

Evidence Review 1 Employment Training

Updated June 2016

Executive Summary

This report presents findings from a systematic review of evaluations of training programmes aimed at improving adult skills and labour market outcomes.

It is the first of a series of reviews that will be produced by the What Works Centre for Local Economic Growth.

This review considered almost **1,000** policy evaluations, evidence reviews and meta-analyses from the UK and other OECD countries.

It found a shortlist of **71 impact evaluations** which met the Centre's minimum standards. This represents a relatively large evidence base compared to many other local economic growth policies. But it is a small base relative to that available for some other policy areas (e.g. medicine, aspects of international development, education and social policy).

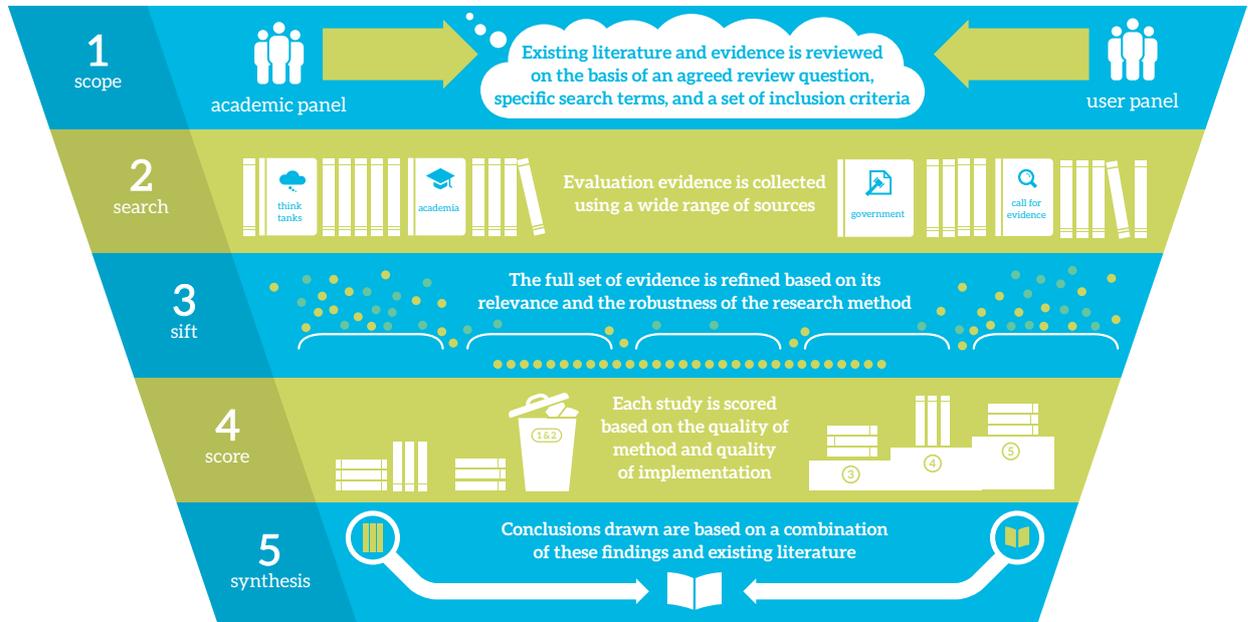
We define 'employment training' programmes as:

- ✓ including training targeted at the over 18s
 - ✓ including day-release and short courses, and retraining
 - ✗ excluding training in schools, HE and apprenticeships
 - ✗ excluding specifically targeted training e.g. for those with mental health problems, ex-convicts, or particular ethnic groups
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Approach

