Construction Youth Trust: Developing Measures of Social Impact

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1. Jemma Bridgeman, Construction Youth Trust, Jemma.bridgeman@cytrust.org.uk;  
   2. Alex Murdock, London South Bank University, Alex.murdock@lsbu.ac.uk

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Abstract

This paper reports on the development of Social Return on Investment measures for the Construction Youth Trust. The research is being undertaken as part of a Knowledge Transfer Partnership (KTP) with London South Bank University (LSBU). The research is focussed on the need, knowledge and expertise in how to measure the SROI within the Trust. The aim is to focus onto ‘value-added’ activities and how to measure the long term impact of activities on people’s lives and which activity mix is the most effective. This is complicated as the Trust engages people from many different social and cultural backgrounds which can be described as disadvantaged. The research has adjusted an existing Construction Youth Trust measurement tool, a Progress Web, used for measuring distance travelled with beneficiaries of the Trust. This paper examines how the measurement tool can be used to both measure intrinsic outcomes and feed into the SROI process.
Jemma Bridgeman  
SROI Analyst & KTP Associate  
Construction Youth Trust  
Email: jemma.bridgeman@cytrust.org.uk

Alex Murdock  
Head of Centre of Government and Charity Management  
London South Bank University  
Email: alex.murdock@lsbu.ac.uk

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Construction Youth Trust: developing measures of social impact
Introduction

This paper reports on the development of Social Return on Investment (SROI) measures for the Construction Youth Trust (the Trust). The research is part of the Economic and Social Research Council work of the Third Sector Research Centre in the UK. It is undertaken through a Knowledge Transfer Partnership (KTP) which is part funded by the Technology Strategy Board in the UK and by the Welsh Government. There is also funding from Willmott Dixon, a major construction company in the UK. The development of SROI measures is well established in the UK but there is still much debate over the robustness and validity of measures. The Trust’s mission is to support disadvantaged young people aged 14-30 into education and work in the construction industry.

The nature of Knowledge Transfer

Knowledge Transfer is the transfer or imparting of knowledge from one source to another that the recipient benefits. Burns and Paton (2005:50). Knowledge Transfer in the UK academic context began in 1975, taking the form of Teaching Company Schemes. The name changed to Knowledge Transfer Partnerships in 2003 (Brown and Chisholm, 2008). Though some operational details changed, the essence remained much the same. Thus it is a programme which not only survived but prospered following both major changes in Government and the demise of the original sponsoring department.

However the Knowledge Transfer programme is not one which is widely known to the general public and it does not excite a great deal of press attention. The nature of the programme also has had a semi-detached engagement in the university mainstream. In part this might be because it has a focus upon research for a pre-determined purpose with pre-determined outputs. This does not always find favour with some research traditions which look with uncertainty upon a model which assumes that there is a solution for a problem which can be detailed in a business project format with the client determining what the outcome is expected to be.

The business project nature of these programmes involve a three way partnership between government, universities and ‘business’. Over the years they have grown and prospered. The use of italics with business represents the growth of these schemes beyond their original concept of application simply to private enterprise. Now the KTP concept has become well established in public sector organisations and with further extension of the scheme, third sector organisations. We would note that the original concept of the scheme – namely a prime focus on a ‘business case proposition – has in our view been maintained. Therefore the KTP concept can be seen as a sustaining the principle inherent in business investment (a business case with a monetarised payback).

It is hoped that the ‘Associate’, though employed by the university, may subsequently move to direct employment by the company, enabling the principles which Sherwood and Butts describe to be achieved. This perhaps
marks a divide between KTP projects and the normal format of university research where the key individual carrying out the work is typically expecting to continue in university employment. In the KTP context the key person is the ‘Associate’ who is supervised by both the university and by the sponsoring organisation/company. The nature of this is summed up by Burns and Paton.

