



Bone Wells Urbecon
Economics and Planning Consultants



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toolkit
improving together



An internet based
service for employment
and training
brokerage organisations
to help hard-to-reach groups
into employment

An independent evaluation for the City of London
July 2010

An internet based service for employment and training brokerage organisations to help hard-to-reach groups into employment

Executive Summary

Background

In 2009 the City of London entered a partnership with University College London to explore the impact of its MegaNexus NEO 3 system on the City's employment programmes in deprived areas of the City and City Fringe. The system supported four Employment and Training Brokerage (ETB) organisations contracted to run jobs brokerage and outreach schemes: Access to Employment (A2E), East London Advanced Technology Training (ELATT), Ways to Work and Talent. Bone Wells Urbecon was appointed to deliver an independent evaluation of the value added generated by the MegaNexus NEO 3 system in

delivering the City's employment projects. This is the final evaluation report. It has been produced through a mix of research methods including surveys, interviews, benchmarking analysis on projects outside the City of London and an assessment of management information outputs from the system itself.

There are a number of systems available that exist to support small employment organisations and enable them to work more effectively and efficiently with their clients, community partners and funders. They provide client record management functionality, along with standard reporting features to reduce burdens and cut through the bureaucracy associated with public contacts and grants. However, MegaNexus is unique in that it also has functionality to assist in outreach and engagement – including a front end web site which job seekers can use to enrol in an employment support programme, update their

own records, build their CVs, search for local work and education opportunities, and communicate with partner organisations. It also has functionality to support targeted text campaigns and reminders across the database of clients, and enables clients to be referred between partner organisations.

Local authorities are increasingly turning to community organisations, social enterprises and specialist SMEs, such as ETBs, who are often much better placed to communicate, reach out to, and support hard to reach groups. Public funding is increasingly being pushed out from public authorities to fund these bodies more directly. These organisations often work in partnerships to tackle the multiple barriers that their clients face.

However, small community based ETBs are disproportionately exposed to the risks associated with changes of personnel and maintaining the capacity to win, manage and smoothly exit contracts, and there are always risks with the survival of these organisations during the course of the funding period. The City project set out to explore what Local Authorities (LAs), Registered Social Landlords (RSLs) and other funding bodies can do to balance these risks while making the most of the real value that these smaller employment organisations can deliver to an economic development programme. In particular, it looked at the contribution of MegaNexus NEO 3 as a system that provided a stable platform that supported a number of ETBs independently of each of them.



Headline Findings

In many respects the City of London projects have confirmed how challenging working with ETBs can be. Over the 18 months evaluation one of the organisations became insolvent and ceased to exist, another had to stop its employment programme when funding from a third party came to an end, and another's contract was terminated through poor

performance. There was also significant disruption due to staff and personnel turnover resulting in loss of corporate knowledge during the period. All of this both increased the scope of what needed to be assessed and required, for some functionality, the evaluation team to rely on evidence collected from other benchmark employability initiatives delivered across the UK also supported by MegaNexus. This should not diminish however the fact that the problems faced with the project reflect a reality of working with small community organisations based ETBs. The headline findings from our evaluation study are:

Measured Benefits for the Funding Body e.g. Local Authority:

There were clear benefits assessed over the evaluation period that emerged for the employment project funding body, in this case the City of London around **project risk reduction, business continuity, protecting the investment** made across multiple delivery organisations, **joining-up** multiple employment programmes and also around improving **transparency of progress and reporting**:

- Systems like the MegaNexus NEO 3 platform allow clients to be transferred between partners without contravening the Data Protection Act. So if the lead ETB organisation becomes insolvent, ceases to exist, fails to perform or the programme comes to a natural end then clients that have been acquired to that point can be readily transferred to a new ETB or appropriate partner organisation. This ensures **business continuity** and **protects the funding body's investment** in client acquisition prior to the change of ETB organisation. This happened on three occasions over the 18 months and each time no client was lost. The system also removes the risk of 'client parking' where a jobseeker, who registers herself/himself with a service, is overlooked due to a change of ETB and is therefore not supported to progress into work or training
- These systems build the capability of ETBs to handle and maintain client information professionally – thereby **reducing risks** associated with data integrity and data loss. One of the organisations had previously used a simple Microsoft Excel spreadsheet for client tracking and had, as a result lost their whole client database prior to adopting NEO 3. These systems build in best practice data handling, security and back-up.
- NEO 3 in particular can improve the **availability and transparency of information** for the funding body which can receive or



access periodic automated reports on progress with the employment programme in a tailored format, and on demand.

- These systems can enable several different employment programmes that share a geographical area or a common funding body, to **join-up and work more efficiently and effectively together** – so that when one ETB organisation comes into contact with a client who is ineligible for their programme, then they are referred to another programme for which they are eligible. MegaNexus NEO 3

clearly facilitated such partnership working over the evaluation period.

Measured Benefits For the Employment and Training Brokerage Organisation:

The evaluation has provided clear evidence of the value added generated to Employment and Training Brokerage (ETB) Organisations. Mainly by **improving efficiency, enhancing data storage and security, improving referral efficiency, improving outreach** work and supported both **quick start-up** and tidy closure of contracts. The system also helped at least one of the ETB organisations in the City project quickly produce performance evidence to **support a funding bid** to extend the employment programme.

