



Theme: Engaging with Employers

**ENGLAND AND GIBRALTAR EUROPEAN SOCIAL FUND
CONVERGENCE, COMPETITIVENESS AND EMPLOYMENT
PROGRAMME 2007-2013**

**CALL FOR PROPOSALS FOR INNOVATIVE AND TRANSNATIONAL
PROJECTS**

31 OCTOBER 2008

Theme	ENGAGING WITH EMPLOYERS
Regions	<p>This theme has been selected by the following regions:</p> <ul style="list-style-type: none"> • East of England (Priorities 1 and 2) • East Midlands (Priorities 1 and 2) • London (Priorities 1 and 2) • Merseyside (Priority 2) • North East (Priority 1) • West Midlands (Priorities 1 and 2) <p>The project applicant must be from one of these regions. The application will need to demonstrate how it will address the employment and skills strategies of the region within which it is submitted (see section on regional context). The application may include partners in other regions whether or not those regions have selected the theme.</p>
ESF <u>Operational Programme</u> priorities	<p>Projects within this theme must fall within one of the following priorities:</p> <ul style="list-style-type: none"> • Priority 1 – Extending employment opportunities (Regional Competitiveness and Employment Objective) • Priority 2 – Developing a skilled and adaptable workforce (Regional Competitiveness and Employment Objective) <p>Projects within Priority 1 will focus on developing and delivering innovative ways to help workless people gain skills for employability and integrate into the workplace.</p> <p>Projects within Priority 2 will focus on developing and delivering innovative ways of meeting employers' skills needs.</p>
Aim	This theme will develop, test and deliver new ways of engaging employers to:

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	<ul style="list-style-type: none"> • enable ESF target groups to improve their employability and skills, and so access, retain and make progress in employment; and • address employers' skills needs.
Eligible groups	All target groups defined in the ESF Operational Programme Priorities 1 and 2, and relevant Regional ESF Frameworks, are potentially eligible for support.
Strategic context	<p>The world of work, and the way we work, is changing. This is resulting in the need for an improved skills base – one that is capable of taking advantage of the opportunities offered, and of facing the challenges presented by the changing economic environment.</p> <p>Globalisation, technological progress, the growth of emerging economies (India, China) and climate change are key issues affecting the employment landscape. An ageing society and global migration will also have an effect on employment patterns. Companies will need skilled workers to keep up with these changes, develop new products and markets, and maximise profitability and performance. For certain skills needs, firms are looking abroad to fill vacancies, but immigration and migration impacts are not a reliable long term solution. The domestic labour force needs to be able to provide the appropriate skills base for the needs of industry.</p> <p>Workers also face challenges, and must be prepared to learn new skills to meet changing employer needs, and also to be able to move between employers. Those with low skills will find job opportunities harder to come by as forecasts show that the demand for intermediate and higher level skills will increase.</p> <p>European context</p> <p>In 2005 the European Union's Lisbon Strategy was revised to ensure a more focused approach to the development of sustainable growth, and the creation of more and better jobs. This informed the European Employment Strategy, which sets out agreed EU level guidelines, against which Member States co-ordinate their efforts to promote employment. Skills development is at the heart of this.</p> <p>The gender pay gap, a major EU concern, is an issue that has an impact on growth and the economy. In July 2007 the European Commission issued a report setting out how</p>