‘The partnership provides the majority of the funds required to secure a full-time and experienced ‘associate’ (acting as a bridge between academia and the company, and also as a researcher and project manager), as well as academic input, supervision and facilities support, plus programme support costs (‘associate’ career development, course fees, travel and subsistence)’ Burns and Paton (2005:52)

The success of these forms of Knowledge Transfer was summed up by Howlett in a paper where he identified both the extent and aspirations of the genre:

‘During the 2008-9 year there were 964 Partnerships and 1021 Associate places in the KTP portfolio with an aspiration to increase numbers further. Over the years and decades it has been in operation, the KTP model has gained an enviable reputation for delivering high-quality innovation to UK companies through its three-way knowledge-transfer interactions between firms, universities and skilled graduates.’ Howlett (2010:5)

Construction Youth Trust

The Trust runs training courses and short ‘taster’ sessions of different activities to build bridges between communities and the construction industry. It supports beneficiaries into experiencing the workplace, allowing young people to see new ways of life and direct their energies into productive positive futures. The research is focussed on the need, knowledge and expertise in how to measure the SROI within the Trust. The aim is to focus onto ‘value-added’ activities and how to measure the long term impact of activities on people’s lives and which activity mix is the most effective. This is complicated as the Trust engages people from many different social and cultural backgrounds which can be described as disadvantaged. The Trust also works across the UK and is expanding its work.

Construction Youth Trust has two overarching programmes Budding Builders and Budding Brunels. Budding Builders consists of a range of programmes that help young people overcome barriers to enter employment in construction industry trades and Budding Brunels is a programme that helps young people overcome barriers to access opportunities in the construction industry professions.
**Saints and Scroungers**

One of the unintended impacts of the KTP between Construction Youth Trust and London South Bank University was the Trust being featured on the BBC1 television programme Saints and Scroungers\(^1\). The KTP, Knowledge Supervisor, Alex Murdock, was approached by Flame TV and asked if he knew any charities that they could feature. This resulted in the journey of one of the Trust’s beneficiaries being highlighted as a saint on the programme. The beneficiaries journey from a difficult start in life, to offending to securing employment with a criminal record with the help of Construction Youth Trust were described in the programme.

As previously mentioned, KTP’s focus is on solving a specific problem for a business. The Trust featuring on the programme was the result of the KTP and an estimate has been made of the equivalent publicity, ranging from £21,600, based on a 30 second advertising slot, £864,000 based on the length of time the Trust featured on the programme\(^2\) (Gordon, 2014).

**The Background and Aim of the KTP**

As government budgets are cut and social needs increase, charities and community groups making up the ‘voluntary’ sector are being asked to step into the gap” (Jardine & Hodgson, 2010:10), in addition to the third sector “being encouraged to ‘scale up’ in preparation for assuming greater responsibility for public service delivery” (Gibbon & Dey, 2011: 63). There are also pressures on organisations to demonstrate accountability for the money they have been entrusted with from taxpayers, funders and donors.

**What is SROI?**

SROI is a framework for measuring and accounting for a broader concept of value. SROI is based on seven principles “involve stakeholders; understand what changes; value the things that matter; only include what is material; do not over-claim; be transparent and verify the result” (SROI Network, 2012: 9). It is an approach that describes the story of change through measuring social, environmental and economic outcomes and uses monetary value to represent them. “The UK and Scottish governments are supporting the development of a standard approach to SROI” (New Philanthropy Capital (NPC) 2010: 1).

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\(^1\) The Saints & Scroungers programme featuring the Trust aired on BBC1 on Thursday 7\(^{th}\) November on BBC1 and on BBC2 on Friday 8\(^{th}\) November

\(^2\) Thanks to Terry Gordon from Ashorne Hill Management College
Criticisms of SROI

Both the benefits and issues with SROI were summed up by NPC (2010: 1) suggesting it has “the potential to be an incredibly useful tool for understanding and increasing charity effectiveness”, although conversely “SROI will not reach its full potential until there is more investment in improving the evidence base of the sector”. Oxford Economics (2009: 4) state that SROI is not a panacea and that the data requirements are “fairly onerous usually academic evidence has to be drawn from other studies an assumptions and expert judgement used”. Gibbon & Dey (2011: 71) argue that the “practice of social reporting needs more rigorous approaches to theory development, as much current work is practitioner led and the support of academics who understand practice based research is needed”.

