



Proving Our Value: Evidencing the impact of social purpose organisations

So What? Conclusions, Recommendations and Policy Implications

- In the Okehampton context, and given limited resources in the first instance, training should be targeted at people who are unemployed and/or aiming to establish their own business. In other contexts this recommendation would need to be considered within the context of local labour market characteristics.
- Longer term training is more effective than stand-alone training (although there is still a role for short, one-off training events). Therefore, resources should be targeted towards longer term training (albeit within the confines of the 16 hour rule). This would also benefit training providers who currently face a series of short term and uncertain funding sources.

Thanks go to our partners:

The Centre for Rural Policy Research at the University of Exeter, the Community Council of Devon, the Capacity Building Cluster at the University of Bristol and of course the Big Lottery Fund for funding this work.

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In 2010 South West Forum launched a major project to provide robust evidence of the economic and social value and impact of social purpose organisations. Funded by the Big Lottery Fund, the Proving Our Value research was delivered by five partnerships between universities and social purpose organisations, each researching voluntary sector impact over a two year period. These reports can be accessed online at:

southwestforum.org.uk/proving-our-value-2

This document offers a brief summary of the Exeter University research report. We strongly encourage you to read the full report in order to gain a broader picture of the research, the social and economic impact of the organisations involved, and to gain an understanding of how you might be able to apply the learning to your own work.

For the full report go to: southwestforum.org.uk/skills-study

Employment-related Training in Okehampton: Making a real contribution to rural employment and well-being

About this research

This research was undertaken by a partnership of The Centre for Rural Policy Research (CRPR), the University of Exeter and the Community Council of Devon (CCD). It was designed to measure the impact of the provision of training by Social Purpose Organisations (SPOs) in the town of Okehampton. Okehampton is a market town on the northern fringes of Dartmoor where there had been over 300 redundancies caused by the closure of 4 food processing factories in one year.

The objectives of this research were:

1. To identify SPOs delivering social purpose activity designed to improve the skills and employment prospects of individuals in the Okehampton area of Devon, particularly in relation to agri-food, land and environmental sectors.
2. To identify and quantify the impact of such interventions on individuals that benefit from skills enhancement activities and training.
3. To identify and quantify the economic and wider socioeconomic impact at the community level.

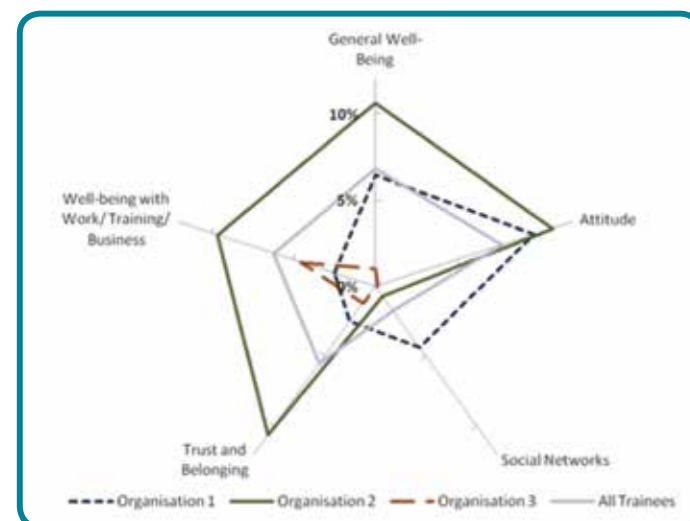
Evidence of Impact

On average the Return on Investment in Skills (RoIS) was 916%. In other words for every £1 of cost incurred in the delivery and participation in training (by both the SPO and trainee), the benefit that accrued in terms of the individual was £9.16.

For many people, training also led to less tangible social impacts (see Figure 1). These less tangible, non-monetised, social impacts were measured using an Index of Social Benefits (IoSB) based on five dimensions of well-being:

- general well-being; attitudes;
- social networks and relationships;
- trust and belonging;
- well-being and work;
- attitudes

Figure 1: Percentage change in the Index of Social Benefits as a direct result of skills training from different organisations



The RoIS and IoSB varied considerably between individuals and across the three SPOs taking part in the research. This is for a range of reasons: the initial starting position of the individual trainee and subsequent developments in that position which are associated with training; the type of

training – one-off, stand-alone events are less likely to produce an impact; and the costs faced by the training providers themselves.

- Our results suggest that impact is greatest for those who move from a position of unemployment to being either employed or self-employed (although this would also apply to an individual moving from a low paid position).
- Unemployed trainees in particular improved their scores for both well-being connected with work, training or business as well as general well-being.
- Those pursuing a self-employed route can be seen to benefit particularly from improvements to the 'attitude' measure (e.g. feeling better about themselves; feeling more optimistic about the future).
- In addition to the economic return from investment in training it is clear that there are a range of incidental impacts particularly on self-confidence, feelings about self and also social contacts. The research did not attempt to place a monetary value on less tangible benefits but did identify a positive correlation between RoIS and IoSB.

"I have got some new qualifications, made some friends and hopefully will get a job soon!"
(Unemployed trainee)

"The [SPO] trainers were the first people to reflect positively on my business idea and give me confidence to take it forward"
(Unemployed trainee)

"... Really helpful on the confidence side, especially setting up a new business with no idea ..."
(Business trainee)

How did we do it - Methodology?

Three SPOs were engaged in the research and 50 trainees were recruited to take part in two interviews – one at the beginning of their training, and one a few months later. A bespoke interactive questionnaire was designed to capture the impact of training using a Return on Investment in Skills training (RoIS) approach, which captures the direct financial impact of training. In addition, less tangible, non-monetised, social impacts were measured using an Index of Social Benefits (IoSB) based on five dimensions of well-being as described above. For both RoIS and IoSB the data was captured by the database underpinning an interactive Excel-based questionnaire tool.

The RoIS was calculated by dividing the net value of benefits from training by the cost of training x 100. The 'net value of benefits' is the financial benefits gained by training less the individual's costs; and the 'value of inputs' is the cost of training injected by the SPO (i.e. the training programme costs).

A RoIS of: *greater than one* represents an economic benefit to the individual and training provider; *less than one but greater than zero* represents an economic benefit to the individual but a loss to the training provider; *equal to zero* represents an economic loss to the training provider; *less than zero* represents an economic loss to both the individual and the training provider.

The IoSB developed for this research used 36 questions in order to explore five dimensions of well-being: general well-being; attitudes; social networks and relationships; trust and belonging; and well-being and work. The well-being and work section was tailored to the respondent's own employment status (employed, self-employed or unemployed/not working).

Can you do it too? – how to replicate this approach

The Excel-based RoIS and IoSB impact tool (see Figure 2) is available on request from Matt Lobley or from SW Forum. A brief user guide can be found in an appendix to the full report.

Figure 2: Screenshot of RoIS/IoSB impact tool

The impact tool is designed to be relatively easy to use and analysis of data collected has been automated. Nevertheless some resource would be required to train potential users.