	<p>the EU can bridge the gap. Across the EU women earn an average of 15% less than men. In the UK the gap is narrowing, but still stands at 12.6% (2006-2007, National Statistics Online). In the UK reducing the gender pay gap forms one of the Government Equalities Office's current strategic objectives.</p> <p>National context</p> <p>In the UK several reports have explored how education and training opportunities can deliver the skills needed to ensure continued growth and competitiveness.</p> <p>‘Work Skills – Unlocking talent’ (DWP/DIUS, June 2008) outlines support for people to take control of their skills needs, and how employers can get the skilled workforce they need. It states that “We need to give people the skills that will be required in both today’s and tomorrow’s labour market. That will make British businesses more profitable and will make our society fairer and ensure everyone can gain from future prosperity”.</p> <p>In November 2007 a DWP/DIUS report ‘Opportunity, Employment and Progression: Making Skills Work’ set out the principles of welfare and skills reform. It champions the development of a “truly integrated employment and skills system” and states that “this will require a major culture change, boosting employer commitment to, and investment in, learning and higher skills”, and highlights the need for appropriate guidance, advice, and training to move people into sustainable employment.</p> <p>In July 2007, the Government set out its response to, and plans to achieve, the recommendations of the Leitch Review of Skills in ‘World Class Skills: Implementing the Leitch Review of Skills in England’. The Leitch Review, in December 2006, set out how the UK should raise its game on skills, and sets stretching objectives for 2020 to ensure the UK regains its position as a world leader on skills.</p> <p>The Leitch ambition – which the Government is committed to – is that by 2020:</p> <ul style="list-style-type: none">• 95% of working age adults have functional (level 1) literacy and (entry level 3) numeracy skills.• More than 90% of working age adults are qualified to level 2, with a commitment to achieve 95% as soon as possible.• 68% of working age adults are qualified to level 3.• There are 400,000 apprenticeships in England.
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	<ul style="list-style-type: none">• Over 40% of working age adults are qualified to level 4 and above. <p>Leitch also stresses the need to strengthen the employer voice in the skills agenda to ensure that education and training meets employer needs.</p> <p>‘Taking Stock’ - the CBI Education and Skills Survey 2008 found that:</p> <ul style="list-style-type: none">• 53% of firms are concerned that they may not be able to find sufficient skilled individuals to meet their future recruitment needs.• STEM (Science, Technology, Engineering, and Mathematics) related jobs will dramatically increase (2.4 million jobs by 2014) as the UK responds to the challenges presented by climate change. Overall the green sector will expand significantly. Many of these jobs will be in new and emerging fields, and skills will need to develop to meet these demands.• Only around a third of employer training leads to recognised qualifications, so a significant proportion of employer investment in skills goes unrecognised, and the skills and abilities of UK employees are therefore likely to be underplayed. <p>‘The National Employers Skills Survey 2007’ showed that a relatively small proportion of employers are affected by hard-to-fill vacancies (7 per cent) and skill-shortage vacancies, defined as those proving hard-to-fill because of a shortage of candidates with the required skills, qualifications or experience (5 per cent). The proportion reporting these recruitment problems is slightly down from 2004 (each by one percentage point).</p> <p>In terms of skills gaps, that is the skills of existing employees: fifteen per cent of establishments in 2007 reported that they employed staff whom they considered not fully proficient, amounting to fewer than 1.4 million workers or 6 per cent of the total workforce in England. The proportion of establishments reporting that they employ staff lacking proficiency has fallen year on year from the 2001 figure of 23 per cent to the current 15 per cent.</p> <p>The National Employers Survey also highlights the following skills as essential to growth and development:</p> <ul style="list-style-type: none">• technical and practical• oral and written communication
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	<ul style="list-style-type: none">• customer handling• problem-solving• team-working• written communication• management and leadership• literacy• numeracy• office/administration• IT professional skills• foreign languages• general IT user skills. <p>Transferable skills and emerging skill needs for new products and new markets are also important areas for development, as are approaches to monitoring and evaluation.</p> <p>Soft skills underpin and enhance the way people put their skills and qualifications into practice in the workplace. Mainstream training, for a variety of reasons, concentrates on qualifications, and the development and recognition of soft skills is now needed to meet employer demands. In addition to the above, work undertaken through the Equal programme identifies the following soft skills as development areas:</p> <ul style="list-style-type: none">• flexibility and change• efficiency – how to reach goals• independence• planning and organisation• taking a pro-active approach• stress resilience• finding and managing information. <p>Ensuring that the potential of the workforce is fully utilised does not just depend on the skills factor, it is also about how the world of work is organised, that is working smarter. In January 2007 the Equal Opportunities Commission produced a report ‘Working outside the box: Changing Work To Meet The Future’. This highlighted the drivers of change faced by employers and the changing workforce, and concluded that a transformation of work itself is needed to face up to future developments. In particular it found that “innovation and technology provide the potential to re-define the way we work so that businesses can operate longer, and achieve better results faster in more varied ways – and with a modern, flexible and productive workforce. New and exciting models of work are appearing for different types of businesses in</p>
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	<p>different sectors”.</p> <p>Regionally and locally there are major developments concentrated around employment and skills development. This is a cornerstone of all Regional Economic Strategies, against which regional skills priorities and frameworks have been developed. Other developments include the City Strategy which aims to tackle worklessness in the most disadvantaged communities – many of which are in major cities and other urban areas.</p> <p>So at all levels – European, national, regional and local, there is an emphasis on developing skills to enhance competitiveness.</p>
<p>Regional context</p>	<p>The following regions have set out regional context for the engaging with employers theme:</p> <ul style="list-style-type: none"> • East of England • Merseyside • North East • West Midlands <p>The regional context identifies specific regional issues that should be addressed by applicants. The regional context documents are available on the innovation page of the ESF website. Applicants should also take account of the relevant regional ESF framework.</p>
<p>Indicative activities</p>	<p>Indicative ESF innovative activities are set out below for Priorities 1 and 4, and for Priorities 2 and 5. These are not prescriptive. As the object is to develop innovative ways of addressing the skills and employment agenda, applicants may propose other activities within the scope of the Operational Programme and regional ESF frameworks.</p> <p>ESF innovative activities should complement and not duplicate activities set out in the Government’s response to the Leitch Review and in other recent Government policy papers.</p> <p>Priority 1: Working with employers to improve the employability and skills of ESF target groups</p> <p>Activities may focus on one or more of the following:</p> <ul style="list-style-type: none"> • testing new ways of working with employers to help ESF target groups find, retain and make progress in employment;

