

tackling worklessness

a series of 'how to' guides
for councils and their partners

engaging business to create healthier
and wealthier communities



1. why involve business in strategy on employment and skills?

There are 4.7 million businesses in the UK employing 22.7 million people and accounting for £2,800 billion. Yet, in spite of their universally acknowledged importance, local authorities have traditionally struggled to engage with local businesses. Those who do make the effort are rewarded with working partners who bring a variety of experience and drive to the partnership and deliver the following benefits:

- a wider knowledge of the local, regional and national economy than local authority officers are able to have
- access to networks
- challenge to the status quo and ability to break down some of the barriers that prevent progress

- a focus on risk, reward and cost/benefit analysis, insisting on success before further funding is committed to an initiative
- independence: they have no vested interest and are not at the mercy of council funding streams.

case study 1

Debenhams

Debenhams was joint winner of the Employer Award for Best Practice in Recruitment in the 2008 Local Employment Partnership awards.

Nikki Zamblera, HR director at Debenhams and board member of Skillsmart Retail, the Sector Skills Council for the Retail Industry, sees real benefits for the business through her involvement. The recruits from the Local Employment Partnership are better motivated, have a lower staff turnover and lower than average absence rates.



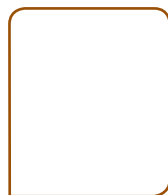
2. why involve business in delivery?

The government's Sub-National Review made it clear that, in the future, councils will have a statutory duty to have an economic assessment for their area. Economic geography is not confined by local authority boundaries, so it may be that this economic assessment goes across boundaries. However, where these are defined, business has to be involved in the economic assessment as it is the stakeholder with the most knowledge of local economic imperatives.

Similarly, the new local Employment and Skills Boards are employer-led and are being encouraged to assume responsibility for shaping the skills strategy and delivering it locally.

Some businesses do not want to get involved in strategy development, though. They find the process and culture too frustrating. However, these same businesses are often willing to help in practical ways to deliver outcomes. This could include:

- world of work visits for young people
- mentoring of social enterprises and start-up businesses
- supporting young people to develop their employability skills
- offering modern apprenticeships
- offering training to their workforce through the Skills Pledge
- contributing to local regeneration plans
- getting involved in the delivery of the new diplomas in schools which will need business involvement to bring the learning to life
- contribute to Options and Choices talks to lone parents entering the job market
- work placements for the long-term unemployed
- guaranteed interviews for Local Employment Partnership (LEP) candidates.



case study 2

Diploma Employer Champions Network (DECN)

With the launch of the diploma, employer engagement in education is vital as these new 14 to 19 diplomas are designed in partnership with employers to meet their needs and to help young people be more employable. Employers support their delivery, offering work experience, mentoring, tasters, project support, work shadowing and mock interviews.

To stimulate employer engagement, a DECN was established, led by Sir Alan Jones of Toyota. Being credible business leaders, the champions are able to promote diplomas to other organisations and demonstrate to young people and their parents that diplomas will offer a career head start because their content is valued by employers.

<http://semta.org.uk/>

case study 3

Axis

Axis is primarily a repairs and maintenance services company but also operates in the retail and commercial sectors. The company works with several public sector partners to offer work placements to residents on social housing estates where they operate. In particular, being a values-led company, it also actively recruits from the hard-to-reach, including ex-offenders, homeless, lone parents and those with learning difficulties.

Axis currently employs over 30 apprentices and trainees – more than 10 per cent of their entire workforce. Through all of its corporate social responsibility (CSR) activities, it has helped more than 260 people looking for work. Axis regards its work with apprentices as a strong contributory factor in gaining new business. Its approach to employability enhances its reputation and also gives it a more diverse workforce than is the norm for its industry: 26 per cent of its trainees are women and 51 per cent are drawn from ethnic minorities.

www.axiseurope.com

3. how to engage business successfully

barriers to engagement

First, it needs to be recognised that barriers prevent businesses from getting involved. Businesses frequently cite bureaucracy, jargon and slow decision-making as contributing to their sense of frustration when being involved at the strategic level.