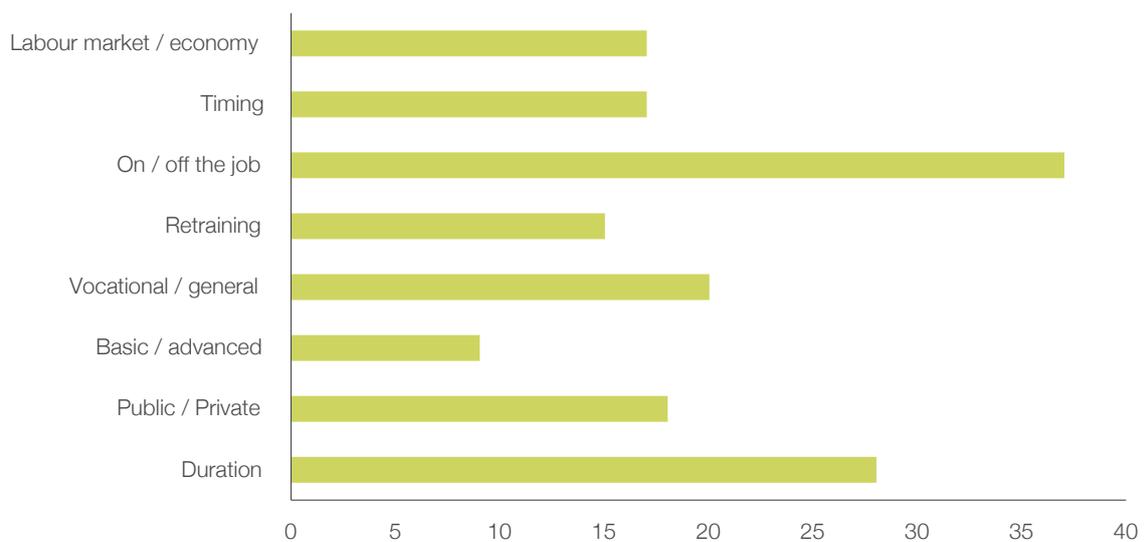
To identify what works, each evidence review sifts and assesses the evidence to find evaluations which are robust and clearly identify policy impact. We do this using a 5 stage process:

Figure 1: Methodology



This review considers whether there is any evidence of a link between specific programme features and the impact of training on labour market outcomes. Figure 2 provides a summary of the number of evaluations that look at different programme features.

Figure 2: Number of evaluations by programme feature and context out of 71 shortlisted



Findings

What the evidence shows

- Training has a positive impact on participants' employment or earnings in around half of the evaluations reviewed.
- Shorter programmes (below six months, and probably below four months) are more effective for less formal training activity. Longer programmes generate employment gains when the content is skill-intensive.
- **In-firm / on the job training programmes tend to outperform classroom-based training programmes. Employer co-design and activities that closely mirror actual jobs appear to be key design elements.**
- The state of the economy is not a major factor in the performance of training programmes; **programme design features appear to be more important than macroeconomic factors.**

Where the evidence is inconclusive

- **Comparing different skill content training – such as 'basic' versus 'advanced' interventions – is extremely difficult:** finding suitable comparators (i.e. policies that target similar groups using different types of training) is challenging, and skill content usually reflects real participant differences.
- **Training programmes that respond to structural shocks in the local economy are usually highly tailored to a given local context.** This means that pulling out generalisable findings on impact is difficult.
- **It is hard to reach any strong conclusions on private-led versus public-led delivery on the basis of the (limited) available evidence.**

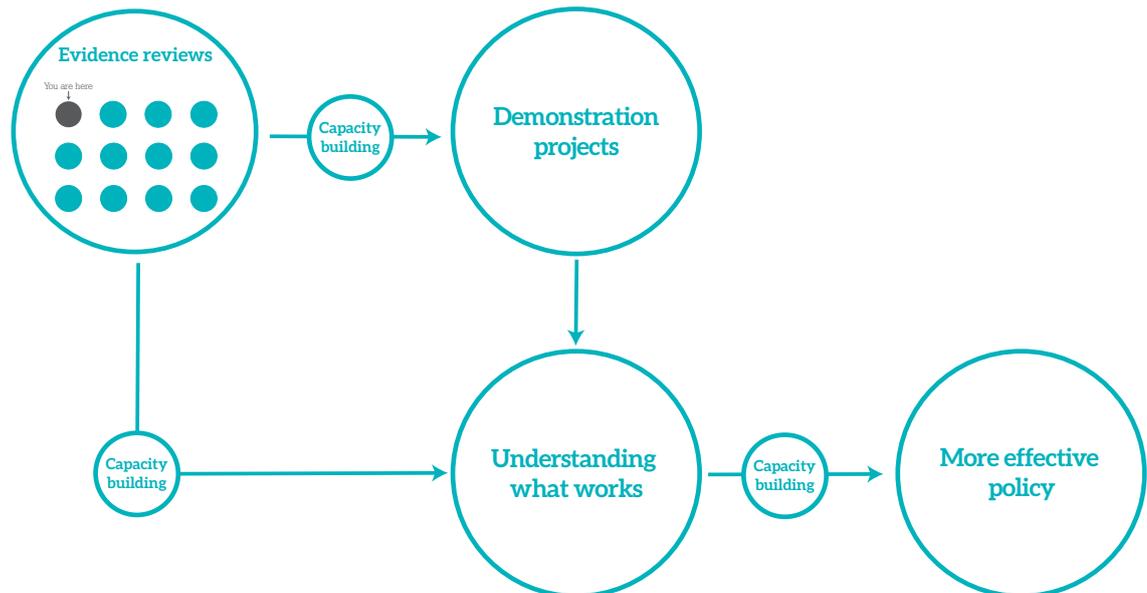
Where there is a lack of evidence:

