



Bulletin number 18

Training Activities and Engagement with Qualifications in the Social Economy: A Summary

Paper produced for SQA by BIGGAR Economics

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SQA is committed to the use of robust evidence in the development and evaluation of policy and its implementation, and carries out or commissions research across a range of topics to support this.

The publication of Research Bulletins allows us to disseminate the results of our research activity to practitioners, policy makers, parents, academics and anyone else who has an interest in the key role that qualifications play in economic growth and social inclusion in Scotland.

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1 Introduction

1.1 Study objectives

Depending on how wide a definition is used, the extent of the social economy in Scotland is between 10,000 and 50,000¹ organisations which employ 70,000–90,000 people². An important objective for many organisations operating in the social economy is the delivery of skills training, both vocational and broader life and employability skills, to a range of clients. In addition, all organisations in the sector address training requirements in some form for their paid and volunteer workforce. Skills development is also a strategic objective among those shaping policy in the field.

Though the Scottish Qualifications Authority (SQA) is already a provider of qualifications to the social economy, in 2005 it recognised that there may be considerable potential to further engage with this market, at both the strategic level, and by providing qualifications to individual enterprises. However, there had been little published evidence about the engagement of the social economy with skills training in general, and qualifications in particular, or about the size and characteristics of this as a market in Scotland. SQA therefore appointed BiGGAR Economics to undertake a study to establish the role of training activity and engagement with qualifications in the social economy.

In particular, the study focused on assisting SQA to consider the extent to which its existing products and services are relevant to this vibrant and growing sector, and what steps it needs to take to position itself to contribute to, and benefit from, the training and assessment needs of the organisations in the sector. Note that this study has not constructed a definition of the social economy, but rather reflected the views of the consultees and survey respondents about the role of skills development and accreditation for the area within which each is engaged.

One of SQA's corporate objectives is 'to provide qualifications and support to match the needs of individuals, society and the economy of Scotland'. SQA strives to maintain a balanced portfolio of qualifications that is inclusive and reflects Scotland's economic, social and cultural needs. In addition to contributing to SQA's market development, this research also contributes to the organisation's strategic aims. It will allow SQA products to be delivered in a sector whose aims are commonly to contribute to inclusion and social justice and to deliver economic development in areas of economic decline.

Taking all of the above into account, the objectives of this study were to:

- ◆ identify the range and types of social economy organisations that are likely to use qualifications as part of their core service delivery

¹ Scottish Parliament Information Centre (SPICe). (2003) *The Social Economy in Scotland*. Scottish Parliament Briefing Paper.

² Alan McGregor, Andrea Glass and Simon Clark. (2003) *ReValuing the Social Economy*. Training and Employment Research Unit, University of Glasgow.

- ◆ quantify the likely size of this market for qualifications
- ◆ identify whether, or how, strategic decisions are made within national bodies on delivery of skills training, and use of qualifications in particular, in the sector
- ◆ identify the processes in social economy organisations for making decisions about which qualifications to use
- ◆ make recommendations to SQA to assist it in developing its market offering to this sector

This report sets out the key outputs from the research. Elements which are commercially sensitive have not been included. We hope that through this work we might enter a dialogue with the sector about how we can effectively meet the needs for skills development and certification.

1.2 Skills issues and the social economy — an overview

Many organisations working in the social economy use skills training as a core part of their activities. This falls into two broad categories:

- ◆ The delivery of training to beneficiaries of the organisation, which is often funded through the European Social Fund, the New Deal, or local employability or other specific projects. Organisations often also receive funding from local government (under service-level agreements for the delivery of public services), the Enterprise Networks and charitable grant-giving bodies.
- ◆ Skills development and training is an integral part of the operation of organisations, playing an important role in the development of staff, volunteers, and board/management committee members.

*Valuing the Social Economy*³ (1997) confirmed that the social economy was a significant employer in its own right, and played a key role in policy delivery in disadvantaged areas throughout Scotland. The report was a principal driver in the debate about the future of the social economy. Five years later, Community Enterprise in Strathclyde (CEiS) and the Scottish Executive commissioned *ReValuing the Social Economy*, which illustrated the development and growth of the social economy, and provided recommendations about how both public sector agencies and the sector itself can fulfil its needs. *ReValuing the Social Economy* (2003) was a research collaboration between Glasgow University's Training and Employment Research Unit (TERU), Simon Clark Associates, and Community Enterprise in Strathclyde.

³McGregor, Clarke, Ferguson, and Scullion. (1997) *Valuing the Social Economy: The Social Economy and Economic Inclusion in Lowland Scotland*. Community Enterprise in Strathclyde: Glasgow.

The report showed that though a high percentage of organisations were delivering services under contract and service-level agreements, approximately 20% were not, due to the difficulties involved when a contractual process is implemented.

Employment levels in the sector rose from the 1997 figure of 42,000 to approximately 70,000–90,000 in 2003. The nature of employment changed too — previously, organisations recruited their employees and volunteers from disadvantaged or deprived areas, but this became less likely.

Public sector grants were still a principal source of income, and this was particularly relevant to larger organisations. There were desires to grow organisations of all sizes, but the main barrier to development was funding. Further barriers identified included a lack of skills for the development of employees and volunteers, a difference in the level of support depending on the size of the organisation, and a lack of integration among the support service providers.

The organisations that were surveyed stated caring for people in need as the principal goal, irrespective of the size of organisation. Size factors only became significant when the goals were more ambitious, requiring substantial budgets to deliver. The results analysis showed that in the higher unemployment areas of the West of Scotland, there is a much greater emphasis on relieving poverty. In Glasgow, Renfrewshire and Dunbartonshire, almost half of all social organisations state this as their goal.