Edward Stanners, chair of the Local Enterprise Growth Initiative Board in Bradford and chair of a Sector Skills Council, said: 'Whenever I make an approach [to a fellow business leader] to join the committee I always tell them that they will find it a frustrating experience. I have to manage their expectations.'

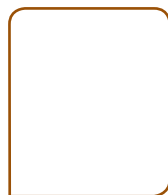
A business engagement manager working with businesses had similar views about this frustration, saying: 'We gathered data from businesses on their skills gaps nine months ago but the board only meets once a quarter and has so far not made a decision about how to use the data. By the time they do, it will be out of date.'

All businesses talked about the maze of organisations through which they are expected to navigate but those who were involved in a partnership stayed the course because they could see the benefits for themselves and their business.

steps for engaging business

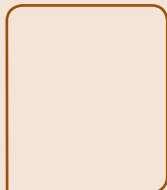
step 1: if you can, streamline local employment and skills decision-making to avoid duplication

Businesses can get overloaded by the sheer number of boards and partnerships asking them for involvement. In some areas, there is an LSP, then a separate Education Business Partnership, Town Centre Partnership and Urban Development Company.



case study 4 Nottingham City Council

Nottingham has made sure that it simplifies the offering for business by streamlining the number of bodies with a responsibility for employment and skills. The result is that the Greater Nottingham Employment and Skills Board is also the LSP theme group for employment and forms the steering group for the City Strategy with the Learning and Skills Council, using the group to integrate skills provision as well as the Department for Work and Pensions (DWP) planning devolved co-commissioning of employment provision.



This arrangement means that businesses involved in the Employment and Skills Board have clear decision-making powers. David Kirkham from the Employment and Skills team at Greater Nottingham Partnership which supports the Employment and Skills Board said that a significant motivating factor in convincing businesses to join the board was the promise of the devolution of decision making to them and the opportunity to influence training and skills provision.

step 2: before you make the request, be clear and confident about the business benefits of being involved

The benefits to business in practice are both personal and corporate. From a personal perspective, one private sector board member said that their motivation for taking on the role was: '25 per cent ego, 50 per cent desire to get involved in the thrills and spills and 25 per cent commercially entertaining'. Another board member enjoyed the opportunity of being part of a board and learned a lot about governance arrangements that they

would normally not have had the opportunity to experience.

Corporately, businesses genuinely see the broader business benefits of being involved in employment and skills. Enhanced company reputation and opportunity to network with other like-minded businesses also feature prominently as business benefits.

step 3: where possible join-up services by providing one single point of contact for business engagement

case study 5 Blackpool Council

Blackpool has started an Employer Engagement Forum of business engagement professionals from different organisations who come together once every two months. They share contacts and cross-refer services to the businesses they meet. They are shortly to publish a booklet for employers to give them concise information on all the organisations in the area.

case study 6 Leeds Ahead

Leeds Ahead is a brokerage organisation in Leeds which works with businesses to identify their interests and link them with the relevant local organisations. Inspired by the Business Broker Pilot in 2002, Leeds Ahead was incorporated as a community interest company in 2006. It works with the Education Business Partnership, the local prison and local homeless charities, providing an interface for them with the business world.

www.idea.gov.uk/idk/core/page.do?pageId=9536923

Brighton & Hove Business Community Partnership provides a similar gateway for local businesses in order to achieve a positive impact on community need.

www.bhbcp.org.uk

step 4: establish local business forums to engage with small businesses

As 99 per cent of all businesses are small and medium-sized enterprises (SMEs), every local authority has many thousands of businesses to engage with. A good way of engaging with SMEs is through a business forum which meets regularly to discuss local issues.

case study 7

Wansbeck

Wansbeck has only one business employing over 250 in its local authority boundary. However, it established a business forum to serve the thousands of small businesses who contribute to the economy. With an employment co-ordinator in post, the business forum was able to identify latent vacancies which would not normally be advertised.