Youth Unemployment

There are clear and frequently reported economic costs of young people who are not in education, employment or training (NEET). ACEVO (2012: 14) explains that “in 2012, the total benefit bill for youth unemployment at its current level is likely to be just under £4.2 billion”. Although they note that 81% of 16-17 and 35% of 18-24 year olds do not claim benefits at all, those 16-17-year old ‘NEETS’ who do claim benefits cost the exchequer an average of £3,559 in benefits p.a. each and those 18-to-24 year olds NEETS that claim benefits cost the exchequer an average of £5,662 in benefits p.a. each (ACEVO, 2012: 14).

Youth Unemployment and Construction

The financial crisis has meant the services the voluntary sector provides are greatly in demand and the Trust is no exception. The cross party parliamentarians’ inquiry report ‘No more lost generations: Creating construction jobs for young people’ (Chevin, 2014) examines youth unemployment and the construction industry. The group of parliamentarians joined forces to examine how to tackle the youth unemployment crisis particularly focusing on generating more employment opportunities for young people in housing and construction. Construction is one of Britain’s biggest industries with “around £40bn of public money invested each year” (Chevin, 2014: 8).

The downturn in the economy has “had a devastating affect on construction, with 400,000 job losses” (Chevin, 2014: 6). The “impact was particularly felt on recruitment of young people, where apprenticeships have plummeted. For 2013 the number of construction apprentices completing their apprenticeship in England fell to just 7,280 half the figure for 2008/09” (Chevin, 2014: 6). However, the construction industry is showing signs of recovery in London there
is already talk of skills shortages possibly holding back house building” (Chevin, 2014: 8). The Chartered Institute of Building (CIOB) told the parliamentarians inquiry:

The "construction industry contributes 7.4% towards GDP and equates to around 2.04 million workforce jobs in the UK, or 6.4% of all workforce jobs. Allied with the number of young people who are unemployed we believe that the industry should be capable of employing at least 75,000 to 100,000 of the one million 16-to 24-year olds currently unemployed” (Chevin, 2014: 10).

Long term detrimental effects of youth unemployment
The statistics demonstrate an increasing number of young people, aged 18-24, who are NEET. This might be a temporary setback for some young people “while for others it will have a long term detrimental effect on their future life chances” (Department for Business Innovation & Skills, 2013: 6). Beneficiaries of the Trust face barriers and it is important to articulate these barriers when describing the value of its work. Russell et al (2014: 12) cite Eurofound (2012) they draw a distinction between “vulnerable NEETs’ lacking in social, cultural and human capital, and the non vulnerable, for whom re-engagement is likely to be less problematic”. Russell et al (2014: 12) explain that concern is for young people with the following characteristics:

- Lacking in social, cultural and material capital – particularly as manifested in having few or no qualifications and/or minimal work experience;
- Having specific barriers to learning – such as ill-health or major caring responsibilities;
- Having unstable circumstances that are likely to result in significant barriers to learning – for example, estrangement from family or substance misuse; and
- Negative previous experiences of education or employment.

The SROI Analysis of Tomorrow’s People
An SROI analysis was undertaken of ‘Tomorrows People’. The organisation is a charitable trust that “helps people out of long-term unemployment, welfare dependence or homelessness, into jobs and self-sufficiency” (Dattani & Trussler, 2011: 8). The SROI study of ‘Tomorrow’s People’ states that there are three direct consequences of higher employment, firstly income tax revenues will be higher; secondly, benefits will be lower; thirdly there can be additional benefits as “employed people tend to incur fewer and lower costs associated with crime
and ill health” (Dattani & Trussler, 2011: 18). Conversely, Wright et al (2009: 463) explain that some outcomes and impacts such as increased self esteem cannot be easily monetised and “are often overlooked. As such an SROI analysis should not be restricted to one number but as seen as a framework for exploring social impact, in which monetisation plays an important role but not an exclusive role”. Perhaps this demonstrates the necessity to proceed with caution when putting a financial proxy on impacts and outcomes and illustrates the need to explain the wider value of services using qualitative data.