The main client group served by social organisations also varies; there is a strong emphasis on the more vulnerable groups such as the chronically sick, disabled, or children and young people under sixteen, who account for nearly 50% of the organisations' key clients. It was also found that approximately 10% of social economy organisations focus on the needs of the elderly.

Similarly, the support needs of the social economy organisations identified all had similar themes. Importantly for this study, around a third saw a need to develop the skills of their workforce, employees or volunteers. Strengthening the skills of managers was the main support need for over 20% of the largest organisations.

A more up-to-date analysis of skills issues in the sector comes from looking at the delivery since 2004 of the Futurebuilders' Learning Fund. Futurebuilders is an £18,000,000 support programme for social economy organisations, split over three funds. As of early 2006, the £1,000,000 Learning Fund had funded 79 organisations to deliver training to staff, with the objective of providing training or learning that will directly help an organisation to deliver more, or better, services. The fund is administered by Communities Scotland, which provided us with access to its files on the Learning Fund, in addition to assisting with the development of the survey database and questionnaire for the study.

An analysis of the uses to which this fund has been put sets some context for the discussion of potential demand for skills development that follows. Note that the analysis described below does not include training to beneficiaries of the

organisations, which is analysed through the consultations and survey described later in this report.

Under Futurebuilders, the maximum award per learner is £2,000, and the maximum investment available to each organisation is £20,000. Figure 1 below outlines the purpose of the successful funding applications.

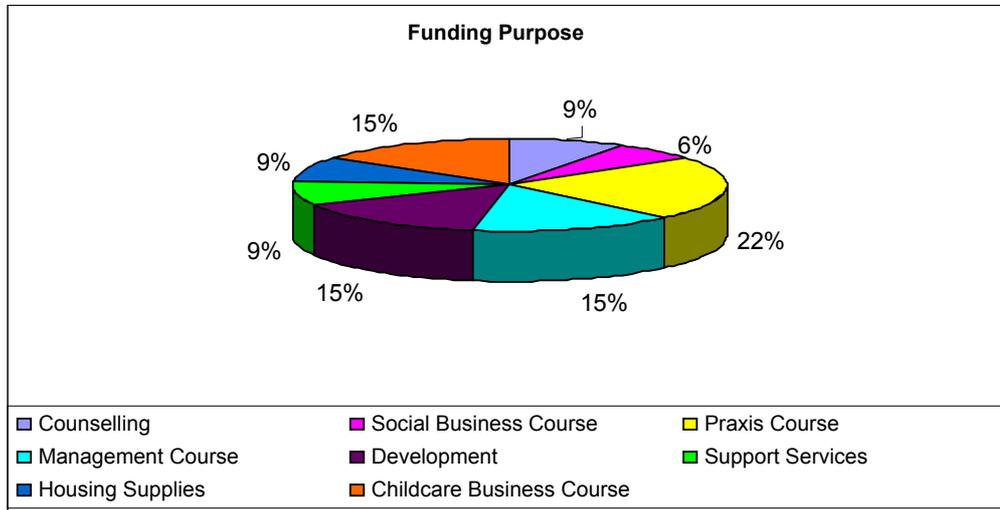


Figure 1: Purpose of funding applications
Source BiGGAR Economics

Praxis is the most popular funded activity, accounting for just over a fifth of all successful applications. This is a leadership course run by the Social Enterprise Academy (SEA), part of which is accredited by ILM (Institute of Leadership and Management). The course has proved a success with many organisations, including, for example, one organisation which received funding to allow eleven members of the management team to attend. Six per cent of funding is for SEA’s ‘Getting into Social Business’ course, which is a six-month course that teaches marketing and financial and employment aspects of running a social enterprise. The Learning Fund has allowed organisations from Edinburgh, Glasgow, Inverness and Paisley to attend.

Management courses account for the second most successful application, with the type of management course varying depending on the organisation. The funding has been used for a variety of certificates in management skills, and has allowed one Edinburgh organisation to enable its centre manager to complete an MBA.

Funding to enhance development accounted for 15% of successful applications. The purpose of the funding here was diverse; there were applications for development skills such as IT and training, and an application to help fund basic sign language courses.

2 Survey results

This section describes the findings of a web-based survey of social economy organisations. The survey was undertaken with the objective of providing data on current training and qualifications delivered by the organisations surveyed, and what their future requirements might be.

2.1 Population and sample

A database of social economy organisations operating in Scotland was built by BiGGAR Economics, with assistance from Communities Scotland and Social Firms Scotland. The survey was presented by e-mail to 539 organisations during February 2006. One hundred and sixty-two responses were received, and this constitutes the survey sample.

The level of confidence that a survey sample accurately represents the wider population depends on three factors:

- ◆ The complete size of the survey sample — the larger the sample the more confident one can be that the answers provided are representative of those of the wider population.
- ◆ The complete size of the survey population (only a factor in populations of fewer than 1,000).
- ◆ The percentage response to certain questions — for example, in a question where there are two answers, there is a higher level of confidence when one answer receives 90% of responses than if it receives 50% of responses.

Using an electronic tool⁴ to calculate the level of confidence in this survey sample, the survey has achieved a margin of error of 6.5% at a 95% confidence level. In other words, we can be confident that if an answer received 50% of the responses, it reflects the true value in the wider population within a margin of +/- 6.5%.

2.2 Profile of respondents

Two thirds of our respondents are small organisations with fewer than 50 employees, and 28% employ five or fewer people.