- MegaNexus NEO 3 is helping delivery organisations to reach their outputs and outcomes more efficiently. 80% of the organisations we interviewed rate the system excellent in terms of **efficiency** gains and the remaining 20% good. It is estimated that organisations can save 20% of time allocated for project management and for producing reports for funders. One organisation participating in the City project estimated that each job adviser using the system is able to save half an hour for every client advised - delivering output improvements in excess of 30%.
- Using a system like NEO 3 can improve **data security and storage**. Compared to traditional management information systems (MIS), using simple office applications like Excel or paper-based systems it lowers the risk of data loss, and date re-keying by offering off-site storage with web-based access.
- The **referral system** is particularly efficient and effective. The system generates time savings in making referrals; we were not able to quantify this but all those interviewed rated the referral system is either excellent or good, only one rated it as ok.
- MegaNexus NEO 3 can improve **outreach work**, targeting clients in an effective and low cost way. There is evidence that the Campaign Manager feature, which was used to send email and text messages, was successful in motivating clients to visit the project's website (www.employcityoflondon.org.uk). There is also evidence that clients responded to text messages and text reminders to attend employment sessions when previously letters had produced a poor response.
- The system also **improved start up** speed for ETB organisations by passing on an immediate client database from the previous programme; thereby allowing the new organisation to hit the ground running.

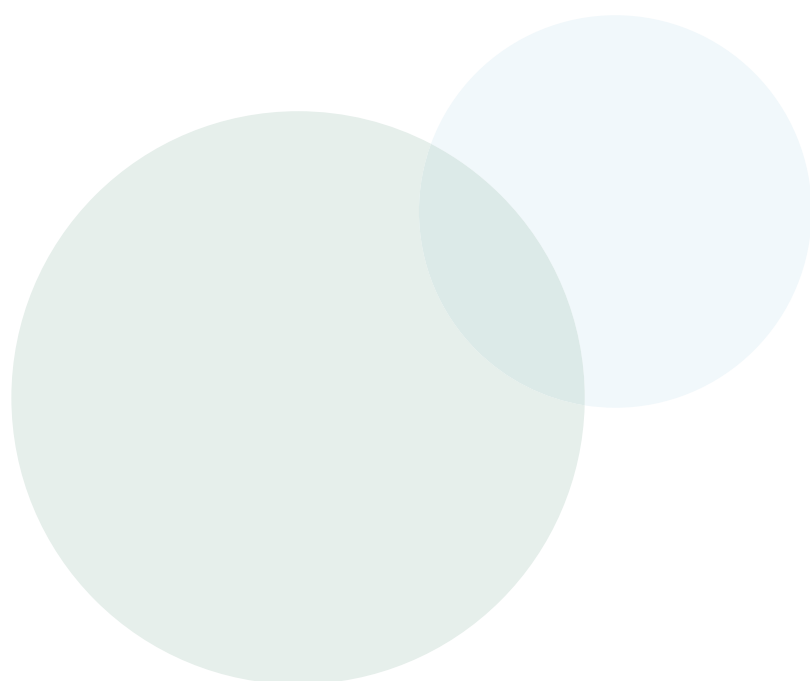
- The ability to be able to interrogate the database and quickly develop a bespoke performance report to **support a bid to a potential funding body** was an advantage that one of the ETBs particularly experienced during the evaluation period.

Measured Benefits For the Job Seeker/ End Client:

MegaNexus are unique in that in addition to their back office system NEO 3 is also designed to be used directly by jobseekers to network them directly to opportunities. This means that job seekers can enrol onto the programme at anytime, easing client acquisition for the ETB, and that they can keep their own records up to date which can yield efficiency gains. In the City project there were fewer opportunities to test the website beyond measuring the headline take-up – this is mainly because the ETBs already had their own separate websites which they preferred to focus their efforts on because they spanned multiple contracts. However one benefit of having the NEO 3 website front end was that it had generic ‘employcityoflondon’ branding which provided essential continuity on all programme marketing literature across all the changes in brokers over the 18 months evaluation period. Furthermore, the high usage of the City of London employment website following marketing campaigns, combined with positive benchmarking data from another project where end-users provided very good feedback on how useful the system is in preparing them for the labour market, indicate that the front end has potential if deployed effectively.

Conclusion

Moving from direct service provision to adopting more community based approaches for delivery doesn't mean accepting unnecessary risks and reduced transparency. Systems like the MegaNexus NEO 3 clearly help local authorities to step aside with more confidence and get local communities involved in employment service delivery. As local authorities address labour market challenges through community partnerships, it is important that information systems, like MegaNexus NEO 3, are specified in contracts or adopted by the funder on behalf of delivery bodies. Doing so clearly reduces the risks in adopting more innovative, partnership based approaches to employment programmes whilst supporting more innovative, efficient and effective forms of delivery.



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Bone Wells Urbecon

Economics and Planning Consultants

Contact us

esd-toolkit

Local Government Improvement and Development

Layden House, 76-86 Turnmill Street, London EC1M 5LG

Tel: 020 7296 6572

www.esd-toolkit.org.uk

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