**Progress Web**

The Trust has existing mechanisms in place to measure change, notably a Progress Web to measure the distance travelled, or progress towards a goal, of beneficiaries as a result of engaging with the Trust. This is a bespoke tool that was developed in-house. The Progress Web consists of a grid where beneficiaries of the Trust measure the progress they make. Beneficiaries are asked to rate how they feel across eight measures of change on a grid of one to eight at the beginning and end of engagement. The Trust responds rapidly to change and is constantly innovating. While acknowledging the strengths of other tools such as the Outcomes Star, the Trust needed a tool that could be adapted quickly to reflect the changing needs of the organisation.

**The Outcomes Star**

While acknowledging the need to develop a bespoke tool the reasons behind the development of the Progress Web and Outcomes Star were very similar. There were two key questions posed when the outcome star was being designed. Firstly, “how do you measure the achievements of a service when the process of change often takes longer than the funding period, and is often characterised by two steps forward, one step back?” (MacKeith, 2011: 98). Secondly, “how can complex human process of change be measured and be added up across a project?” (MacKeith, 2011: 98). These are the two key questions that need to be answered to feed into the SROI analysis at the Trust.
Outcomes Star

Figure 1: Mental Health Outcomes Star, Triangle Consulting (No Date).

Intrinsic Outcomes

It has been suggested that there are two types of outcomes, intrinsic outcomes that are appreciated by and are experienced by individuals and extrinsic outcomes that are “that are valued and recognised by others” (McNeil et al, 2012: 10). McNeil et al (2012: 10) explain “outcomes which are valued by and relate primarily to individuals, such as happiness, self esteem and confidence are referred to as intrinsic outcomes. Those which can also be measured and valued by other people, including educational achievement, literacy and numeracy or good health, are referred to as extrinsic outcomes”. McNeil et al (2012: 22) note that they do not advocate sole focus in intrinsic outcomes instead they need to “sit alongside other outcomes, outputs and indicators as appropriate. All of these together help to articulate the value of services, and build up a picture of their role in improving young people’s lives”.

Progress Web

The Progress Web is a practical and useful tool that works well and is easy to understand. However, in order to feed into the SROI process the Progress Web is being modified to improve the collection of data on intrinsic outcomes. Young people and Trust staff\(^3\) were consulted about Progress Webs and observed filling in Progress Webs in the different regions of the Trust in England and in Wales. Both beneficiaries and staff were positive about Progress Webs but staff felt that changes could be made.

\(^3\) Young people in Dudley, Swansea and Manchester were observed filling in Progress Webs & consulted about them.
Progress Web

Scoring:
1 – Not at all
To
8 – Absolutely
100%

Circle the number that best says how you feel about each of the questions and then join the circles up

1. How good is your knowledge of construction?
2. How much do you want a job?
3. How confident are you that you have the skills employers are looking for?
4. How confident would you feel in an interview
5. How interested are you in studying construction at college?
6. How confident do you feel about applying to college?
7. How important do you think work experience is?
8. How good are your literacy and numeracy skills?

Figure 2: Construction Youth Trust Progress Web

Confidence Using Tools
The Progress Web discussed in this paper is for the Trust’s Budding Builders programme. Question one on the existing Progress Web ‘how good is your knowledge of construction?’ was considered helpful for the Budding Brunels programme where students learn about construction professions. The Budding Builders programmes are practical courses where young people learn hand skills

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4 The Curriculum Manager at the Trust Steve Sugden designed the Progress Web and suggested adapting it based on research to feed into the SROI process.
with the eventual aim of employment in the construction trades. It was considered that for Budding Builders at least the question could be changed to ‘how confident do you feel using tools?’

**Employment Motivation**

This question ‘how much do you want a job?’ was not changed as it determined if young people feel motivated to secure employment. Copps & Plimmer (2013: 10) cite Gutman & Ackerman (2008) stating that aspirations are important to motivate young people and provide them with a sense of purpose during their journey to employment”. They also note that young people with higher educational aspirations are more motivated to achieve and are more likely to be successful.