Over a third (36%) of the sample have operations in Glasgow, which is recognised as having a particularly strong social economy sector. Around a fifth of the sample have operations in Edinburgh, and the same in Renfrewshire (20% and 19% respectively). The remaining areas included Ayrshire, Grampian, Lanarkshire, Dumfries and Galloway, Tayside, and the Highlands and Islands.

⁴ <http://www.isixsigma.com/offsite.asp?A=Fr&Url=http://www.raosoft.com/samplesize.html>

2.2.1 Core activities

The most common area of activity was ‘training’, with 43% of respondents operating in this area. ‘Employment’ and ‘learning’ were the next most common areas of activity, and ‘young people’, ‘community development’ and ‘social care’ were also relatively frequent.

Local authority funding was cited as a source of funding by the majority of respondents (104 of 158 answers, or 66%). Other notable sources of funding included self-funding from commercial revenues and charitable funding (73, or 46% of respondents), the Scottish Executive, European Social Fund and Communities Scotland (42%, 34% and 32%, respectively). Twenty-one per cent of respondents stated ‘other’ as a source, and these included corporate sponsors and specific grant-awarding trusts.

2.3 Training delivered by organisations

2.3.1 Profile of training delivery

Participants were asked if their organisation offered training or qualifications to individuals or groups. This question was answered by 154 respondents, and of these 109 (71%) said ‘yes’, and 32 (21%) respondents stated that they didn’t offer training or qualifications. So while 43% offer training as their main area of activity (2.2.1 above), many more organisations offer training as a non-core area of activity.

The 154 organisations that offer training provided a range of information about their services. They were asked about how they delivered training, and 108 responded as shown in figure 2 over the page. Respondents could give multiple answers, and the data shows that 71 (66%) organisations deliver training independently, and 56 (52%) deliver in partnership with another organisation.

A number of organisations are delivering publicly funded training under New Deal, Skillseekers, Modern Apprenticeships, Training for Work, and Get Ready for Work. Thirteen per cent of respondents gave ‘other’ as a mode of delivery, and when asked to specify further, partnerships with the criminal justice service, local education partnerships, and with one community council, were identified.

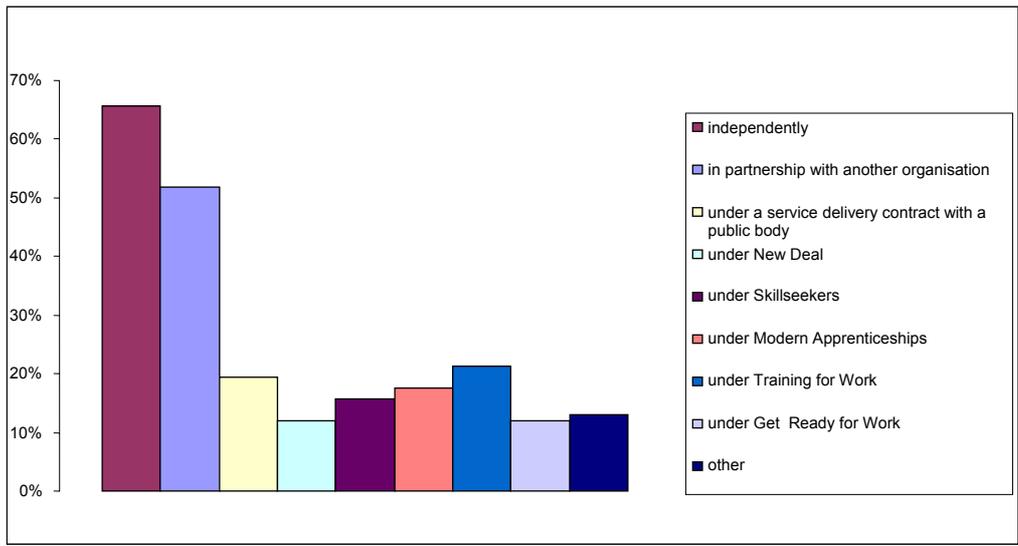


Figure 2: Mode of training delivery
 Source: BiGGAR Economics

2.3.2 Funding

Participants were asked if the training delivered by their organisation is linked to particular types of funding with the following responses. Fifty (46%) responded that their training is related to particular sources of funding, while 38% of respondents stated there was no link. Those who stated there was a link were asked to specify further and 26 responded — of these 8 (30%) stated a link to the European Social Fund. Other sources of funding identified included:

- ◆ Modern Apprenticeships
- ◆ FE Widening Access funds
- ◆ Scottish Executive
- ◆ Skillseekers
- ◆ New Deal
- ◆ Working for Families
- ◆ Scottish Natural Heritage
- ◆ local authorities
- ◆ Community Regeneration/Development Funding

2.3.3 Type of training

One hundred and eight organisations gave details about the types of training they offer. Figure 3 over the page summarises the responses, which show that vocational training is offered by half of all respondents, with just under half (51, or 47%) offering general employment skills training and 43, or 40%, offering basic skills training.