	<ul style="list-style-type: none">• developing innovative approaches to short pre-employment training specifically designed to meet employers needs (for example, in the context of Local Employment Partnerships, City Strategy Pathfinders or the Working Neighbourhoods Fund);• ensuring provision is more attuned to the needs of local employers so individuals gain the skills and attributes they need to access the particular jobs that employers need to fill;• encouraging employers to have a voice at the local level in order to influence employment and skills services. The challenge here is how to motivate employers, especially SMEs, to work with Jobcentre Plus, the Learning and Skills Council, training providers and others to produce a service at the local level that meets their needs. <p>Priority 2: Working with employers to address skills needs in the workforce</p> <p>Innovative ways of helping employers to tackle skill shortages or gaps, and to overcome recruitment and retention difficulties. The focus may, for example, be on one of more the following:</p> <ul style="list-style-type: none">• initiatives to ensure the supply of skills is demanded and relevant to employers' needs;• sectors where there are regional skills shortages;• sectors with weak training records;• transferable and soft skills essential to business growth and development:• emerging skill needs for new products and new markets;• tackling gender gaps and segregation in the workforce (e.g. training women to enter and make progress in traditionally male occupations);• encouraging employers to have a voice at the local level in order to influence employment and skills services. The challenge here is how to motivate employers, especially SMEs, to work with Jobcentre Plus, the Learning and Skills Council, training providers and others to produce a service
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	<p>at the local level that meets their needs;</p> <ul style="list-style-type: none"> • encouraging the employee voice, particularly where employers may be reluctant to engage in training; and • activity to promote STEM career routes and the sector to potential recruits.
<p>Results</p>	<p>The primary output of projects within this theme will be the development and delivery of innovative measures to engage employers in improving the employability and skills of ESF target groups and to ensure the supply of skills is relevant to employers' needs.</p> <p>This will include producing new tools, methods and service provision, and/or adapting and applying existing tools and methods to new regions, sectors or target groups. It will also include piloting these products with ESF target groups. The outcomes will therefore include improving the employment prospects and skills of participants, and where appropriate helping them to achieve qualifications and enter sustainable employment.</p>
<p>Transnational working</p>	<p>Each project must include an element of transnational working. This will involve working with at least one partner from another EU Member State.</p> <p>The transnational dimension of projects must bring real benefits to the innovative activity by learning from, adapting or mainstreaming approaches from other Member States, and where appropriate transferring good practice to other Member States. ESF will not support transnational activities that merely seek to establish or develop partnerships with other Member States.</p> <p>Projects should allow the exchange of knowledge, experience and best practice that can offer clear added value to regional objectives and targets. They should aim to achieve strategic benefits that can be widely shared rather than purely operational or organisational benefits.</p> <p>Applications should explain why the activity should be undertaken transnationally and the proposed benefits of working with the chosen transnational partners.</p> <p>Applications should identify transnational partners (which may be organisations at local, regional or national level) that have a clear track record in this theme and can support exchanges that will facilitate innovation and fresh</p>

	<p>ideas. Transnational partners should be willing to work collaboratively in order to share good practice and learning.</p> <p>Transnational partners do not have to be in receipt of ESF funding in their own Member State.</p> <p>Some examples of transnational working may include:</p> <ul style="list-style-type: none"> • thematic workshops; • study visits; • joint research/studies; • piloting or testing new tools, methods, approaches etc; • work shadowing towards practice development; • events, seminars and conferences; and • new joint development initiatives.
<p>Mainstreaming</p>	<p>All applications must identify appropriate policy linkages and provide clear evidence of their mainstreaming potential. They must have mainstreaming strategies showing effective engagement with decision makers from relevant Government departments, regional and local bodies, sectoral organisations, employers' organisations and other appropriate stakeholders, which demonstrate how innovation, learning and best practice will influence policy development and delivery in this theme. Mainstreaming strategies should include clear methodologies for recording, evaluating and disseminating the learning and best practice, alongside the methods to be used to engage with decision makers.</p> <p>Results may be disseminated through channels such as:</p> <ul style="list-style-type: none"> • good practice case studies; • reports capturing learning from exchanges; • policy impact reports; • conferences, seminars and exhibitions; and • new websites, DVDs, CDs etc. <p>Where proposals concern skills development in particular sectors they must set out links to, and plans to engage with, relevant Sector Skills Councils and employers' organisations.</p>