**Confidence in Employment Skills**

This question ‘how confident are you that you have the skills employers are looking for?’ was in the original Progress Web. Employability skills are important in securing a job, Copps & Plimmer (2013: 11) note they are also a factor on “success in the workplace, including future earnings. These skills, such as team working, communication, problem solving and self-management, are highly valued by employers, often more than educational qualifications”.

**Confidence being Interviewed**

The original question ‘how confident do you feel being interviewed?’ was kept because this is an element of employability that the Trust help beneficiaries with. The ability to make career choices and set realistic goals has been noted as an important factor in a young person’s readiness for work. Copps & Plimmer (2013: 14) suggest indicators of this are job skills, career direction, job search skills and presentation to employers.

**Studying Construction in College**

Question 5 was kept ‘how interested would you be in studying construction in college?’ and question 6 was discarded ‘how confident do you feel about applying to college?’ It was felt that if a beneficiary was not interested in studying construction in college then we are potentially losing two measures of change. This question is about attitudes to work and education as noted earlier young people with higher aspirations are more motivated to achieve and are more likely to be successful.
How important do you think work experience is?

There was a question about work experience on the Progress Web ‘how important do you think work experience is?’ Copps & Plimmer (2013: 13) note that “employers identify experience of work as one of the areas most lacking among education leavers”. Discussions with staff at the Trust and beneficiaries revealed that young people do not always value their work experience or volunteering. The question was not changed as staff at the Trust said the existing question worked.

Basic Skills

The original Progress Web question ‘how good are your literacy and numeracy skills?’ was adjusted slightly. Staff members at the Trust felt that while acknowledging that literacy and numeracy skills are fundamental basic skills, they are also different skill sets. A beneficiary might be very good at numeracy but lack confidence in literacy skills or vice versa. This question was originally included in Progress Webs to demonstrate the importance of literacy and numeracy for a career in the construction trades. The question was changed to question 7 ‘how good do you feel your maths skills are?’ and question 8 ‘how good do you feel your writing skills are?’ Again the change in language was based on feedback from trainers that questions needed to be in plain English.

Trialling the Adapted Progress Webs

The adapted Progress Webs were piloted at a course in Manchester funded by Manchester Adult Education Service. The course ran for two days a week for four weeks. The practical construction skills course covered joinery, plastering, tiling, wallpapering, plumbing, wiring up a light fitting, health and safety and employability. Four trainees completed the course and filled in the Progress Webs.

The Progress Webs captured positive changes in terms of distance travelled as a result of the course. However, one trainee actually reported a decrease of two points in the importance of work experience conversely his interest in studying construction in college went up by two points. Trainees reported an increase in confidence using tools three trainees reported an increase of one point and one trainee reported an increase of three points. One trainee reported confidence in

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5 Karen Laheen, London & South East Project Coordinator at the Trust provided advice on the existing Progress Web questions that worked well.

6 Steve Sugden, Curriculum Coordinator suggested numeracy & literacy should be separate measures

7 Rob Wright, London & South East Trainer gave advice on the need for materials to be written in plain English.
interviews going up by four points. Confidence in numeracy improved by two points for one trainee and one point for another, unsurprisingly as maths skills is important in construction.

![Progress Web Data Manchester](image)

**Figure 3: Trialling the adapted Progress Web**

The North West Trainer\(^8\) felt that simplifying the language in the Progress Webs could be patronising and that trainees understood what numeracy and literacy meant, asking “should the paperwork be different for a 14 year old and 30 year old?” Construction Youth Trust runs courses with young people aged 14-30 and further discussion revealed that the North West tends to train older people than the London team. Therefore, it is considered appropriate to develop age appropriate Progress Webs for different courses. However, one thing was clear trainees need to be able to record numeracy and literacy separately a trainee filling in the original Progress Web said “I am a 6 for English and a 1 for maths” this led to confusion about where they should rate themselves on the question ‘how good are your literacy and numeracy skills?’\(^9\)

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\(^8\) Lee Farnell, North West Trainer felt that material could be patronising for older learners.