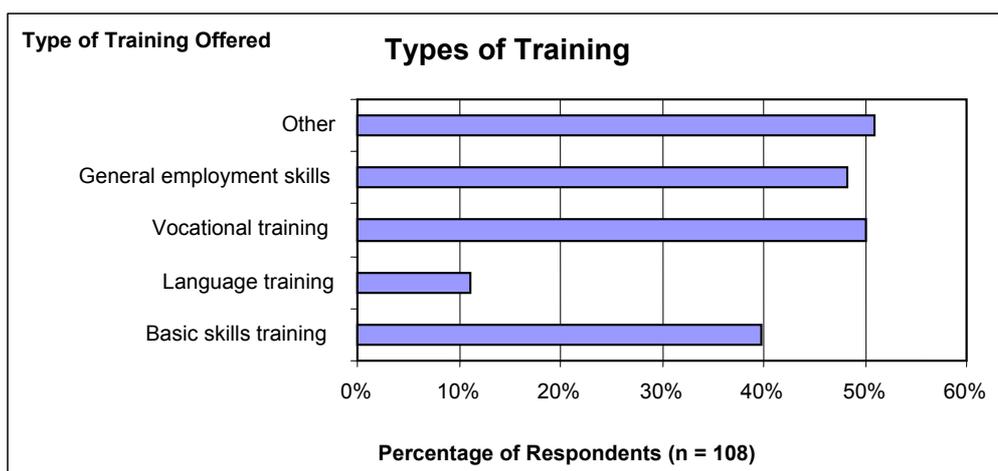


Figure 3: Types of training offered
 Source: BiGGAR Economics

More than half the respondents said that they offer ‘other’ types of training. When asked to specify further, the some of the responses that emerged were:

- ◆ capacity-building for organisations
- ◆ eccentric viewing and visual impairment awareness
- ◆ British Sign Language and deaf awareness
- ◆ ‘identified skills gap’ training
- ◆ professional and post-qualifying training
- ◆ youth work training
- ◆ social care and social work qualifications
- ◆ creative training
- ◆ person-centred planning awareness
- ◆ personal social development

2.3.4 Qualifications

The most common types of qualification offered are NVQs and SVQs, offered by 54 organisations (57% of the 95 respondents to this question). Eleven (12%) offer National Qualifications (including Standard Grade/Higher Grade), 12 offer Higher National Qualifications (HNC/HND), 14 offer Scottish Group Awards, and 12 offer Scottish Progression Awards. Those that said that they offered ‘other’ types (50, or 46%) identified the following:

- ◆ National Community Boat Association awards
- ◆ Industry standard awards
- ◆ Individual National Units
- ◆ Sector Skills Group Awards
- ◆ Scottish Federation of Medieval Martial Arts
- ◆ CIPD Learn Direct courses

- ◆ ASDAN Awards (personal and social key skills)
- ◆ John Muir Awards (a national environmental award for people of all ages)
- ◆ British Computer Society/ECDL (European Computer Driving Licence)
- ◆ REHIS (Royal Environmental Health Institute of Scotland)/HSE (Health and Safety Executive)
- ◆ RoSPA Occupational Health and Safety Awards

2.3.5 Qualifications providers and potential market size

SQA qualifications are delivered by 84 organisations (78%). Other providers, such as City and Guilds and Edexcel, are used by 12 (11%) and 8 (1%) respondents, respectively. Just under a sixth use industry group qualifications and over a third use ‘other’ qualification providers. ‘Other’ includes:

- ◆ Council for the Advancement of Communication with Deaf People (CACDP)
- ◆ Institute of Rates Revenue and Valuation
- ◆ ASDAN (Award Scheme Development and Accreditation Network)
- ◆ CSCS (Construction Skills Certification Scheme)
- ◆ ICS (International Correspondence Schools)
- ◆ Five per cent of total respondents use the British Computer Society which offers the ECDL qualification
- ◆ The HSE and the Security Industry Training Organisation were identified by one respondent each

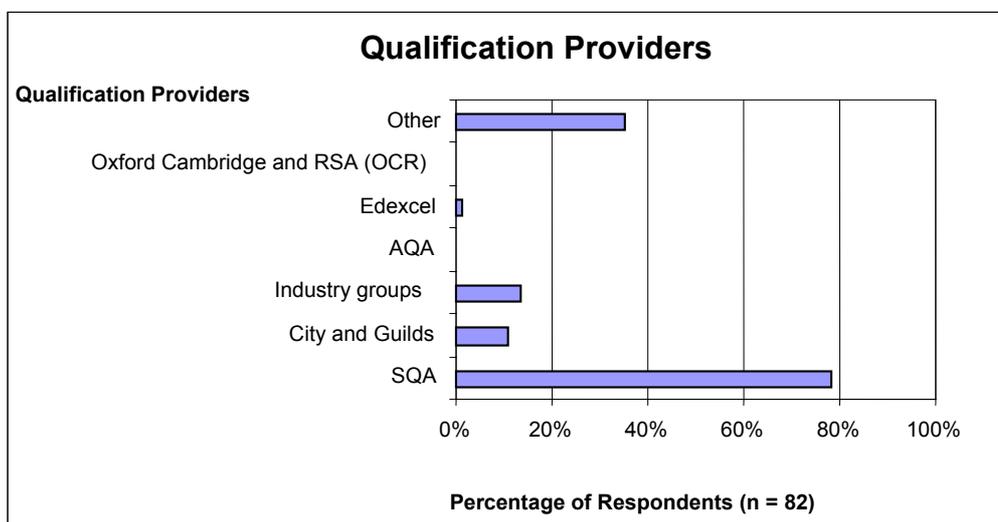


Figure 4: Qualification providers used
Source: BIGGAR Economics

Participants were asked to estimate the average annual total number of entrants and certifications from their organisation for all qualifications and levels. The response data is shown in table 1 over the page. Sixty per cent of respondents have fewer than 100 entrants per year.

