.10 Evidence from the telephone survey data suggested that the cascading of skills to other managers via the coaching and mentoring strand had worked well and feedback on the quality of the training was excellent. However, the qualitative evidence challenges the extent to which these skills have percolated through and shows that cascading activity has been more limited and far more informal than originally envisaged. However, the evaluation concludes that the coaching and mentoring strand was a worthwhile exercise and the learning from it should be proactively disseminated by Welsh Government to help inform the design of any future interventions of this nature.
- 2.11 Evidence shows that ELMS training has led to a range of positive outcomes for participants including increased confidence, improved staff morale and team working, with the discretionary fund having been particularly effective in this respect. There is also evidence to suggest that the programme has led to positive outcomes for some trained staff in terms of promotion and being given greater levels of responsibility. The programme seems to have been somewhat less effective however in relation to influencing levels of pay for training participants.
- 2.12 In terms of organisational level effects, the evaluation evidence shows that ELMS led to positive effects in relation to productivity and efficiency with the discretionary fund training having been the most effective of the three

intervention types in this respect. Effects on profit levels are somewhat less compelling although evidence from the longitudinal survey data suggests an increasing tendency to attribute positive changes to profitability over the longer term.

- 2.13 The evaluation found that most ELMS supported businesses would take part in further leadership and management training with a high proportion of those saying that their involvement with the programme had made it more likely they would do so.
- 2.14 In terms of the effects of ELMS training over time, the longitudinal evaluation evidence is not consistent, although there is some evidence of an increased propensity for employers to perceive benefits in terms of organisational performance over time. In reality, however, the sample for the third wave evaluation survey is too small to draw any firm conclusions.
- 2.15 Overall, the evaluation concludes that despite the various performance and operational challenges which ultimately led to the conscious policy decision to withdrawal early from delivery, ELMS has succeeded in generating a range of genuinely positive effects. While broader evidence from the Wales Employer Skills Survey shows that its wider population impact cannot be described as transformational, ELMS training has been of good quality, has been well received and utilised and has benefitted the companies and individuals that it supported in Wales.

### **3. Recommendations**

- 3.1 The evaluation makes a series of eight recommendations aimed at informing the design and implementation of future programmes.
- 3.2 Recommendation 1 - The Welsh Government should incorporate the key learning points from ELMS into the design of future training programmes. In terms of design, a key learning point is that the scale of future programmes should be informed by and should be commensurate with evidence of demand and projected levels of up-take to reduce the need for re-profiling. The Welsh Government should also be definitive and specific about what kind of training courses are included (and eligible) within the scope of a programme from the outset so that providers and companies are clear about what is available and what is not. In this context, a clear logic chain linking courses and course content to the identified need (or market failure) and the desired outcomes should be incorporated as part of future programme design.
- 3.3 Recommendation 2 - The Welsh Government should learn from the experience of the Sector Leadership Fund and carefully consider whether introducing a discrete and additional tier of sub-projects is the most effective way of delivering targeted or sector specific training provision. Before introducing a tier of sub-projects to the design of a programme such as

ELMS, the Welsh Government should in future explore whether provision can be incorporated more efficiently within the 'core' programme offer while being tailored or modified to meet any specific requirements.

- 3.4 Recommendation 3 - The Welsh Government should look to build on good practice from ELMS and in particular the discretionary fund where there have clearly been benefits to companies from identifying and selecting the training they need with the assistance of impartial Workforce Development Advisers. However, the Welsh Government should make sure that any future programmes are designed in a way that companies are fully aware of and understand the full extent of the offer available to them. In the case of ELMS, the availability of leadership and management training via the Workforce Development Programme was not particularly visible and this affected the level of up-take.
- 3.5 Recommendation 4 - The Welsh Government should learn from the experience of ELMS in relation to the cross cutting themes. Specifically, the cross cutting themes need to be a far more prominent feature in the design and implementation of future ESF funded programmes of this nature. This should include setting out more clearly (for example via procurement and diagnostic processes) what the expectations of contracted providers (e.g. training providers and Workforce Development Advisers) are in relation to the cross-cutting themes. The Welsh Government should also review and strengthen its monitoring systems and practices in relation to cross cutting theme targets to ensure that sufficient evidence exists to support outputs and results.
- 3.6 Recommendation 5 - The Welsh Government should learn from the experience of the Coaching and Mentoring strand of ELMS by ensuring that the procurement of training delivery providers allows a sufficient delivery window to enable new approaches to be thoroughly tested and evaluated. The Welsh Government should also take account of the mixed evidence from the cascading effects of the coaching and mentoring strand and should limit its expectations in relation to the extent to which trained individuals will themselves be able to go on and train others within their organisations without some form of ongoing support.
- 3.7 Recommendation 6 - The Welsh Government should take account of the impact of high levels of staff turnover in key project management roles in implementing large programmes such as ELMS. As far as is possible, the Welsh Government should promote and facilitate continuity in project and programme management staff to ensure clear strategic and operational direction throughout.
- 3.8 In addition, recommendations are also made relating to the future evaluation of programmes such as ELMS.
- 3.9 Recommendation 7 - In terms of evaluating future programmes, the long-term approach taken to evaluating ELMS which combined formative and

summative elements has been effective and has enabled a thorough analysis of both process and impact aspects and the Welsh Government should continue to adopt this approach for major policies and programmes in the future. Combining quantitative and longitudinal surveys with robust qualitative evidence has enabled findings to be tested, refined and shared with management and delivery staff during implementation though in the case of ELMS the lack of continuity in programme management staff limited the benefits of this somewhat.

- 3.10 Recommendation 8 - The scoping phase of the evaluation concluded at the time that there were no easy or proven solutions in terms of developing robust approaches to estimating the counterfactual of a programme such as ELMS. While this is clearly a complex methodological consideration, the Welsh Government should continue to explore quasi-experimental ways of undertaking counterfactual impact analysis including the use of synthetic or virtual control groups as new literature and data sources become available.

Authored by: Huw Bryer, Peer Reviewed by: Gareth Williams



Full Research Report: Evaluation of the Enhancing Leadership and Management Skills in Wales (ELMS) Programme: Final Report

Available at: <http://gov.wales/statistics-and-research/evaluation-enhancing-leadership-management-skills-programme/?lang=en>

Views expressed in this report are those of the researchers and not necessarily those of the Welsh Government

For further information please contact:

Siân Williams

Social Research and Information Division

Knowledge and Analytical Services

Welsh Government, Cathays Park

Cardiff, CF10 3NQ

Email: [sian.williams50@wales.gsi.gov.uk](mailto:sian.williams50@wales.gsi.gov.uk)

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

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