\(^9\) Alice Hargreaves, North West Project Assistant provided support to beneficiaries on the courses where the Progress Webs were piloted.
Next Steps

The Journey to Employment (JET) framework consists of a data bank of indicators that organisations can pick and choose from in order to describe the impact that they have helping young people on their journey into employment. Construction Youth Trust runs bespoke courses and projects with a diverse range of stakeholders. One of the next steps for the project will be to design a data bank of indicators that funders, the construction industry and community partners can choose from when selecting a course or project. This will also mean that Progress Webs can be generated to reflect the demographics of trainees to include features such as age appropriate language.

A significant next step for the SROI of the Trust will be to find financial proxies for soft skills. The SROI study of the Veterans Contact Point (VCP) used a financial proxy to put a value on improved personal well-being. They use the cost of a confidence course (£1195) they note that this “has a near negligible effect on the final SROI” but it is an interesting approach and something other SROI reports have said was far too difficult to measure (Bates & Yentumi-Orofori, 2013: 9). Stating that this measure was also used in an unpublished new economics foundation (nef) report ‘Coventry’s Local Enterprise & Growth Initiative’ (LEGI).

Construction Youth Trust works closely with the construction industry so the KTP project is uniquely placed to develop measures of soft skills in consultation with the industry. A next step of the project will be to work with construction industry partners on pilot projects where bespoke Progress Webs can be tailored to employers, communities and young people’s requirements. The Public Services (Social Value) Act 2012 requires commissioners and procures of public services to take into account how social value may be created in the context of the procurement decision and as part of the delivery of goods and services themselves. This means that there is a lot of interest in the construction industry in articulating the value of its community investment.

Conclusion

The research discussed in this paper is focussed on the need, knowledge and expertise required to measure the SROI of the Trust’s activities helping disadvantaged young people access employment opportunities in the construction industry. This is a particularly innovative project as SROI needs both theoretical development and practical implementation. NPC (2010: 1)
explains that “SROI will not reach its full potential until there is more investment in improving the evidence base of the sector”.

As government budgets are cut the voluntary sector is increasingly being asked to step in to meet needs. Construction Youth Trust is no exception and there is strong evidence that its services are very much in need. The economic downturn resulted in job losses in construction. However, a parliamentary inquiry noted “the impact was particularly felt on recruitment of young people, where apprenticeships have plummeted” (Chevin, 2014: 8). The CIOB told the parliamentarians’ inquiry that as the construction industry contributes 7.4% towards GDP “the industry should be capable of employing at least “75,000 to 100,000 of the one million young people currently unemployed” (Chevin, 2014: 10).

The data requirements of SROI are laborious and require both theory development and practical information. Extensive research has been undertaken to underpin the SROI study at the Trust. There are some clear and frequently reported costs of young people who are NEET. According to ACEVO (2012) the benefit bill for youth unemployment in 2012 was just under £4.2 billion. There is a plethora of economic data that lends itself to the SROI process. However, even the SROI Network (2012) suggests that it is wrong just to base decisions on financial information, as this does not give the full picture of impacts. Softer outcomes are being recognised as increasingly important in contributing to people’s journey to work. McNeil et al (2012: 4) suggest there is “substantial and growing evidence that developing social and emotional capabilities supports the achievement of positive life outcomes, including educational attainment, employment and health”.

This paper reflects on the development of a tool to feed into the SROI process and its first use. Construction Youth Trust has existing mechanisms in place to measure change and intrinsic outcomes, notably a Progress Web to measure the distance travelled of beneficiaries as a result of engaging with the Trust. As part of the SROI analysis the Progress Web was modified to examine if it could feed into the SROI process, particularly to measure soft skills and intrinsic outcomes. The evidence suggests that the Progress Web is an effective and easy to use tool that captures distance travelled. Before putting this paper together a data bank of indicators was considered, based on the Journey to Employment (JET) framework. Based on initial primary research it seems necessary to develop a databank of indicators especially based on feedback from staff, based on the need to develop age appropriate language in Progress Webs.
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