Range	Number of entrants	Number of certifications
0	3%	3%
1–50	42%	47%
50–99	15%	10%
100–299	20%	23%
300+	11%	10%
Don't Know	6%	6%
Not Applicable	3%	1%
		n = 77

Table 1: Annual number of entrants and certifications⁵ from respondents

Source: BiGGAR Economics

It is possible to use this information to make a rough estimate of what the potential market for qualifications might therefore be across the Scottish social economy given some of the following assumptions. The problem of defining the sector means that it is very difficult to estimate the proportion of the overall population that our sample represents. However, our Scottish Enterprise consultee suggested that his organisation's 'target' social economy organisations numbered about 1,500 'mature social enterprises'. It is likely that organisations with the capacity to act as providers of training and qualifications might come under this categorisation of 'mature social enterprise'.

Our survey population of 162 organisations accounts for 6,060 entrants and 6,958 certifications annually. If we use a simple proportional calculation, this might mean that 1,500 'mature social enterprises' operating in Scottish Enterprise's LEC areas could deliver an annual total of 56,111 entrants and 64,425 certifications.

However, two notes of caution should be sounded here:

- ◆ It is likely that our survey sample will have drawn a disproportionate number of training organisations from the wider population of social economy organisations, because these organisations are likely to have been more interested in responding to a survey about training and the SQA than those that don't have training as an objective.
- ◆ Also, our possible population of 1,500 doesn't account for organisations operating in the Highlands and Islands of Scotland.

Because of the first issue, our actual market size is likely to be smaller than 64,000 certifications, but because of the second, the population may be larger, and so this might redress the imbalance somewhat. Because of these issues, it isn't possible to provide a robust account of market size, although this analysis does give some indication of its scale.

⁵ For all qualifications and levels.

2.4 Training undertaken by employees and volunteers

This section of analysis is concerned with training and qualifications undertaken by employees within the social economy.

Participants were asked if employees and volunteers in their organisation undertake staff development training. One hundred and thirty-four participants responded, and the overwhelming majority (91%) replied 'yes' to this question. Those who stated that they do not offer development training to their staff were asked about the factors that constrain them from doing this, and five responded, noting that lack of funding and personnel concerns were constraints. None of the respondents cited a lack of time or viewing training as unimportant as an issue.

The organisations whose employees undertake training were asked to estimate the percentage of total employees and volunteers that undertake training and 106 participants responded. Just over half of respondent organisations have all employees undertaking training, with a quarter of organisations having more than 50% in training. Participants were also asked about training for volunteers, with slightly different results:

- ◆ In approximately half of all respondents' organisations, less than 50% of all volunteers undertake development training.
- ◆ In just over a quarter of respondents, all volunteers undertake development training.

The organisations were asked how training for employees was funded:

- ◆ The majority (70, or 60%) of organisations stated that their employee/volunteer training is funded by the organisation.
- ◆ Between 20% and 25% of respondents stated that their employee/volunteer training is funded by the Scottish Executive, local authorities and Communities Scotland.
- ◆ Other notable sources of funding for employee/volunteer training included Scottish Enterprise (14%) and the European Social Fund.

Of those organisations (23) that listed an 'other' source of funding, the most notable sources were:

- ◆ trade union
- ◆ Ethnic Minority Grant Scheme
- ◆ Business Gateway
- ◆ NHS
- ◆ private sector grant (eg Lloyds TSB)
- ◆ Scottish Arts Council
- ◆ Student Awards Agency Scotland

In 81% of organisations, employees/volunteers undertake training to comply with statutory obligations, 69% undertake training related to organisational capacity and development, and 75% undertake training related to service delivery. Approximately a sixth of respondents stated that their employees/volunteers undertake 'other' types of training, and when asked to specify further, the following types emerged from 18 respondents:

- ◆ Personal development skills (5 respondents)
- ◆ Building basic employability skills, confidence building, stress management
- ◆ Assessor and Verifier awards
- ◆ British Sign Language and Deaf Awareness
- ◆ IT skills
- ◆ Management skills
- ◆ Qualifications required to comply with regulation/legislation

Participants were asked about the types of qualifications undertaken. The most common types of qualification cited were:

- ◆ NVQ/SVQ (65% of organisations)
- ◆ Higher National Qualifications (34%)
- ◆ higher education qualifications (30%)

Thirty-nine per cent of respondents stated that their employees or volunteers undertake additional types of qualification, as follows:

- ◆ Non-certificated or non-accredited training was listed by 7% of respondents
- ◆ Industry body or trade association was listed by 7% of respondents
- ◆ First aid
- ◆ ECDL/Microsoft Office Specialist (MOS)
- ◆ National governing body awards
- ◆ Social economy related, sector provided
- ◆ Inland Revenue Recognition
- ◆ Lantra
- ◆ Institute of Fundraising
- ◆ Praxis

When asked about the qualification provider used by the organisations for employee/volunteer training, 79 participants responded with the following results:

- ◆ SQA (81%)
- ◆ Industry-based qualifications (23%)
- ◆ City and Guilds (13%)
- ◆ 'Other' (29%)

Of the 23 respondents who replied ‘other’ the main replies were broken down as follows:

- ◆ British Computer Society/ECDL (5%)
- ◆ British Association for Counselling and Psychotherapy
- ◆ Microsoft
- ◆ Lantra
- ◆ Institute of Fundraising
- ◆ PRAXA
- ◆ National governing body
- ◆ Inland Revenue
- ◆ FE/HE sector
- ◆ Chartered Management Institute
- ◆ Institute of Leadership Management

The organisations were questioned about how training is delivered to employees and volunteers within their organisation. Responses were received by 114 organisations and their replies were categorised as shown here:

- ◆ Training is delivered internally (39%).
- ◆ Training is delivered on-site by trainer from outside the organisation (13%).
- ◆ Training is delivered off-site by private training provider (17%).
- ◆ Training is delivered by educational institution (15%).