www.idea.gov.uk/idk/core/page.do?pageId=9536904

step 5: when inward investment comes into an area, make sure there are job benefits for the long-term unemployed

Too often a new investor will open in a community without planning and regeneration departments in councils agreeing on how the benefits of the inward investment can be maximised for local people. Make sure there is a dialogue early on with the investor so that when jobs are ready to be advertised, local people who are furthest away from the jobs market are ready and able to take those jobs (usually through funded pre-employment training courses organised by the Jobcentre).

case study 8

Oldham Council

Working with Oldham Council, Jobcentre Plus and other local support agencies, the new Tesco store in Failsworth recruited a fifth of the new jobs in store (75 out of 390) from the hardest to help in the local community.

www.idea.gov.uk/idk/core/page.do?pageId=9536891

4. employability in a recession

There is a danger that in a time of recession training budgets will be cut. But employers need to take a long-term view. A MORI survey in 2006 showed that six out of 10 employers had struggled to recruit. Even in times of recession, many responsible employers recognise the need to make sure that once the inevitable upturn comes, businesses in the UK will be able to take immediate advantage by having a skilled workforce available. Even businesses that are not in a position to recruit at the moment, recognise their role in skilling up their future workforce by offering work experience placements and world of work visits as a bare minimum.



top tips:

watch your language – never use acronyms or words like worklessness which businesses resent as jargon.

be clear about what you are asking businesses to do and what the business benefits are.

make it someone's job to engage with business.

get companies enthusiastic about the task ahead and what can be achieved with their intervention.

be professional. make sure you service the businesses efficiently by responding to letters and emails promptly and doing what you say you are going to do.

be joined up. Make it your business to know what else employers are being asked to do in the area and co ordinate wherever possible.

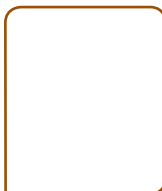
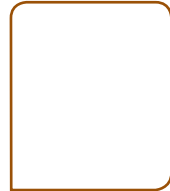
ensure that there is no duplication by first establishing which partners have already engaged on similar agendas.

5. further resources

- Business Broker Pilot Evaluation: A report of the independent evaluation carried out on the Business Broker Pilot Programme. www.bitc.org.uk/resources/publications/broker_evaluation.html
- Under-served markets retail and regeneration: A report looking at the benefits of retail-led regeneration to communities. www.bitc.org.uk/resources/publications/usm_guide.html
- The Local Government Association, with the British Chambers of Commerce, has published Back to business: local solutions. www.lga.gov.uk/lga/core/page.do?pagelId=1492897
- Leeds Ahead: Leeds Business Broker service connecting businesses with areas of most need in the city of Leeds. www.leedsahead.com
- Wansbeck Business Forum: The Wansbeck Business Forum supports small businesses to help themselves and the community in which they live and work. www.wansbeckbusiness.co.uk/
- Making the Connection: The Employment and Skills Board for Greater Nottinghamshire. www.makingtheconnection.org.uk
- South Tyneside: Business-led approaches to enterprise. www.idea.gov.uk/idk/core/page.do?pagelId=9446503
- Employer engagement in East London: East London Business Alliance. www.idea.gov.uk/idk/core/page.do?pagelId=9419012
- Skillsmart Retail: The sector skills council for the retail industry focusing on retail skills development and promotion, with the aim of contributing to improved productivity in the industry. www.skillsmartretail.com

6. glossary

- **Local Employment Partnerships (LEPs):** are run by Jobcentre Plus. They seek to engage business to get jobs for the long-term unemployed.
- **The Sub-National Review** looked at how to strengthen the economic performance of localities. In December 2008, it was announced that some of the changes outlined in the review would be legislated for in the current parliament.
- **Employment and Skills Boards:** The Leitch Review of Skills highlighted the need for local employment and skills boards which are employer-led.



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Local Government Association

The Local Government Association is the national voice for more than 450 local authorities in England and Wales. The LGA group comprises the LGA and five partner organisations which work together to support, promote and improve local government.