- **We have found little evidence which provides robust, consistent insight into the relative value for money of different approaches.** Most assessments of 'cost per outcome' fail to provide a control group for comparison.
- **We found no evidence that would suggest local delivery is more or less effective than national delivery.**

How to use these reviews

The Centre’s reviews consider a specific type of evidence – impact evaluation – that seeks to understand the causal effect of policy interventions and to establish their cost-effectiveness. In the longer term, the Centre will produce a range of evidence reviews that will help local decision-makers decide the broad policy areas on which to spend limited resources. Figure 3 illustrates how the reviews relate to the other work streams of the Centre.

Figure 3: What Works Centre work programme



Supporting and complementing local knowledge

The evidence review sets out a number of ‘Best Bets’ which outline what tends to work in the employment training policy field based on the best available impact evaluations.

The ‘Best Bets’ do not generally address the specifics of ‘what works where’ or ‘what will work for a particular individual’. In some cases evaluations do break out results by area type or different groups. But even when they do, detailed local knowledge and context remain crucial.

Any policy intervention focused on employment training will need to be tailored and targeted. And an accurate diagnosis of the specific local employment and skills challenges this policy seeks to address needs to be the first step to understanding how the overall evidence applies in any given situation.

Providing general guidance on what works

The ‘Best Bets’ highlight the common characteristics of employment training programmes and projects that have positive effects.

Whilst the ‘Best Bets’ cannot provide definitive guidance as to what will or won’t work in any specific context, they do provide useful overall guidance to policy-makers to use when designing an employment training programme. They also raise a note of caution for policy-makers if they decide to try out a programme which has not worked so well elsewhere.

Providing detailed evidence on specific programmes

The 71 evaluations offer a rich source of material for policy-makers to use in designing specific employment training policies. In particular the evaluations will be of use to policy-makers at two key stages in the policy design process: determining the policy options, and then selecting the preferred option.

For both stages, the policy-makers should ensure that their understanding of their specific situation and the different policy options available is as detailed and comprehensive as possible.

It is important to note that the evidence from these impact evaluations is **a complement, not a substitute, for local, on-the-ground practitioner knowledge.**

These policy reviews outline what tends to work – based on the best available impact evidence – but will not address ‘what works where’ or ‘what will work for a particular individual’. Programmes must be tailored and targeted and an accurate diagnosis of the specific challenges a policy seeks to address is the first step to understanding how the evidence applies in any given situation.

Filling the Evidence Gaps

This review has not found answers to some of the questions which will be foremost in policy-makers’ minds.

These gaps highlight the need for improved evaluation and greater experimentation, specifically experiments that focus on:

- identifying how different elements of employment training programme design contribute to better or worse outcomes; and,
- the value for money of different approaches.

This requires evaluation to be embedded in policy design, and thinking differently about the policy cycle as a whole.

This work is published by the What Works Centre for Local Economic Growth, which is funded by a grant from the Economic and Social Research Council, the Department for Business, Innovation and Skills and the Department of Communities and Local Government. The support of the Funders is acknowledged. The views expressed are those of the Centre and do not represent the views of the Funders.

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