Sixteen per cent said that they use an ‘other’ delivery arrangement for their training and provided the following details:

- ◆ The majority stated that training is delivered using a mix of the above methods.
- ◆ One respondent said that the organisation delivers mainly capacity-building for board members.
- ◆ One respondent said that training is delivered by more experienced volunteers, CVS and the Community Education Department of local authority.
- ◆ One respondent stated that training is delivered by assessment centre.

2.5 Sourcing training and qualifications

Survey participants were asked to state the factors they consider important when sourcing or considering a qualifications provider. One hundred and thirteen responded, and the answers are presented in table 2 and figure 5 on the next two pages. The most important factors are:

- ◆ the degree of fit with employer/job requirements
- ◆ cost

- ◆ the degree of flexibility in delivery
- ◆ the quality/rigor of the assessment process

Although all the factors were considered ‘very important’ or ‘important’ by the majority of respondents, the factor that was considered least important overall was ‘pricing scaled according to number of entrants/certificates’.

	very important	important	neutral	somewhat important	not important
Pricing scaled according to number of entrants/certificates	13%	25%	47%	6%	7%
Level of integration in a qualifications framework	23%	48%	21%	2%	5%
Availability of attached funding for qualification	36%	39%	17%	4%	2%
Demand from learners	34%	48%	16%	1%	1%
A widely-recognised/respected qualification	48%	37%	12%	1%	1%
The quality/rigour of the assessment process	40%	47%	3%	0%	0%
The degree of flexibility in delivery	50%	42%	6%	1%	0%
Cost	45%	47%	5%	3%	0%
The degree of fit with employer/job-requirements	68%	26%	5%	0%	0%
					n = 113

Table 2: Factors important when sourcing a qualifications provider
Source: BiGGAR Economics

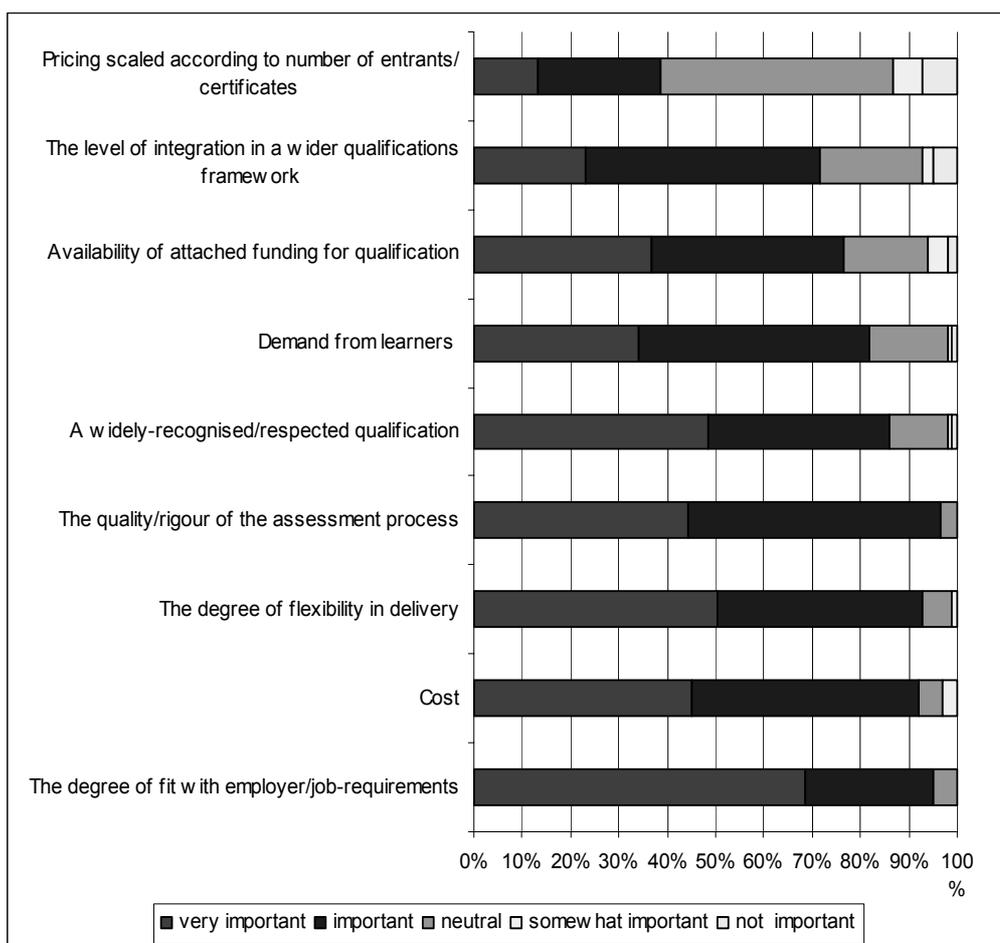


Figure 5: Factors important when sourcing a qualifications provider
 Source: BiGGAR Economics

Figure 5 clearly shows that almost all the factors listed in the survey that could play a part in the choice of qualifications provider were considered ‘very important’ or ‘important’ by a good proportion of the respondents. The only exception was pricing scale — almost half of the respondents considered this ‘neutral’.

2.6 The future

The final section of the survey comprised questions about organisations’ future requirements in terms of training and qualifications. They were asked about the types of training and qualifications they would consider using in the future. The types were categorised as follows:

- ◆ Training to comply with statutory obligations.
- ◆ Training related to organisational capacity and development.
- ◆ Training related to service delivery.
- ◆ Other types of training and qualifications.

Participants were asked to state whether or not they would consider each type, and offered an opportunity to expand on their answer. The results are presented in figure 6 below.

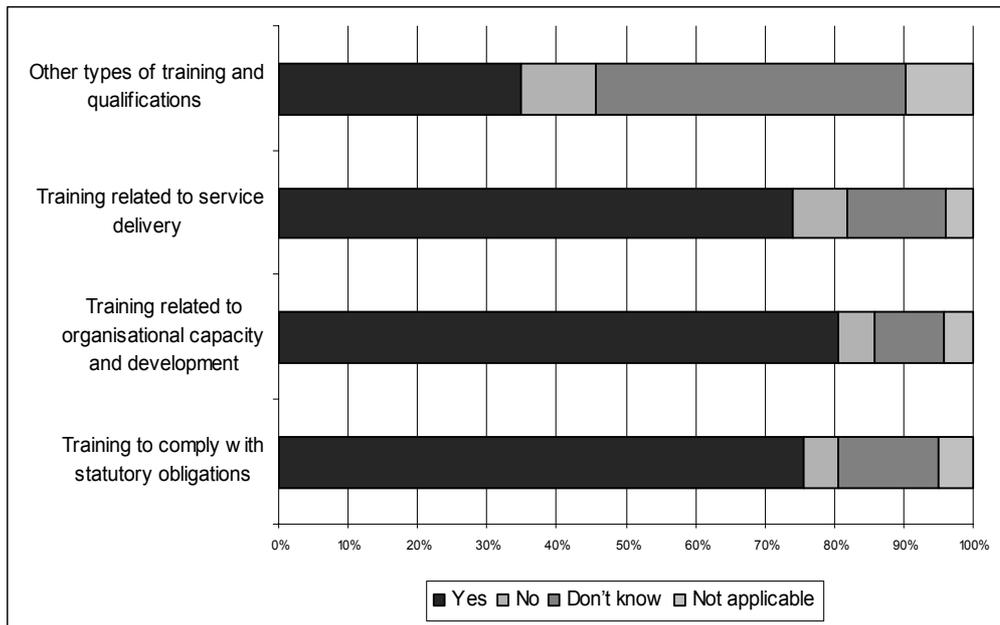


Figure 6: Future training requirements
 Source: BiGGAR Economics

When asked to expand on their answers, the following results were obtained under each category.

2.6.1 Training to comply with statutory obligations

Eighty-five organisations, or 74% of respondents to this question, stated that they have a future requirement for training to comply with statutory obligations, and 38 respondents expanded on their answer with the following:

- ◆ Health and Safety training/qualifications as a possible requirement (45%)
- ◆ Training to comply with social care legislative requirements (47%)
- ◆ First aid (10%)
- ◆ Employment legislation/HR (15%)
- ◆ Environment/waste management regulations (8%)
- ◆ Financial requirements (5%)
- ◆ Housing legislation (5%)

2.6.2 Training related to organisational capacity and development

Seventy-nine per cent of respondents stated that they would require this type of training and qualifications in the future, and of these, 37 provided further details as follows:

- ◆ ICT training/qualifications (11%)
- ◆ Management training/qualifications, eg HR/volunteer management (35%)
- ◆ Business/strategic planning and business development for social organisations (27%)
- ◆ Financial management (especially for not-for-profit organisations) (19%)
- ◆ Marketing (19%)
- ◆ Governance (11%)
- ◆ Fundraising (5%)
- ◆ Assessor and Verifier Units (8%)

2.6.3 Training related to organisations' service delivery

Seventy-four per cent of respondents in this section said that they would require training and qualifications related to their organisation's service delivery. When asked to expand on their answer, 30 provided the following information:

- ◆ Customer service/care (10%)
- ◆ Counselling (6%)
- ◆ Management and performance management (16%)
- ◆ Social care/care commission (10%)
- ◆ Environment/waste (6%)
- ◆ Qualification for in-house training (6%)

2.6.4 Other types of training and qualification

Thirty-two per cent of respondents stated that they would require 'other' types of training and qualification in the future, and 24 provided additional comments or information as follows:

- ◆ Continuing Professional Development (12%)
- ◆ Customer care (4%)
- ◆ Horticulture/conservation/environment (12.5%)
- ◆ IT (4%)
- ◆ HR (8%)
- ◆ Diploma in Counselling (4%)
- ◆ Personal development (8%)
- ◆ SITO training for security guards (4%)

- ◆ Plant machinery operations (4%)
- ◆ Buddying/mentoring (4%)
- ◆ Management development (4%)
- ◆ Communication/presentation/marketing and promotion specific to mental health (4%)
- ◆ Entry level options for young people to look at a career in youth work (4%)
- ◆ Care Commission requirements (4%)
- ◆ Marketing skills (4%)

3 Summary and conclusions

3.1 Organisations' use of qualifications

Our first study objective was to identify the range and types of social economy organisations which are likely to use qualifications as part of their core service delivery. This objective takes account of qualifications required for organisational development and operation, as well as those required as part of training delivery to beneficiaries.

Around a third of organisations surveyed for the 2003 study *ReValuing the Social Economy* saw the need to develop the skills of their workforce, employees, or volunteers as a core requirement. Strengthening the skills of managers was the main support need for over one in five of the largest organisations. This still appears to be the case — the most popular activity funded under the Futurebuilders' Learning Fund since 2004 is leadership and management courses developed specially for the sector by the Social Enterprise Academy and accredited by ILM.

The organisations that participated in the survey are geographically spread across Scotland, and many had more than one location. They tend to be SMEs, and almost half engage in training as their main area of activity. Other common areas of operation included 'employment' and 'learning', and approximately a quarter of respondents also listed 'community development' and 'social care' as their main area of operation.

Over 70% of the organisations responding offer training/qualifications to individuals and/or groups. Vocational training is offered by half of all respondents, with just under half offering general employment skills training, and 40% offering basic skills training. The most common types of qualification offered are NVQs and SVQs, offered by almost 60% of organisations. Smaller proportions offer National Qualifications, Higher National Qualifications, Scottish Group Awards, and Scottish Progression Awards. Industry standard awards, Sector Skills Group Awards, and other qualifications such as ECDL and HSE qualifications are also offered. Almost 80% of organisations deliver SQA qualifications. Other providers, such as City and Guilds, are used by 11% of respondents. Just under a sixth use industry group qualifications, and over a third use 'other' qualification providers.

Almost 75% of organisations will have a future requirement for training to comply with statutory obligations. This most prominently includes health and safety qualifications, and qualifications to comply with social care legislation. In addition, almost 80% of organisations have a requirement for training and qualifications related to organisational capacity and development, including ICT qualifications, management and HR training, and business planning. Almost 75% of organisations require training for service delivery — including customer care, management, performance management, and social care. A number of organisations also highlighted a need for continuing professional development.

The survey indicated that non-accredited training is taking place in the sector, and some interest was expressed in gaining accreditation for existing in-house training programmes.

3.2 Market size

Study objective two was to quantify the likely size of this market for qualifications. This relates to the market for qualifications delivered to beneficiaries of those organisations that operate as training providers, as well as for training delivered to employees and volunteers of the sector as a whole.

An objective valuation of the market is very difficult because, as described earlier, there are varying definitions of the sector, so any view of its size is subjective. Our survey found that the majority of organisations operating as providers of training process fewer than 100 qualification entrants and certifications each year, although significant minorities had more than this. Our survey population of 162 organisations accounts for 6,060 entrants and 6,958 certifications annually. This might mean that 1,500 ‘mature social enterprises’ operating in Scottish Enterprise’s LEC areas could deliver an annual total of 56,111 entrants and 64,425 certifications. However, it isn’t possible to provide a robust account of market size, although this analysis has given some indication of its scale.

The vast majority of respondents’ employees undertake staff development training, and of those that don’t, most stated that they would be willing to do so in the future, but are constrained by a lack of funding and human resources. None of the organisations considered training as ‘unimportant’. As this sector may employ 70,000 to 90,000 people, the market opportunity for delivery of qualifications to employees within the social economy might also be considerable.

3.3 National decision-making processes

Study objective three was to identify whether, or how, strategic decisions are made within national bodies in relation to delivery of skills training, and the use of qualifications in particular, in the sector.

The national organisations consulted during the course of the study had a range of views about the role of skills and qualifications in the sector, and these were linked to the skills of staff and volunteers, rather than to the training being delivered to beneficiaries. Strategic decisions have been informed by documents such as *ReValuing the Social Economy*, and have focused on identified needs for management and other skills in the sector.

There were a variety of views on certification of training, although in general there was agreement that flexibility is a challenge for the future. As one consultee said, the future will ‘challenge existing qualifications to be more flexible and focused on generic skills’. Indeed, the research undertaken during the development of Scottish Centre for Regeneration’s ‘Regeneration Skills

Framework' was initially based on competences, but it became clear early on that a focus on skills was more appropriate. However, the Scottish Council for Voluntary Organisations (SCVO) stated that in the voluntary sector there is an enthusiasm for accreditation in training. They also emphasise a need for flexibility in the delivery of qualifications. Scottish Enterprise, on the other hand, thinks that qualifications providers will need to continue to provide and develop products and services as mainstream business products, in addition to continuing with the offer to the voluntary sector.

3.4 Organisational drivers

Study objective four was to identify how social economy organisations make decisions about which qualifications to use. This has been derived from the survey analysis, with more in-depth discussion of the issues through the consultation programme.

Almost all the factors listed in the survey that could play a part in the choice of qualification provider were considered 'very important' or 'important' by a large proportion of the survey respondents. The only exception was pricing scale. The issues that drive choice are:

- ◆ level of integration in a qualifications framework
- ◆ availability of attached funding for qualification
- ◆ demand from learners
- ◆ a widely-recognised/respected qualification
- ◆ the quality/rigour of the assessment process
- ◆ the degree of flexibility in delivery
- ◆ cost
- ◆ the degree of fit with employer/job-requirements

The factors rated as most important by organisations were cost, their fit with employer/job requirements, how flexible they are in delivery, and the quality and rigour of assessment. Some of these reflect the findings from the interviews, which have not been set out in this short summary, but in which most of the organisations commented on the importance of flexibility of qualifications.

3.5 Recommendations

Study objective five was to make recommendations to SQA to assist it in developing its market offering to this sector.

The main recommendation that this report makes to help SQA to build on what it already offers to the social economy, is that SQA could play an immediate role through strategic dialogue with government agencies and other intermediaries. All the organisations consulted for this study were interested in the possibility of SQA

developing its products in this market, and playing a role in the development of the sector overall.

The publication of this summary report for the sector demonstrates SQA's commitment to moving forward with this agenda.